

August 16, 2016



Pressure BioSciences, Inc. Reports Second Quarter 2016 Financial Results and Provides Business Update

SOUTH EASTON, MA -- (Marketwired) -- 08/16/16 -- Pressure BioSciences, Inc. (OTCQB: PBIO)

Company Posts First Ever Back-to-Back Half Million Dollar Revenue Quarters; Products and Services Revenue Increases 42% (Q/Q); Sales of Consumables Reach Record Level

Q2 2016 Highlights Include Release and Sale of Next-Generation Barocycler Instruments to Cancer Research Center Named by the White House as an NIH Cancer Moonshot Initiative Collaborator

Investor Conference Call Scheduled for Tuesday, August 16, 2016 at 4:30 PM EDT

Pressure BioSciences, Inc. (OTCQB: PBIO) ("PBI" or the "Company") today announced financial results for the 2016 second quarter ended June 30, 2016, provided a business update, and offered limited guidance for the remainder of FY2016.

Financial Results: Q2 2016 vs. Q2 2015. Products and services revenue was \$474,187 for the second quarter of 2016 compared to \$333,575 for the same period in 2015, an increase of \$140,612 or 42%. Two major drivers of product revenue growth were instrument sales, which increased 43% during the comparative quarterly periods (from \$217,138 to \$311,345) and consumable sales, which increased 29% (from \$56,513 to a record \$72,773). Grant revenue decreased during the periods, from \$79,529 in Q2 2015 to \$36,776 in Q2 2016. This decrease in grant revenue, which is expected to be short-term, allowed the Company to focus grant personnel in other critical areas during the second quarter of 2016, primarily in the development of the Barocycler 2320EXTREME, our next-generation instrument system, and in various sales & marketing activities. The additional efforts in sales/marketing were partially responsible for the 24% increase reported in quarterly total revenue, from \$413,104 in Q2 2015 to \$510,963 in Q2 2016, despite the short-term decrease in grant revenue.

Operating loss for the quarter ended June 30, 2016 was \$1,060,697 compared to a loss of \$1,063,889 for the same period in 2015. This slight decrease in operating loss was primarily due to increases in the sale of our products and services, mitigated to a certain extent by increased expenditures in research and development activities. These increased costs in R&D were primarily related to the extensive effort in the second quarter to finish the design and development of the Barocycler 2320EXTREME and to work with our new ISO-certified contract manufacturer in building the first five instrument systems prior to June 30, 2016.

Net income (loss) per common share was \$0.04 (basic) and \$(0.00) (diluted) for the quarter

ended June 30, 2016 compared to a net loss per common share -- basic and diluted -- of \$(0.07) for the same period in 2015.

Financial Results: First Half 2016 vs. First Half 2015. Products and services revenue was \$928,538 for the first six months of 2016 compared to \$692,939 for the same period in 2015, an increase of \$235,599 or 34%. Similar to Q2 2016, the two major drivers of product revenue growth during the first six months of 2016 were instrument sales, which increased 42% during the comparative half year periods (from \$452,123 to \$643,361) and consumable sales, which increased 21% (from \$96,348 to \$117,008). Grant revenue decreased during the comparative periods, from \$160,299 in the first six months of 2015 to \$92,904 in 2016 same period. This decrease in grant revenue, which is expected to be short-term, allowed the Company to focus grant personnel in other critical areas during the first half of 2016, primarily in the development of the Barocycler 2320EXTREME, our next-generation instrument system, and in various sales & marketing activities. The additional efforts in sales/marketing were partially responsible for the 20% increase reported in first half 2016 total revenue, from \$853,238 in the first six months of 2015 to \$1,021,442 in the same period in 2016, despite the short-term decrease in grant revenue.

Operating loss for the six month period ended June 30, 2016 was \$2,106,641 compared to a loss of \$1,938,708 for the same period in 2015. This increase in operating loss was primarily due to increased expenditures related to the design and development of the Company's next-generation Barocycler 2320EXTREME instrument system, and higher investor relations costs, mitigated to a certain extent by increased product/services sales.

Net loss per common share was \$(0.20) -- basic and diluted -- for the six months ended June 30, 2016 compared to a net loss per common share -- basic and diluted -- of \$(0.14) for the same period in 2015.

