

PhotoCure ASA

Presentation of 3rd quarter 2001

November 2001



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Highlights 3rd Quarter 2001

Metvix[®]

- Launched for skin cancer (BCC) & pre-cancerous skin lesions (AK) in 1st EU country (Sweden)
- New drug application filed for Metvix[®] PDT for AK in the US
- Marketing Applications pending in 16 EU / EEA countries, Australia and New Zealand.
- Licensing outside the Nordic countries is progressing according to plan.

Hexvix[®]

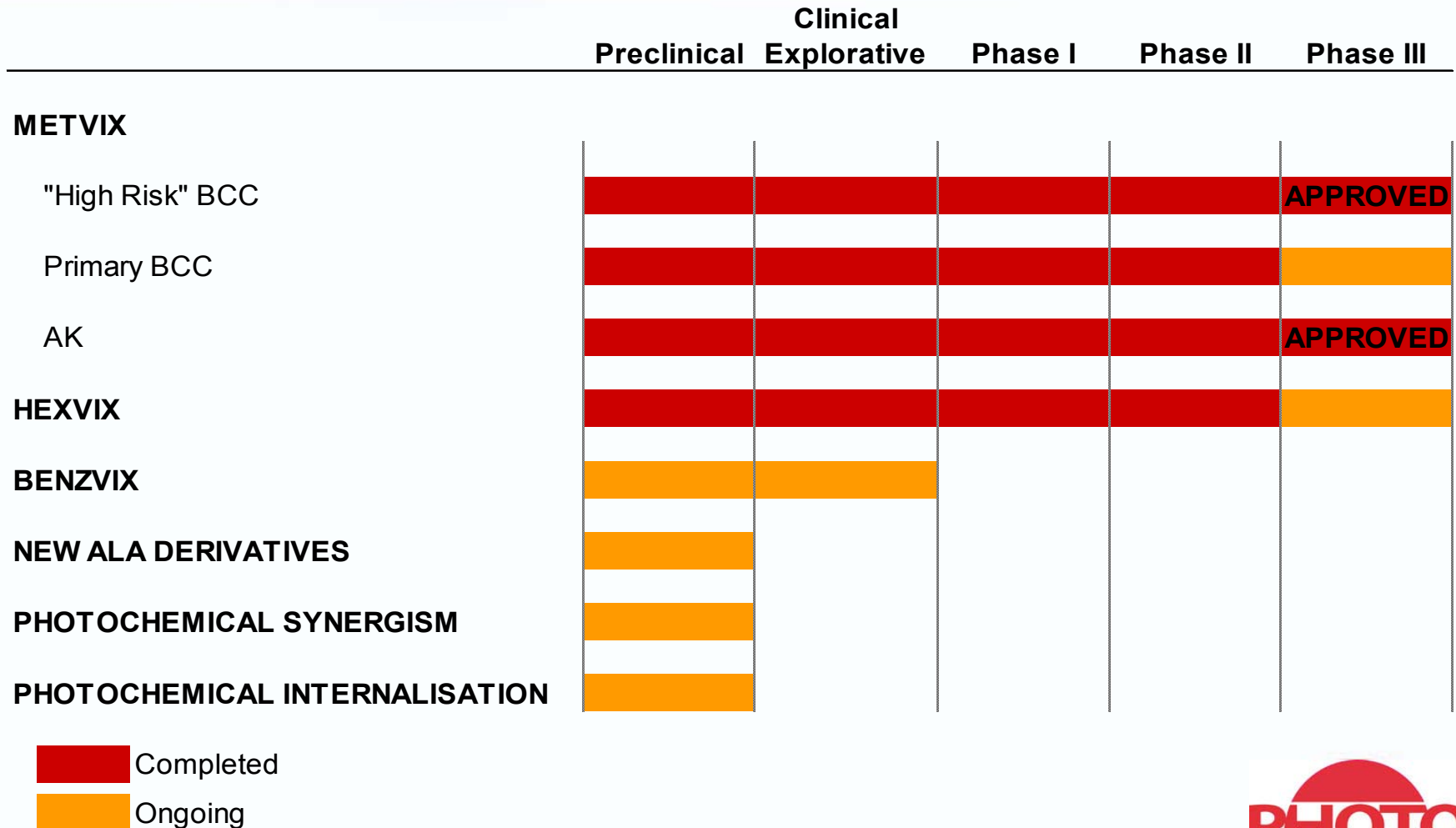
- Clinical phase III ongoing for bladder cancer detection
- Regulatory filing scheduled for the 1st half of 2003

PCI Biotech AS

- Continues commercial development of first products for the preclinical research market.



