



Brilliance in photodynamic technology™

Photocure ASA

- Establishing a Specialty Pharma company

Presentation of first quarter 2010 results

28 April 2010

Kjetil Hestdal, President & CEO

Christian Fekete, CFO

Bringing innovative photodynamic therapies to patients worldwide



Highlights first quarter 2010

- Hexvix revenues increased 44% to NOK 14.0 million in Q110
- Reimbursement approval for Hexvix in Germany, triggering EUR 0.5 (NOK 4.1) million in milestone revenue
- Net result of NOK -13.9 million
- Cash of NOK 369.9 million per 31 March 2010
- Progress development projects:
 - Visonac: Completed inclusion phase II in January, results May 2010
 - Allumera: Second consumer trial started in April, results Q410
 - Cevira: Positive phase I/II results in April

Major steps towards becoming a Specialty Pharma Company



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



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Financial statements

Profit & Loss

First quarter 2010



- Divestment of Metvix/ Aktelite changed earnings profile
 - 2009 accounts adjusted for discontinued operations.
- Hexvix' sales revenues up 44%
- Reimbursement approval Germany – milestone payment
- R&D:
 - Dermatology: NOK 8.1 million
 - Cancer: NOK 10.7 million
 - Explorative: NOK 0.5 million
- Other comprehensive income NOK 29.3 million from PCI Biotech

<i>Numbers in NOK thousand</i>	Q1 2010	Q1 2009	FY 2009
Sales revenues	13 960	9 669	48 428
Signing fee and milestone revenue	4 140	0	0
Total revenues	18 101	9 669	48 428
R&D	-19 265	-10 543	-78 980
Marketing & sales	-8 137	-6 205	-24 984
Operating profit/ loss (EBIT)	-15 728	-13 493	-78 952
Net financial items	1 862	-2 877	2 451
Discontinued operations	0	7 759	388 883
Net profit/loss	-13 865	-8 611	321 382
Other comprehensive income	29 344	0	4 192
Comprehensive income	15 479	-8 611	316 574

Metvix/Aktelite is under IFRS reported as discontinued operations



Segment information – Q1 2010

	Q1 2010						Q1 2009				
	Cancer			Derm. ⁽²⁾	Total	% vs. 09	Cancer			Derm. R&D	Total
<i>Numbers in NOK thousand</i>	Own	Partner	R&D ⁽¹⁾				Own	Partner	R&D*		
Sales Hexvix	5 817	8 143			13 960	44%	3 818	5 851	0	0	9 669
Cost of goods sold	-363	-1 272			-1 634	106%	-160	-632	0	0	-792
Gross profit	5 454	6 872			12 326	39%	3 658	5 220	0	0	8 877
Gross profit %	94%	84%			88%		96%	89%			92%
Milestone revenue	0	4 140			4 140		0	0			0
MAL/ Metvix/ Aktelite rev ⁽³⁾					4 088						
Discontinued operations											7 759
Operating expenses	-5 140	-3 291	-12 034	-15 817	-36 282	62%	-5 479	-2 326	-13 016	-1 550	-22 371
Operating profit	314	7 721	-12 034	-15 817	-15 727		-1 821	2893	-13 016	-1 550	-5 735
Net finance					1 862						-2 877
Profit before tax	314	7 721	-12 034	-15 817	-13 865		-1 821	2 893	-13 016	-1 550	-8 612

(1) Including share of general & admin. Expenses

(2) R&D Visonac/ Allumera, Business development and admin. Expenses

(3) Deferred revenue from Metvix divestment, sale of MAL, returns and reimbursement of Metvix.



