August 14, 2012

Pressure BioSciences, Inc. Reports 70% Revenue Growth for Second Consecutive Quarter

Q2 2012 Results Include Increases in PCT Instrument and Consumable Sales, Decreases in Operating Loss and Cash Burn, and Several Significant Business Achievements; Company Believes Revenue Growth Trend Will Continue

SOUTH EASTON, Mass., Aug. 14, 2012 /PRNewswire/ -- Pressure BioSciences, Inc. (OTCQB: PBIO) ("PBI" or the "Company") today announced financial results for the three and six month periods ended June 30, 2012 and provided a business update.

Total revenue for the second quarter of 2012 was $324,908 compared to $190,686 for the comparable period in 2011, a 70% increase. Revenue from the sale of Pressure Cycling Technology ("PCT") products and services was $224,384 for the second quarter of 2012 compared to $190,686 for the same period in 2011, an 18% increase. Grant revenue in the second quarter of 2012 was $100,524; during the same period in 2011, no grant revenue was reported. The Company installed eight PCT Sample Preparation Systems ("PCT Systems") during Q2 2012 compared to seven during the same period in 2011. Sales of PCT-based consumables generated revenue of approximately $22,000 for the three months ended June 30, 2012 compared to approximately $20,000 for the same period in 2011, an increase of 10%.

Operating loss for Q2 2012 was $682,790, compared to $842,277 for the same period in 2011, a decrease of approximately 19%. This decrease was primarily due to increased revenue and continued tight controls on spending. After the exclusion of non-cash charges, operating cash burn for the second quarter of 2012 was approximately $596,000 compared to approximately $794,000 for the second quarter of 2011, a decrease of approximately 25%.

Total revenue for the six months ended June 30, 2012 was $630,569 compared to $371,329 for the same period in 2011, a 70% increase. Revenue from the sale of PCT products and services was $389,156 for the six months ended June 30, 2012 compared to $371,329 for the same period in 2011, a 5% increase. During the first six months of 2012, the Company installed 15 PCT Systems compared to 17 in the same period of the prior year. Sales of PCT-based consumables generated revenue of $38,876 for the six months ended June 30, 2012 compared to $39,026 for the same period in 2011.

Operating loss for the six months ended June 30, 2012 was $1,647,372 compared to $1,675,896 for the same period in 2011. After the exclusion of non-cash charges, operating cash burn for the six months ended June 30, 2012 was approximately $1,491,000, compared to approximately $1,518,000 for the same period in 2011.

Loss per common share – basic and diluted – was$0.11 for the second quarter of 2012 compared to $0.41 for the same period in 2011. Loss per common share – basic and diluted – was $0.21 for the six months ended June 30, 2012 compared to $0.75 for the same six month period of 2011.

Joseph L. Damasio, Vice President of Finance and Administration, said: "The 70% increase in total revenue reported for the second quarter was attributable to all three of our major revenue components: PCT instruments, PCT consumables, and grants. This increased revenue, together with our adherence to the tight fiscal controls implemented in 2011, resulted in a significant decrease in both operating loss and operating cash flow. In addition to these strong financial results, we closed on financings of $500,000 in April and $600,473 in early July. Finally, we remain optimistic that we will continue to be successful in securing the funds necessary for our planned growth and development."

Richard T. Schumacher, President and CEO of PBI, commented: "During the second quarter, purchases were made by distributors engaged earlier in the year, sales of existing PCT products continued to grow, and interest in our recently released Shredder and HUB440 instrument systems turned into purchase orders. We continued the expansion of our marketing and sales reach with the addition of new distributors and strategic partners worldwide. We announced the expansion of an existing license agreement that anticipates the use of our PCT System in a future cancer testing service. And we announced a strategic partnership with three companies that we believe will lead to increased sales before the end of 2012."

Mr. Schumacher continued: "We believe the strong financial and operating achievements of the second quarter and year-to-date are proof that our 2012 commercialization plan has begun to bear fruit. We further believe that this trend will continue into the second half of the year, and that we will not just surpass our reported revenue of 2011, but that we have the potential to exceed our record annual revenue of 2010 as well."

About Pressure BioSciences, Inc.
Pressure BioSciences, Inc. ("PBI") (OTCQB: PBIO) is focused on the development, marketing, and sale of proprietary laboratory instrumentation and associated consumables based on Pressure Cycling Technology ("PCT"). PCT is a patented, enabling technology platform with multiple applications in the estimated $6 billion life sciences sample preparation market. PCT uses cycles of hydrostatic pressure between ambient and ultra-high levels to control bio-molecular interactions. PBI currently focuses its efforts on the development and sale of PCT-enhanced sample preparation systems (instruments and consumables) for mass spectrometry, biomarker discovery, bio-therapeutics characterization, vaccine development, soil and plant biology, forensics, histology, and counter-bioterror applications.

