



Fourth quarter and preliminary full year 2008

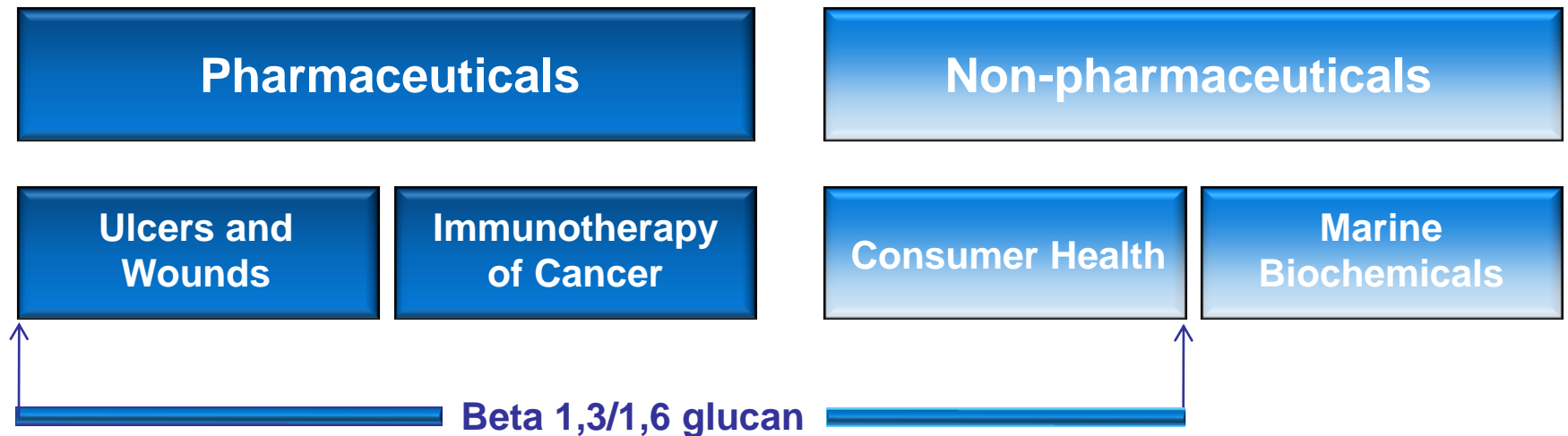
Lars Viksmoen, CEO
Jørn Lunde, CFO
Sven Rohmann; VP Bus.dev.

26 February, 2008

Pharmaceutical Highlights

- **Diabetic Foot Ulcer:** Fast progress in phase III
 - Patients inclusion close to complete in the “Nottingham-study”
 - Three quarters of patients included in the 2nd study – initiates interim analysis
 - On track to file for marketing authorisation in Europe mid-2010
- **Oral Mucositis:** Improving progress in first phase III study
 - Included more than one-third of the patients
 - Postponed 2nd study to reduce risk; lowers 2009 R&D by NOK 20-25 million
- **US patent case:** Positive decision in late January
 - 12 patent claims from US competitor were dismissed, only 2 proceed to court

Biotec Pharmacon overview



Pharmaceutical R&D

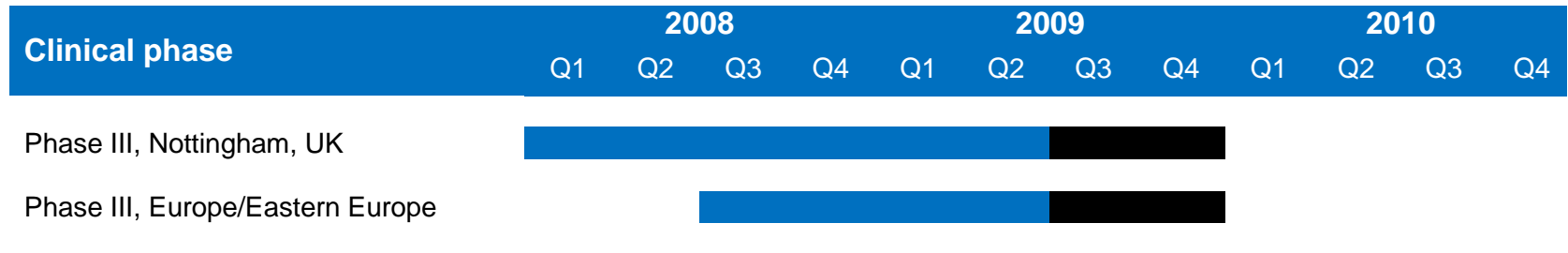
Commercial non-pharma production, marketing and sales

