

November 16, 2016



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

Company Posts Third Consecutive Quarter with Revenues Over \$500,000; Products and Services Revenue Sets Record Highs for Quarter and Year-to-Date

Investor Conference Call Scheduled for Wednesday, November 16, 2016 at 4:30 PM EST

SOUTH EASTON, MA -- (Marketwired) -- 11/16/16 -- Pressure BioSciences, Inc. (OTCQB: PBIO) ("PBI" or the "Company") today announced financial results for the third quarter ended September 30, 2016, and provided a business update.

Financial Results: Q3 2016 vs. Q3 2015. Products and services revenue increased to \$500,949 for the third quarter of 2016 from \$481,452 for the same quarter of 2015. This was a record high for products and services revenue in a quarter and marked the first time that products and services revenue exceeded half a million dollars in a financial quarter. Revenue was driven primarily by the sale of instruments, which also set a record high with \$383,789 for the quarter, compared to \$340,084 (the previous record) for the same quarter of 2015. Grant revenue decreased to \$34,385 for Q3 2016 from \$98,882 for the same quarter in the previous year. We expect grant revenue to begin to increase in the fourth quarter of 2016 and continue to increase into 2017. Total revenue decreased to \$535,334 in the third quarter 2016 from \$580,334 for the third quarter of 2015. This decrease was due to the decrease in grant revenue.

Operating loss for the quarter ended September 30, 2016 was \$451,807 compared to a loss of \$690,728 for the same period of 2015. Although we continue to carefully control expenditures, this decrease in operating loss was primarily due to credits received from a professional service organization the Company no longer uses. We believe that had these credits not been received, operating loss for Q3 2016 would have been greater than the operating loss for Q3 2015, primarily because of discounts we offered to initial purchasers of our new next-generation Barocycler 2320EXTREME instrument, higher costs experienced in sales and marketing as we began to expand such capabilities, and costs associated with pursuing CE Marking for the new Barocycler 23230EXTREME. A CE Mark is required by dozens of countries in order to sell product in their country.

Net loss per common share was \$(0.03) - basic and diluted - for the quarters ended September 30, 2016 and September 30, 2015.

Financial Results: First Nine Months 2016 vs. First Nine Months 2015. Products and

services revenue for the first nine months of 2016 increased to \$1,429,487 from \$1,174,391 for the same period in 2015. This was a record high for the nine-month period, and exceeded the previous record high (2015) by approximately 22%. Revenue was driven primarily by the sale of instruments, which also set a record high for the nine-month period of \$1,001,060, compared to \$752,444 (the previous record) for the same period in 2015. Grant revenue decreased during the first nine months of 2016 to \$127,289 from \$259,181 during the same period in 2015. We expect grant revenue to begin to increase in the fourth quarter of 2016 and to continue to increase in 2017. Total revenue increased to a record \$1,556,776 for the nine-month period ended September 30, 2016, compared to \$1,433,572 during the same period in 2015. We achieved this level of revenue in spite of the significant decrease observed in grant revenue.

Operating loss for the nine month period ended September 30, 2016 was \$2,558,448 compared to a loss of \$2,629,436 for the same period in 2015. This decrease in operating loss was primarily due to credits received from a former service provider to the Company, as previously described, and by careful control of expenditures.

Net loss per common share (both basic and diluted) was \$(0.23) for the nine months ended September 30, 2016 compared to \$(0.17) for the same period in 2015.

Business Highlights: Q3 2016

- a) Our new ISO-certified contract manufacturer completed the build of four Barocycler 2320EXTREME instrument systems during the quarter. All four were purchased by customers in Germany and Japan.
- b) In July, the Children's Medical Research Institute ("CMRI") was named by Vice President 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. CMRI purchased the first three commercially-available Barocycler 2320EXTREME instruments.
- c) We made measurable progress towards our goal of achieving CE Marking for our new next-generation Barocycler 2320EXTREME instrument before the end of 2016.
- d) PBI was invited, along with representatives from SCIEX, CMRI, the Institute of Molecular Systems Biology (Zurich, Switzerland), Beckman-Coulter, Illumina, and Next-Bio to make presentations at the Gala Opening of The ACRF International Centre for the Proteome of Human Cancer ("ProCan"). ProCan is located in newly renovated laboratory facilities at CMRI near Sydney, Australia.

A short video discussing our new, next-generation Barocycler 2320EXTREME can be found here:

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

Near-Term Goals: Fourth Quarter 2016 and Early 2017

- a) Continue to implement a sound path toward financial self-sufficiency and future growth and profitability.
- b) Drive acceptance and commercialization of the new Barocycler 2320EXTREME.
- c) Support and expand our co-marketing program with SCIEX.
- d) Significantly expand sales and marketing capabilities.

Mr. Jeffrey N. Peterson, Chairman of the PBI Board, said: "We have recently announced a number of notable achievements that we believe add critical strength and stability to our company as we have concomitantly increased the acceptance and commercial traction of our PCT platform in both the scientific and investment communities worldwide. These include: (i) a co-marketing agreement with SCIEX, a leader in providing important analytical instrumentation to the global life sciences field; (ii) the elimination of nearly \$3 million in floorless debt; (iii) the release of our next-generation, PCT-based instrument (the Barocycler 2320EXTREME) and the subsequent sale of the first nine commercially-available units to

customers in the US, Europe, Asia, and Australia; (iv) three consecutive quarters with total revenue surpassing half a million dollars each, with strong product sales leading the way; and (v) closing of the sale of \$610,000 of our common stock in a PIPE transaction and our recently opened \$2,000,000 line-of-credit."

