Brilliance in photodynamic technology ™

Results for the 2nd quarter and first half year 2010

Photocure ASA

Establishing a Specialty Pharma company

19 August 2010

Highlights for the second quarter 2010

(2009 figures in brackets)

- **Hexvix revenues increased by 19.6% to NOK 14.2 million (11.9) in Q2 2010**
- **In May, the FDA approved Cysview (Hexvix) for the US market, triggering an EUR 10 million(NOK 79.3 million) milestone from GE Healthcare**
- **Total revenue of NOK 93.5 million (11.9) in Q2 2010, including the milestone for approval of Cysview**
- **Net profit of NOK 60.2 million (-12.1) in Q2 2010**
- **Cash holding of NOK 330.8 million per 30 June 2010**
- **Established US subsidiary, Photocure Inc. Terry Conrad started as President in August**

Key figures

Figures in NOK '000	**Q2 2010**	**Q2 2009**	**YTD 2010**	**YTD 2009**	**2009**
Sales revenues	14 245	11 907	28 205	21 576	48 428
Signing fee & milestone revenues	79 300	0	83 440	0	0
Total revenues	**93 545**	**11 907**	**111 645**	**21 576**	**48 428**
Gross profit	**91 117**	**10 621**	**107 583**	**19 498**	**42 887**
Research and development expenses	19 996	20 373	39 261	30 916	78 980
Sales and marketing expenses	7 431	5 992	15 568	12 197	24 984
Operating result (EBIT)	**58 764**	**-23 310**	**43 036**	**-36 804**	**-78 952**
Net profit/loss	**60 244**	**-20 900**	**46 379**	**-20 706**	**312 382**
Earnings per share, diluted (NOK)	**2.72**	**-0.55**	**2.09**	**-0.94**	**3.46**

Strategy and overview

Photocure's strategy is to develop the company from a research oriented company into a Specialty Pharma company. The Company is using its proven photodynamic technology (PDT) and expertise to develop innovative dermatology products, cancer diagnostics and therapies. Photocure markets and sells its products through its own sales force and in partnerships with other companies. One of the Company's strategic goals is to strengthen its commercial activities and to build a specialty dermatology business in the US. In August 2010 Photocure announced the establishment of its subsidiary Photocure Inc. and hired Terry Conrad as President.

Operational review

Hexvix® - Europe

Revenues from sales of Hexvix in Europe

figures in NOK '000	Q2 2010	*Change*	Q2 2009	YTD 2010	*Change*	YTD 2009	2009
Own sales	4 465	*-1.5%*	4 531	10 282	*23.1%*	8 349	16 908
Partner sales	9 780	*+32.6%*	7 376	17 923	*35.5%*	13 227	29 090
Total revenue	**14 245**	***+19.6%***	**11 907**	**28 205**	***30.7%***	**21 576**	**45 998**

Sales revenues for Hexvix amounted to NOK 14.2 million (11.9) in the second quarter 2010. Sales through GE Healthcare accounted for NOK 9.8 million (7.4), and Photocure's own sales in the Nordic region were NOK 4.5 million (4.5). Sales for the first half year were NOK 28.2 million (21.6).

GE Healthcare increased the end-user sales of Hexvix by 39% to 7.648 units in the second quarter 2010 and by 35% to 14.953 units in the first half of 2010. In the Nordic region, Photocure increased sales to 1.577 units in the quarter, up 25% from the corresponding quarter last year, and by 47% to 3.223 units in the first half of 2010.

Hexvix is now being sold in 21 countries in Europe by GE Healthcare and Photocure, with Germany and Denmark leading in the introduction of Hexvix cystoscopies as a standard method for detection of bladder cancer. At the end of the first half 2010, more than 700 European urology clinics were offering Hexvix to its bladder cancer patients.

Photocure's priorities for increasing the sales of Hexvix are to place the equipment in more clinics, to educate more personnel in the clinics and to expand the use of Hexvix in all the clinics that already are equipped.

In January, Hexvix obtained permanent reimbursement in Germany triggering a milestone payment of EUR 0.5 million from GE Healthcare.

In the Nordic region, the Hexvix market share of TURBs (Transurethral Resection of Bladder) is now 30%, with over 60% market share year-to-date in Denmark. This is a good indication for the continued growth potential in the use of Hexvix.

