

PHOTOCURE ASA BUILDING A SPECIALTY PHARMA COMPANY

RESULTS OF THE FIRST QUARTER 2014

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HIGHLIGHTS FIRST QUARTER 2014

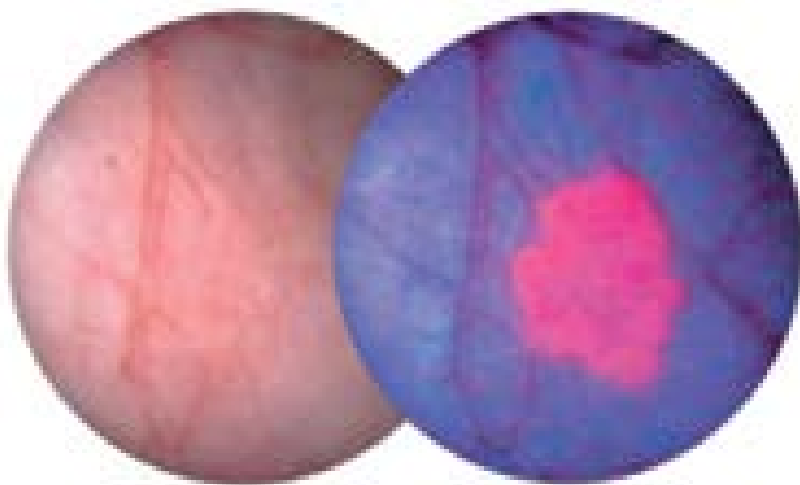
- Hexvix/Cysview sales revenues increased 33% to NOK 19.3 million in 1Q 2014, driven by strong customer demand across major markets
 - Hexvix/Cysview global in-market unit sales increased 20%
 - Value of global in-market sales increased 36% to NOK 46 million
 - Photocure's own sales revenues in US and Nordics increased 39% to NOK 8.9 million
 - Partner sales revenues increased 29% to NOK 10.4 million
- Positive support from major European regulatory authorities for the proposed Phase 3 program of Cevira in women with CIN2
- Operating loss of NOK 13.7 million, improvement of 42% over prior year, driven by restructuring and tight cost control
- Cash and cash equivalents of NOK 150 million

Commercial Update

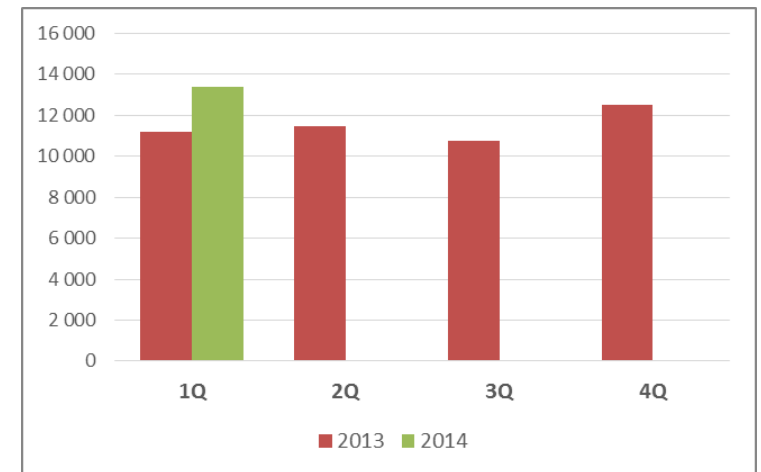


HEXVIX/CYSVIEW STRONG GROWTH IN ALL MARKETS

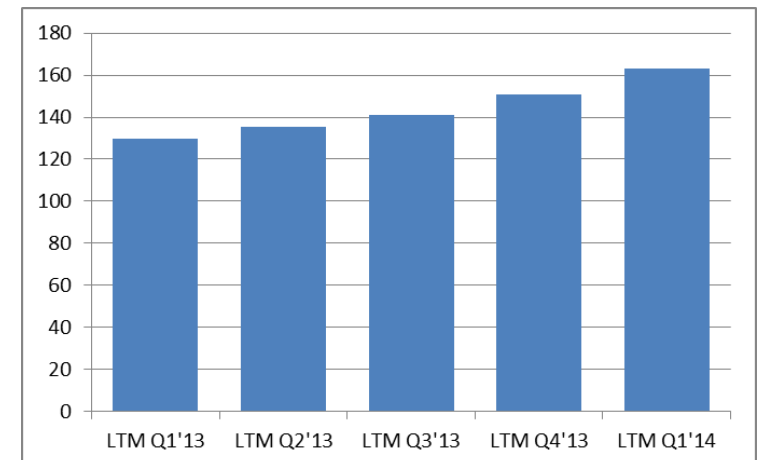
- Hexvix/Cysview global in-market volume growth 20% YOY
- Value of in-market sales of Hexvix/Cysview increased 36% YOY