Mr. Richard T. Schumacher, President and CEO of PBI, commented: "We believe these and other recent successes have positioned us well for continued growth and future profitability. However, much remains to be done. It is important that we continue to build upon these recent successes. In that vein, it is imperative that we expand and enhance our current financial, operational, and technical capabilities, and that we find additional ways to help ensure that our progress is seen and understood by the worldwide financial and investor communities. To that end, we are committed to using funds from the PIPE Financing, Line-of-Credit, and Product Sales to help achieve these very important and timely goals. This may include, among other things, additions to staff, independent agents, distributors, and consultants focused primarily in sales and marketing,

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 bio-therapeutics characterization, soil & plant biology, vaccine development, counter-bioterror applications, and other areas.

Earnings Call

The Company will hold an Earnings Call at 4:30 PM EST on Wednesday, November 16, 2016. To attend this teleconference via telephone, Dial-in: (877) 407-8031 (North America), (201) 689-8031 (International). Verbal Passcode: PBI Third Quarter 2016 Financial Call. Replay Number (877) 481-4010 (North America); (919) 882-2331 (International). ID Number 10158. 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, Twitter, and Investors Hangout: <http://investorshangout.com/>

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

	<u>September 30, 2016</u>	<u>December 31, 2015</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 41,939	\$ 116,783
Accounts receivable	589,682	113,256
Inventories, net of \$50,000 reserve at September 30, 2016 and December 31, 2015	1,008,138	1,038,371
Prepaid income taxes	7,405	7,381
Prepaid expenses and other current assets	179,954	213,926
Total current assets	1,827,118	1,489,717
Investment in available-for-sale equity securities	59,550	294,522
Property and equipment, net	7,933	20,149
TOTAL ASSETS	\$ 1,894,601	\$ 1,804,388
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 532,214	\$ 941,389
Accrued employee compensation	185,909	176,009
Accrued professional fees and other	690,230	821,088
Deferred revenue	270,102	140,878
Convertible debt, net of unamortized debt discounts of \$1,891,206 at September 30, 2016 and \$0 at December 31, 2015	2,664,334	100,000
Other debt, net of unamortized discounts of \$5,183 and \$3,041, respectively	242,963	151,628
Warrant derivative liability	4,325,864	3,295,976
Conversion option derivative liability	4,627,452	3,940,791
Total current liabilities	13,539,068	9,567,759
LONG TERM LIABILITIES		
Related party convertible debt, net of unamortized debt discounts of \$199,436 and \$0, respectively	91,568	--
Convertible debt, net of unamortized debt discounts of \$2,076,658 and \$5,223,658, respectively	986,843	177,342
Deferred revenue	36,935	36,935
TOTAL LIABILITIES	14,654,414	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 September 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 September 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 September 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 September 30, 2016 and December 31, 2015, respectively	--	--
Series J Convertible Preferred Stock, \$.01 par value; 6,250 shares authorized; 3,521 and 3,546 shares issued and outstanding on September 30, 2016 and December 31, 2015, respectively	35	36
Series K Convertible Preferred Stock, \$.01 par value; 15,000 shares authorized; 6,816 and 11,416 shares issued and outstanding on September 30, 2016 and December 31, 2015, respectively	68	114
Common stock, \$.01 par value; 100,000,000 shares authorized; 30,599,839 and 23,004,898 shares issued and outstanding on September 30, 2016 and December 31, 2015, respectively	305,998	230,050
Warrants to acquire common stock	5,683,897	5,416,681
Additional paid-in capital	27,080,191	26,036,733
Accumulated other comprehensive income	(339,997)	(105,025)
Accumulated deficit	(45,490,974)	(39,557,206)
Total stockholders' deficit	(12,759,813)	(7,977,648)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 1,894,601	\$ 1,804,388

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2016	2015	2016	2015
Revenue:				
Products, services, other	\$ 500,949	\$ 481,452	\$ 1,429,487	\$ 1,174,391
Grant revenue	34,385	98,882	127,289	259,181
Total revenue	535,334	580,334	1,556,776	1,433,572
Costs and expenses:				
Cost of products and services	262,894	209,804	727,698	575,780
Research and development	268,317	355,574	925,015	878,899
Selling and marketing	224,380	207,888	609,501	574,289
General and administrative	231,550	497,796	1,853,010	2,034,040
Total operating costs and expenses	987,141	1,271,062	4,115,224	4,063,008
Operating loss	(451,807)	(690,728)	(2,558,448)	(2,629,436)
Other (expense) income:				
Interest expense, net	(1,116,328)	(1,584,830)	(2,961,708)	(2,831,106)
Other expense	(200)	--	(1,112)	(36,910)
Gain on extinguishment of embedded derivative liabilities	--	1,180,251	--	2,028,324
Change in fair value of derivative liabilities	623,128	437,379	(412,500)	38,968
Total other (expense) income	(493,400)	32,800	(3,375,320)	(800,724)
Net loss	(945,207)	(657,928)	(5,933,768)	(3,430,160)

Accrued dividends on convertible preferred stock	--	1,711	--	(21,768)
Net loss applicable to common shareholders	<u>\$ (945,207)</u>	<u>(656,217)</u>	<u>\$ (5,933,768)</u>	<u>\$ (3,451,928)</u>
Net loss per share attributable to common stockholders - basic and diluted	\$ (0.03)	\$ (0.03)	\$ (0.23)	\$ (0.17)
Weighted average common stock shares outstanding used in the basic and diluted net loss per share calculation	29,425,362	20,737,827	26,139,740	19,771,323

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Source: Pressure BioSciences, Inc.