In April, an European expert panel recommended the use of Hexvix-cystoscopy in the diagnosis and follow up of non-muscle-invasive bladder cancer. The use of Hexvix has historically differed widely from country to country and between clinics. The recommendations from the European consensus group may make the use of Hexvix-guided fluorescence cystoscopy more uniform in Europe.

Hexvix® - USA

Cysview™ (the brand name for Hexvix in the US) received approval from FDA on 28 May 2010. Cysview™ cystoscopy is the first approved drug-device procedure for improved detection of bladder cancer.

Photocure submitted the NDA on 30 June 2009 and achieved a priority review. The NDA included data from one pivotal and four supportive phase III studies. The pivotal phase III study included 814 patients and showed a significantly improved detection (p=0.001) of non-invasive papillary cancer using Cysview™ cystoscopy compared to standard white light cystoscopy in patients with non-invasive papillary bladder cancer. The improved detection was followed by a significant reduction (p= 0.026) in recurrence at 9 months. All the supportive Phase III studies confirmed the improved detection of bladder cancer using Cysview™.

Bladder cancer is the fourth most common type of cancer in men and the eighth most common in women in the US. More than 70,000 people in the US were diagnosed with cancer of the bladder in 2009, with an estimated 14,000 people dying from the disease, according to the National Cancer Institute. It is notoriously difficult to detect. The most common, initial sign is red-colored urine, which calls for urine cytology and cystoscopy.

Photocure has licensed the rights for Cysview™ in the US to GE Healthcare. GE Healthcare has done market research to target key customers efficiently, and is preparing launch together with Karl Storz.

Karl Storz has submitted a supplement to the approved PMA to the FDA for an improved blue light system. This system is similar to the model sold in Europe. Photocure estimate that FDA will review and approve this application in the fourth quarter 2010.

Progress in the clinical development programs

Photocure has strong platform based on photodynamic technology, Photocure Technology ™, which provides a basis for the company's development projects.

	Indication	Status
Hexvix® /Cysview™	Detection of bladder cancer	NDA approval May 28, 2010
Allumera™	Improved facial skin appearance	Consumer trial
Visonac™	Treatment of moderate to severe acne	Phase II
Cevira™	Treatment of precursors of cervical cancer	Phase I/II
Lumacan™	Detection of colon cancer	Phase I/II

Dermatology

Photocure's photodynamic technology platform (PDT) is very well suited for the development of products that meet future needs to treat dermatological diseases. PDT is an established procedure in the dermatology field, and Photocure has been a leader in developing effective PDT products to serve that market. In addition, the technology offers opportunities to develop products for the large cosmetic and skin rejuvenation market.

Allumera™ – A cosmetic product for improved facial skin appearance

In 2009, Photocure started the development of a cosmetic product for the dermatology market, which is not subject to a FDA approval. The product – Allumera – is built on the reported cosmetic improvements experienced with the recently divested cancer product Metvix/Aktilite. Today the cosmetic procedure market in US alone has an estimated value of USD 4 billion. The US cosmetic market is very competitive. Photocure's market research nevertheless shows that the benefits observed with Allumera in the pilot trial offer advantages that will fit very well within the current cosmetic procedures performed by dermatologists.

In November 2009 Photocure successfully completed a pilot consumer trial in 10 subjects showing improvement in the appearance of skin tone, pore size, elasticity and fine wrinkles. The consumer feedback was positive with regard to their improved skin appearance.

Based on this, the company started a second consumer trial approved by the ethical committee (IRB) on 22 April 2010, with results expected during the fourth quarter 2010. Photocure has initiated a program of investigator studies done by leading dermatologists, and is working towards introducing Allumera in the US market in 2011.

Visonac™ – treatment of moderate to severe acne

Photocure is developing Visonac for treatment of moderate to severe acne. The serious side effects with existing treatments mean that there is a great medical need for new and lenient treatments for acne, especially for patients with moderate to severe acne This presents a major market opportunity as the worldwide prescription market for acne is estimated to be approximately USD 3 billion, with the US as the single largest market with USD 1.65 billion.

Based on discussions with the regulatory authorities in Europe and USA, Photocure started a multi-centre phase II study in USA/ Canada in the second half of 2009 with a new acne light source. 107 patients from 11 years of age were enrolled in January 2010. The results of the study, announced in May 2010, were not as good as phase II results previously obtained.