Broad technology platforms and advanced development programmes



Metvix[®]

– quick and simple treatment

Lesion preparation



Metvix[®] application



Curelight illumination



Metvix[®]

– highly effective with superior cosmetic results



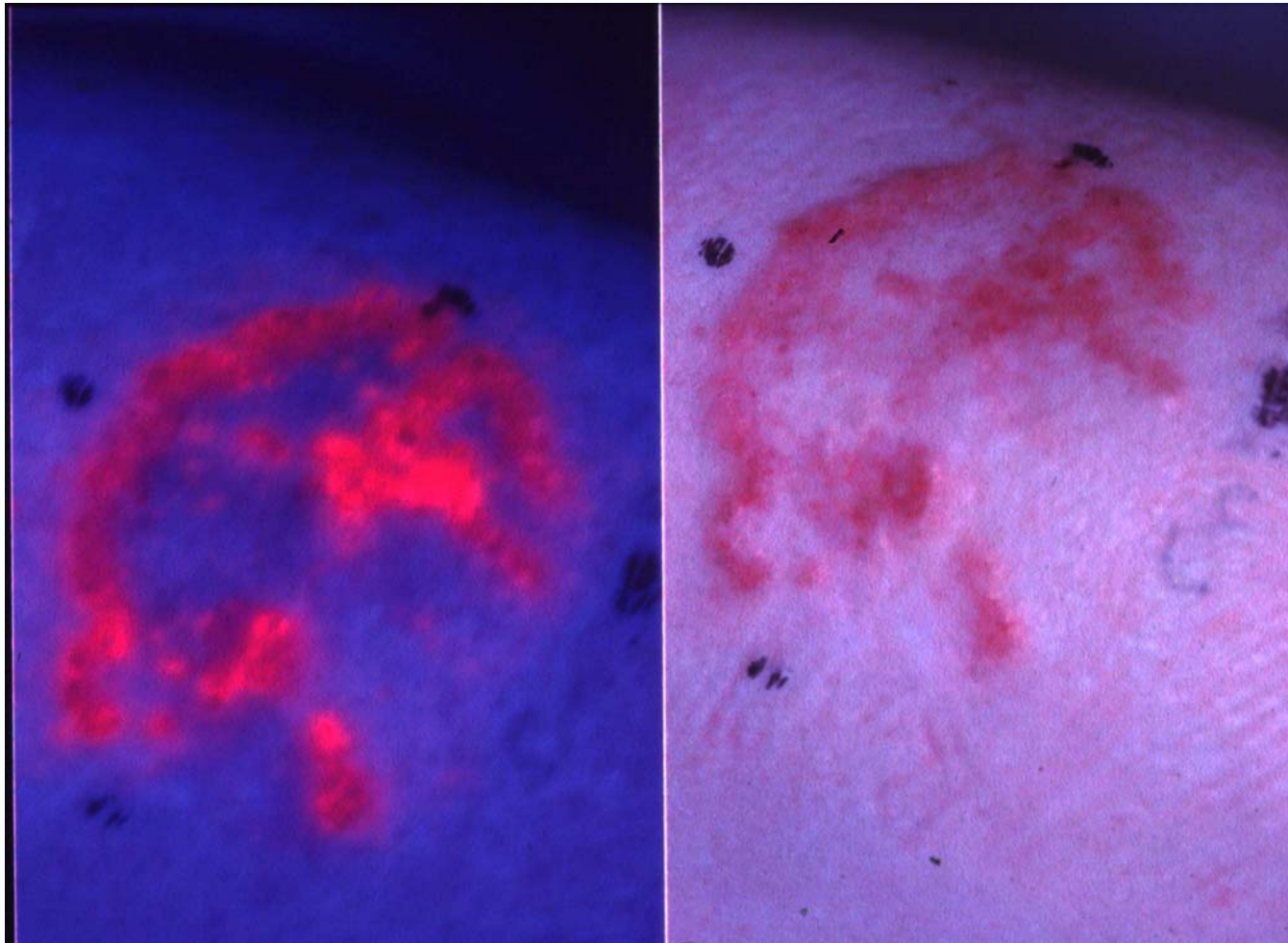
Metvix®

– highly effective with superior cosmetic results



Metvix[®]

