

July 16, 2009



Oculus Innovative Sciences Introduces First Microcyn(R)-Based Product for Mexican Consumer Market

Introduction Leverages Oculus' Strong Position in the Rx Topical Antiseptic Market and Pharmacy Distribution Network, Thus Positioning Microcyn-Based Products for Continued Strong Revenue Growth in Mexico

PETALUMA, Calif.--(BUSINESS WIRE)-- Oculus Innovative Sciences, Inc. (Nasdaq: OCLS), a healthcare company that develops, manufactures and markets a family of products based upon the Microcyn(R) Technology platform, which includes new formulations intended to reduce the use of antibiotics by preventing or treating infections including those caused by bacteria and viruses, this past week introduced its first consumer product for the Mexican market, a consumer-sized 120-milliliter bottle of Microdacyn60(TM), a topical antiseptic approved by the Mexican Ministry of Health for the treatment of wounds and infections.

"Over the last several years with a direct sales staff of 40 people, we have established Microdacyn60(TM) as the preferred antiseptic in Mexican hospitals and captured over 40% of the prescription-related antiseptic market and over 15% of the overall antiseptic market in the pharmacies," said Sergio Caleti, sales director for Oculus of Mexico. "As a part of this growth, Microdacyn60 is currently being distributed by all the leading pharmaceutical distributors into over 15,000 stores throughout Mexico and has gained brand recognition as an effective antiseptic and wound healer. As a result of our brand recognition and our strong distribution system into pharmacies, we believe we are in an excellent position to introduce new products based on the Microcyn Technology into the Mexican consumer markets."

The newly introduced 120 mL bottle of Microdacyn60 targets the overall consumer antiseptic market, which the company estimates to be approximately 300,000 units per month in Mexico. As a result of this introduction, Oculus expects continued high revenue growth in the Mexican pharmacy market. The 120 mL Microdacyn60 will be stocked on pharmacy shelves, rather than behind the cash register as has been the case with the current 240 mL prescription formulation. Additionally, Oculus intends to introduce two new Microcyn-based dermatological products into the Mexican consumer market within a year.

Separately, the company continues to make every effort with appropriate notified regulatory bodies in the United States and Mexico to prepare for the anticipated recurrence of the H1N1 influenza A swine flu, which is expected to accelerate in the fall and winter months of 2009. Dr. Anne Schuchat of the U.S. Centers for Disease Control and Prevention estimates that the virus already has caused at least 27,000 illnesses and 127 deaths in the United States alone, with more than one million U.S. infections to date.

About Oculus

Oculus Innovative Sciences develops, manufactures and markets a family of products based upon the Microcyn(R) Technology platform, which includes new formulations designed to significantly reduce the need for antibiotics as it reduces infections. The Microcyn Technology platform features a biocompatible, shelf-stable solution that is currently commercialized in the United States, Europe, India, China and Mexico and select Middle East countries. Several 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, increase blood flow to the wound site, reduce both inflammation and pain while assisting in faster wound closure. 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

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, including statements about the company's commercial and technology progress. These forward-looking statements are identified by the use of words such as "intends," "believe," "introduce," and "expects," 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, as well as uncertainties relative to varying product formulations and a multitude of diverse regulatory and marketing requirements in different countries and municipalities, 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 March 31, 2009. Oculus Innovative Sciences disclaims any obligation to update these forward-looking statements.

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