



Harvard Bioscience Announces Strategic Action Plan and Financial Targets

September 9, 2019

HOLLISTON, Mass., Sept. 09, 2019 (GLOBE NEWSWIRE) -- Harvard Bioscience, Inc. (Nasdaq: HBIO) today announces its strategic action plan and financial targets for rest of year 2019 through 2021.

Key strategic actions and financial targets to position Harvard Bioscience for long-term profitable growth:

Strategic Action	Timing
• Stabilize business and complete leadership team	2019
• Refinance debt and reduce interest expense	2019
• Improve margins through consolidations, reduced COGS and operating expenses	2019 & 2020
• Optimize manufacturing and supply chain	2019 & 2020
• Reenergize and refocus sales operations	2019 & 2020
• Rationalize product portfolio and pricing	2019 & 2020
• Pay down debt and reduce leverage ratio to < 3x by end of 2020	2020
• Disciplined return to opportunistic acquisitions	2021

Non-GAAP Financial Targets

- 2019: Meet existing guidance
- 2nd half of 2020: Modest organic revenue growth; 58% gross margin; 10% operating margin (GAAP); 17% adjusted operating margin
- 2021: 6-8% organic revenue growth; 60% gross margin; 13% operating margin (GAAP); 20% adjusted operating margin

Refer to Supplemental Financial Information, Non-GAAP Measures for more detail and a reconciliation of adjusted operating margin. Subsequent to 2019 no significant adjustments to gross margin reported on a GAAP basis are expected.

Jim Green, Chairman, President and CEO said, "The strategic actions announced today will make Harvard Bioscience a strong, efficient platform for profitable growth in 2020 and beyond. Our financial targets evidence my commitment to execute on these actions with urgency and create significant value for our shareholders."

Harvard Bioscience's management will discuss these updates at the Janney Montgomery Scott Healthcare Conference on Monday, September 9, 2019 at 9:05 a.m. EDT. A webcast of the presentation can be accessed as follows:

- Step 1: Dial-In: 1-800-954-0585
Step 2: Login: <https://cc.callinfo.com/r/1w6wwfzvowg50&eom>

For those unable to view the live webcast, a replay and a copy of the presentation materials will be available shortly after the event on the Events & Presentations section of our web site at www.harvardbioscience.com.

Forward-Looking Statements

This information in this press release and the related presentation referred to above may include forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. You can identify these statements by our use of such words as "will," "guidance," "objectives," "optimistic," "potential," "future," "expects," "plans," "estimates," "continue," "drive," "strategy," "potential," "potentially," "growth," "long-term," "projects," "projected," "intends," "believes," "goals," "sees," "seek," "develop" "possible" "new," "emerging," "opportunity," "pursue" and similar expressions that do not relate to historical matters. Forward-looking statements in this presentation or that may be made during our presentation may include, but are not limited to, statements or inferences about the Company's or management's beliefs or expectations, the Company's anticipated future revenues and earnings, the strength of the Company's market position and business model, industry outlook; the Company's business strategy, the positioning of the Company for growth, the market demand and opportunity for the Company's current products, or products it is developing or intends to develop, and the Company's plans, objectives and intentions that are not historical facts. These statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Investors should note that many factors, as more fully described under the caption "Risk Factors" in our Form 10-K, including our Form 10-K for the year ended December 31, 2018, Form 10-Q and Form 8-K filings with the Securities and Exchange Commission and as otherwise enumerated herein or therein may cause the Company's actual results to differ materially from those in the forward-looking statements. The forward-looking statements in this presentation are qualified by these risk factors. The Company's results may also be affected by factors of which the Company is not currently aware. The Company may not update these forward-looking statements, even though its situation may change in the future, unless it has obligations under the federal securities laws to update and disclose material developments related to previously disclosed information.

Management's Use of Non-GAAP Financial Information

In this press release and related presentation referred to above we have included non-GAAP financial information including adjusted revenue, adjusted gross profit, adjusted operating income, adjusted net income and adjusted earnings per diluted share. We believe that this non-GAAP financial information provides investors with an enhanced understanding of the underlying operations of the business. For the periods presented, these non-GAAP financial measures of revenue and income have excluded certain revenue and expenses and income primarily resulting from purchase accounting or events that we do not believe are related to the underlying operations of the business such as currency translation, amortization of intangibles related to acquisitions, costs related to acquisition, disposition and integration initiatives, impairment charges, gains or losses from divestitures, forensic investigation and remediation costs, severance and restructuring expenses, and stock-based compensation expense. They also exclude the tax impact of the reconciling items. This non-GAAP financial information approximates information used by our management to internally evaluate the operating results of the Company. Any non-GAAP measures included herein will be accompanied by a reconciliation to the nearest corresponding GAAP measure either within the presentation or on the Company's website; www.harvardbioscience.com

The non-GAAP financial information provided in this press release and related presentation should be considered in addition to, not as a substitute for, the financial information provided and presented in accordance with GAAP and may be different than other companies' non-GAAP financial information.

Harvard Bioscience, Inc.

Supplemental Financial Information - Non-GAAP Measures

2019 Guidance & 2020 2nd Half and 2021 Operating Margin Targets

	2019 Guidance	2020 2H	2021 FY
GAAP Operating Margin*	-1%	10%	13%
Adjustments:			
Amortization of intangible assets	5%	5%	4%
Severance and restructuring charges	3%	0%	0%
Stock-based compensation expense	3%	3%	3%
Impairment of intangible asset	1%	0%	0%
Non-GAAP Operating Margin	-12%	17%	20%

*subject to rounding

About Harvard Bioscience

Harvard Bioscience is a global developer, manufacturer and marketer of a broad range of solutions to advance life science. Our products are sold to thousands of researchers in over 100 countries through our global sales organization, websites, catalogs, and through distributors. We have sales and manufacturing operations in the United States, the United Kingdom, Germany, Sweden, Spain, France, Canada and China. For more information, please visit our website at www.harvardbioscience.com.

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Source: Harvard Bioscience, Inc.