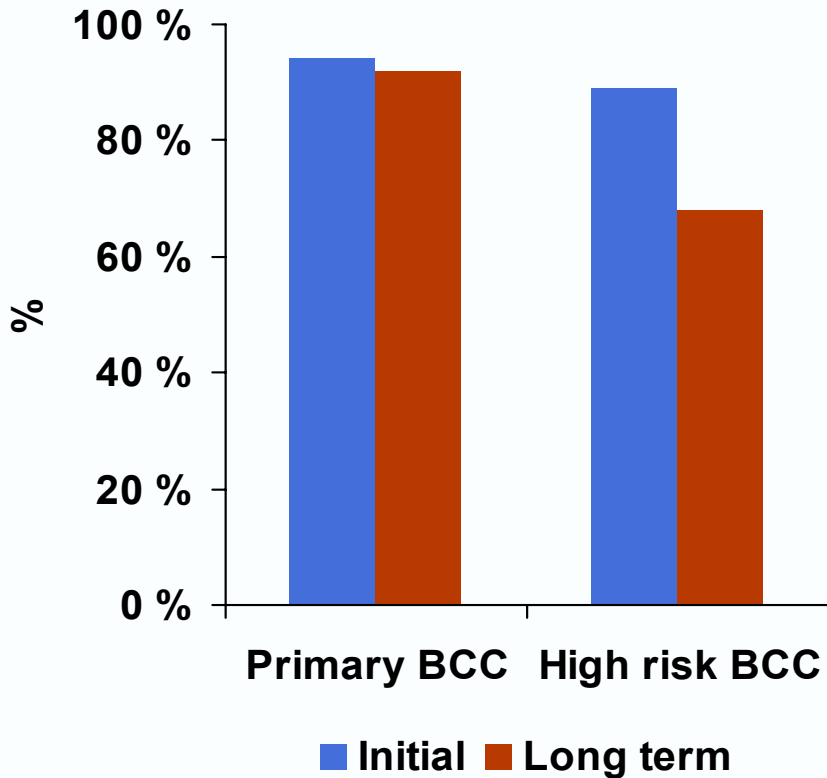
– highly selective



Metvix[®]

– excellent clinical results in BCC

Lesion response



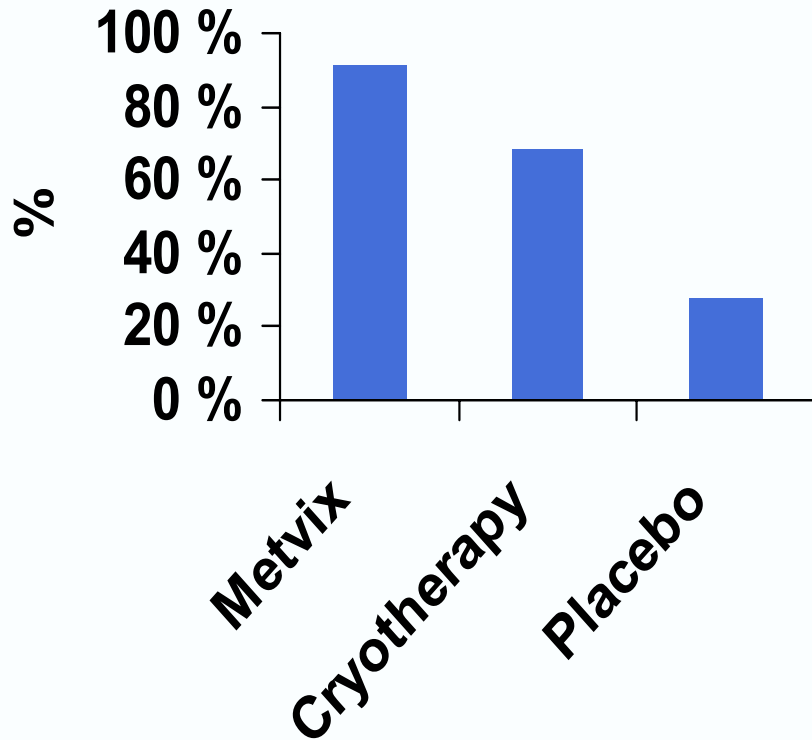
Cosmetic outcome



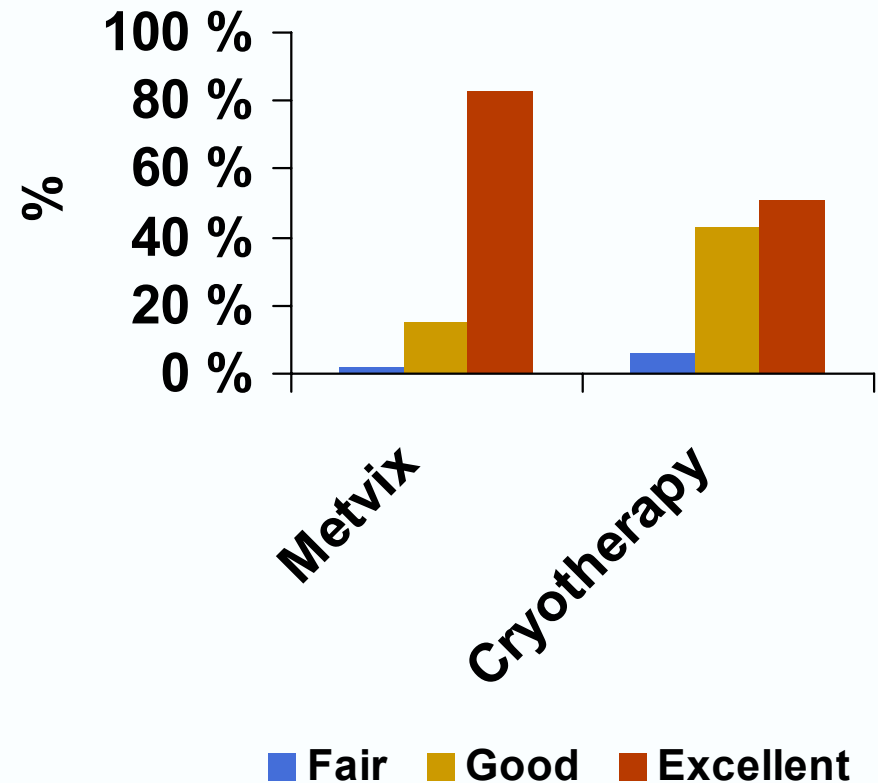
Metvix[®]