The trial was conducted with a simplified Visonac™ treatment procedure compared to previous studies, with Photocure's new full-face acne lamp. The primary endpoints for the trial were a reduction in lesion count and treatment success six weeks after the last treatment. The results showed a median reduction of 39.8% for the inflammatory lesions and 36.3% for the non-inflammatory lesions after Visonac. These reductions in lesion counts were lower than reported in a previous phase II Visonac™ study which included an occlusive dressing covering the cream, where the median reduction for inflammatory lesions was 57.0% and for the non-inflammatory lesions was 47.0%, and in which there was a significant difference compared to placebo treated patients.

Photocure is working to understand the correlation between the clinical data from the last phase II study with the previous phase II study. The plan is to do a study in Texas, USA in August/September to investigate effects of different treatment procedures. Following this Photocure will update the development plan. The promising data from previous studies, including the results in a major subpopulation, demonstrates the potential of Visonac.

Cancer
One of the major advantages of the Photocure Technology™ is its ability to treat and diagnose cancer precursors with a minimum of side effects. The products that are being developed meet future needs for early diagnosis and treatment of the diseases before they develop into more serious stages.

Cevira™ - Treatment of precursors for cervical cancer
Cevira™ is a unique non-surgical photodynamic therapy for the treatment of HPV infection and pre-cancer cervical abnormalities.

Cervical cancer is a result of HPV virus infections, and approximately 30 million women are annually infected by an HPV virus that does not disappear. Persistent HPV infection increases the risk for development of cervical cancer. In Europe and USA approximately 7 million women are annually diagnosed with possible precursors for cervical cancer or cell changes in the cervix. There is thus a great medical need for lenient, non-surgical treatments of precursors for cervical cancer, especially for young women.

In 2009 the company completed recruitment of 92 patients in a phase II dose study for treatment of precursors for cervical cancer (CIN 1-3) at University hospitals in Oslo and Hannover, Germany. The data from the study showed that the overall treatment response varied between drug regimens, patient populations and the two centres.

Drug application for 3 hours with photoactivation using a light dose of 50-100J/cm2 in 24 patients with mild to moderate grade lesions (CIN1/2), showed a 58% lesion response rate across the two study sites. Moreover, the 12 month follow-up results confirm a sustained treatment response in the CIN 1/2 patient group with 63% lesion response. In addition, among the 24 patients with CIN1/2 there was a concomitant 90% HPV removal in responding patients.

Based on these encouraging results, the company initiated a placebo controlled study to confirm and compare the treatment effect versus placebo on early stage precursors (CIN1) for cervical cancer. Inclusion was finalized in February 2010 and will be followed up for 6 months. The further plan is to follow up with a new study on the same patient group to document the effect of the new and improved treatment procedure. After finalization of this study the company will be in a better position to secure a commercial partner for Cevira.

Lumacan™ - Diagnosis of colon cancer
Lumacan is being developed to increase the detection rate for polyps and colon cancer through fluorescence diagnosis. Colon cancer is traditionally diagnosed through colonoscopies (visual examination) with white light. The market for colonoscopies is growing as a result of extensive patient screening programs in Europe and USA. In the US, it is estimated that approximately 14 million colonoscopies are being carried out annually for diagnosis of colon cancer. At the same time, it is increasingly being recognized that standard white-light colonoscopy has considerable limitations when it comes to optimal detection of colon cancer.

Photocure initiated a phase I/II study with fluorescence diagnosis of colon cancer in the spring of 2009. The study is being carried out at two hospitals in Germany, and is planned to include approximately 70 patients with suspected colon cancer. Based on the strong results from earlier studies with enemas, the study was temporarily halted in the autumn of 2009 to include an improved oral formulation which is being developed. After completion of exploratory clinical formulation studies designed to provide more information about the distribution of the product in the colon, the plan is to restart the phase I/II study with an improved oral formulation in the fourth quarter 2010.

Other important events in the first half year
At the Annual General Meeting in April 2010, Åse Aulie Michelet was elected new board member of Photocure ASA. Michelet has been the CEO of Marine Harvest from 2008 to 2010 and has experience from being Executive Vice President in GE Healthcare, and several leading positions in Nycomed/ Nycomed Amersham since 1979. Michelet is also a board member of Orkla ASA. She was also board member of Photocure from 1997 to 2003.

