



Brilliance in photodynamic technology™

Photocure ASA Divests Metvix[®]/ Aktilite[®]

October 1, 2009

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Agenda

Transaction details

The Metvix[®] and Aktilite[®] story

- Proven track record
- Background
- Transaction rationale

Photocure going forward

Summary



Transaction details

- **Galderma acquires rights, assets & liabilities to Metvix® & Aktilite®**
 - Replacement of existing licence agreement from 2002
 - The Nordic marketing & sales organisation
 - Right to develop new products based on MAL in dermatology
 - First right of refusal to Visonac™

- **Cash consideration EUR 51 million**
 - EUR 44 million cash upon signing
 - EUR 7 million upon regulatory approval of new products;
 - EUR 3 million by December 2012
 - EUR 4 million by December 2016



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The Metvix[®] and Aktilite[®] story

- treatment of skin cancer without scarring

Metvix[®] - a successful dermatology product



- Approved for Actinic Keratosis, Basal Cell Carcinoma and Bowen's Disease
- Established sales & marketing unit in Nordic
- Estimated end-user sales of NOK 130 million in 2009
- Over 1 million patients treated to date

- Metvix[®] value proposition:
 - Superior cosmetic outcome
 - Limited & predictable side-effect profile
 - Clinically effective
 - Physician-controlled – 100% compliance

