



Brilliance in photodynamic technology™

Photocure ASA

-Establishing a Specialty Pharma company

March 2010

Bringing innovative photodynamic therapies to patients worldwide

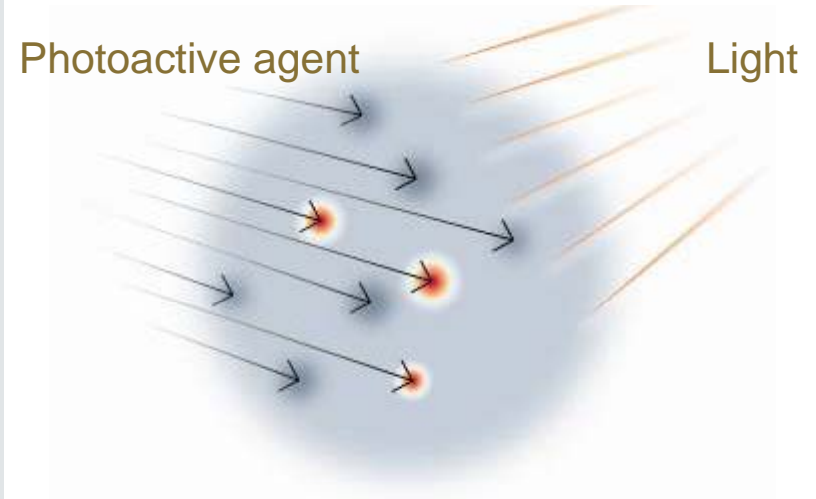
Photocure in brief



Proven track record, financial resources and a well-defined roadmap

- Specialty Pharma company listed on Oslo Stock Exchange in 2000
- Focused on dermatology...
 - Two products in development
- ...and cancer
 - One commercial product
 - Two products in development
- Strong financial position ~NOK 400 million in cash

Photocure Technology™



- Targeted light activates drug
- Selected uptake in diseased cells
- Earlier & more accurate diagnosis
- Few/ limited side effects
- New standard for diagnosis & treatment



Strong platform for future growth

Creating value from strong IP position in Dermatology and Cancer

		Indication	Status	Peak sales potential EU/ US
Dermatology	Allumera™	Improvement of facial skin appearance	Pilot trial	EUR 30 – 50 million
	Visonac™	Treatment of acne	Phase II	EUR 240 – 420 million
Cancer	Hexvix®	Detection of bladder cancer	Approved in EU Approval pending US	EUR 130 – 240 million
	Cevira™	Treatment of cervical cancer	Phase I/II	EUR 250 – 550 million
	Lumacan™	Detection of colon cancer	Phase I/II	EUR 300 – 510 million

Promising pipeline with large market potential and well-defined roadmap to market



Brilliance in photodynamic technology™

Dermatology



Creating value in Dermatology

- Photocure has a track record in Dermatology since 1997
 - Developed and registered Metvix for Actinic Keratosis globally
 - Licenced Metvix to Galderma
 - Own sales in Nordic with highest per capita
- Dermatology - attractive for Specialty Pharma companies
 - Full market coverage in major regions with limited sales force
 - PDT already established and known to dermatologists
 - PDT meets a large medical need in many dermatology indications
- Roadmap
 - Develop and launch Allumera for Skin Rejuvenation,
 - Develop and launch Visonac for Acne
 - Establish own marketing and sales organization

Create further value – beyond R&D and out-licensing

Allumera™

Improving facial skin appearance



- Professional cosmetic product sold through dermatologists
- Finished pilot study in 2009 with excellent results

Significant improvement in;

- Texture: Softened and smoothed skin
- Tone: Evened out skin color
- Fine lines: Diminished
- Pores: Reduced pore lines
- Initiation of consumer trial in US in Q2 2010
 - Planned results for Q4 2010
- Started preparations for launch in 2011



Peak sales potential estimated to be EUR 30-50 million per year in US

Visonac™

Effective treatment of moderate to severe acne



- Consistently high efficacy shown in 3 separate Phase II studies
- Treatments two weeks apart - sustained effect in reduction of lesions
- Limited side effects
- Significant improvement in tolerability measures of pain and erythema
- Well defined roadmap. Plan to start phase III program in EU/US in 2010



3 modes of action:

- Kills the acne bacteria
- Reduces sebaceous production
- Reduces inflammation

Peak sales potential of EUR 240 – 420 million in EU & US



Brilliance in photodynamic technology™

Cancer

Creating value in Cancer

Remaining committed to PDT based products



- Photocure has a track record in Cancer since 1997
 - Developed and registered Metvix for Actinic Keratosis globally
 - Developed and registered Hexvix for Bladder Cancer
 - Licenced Hexvix to GE healthcare
 - Own sales in Nordic with highest per capita
- Cancer - attractive for Specialty Pharma companies
 - Solid scientific data for PDT from over 250 publications
 - Strong health economic data for PDT with good reimbursement
 - PDT meets future trends for selective targeting of locally diseased area
- Roadmap
 - Develop Lumacan and Cevira
 - Out-licence before phase III

