



Brilliance in photodynamic technology™

Photocure ASA

- from Biotech to Specialty Pharma

Presentation of fourth quarter 2009 results

19 February 2010

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Highlights fourth quarter 2009

- Sale of Metvix/ Aktelite for EUR 51 million 30 September 2009
- Received positive response to the Hexvix NDA from FDA on 30 December 2009
- Payment of dividend of NOK 4 per share in December 2009
- Cash of NOK 403.5 million as per 31 December 2009
- Sales revenues of NOK 14.6 million in Q409 (33.2)

Major steps towards a Specialty Pharma Company



From Biotech to Specialty Pharma

- We will create a unique Specialty Pharma Company
- We will continue to focus on PDT based products
- We increase our commitment to the Dermatology market
 - Capitalize on technological and commercial capabilities
- We remain committed to our Cancer portfolio
 - Continue providing PDT products for diagnosis & treatment

Technology and capabilities to create significant value



Strong platform for future growth

Creating value from strong IP position in Dermatology and Cancer

	Indication	Status	Peak sales potential EU/ US
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
Allumera[™]	Improvement of facial skin appearance	Pilot trial	EUR 30 – 50 million
Visonac[™]	Treatment of acne	Phase II	EUR 240 – 420 million

A promising pipeline with large market potential and well-defined roadmap to market



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Financial statements

Profit & Loss

Q4 and Full Year 2009



- Net gain on sale of Metvix/Aktlite of MNOK 369.3 in 2009
- Reduced revenues and M&S expenses due to sale of Metvix/Aktlite
- R&D expenses of MNOK 27.3 in 4Q due to Hexvix NDA expenses and Visonac clinical phase II study

<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/ Aktlite	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/ Aktelite	369 325		0	0
Discontinued operations	-388 883	-25 153	388 883	25 153
Net profit/loss	0	0	312 382	-59 562

Metvix/Aktelite is under IFRS reported as discontinued operations



Segment information – Q4 2009

<i>(unaudited)</i>	Q4 2009					Q4 2008			
<i>Numbers in NOK thousand</i>	Own	Partner	R&D*	Total	% vs. 08	Own	Partner	R&D*	Total
Sales revenue Metvix/ Aktelite	-307	2 913		2 606	-87 %	7 421	12 223		19 644
Sales revenue Hexvix	3 843	8 117		11 960	-12 %	3 368	10 178		13 546
Total sales revenues	3 536	11 030	0	14 566	-56 %	10 789	22 401	0	33 190
Cost of goods sold	-145	-1 961		-2 106	-64 %	-810	-5 104		-5 914
Gross profit	3 392	9 069	0	12 460	-54 %	9 980	17 297	0	27 276
Gross profit	96%	82%		86%		92%	77%		82%
Gain sale Metvix/Aktelite	0	6 338		6 338		0	0		0
Operating expenses	-6 734	-7 905	-27 739	-42 378	2 %	-10 729	-3 236	-27 780	-41 745
Operating profit	-3 342	7 502	-27 739	-23 579		-749	14 060	-27 780	-14 469
<i>* Including share of general & administrative expenses</i>									

Hexvix sales increased 8% in end user sales and -12% in sales revenue due to Nordic inventory variations and COGS/currency adjustment related to Partner sales



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
<i>* Including share of general & administrative expenses</i>											

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	15 467
Retained earnings	228 624	173 181
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 beginning end period	403 502	403 502	179 897

