

May 18, 2010



## Oculus Innovative Sciences Updates Business Milestones

Oculus CEO Presents Business Update to International Investors at Rodman & Renshaw Global Healthcare Conference on May 18, 2010

PETALUMA, Calif.--(BUSINESS WIRE)-- Oculus Innovative Sciences, Inc. (Nasdaq:OCLS), a commercial medical technology company that designs, produces and markets safe and effective tissue care products based upon the Microcyn(R) Technology platform, today provided an update on its previously announced regulatory/commercial pipeline for its Microcyn-based products as the company's CEO and founder, Hoji Alimi, presented at the Rodman & Renshaw Global Healthcare Conference, which is taking place May 16-18, 2010 in London.

"I am pleased to report that, consistent with previous communications, Oculus is continuing to target revenue of \$45-\$60 million and operating profitability of 20% by calendar year 2013. With primary development efforts successfully behind us, registrations and approvals are systematically occurring as anticipated--both around the world and in the crucial U.S. market. In the United States alone this year, we have successfully launched a Microcyn Solution for post-surgical irrigation, Microcyn Dermatology HydroGel with pain and itch relief, and soon a negative-pressure wound therapy solution," said Hoji Alimi, Oculus CEO and founder. "Before the year is out, we fully expect to add commercial launches of a Microcyn allergen shield hydrogel as well as an atopic dermatitis hydrogel. At the same time, international developments are keeping pace with significant approvals in Europe, Canada, China, India and Mexico.

"At Oculus, we believe that significant commercial success in specific market segments can only be accomplished by enterprises expert in those segments. They alone can fully master the specific marketing, regulatory and reimbursement realities unique to each situation. Our strategy, quite simply, is to ally our winning Microcyn technology with these winning marketers in vital collaborations. Our early successes are heartening, ranging from our newest partner, OroSciences, which expects to launch oral irrigant and mucoprotectant products before year-end--to our other partners with the widely-marketed MyClyns and Vetericyn products. In just nine months since Vetericyn launched its first animal healthcare product, they are already tracking to \$6 million in annualized sales. As we continue to identify and establish these collaborations--market by market, segment by segment--we will put in place the foundation for our growing commercial success.

"In the United States, the opportunities are particularly exciting. Health care reform will both expand healthcare markets and intensify the movement of 'pay-for-performance.' This is where Microcyn Technology shines. Our proven track record of improving outcomes and mitigating cost is attracting potentially outstanding collaborators across a wide range of industry segments and products--Rx, OTC, institutional, office and home care. Newly

energized segments such as health savings accounts and self-dispensing physicians are proving particularly interesting to us as well."

During Alimi's business update at the Rodman & Renshaw presentation, he highlighted the following:

#### Update on U.S. Milestones:

- Microcyn Solution for Post-Surgical Irrigation Launched in January 2010
- Microcyn Dermatology HydroGel with Pain and Itch Relief Launched in March 2010
- Negative-Pressure Wound Therapy Solution U.S. Introduction at New Cardiovascular Horizons Conference on June 1, 2010 in New Orleans
- U.S Commission-Based Sales Team Grows to 55-Plus and on track to be 100-Plus by December 2010
- Filed Microcyn Allergen Shield HydroGel with FDA - Approval Clearance and Product Launch Expected in Q3/Q4 2010
- Expecting FDA Approval and Product Launch for Atopic Dermatitis HydroGel in Q4 2010

#### Oculus Partner Update:

- Vetericyn(TM) Animal Healthcare Products Achieved \$6 Million Run Rate After Just Nine Months of Commercialization-- Oculus to Receive Revenue Sharing with Vetericyn Partner in 2011
- Oculus and Vetericyn Secure Animal Healthcare Product Approvals in Canada and Begin Shipments
- OroScience's First Microcyn-Based Products, an Oral Irrigant and Mucoprotectant, are Under FDA Review with Clearance Expected in Q3/Q4 2010

#### Outside U.S.

- Four New EU Distributors Added in Norway, Sweden, Germany and Finland Bringing Total EU Coverage to Eight Countries
- CE Mark European Approval of Dermacyn HydroGel Expected in Early 2011
- Mexican Ministry of Health Approval and Launch of First Two Dermatology Products in Mexico Expected in 2010
- Regulatory Approval and Launch of HydroGel in India for Both Rx and OTC Expected in Early 2011
- Wound Care HydroGel Submitted to Chinese SFDA for Regulatory Review with Approval Expected in Early 2011
- Pricing Registration for Dermacyn Wound Care Liquid Expected in Majority of 23 Chinese Provinces in 2011

#### Rodman & Renshaw Global Healthcare Conference

Hoji Alimi, Oculus CEO and founder, presented a corporate overview and business update to international investors at the Rodman & Renshaw Annual Global Healthcare Conference on Tuesday, May 18, 2010 in London.

#### Q4 2010 Earnings Call

The financial results for Oculus' fiscal fourth quarter ended March 31, 2010, will be released

after the U.S. market closes on June 3, 2010. The earnings release will be followed by a conference call at 1:30 p.m. PT (4:30 p.m. ET) on June 3, 2010, to discuss fiscal fourth quarter results and provide an update on the 2010 milestones and their impact on revenues.

Individuals interested in participating in the conference call may do so by dialing 877-303-7607 for domestic callers or 973-638-3203 for international callers. Those interested in listening to the conference call live via the Internet may do so at <http://ir.oculusis.com/events.cfm>. Please log on approximately 30 minutes prior to the presentation in order to register and download the appropriate software.

#### About Oculus Innovative Sciences

Oculus Innovative Sciences is a commercial medical technology company that designs, produces and markets safe and effective tissue care products based upon the Microcyn(R) Technology platform, which significantly reduces the need for antibiotics while reducing infections and accelerating healing. The Microcyn Technology addresses the need for improved solutions in multiple markets including dermatology, oral care, cosmeceutical, wound care and others. It features a biocompatible, shelf-stable solution that is currently commercialized in the United States, Europe, India, China and Mexico and select Middle East countries under various country specific regulatory clearances and approvals. 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, and reduce both inflammation and pain while assisting in faster wound closure. The company's headquarters are in Petaluma, California, with operations in Latin America. More information can be found at [www.oculusis.com](http://www.oculusis.com).

#### Forward-Looking Statements

Except for historical information herein, 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 and future financial performance. These forward-looking statements are identified by the use of words such as "to receive," "expected," "continue," and "creating," 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 such risks that regulatory clinical and guideline developments may change, scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or approvals, clinical results may not be replicated in actual patient settings, protection offered by the Company's patents and patent applications may be challenged, invalidated or circumvented by its competitors, the available market for the Company's products will not be as large as expected, the Company's products will not be able to penetrate one or more targeted markets, revenues will not be sufficient to fund further development and clinical studies, the Company may not meet its 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 annual report on Form 10-K for the year ended March 31, 2009. Oculus Innovative Sciences disclaims any obligation to update these forward-looking statements except as required by law.

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Source: Oculus Innovative Sciences, Inc.