Forward Looking Statements
Statements contained in this press release regarding the Company's intentions, hopes, beliefs, expectations, or predictions of the future are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements include the estimated size of the life sciences sample preparation market; the Company's plans and ability to secure sufficient financing to support working capital needs, including its

expanded and more aggressive commercialization program; statements related to the strong financial and operating results of the second and first quarters of 2012; statements related to the expansion of our marketing and sales reach; statements that our strategic partnerships will lead to future sales in 2012 and as to the continued growth in revenue from the sale of PCT products generally; that the results of second quarter 2012 and year-to-date are proof that our commercialization plan has begun to bear fruit; that the increase in sales will continue into the second half of 2012; and that the Company will surpass the revenue reported for 2011 and 2010. These statements are based upon the Company's current expectations, forecasts, and assumptions that are subject to risks, uncertainties, and other factors that could cause actual outcomes and results to differ materially from those indicated by these forward-looking statements. These risks, uncertainties, and other factors include, but are not limited to: the Company's financial results for the quarter and six months ended June 30, 2012 may not necessarily be indicative of future results as future revenues may not meet expectations due to the possible failure of the Company's products to achieve commercial acceptance, changes in customer's needs and technological innovations, expenses that may be higher than anticipated due to unforeseen costs or cost increases, and the Company may not secure sufficient capital to fully implement its plans; possible difficulties or delays in the implementation of the Company's strategies that may adversely affect the Company's continued commercialization of PCT; and the Company may not be successful in selling its PCT product line because scientists may not perceive the advantages of PCT over other sample preparation methods. Further, the Company will require additional working capital to fund its operations beyond the end of August 2012 and there can be no assurance that the Company will be successful in obtaining such financing on acceptable terms, if at all. Additional risks and uncertainties that could cause actual results to differ materially from those indicated by these forward-looking statements are discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2011, and other reports filed by the Company from time to time with the SEC. The Company undertakes no obligation to update any of the information included in this release, except as otherwise required by law.

PBI filed a registration statement (including a prospectus) with the SEC for an offering to which this communication may relate. Before you invest, you should read the prospectus in that registration statement for the offering and other documents PBI has filed with the SEC for more complete information about PBI and the offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov.

Visit us at our website:
http://www.pressurebiosciences.com

Consolidated Statements of Operations
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2012	2011	2012	2011
Revenue:				
PCT products, services, other	$224,384	$190,686	$389,156	$371,329

Grant revenue	100,524	-	241,413	-
Total revenue	324,908	190,686	630,569	371,329
Costs and expenses:				
Cost of PCT products and services	109,203	78,296	187,397	157,225
Research and development	256,307	263,809	527,918	482,774
Selling and marketing	168,173	242,544	406,265	546,383
General and administrative	474,015	448,314	1,156,361	860,843
Total operating costs and expenses	1,007,698	1,032,963	2,277,941	2,047,225
Operating loss	(682,790)	(842,277)	(1,647,372)	(1,675,896)
Other (expense) income:				
Interest (expense) income	(4,214)	75	(60,527)	329
Change in fair value of warrant derivative liability	177,312	84,021	135,300	84,021
Total other (expense) income	173,098	84,096	74,773	84,350
Net loss	(509,692)	(758,181)	(1,572,599)	(1,591,546)
Accrued and deemed dividends on convertible preferred stock	(579,974)	(414,360)	(604,388)	(547,451)
Net loss applicable to common shareholders	$(1,089,666)	$(1,172,541)	$(2,176,987)	$(2,138,997)
Net loss per share attributable to common stockholders - basic and diluted	$(0.11)	$(0.41)	$(0.21)	$(0.75)
Weighted average common stock shares outstanding used in the basic and diluted net loss per share calculation	10,197,850	2,874,305	10,352,461	2,867,381

Consolidated Balance Sheets

ASSETS	June 30, 2012 (Unaudited)	December 31, 2011 (Audited)
CURRENT ASSETS		
Cash and cash equivalents	$20,916	$222,775
Accounts receivable, net of allowances of $9,600 at June 30, 2012 and at December 31, 2011	241,726	269,237
Inventories	975,897	1,069,013
Prepaid income taxes	7,381	4,739
Prepaid expenses and other current assets	374,588	143,591
Total current assets	1,620,508	1,709,355
PROPERTY AND EQUIPMENT, NET	56,319	89,171
OTHER ASSETS		
Deposits	6,472	6,472
Intangible assets, net	109,446	133,762
TOTAL ASSETS	$1,792,745	$1,938,760
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	$1,195,567	$890,676
Accrued employee compensation	182,697	180,437
Accrued professional fees and other	236,845	247,738
Deferred revenue	29,118	36,669
Promissory note	150,000	150,000
Funds held for private placement	295,000	-
Convertible debt, net of unamortized discount of $0 at June 30, 2012 and $17,088 as of December 31, 2011	13,139	394,912
Make-whole dividend liability	328,480	-
Warrant derivative liability	168,588	436,553
Total current liabilities	2,599,434	2,336,985

LONG TERM LIABILITIES		
Deferred revenue	5,266	10,111
TOTAL LIABILITIES	2,604,700	2,347,096
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' DEFICIT		
Series C convertible preferred stock, $.01 par value; 88,098 shares authorized; 0 shares issued and outstanding on June 30, 2012 and 88,098 shares issued and outstanding on December 31, 2011	-	881
Series D convertible preferred stock, $.01 par value; 850 shares authorized; 300 shares issued and outstanding on June 30, 2012 and 743 shares on December 31, 2011 (Liquidation value of $300,000)	3	7
Series E convertible preferred stock, $.01 par value; 500 shares authorized; 350 shares issued and outstanding on June 30, 2012 and 0 shares issued and outstanding on December 31, 2011 (Liquidation value of $350,000)	4	-
Common stock, $.01 par value; 20,000,000 shares authorized; 10,405,469 shares issued and outstanding on June 30, 2012 and 6,723,993 shares issued and outstanding on December 31, 2011	104,055	67,240
Warrants to acquire preferred stock and common stock	2,828,713	2,203,101
Additional paid-in capital	14,935,697	13,823,875
Accumulated deficit	(18,680,427)	(16,503,440)
Total stockholders' deficit	(811,955)	(408,336)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$1,792,745	$1,938,760

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SOURCE Pressure BioSciences, Inc.