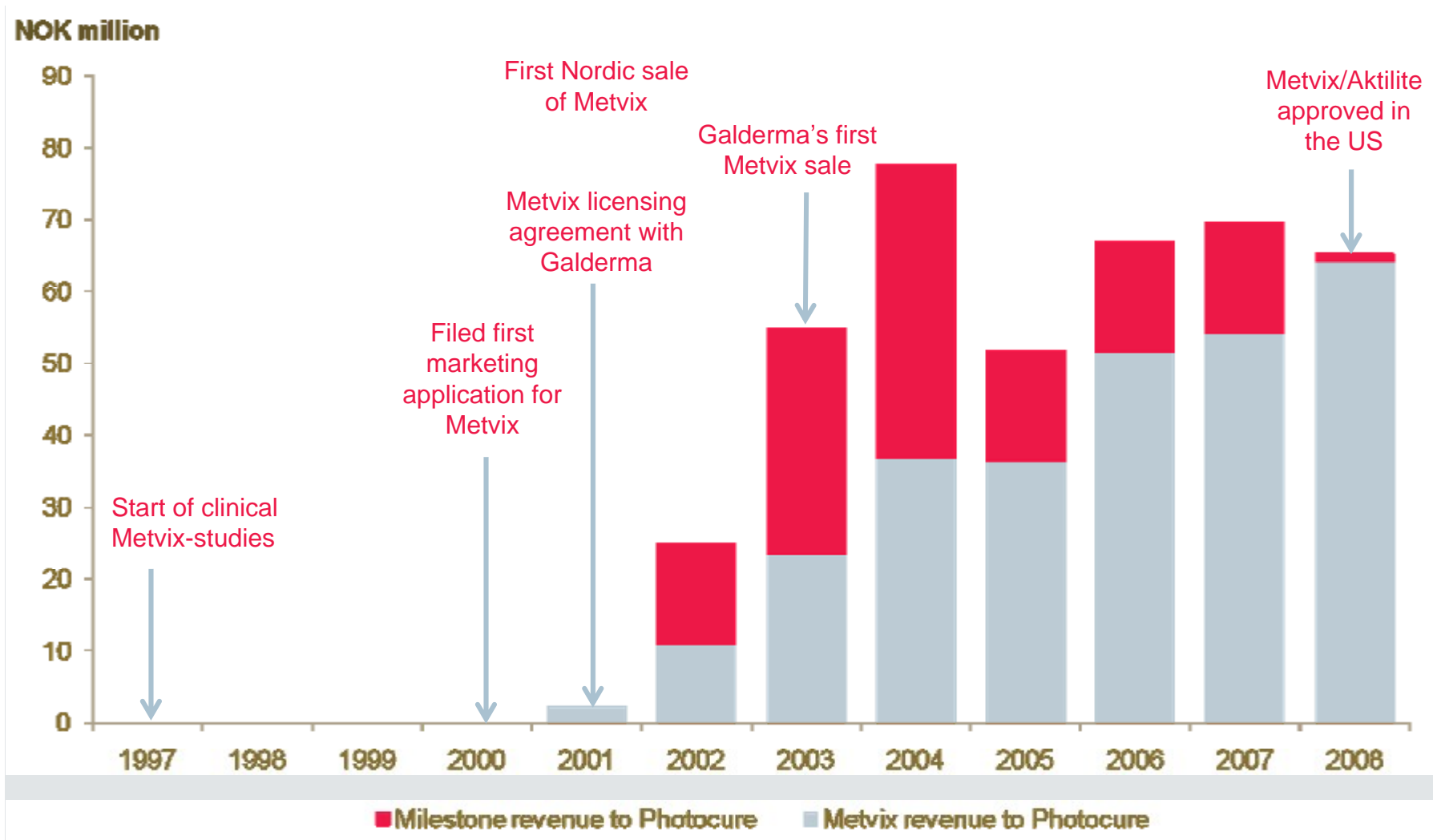


Taken through research, development and commercialisation

*Photocure estimate



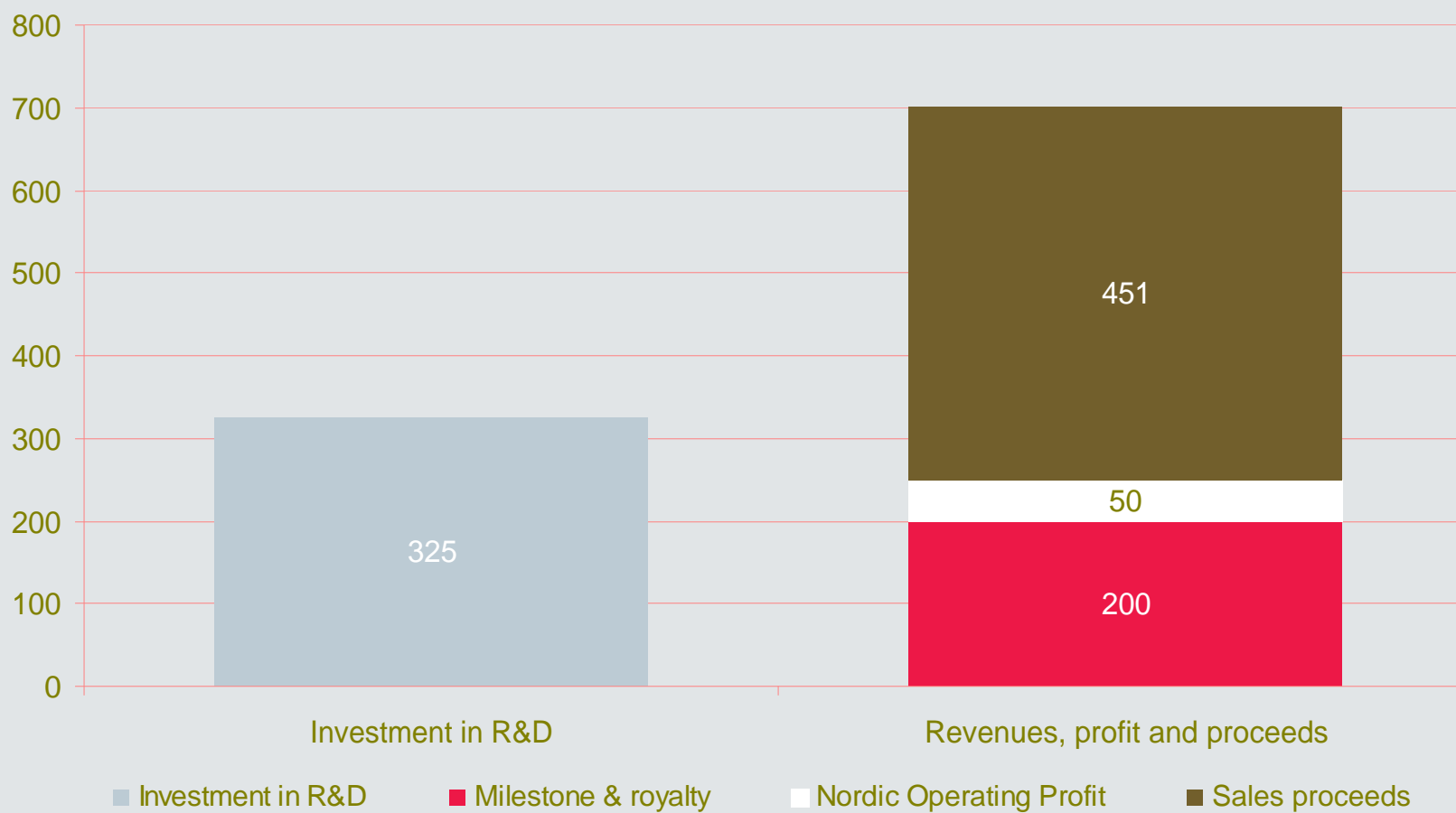
The Metvix[®] story





Strong return on investment

NOK million





Rationale for divestment

- Sales proceeds create strong return on investment
 - Total compensation of approximately NOK 700 million
- Proceeds will accelerate opportunities for further value creation

Acting in the shareholders' best interests



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Photocure going forward



Strong platform for future growth

Creating value from strong IP position in dermatology and cancer

	Indication	Status	Peak sales potential*
Hexvix[®]	Detection of bladder cancer (TURB ^{**})	EU on Market Fast-track NDA review in the US	€130-240 million
Visonac[™]	Treatment of acne	Phase II/III	€240-420 million
Cevira[™]	Treatment of cervical cancer	Phase I/II	€250-550 million
Lumacan[™]	Detection of colon cancer	Phase I/II	€300-510 million

Peak sales potential for Hexvix in the US and EU, Visonac, Cevira and Lumacan significantly higher than current Metvix sales

