



Brilliance in photodynamic technology TM

Photocure ASA

Fourth Quarter and Full Year Results - 2007

28 February 2008

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Highlights 2007

- Hexvix® revenue increased 108% to NOK 21.0 million
- Metvix® revenue increased 5% to NOK 54.2 million
- sNDA for Aktelite approval in the US submitted in June
- Patient recruitment completed for Hexvix phase III study in the US – report Q4 2008
- MAL PDT (acne)– phase IIb study completed Feb 2008 – report Q4 2008
- Cevira™ (cervical cancer treatment) – patient recruitment completed for phase I/II study – report Q3 2008
- Lumacan™ (colon cancer detection) – preliminary phase I/II data showing 37% improvement in detection of colon cancer – presentation at DDW, San Diego, May 2008
- PCI Biotech – preparations for first clinical study and de-merger



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Financial statements

Financial statements

- profit & loss 4Q and 2007 (group)



Q4 2007	Q4 2006		2007 1.1-31.12	2006 1.1-31.12
23 587	22 154	Sales revenues	75 252	61 667
3 908	76 363	Signing fee and milestone revenues	23 754	148 653
27 495	98 517	Total revenues	99 006	210 320
-2 967	-10 789	Cost of products sold	-17 326	-22 251
24 528	87 729	Gross profit	81 679	188 070
3 187	1 132	Other income	7 625	5 690
-1 598	-3 356	Indirect manufacturing expenses	-8 512	-8 545
-28 873	-19 567	Research and development expenses	-112 098	-64 740
-11 429	-9 902	Marketing and sales expenses	-39 766	-25 396
-6 114	-4 005	General and administrative expenses	-16 378	-16 738
-20 300	52 032	Operating profit/loss(-)	-87 450	78 342
3 991	2 501	Net financial profit/loss(-)	12 480	6 389
-16 308	54 533	Net profit/loss(-)	-74 970	84 730

Financial statements

- segment information Q4 (group)



Income statement - own sales/partner sales

(Amounts in NOK 1000)	Q4 2007				Q4 2006			
	Own	Partner	R&D*	Total	Own	Partner	R&D*	Total
Sales revenue	9 630	13 956	0	23 587	7 620	14 535	0	22 154
Milestone revenue	0	3 908	0	3 908	0	76 363	0	76 363
Total revenues	9 630	17 865	0	27 495	7 620	90 897	0	98 517
Cost of goods sold	589	2 378	0	2 967	2 418	8 371	0	10 789
Gross profit	9 041	15 487	0	24 528	5 202	82 526	0	87 728
Gross profit %	94 %	87 %		89 %	68 %	91 %		89 %
Operating expenses	11 101	3 892	29 833	44 827	9 312	4 260	22 124	35 696
Operating profit	-2 060	11 595	-29 833	-20 298	-4 111	78 267	-22 124	52 032
Net finance	0	0	0	3 991	0	0	0	2 501
Profit before tax	-2 060	11 595	-29 833	-16 307	-4 111	78 267	-22 124	54 533

* Including share of general and administrative expenses

Sales revenues - product split

(Amounts in NOK 1000)	Q4 2007			Q4 2006		
	Own	Partner	Total	Own	Partner	Total
Metvix/Aktilite	7 642	7 149	14 791	7 185	9 685	16 870
Hexvix	1 988	6 807	8 795	434	4 850	5 284
Total	9 630	13 956	23 587	7 620	14 535	22 154

Financial statements

- segment information 2007 (group)



Income statement - own sales/partner sales

(Amounts in NOK 1000)					2007				2006			
	Own	Partner	R&D	Total					Own	Partner	R&D	Total
Sales revenue	29 069	46 183		75 252					22 028	39 639		61 667
Milestone revenue	0	23 754		23 754					0	148 652		148 652
Total revenues	29 069	69 937		99 006					22 028	188 290		210 319
Cost of goods sold	2 514	14 812		17 326					3 893	18 358		22 251
Gross profit	26 555	55 125		81 680					18 135	169 933		188 068
Gross profit %	91 %	79 %		83 %					82 %	90 %		89 %
Operating expenses	35 863	14 605	118 661	169 129					24 555	16 189	68 984	109 727
Operating profit	-9 308	40 519	-118 661	-87 449					-6 419	153 744	-68 984	78 341
Net finance	0	0	0	12 480					0	0	0	6 389
Profit before tax	-9 308	40 519	-118 661	-74 970					-6 419	153 744	-68 984	84 730

