

April 1, 2014



# **Pressure BioSciences, Inc. Reports Strong Fourth Quarter and Fiscal Year 2013 Financial Results**

**Total Revenue Up 64% (Q/Q) and 21% (Y/Y)**

**Products & Services Revenue Up 146% (Q/Q) and 29% (Y/Y)**

**Operating Loss Decreases in Both Q4 and FY 2013**

**Investor Conference Call Slated for Tuesday, April 1 at 4:15 PM EDT**

SOUTH EASTON, Mass., April 1, 2014 /PRNewswire/ -- Pressure BioSciences, Inc. (OTCQB: P BIO) ("PBI" or the "Company") today announced financial results for the three-month period and fiscal year ended December 31, 2013 and provided a business update.

Total revenue for the fourth quarter of 2013 was \$354,052 compared to \$216,032 for the same period in 2012, a 64% increase. Revenue from the sale of products and services was \$300,628 for Q4 2013 compared to \$122,285 for the same period in 2012, a 146% increase. Grant revenue in Q4 2013 was \$53,424 compared to \$93,747 for the same period in the prior year. Sales of consumables were \$52,968 for the three months ended December 31, 2013 compared to \$18,624 for the same period in 2012, an increase of 184%.

Operating loss for the fourth quarter of 2013 decreased to \$900,110 from \$1,129,750 for the same period in 2012, a reduction of 20%. Contributing to this decrease in operating loss was a quarter over quarter decrease in general and administrative expenses of \$268,105, or 30%.

Loss per common share (basic and diluted) was \$0.16 for the 2013 fourth quarter compared to \$0.10 for the same period in 2012. The additional loss per common share was due primarily to the change in the fair value of the derivative instruments in Q4 2013.

Total revenue for the fiscal year 2013 was \$1,503,288 compared to \$1,238,217 for the fiscal year 2012, a 21% increase. Revenue from the sale of products and services was \$1,046,678 for FY 2013 compared to \$809,308 for FY 2012, a 29% increase. Grant revenue in FY 2013 was \$456,610 compared to \$428,909 for FY 2012. Sales of consumables were approximately \$157,676 for FY 2013 compared to approximately \$85,493 for FY 2012, an increase of 84%.

Operating loss for the fiscal year 2013 decreased to \$3,327,192 from \$3,463,642 for the fiscal year 2012, a reduction of 4%. Contributing to this decrease in operating loss were decreases in total operating expenses of \$22,792 and increased gross margin of \$113,658.

Loss per common share (basic and diluted) was \$0.44 for 2013 compared to \$0.43 for the same period in 2012.

Richard P. Thomley, Chief Financial Officer of PBI, said: "In addition to strong quarter over quarter (Q4 2013 vs. Q4 2012) revenue increases, both total revenue and products and services revenue showed substantive sequential increases for the year (FY 2013 vs. FY 2012), posting gains of 21% and 29%, respectively. We achieved these results while also decreasing operating expenses. We believe that our financial performance for the fourth quarter and fiscal year 2013 reflect PBI's significant progress in our stated goal of developing a sound financial roadmap moving forward."

Mr. Richard T. Schumacher, President and CEO of PBI, commented: "During 2013, and the first three months of 2014, we achieved a number of notable financial and operational successes, including:

- We closed the first three tranches (\$2.8M) of our Series K PIPE (initial goal \$1.5M)
- We released our ultra-high pressure HUB880 instrument system to the market on time (Q1 2014)
- We closed our \$2.0M Series J PIPE, slightly over-subscribed at \$2.04M
- We reported increases in total revenue for Q1, Q2, Q3, and Q4 2013 vs. same quarters in 2012
- We announced a Core Technology Breakthrough enabling our PCT Platform to develop integration with the dominant laboratory high-throughput robotic pipetting and automation footprint used worldwide
- We reported on independent studies that showed our novel instrument systems could potentially (i) generate new insights into protein structure and function (for biomarker discovery and drug design); (ii) greatly accelerate rape kit testing; (iii) generate a new understanding of diseases and disorders related to the gastrointestinal tract through non-invasive means; and (iv) offer advantages in cancer, stem cell, and heart disease studies."

