Brilliance in photodynamic technology ™

Photocure ASA

First quarter 2007

April 25th, 2007

Kjetil Hestdal, President & CEO and Christian Fekete, CFO

Highlights first quarter 2007

Hexvix commercialisation gaining momentum

- Hexvix revenue increased to MNOK 2.1 (0.1) in rest of Europe
- Hexvix revenue increased to MNOK 1.6 (0.3) in the Nordic region

Increased sales of Metvix

- Metvix revenue increased 33% outside the Nordic region to MNOK 9.9
- Metvix revenue MNOK 5.4 (5.4) in the Nordic region
- Metvix recommended as first line treatment for AK in new IPDT guildelines

Important milestones reached in R&D

- Completed two phase III Metvix/Aktilite studies
- Started phase II study in acne in the US
- Presented preliminary phase I/II data in detection of colon cancer
- Filed 2 patent applications for combination of siRNA/PNA and PCI technology

Financial statements

Financial statements
- Profit & loss first quarter 2007 (group)

- Sales revenues increasing by 43% to MNOK 19.0
- New classification of expenses from 1.1.2007

	2007 1.1-31.03	2006 1.1-31.03	2006 1.1-31.12
Sales revenues	19 006	13 285	61 667
Signing fee and milestone revenues	3 908	60 538	148 653
Total revenues	**22 914**	**73 823**	**210 320**
Cost of products sold	-6 588	-3 564	-22 251
Gross profit	**16 326**	**70 259**	**188 070**
Other income	1 694	1 388	5 690
Indirect manufacturing expenses	-3 696	-1 669	-5 880
Research and development expenses	-22 644	-15 668	-56 058
Marketing and sales expenses	-8 766	-5 496	-23 068
General and administrative expenses	-3 324	-6 135	-30 412
Operating profit/loss(-)	**-20 410**	**42 679**	**78 342**
Financial income	3 254	1 039	11 867
Financial expenses	-627	-749	-5 478
Net financial profit/loss(-)	**2 626**	**290**	**6 389**
Profit/loss(-) before tax	**-17 784**	**42 970**	**84 730**
Tax expenses	0	0	0
Net profit/loss(-)	**-17 784**	**42 970**	**84 730**
Incl. minority interests in the amount of	-151	-72	-352
Net income/loss(-) per share, basic	-0.81	2.25	3.98
Net income/loss(-) per share, diluted	-0.80	2.24	3.97

Financial statements
- Segment information (group)

- Sales revenues for Metvix ROW increasing by 33% to MNOK 9.9
- Sales revenues for Hexvix increasing to MNOK 3.7
- R&D separate segment from 1.1.2007

Income statement - geographical distribution

(Amounts in NOK 1000)	1Q07				1Q06			
	Nordic	**ROW**	**R&D***	**Total**	**Nordic**	**ROW**	**R&D***	**Total**
Sales revenue	7 024	11 982	0	19 006	5 710	7 575	0	13 285
Milestone revenue	0	3 908	0	3 908	0	60 538	0	60 538
Total revenues	**7 024**	**15 891**	**0**	**22 914**	**5 710**	**68 113**	**0**	**73 823**
Cost of goods sold	730	5 858	0	6 588	621	2 943	0	3 564
Gross profit	**6 294**	**10 033**	**0**	**16 326**	**5 088**	**65 171**	**0**	**70 259**
Gross profit %	90 %	63 %		71 %	89 %	96 %		95 %
Operating expenses	8 680	4 861	23 195	36 736	5 899	5 570	16 110	27 580
Operating profit	**-2 386**	**5 171**	**-23 195**	**-20 410**	**-811**	**59 600**	**-16 110**	**42 679**
Net finance	0	0	2 626	2 626	0	0	290	290
Profit before tax	**-2 386**	**5 171**	**-20 569**	**-17 784**	**-811**	**59 600**	**-15 820**	**42 970**

** Including share of general and administrative expenses and net finance*

Sales revenues - product split

(Amounts in NOK 1000)	1Q07			1Q06		
	Nordic	**ROW**	**Total**	**Nordic**	**ROW**	**Total**
Metvix/Aktilite	5 391	9 924	15 315	5 414	7 443	12 857
Hexvix	1 632	2 058	3 690	296	132	429
Total	**7 024**	**11 982**	**19 006**	**5 710**	**7 575**	**13 285**

ROW=Rest Of the World

Allocation of operating expenses to the geographical segments have been changed for 2006 in order to present a more accurate allocation.