On 23 April 2010, PCI Biotech Holding ASA proposed a share capital increase of NOK 90 million. The purpose of the rights issue was to strengthen the equity to enable the company to complete the planned clinical development studies within selected cancer indications. Photocure participated in the rights issue with NOK 17.4 million and continues to own 19.35% in PCI Biotech Holding ASA.

In May Photocure announced that the company had won a patent case against the US Patent and Trademark Office (USPTO). This was based on Photocure's submission of an application for patent term extension (PTE) of its US patent covering the FDA-approved drug Metvixia® to the USPTO in September 2004, which was refused by the USPTO. The USPTO's refusal was appealed by Photocure and Photocure won in two instances, on district court level and before the US Federal Circuit Court of Appeal's (CAFC).

The USPTO could have requested a *en banc* decision by the CAFC and/or file a petition for review of the decision to the Supreme Court, however, no such request or petition was submitted within the given deadline. The CAFC's decision is hence final. The decision is of high importance for Photocure's application of PTE for its US Cysview patent, which application was filed in July. Photocure expects the application to be granted due to the USPTO now being required by the CAFC decision to change its interpretation of the law.

Financial review

(Numbers in brackets are for the first half of 2009)

The financial report per 30th of June 2010 has been prepared according to the IFRS (International Financial Reporting Standard) and follows the same principles as the Annual Report for 2009.

Photocure's divestment of Metvix/Aktilite in September 2009 changed the company's earnings profile. The 2009 accounts are adjusted for discontinued operations.

The sales revenues for the second quarter 2010 amounted to NOK 14.2 million (11.9), up 19.6% from the corresponding period last year. In addition, Photocure recognised NOK 79.3 million (0.0) in milestone revenue from GE Healthcare for the FDA approval of Cysview (Hexvix) in May.

For the first half of 2010, total revenues were NOK 111.6 million (21.6).

Other income amounted to NOK 5.6 million (1.5) in the second quarter, including deferred revenue of NOK 2.7 million. For the first half year, other income was NOK 11.5 million (2.0).

Research & development (R&D) costs amounted to NOK 20.0 million (20.4) and NOK 39.3 million (30.9) in the second quarter and first half of 2010 respectively.

For the first half year, Dermatology R&D related to Visonac and Allumera accounted for NOK 16.5 million, and Cancer R&D related to Hexvix, Lumacan and Cevira for NOK 18.5 million. NOK 1.6 million was spent on explorative research.

Marketing and sales costs increased by 24.0% to NOK 7.4 million (6.0) in the second quarter. For the first half year, marketing and sales costs were NOK 15.6 million (12.2), an increase of NOK 3.4 million. The increase is mainly due to increased activities in dermatology.

The company had an operating profit of NOK 58.8 million (-23.3) in the second quarter and a profit of NOK 43.0 million (-36.8) so far this year. The increase in profit is mainly related to the milestone revenue from GE Healthcare for the US approval of Cysview.

Net financial items were NOK 1.5 million (2.4) in the second quarter of 2010 and NOK 3.2 million (-0.5) in the first half of the year.

Photocure thus recorded a net profit of NOK 60.2 million (-12.1) in the second quarter this year and NOK 46.4 million (-20.7) in the first half of the year.

Photocure is the largest shareholder in PCI Biotech Holding ASA (PCI Biotech) with 19.35% of the shares. The book value of the shareholding increased from NOK 11.5 million at 31 December 2009 to NOK 81.6 million at 30 June 2010, as the share price of the PCI Biotech share increased from NOK 11.00 to NOK 55.00 per share. Photocure's shares in PCI Biotech are classified as available for sale.

Cash and cash equivalents were NOK 330.8 million at the end of the first half of 2010 compared to NOK 403.5 million at the end of 2009. Accounts receivable was NOK 98.7 million, including NOK 79.3 million in milestone revenue from GE Healthcare per 30 June 2010. Shareholders' equity was NOK 503.2 million, or 93.8%, at the end of the period, up from NOK 415.8 million, or 91.0%, at the end of last year.

Photocure bought 353,938 shares under its share repurchase program in the first half of 2010, for an average of NOK 47.07 per share. Photocure sold 112,019 own shares to employees in the first half of 2010, and owns 543,477 or 2.5% of the outstanding shares per 30 June 2010.