Balance sheet – assets

- NOK 369.9 million in cash end of period
- Other investments includes:
 - NOK 40.9 million from shares in PCI Biotech
 - Deferred revenue from sale of Metvix/Aktelite
- PCI Biotech has proposed a share capital increase of NOK 90 million
 - PHO participates in the guarantee consortium with a 20% share

<i>Numbers in NOK thousand</i>	31.03.2010	31.03.2009	31.12.2009
Non-current assets			
Intangible assets, software	335	511	365
Machinery & Equipment	1 886	2 483	1 772
Other investments	46 952	7 336	14 585
Total non-current assets	49 172	10 330	16 722
Current assets			
Inventory	13 922	12 300	13 826
Receivables	19 025	15 242	22 811
Cash & cash equivalents	369 912	161 872	403 502
Total current assets	402 858	189 415	440 140
Total assets	452 031	199 745	456 862



Balance sheet - equity & liabilities

- Other paid-in capital includes own shares of NOK 24 million
- Shareholder's equity amounting to NOK 424 million
- Equity ratio of 94%
- No interest bearing debt

<i>Numbers in NOK thousand</i>	31.03.2010	31.03.2009	31.12.2009
Share capital	11 047	11 047	11 047
Other paid-in capital	169 198	189 562	176 112
Retained earnings	244 102	-29 658	228 624
Shareholders' equity	424 347	170 950	415 783
Total long-term liabilities	420	0	340
Current liabilities	27 263	28 795	40 739
Total liabilities	27 684	28 795	41 079
Total equity and liabilities	452 031	199 745	456 862

Cash Flow

First quarter 2010



- Net change in cash of NOK -33.6 million
- Net purchase of own share of NOK 8.1 million

<i>Numbers in NOK thousand</i>	Q1 2010	Q1 2009	FY 2009
Profit/ loss before tax	-13 865	-8 611	312 382
Depreciation and amortisation	275	398	1 451
Share-based compensation	1 195	914	3 454
Net interests	-2 398	-2 510	-9 258
Write down financial assets	0	4 192	4 192
Changes in working capital	-9 785	-14 760	7 899
Other operational items	-3 063	-1	-2 674
Net cash flow from operations	-27 642	-20 378	317 445
Cash flow from investments	2 160	2 353	10 104
Cash flow from capital transactions	-8 109	0	-103 944
Net change in cash during the period	-33 591	-18 025	223 605
Cash & cash equiv. beginning of period	403 502	179 897	179 897
Cash & cash equivalents end of period	369 912	161 872	403 502