Financial statements
- balance sheet 31.03.2007 (group)

- Cash & cash quivalents of MNOK 316.8 per 31.3.2007
- Total balance of MNOK 354.5 per 31.3.2007

	31.03.2007	31.03.2006	31.12.2006
Non-currrent assets			
Intangible assets, software	766	0	780
Machinery & equipment	2 166	2 844	2 178
Total non-current assets	**2 932**	**2 844**	**2 958**
Currrent assets			
Inventory	10 249	11 044	9 784
Receivables	24 517	21 981	27 595
Cash & cash equivalents	316 823	296 771	335 085
Total current assets	**351 588**	**329 795**	**372 464**
Total assets	**354 520**	**332 639**	**375 423**
Equity and liabilities			
Equity			
Paid-in capital	260 901	259 442	259 619
Other paid-in capital	7 698	5 278	6 821
Retained earnings	42 712	19 526	60 495
Shareholders' equity	**311 310**	**284 246**	**326 935**
Minority interest	0	0	0
Total equity	**311 310**	**284 246**	**326 935**
Liabilities			
Long-term liabilities			
Other non-current liabilities	0	13 028	1 303
Total long-term liabilities	**0**	**13 028**	**1 303**
Current liabilities	43 210	35 365	47 185
Total liabilities	**43 210**	**48 393**	**48 488**
Total equity and liabilities	**354 520**	**332 639**	**375 423**

PHOTOCURE™

Brilliance in photodynamic technology ™

Hexvix®
- a breakthrough in bladder cancer diagnostics

Hexvix
- status first quarter 2007

HEXVIX®
HEXAMINOLEVULINATE

- Excellent feedback from urologists at EAU, Berlin – satellite symposium
- European awareness increasing
- Critical success factors:
  - Establish reimbursement - ongoing
  - Increase base of scopes – ongoing
  - Train urologists - ongoing
- Introduced in Germany, Austria, France, Spain, Portugal, UK, Baltics and Greece.
- Established price of € 400 per kit

Hexvix
- key messages

Audience	Key messages
Urologists	detects 30% more patients with bladder cancer detects 67% more CIS lesions improves management in 1 in 5 patients
Payors	is cost-effective is the only licensed product of its type is proven to be effective with a well-controlled clinical programme
Patients and advocates	improves the detection of bladder tumours and the identification of tumour margins, giving the doctor the possibility to carry out a more effective tumour removal.

