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SHARPS COMPLIANCE CORP. ANNOUNCES SHARPS DISPOSAL BY MAIL INDUSTRY DEVELOPMENTS

HOUSTON, Texas, (May 31, 2005) -- Sharps Compliance Corp. and subsidiaries (OTC BB: SCOM) ("Sharps" or the "Company"), leading providers of cost-effective medical waste disposal solutions for industry and consumers, today announced developments in the sharps disposal by mail industry.

During the month of May 2005, the United States Postal Service ("USPS") revoked the mailing authorizations, previously issued to three other companies, for several sharps medical waste mail-back containers. The USPS revoked the mailing authorizations because testing revealed that the containers did not satisfy strict USPS packaging standards. The revoked mailing authorization numbers are USPS-050-A (2-2G-V2), USPS-052-A (2-2G-V2) and USPS-058J (GRP 2-2G).

This action by the USPS does not apply to Sharps and in no way affects any postal authorizations or the business operations of Sharps. All of the Company's USPS permits and authorizations continue to be fully valid and all Sharps mail-back packages will continue to be accepted by the USPS.

Sharps, as the leader in the sharps disposal by mail industry, engages in its own independent package testing to ensure its customers and postal workers that all mail-back packages meet stringent USPS packaging standards. Sharps welcomes the review and testing by the USPS, or any regulatory organization, of all containers used in the transportation of medical waste. The Company is confident in the integrity of its products and is committed to providing its customers with the highest quality USPS authorized products and services that our customers have come to expect.

Commenting on the announcement, Dr. Burton J. Kunik, Chairman, Chief Executive Officer and President of Sharps Compliance Corp. stated, "We applaud the actions of the USPS and support strict enforcement of USPS mailing to ensure the safety of product users and postal service workers. Since the inception of the Company, we have been committed to stringent independent testing of all of our Sharps Disposal by Mail™ products. We are proud to say that none of our products are affected by the recent action of the USPS to revoke non-complying mail-back packages.

If a customer has any questions about the continued authorization of our products or questions about our products, please contact our customer support department at 800-772-5657.

Headquartered in Houston, Texas, Sharps is a leading developer of superior solutions for improving safety, efficiency and costs related to the proper disposal of medical waste by industry and consumers. Sharps primary markets include healthcare, agriculture, hospitality, professional, industrial, commercial and retail. The Company's products and services represent cutting edge solutions for a variety of industries dealing with the complexity of managing regulatory compliance, environmental sensitivity, employee and customer safety, corporate risk and operating costs related to medical waste disposal. Sharps is a leading proponent and participant in the development of public awareness and solutions for the safe disposal of needles, syringes and other sharps in the community setting.

Sharps Compliance Corp.'s common stock trades on the OTC Bulletin Board under the symbol SCOM.

The information made available in this press release relating to recent actions by the USPS and other related matters contain certain forward-looking statements which reflect Sharps Compliance Corp.'s current view of its products and compliance with certain postal authorizations. Wherever used, the words "estimate", "expect", "plan", "anticipate", "believe", "may" and similar expressions identify forward-looking statements. Any such forward-looking statements are subject to risks and uncertainties and the company's future results of operations could differ materially from historical results or current expectations if certain regulatory actions were taken that ultimately proved to be adverse to the Company. Some of these risks include, without limitation, the company's ability to educate its customers, development of public awareness programs to educate the identified consumer, managing regulatory compliance and/or other factors that may be described in the company's annual report on Form 10-K and/or other filings with the Securities and Exchange Commission. Future regulatory, economic and industry trends that could potentially impact revenues and profitability are difficult to predict. The company assumes no obligation to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results express or implied therein will not be realized.