Top priority to accelerate R&D and reduce uncertainty

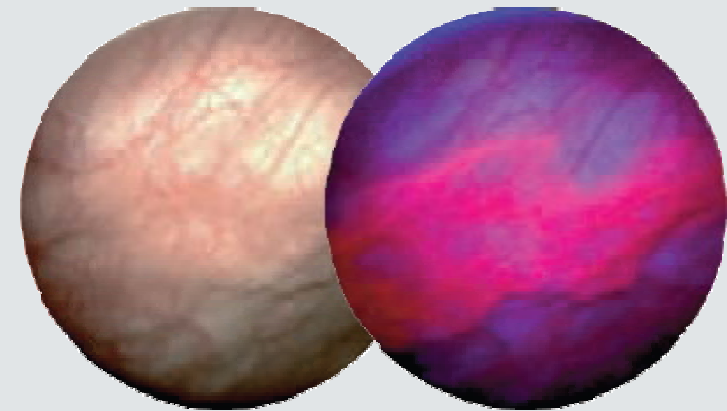
Hexvix[®] value proposition

- breakthrough in bladder cancer diagnostics



- Enables doctors to carry out a more effective tumour removal
- Strong improvement compared to standard diagnostic procedures

	Hexvix results
Detection of patients w/ bladder cancer	30% more ¹ .
Detection of patients w/ CIS lesions	28% more ² .
Detection of CIS lesions	67% more
Recurrence - relative reduction	22% ⁵ .
Patient management improvement	1 in 5 ³ .
Cost effective	Yes ⁴ .

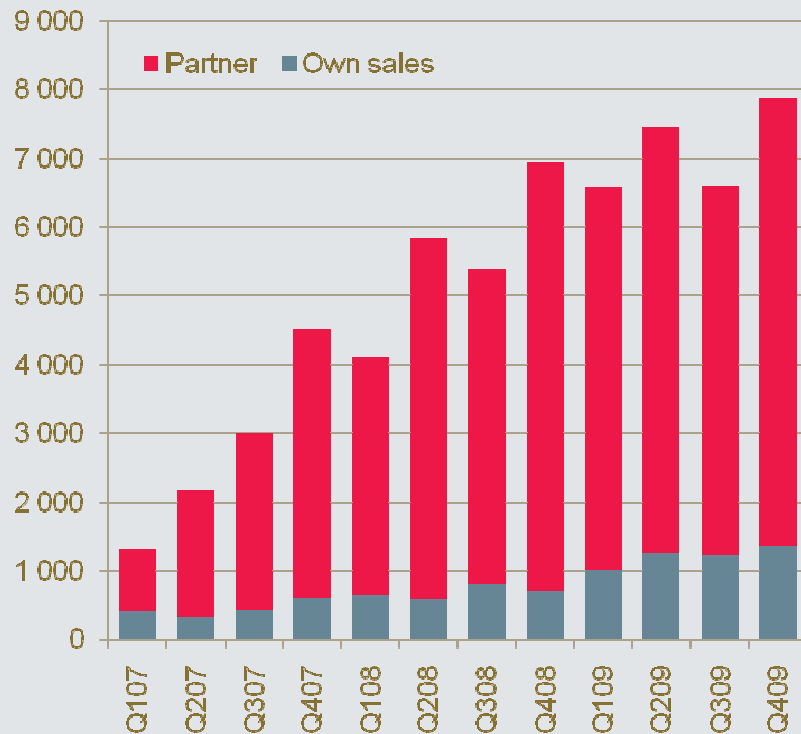


1. Jichlinski P et. al. J Urol, 2003;170:226-229
3. Jocham D et. al. J Urol, 2005;174:862-866
5. Publication in progress

2. Semidbauer J et. al. J Urol, 2004;171:135-138
4. Burger et. al. Eur J Urol, 2007;52:142-147



Unit Sales



Europe – status and roadmap:

- Germany largest market
 - New reimbursement from 1 January, 2010
- App. 600 blue-light scopes in market
- Established national and regional guidelines as well as EU consensus
- Focus on sales execution

US market – status and roadmap:

- Recommended by FDA Advisory Committee
- Open issues expected to be agreed during 1H 2010