PHOTOCURE™

Brilliance in photodynamic technology ™

Metvix® and Aktilite®

- treatment of skin cancer without scarring

Metvix
- positioned for future growth

metvix
methyl aminolevulinate

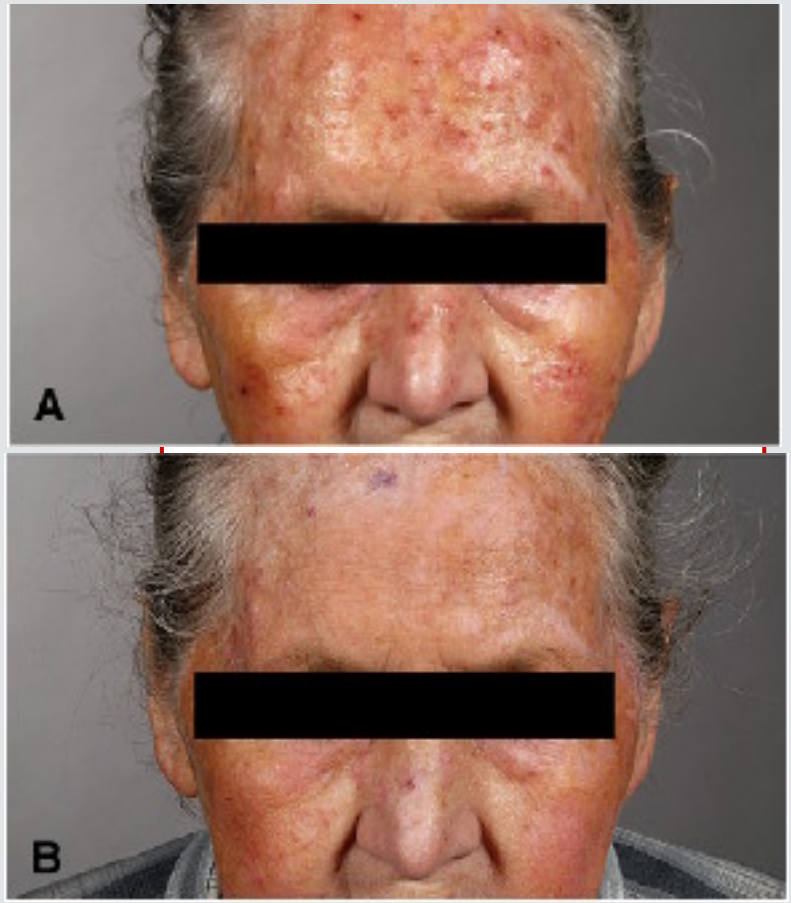
- Approved for AK, BCC and Bowen's disease in EU
- 15 million patients diagnosed with AK annually in EU/US
- Topical treatments gaining market share
- Metvix offers patient benefits – superior cosmetic outcome
- Reimbursement is critical for Metvix growth

Metvix recommended as first-line treatment in IPDT guidelines

PDT is recommended as first-line treatment for AK, BD and sBCC in new International peer reviewed guidelines.

Treatment of NMSC (other than SCC) should be driven by:

- **efficacy, with due consideration to**
- **cosmetic outcome, and**
- **patient preference**



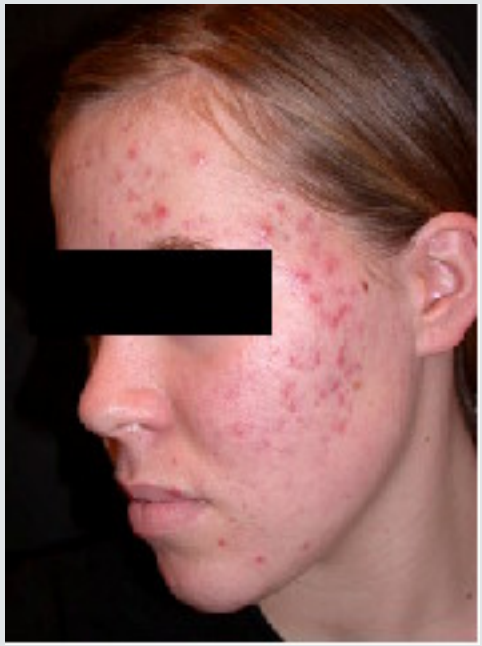
AK patient before and after treatment with Metvix

Guidelines on the Use of PDT for
Non-melanoma Skin Cancer - An International Consensus
Braathen et al, **Journal of the American Academy of Dermatology** 2007; 56: 125-143

Research & Development

- acne, cervix, colon and PCI Biotech

Acne
- large market potential in acne



Acne patient before treatment

- Each year US doctors register ~ 3 million visits concerning acne, app. 70% of these have moderate to severe acne
- Market for treatment of moderate to severe acne USD 1.3 billion per year
- Existing treatments have significant side effects
- Photocure has a patented technology in acne until 2018+
- MAL PDT meets patient need for an effective treatment with limited side effects