Sales revenues - product split

(Amounts in NOK 1000)				2007			2006		
	Own	Partner	Total				Own	Partner	Total
Metvix/Akttilite	23 053	31 168	54 221				19 948	31 606	51 554
Hexvix	6 016	15 016	21 031				2 080	8 033	10 113
Total	29 069	46 183	75 252				22 028	39 639	61 667

Financial statements

- cash flow Q4 and 2007 (group)



Q4 2007	Q4 2006		2007 1.1-31.12	2006 1.1-31.12
-16 308	54 533	Income/loss(-) before tax	-74 970	84 730
-7 313	7 707	Other operational items	-20 666	-18 359
-23 621	62 240	Net cash flow from operations	-95 636	66 371
4 395	1 716	Cash flow from investments	9 430	4 555
-3	-345	Cash flow from capital transactions	3 572	191 830
-19 230	63 612	Net change in cash during the period	-82 634	262 757
271 682	271 474	Cash & cash equivalents at beginning of period	335 086	72 329
252 452	335 085	Cash & cash equivalents at end of period	252 452	335 085



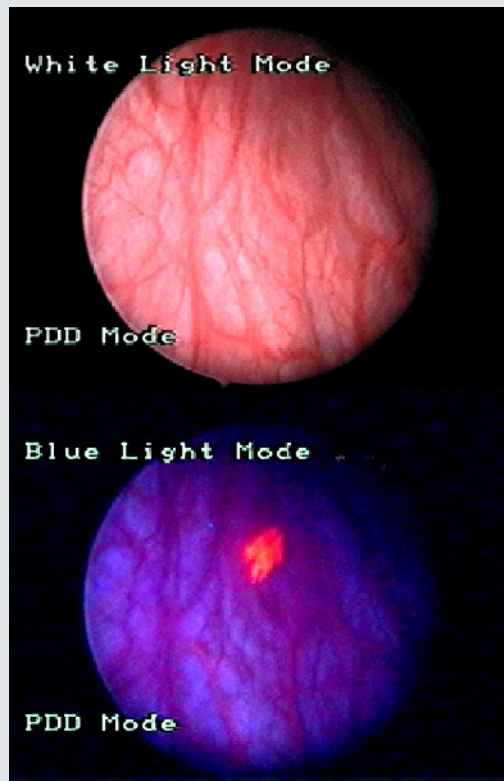
Brilliance in photodynamic technology TM

Hexvix[®]

- a breakthrough in bladder cancer diagnostics

Hexvix

- achievements 2007



- Recommended in European guidelines.
- Introduced in 16 countries in Europe.
- Achieved price/reimbursement in France and Italy.
- Preliminary reimbursement in 299 clinics in Germany from 2008.
- US phase III study finalized and patient recruitment complete.
- Patent position reinforced - core Hexvix patent extended to 2019 in US.

HEXVIX[®]
HEXAMINOLEVULINATE

Hexvix

- Breakthrough in Denmark



RASK magazine:

- "We started in 2007 and from 2008 Hexvix PDD will be the standard diagnostic procedure"

Knud Fabrin, MD Aalborg Hospital

- "Despite adding cost with Hexvix, the hospital will save DKK 1 million per year due to the reduced number of procedures required"

Knud Fabrin, MD Aalborg Hospital



Blærekræft er en kræftform, som er svær af få bugt med. Halvdelen af alle patienter udvikler nye svulster inden for tre år. Derfor er hyppige kontrolundersøgelser særdeles vigtige. En ny og banebrydende metode er nu ved at vinde udbredelse på danske sygehuse og hospitaler. En metode som betyder at selv ganske små områder med celleforandringer kan ses og dermed også fjernes i tide.