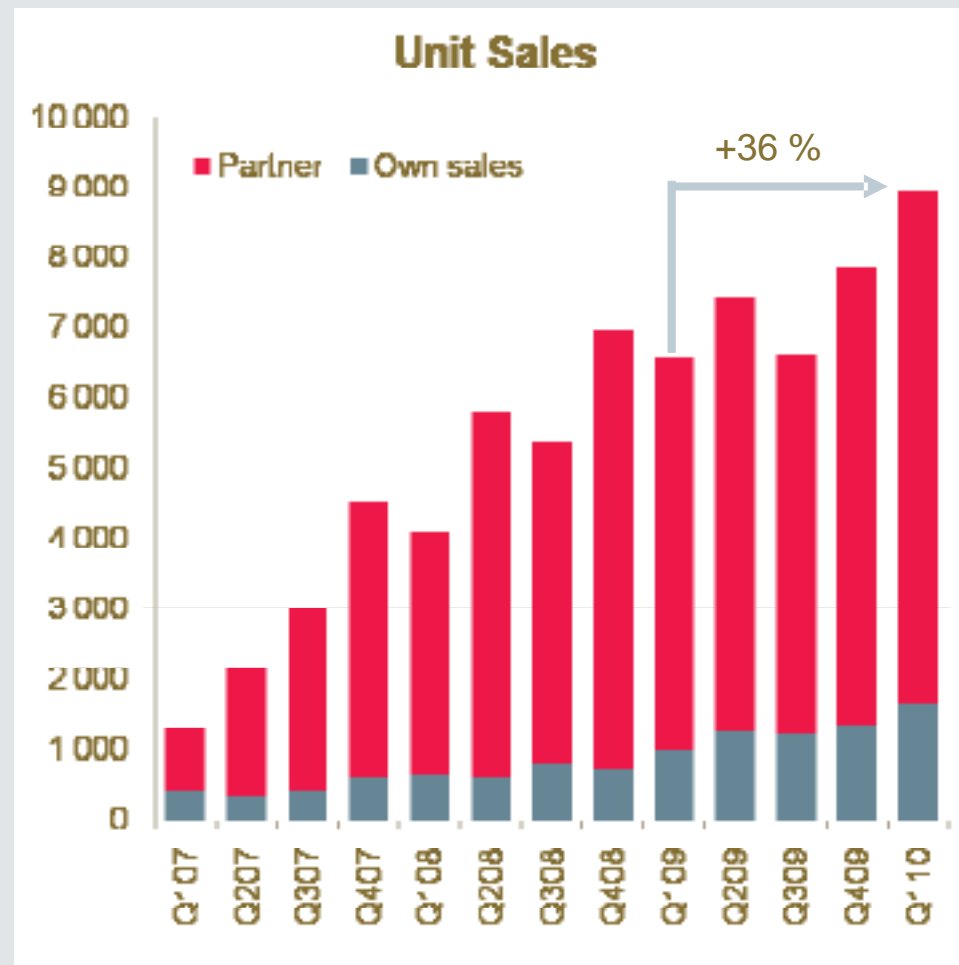


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Operational Update



Hexvix[®] key sales figures



Hexvix unit sales Q1 2009:

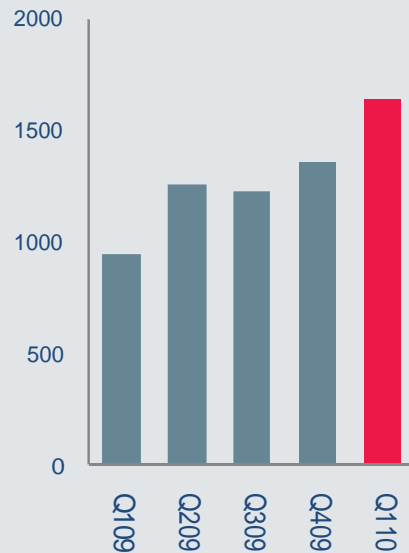
- Volumes in the Nordic region increased 75% to 1,646 units
- Volumes sold by GE Healthcare increased 31% to 7,303 units