Global in-market unit sales (by Q)



Global in-market value NOK mill (LTM)

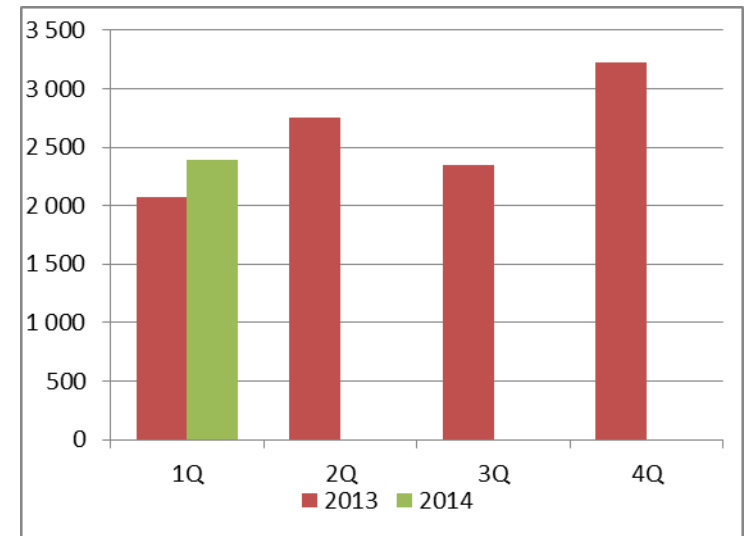


HEXVIX/CYSVIEW

SOLID PERFORMANCE IN NORDICS

- Photocure own sales revenues in the US and Nordics increased 39% in 1Q 2014 to NOK 8.9 million
- Key drivers include strong customer demand and price increases
- Nordic revenue growth of 40% in 1Q 2014
 - Volume growth of 16%
 - Double digit growth in Sweden, Norway and Denmark
 - Increasing both number and productivity of blue light cystoscopies
- Price increase in Norway effective in May

Own Hexvix/Cysview in-market unit sales



HEXVIX/CYSVIEW GOOD PERFORMANCE IN US

- US 1Q 2014 revenue growth of 36%
- Key drivers include volume growth of 13%, price increases and Fx
- Despite limited 2014 CMS reimbursement policy, Blue Light Cystoscope placements increased to 43 in 1Q 2014
- Continued progress towards securing sustainable reimbursement
 - Multiple stakeholders engaged including US Urologists, KOLs, AUA, KSEA, ACS, Patients, BCAN, interested members of US Congress

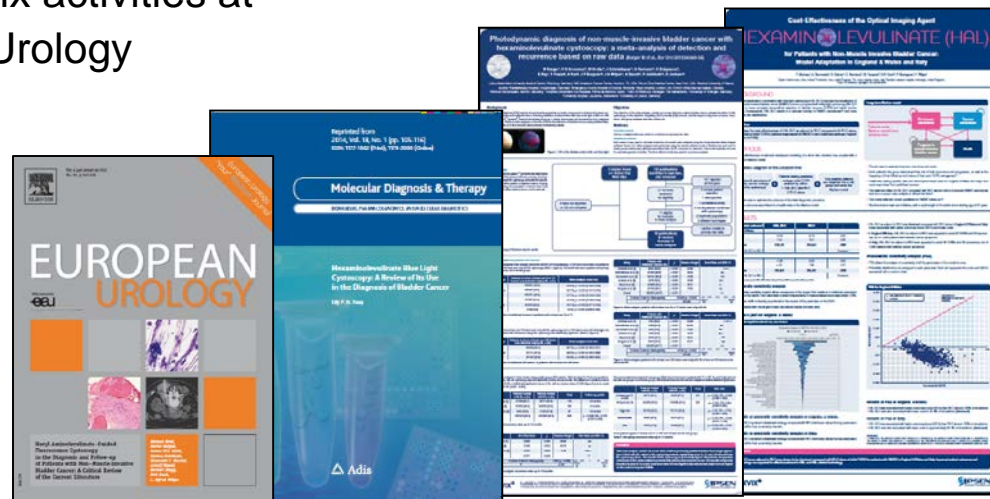
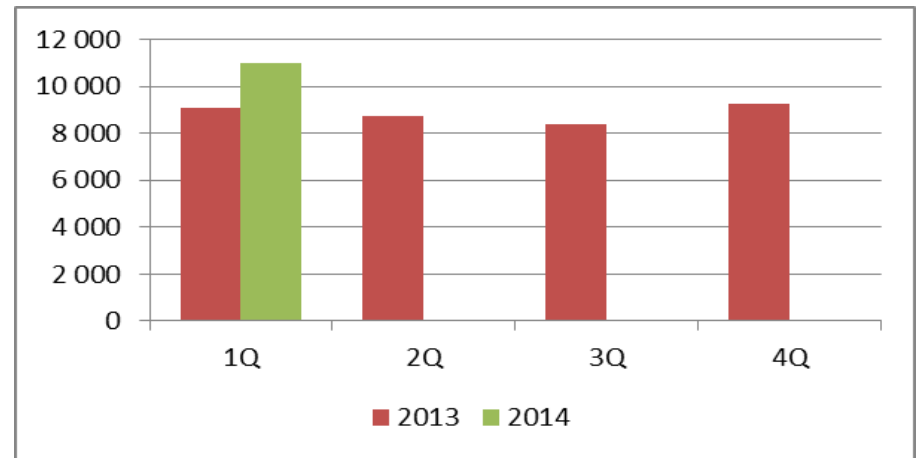