– excellent clinical results in AK

Lesion response

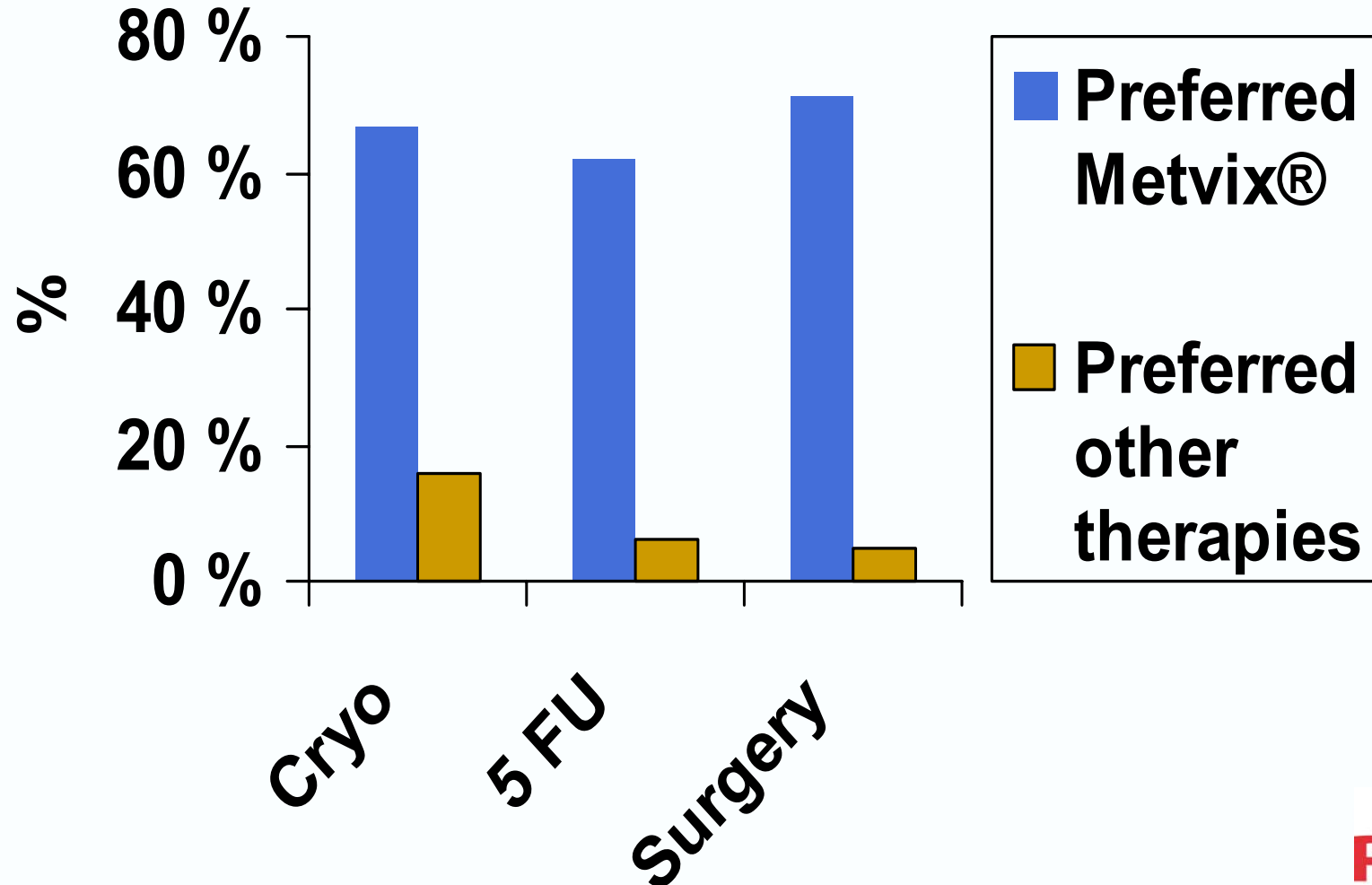


Cosmetic outcome



Patient preference

- Metvix[®] vs. other therapies in AK



Metvix[®] market opportunities

■ BCC

- Appr. 2 mill. new cases per year in EU, America & AUS
- Current therapies give disfiguration / morbidity