Subsequent events after the end of the quarter

On 4 August 2010, Photocure announced that the company had established a US subsidiary, Photocure Inc., and appointed Terry Conrad as President of the subsidiary.

Terry Conrad has 23 years experience in the pharmaceutical industry and has held senior marketing, sales and business development positions at a number of multinational pharmaceutical companies including Lederle Laboratories, Bayer AG and Parke-Davis (a division of Warner Lambert now owned by Pfizer). Mr. Conrad has experience from managing US commercial operations and building dermatology franchise units, and he has a proven track record in delivering growth in revenues, as well as profitability and launching new dermatology products.

The establishment of Photocure Inc follows the Company's strategic decision to build its own specialty dermatology business in the US.

Risks and uncertainty factors for the next half year

Photocure is exposed to uncertainties and risk factors, which may affect some or all of the company's activities. Photocure has financial risk, market risk and operational risk factors and risk related to research and development of new products.

The most important risks the company is exposed to for the next half year of 2010 are associated with progress and performance of the clinical development programs, market development for Hexvix, as well as financial risks related to interest rates, liquidity and currency fluctuations.

There are no significant changes in the risks and uncertainty factors compared to the descriptions in the Annual Report for 2009.

Outlook

Photocure's strategy is to develop the company from a research based organization into a Specialty Pharma company. The Company is using its proven photodynamic technology (PDT) and expertise to develop innovative dermatology products, cancer diagnostics and therapies. Photocure markets and sells its products through its own sales force and in partnerships with other companies. One of the Company's strategic goals is to strengthen its commercial activities.

Photocure will have a strong focus on increasing the sales of Hexvix in Europe and successfully launch Cysview in the US. Sales of Hexvix in Europe are expected to grow more than 30% in 2010, depending on the uptake in key markets.

In research and development the main task will be to carry out clinical studies and secure the progress in development of new therapies and treatment procedures within the core areas in dermatology and cancer. The company expects results from a phase I/II study with Cevira in December, and to restart the phase II study with oral formulation with Lumacan in October.

Total expenses for 2010 are estimated to increase compared to 2009, in particular because of the increased activities in the Dermatology field and the continuous development of products in the Cancer field.

Responsibility Statement

We confirm that, to the best of our knowledge, the condensed set of financial statements for the first half year of 2010 which has been prepared in accordance with IAS 34 Interim Financial Statements gives a true and fair view of the Company s consolidated assets, liabilities, financial position and results of operations, and that the interim management reports includes a fair review of the information required under the Norwegian Securities trading Act section 5-6 fourth paragraph.

The Board of Directors and CEO
Photocure ASA

Oslo, 18 August, 2010

Erik Engebretsen Chairman	Jon Hindar Board member	Kari Krogstad Board member
Åse Aulie Michelet Board member	Mats Pettersson Board member	Eva Steiness Board member
Kjetil Hestdal President & CEO		

Photocure ASA – Statement of comprehensive income

(all amounts in NOK 1,000 except per share data)

Q2 2010	Q2 2009		2010 1.1-30.6	2009 1.1-30.6	2009 1.1-31.12
14 245	11 907	Sales revenues	28 205	21 576	48 428
79 300	0	Signing fee and milestone revenues	83 440	0	0
93 545	**11 907**	**Total revenues**	**111 645**	**21 576**	**48 428**
-2 428	-1 286	Cost of products sold	-4 062	-2 078	-5 541
91 117	**10 621**	**Gross profit**	**107 583**	**19 498**	**42 887**
5 570	1 461	Other income	11 480	2 023	11 652
-1 527	-2 522	Indirect manufacturing expenses	-3 515	-4 152	-9 451
-19 996	-20 373	Research and development expenses	-39 261	-30 916	-78 980
-7 431	-5 992	Marketing and sales expenses	-15 568	-12 197	-24 984
-8 969	-6 506	Business development and administrative expenses	-17 683	-11 061	-20 076
58 764	**-23 310**	**Operating profit/loss(-)**	**43 036**	**-36 804**	**-78 952**
2 362	3 094	Financial income	5 119	7 092	13 551
-882	-684	Financial expenses	-1 777	-7 559	-11 100
1 480	**2 410**	**Net financial profit/loss(-)**	**3 342**	**-467**	**2 451**
60 244	**-20 900**	**Profit/loss(-) before tax**	**46 379**	**-37 271**	**-76 501**
0	0	Tax expenses	0	0	0
60 244	**-20 900**	**Net profit/loss(-)**	**46 379**	**-37 271**	**-76 501**
0	8 806	Discontinued operations (1)	0	16 565	388 883
60 244	**-12 094**	**Net profit/loss(-)**	**46 379**	**-20 706**	**312 382**
23 298	1 048	Other comprehensive income	52 642	1 048	4 192
83 542	**-11 046**	**Comprehensive income**	**99 021**	**-19 658**	**316 574**
2,76	-0,55	Net profit/loss(-) per share, undiluted (2)	2,12	-0,94	3,46
2,72	-0,55	Net profit/loss(-) per share, diluted (3)	2,09	-0,94	3,46

