

December 23, 2008



Oculus Innovative Sciences Announces Stock Listing Remains on NASDAQ

PETALUMA, Calif.--(BUSINESS WIRE)-- Oculus Innovative Sciences, Inc. (NASDAQ: OCLS), announced today that it has received approval from the NASDAQ listing qualifications staff to transfer the listing of its common stock from the NASDAQ Global Market to the NASDAQ Capital Market. This is in response to a previous notification from NASDAQ when Oculus' net worth fell below minimum requirements. The transfer was effective as of the market opening on Monday, December 22, 2008.

The NASDAQ Capital Market is one of the three market tier designations for NASDAQ-listed stock, and presently includes over 500 companies. The NASDAQ Capital Market operates in substantially the same manner as the NASDAQ Global Market.

"We are pleased to remain on the NASDAQ market. Based upon our discussions with market experts, we didn't see any significant trading differences between the NASDAQ Global and NASDAQ Capital markets. Our average investors' activities and portfolios remain unaffected by this transfer. Oculus' trading symbol will remain 'OCLS' and trading of the company's stock will be unaffected by this change," said Hoji Alimi, CEO and founder of Oculus.

Securities listed on the NASDAQ Capital Market must satisfy all applicable qualification requirements for NASDAQ securities, and companies listed on the NASDAQ Capital Market must meet certain financial requirements and adhere to NASDAQ's corporate governance standards.

About Oculus

Oculus Innovative Sciences develops, manufactures and markets a family of products based upon the Microcyn(R) Technology platform, which is intended to help prevent and treat infections in chronic and acute wounds. The Microcyn Technology platform features a biocompatible, shelf-stable solution containing active oxylchlorine compounds that is currently commercialized primarily in the United States, Europe, India, China and Mexico for the treatment of infected wounds. The solutions derived from this platform have demonstrated, in a variety of research and investigational studies, the ability to treat a wide range of pathogens, including antibiotic-resistant strains of bacteria (including MRSA and VRE), viruses, fungi and spores. A recent Phase II clinical trial of Microcyn Technology conducted in the United States met its primary endpoints of safety and efficacy for the treatment of mildly infected diabetic foot ulcers. The company's headquarters are in Petaluma, California, with operations in Europe and Latin America. More information can be found at www.oculusis.com.

Forward-Looking Statements (Oculus)

Except for historical information herein, some matters set forth in this press release are forward-looking within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by the use of words such as "will be," and "was," among others. Forward-looking statements in this press release are subject to certain risks and uncertainties inherent in the Company's business that could cause actual results to vary, including risks inherent in the development and commercialization of potential products, the risk that regulatory clinical and guideline developments may change, the risk that scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or approvals, the risk that clinical results may not be replicated in actual patient settings, the risk that protection offered by our patents and patent applications may be challenged, invalidated or circumvented by our competitors, the risk that present trends will continue and that the available market for our products will not be as large as expected, the risk that our products will not be able to penetrate one or more targeted markets, the risk that revenues will not be sufficient to fund further development and clinical studies, the Company's future capital needs, and its ability to obtain additional funding and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission including the quarterly report on Form 10-Q for the quarter ended September 30, 2008. Oculus Innovative Sciences disclaims any obligation to update these forward-looking statements.

Oculus and Microcyn are trademarks or registered trademarks of Oculus Innovative Sciences, Inc. All other trademarks and service marks are the property of their respective owners.

Source: Oculus Innovative Sciences, Inc.