■ AK

- Appr. 20 mill. new cases per year in EU, America & AUS
- Current therapies give scar & white spots or poor patient compliance

■ Dermatologists view Metvix[®] as a real improvement

- Easy to use (fast, not time consuming)
- Additional medical indications
- Practice builder (less referral to surgeons)



Sales and marketing strategy

– balancing risk and reward

■ Nordic region

- retain commercial rights
- establish small, specialised sales force
 - small number of high value specialised prescribers
- retain additional value
- maintain close contact with the needs of physicians

■ Rest of World

- partnerships with pharmaceutical companies



Metvix®

– Launched in 1st EU country

- “World Launch Symposium” held in Stockholm on the 18th of October
 - Appr. 100 dermatologists participated
- Reimbursed price of 1300 SEK per tube of Metvix approved by the authorities (Riksförsäkringsverket)
- Two product specialist are working for PhotoCure in Sweden
- Training of dermatologist and nurses ongoing at 6 different centers

Goal:

40 out of 120 target centers in Sweden has acquired lamp before year end



Metvix®

– Close to launch in many countries

Marketing authorisations applications pending in 19 countries

- EU/EEA, Australia and New Zealand
 - Pending for AK and difficult to treat BCC's
 - Mutual recognition procedure finished primo December
- US
 - NDA filed for AK on 26th of September

Launch preparations ongoing

- Product specialist for Finland, Denmark & Norway to be hired
- Price and reimbursement negotiations ongoing
- Licensing outside the Nordic countries is progressing according to plan



Potential new indications

Metvix[®] offers product life cycle management:

- Inhibitory effect on pilosebaceous units
 - Acne (pilot study ongoing)
 - Hair removal
 - Oily skin
- Anti-wrinkles
 - Skin rejuvenation
- Anti-microbial
 - Wound healing (pilot study planned)
- Anti-viral
 - Warts



Light source



Curelight 128

Curelight 16



Curelight market opportunity

■ Product

- New LED technology
- No maintenance / service (10,000 hours life time)
- Plug & play concept
- Inexpensive and easy to use

■ Marketing

- Marketed by Metvix[®] sales reps

■ Sales, distribution and service

- Medical Device Company

■ Considerable advantages over existing products - Positive responses from dermatologists



Metvix[®] overview

- Metvix[®] is approved in the first EU country for AK & BCC
- Metvix[®] gives excellent results in AK & BCC:
 - High cure rate
 - Superior cosmetic outcome
 - Preferred by the patients
- Unmet medical need for a non-invasive product with excellent cosmetic outcome
- Metvix[®] is being tested for other indications
- Long patent life (expires in 2016+)



Hexvix[®]

– market opportunity

Bladder cancer

- Significant medical problem: appr. 115,000 cases annually in the US & Europe
- > 2.5 million diagnostic cystoscopic procedures annually in Europe and the US
- On first diagnosis 70-80% of patients have superficial tumours
- Over 70% will have one or more recurrences after initial therapy
- In over 30% cases, tumour progression occurs
- Cause of the high recurrence rate generally believed to be that the lesions are *overlooked*