Financial Highlights for Q4 and FY 2008

	Q4 08	Q4 07	2008	2007
Revenue	14.1	10.7	51.7	45.4
EBITDA, non-pharma	-2.4	-2.2	-5.6	-0.1
EBITDA, pharma R&D	-35.8	-8.2	-72.0	-24.5
EBITDA, unallocated	-1.0	-2.3	-10.3	-11.3
EBITDA, total	-39.2	-12.7	-87.9	-35.9
Result after tax, continued operations	-37.3	-6.9	-78.8	-23.2
Result after tax, discontinued operations	-0.6	2.3	26.6	4.5
Net result for the period	-37.9	-4.6	-52.2	-18.7

Phase III – diabetic foot ulcer

Two pivotal studies



- n = 120: Included 114 patients in first trial (95%) and 96 in second (80%)
- Interim analysis in the second study already in Q2
- **Primary endpoint:** Proportion of patients with target ulcers than heal within 8 weeks
- **Secondary:**
 - Proportion of patients with target ulcers than heal within 12 weeks
 - Time to healing of target ulcers
 - Percent change in target ulcer area
 - Recurrence of healed targets ulcers within 12 weeks after healing
- Targets filing for marketing authorisation in Europe in mid-2010

Phase III – diabetic foot ulcer

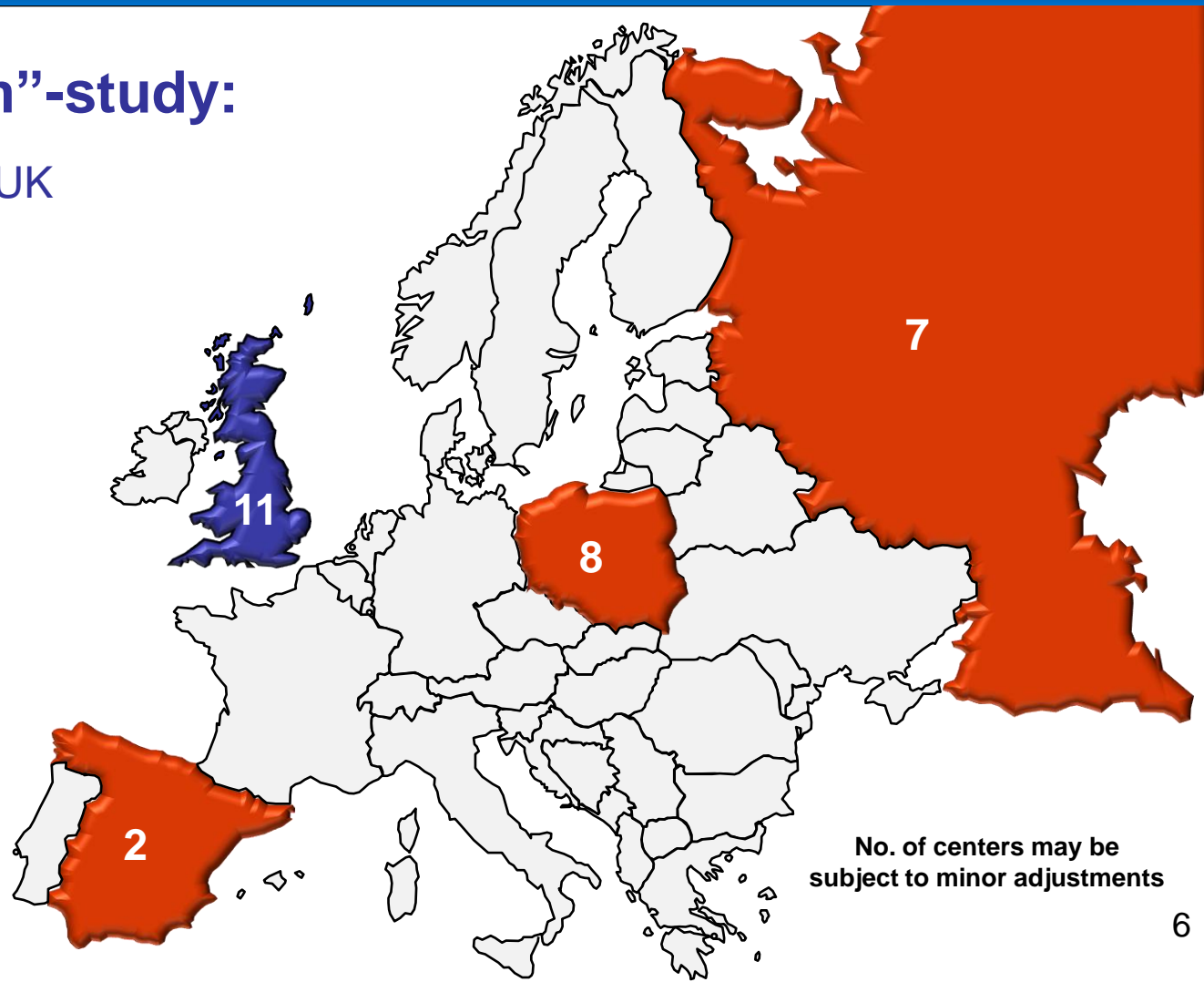
Two European studies

- **“Nottingham”-study:**

- 11 centers in UK

- **Second study:**

- 17 centers