Proceeds open up new opportunities

Moving towards a profitable mid-sized pharma company



STRATEGY

Dermatology - focus on both development and commercialisation

Phase I

Phase II

Phase III

Commercialisation

- Accelerated development of Visonac™ and 2nd and 3rd generation PDT products
- Explore alternatives for in-licensing of commercial dermatology products
- Explore strategic and structural opportunities

Cancer portfolio – maintain strategy and out-license before phase III

Phase I

Phase II

Phase III

Commercialisation



Establish a strong dermatology unit

- Accelerate development of Visonac™
- Create a portfolio of dermatology products
 - Develop new 2nd and 3rd generation PDT products
- Strategic partnerships and/or structural opportunities
 - Explore in-licensing of commercial products
 - Explore geographical opportunities



Focused on commercialisation in the dermatology market

Visonac example;
Acne patient before and after treatment



PDT cancer portfolio - roadmaps

Hexvix®	Cevira™	Lumacan™
Launched in EU	Phase I/II study ongoing	Phase I/II study ongoing
<ul style="list-style-type: none">• Secure US approval• Increase public awareness• Improve reimbursement procedures• Clinical studies to increase therapeutic indication and scope; currently looking at market that is 2-3x as large as the TURB market	<ul style="list-style-type: none">• IND opened in 2008 in the US• Further investments in Phase II to conform novel procedure	<ul style="list-style-type: none">• Proof-of-Concept with oral formulation:• Further investment to reduce technical risk and document oral formulation

Cancer portfolio – out-license before phase III



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Summary



Well positioned for further growth

- Metvix divestment rationale:
 - A proven track record – research, development and commercialisation
 - Sales proceeds creates a strong return on investment
 - Proceeds will accelerate opportunities for value creation
- Strategy going forward:
 1. Dermatology - strengthen focus on commercialisation
 2. Cancer - maintain focus and out-license before phase III



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Thank you for your attention!

Welcome back –
Q3 and Capital Markets Day presentations on 28 October



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Appendix



Proforma figures – P&L

	Financial report		Discontinued		Continued	
	2009	2008	2009	2008	2009	2008
<i>Numbers in NOK thousand</i>	1H	FY	1H	FY	1H	FY
Sales revenue	57 962	100 917	36 385	64 063	21 577	36 854
Signing fee and milestone revenues		1 303		1 303	0	0
Total revenues	57 962	102 220	36 385	65 366	21 577	36 854
Cost of goods sold	-9 538	-19 074	-7 525	-14 699	-2 013	-4 374
Gross profit	48 424	83 147	28 860	50 667	19 564	32 480
Other income	2 023	6 257	0	0	2 023	6 257
Indirect manufacturing expenses	-4 929	-8 607	-1 009	-1694	-3 920	-6 913
R & D development expenses	-32 897	-84 303	-481	-1 557	-32 416	-82 746
Marketing & sales expenses	-23 301	-45 916	-10 787	-21642	-12 514	-24 589
G & A expenses	-9 561	-17 951	-1 025	-362	-8 536	-17 589
Operating profit/ loss (-)	-20 241	-67 374	15 558	25 412	-35 799	-92 786
Net financial items	-467	2 991	0	0	-467	2 991
Profit/ loss (-) before tax	-20 708	-64 382	15 558	25 412	-36 266	-89 794
Tax expenses	0	0	0	0	0	0
Net profit/ loss (-)	-20 708	-64 382	15 558	25 412	-36 266	-89 794
Other comprehensive income	1 048	0	0	0	1 048	0
Comprehensive income	-19 658	-64 382	15 558	25 412	-35 218	-89 794



Proforma figures – Balance sheet

	Financial report		Discontinued		Continued	
	2009	2008	2009	2008	2009	2008
	1H	FY	1H	FY	1H	FY
<i>Numbers in NOK thousand</i>						
Intangible assets, software	427	534			427	534
Machinery & equipment	3 449	3 939	1 436	1 548	2 013	2 391
Other investments	8 384	11 528			8 384	11 528
Total non-current assets	12 305	16 001	1 436	1 548	10 869	14 528
Inventory	19 013	12 792	5 903	5 461	13 110	7 331
Receivables	30 617	29 158	13 442	8 253	17 175	20 905
Cash & cash equivalents	150 556	179 897			150 556	179 897
Total current assets	200 185	221 846	19 345	13 714	180 840	208 133
Total assets	212 490	237 847	20 781	15 262	191 709	222 585
Paid-in capital	11 047	11 047			11 047	11 047
Other paid-in capital	190 476	15 467			190 476	15 467
Retained earnings	-19 658	173 181	18 083	12 617	-37 741	160 564
Total equity	181 864	199 694	18 083	12 617	163 782	187 077
Long term liabilities	0	0			0	0
Current liabilities	30 627	38 153	2 698	2 645	27 929	35 508
Total liabilities	30 627	38 153	2 698	2 645	27 929	35 508
Total equity and liabilities	212 490	237 847	20 781	15 262	191 709	222 585