Operational Highlights: Q2 2016

- We completed an intensive 18 month program to internally develop the "next-generation" PCT-based instrument system, the Barocycler 2320EXTREME. Designed initially for mass spectrometry protein sample preparation, particularly PCT-SWATH, this is the primary method behind our co-marketing agreement with global life science leader SCIEX.
- Our new ISO-certified contract manufacturer completed the build of the first five Barocycler 2320EXTREME instrument systems. All were immediately sold to key research groups, including three to the Children's Medical Research Institute ("CMRI") in Sydney Australia for cancer research studies.
- In July, CMRI was named by VP Biden as one of four preeminent cancer research centers in Australia to collaborate with the U.S. National Cancer Institute in President Obama's Cancer Moonshot initiative.
- We started the process to achieve CE Marking for the Barocycler 2320EXTREME.
- PBI was added to the high-performing Richmond Club Index. The Richmond Index has outperformed the S&P500 Index by an average of 11% each year for the past 10 years.
- Scientists from six separate research groups made presentations at the American Society for Mass Spectrometry ("ASMS") annual meeting on the compelling advantages of the PCT platform.
- Scientists and marketing personnel from SCIEX and PBI presented a workshop at the

ASMS annual meeting on improved detection of proteins in cancer and other samples, and in advancing precision medicine with next-generation products from SCIEX and PBI.

A short video discussing the initial shipments of the Barocycler 2320EXTREME can be found here:

<https://www.youtube.com/watch?v=xbO6Lp4VxwU>

Near-Term Goals: Second Half 2016

- Continue to implement a sound path toward financial self-sufficiency and future growth and profitability.
- Increase total/products & services/grant revenue & gross margins, quarter/quarter and year/year.
- Drive acceptance and commercialization of the just released Barocycler 2320EXTREME.
- Support and expand our co-marketing program with SCIEX.
- Expand sales and marketing capabilities to reach into new countries, investigators, and fields-of-use.
- Continue to prepare for a targeted up-list to NASDAQ or the NYSE.

Mr. Richard T. Schumacher, President and CEO of PBI, commented: "Over the past year, our efforts have been primarily focused on (i) strengthening and securing our financial future by eliminating all floorless debt, (ii) finding a co-marketing partner who is a global leader in the life sciences, particularly in the field of proteomics, (iii) designing then developing the next-generation Barocycler to support the co-marketing and other programs, (iv) developing the next-generation consumable products and applications for the PCT platform, and (v) continuing to increase sales of our instrument systems and associated consumables. I am pleased to say that we have been highly successful in achieving all five of these goals during this time."

Mr. Schumacher continued: "With a balance sheet void of floorless debt for the first time in years, with key opinion leaders now as customers, with global life sciences leader SCIEX as our co-marketing partner, with the new higher-throughput computerized Barocycler 2320EXTREME built and ready for prime-time, and with the PBI Management Team now in place for over 10 years, it is time to turn our main focus from building infrastructure to building a robust and highly effective sales and marketing program. Thus, the 2016 third quarter marks a significant change from the focus of the past year. Our focus today, and for the remainder of the 2016, is":

1. Strengthen and expand our internal sales and marketing capabilities
2. Support and expand our co-marketing program with SCIEX
3. Continue to increase products & services/grant revenue & gross margins
4. Work towards an up-list to NASDAQ/NYSE, hopefully by year's end."

Mr. Schumacher concluded: "Stakeholders in PBI should expect to hear and see the measurable progress we plan to achieve as we aggressively expand our sales and marketing capabilities throughout the remainder of 2016. We are very excited about the potential of this next phase in our growth plan, and are committed to make the changes required to successfully make it happen."

About Pressure BioSciences, Inc.

Pressure BioSciences, Inc. ("PBI") (OTCQB: PBIO) 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 development and sales efforts are in the biomarker discovery, drug discovery and 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.

Earnings Call

The Company will hold an Earnings Conference Call at 4:30 PM EDT on Tuesday, August 16, 2016. To attend this teleconference via telephone, Dial-in: (877) 407-8031 (North America), (201) 689-8031 (International). Verbal Passcode: PBI Second Quarter 2016 Financial Call. Replay Number (877) 660-6853 (North America); (201) 612-7415 (International). ID Number 13643814. Teleconference Replay Available for 30 days.

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 year ended December 31, 2015 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, 2015, 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 website link: <http://www.pressurebiosciences.com>
Please visit us on Facebook, LinkedIn, and Twitter.

PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	<u>June 30, 2016</u>	<u>December 31, 2015</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 71,632	\$ 116,783
Accounts receivable	511,108	113,256
Inventories, net of \$50,000 reserve at June 30, 2016 and December 31, 2015	1,002,382	1,038,371
Prepaid income taxes	7,381	7,381
Prepaid expenses and other current assets	144,960	213,926
Total current assets	1,737,463	1,489,717
Investment in available-for-sale equity securities	81,783	294,522
Property and equipment, net	8,069	20,149
TOTAL ASSETS	<u><u>\$ 1,827,315</u></u>	<u><u>\$ 1,804,388</u></u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 889,863	\$ 941,389
Accrued employee compensation	196,780	176,009
Accrued professional fees and other	638,920	821,088
Deferred revenue	307,244	140,878
Convertible debt, net of unamortized debt discounts of \$29,373 at June 30, 2016 and \$0 at December 31, 2015	192,627	100,000
Other debt, net of unamortized discounts of \$15,084 and \$3,041, respectively	454,369	151,628
Warrant derivative liability	4,552,995	3,295,976
Conversion option derivative liability	5,023,449	3,940,791
Total current liabilities	12,256,247	9,567,759
LONG TERM LIABILITIES		
Related party convertible debt, net of unamortized debt discounts of \$233,261 and \$0, respectively	57,743	-
Convertible debt, net of unamortized debt discounts of \$4,760,592 and \$5,223,658, respectively	1,910,908	177,342
Deferred revenue	36,935	36,935
TOTAL LIABILITIES	14,261,833	9,782,036
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' DEFICIT		
Series D Convertible Preferred Stock, \$.01 par value; 850 shares authorized; 300 shares issued and outstanding on June 30, 2016 and December 31, 2015, respectively (Liquidation value of \$300,000)	3	3
Series G Convertible Preferred Stock, \$.01 par value; 240,000 shares authorized; 86,570 shares issued and outstanding on June 30, 2016 and December 31, 2015, respectively	866	866
Series H Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 10,000 shares issued and outstanding on June 30, 2016 and December 31, 2015, respectively	100	100
Series H2 Convertible Preferred Stock, \$.01 par value; 21 shares authorized; 21 shares issued and outstanding on June 30, 2016 and December 31, 2015, respectively	-	-
Series J Convertible Preferred Stock, \$.01 par value; 6,250 shares authorized; 3,546 shares issued and outstanding on June 30, 2016 and December 31, 2015, respectively	36	36
Series K Convertible Preferred Stock, \$.01 par value; 15,000 shares authorized; 6,816 and 11,416 shares issued and outstanding on June 30, 2016 and December 31, 2015, respectively	68	114

Common stock, \$.01 par value; 100,000,000 shares authorized; 29,031,845 and 23,004,898 shares issued and outstanding on June 30, 2016 and December 31, 2015, respectively

	290,319	230,050
Warrants to acquire common stock	5,445,336	5,416,681
Additional paid-in capital	26,692,285	26,036,733
Accumulated other comprehensive income	(317,764)	(105,025)
Accumulated deficit	(44,545,767)	(39,557,206)
Total stockholders' deficit	(12,434,518)	(7,977,648)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 1,827,315	\$ 1,804,388

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

	<i>For the Three Months Ended June 30,</i>		<i>For the Six Months Ended June 30,</i>	
	2016	2015	2016	2015
Revenue:				
Products, services, other	\$ 474,187	\$ 333,575	\$ 928,538	\$ 692,939
Grant revenue	36,776	79,529	92,904	160,299
Total revenue	<u>510,963</u>	<u>413,104</u>	<u>1,021,442</u>	<u>853,238</u>
Costs and expenses:				
Cost of products and services	243,105	175,193	464,804	365,976
Research and development	321,428	291,402	656,698	523,325
Selling and marketing	193,885	200,178	385,121	366,401
General and administrative	813,242	810,220	1,621,460	1,536,244
Total operating costs and expenses	<u>1,571,660</u>	<u>1,476,993</u>	<u>3,128,083</u>	<u>2,791,946</u>
Operating loss	(1,060,697)	(1,063,889)	(2,106,641)	(1,938,708)
Other (expense) income:				
Interest expense, net	(1,010,236)	(640,691)	(1,845,380)	(1,246,276)
Other expense	-	(168,111)	(912)	(513,352)
Gain on extinguishment of embedded derivative liabilities	-	186,609	-	848,073
Change in fair value of derivative liabilities	3,032,762	299,841	(1,035,628)	78,031
Total other (expense) income	<u>2,022,526</u>	<u>(322,352)</u>	<u>(2,881,920)</u>	<u>(833,524)</u>
Net income (loss)	<u>961,829</u>	<u>(1,386,241)</u>	<u>(4,988,561)</u>	<u>(2,772,232)</u>
Accrued dividends on convertible preferred stock	-	(6,811)	-	(23,479)
Net income (loss) applicable to common shareholders	<u>\$ 961,829</u>	<u>(1,393,052)</u>	<u>\$ (4,988,561)</u>	<u>\$ (2,795,711)</u>
Net income (loss) per share attributable to common stockholders - basic	\$ 0.04	\$ (0.07)	\$ (0.20)	\$ (0.14)
Net income (loss) per share attributable to common stockholders - diluted	\$ (0.00)	\$ (0.07)	\$ (0.20)	\$ (0.14)
Weighted average common stock shares outstanding used in the basic net income (loss) per share calculation	25,953,828	19,682,632	24,481,039	19,247,895
Weighted average common stock shares outstanding used in the diluted net income (loss) per share calculation	70,762,909	19,682,632	24,481,039	19,247,895

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Source: Pressure BioSciences, Inc.