Blåt lys

breder sig med hast over hele landet

Et banebrydende, fluorescerende stof, Hexvix, er krumtap i den nye metode. Først sprøjtes Hexvix op i blæren. Efter en times tid tømmes stoffet ud igen og undersøgelsen går i gang. I stedet for hvidt lys, som traditionelt anvendes, anvendes nu blåt lys. Celleforandringer vil som følge af optagelsen af Hexvix fremstå som røde, lysende områder. Det vil sige, at lægen både er mere sikker på at fjerne alle kræftvæv ved operation og desuden kan se og fjerne ganske små områder med celleforandringer, inden de bliver til større svulster. Omfattende forskning har allerede gennem et par år fundet sted på de urologiske afdelinger på Frederiksberg Hospital og på Odense Universitets Hospital. I løbet af

2007 har flere urologiske afdelinger rundt omkring i landet imidlertid nu også taget metoden i anvendelse.

Aalborg Sygehus har indført behandlingen som standard fra i år. Urologisk afdeling på Aalborg Sygehus Nord var den første afdeling, som indførte metoden efter Herlev Hospital. Knud Fabrin, som er overlæge på afdelingen fortæller: "Vi startede op i løbet af efteråret 2007 og fra januar i år er det blevet en standardbehandling. Jeg vurderer, at vi vil opleve en besparelse, selvom metoden og behandlingen umiddelbart er dyrere. Pengene tjener sig selv ind igen, fordi metoden sparer procedurer. Vi kom-

mer formentlig til at spare 1 mio. kr. på årsbasis."

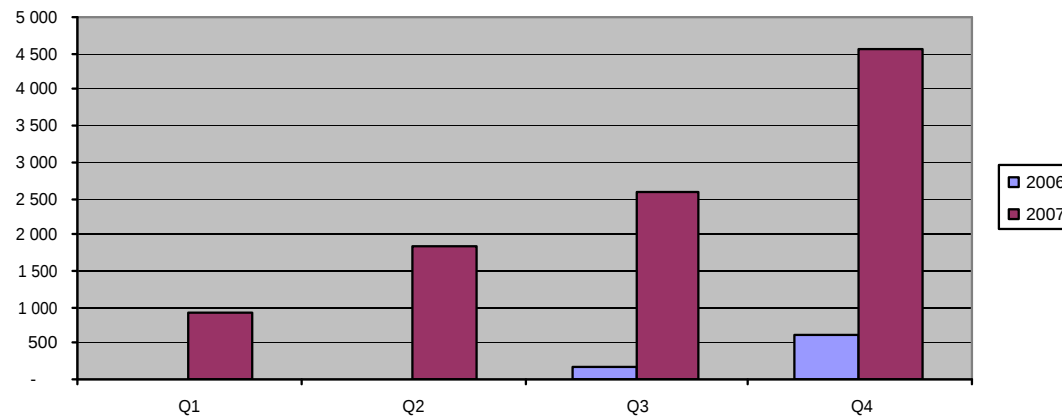
Markant forskel på anvendelse af hvidt lys eller blåt lys
Overlæge Knud Fabrin forklarer, at man ikke vil se færre, der dør af blærekræft, men man vil med anvendelse af fluorescerende stof og blåt lys kunne fjerne helt små polyper og det hele af store polyper. Blærekræftpatienter kan deles i to grupper. Den ene gruppe har overfladisk eller godartet kræft i blæren. Den anden gruppe har invasiv kræft, hvor 25 % har kræft med i blærevævet og 75 % har muskelinvasiv kræft. Blandt de patienter, der har godartet kræft, vil 10 % på et senere tidspunkt udvikle

