News Release

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DERMA SCIENCES MEDIHONEY™ HELPS TO SAVE PATIENT'S LIMB

Used As A Regular Part Of Georgetown University Hospital Arsenal Against Chronic Wounds

PRINCETON, NJ – June 18, 2008 . . . Derma Sciences (OTC Bulletin Board: DSCI), a provider of advanced wound care products, announced today that its key product, MEDIHONEY™ Wound & Burn Dressing with Active Leptospermum Honey, has been used by clinicians at Georgetown University Hospital's Wound Center to save a patient's limb. The clinicians had attempted to close the 3-year old wound with other devices including very expensive biological skin substitutes and hyperbaric oxygen, but had not been successful due to the complexity of the wound. Upon initial applications of MEDIHONEY, the wound closed 90 percent in only 3 weeks.

Commenting on this particular case, CEO Ed Quilty stated, "Limb salvage is of key concern when dealing with wound care. There are over 80,000 lower leg amputations performed each year in the US preceded by diabetic foot ulceration, with a very high 3-year mortality rate. The type of outcome we see in the Georgetown case confirms what we saw from MEDIHONEY usage in Europe before licensing the product from Comvita. Since its launch here in the US and in Canada, two things are becoming clear; First, the product is being adopted into the formularies of very prestigious facilities, such as Georgetown. Second, the product is being widely used as a first-line of defense for stalled wounds, meaning wounds that have not progressed with standard therapy. Given that almost one-half of all chronic wounds will not progress with standard therapy, we believe MEDIHONEY is well-positioned to be a significant product in the field of advanced wound care." He continued, "helping patients to save their limbs gives all the employees at Derma Sciences incredible personal satisfaction. As is the case with most healthcare companies, the patient always comes first. It has always been our goal to positively impact the lives of patients with chronic wounds. The positive clinical outcomes that have been achieved by MEDIHONEY in such a short period of time on the market have been very rewarding."

The case was written about in today's Washington Times. To see the full article, please go to: http://www.washingtontimes.com/news/2008/jun/18/therapy-a-sweet-success/

Lower extremity ulceration (LEU) is prevalent throughout the world and poses a major threat to limb integrity. Over 20 percent of all hospital admissions in the US for patients with diabetes are related to LEUs. The costs for these hospitalizations are estimated at over $2.5 billion. Failure of these ulcers to heal often leads to lower extremity amputation (LEA). In addition, nearly half of all patients who undergo LEA will ultimately require an amputation of the opposite limb within 5 years. The estimated annual cost of care for treatment of lower extremity ulcers is roughly $130,000 per patient. This cost includes physician visits, hospital admissions, home health care, wound care supplies, rehabilitation, time lost from work, and jobs lost. The direct cost of amputation in the US is estimated at $22,700 for a toe amputation, and $51,300 for an above-the-knee amputation in 2001 dollars.

Diabetes is also a key cause of foot skin ulcers. The prevalence of diabetes in the U.S. is currently about 6 percent, or over 18 million people, including about 5 million undiagnosed people. In addition, type-2 diabetes appears to be increasing in the US. Diabetes is the leading non-traumatic cause of amputation in the US. The total number of LEAs in diabetic patients in the U.S. is over 80,000 annually. The 3-year mortality rate after an LEA is between 35 and 50 percent. Despite the advancement of increasingly sophisticated and expensive technologies such as substitute skin products, hyperbaric oxygen, and negative pressure therapies, the rate of leg amputations has risen in the past decade.

Wound care is a major healthcare market with an estimated value of $10 billion in 2007, and is predicted to grow to $12.5 billion in 2012. The global double-digit growth is being driven by several factors, including an aging population, the rise in the global incidence of diabetes and chronic vascular disorders, and a steady advancement in wound care technologies. The advanced wound care segment encompasses a wide range of disparate technologies that includes dressings and other devices. The three main categories for dressings are: Traditional wound care such as gauze, moist wound dressings designed to manage basic moisture issues, and active dressings which incorporate technologies that provide additional benefits such as antimicrobial activity. The active category is the fastest growing among the three. A recent market research report by Kalorama Information details the emergence of honey-based dressings as a growing sub-category within active dressings.

About Derma Sciences

Derma Sciences is a global manufacturer and marketer of advanced wound-care products. Its key product, MEDIHONEY, is sold throughout the world by Derma Sciences and Comvita New Zealand -- the licensor of the patented honey-based technology -- and is the leading brand of honey-based dressings for the management of wounds and burns. The product has been shown to be effective in a variety of wounds and burns, and was recently the focus of a large-scale randomized controlled trial on leg ulcers. Derma Sciences has two products in development: the NIMBUS technology-based line of barrier gauze dressings, and DSC127, the company's novel angiotensin analog for accelerated wound healing and scar reduction. The barrier technology was licensed from Quick-Med in Q1 of 2007 and its initial FDA marketing clearance is pending. DSC127 was licensed from The University of Southern California in Q4 of 2007 and is entering into a Phase II study, with anticipated initial patient enrollment to begin in Q3 of 2008. For more information about Derma Sciences, Inc., visit its home page on the Internet at http://www.dermasciences.com.