Hexvix®

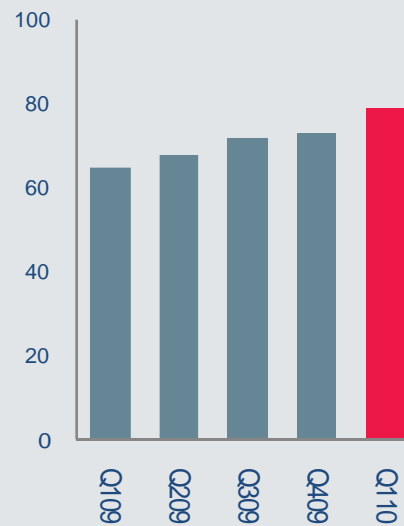


- Nordic key performance indicators first quarter 2010

Nordic Hexvix units



Nordic blue light



Nordic Hexvix units/blue light



30% Hexvix Nordic market share in TURB Q1 2010

22% equipment growth Q1 2010

43% growth in use Q1 2010



Hexvix[®] partner status 2010

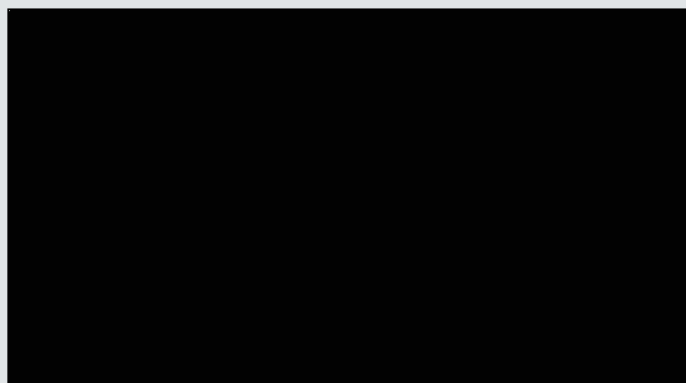


- Germany largest market – over 50% of sales
 - New reimbursement from 1 January 2010
- European expert panel recommends use of Hexvix
 - Expected to lead to a more unison use in Europe
- App. 600 blue-light scopes in market

Focus on sales execution



Hexvix[®] roadmap



Picture of a bladder in white and blue light illustrating the fluorescence effect

- Secure US approval
 - Pending issues expected to be solved during 1H 2010
- Launch in US in 2010
- Continue growth in Europe
 - Several programs for training/ reimbursement/ sales execution/equipment placement depending on country

Peak sales potential of EUR 130 - 240 million in the EU & 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
- Next milestones:
 - Publish phase II data in May 2010
 - 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 & the US

Allumera™

Improving facial skin appearance



- Cosmetic product sold through dermatologists
- Finished pilot study in Q4 2009 with excellent results;
 - Skin looks softer and smoother
 - Skin tone looks more even
 - Fine lines and wrinkles appear diminished
- Second consumer trial started 22 April 2010
 - Placebo controlled
 - Planned results for Q4 2010



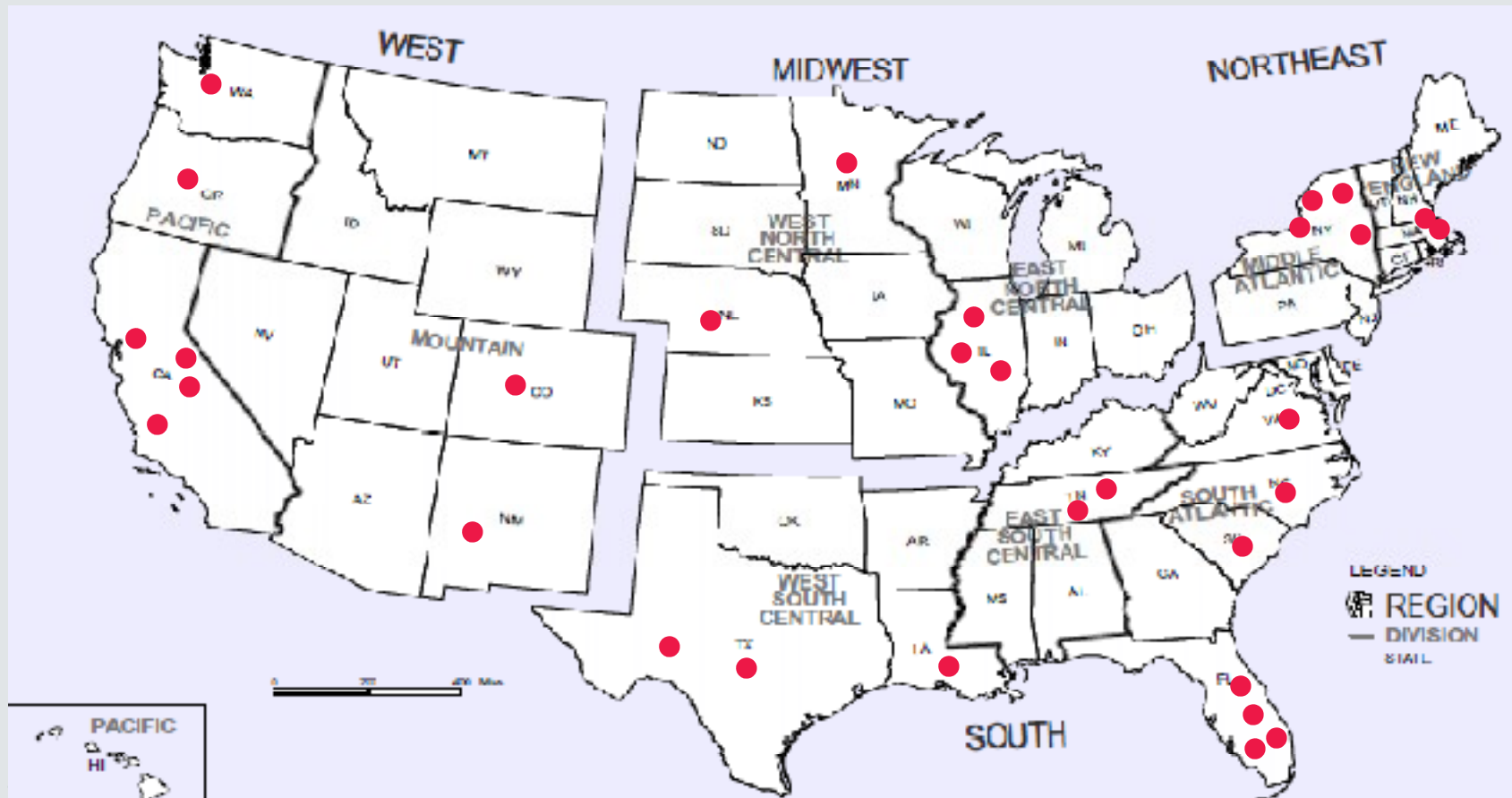
Peak sales potential estimated to be EUR 30-50 million per year in US

