

Contact:
Craig Dunham
Dynasil Corporation of America
Phone: (856) 767-4600
Email: cdunham@Dynasil.com

Dynasil Announces First Quarter 2009 Results

WEST BERLIN, N.J. – February 17, 2009 – Dynasil Corporation of America (OTCBB: DYSL.OB), announced the results of operations for its first quarter of fiscal year 2009 ended December 31, 2008. Dynasil derives the majority of its revenue from contract research for government and private industry and is a manufacturer of specialized instruments and photonic products including optical materials, components and coatings. The Company serves a broad range of applications markets in the medical, industrial, and homeland security/ defense sectors.

Revenues for the quarter ended December 31, 2008 more than tripled to \$8.8 million compared to revenues of \$2.8 million for the quarter ended December 31, 2007. Income from Operations for the quarter nearly tripled to \$657,370 compared to \$234,479 for the quarter ended December 31, 2007. Net income for the quarter was \$355,639 or \$0.02 per share, compared with net income of \$190,286, or \$0.03 per share, for the quarter ended December 31, 2007. This is the second quarter since the acquisition of Radiation Monitoring Devices, Inc. and certain assets of RMD Instruments, LLC (together, “RMD”) on July 1, 2008, which was the key driver for the tripling of revenues. The current recession resulted in reduced commercial product revenues and impacted commercial product profitability. Contract research revenues continued to grow and RMD has significantly increased Dynasil technical capabilities and intellectual property. Net Operating Loss carry-forwards for federal taxes were exhausted during fiscal year 2008 so first quarter net income was impacted by increased federal tax provisions as well as the higher interest costs related to the RMD acquisition.

“Given overall economic conditions, we are pleased that we were able to triple revenues and produce solid profits for the quarter,” said Craig T. Dunham, President and CEO. “We have taken steps to reduce costs while increasing sales and marketing activities. As we look to the future, we are targeting the commercialization of RMD’s new technology for applications such as sensors for improved medical imaging, non-destructive structural testing and Homeland Security’s detection of nuclear materials. We continue to execute our strategy of significant and profitable growth through organic growth, commercialization of our broad research portfolio and acquisitions.”

About Dynasil: *Founded in 1960, Dynasil is a manufacturer of photonic products including optical materials, components, coatings and instruments for a broad range of applications markets in the medical, industrial and defense sectors. Its wholly owned subsidiaries are located in New Jersey, New York and Massachusetts.*

This news release may contain forward-looking statements usually containing the words "believe," "expect," "plan", "target", "intend" or similar expressions. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act. Future results of operations, projections, and expectations, which may relate to this release, involve certain risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, the factors detailed in the Company's Annual Report or Form 10-KSB and in the Company's other Securities and Exchange Commission filings, continuation of existing market conditions and demand for our products.

DYNASIL CORPORATION OF AMERICA AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS	December 31 2008 (Unaudited)	September 30 2008
	-----	-----
Current assets		
Cash and cash equivalents	\$2,215,937	\$3,882,955
Accounts receivable, net	4,852,562	3,390,703
Inventories	2,464,403	2,909,730
Deferred tax asset	233,500	233,500
Prepaid expenses and other current assets	268,909	259,896
	-----	-----
Total current assets	10,035,311	10,676,784
Property, Plant and Equipment, net	2,735,447	2,694,290
Other Assets		
Intangibles, net	7,633,448	7,767,258
Goodwill	11,054,396	11,054,396
Deferred financing costs, net	73,899	81,136
Other assets	11,351	8,360
	-----	-----
Total other assets	18,773,094	18,911,150
	-----	-----
Total Assets	\$31,543,852	\$32,282,224
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Short Term Note Payable	\$ 63,130	\$ 490,117
Current portion of long term debt	1,655,626	1,649,101
Note payable to related party	2,000,000	-0-
Accounts payable	663,797	1,026,675
Billings in excess of cost	753,170	216,946
Accrued expenses and other current liabilities	1,158,056	1,440,222
	-----	-----
Total current liabilities	6,293,779	4,823,061
Long-term Liabilities		
Long-term debt, net	7,711,587	8,178,420
Note payable to related party	-0-	2,000,000
	-----	-----
Total long-term liabilities	7,711,587	10,178,420
Stockholders' Equity	17,538,486	17,280,743
	-----	-----
Total Liabilities and Stockholders' Equity	\$31,543,852	\$32,282,224
	=====	=====

DYNASIL CORPORATION OF AMERICA AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended December 31	
	2008	2007
	-----	-----
Sales	\$8,767,275	\$2,814,907
Cost of Sales	5,527,568	1,892,331
	-----	-----
Gross profit	3,239,707	922,576
Selling, general and administrative	2,582,337	688,097
	-----	-----
Income from Operations	657,370	234,479
Interest expense, net	186,797	33,523
	-----	-----
Income before Income Taxes	470,573	200,956
Income Tax expense	114,934	10,670
	-----	-----
Net income	\$355,639	\$190,286
	=====	=====
 Net Income per share		
Basic	\$0.02	\$0.03
Diluted	\$0.02	\$0.03
Weighted average shares outstanding	11,349,404	6,198,183