Hexvix

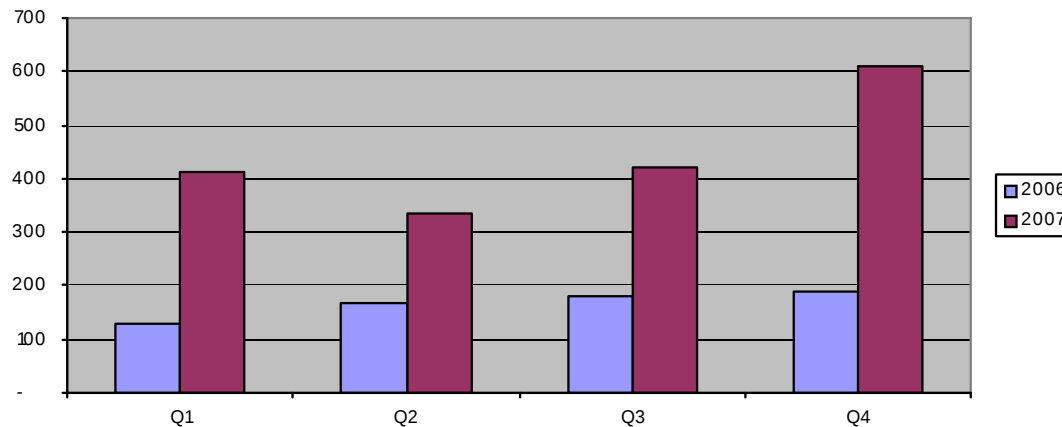
- sales development in units



Hexvix partner sales in units



Hexvis own sales in units



- Partner sale of 9,897 units in 2007 vs. 804 units in 2006.
- GE Healthcare markets Hexvix outside the Nordic regions.
- Own sale in the Nordic region of 1,777 units in 2007 vs. 668 units in 2006.



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Metvix[®] and Aktilite[®]

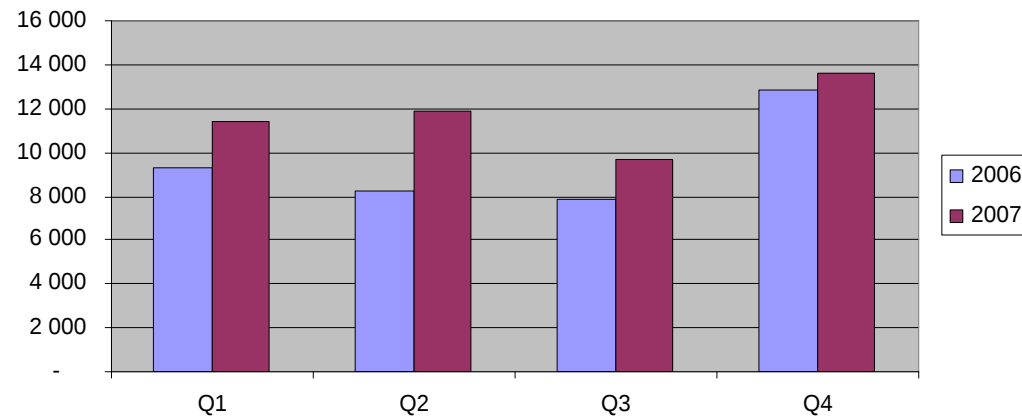
- treatment of skin cancer without scarring