- 3 countries



No. of centers may be subject to minor adjustments

Focusing on attractive market areas

Ulcers & Wounds and Cancer

- **Disease aspects:**

- Addressing unresolved medical problems
- Diabetes and Cancer - major disease areas

- **Competitive aspects:**

- No well established therapies
- Few new product candidates in development

- **Commercial aspects:**

- Innovative products - attractive pricing
- Underdeveloped market - high growth potential
- Hospital products - easier market access

Addressing major unmet medical needs

Sizeable markets*:

250+ million adult diabetics, growing at ~2.5% p.a.

1 in 6 diabetics develop an ulcer at some stage

Serious condition*:

15%-25% of diabetics with foot ulcer require amputation

85% of diabetics' leg amputations are preceded by ulcers

70% of all leg amputations happen to diabetics

People with diabetes are 25 times more likely to amputate a leg

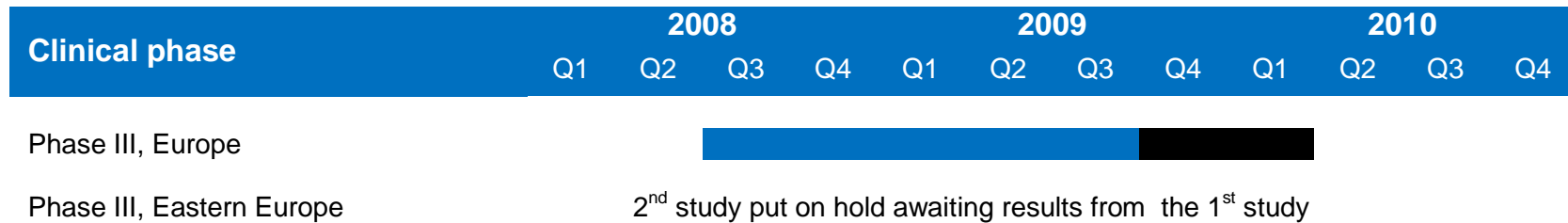
Therapies:

No standard drug treatment, only hygiene/general wound care

SBG approach:

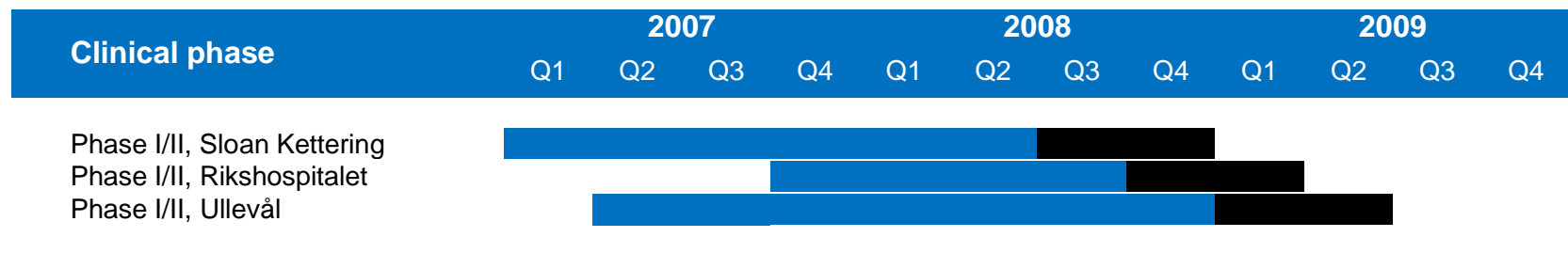
SBG reactivates skin immune cells and enhances the body's own wound healing capabilities