HEXVIX

IPSEN STRONG PERFORMANCE IN EUROPE

- Partner revenue increased 29% in 1Q 2014 to NOK 10.4 million
- Strong customer demand with end user volume growth of 21%
- Double digit growth in France, Germany, Belgium and Netherlands
- Price increase in Germany effective in April
- Successful execution of Hexvix activities at the European Association of Urology Congress held in Stockholm

Hexvix Partner Unit Sales Per Quarter



Pipeline Update



CREATING VALUE

DIVERSE PRODUCT PORTFOLIO

	Technology	Indication	Phase 1	Phase 2	Phase 3	Status
Lumacan®	PDD	Detection of colorectal cancer				Worldwide license with Salix Phase 1 / 2 Clinical trial underway
Visonac®	PDT	Treatment of moderate to severe acne				Positive Phase 2b results SPA approved Exploring partnerships
Cevira®	PDT	Treatment of precursors of cervical cancer				Positive Phase 2b results In discussion with Health Authorities on phase 3 program Exploring partnerships

VISONAC PHASE 3 READY ASSET

- High unmet need for novel treatments for moderate/severe acne
 - 1st Photodynamic treatment for inflammatory acne
 - Broad geographic fit
- Positive Phase 2b results
 - Significant reduction in inflammatory lesions
 - Overall improvement in acne severity
 - Well tolerated regimen
- Phase 3 Ready
 - SPA agreed in 2Q 2013
 - Development and regulatory risks significantly reduced
- Agreement with Galderma (Nestlé Skin Care) in 4Q 2013 allows Photocure freedom to explore early partnerships
- High level of interest from potential partners for development and commercialization

Baseline



Week 12

6 weeks after last treatment

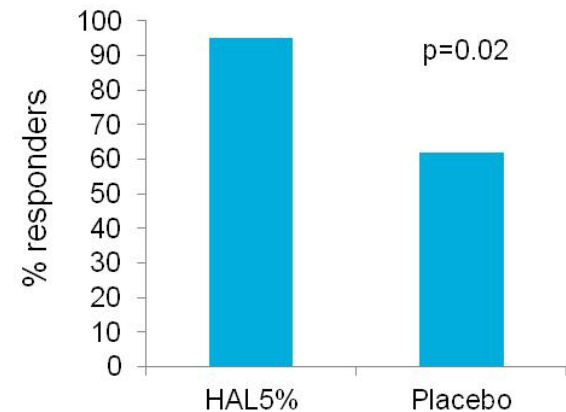


CEVIRA A MAJOR OPPORTUNITY

- High unmet medical need for novel therapies to treat global epidemic of HPV/CIN populations
- Breakthrough single use and fully integrated drug-device technology
- Results of the Phase 2b trial are significant
 - Significant overall response in CIN 2
 - High clearance of HPV, including highly oncogenic HPV 16/18
 - Excellent tolerability and high physician & patient acceptance
- Securing agreement with Regulators on phase 3 design and target patient population
 - Re-evaluation of the Phase 2b clinical data progressing as planned in advance of continuing discussions with the FDA
 - Positive Scientific Advice meetings completed with major European regulators



CIN2 patient response 6 months after last treatment (n=40)



Financials



HEXVIX/CYSVIEW - CONTINUED GROWTH

- Revenue from own sales of Hexvix/
Cysview increased 39% in 1Q 2014
 - Nordic revenue increased 40%
 - Driven by end user volume growth of 16%,
inventory 7% , price and FX impact
 - US revenue increased 36%
 - Driven by end user volume growth of 13%,
price increase of 10% and FX impact
- Partner 1Q 2014 revenue increased 29%
 - In-market volume growth of 21%
- Total in market sales value increased 36%
in 1Q 2014 to NOK 46 million
- LTM value NOK 163 million compared to
NOK 151 million at year end