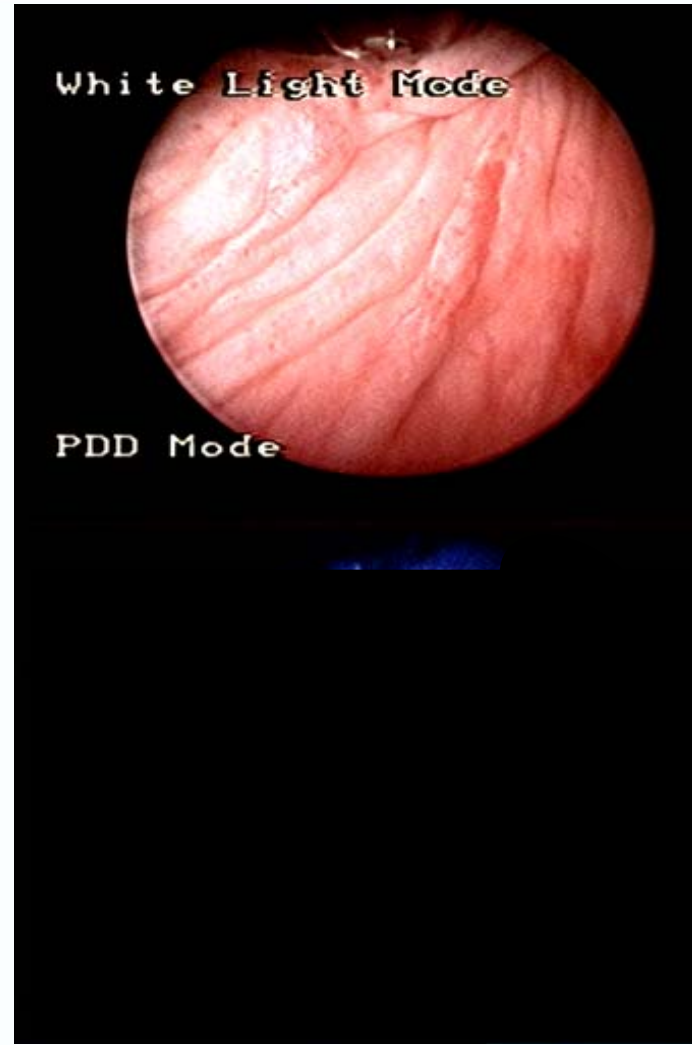
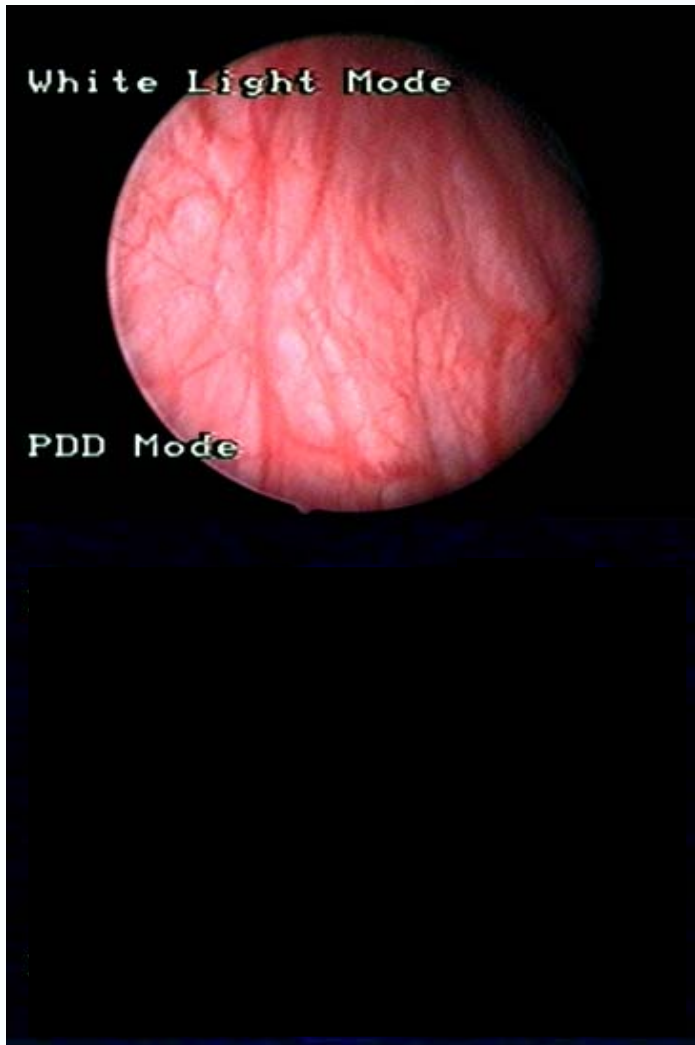
Development status

- Phase III trial in Europe ongoing
- Phase III trial in US to be started shortly