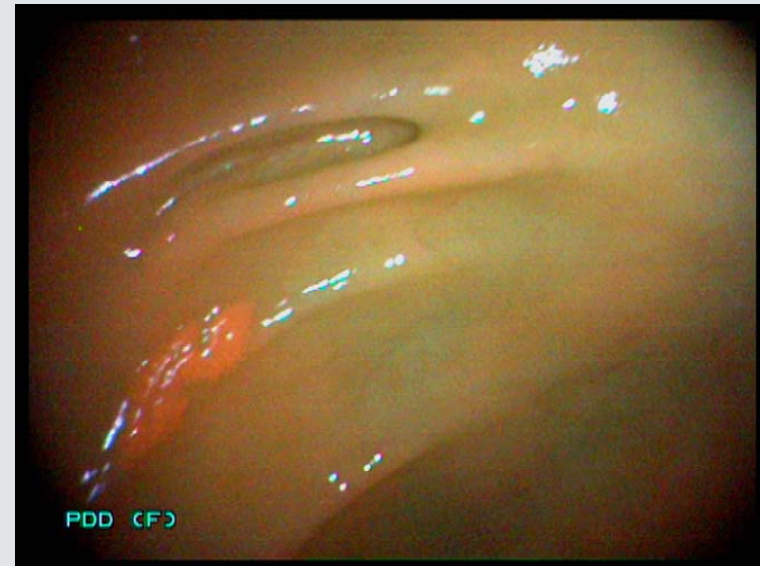
Launch in US during 2010

Lumacan™

Diagnosis of colorectal cancer



- Proof-of-Concept study using enema showed 39% increase in detection rate using Lumacan- colonoscopy.
- Oral formulation in development to optimize release in colon and meet requirements for hospital logistics
- Scintigraphy testing of new oral formulations in Q2 2010
- Ongoing phase I/II study on hold after 12 patients in Q4 2009. Restarting with improved oral formulation in Q3 2010



First PoC-study in Munich, Germany.
One flat lesion showing fluorescence in colon.
Courtesy: Prof. Dr. B. Mayinger

Peak sales potential of EUR 300 – 510 million in the EU & US

Cevira™



Treatment of HPV/precancerous lesions in cervix

- Completed Proof-of-Concept study in 2009 - showed high efficacy in low grade pre-cancerous lesions
- Placebo-controlled multicenter phase II study ongoing in 5 countries in Europe
 - All 70 patients enrolled
 - Patient follow-up 6 months
 - Initial results expected Q2 2010
- Developed new drug/medical device
 - One visit to gynecologist
 - User friendly for patients – disposable
- New phase II study in same population testing the device planned for H2 2010



Illustration of Cevira device

Peak sales potential of EUR 250 – 550 million in the EU & US



Brilliance in photodynamic technology™

Summary



Goals 2010

Strategic:

- Create a Specialty Pharma Company in dermatology – starting with the US

Commercial:

- Improve commercial activities for Hexvix in Europe
- Secure Hexvix Approval in the US
- Hexvix launch in the US

R&D:

- Start Visonac phase III program
- Finish Allumera consumer trial
- Cevira – start phase II study with new device
- Lumacan – restart phase II study with improved oral formulation



Summary

- Proven track record
- Creating a Specialty Pharma Company;
 - Dermatology – development & commercialization
 - Cancer – development & out-license before phase III
- Strong balance sheet & financial flexibility to accelerate opportunities
- Strong intellectual property
- Promising pipeline
- Exciting market potential
- Well-defined roadmap to market



Brilliance in photodynamic technology™

Financial statements

Profit & Loss

Q4 and Full Year 2009



- Reduced revenues and marketing & sales expenses due to sale of Metvix/Aktilite
- Research & development expenses of NOK 27.3 million in Q409 due to Hexvix NDA expenses and Visonac phase II study in the US/Canada

<i>Numbers in NOK thousand</i>	Q4 2009	Q4 2008	FY 2009	FY 2008
Total revenues	14 566	33 190	98 798	102 220
R&D expenses	-27 289	-25 508	-79 492	-78 341
Marketing & sales expenses	-8 012	-12 559	-41 640	-45 916
Operating profit/ loss (EBIT)	-29 918	-14 469	-59 394	-62 539
Net profit/ loss	-28 587	-9 246	-56 943	-59 562
Gain on sale of Metvix/ Aktilite	6 338	0	369 325	0
Net profit/loss	-22 249	-9 246	312 382	-59 562
Other comprehensive income	3 144	0	4 192	0
Comprehensive income	-19 105	-9 246	316 574	-59 562

Profit & Loss (cont.)