Metvix

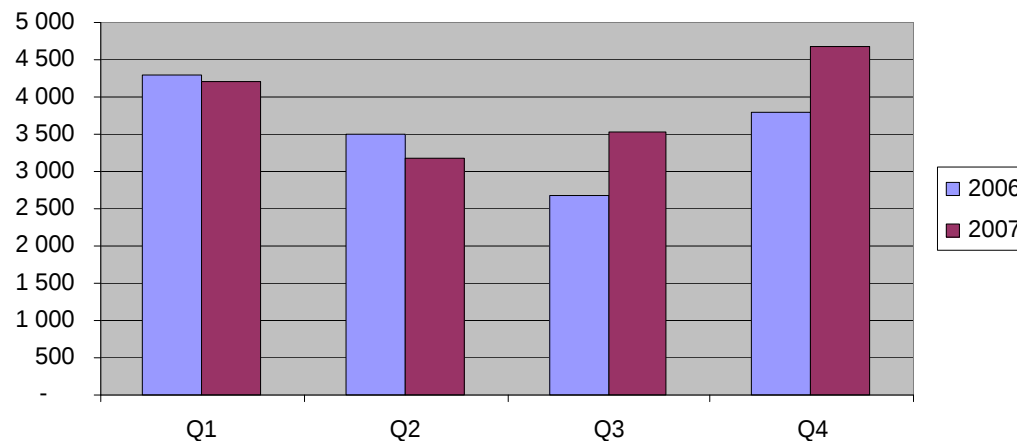
– sales development in units



Metvix partner sales in units



Metvix own sales in units

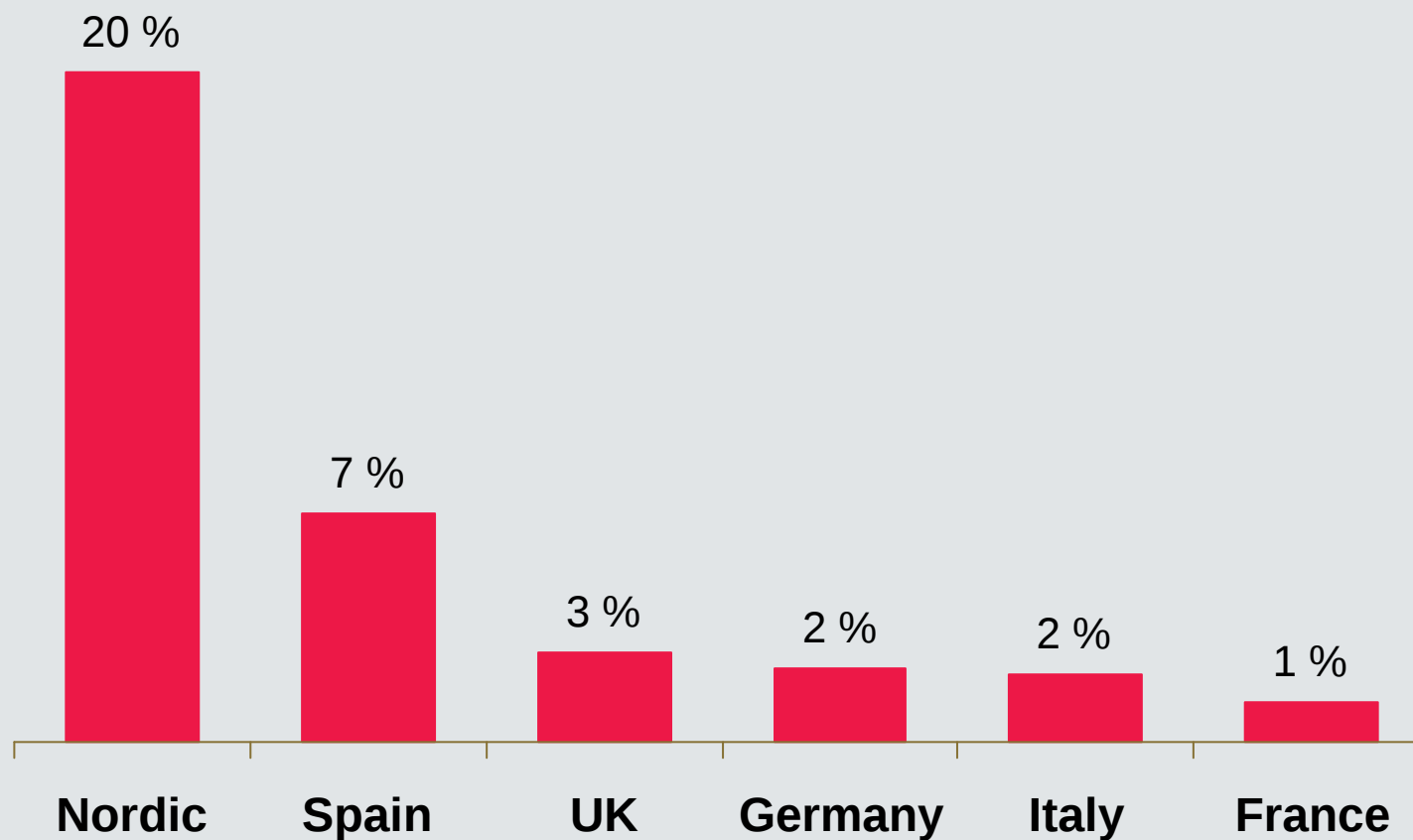


- Partner sale of 46,675 Metvix tubes in 2007, an increase of 21 % vs. 38,178 tubes in 2006.
- Galderma markets Metvix outside the Nordic region.
- Own sale of 15,596 Metvix tubes in the Nordic region in 2007 an increase of 9 % vs. 14,269 units in 2006.