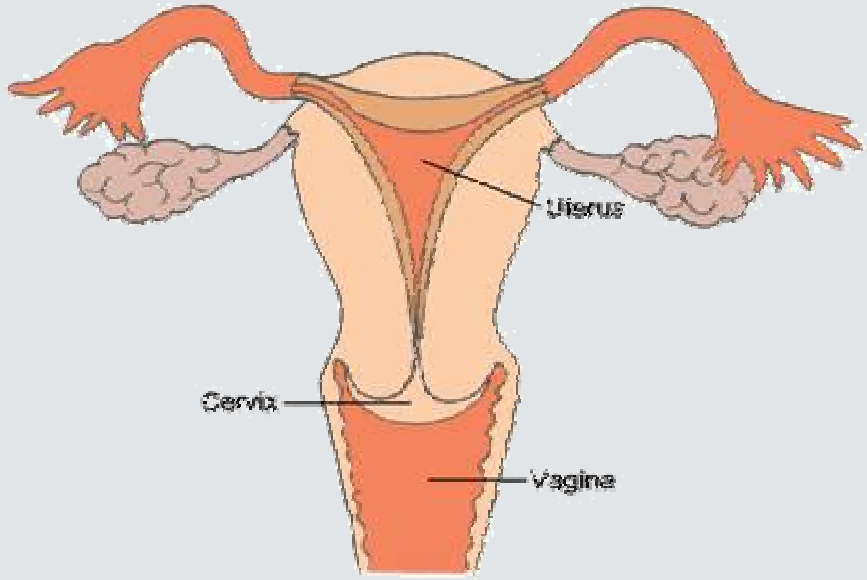
Acne
- started phase IIb clinical study

- Started development of new lamp
- Started phase IIb study
  - Moderate to severe acne
  - Over 200 patients in the US
  - Dose finding
  - Placebo controlled
  - Primary endpoint: reduction of lesion counts
  - Report scheduled for H108
- Filed new method of use patents in acne and other dermatology indications

Illustration of Photocure's novel acne treatment

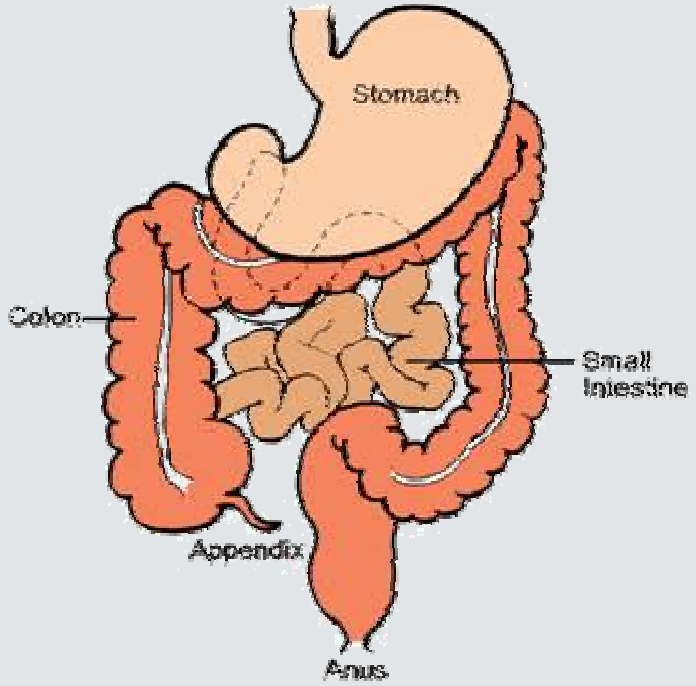
Cervix –
first phase I/II study on schedule

- Medical need for effective treatment of HPV infection and premalignant lesions
- Large patient population – over 3.5 million in US
- Phase I/II study ongoing:
  - dose finding
  - Norway and Germany
  - approx. 80 patients
  - 6 month follow-up
  - report scheduled for H2 2008
- Started development of new lamp and new formulation



Colon – proof of concept established

- High medical need for early detection of colon cancer. Inadequate methods available today:
  - 22% miss rate on polyps
  - 62% miss rate on flat lesions
  - Huge endoscopy variation
- 13 million colonoscopies performed annually in EU/US
- Phase I/II study ongoing:
  - dose-finding
  - 2 centres in Germany
  - approx. 30 patients
  - report scheduled for 2007