Allumera™



Started preparations for launch in 2011

- Established 30 Key Opinion Leader centers throughout the US
- Started recruitment of key personnel

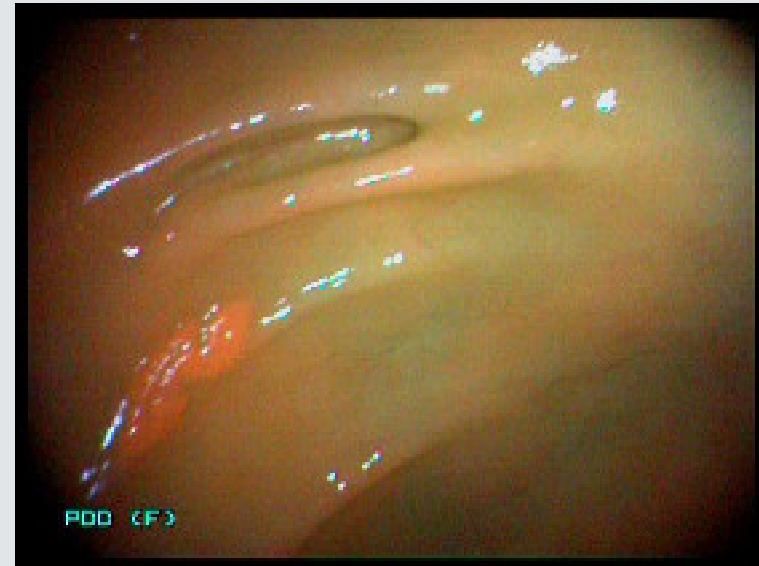


Lumacan™

Diagnosis of colorectal cancer



- Proof-of-Concept study using enema:
 - 39% increase in detection rate using Lumacan- colonoscopy.
 - Improved oral formulation in development to optimize release in colon
 - 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

- Proof-of-Concept dose-finding study 2009:
 - 58% efficacy in precancer (CIN1/2) with 90% HPV clearance in lesion responders at 6 months
 - 83% CIN2 patients avoided conization (CR+PR)
 - Sustained 12 month efficacy with overall 63% response rate
 - Treatment well tolerated, but 25-50J/cm² light dose most favourable to patients