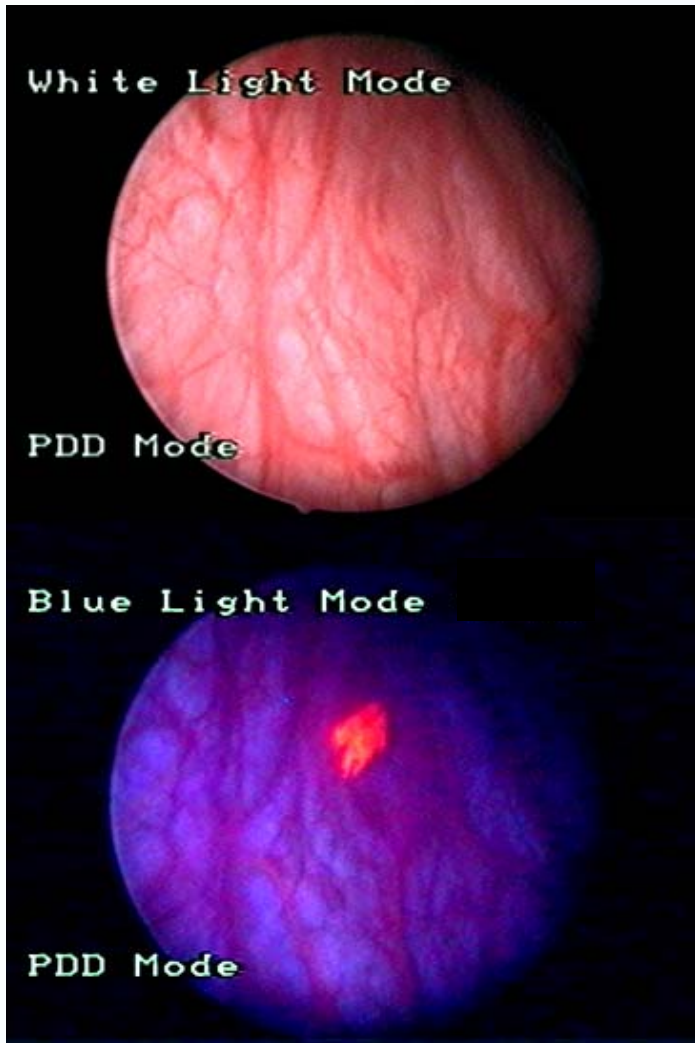
Hexvix[®]

– detection of flat lesions with blue light



Hexvix[®]

– detection of flat lesions with blue light



Results Phase II Clinical Trails

Patients with tumour lesions

Hexvix®		White light	
44 / 45	98%	36 / 45	80%

Histology positive = CIS, Ta, T1

Histology positive patients have one or more tumours



Results Phase II Clinical Trails

Patients with CIS lesions

(CIS = Carcinoma in Situ)

Hexvix®		White light	
12 / 13	92%	3 / 13	23%

Patients have one or more CIS lesions



PCI Biotech AS

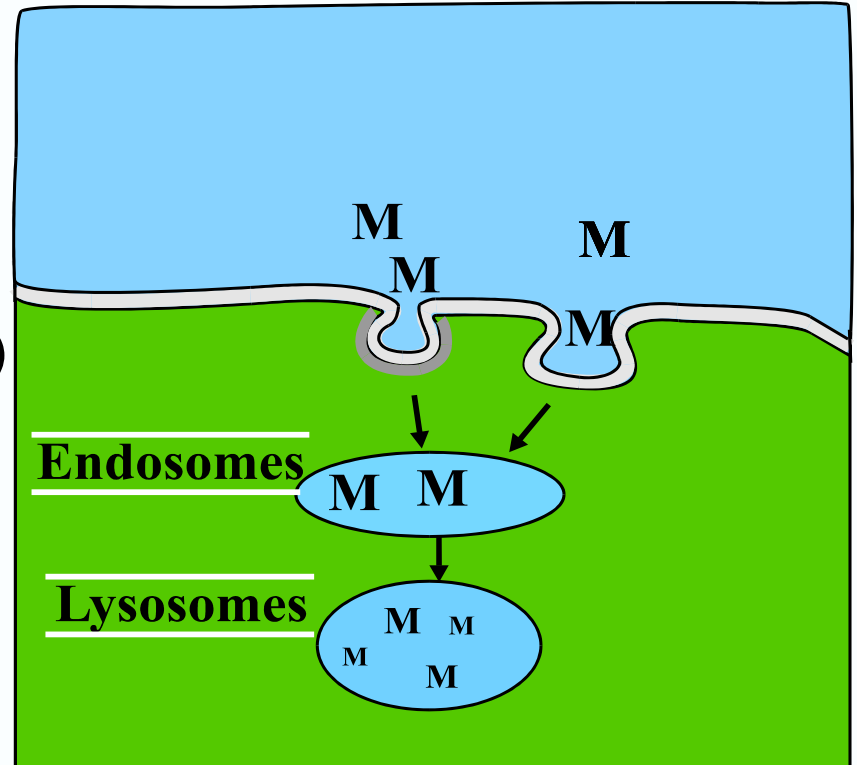
- Increased focus on Photchemical Internalisation (PCI)
 - PCI Biotech AS established as a subsidiary of PhotoCure ASA
- PCI Biotech's product development focuses on:
 - new transfection technology for the research market
 - improve existing technologies for clinical gene therapy
 - new concepts for light directed chemotherapy



PCI Biotech AS

- Macromolecules as drugs

- Proteins
(e.g. protein toxins, antibodies)
- Peptides
- DNA/RNA
(e.g. virus, plasmids, ribozymes etc.)