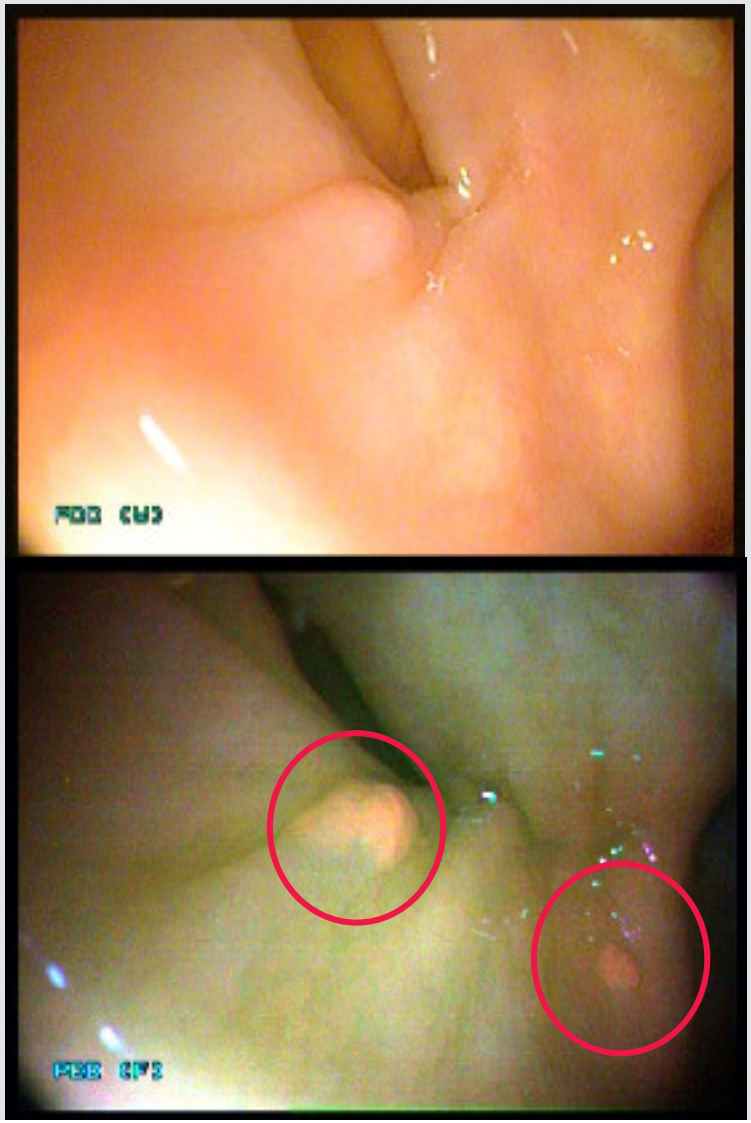


Dose-finding phase of phase I/II study presented at DGE-BV

Investigator:
Dr. Mayinger, Münich

Study design:
- 12 patients with suspected colon cancer
- 30-60 min HAL enema
- white + blue light inspection

Results:
- 64 polyps
- Detection rate HAL+blue light 98%
- Detection rate white light 72%
- No side effects



Courtesy Mayinger, Munich

PCI Biotech – PCI can enhance delivery of siRNA

The PCI technology can significantly enhance delivery of siRNA

- Two patent applications filed on a combination of PCI technology and oligonucleotide molecules (siRNA and PNA) therapy.
- The goal is to deliver tailored cancer therapy.
- New research agreement with Radium Hospital on development of PCI with siRNA/PNA.

Grant of NOK 8.5 mill. from Norwegian Research Council

- Clinical studies and further development of Amphinex™ synthesis

Phase I clinical study project approved by ethical review committee

Animal toxicology studies document that Amphinex is well tolerated

Strategic and operational goals

Continue investing in Metvix and Aktilite

- Support Galderma in strengthening Metvix/Aktilite in dermatology
- Seek Aktilite approval in the US

Commercialise Hexvix

- Support GE Healthcare in introducing Hexvix in EU
- Seek Hexvix approval in the US

Continue clinical development in acne, cervix, colon and PCI

- Complete phase II study in acne in the US
- Start first clinical study for PCI Biotech in Norway
- Complete phase I/II studies in colon cancer and cervix cancer