

September 28, 2010



Oculus Innovative Sciences Launches Microcyn(R)-Based Dermatology HydroGel in Mexico

Oculus' GramaDerm(TM) HydroGel Positioned Against Benzyl Peroxide -- the Current Standard of Care in Mexico for Acne and other Dermatological Infections

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 introduced GramaDerm(R) HydroGel in Mexico for the treatment of various skin conditions associated with bacteria. Regulatory approval by the Mexican Ministry of Health was granted on August 19, 2010. Included in the agency's review was GramaDerm's efficacy in the eradication of various bacteria in-vitro, including P. acnes and Staphylococcus, amongst others. GramaDerm was cleared for removal of bacteria and other contaminants that cause pimples and blackheads.

The GramaDerm HydroGel, available in 50-gram pump dispensers, is being marketed in Mexico via Oculus' sales team. The initial product launch is focused on the sampling of product to dermatologists in the major metropolitan areas including Mexico City, Guadalajara, Monterrey, Vera Cruz, Puebla and the Northern Pacific border area. GramaDerm HydroGel is being commercially introduced at the Specialty Pharmaceutical Conference in Acapulco on September 29.

"Over the last several years we've 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 result of our brand recognition and our strong distribution system, we are in an excellent position to introduce new products, such as GramaDerm Dermatology HydroGel, into the Mexican healthcare market. Due to the significant dermatology market size in Mexico, which government statistics indicate is larger than the Mexican topical antiseptic market, we have an opportunity to dramatically ramp our revenues over the next few years. At the same time, we will serve as a stepping stone for the launch of our Microcyn-based dermatology technology into multiple global markets outside of Mexico."

In a study published in the Journal of Dermatological Treatment (April 2009) by Tirado-Sanchez, 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 inflammation associated with acne.

A report issued by GlobalData, an industry analysis specialist, "Acne: Drug Pipeline Analysis and Market Forecasts to 2016" suggests that the global acne market was worth \$2.8 billion in 2009.

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 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 Company's commercial and technology progress and future financial performance. These forward-looking statements are identified by the use of words such as "marketed," "expanded," and "plan," 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, 2010. 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.