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Oculus Innovative Sciences Receives European CE Mark for New Microcyn(R)-Based Atopic Dermatitis Hydrogel

• New Pediacyn™ Hydrogel to be Introduced at Medica Education Conference on November 12-15 in Dusseldorf, Germany

ROERMOND, Netherlands and PETALUMA, Calif., Oct. 30, 2014 (GLOBE NEWSWIRE) -- Oculus Innovative Sciences, Inc. (Nasdaq:OCLS), a global healthcare company that designs, manufactures and markets prescription and non-prescription products in 36 countries, today announced the issuance of a new CE Mark in Europe for Microcyn®-based Pediacyn™ Hydrogel. Pediacyn Hydrogel is indicated for the care of lesions associated with atopic dermatitis by assisting with moistening while forming a protective barrier against physical, chemical and microbial invasion of the atopic dermatitis lesions.

Bruce Thornton, Oculus senior vice president for international operations said: "We have seen the successful adoption in the United States of our various Microcyn-based atopic dermatitis products with over 100,000 prescriptions written. The clinical evidence confirming Microcyn's efficacy in the treatment of atopic dermatitis is highly compelling. Following our European introduction, we look forward to offering our partners in the Middle East, Asia and India this exciting new offering as well with significant supporting clinical data in six U.S. clinical studies or posters that collectively demonstrate rapid reduction of itch and improvement in the rash."

In October 2012, Oculus announced the results of a multicenter, prospective pilot study in which a Microcyn-based antipruritic hydrogel was evaluated in combination with a non-comedogenic water-soluble cream dressing.

The primary objective of the study, presented in a poster by authors Joseph F. Fowler, Jr, MD, Miriam S. Bettencourt, MD, and Stephen M. Schleicher, MD, was to evaluate efficacy in providing symptomatic relief among atopic dermatitis patients treated with these two products. A secondary objective evaluated whether the order of product application affected the clinical outcome. Eighteen patients completed the study.

The following assessments were used to evaluate efficacy and symptomatic relief associated with the use of the two products:

- Change in body surface area (BSA) and target lesion area affected with atopic dermatitis from baseline to week 2 and week 4.
- Change in several investigator assessments (ISGA) of the symptoms of atopic dermatitis, measured from baseline to week 2 and week 4.
- Improvement of scores in the patients' evaluation of signs and symptoms of atopic dermatitis; including burning, dryness, pain, itch, and redness.

Patients were directed to apply the cream and the hydrogel sequentially, three times daily to the affected areas of the skin. Patients were assigned randomly into two order-of-application treatment groups: cream first, hydrogel second or the hydrogel first, cream second. The second product was applied immediately after the first product was dry. Patients were evaluated at baseline, week 2, and week 4 (end of treatment).

The clinical results of the study included:

- A statistically significant 50% reduction in the body surface area of the atopic dermatitis from baseline to week 4.
- The symptoms of the disease as assessed by the investigators showed that the majority of the patients at week 4 were clear or almost clear of the disease.
- The severity of the symptoms as indicated by the patients showed an 81% reduction by week 4 from the baseline.

The authors of the study concluded that the water-soluble cream dressing and the Microcyn-based Antipruritic Hydrogel proved to be well-tolerated and effective treatments for patients with atopic dermatitis. Both order-of-application treatment regimens were shown to be effective and safe for patients with atopic dermatitis.

Pediacyn will be marketed under the IntraDerm Pharmaceuticals EU brand, a recently created division of Oculus Innovative Sciences. The product will launch at Medica Education Conference (http://www.medica-tradefair.com) in Dusseldorf, Germany on November 12-15, 2014. The Medica Education Conference is an advanced interdisciplinary training conference for medical practitioners and professional groups with an interest in specialized medicine.

Overseeing the development and launch of the IntraDerm EU dermatology products in Europe will be a dermatology sales manager, Frans Maes. Maes has an extensive background in nursing and more than 15 years of experience in international sales and marketing within various international healthcare companies. To date, Oculus and its European divisions have secured 10 CE Mark approvals for both dermatology and advanced tissue care products.

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.

About Oculus Innovative Sciences, Inc.

Oculus Innovative Sciences is a global healthcare company that designs, manufactures and markets prescription and non-prescription products in 36 countries. The company's products are used to treat patients in surgical/advanced wound management, dermatology, women's health and animal health markets; 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. 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 "will be," "look," and "launch," 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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