Metvix – large upside in the EU

Metvix market share for AK/BCC 2007 (patients)



Source: Photocure estimate



Brilliance in photodynamic technology TM

Research & Development

- acne, cervix, colon and PCI Biotech

Acne

- need for new treatment



Illustration of Photocure's novel acne treatment

- Each year US doctors register ~ 3 million visits concerning acne
- Existing treatments have significant side effects
- Photocure has a patented technology in acne until 2018+, with new patents filed
- MAL PDT meets patient need for an effective treatment with limited side effects
- New full-face lamp developed in 2007.

Acne

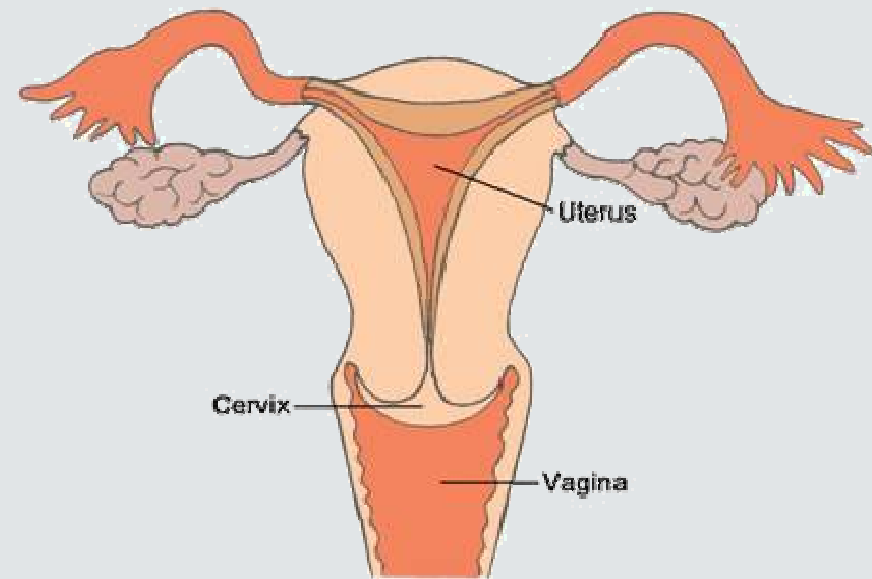
- Phase IIb study completed in Feb 08,
expect to report Q4 2008



Cevira™ - PDT treatment of cellular abnormalities in the cervix



- Medical need for non-invasive treatment of HPV induced premalignant lesions in the cervix
- Large patient population:
 - 3.5 million females have cellular abnormalities in the US
- Phase I/II study:
 - dose finding
 - Norway and Germany
 - 72 patients included
 - 12-month follow-up
 - report scheduled for Q3 2008

