



PRESS RELEASE

FDA CLEARS ON-Q FOR USE TO SIGNIFICANTLY REDUCE POST-SURGICAL PAIN AND NARCOTIC USE

ON-Q First in Device Classification to Receive Expanded Indications for Use for Reduction of Post-Surgical Narcotics

Lake Forest, Calif.—May 25, 2004—I-Flow Corporation (NASDAQ: IFLO) announced today that the U.S. Food and Drug Administration (FDA) has cleared additional indications for use of its ON-Q® brand. ON-Q PainBuster® and ON-Q C-bloc™, narcotic-free post-surgical pain relief systems, previously received FDA clearance for the delivery of anesthetic to the surgical wound site and nerve blocks, respectively, to reduce pain following surgery. The additional indications allow I-Flow to market ON-Q as a method of significantly reducing pain and narcotics intake after surgery. ON-Q is believed to be the first in its device classification to receive such clearance.

ON-Q's primary new indication for use states that, "The I-Flow Elastomeric Pump is also intended to significantly decrease narcotic use and pain when used to deliver local anesthetics to surgical wound sites or close proximity to nerves when compared with narcotic-only pain management." The expanded indications also enable I-Flow to label the device for specific surgeries.

"Today's news is very exciting for both patients and physicians. Physicians are always concerned about providing patients the highest quality of care and helping them through surgery," said Dr. Leland B. Housman, cardiothoracic and vascular surgeon at Scripps Healthcare. "My experience with ON-Q parallels the findings of the clinical studies that led to these expanded indications. We often see that patients who use ON-Q PainBuster are able to reduce the amount of narcotics they take and they report a reduction in pain, enabling them to return to their normal lives sooner."

Since its original FDA clearance, 15 published clinical studies have illustrated the safety and efficacy of post-surgical pain relief when using ON-Q in various OB/GYN, cardiovascular/cardiothoracic, orthopedic and other procedures. These studies have proven that ON-Q not only reduces patients' pain immediately following surgery, it also reduces the need for post-surgical narcotics, today's standard of care, which are often associated with side effects including nausea, drowsiness, constipation, difficulty breathing and potential addiction. By reducing narcotics intake, patients spend less time in the hospital, thus reducing costs and increasing patient satisfaction.

"Having had many surgeries in my life, I am well aware of the side effects of narcotics. In fact, following my orthopedic surgeries I experienced a 'black hole' for days following the procedure. I was unable to interact with my family or my doctors, get out of bed, or even function normally," said Leslie Ryan, who had ON-Q with two recent orthopedic surgeries. "With ON-Q, the black hole was completely gone—I was alert and awake following the procedure and I did not need to ring the nurse because I was not in pain. I took significantly less narcotics and as a result I was out of the hospital in 24 hours and back to normal the day after my surgery. ON-Q truly

changed the entire recovery process for me. I actually assisted the other patients on my floor who were writhing in agony because I was not experiencing pain at all.”

“Since the original FDA clearance of ON-Q in 1998, we have worked steadfastly as a company to prove, through intense clinical research, that ON-Q not only reduces pain but that it also significantly decreases the need for post-surgical narcotics,” said Donald M. Earhart, president and CEO of I-Flow Corporation. “This enhanced indication from the FDA validates our mission to provide patients a narcotic-free recovery. We look forward to using these expanded indications for use to drive the awareness and adoption of ON-Q.”

About ON-Q

ON-Q PainBuster and ON-Q C-bloc are simple yet elegant devices that consist of small balloon pumps that hold a local anesthetic (a pain-numbing medicine) and deliver it through tiny, specially-designed tubes (catheters) directly into the surgical site or for a nerve block, respectively. The proprietary ON-Q Soaker™ Catheter is designed to provide more even distribution of local anesthetic over a wider area, as compared to other catheters, because of its patented wicking capabilities.

ON-Q delivers narcotic-free pain relief for many surgeries, including: cesarean section, hysterectomy, knee replacement, mastectomy, cardio-vascular/thoracic, foot and ankle and many cosmetic procedures. ON-Q helps patients avoid the side effects of narcotics so they can get back to their normal lives faster. Currently, 30 studies on the use of ON-Q have been completed and published and more are underway to demonstrate the benefits of ON-Q in additional areas such as pediatrics and wound healing.

For more information about ON-Q, visit www.AskYourSurgeon.com or call 800-448-3569.

About I-Flow Corporation

I-Flow Corporation www.iflo.com designs, develops and markets technically advanced, low-cost drug delivery systems and services that are redefining the standard of care by providing life-enhancing, cost-effective solutions for pain relief.

Certain disclosures made by the Company in this press release and in other reports and statements released by the Company are and will be forward-looking in nature, such as comments that express the Company's opinions about trends and factors that may impact future operating results. Disclosures that use words such as the Company "believes," "anticipates," or "expects" or use similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to certain risks and uncertainties, which could cause actual results to differ from those expected, and readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to republish revised forward-looking statements to reflect the occurrence of unanticipated events. Readers are also urged to carefully review and consider the various disclosures made by the Company in this release which seek to advise interested parties of the risks and other factors that affect the Company's business, as well as in the Company's periodic reports on Forms 10-K, 10-Q, and 8-K filed with the Securities and Exchange Commission. The risks affecting the Company's business include, among others: implementation of our direct sales strategy; dependence on our suppliers and distributors; reliance on the success of the home health care industry; our continuing compliance with applicable laws and regulations, such as the Food Drug and Cosmetics Act, and the FDA's concurrence with our management's subjective judgment on compliance issues; the reimbursement system currently in place and future changes to that system; competition in the industry; economic and political conditions in foreign countries; currency exchange rates; inadequacy of booked reserves; technological changes and product availability and acceptance. All such forward-looking statements, whether made in this release or elsewhere, should be considered in context with the various disclosures made by the Company about its business.