Mr. Schumacher continued: "We believe that our product and services revenue will continue to increase in 2014 and beyond; that the distinct advantages of our pressure cycling-based products will continue to be reported by scientists worldwide; that the number of applications and thus fields of use for our products will continue to increase; and that we will be successful in continuing to raise the funds as required, to help us achieve our goal of financial self-sufficiency and profitability, with steadily increasing shareholder value as we move forward."

## **Earnings Call**

The Company will hold an Earnings Conference Call at 4:15 PM EDT on Tuesday, April 1, 2014. To attend this teleconference via telephone: Dial-in: (800) 875-3456 (U.S.); (800) 648-0973 (Canada); (302) 607-2001 (International). Verbal Passcode (to be given to the operator: VS78313). Conference ID: 880058.

## **About Pressure BioSciences, Inc.**

Pressure BioSciences, Inc. ("PBI") (OTCQB: P BIO) develops, markets, and sells proprietary laboratory instrumentation and associated consumables to the estimated \$6 billion life

sciences sample preparation market. Our products are based on the unique properties of both constant (i.e., static) and alternating (i.e., pressure cycling technology, or PCT) hydrostatic pressure. PCT is a patented enabling technology platform that uses alternating cycles of hydrostatic pressure between ambient and ultra-high levels to safely and reproducibly control bio-molecular interactions. To date, we have installed over 250 PCT systems in approximately 160 sites worldwide. There are over 100 publications citing the advantages of the PCT platform over competitive methods, many from key opinion leaders. Our primary application development and sales efforts are in the biomarker discovery, drug discovery & design, and forensics areas. Customers also use our products in other areas, such as bio-therapeutics characterization, soil & plant biology, vaccine development, and counter-bioterror applications.

## Forward Looking Statements

This press release contains forward-looking statements. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed, implied or inferred by these forward looking-statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "would," "expects," "plans," "intends," "anticipates," "believes," estimates," "predicts," "projects," "potential" or "continue" or the negative of such terms and other comparable terminology. These statements are only predictions based on our current expectations and projections about future events. You should not place undue reliance on these statements. In evaluating these statements, you should specifically consider various factors. Actual events or results may differ materially. The Company's financial results for the quarter and fiscal year ended December 31, 2013 may not necessarily be indicative of future results. These and other factors may cause our actual results to differ materially from any forward-looking statement. These risks, uncertainties, and other factors include, but are not limited to, the risks and uncertainties discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2013, 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.

For more information about PBI and this press release, please click on the following link:

<http://www.pressurebiosciences.com>

Please visit us on Facebook, LinkedIn, and Twitter.

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**PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**(UNAUDITED)**

	<b>For the Three Months Ended</b>	
	<b>December 31,</b>	
	<b>2013</b>	<b>2012</b>
Revenue:		
Products, services, other	\$300,628	\$122,285
Grant revenue	53,424	93,747
Total revenue	354,052	216,032
Costs and expenses:		
Cost of products and services	203,460	120,329
Research and development	248,284	189,988
Selling and marketing	179,114	144,057
General and administrative	623,304	891,409
Total operating costs and expenses	1,254,162	1,345,782
Operating loss	(900,110)	(1,129,750)
Other income (expense):		
Interest expense, net	(109,642)	(62,350)
Other income (expense)	(320,292)	(36,322)
Change in fair value of derivative liabilities	(235,759)	144,840
Total other income (expense)	(665,693)	(46,168)
Loss before income taxes	(1,565,803)	(1,083,582)
Income tax benefit	-	2,014
Net loss	(1,565,803)	(1,081,568)

Accrued and deemed dividend on convertible preferred stock	(397,492)	(54,276)
Net loss applicable to common shareholders	\$(1,963,295)	\$(1,135,844)
Net loss per share attributable to common stockholders - basic and diluted	\$(0.16)	\$(0.10)
Weighted average common stock shares outstanding used in the basic and diluted net loss per share calculation	11,955,789	11,804,368

**PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**(AUDITED)**

	<b>For the Year Ended</b>	
	<b>December 31,</b>	
	<b>2013</b>	<b>2012</b>
Revenue:		
Products, services, other	\$1,046,678	\$809,308
Grant revenue	456,610	428,909
Total revenue	1,503,288	1,238,217
Costs and expenses:		
Cost of products and services	567,828	416,415
Research and development	1,035,426	965,623
Selling and marketing	752,288	714,635
General and administrative	2,474,938	2,605,186
Total operating costs and expenses	4,830,480	4,701,859

Operating loss	(3,327,192)	(3,463,642)
Other income (expense):		
Interest expense, net	(339,818)	(133,417)
Other income (expense)	(531,130)	-
Change in fair value of derivative liabilities	113,713	144,840
Total other income (expense)	(757,235)	11,423
Loss before income taxes	(4,084,427)	(3,452,219)
Income tax benefit	-	2,014
Net loss	(4,084,427)	(3,450,205)
Accrued and deemed dividends on convertible preferred stock	(1,163,022)	(950,010)
Net loss applicable to common shareholders	\$(5,247,449)	\$(4,400,215)
Net loss per share attributable to common stockholders - basic and diluted		
	\$(0.44)	\$(0.43)
Weighted average common stock shares outstanding used in the basic and diluted net loss per share calculation		
	11,821,870	10,154,175

**PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**

**(AUDITED)**

	<b>December 31, December 31,</b>	
<u>ASSETS</u>	<b>2013</b>	<b>2012</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$31,417	\$1,461

Accounts receivable	147,635	216,265
Inventories, net of \$50,000 reserve	736,676	923,362
Prepaid income taxes	7,381	7,381
Prepaid expenses and other current assets	85,573	83,435
Total current assets	1,008,682	1,231,904
PROPERTY AND EQUIPMENT, NET	58,102	30,282
Deposits	-	6,472
Intangible assets, net	36,498	85,130
TOTAL ASSETS	\$1,103,282	\$1,353,788
<u>LIABILITIES AND STOCKHOLDERS' DEFICIT</u>		
CURRENT LIABILITIES		
Accounts payable	\$1,102,772	\$1,199,846
Accrued employee compensation	149,333	119,338
Accrued professional fees and other	615,244	267,936
Deferred revenue	28,189	46,466
Promissory note	75,000	75,000
Dividend liability	-	60,000
Related party debt	25,182	98,675
Convertible debt, net of debt discount of \$331,806 at Dec. 31, 2013 and \$0 at Dec. 31, 2012	281,796	863,004
Other debt	89,989	-
Warrant derivative liability	344,570	160,812
Conversion option liability	356,197	-
Total current liabilities	3,068,272	2,891,077
LONG TERM LIABILITIES		
Deferred revenue	2,785	2,487
TOTAL LIABILITIES	3,071,057	2,893,564

STOCKHOLDERS' DEFICIT

Series D convertible preferred stock, \$.01 par value; 850 shares authorized; 300 shares issued and outstanding on Dec. 31, 2013 and Dec. 31, 2012	3	3
Series G convertible preferred stock, \$.01 par value; 240,000 shares authorized; 145,320 shares issued and outstanding on Dec. 31, 2013 and at Dec. 31, 2012	1,453	1,453
Series H convertible preferred stock, \$.01 par value; 10,000 shares authorized 10,000 shares issued and outstanding on Dec. 31, 2013 and 0 at Dec. 31, 2012	100	-
Series J convertible preferred stock, \$.01 par value; 6,250 shares authorized; 5,087.5 shares and 0 shares issued and outstanding on Dec. 31, 2013 and on Dec. 31, 2012, respectively	51	-
Series K convertible preferred stock, \$.01 par value; 15,000 shares authorized; 4,000 shares issued and outstanding on Dec. 31, 2013 and 0 at Dec. 31, 2012	40	-
Common stock, \$.01 par value; 50,000,000 shares authorized; 12,024,267 and 12,149,267 shares issued and outstanding on Dec. 31, 2013 and on Dec. 31, 2012, respectively	120,243	121,493
Warrants to acquire preferred stock and common stock	4,267,402	3,015,996
Additional paid-in capital	19,509,921	15,940,818
Accumulated deficit	(25,866,988)	(20,619,539)
Total stockholders' deficit	(1,967,775)	(1,539,776)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$1,103,282	\$1,353,788

SOURCE Pressure BioSciences, Inc.