PCI Biotech AS

- PCI Benefits

- Independent of molecule
- High specificity
- High efficacy (30-300 fold amplification of effect)
- Treatment of many diseases
(oncology, vaccination, gene therapy)



PCI Biotech AS

- First product

- PCI product for the research market (pre-clinical)
 - Lumitrans™ and a Lumisource
- Market size
 - More than 5 mill. transfections per year
 - Growing market
- Benefits
 - Can use less or cheaper vectors
 - Transfer macromolecules to a larger fraction of cells with the same amount of vector
 - Transfer genes to new cell types to which gene transfer with other methods is difficult
 - Can also be used for protein internalisation (peptides, proteins, antibodies)



Financial Statements

- Profit & Loss (Group)

Three months ended		All figures in NOK 1,000	Nine months ended	
30.09.2001	30.09.2000		30.09.2001	30.09.2000
750	967	Sales	1 682	1 643
86	824	Other revenues	2 772	2 248
836	1 792	Total operating revenues	4 453	3 891
3 980	3 502	Labour costs	14 620	15 939
21 029	9 660	External R&D costs	48 580	26 125
213	113	Ordinary depreciation	554	267
5 587	3 992	Other operating expenses	16 792	9 310
30 808	17 266	Total operating expenses	80 546	51 641
-29 972	-15 474	Operating income	-76 092	-47 749
7 170	6 926	Interests income	21 243	10 978
58	509	Interests expense	830	1 097
7 112	6 417	Net financial income	20 413	9 881
-22 860	-9 057	Loss before tax	-55 680	-37 868
320	-	Minority interests	422	-
-	-	Tax	-	-
-22 540	-9 057	Net loss for the period	-55 258	-37 868
-1,32	-0,57	Net loss per share (NOK)	-3,23	-2,40



Financial Statements

- Balance sheet (Group)

Figures in NOK 1,000	30.09.2001	30.09.2000	31.12.2000
Fixed assets	2 598	1 710	2 563
Receivables	6 411	2 707	2 604
Securities	314 132	374 356	366 009
Cash and bank deposits	28 266	31 173	33 674
Total assets	351 407	409 946	404 850
Shareholders' equity	304 754	367 638	357 360
Long term liabilities	17 071	16 620	17 155
Current liabilities	29 582	25 689	30 335
Total shareholders' capital & liabilities	351 407	409 946	404 850



Milestones

Milestones for next twelve months as of May 2001

Metvix®

- ✓ File MAA's for AK & "High Risk" BCC in Australia & NZ- Q1 2001
- ✓ Achieve marketing authorisation (MA) for AK in Sweden – Q2 2001
- ✓ Achieve MA for "High Risk" BCC first EU country (Sweden) – Q2 2001
- ✓ File mutual recognition procedure in other EU countries – Q3 2001
- ✓ File New Drug Application for AK in US – 2H 2001
- File MAA for "High Risk" BCC & AK in Switzerland
- MAA for primary BCC ready for submission in EU
- Marketing partner outside Nordic area



Milestones (cont'd)

Milestones for next twelve months as of May 2001

Hexvix[®]

- ✓ Enter Phase III trial for PD of bladder cancer in Europe
- Enter Phase III trial for PD of bladder cancer in US

Benzvix[®]

- Complete pre-clinical studies necessary for clinical trials

PCI Biotech AS

- Launch first product for the research market



Key investment highlights

- Leader in photodynamic therapeutics and diagnostics
- Metvix[®] PDT new treatment in dermatology:
 - Launched for AK & difficult to treat BCC in first EU country (Sweden)
 - MAA's pending in EU/EEA, US, Australia & NZ
- Hexvix[®] in phase III for bladder cancer detection
 - Phase II completed with positive results
- PCI Biotech AS established – first product close to launch
- Strong cash position
- All commercial rights retained
- Targeting large markets and medical needs
- Strong pipeline of follow-on products & technologies to drive future value
- Strong and experienced management team



Appendix



Strong intellectual property position

<i>Main patent applications</i>	<i>Priority date</i>	<i>Status</i>	<i>Progress</i>
1. Transfer of molecules to cells	Sept. 1994	Published	Granted: Norway, Australia, US, Singapore, Czech Rep. Accepted: NZ
2. Esters of ALA	March & Dec. 1995	Published	Granted in US, EU, Australia, Singapore
3. PCS	Jan. 1997	Published	National phase
4. Illumination source	May 1997	Published	Granted: Australia
5. Cancer vaccines	1999	Not published	
6. ALA derivatives I	2000	Not published	
7. ALA derivatives II	2000	Not published	
8. Formulations I	2000	Not published	
9. Formulations II	2000	Not published	
10. PDT new diseases	2000	Not published	



Metvix®

– market introduction

	Old product	New product
Old Market	Renaissance	Penetration
New Market	Market development	



Metvix[®]

– sales volume development