Continued vs. discontinued operations 2009

	Discontinued operations		Continued operations	
	2009	2008	2009	2008
<i>Numbers in NOK thousand</i>				
Total revenues	50 370	65 366	48 428	36 854
Gross profit	40 443	50 667	42 887	32 480
Other income	0	0	11 652	3 580
Indirect manufacturing expenses	-1 165	-1 694	-9 451	-6 913
R&D expenses	-512	-1 816	-78 980	-76 525
Marketing & sales expenses	-16 656	-21 642	-24 984	-24 274
G&A expenses	-2 552	-362	-20 075	-16 040
Operating profit/ loss (EBIT)	19 558	25 153	-78 953	-87 692
Net profit/ loss	19 558	25 153	-76 501	-84 715
Gain on sale of Metvix/ Aktlite	369 325		0	0
Discontinued operations	-388 883	-25 153	388 883	25 153
Net profit/loss	0	0	312 382	-59 562

Metvix/Aktlite is under IFRS reported as discontinued operations



Segment information – FY 2009

<i>(audited)</i>	FY 2009						FY 2008				
<i>Numbers in NOK thousand</i>	Own	Partner	R&D*	Disc. op.	Total	% vs. 08	Own	Partner	R&D*	Disc. op.	Total
Sales revenue Metvix/ Aktelite	0	2 430		50 370	52 800	-18 %	0	0		64 063	64 063
Sales revenue Hexvix	16 908	29 090		0	45 998	25 %	10 190	26 664		0	36 855
Milestone revenue	0	0			0		0	0		1 303	1 303
Total revenues	16 908	31 520	0	50 370	98 798	-3 %	10 190	26 664	0	65 366	102 220
Cost of goods sold	-718	-4 823		-9 927	-15 469	-19 %	-558	-3 817		-14 699	-19 074
Gross profit	16 190	26 696	0	40 443	83 329	0 %	9 632	22 847	0	50 667	83 147
Gross profit (ex milestones)	96%	85%		80%	84%		95%	86%		78%	81%
Operating expenses	-21 193	-17 908	-82 737	-20 885	-142 723	-2 %	-15 683	-13 786	-90 703	-25 514	-145 686
Operating profit	-5 003	8 788	-82 737	19 558	-59 394		-6 051	9 062	-90 703	25 153	-62 539
Gain sale Metvix/Aktelite	0	0	0	369 325	369 325		0	0	0	0	0
Profit before tax	-5 003	8 788	-82 737	388 882	312 382		-6 051	9 062	-90 703	25 153	-59 562

* Including share of general & administrative expenses

Hexvix sales increased 18% in end user sales and 25% in sales revenue in 2009

Lower level of R&D expenses and total operating expenses in 2009 vs. 2008



Balance sheet – assets

- NOK 403.5 million in cash year end
- No Metvix/Aktelite assets
- Other investments includes 1,040,000 shares in PCI Biotech valued at NOK 11.00/share

<i>Numbers in NOK thousand (audited)</i>	31.12.2009	31.12. 2008
Non-current assets		
Intangible assets, software	365	534
Machinery & Equipment	1 772	3 939
Other investments	14 585	11 528
Total non-current assets	16 722	16 001
Current assets		
Inventory	13 826	12 792
Receivables	22 811	29 158
Cash & cash equivalents	403 502	179 897
Total current assets	440 140	221 846
Total assets	456 862	237 847



Balance sheet - equity & liabilities

- NOK 415.8 million in shareholder's equity or 91%
- No interest bearing debt
- No Metvix/Aktelite liabilities

<i>Numbers in NOK thousand (audited)</i>	31.12.2009	31.12.2008
Paid-in capital	11 047	11 047
Other paid-in capital	176 112	188 647
Retained earnings	228 624	0
Shareholders' equity	415 783	199 694
Total equity	415 783	199 694
Total long-term liabilities	340	0
Accounts payable	13 936	0
Tax and social charge	3 325	0
Current liabilities	23 478	38 153
Total liabilities	40 739	38 153
Total equity and liabilities	456 862	237 847

Cash Flow

Q4 2009 and Full Year 2009



- NOK 263.2 million in Net change in cash during Q4
 - Gain from sale of Metvix/Aktelite
 - Payment of dividend
 - Purchase of own shares

<i>Numbers in NOK thousand</i>	Q4 2009	FY 2009	FY 2008
Income/ loss before tax	-22 248	312 382	-59 562
Other operational items	385 022	5 063	3 584
Net cash flow from operations	362 774	317 445	-55 978
Cash flow from investments	4 357	10 104	-11 865
Payment of dividend	-87 950	-87 950	0
Purchase own shares	-19 915	-19 915	0
Sale of own shares	3 926	3 926	0
Interest paid	-1	-4	-13
Cash flow from capital transactions	-103 941	-103 944	-13
Net change in cash during the period	263 190	223 605	-67 856
Cash & cash equivalents beginning of period	140 312	179 897	247 753
Cash & cash equivalents end of period	403 502	403 502	179 897