SALES - MNOK

Q1 '14

Hexvix own sales

8,9

YoY growth

39 %

Hexvix partner sales

10,4

YoY growth

29 %

Total Photocure

19,3

YoY growth

33 %

Revenue in-market (*)

46,0

YoY growth

36 %

Units in-market (*)

13 388

YoY growth

20 %

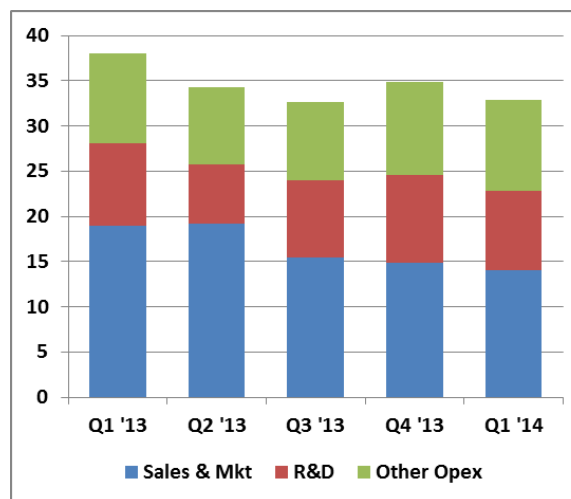
(*) Calculated in-market sales

PROFIT & LOSS FIRST QUARTER 2014

- Revenue increase of 32%
 - Milestones revenues relate to accrued revenue from Galderma
- Operating expenses down 13%
 - R&D expenses at NOK 8.7 million in 1Q 2014. Main activity related to re-analysis of clinical data for Cevira
 - 1Q 2014 S&M expenses at NOK 14.1 million, in line with previous two quarters.
- 1Q 2014 recurring operating loss at NOK 13.7 million
 - Improvement of NOK 9.9 million from last year

<i>MNOK</i>	Q1 '14	Q1 '13
Hexvix / Cysview revenues	19,3	14,6
Other sales revenues	0,2	-
Signing fee and milestones	1,2	1,0
Total revenues	20,7	15,7
Gross profit	19,1	14,3
Operating expenses	-32,9	-38,0
Operating profit/loss(-)	-13,7	-23,6
Net financial profit/loss(-)	0,7	2,2
Profit/loss(-) before tax	-13,0	-21,4

Operating expenses NOK mill



CASH FLOW

FIRST QUARTER 2014

- 1Q 2014 cash flow from operations
NOK -18.7 million
- Quarter working capital changes
negative NOK 5.6 million, compared
to last year negative NOK 3.4 million
- Quarter end cash balance at NOK
149.7 million

MNOK

	Q1 '14	Q1 '13
Cash flow from:		
- Operations	-18,7	-26,7
- Investments	1,1	1,8
- Financing activities	0,0	-0,6
Net change in cash	-17,5	-25,5
Ending cash balance	149,7	277,3

BALANCE SHEET PER 31 MARCH 2014

- Non current assets includes NOK 47.9 million in shares in PCI Biotech and deferred tax asset of NOK 49.1 million
- No interest bearing debt
- Shareholder's equity of NOK 272.9 million
- Equity ratio of 91%
- Photocure held 72,976 own shares at quarter end

<i>MNOK</i>	31.03	31.12
	2014	2013
Non-current assets	120,6	104,8
Inventory & receivables	29,7	29,7
Cash & equivalents	149,7	167,3
Total assets	300,1	301,7
Shareholders equity	272,9	269,1
Long term liabilities	2,5	2,3
Current liabilities	24,7	30,3
Total equity & liabilities	300,1	301,7
Equity ratio	91 %	89 %

Summary and Outlook



GOOD PROGRESS MADE TOWARDS 2014 GOALS



KEY 2014 OBJECTIVES	1Q ACHIEVEMENTS
Hexvix/Cysview global in-market unit sales growth of $\geq 10\%$	20% growth
Obtain sustainable reimbursement solution in US	Established broad support
Secure partnership for development and commercialization of Visonac	Established high interest with key dermatology players
Secure regulatory alignment on Cevira clinical development to progress partner discussions	<p>Positive Scientific Advice meetings with key EU regulators on Cevira phase 3 program</p> <p>Re-analysis of Cevira data progressing as planned</p>
End of year cash reserve \geq NOK 105 million, excluding milestone payments	Cash of NOK 150 million at end of 1Q