

*November 20, 2013***Oculus Innovative Sciences (Nasdaq/OCLS/Neutral/\$2.46)****Robert M. Wasserman**
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- 1) **Oculus Innovative Sciences (Nasdaq/OCLS/Neutral/\$2.46)** – Oculus announced financial results last night for their second fiscal quarter of 2014 ending September, including revenues of \$4.1 million, as compared with \$4.5 million in the prior year period. Revenues declined due primarily to the restructuring of the Company’s operations in Latin America from a direct sales force to a distributor model as well as the termination of two partnerships in the US last year. Net loss for the quarter was \$1.4 million or (\$0.21) per share, as compared with \$3.1 million or (\$0.47) per share one year ago. EBITDAS, which is an approximation of operating cash flow, was (\$882,000) in Q2/14 as compared with EBITDAS of (\$213,000) in the previous year; however, after adjusting for Ruthigen expenses during the quarter EBITDAS was positive at \$112,000. Following the imminent IPO for Ruthigen, expenses as well as asset values will improve significantly for Oculus. Oculus did show revenue growth in certain areas in its US unit, including dermatology, wound care and animal health care through partner Innovacyn, while unit volume grew 21% in Mexico and overall revenue in Europe and Rest of World increased 20% year-over-year. At the end of the quarter, the Company held \$3.2 million in cash and equivalents. At this time OCLS shares are rated Neutral and may be re-evaluated after the Ruthigen subsidiary IPO is completed in the near future. **RMW**

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Total	18	100%	12	67%

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