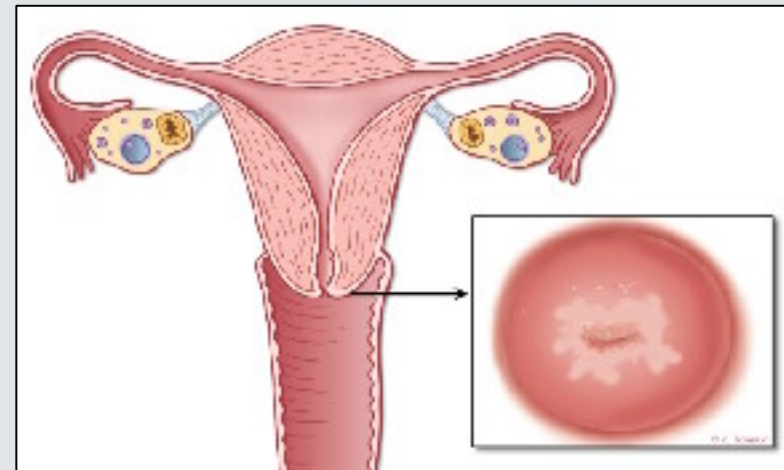


Illustration of the anatomy of Cervix

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

Cevira™

Roadmap



- Placebo-controlled multicenter phase II study ongoing in 5 countries in Europe:
 - All 70 patients enrolled
 - Patient follow-up 6 months
 - Initial results expected Q3 2010
- Developed new drug/medical device :
 - One visit to gynecologist
 - Easy to administer by gynecologist
 - User friendly for patients
 - “Home” treatment
 - Removed by patient - disposable
- New phase II study in same population testing the device planned for Q2 2010

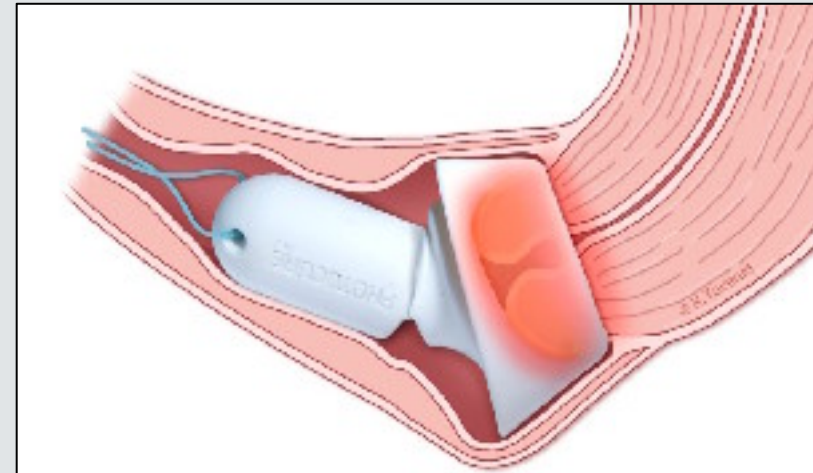


Illustration of Cevira device



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Summary and Outlook



Summary and Outlook

- Hexvix:
 - Revenues +44%, end-user sales in units +36%
 - Reimbursement approval in Germany
 - US regulatory process on track – response from FDA expected in June 2010
 - Sales in Europe expected to increase by 30%+ in 2010
- Good progress in development programs:
 - Visonac: Inclusion completed – results May 2010
 - Allumera: Second consumer trial started – results Q4 2010
 - Cevira: Positive phase I/II results
- PCI Biotech:
 - Value of ownership increased to NOK 40.6 million during first quarter
 - PHO participate in guarantee consortium related to proposed issue



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 I/II study with new device
 - Lumacan – restart phase I/II study with improved oral formulation



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Welcome back
Second quarter, 19 August 2010