

January 7, 2015



Oculus Innovative Sciences Announces New Dermatology Division, IntraDerm Pharmaceuticals

- **Multiple Microcyn®-Based Dermatology Products for Management of Pain/Itch and Scar Management Now Commercialized in the United States**
- **Four New Dermatology Products for Management of Scars, Atopic Dermatitis and Mild-to-Moderate Acne Now Commercialized in Europe**

PETALUMA, Calif., Jan. 7, 2015 (GLOBE NEWSWIRE) -- Oculus Innovative Sciences, Inc. (Nasdaq:OCLS), a specialty pharmaceutical company that develops and markets solutions for the treatment of dermatological conditions and advanced tissue care, today announced the launch of a new division, IntraDerm™ Pharmaceuticals, which is intended to develop and commercialize advanced dermatological products for the professional dermatology markets in the United States and internationally. Headquartered in Petaluma, California, IntraDerm Pharmaceuticals is staffed with a seasoned management and sales team who are well versed in the dermatology prescription markets in both the United States and Europe.

"We're excited about going to market with both a road-tested management and sales team and an inaugural portfolio of dermatology products formulated from our proven Microcyn® Technology platform," said Bob Miller, Oculus CFO and COO. "Microcyn has proven itself successful in both clinical studies and in daily clinical use in the resolution of skin dermatoses, the management of scars, and perhaps most telling, the reduction of pain and itch, which is the most common complaint dermatologists hear from their patients."

IntraDerm's first U.S. products are: Alevicyn™ Antipruritic Gel, which is for use by healthcare professionals in the management of pain, burning and itching associated with various dermatoses, including atopic and radiation dermatitis; and Alevicyn™ Dermal Spray, which is intended to be used by health care professionals in the management via debridement of wounds such as stage I-IV pressure ulcers, partial- and full-thickness wounds, diabetic foot ulcers, post-surgical wounds, first- and second-degree burns, grafted and donor sites. The Alevicyn products were launched in late 2014. A second product offering, Celacyn™ Prescription Scar Management Gel, is being launched this month throughout the United States.

Miller continued: "Having previously partnered our dermatology products, we understand firsthand the enormous potential for Microcyn Technology in the dermatology space, both in the United States and internationally. In tandem with our U.S. efforts, our European team launched multiple new Microcyn-based dermatology products in the EU this past November. We believe that by bringing these products to market with our own sales force and team of distributors, rather than relying on the efforts of a partner, we will be better able to control our own destiny and provide strong, consistent sales growth in the lucrative and

concentrated dermatology space."

The EU dermatology products, which recently secured CE Mark approvals, include a scar management gel, antiseptic solution, gel for management of mild-to-moderate acne and an atopic dermatitis hydrogel. These four products were commercialized this past November at the Medica Trade Fair in Germany. For more information on the EU dermatology products, visit www.intradermeu.com.

For more information or to order in the United States, healthcare professionals can call (855) 317-1107 or visit the IntraDerm web site at www.intraderm.com.

Atopic Dermatitis Market

In a 2009 GlobalData study, it was estimated the global atopic dermatitis therapeutics market delivered revenues of \$643 million in 2009. It is expected to grow to \$810 million at a Compound Annual Growth Rate (CAGR) of 3.4% by 2016. Globally, the United States remains the largest market for atopic dermatitis therapeutics, and generated revenue of \$402 million in 2009. It is forecast to grow at a CAGR of 3.8% over the next seven years to reach \$582 million by 2016.

Scar Treatment Market

According to a 2003 report by Frost & Sullivan, it is estimated that 62 million scars are formed each year in the United States. There are about 93 million people in the United States suffering from scars, out of which about 169 million scars can be characterized as hypertrophic (raised) and keloid (red colored) scars. The raised and red scars market forms the primary target for the scar therapy products. Annually, about 600,000 visits for burns and more than 2.6 million emergency room visits for cut injuries, this forms the potential market for the scar therapy products. The statistics show that out of 6.2 million reconstructive procedures performed on patients in a year, 250,000 surgeries are related with scar revisions.

About IntraDerm Pharmaceuticals

A division of Oculus Innovative Sciences, IntraDerm Pharmaceuticals is a global dermatology enterprise with an initial focus on Microcyn-based dermatology products. The division's headquarters are in Petaluma, California with sales operations also in the Netherlands, and manufacturing operations in the United States and Latin America. More information can be found at www.intraderm.com.

About Oculus Innovative Sciences, Inc.

Oculus Innovative Sciences is a specialty pharmaceutical company that develops and markets solutions for the treatment of dermatological conditions and advanced tissue care. The company's products, which are sold throughout the United States and internationally, have improved outcomes for more than five million patients globally by reducing infections, itch, pain, scarring and harmful inflammatory responses. The company's headquarters are in Petaluma, California, with manufacturing operations in the United States and Latin America. European marketing and sales are headquartered in Roermond, Netherlands. More information can be found at 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 commercial and technology progress and future financial performance of Oculus Innovative Sciences, Inc. and its subsidiaries (the "Company"). These forward-looking statements are identified by the use of words such as "control," "provide," "believe," and "launched," 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, the Company may not be able 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 its annual report on Form 10-K for the year ended March 31, 2014. The Company disclaims any obligation to update these forward-looking statements, except as required by law.

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Source: Oculus Innovative Sciences, Inc.