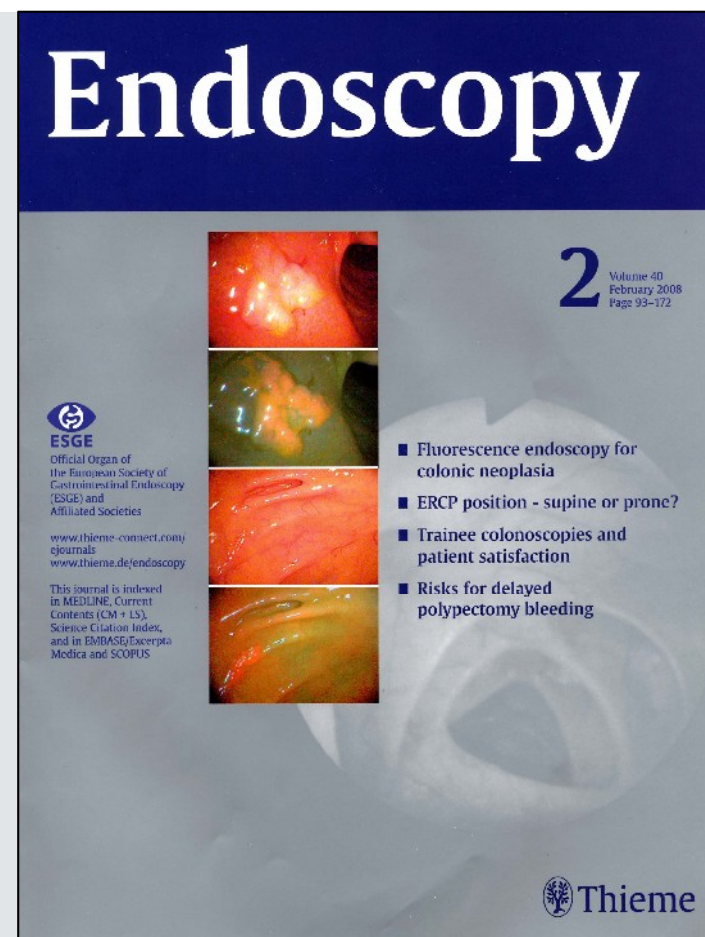


Lumacan™ - diagnosis of cancer using fluorescence imaging



- High medical need for early detection of colon cancer
- 13 million colonoscopies performed annually in EU/US
- Inadequate methods available today:
 - 22% miss rate on polyps
 - 62% miss rate on flat lesions
 - Huge endoscopy variation
- Phase I/II study completed
 - dose-finding
 - 2 centres in Germany
 - 32 patients
 - Oral presentation at DDW in May

” Preliminary study results indicate 37% improved detection with Cevira™ ”



Front page of Endoscopy presenting the phase I/II study

PCI Biotech

– rationale for de-merger



Light-directed drug delivery

- Excellent potential of technology
- Solid platform built
- Enhance efficacy of cancer therapies
- Delivery of siRNA