(1) The Metvix/Aktilite business was sold in 3Q/09 and related revenues & expenses in 2Q/09 are reclassified to Discontinued operations

(2) Undiluted net profit/loss per share is calculation based on average weighted number of shares outstanding.

(3) Diluted net profit per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

Photocure ASA – Balance sheet

(all amounts in NOK 1,000)

	30.06.2010	30.06.2009	31.12.2009
Non-currrent assets			
Intangible assets, software	425	472	365
Machinery & equipment	1 686	2 211	1 772
Other investments (1)	90 333	8 384	14 585
Total non-current assets	**92 444**	**11 067**	**16 722**
Currrent assets			
Inventory	14 697	12 692	13 826
Receivables	98 697	15 242	22 811
Cash & cash equivalents	330 849	150 556	403 502
Total current assets	**444 243**	**178 490**	**440 140**
Total assets	**536 687**	**189 557**	**456 862**
Equity and liabilities			
Equity			
Share capital	11 047	11 047	11 047
Other paid-in capital	164 548	190 476	176 112
Retained earnings	327 644	-41 398	228 624
Shareholders' equity	**503 239**	**160 124**	**415 783**
Long-term liabilities			
Other non-current liabilities	510	0	340
Total long-term liabilities	**510**	**0**	**340**
Current liabilities	32 938	29 433	40 739
Total liabilities	**33 448**	**29 433**	**41 079**
Total equity and liabilities	**536 687**	**189 557**	**456 862**

(1) Including shares in PCI Biotech Holding ASA at market value NOK 81 583 000 as of 30.6.10 (NOK 11 528 000 as of 31.12.09)

Photocure ASA – Changes in equity

(all amounts in NOK 1,000)

Q2 2010	Q2 2009		2010 1.1-30.6	2009 1.1-30.6	2009 1.1.-31.12
424 347	**191 997**	**Equity at beginning of period**	**415 783**	**199 694**	**199 694**
	-21 740	Net assets, discontinued		-21 740	
-5 846		Share buy back, net	-13 955	0	-15 989
0	0	Dividend	0	0	-87 950
1 195	914	Share-based compensation	2 390	1 828	3 454
83 542	-11 046	Comprehensive income	99 021	-19 658	316 574
503 238	**160 125**	**Equity at end of period**	**503 238**	**160 125**	**415 783**

Photocure ASA – Cash flow Statement

(all amounts in NOK 1,000)

Cash Flow Statement (all amounts in NOK 1,000)

Q2 2010	Q2 2009		2010 1.1-30.6	2009 1.1-30.6	2009 1.1.-31.12
60 244	-12 094	Profit/loss(-) before tax	46 379	-20 706	312 382
268	404	Depreciation and amortisation	543	802	1 451
1 195	914	Share-based compensation	2 390	1 828	3 454
-1 839	-2 102	Net interests	-4 237	-4 612	-9 258
0	0	Write down financial assets	0	4 192	4 192
-74 772	-801	Changes in working capital	-84 557	-15 205	7 899
-2 595	355	Other operational items	-5 658	-1	-2 674
-17 498	**-13 324**	**Net cash flow from operations**	**-45 140**	**-33 703**	**317 445**
-15 719	2 010	Cash flow from investments	-13 559	4 363	10 104
-5 846	-2	Cash flow from capital transactions	-13 955	-2	-103 944
-39 063	**-11 316**	**Net change in cash during the period**	**-72 653**	**-29 341**	**223 605**
369 912	161 872	Cash & cash equivalents at beginning of period	403 502	179 897	179 897
330 849	**150 556**	**Cash & cash equivalents at end of period**	**330 849**	**150 556**	**403 502**

