



INSTITUTIONAL RESEARCH
Healthcare and Technology
MORNING NOTE

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Toll Free: 866-928-0928 s www.DawsonJames.com s 1 North Federal Highway- 5th Floor s Boca Raton, FL 33432

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Oculus Innovative Sciences (Nasdaq/OCLS/Buy/\$0.45)

Robert M. Wasserman
Director of Research
561-208-2905

Atossa Genetics (Nasdaq/ATOS/Buy/\$6.60)

rwasserman@dawsonjames.com

1) Oculus Innovative Sciences (Nasdaq/OCLS/Buy/\$0.45) – Oculus announced this morning that the Company completed its previously announced public offering, selling 8.65 million shares at \$0.40 per share for net proceeds of \$3.45 million. Oculus intends to use the net proceeds from this offering for the repayment of debt and for general corporate purposes. In connection with the repayment of debt, Oculus intends to retire a portion of the common stock previously issued to its lenders. After the offering, Oculus will have approximately 45 million shares outstanding. Oculus is in the process of completing the spin-off of its R&D subsidiary, Ruthigen. We are maintaining our Buy rating and \$2.25 price target on OCLS shares. **RMW**

2) Atossa Genetics (Nasdaq/ATOS/Buy/\$6.60) – Atossa Genetics announced this morning a diagnostic laboratory services agreement with FedMed, a large Preferred Provider Organization (PPO) network, to give FedMed's participating providers and its clients' members greater access to Atossa's ForeCYTE and ArgusCYTE breast health tests. FedMed, based in Rockville, Maryland has built a large national healthcare network with over 550,000 Physicians, 4,000 Hospitals and 60,000 Ancillary Care Providers serving more than 40 million plan participants in the US. We are maintaining our Buy rating and \$10 price target on ATOS shares. **RMW**

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<http://www.DawsonJames.com/portal.html>.

Please find Important Disclosures beginning on Page 2.

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- 2) **Neutral:** the analyst believes the price of the stock is fairly valued for the next 12-18 months;
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The following chart reflects the range of current research report ratings for all companies followed by the analysts of the Firm. The chart also reflects the research report ratings relating to those companies for which the Firm has performed investment banking services.

Ratings Distribution	Company Coverage		Investment Banking	
	# of Companies	% of Total	# of Companies	% of Totals
Market Outperform (Buy)	12	75%	8	67%
Market Perform (Neutral)	4	25%	1	25%
Market Underperform (Sell)	0	0%	0	0%
Total	16	100%	9	56%

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