February 4, 2014

Oculus Innovative Sciences Receives European CE Mark for Use of Microcyn(R) in the Topical Treatment of Mild to Moderate Acne

PETALUMA, Calif., Feb. 4, 2014 (GLOBE NEWSWIRE) -- Oculus Innovative Sciences, Inc. (Nasdaq:OCLS), a global healthcare company that designs, manufactures and markets prescription and non-prescription products in 31 countries, today announced receipt of the European CE Mark for the Microcyn®-based GramaDerm® Solution and GramaDerm® Hydrogel. Both products are intended for use in the topical treatment of mild to moderate acne and are designed to complement other acne treatments.

The new CE Mark was issued by the European notified body, EMKI. The CE Mark is an indication that a medical device complies with the essential requirements of the medical devices directive (93/42/EEC) and that the device has been subjected to conformity assessment procedures. Receipt of the CE Mark will allow Oculus to market and sell the Microcyn-based GramaDerm Solution and GramaDerm Hydrogel in EU member countries that have adopted the medical devices directive without being subject to additional national regulations with regard to demonstration of performance and safety, although certain EU member countries may request or require additional performance and/or safety data from time to time, on a case-by case basis.

"Securing the CE Mark for our acne products is just the beginning of Oculus' multiple product development initiatives in our continuing European growth strategy," said Bruce Thornton, Oculus executive vice president of international operations. "With CE Mark approval, our EU partnering process has picked up considerably. In addition, we anticipate announcing regulatory approvals and commercialization of other Microcyn-based products, including those for new oral and advanced wound care indications, over the next few quarters."

While a new drug application for Microcyn acne formulation has not yet been filed in the United States, a number of U.S. dermatologists have been using the Microcyn-based atopic dermatitis hydrogel since its introduction in early 2012. As permitted by law, some of these physicians have clinically evaluated the impact of Microcyn in the management of a wide range of dermatological afflictions including acne.

"We've been successfully using a Microcyn-based hydrogel in my clinic for two years," said Dr. Rebecca Smith, a dermatologist at Fort Mill Dermatology in South Carolina. "I have seen promising secondary benefits of Microcyn in the reduction of inflammation and severity of acne outbreaks. In light of the European directive to reduce the use of topical antibiotics to minimize resistance concerns, European dermatologists will be delighted with the news

regarding GramaDerm's approval. We look forward to a similar product approval in the US in the future."

In a study published in the *Journal of Dermatological Treatment* (April 2009) by Tirado-Sánchez, A. *"Efficacy and Tolerance of superoxidized solution in the treatment of mild to moderate inflammatory acne,"* the Microcyn Technology, upon which the GramaDerm HydroGel is based, outperformed benzyl peroxide (a standard ingredient in many acne treatments) in the reduction of inflammatory lesions as a monotherapy associated with the treatment of acne. At the end of the 12-week study period, the percentage reduction in the number of inflammatory lesions from the initial baseline was 65% in the Microcyn arm versus 54% in the benzyl peroxide arm. The Microcyn product outperformed the benzyl peroxide, the general standard of care, but the difference was not statistically significant. However, the Microcyn technology has not, thus far, demonstrated any bacterial resistance and it tends to have an impeccable safety profile.

Global Acne Market

In a 2010 report issued by *Research and Markets*, it was indicated that the global acne market was worth $2.8 billion in 2009 and is estimated to reach revenues of $3.02 billion by 2016 at a Compound Annual Growth Rate (CAGR) of 0.7%. The current market has several products which act on acne by targeting different etiologic factors involved in the development of acne. The acne therapeutics market is witnessing a shift towards combination products, using two or more effective acne treatments at one time.

The acne market is primarily genericised and is moderately served by the currently marketed drugs. The majority of the pipeline products of large pharmaceutical companies also consist of combination products with very few first-in-class molecules. With emerging me-too combination products in the pipeline that are not significantly different from the current monotherapies, the acne market awaits a blockbuster advance. Increases in the population in general and an increase in the prescription rate are estimated to sustain the acne market in the future.

About Oculus Innovative Sciences

Oculus Innovative Science is a global healthcare company that designs, manufactures and markets prescription and non-prescription products in 31 countries. The company's products are used to treat patients in surgical/advanced wound management, dermatology, women's health and animal health; addressing the unmet medical needs of these markets—while raising the standard of patient care and lowering overall healthcare costs. The company's headquarters are in Petaluma, California, with manufacturing operations in the United States and Latin America. 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 "anticipates," "believes," "expects," and "intends," 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, 2013. 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.