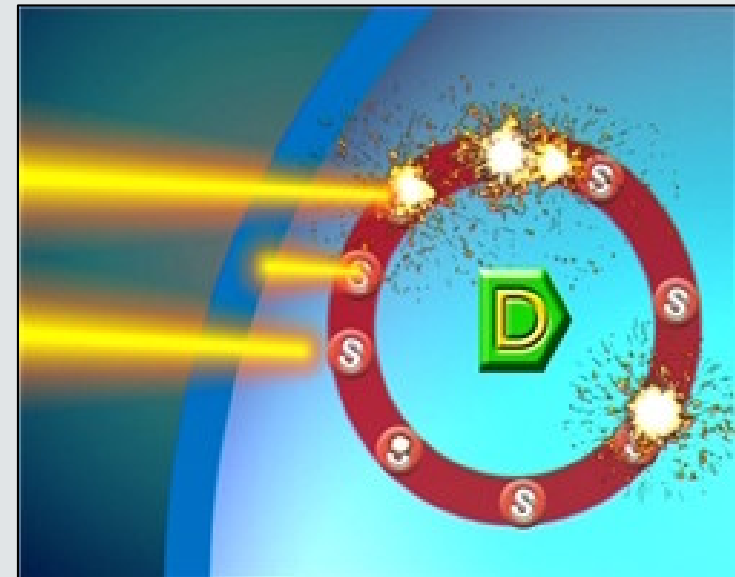
Distinct focus from Photocure's

- Allow Photocure to focus on pipeline of PDT and PDD products

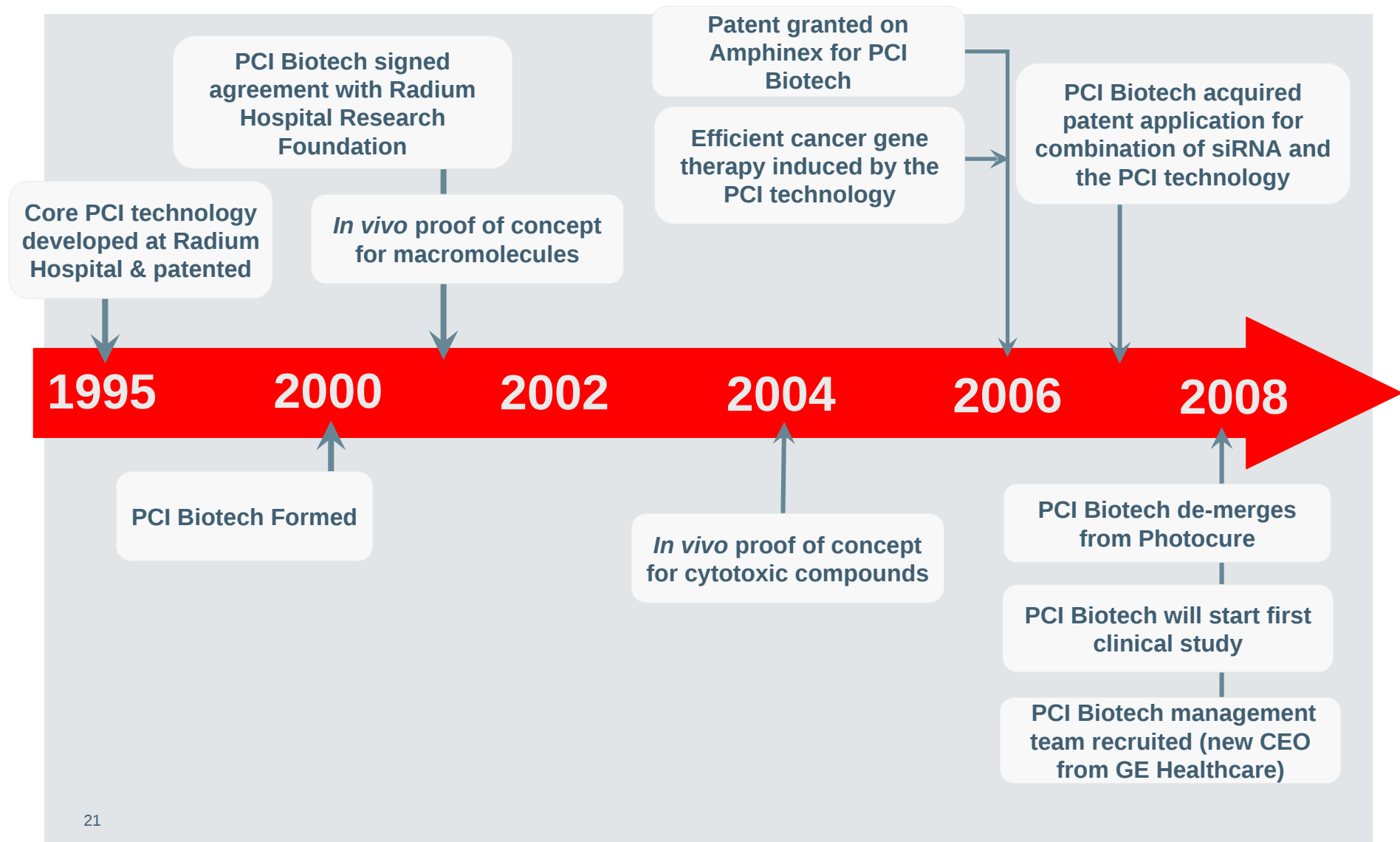
Develop PCI technology

- Independent management
- Resources

Best opportunity to create value for PHO shareholders



PCI Biotech - developing a platform for light-directed drug delivery





Strategic and operational goals

Existing products

Continue investing in Metvix and Aktilite

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

Commercialise Hexvix

- Support GE Healthcare in launching Hexvix
- Seek Hexvix approval in the US

Continue to build Photocure's own sales and marketing capability



Strategic and operational goals

New products

Continue clinical development in acne, cervix, colon and PCI

- Conduct confirmatory phase II study in acne in the US
- Complete phase I/II studies for Cevira™ and Lumacan™

Licence out MAL PDT for Acne, Cevira and Lumacan

De-merger PCI Biotech