Photocure ASA – Segment information

(all amounts in NOK 1,000)

	Second quarter 2010						%
	Cancer				Derm.[2]	Total	change
	Own	Partner	R&D[1]	Sum			
Sales Hexvix	4 465	9 780	0	14 245	0	14 245	*20 %*
Cost of goods sold	-285	-2 143		-2 428		-2 428	*89 %*
Gross profit	**4 180**	**7 636**	**0**	**11 817**	**0**	**11 817**	*11 %*
Gross profit %	94 %	78 %	0	83 %	0	83 %	
Milestone revenues	0	79 300	0	79 300	0	79 300	
MAL/Metvix/Aktilite revenues [3]	0	0	0	0	0	3 439	
Operating expenses	-3 772	-4 518	-11 737	-20 026	-15 766	-35 792	*5 %*
Operating profit	**409**	**82 419**	**-11 737**	**71 091**	**-15 766**	**58 764**	
Net finance						1 480	
Profit before tax	**409**	**82 419**	**-11 737**	**71 091**	**-15 766**	**60 244**	

	Second quarter 2009					
	Cancer				Derm.[2]	Total
	Own	Partner	R&D[1]	Sum		
Sales Hexvix	4 531	7 376	0	11 907	0	11 907
Cost of goods sold	-197	-1 089	0	-1 286	0	-1 286
Gross profit	**4 334**	**6 287**	**0**	**10 621**	**0**	**10 621**
Gross profit %	96 %	85 %		89 %		89 %
Discontinued operations	0	0	0	0	0	8 806
Operating expenses	-7 254	-3 867	-21 704	-32 825	-1 106	-33 931
Operating profit	**-2 920**	**2 420**	**-21 704**	**-22 204**	**-1 106**	**-14 504**
Net finance						2 410
Profit before tax	**-2 920**	**2 420**	**-21 704**	**-22 204**	**-1 106**	**-12 094**

	First half year 2010						
	Cancer				Derm.(2)	Total	% vs.
	Own	Partner	R&D(1)	Sum			PY
Sales Hexvix	10 282	17 923	0	28 205	0	28 205	*31 %*
Cost of goods sold	-648	-3 414		-4 062		-4 062	*95 %*
Gross profit	**9 634**	**14 509**	**0**	**24 143**	**0**	**24 143**	*24 %*
Gross profit %	94 %	81 %	0	86 %	0	86 %	
Milestone revenues	0	83 440	0	83 440	0	83 440	
MAL/Metvix/Aktilite revenues (3)	0	0	0	0	0	7 528	
Operating expenses	-8 911	-7 809	-23 771	-40 491	-31 583	-72 074	*28 %*
Operating profit	**723**	**90 140**	**-23 771**	**67 092**	**-31 583**	**43 037**	
Net finance						3 342	
Profit before tax	**723**	**90 140**	**-23 771**	**67 092**	**-31 583**	**46 379**	

	First half year 2009					
	Cancer				Derm.(2)	Total
	Own	Partner	R&D(1)	Sum		
Sales Hexvix	8 349	13 227	0	21 576	0	21 576
Cost of goods sold	-358	-1 720	0	-2 078	0	-2 078
Gross profit	**7 992**	**11 507**	**0**	**19 498**	**0**	**19 498**
Gross profit %	96 %	87 %		90 %		90 %
Discontinued operations	0	0	0	0	0	16 565
Operating expenses	-12 733	-6 193	-34 720	-53 646	-2 656	-56 302
Operating profit	**-4 741**	**5 313**	**-34 720**	**-34 148**	**-2 656**	**-20 239**
Net finance						-467
Profit before tax	**-4 741**	**5 313**	**-34 720**	**-34 148**	**-2 656**	**-20 706**

(1) Including share of general & administrative expenses
(2) R&D Visonac/Allumera, Business development and Admin expenses. 2009 amounts includes R&D and personnel costs only.
(3) Deferred revenue from Metvix/Aktilite divestment, sale of MAL, returns and reimbursement of Metvix.

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