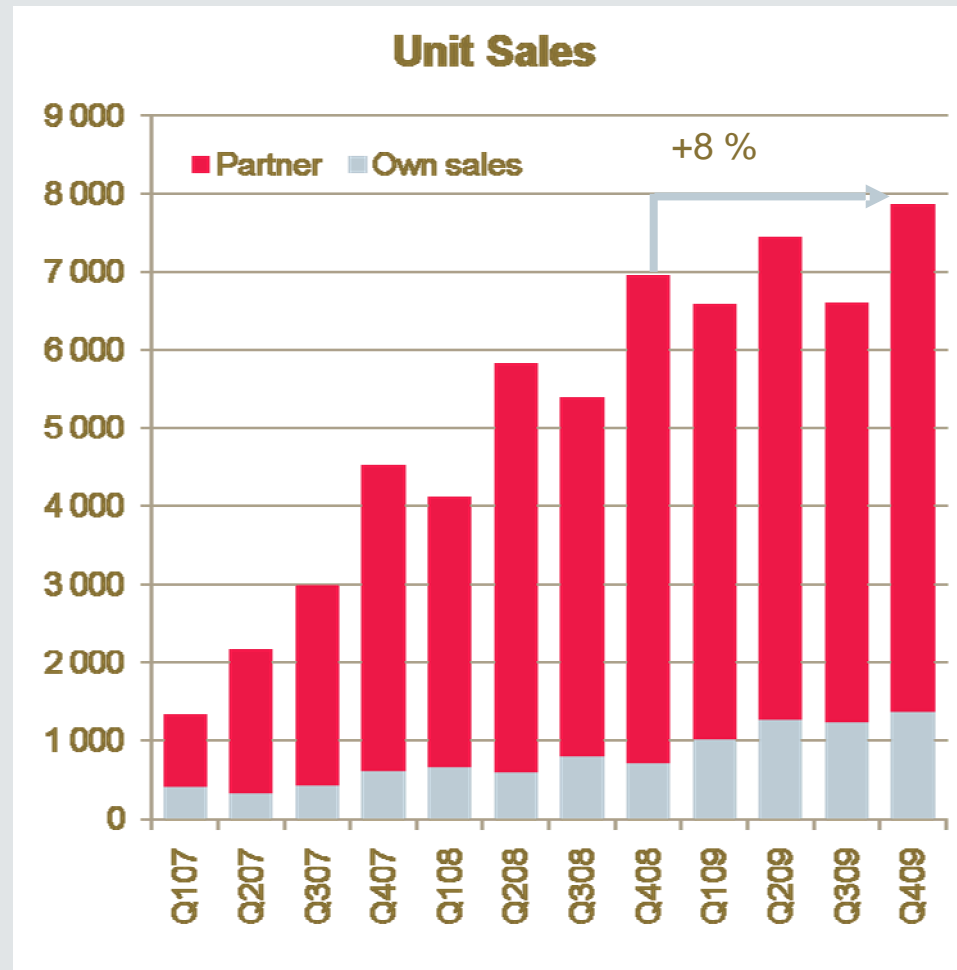


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Operational Update



Hexvix[®] key sales figures



Unit sales Q4 2009:

- 1,362 Hexvix units sold in the Nordic region, an increase of 30% vs. Q4 2008
- 6,503 Hexvix units sold by GE Healthcare, an increase of 4% vs. Q4 2008

Unit sales 2009:

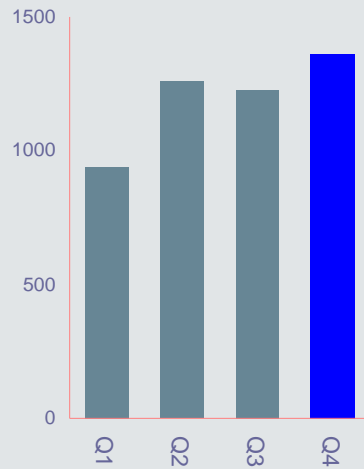
- 4,786 Hexvix units sold in the Nordic, an increase of 61% vs. 2008
- 22,962 Hexvix units sold by GE Healthcare, an increase of 18% vs. 2008

Hexvix®

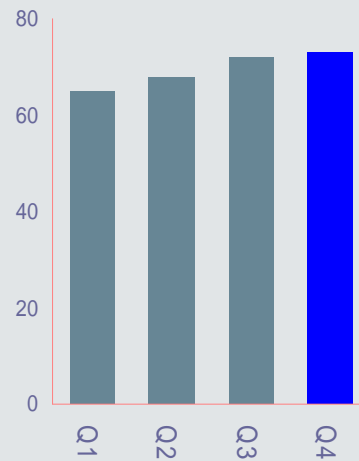
- Nordic key performance indicators



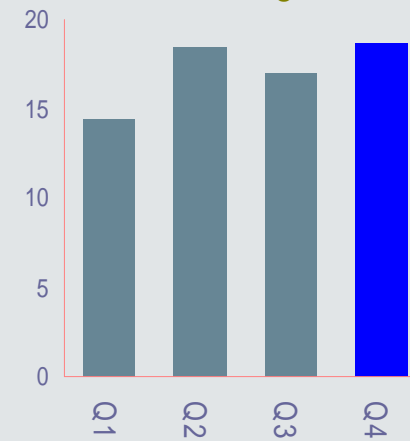
Nordic Hexvix units



Nordic blue light



Nordic Hexvix units/blue light



Hexvix Nordic market share in TURB 23%

Equipment growth 18% in 2009

Growth in use 36% in 2009



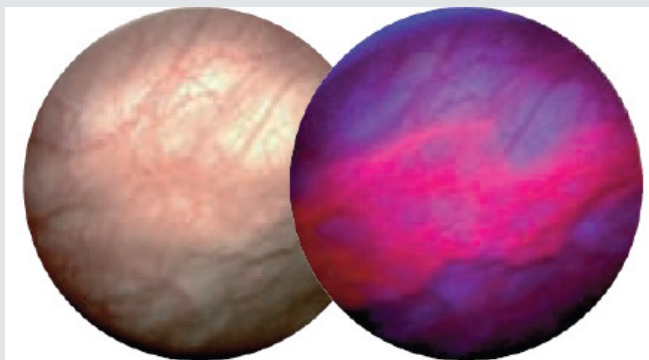
Hexvix[®] partner status 2009



- Germany largest market – over 50% of sales
 - 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



Hexvix[®] roadmap



- Secure US approval
 - Recommended by FDA Advisory Committee and positive response, including action letter received from FDA in December 2009
 - Pending issues expected to be agreed during 1H 2010
- Launch in US in 2010
- Increase use 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

- 3 modes of action:
 - Kills the acne bacteria
 - Reduces sebaceous production
 - Reduces inflammation
- 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



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

Visonac™

Status and road map



- Completed patient enrollment in multicenter phase II study in US/Canada in January 2010
 - Pediatric patient population (n=107)
 - Preliminary results in March/April 2010
 - Study 2 months ahead of plan
- Results from phase II study will improve phase III program in EU/US
- Plan End-of-Phase II meeting with the FDA in the US and regulatory update in EU in Q3 2010
- Plan start of joint Phase III program in EU/US in Q4 2010

Alignment of EU and US program

Allumera™

Improving facial skin appearance



- Cosmetic product sold through dermatologists
- Finished pilot study in Q4 2009 with excellent results;
 - 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



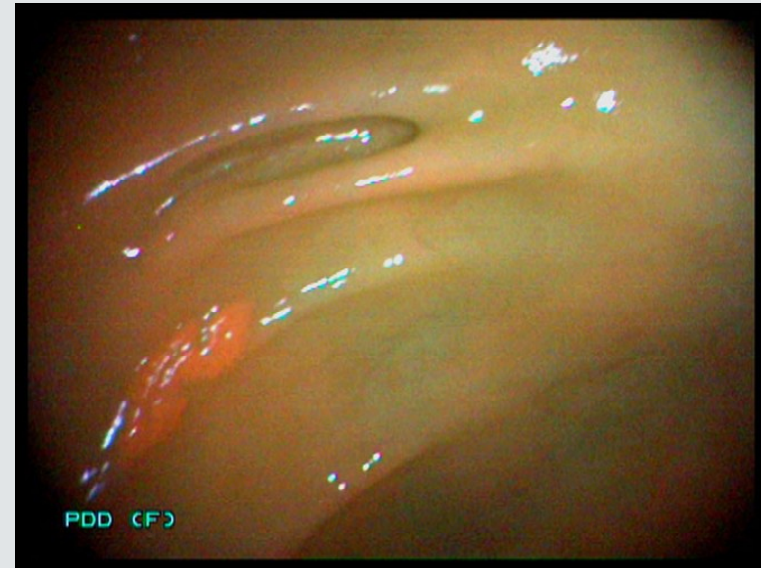
Peak sales potential estimated to be EUR 30-50 million per year in US

Lumacan™

Diagnosis of colorectal cancer



- Proof-of-Concept study using enema showed 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

- 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

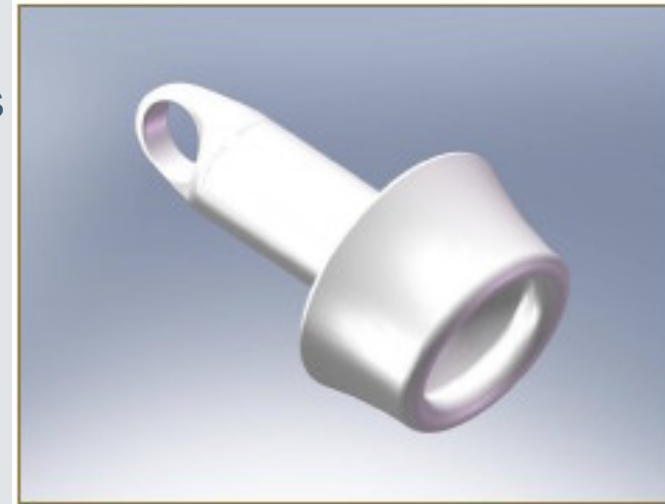


Illustration of Cevira device

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



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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