Oral Mucositis – Clinical Program



- Patient enrolment started in European phase III study in October
 - Included 50 of total 120 patients, at ~20 centres in three countries in Europe
 - Initially slow patient inclusion, improvement in January-February 2009
 - Interim analysis scheduled after 80 patient, with results in Q3'09
- Second phase III study has been put on hold
 - Awaiting results from the first phase III study
 - Decision lowers 2009 R&D costs by NOK 20-25 million
- Filing for market authorisation depending on results from first study

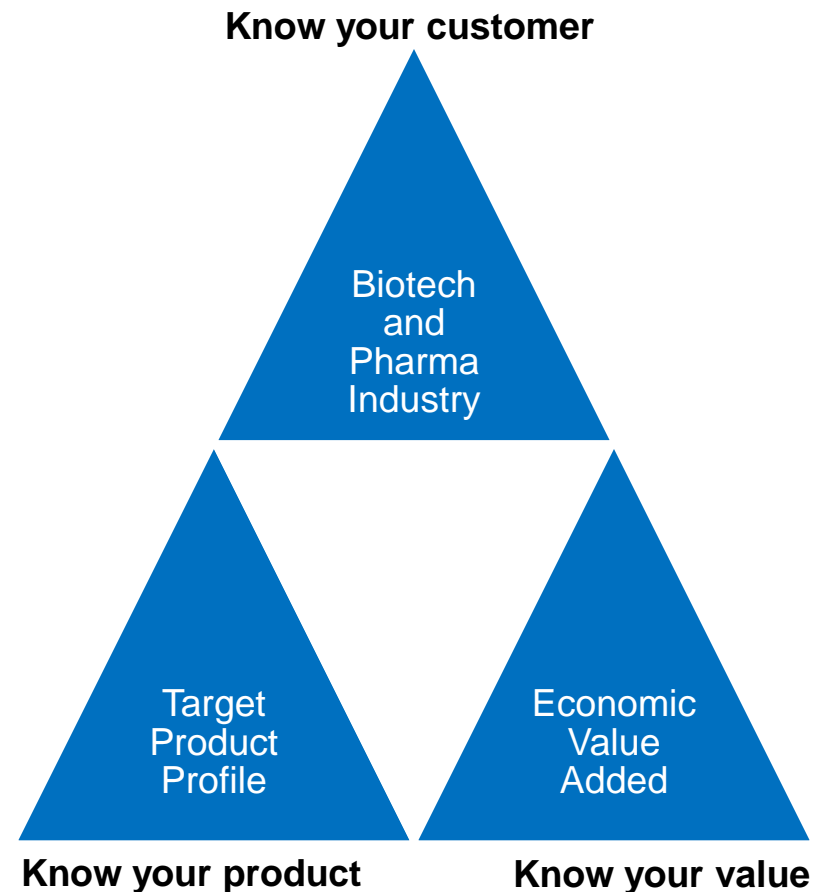
Pipeline – immunotherapy of cancer



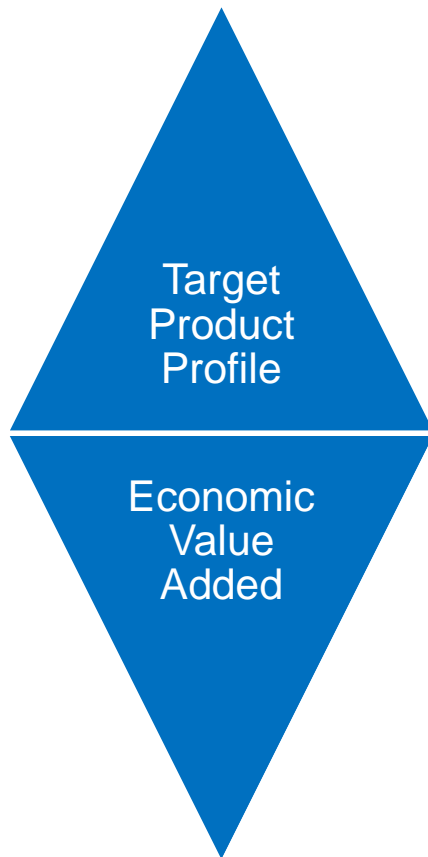
- **Neuroblastoma:** Completed enrolment, strong safety data
- **Non-Hodgkins' lymphoma:** Completed enrolment, strong safety data
- **Breast cancer:** 9/12 patients included
- Generate hypothesis for future studies from phase I/II experience with SBG and different monoclonal antibodies
- From this platform seek collaborative agreements with industrial partners

Partnering opportunities

- Seeking global and/or regional partners
- Seeking partners for all disease indications
 - Diabetic foot ulcer
 - Oral mucositis
 - Immunotherapy of cancer



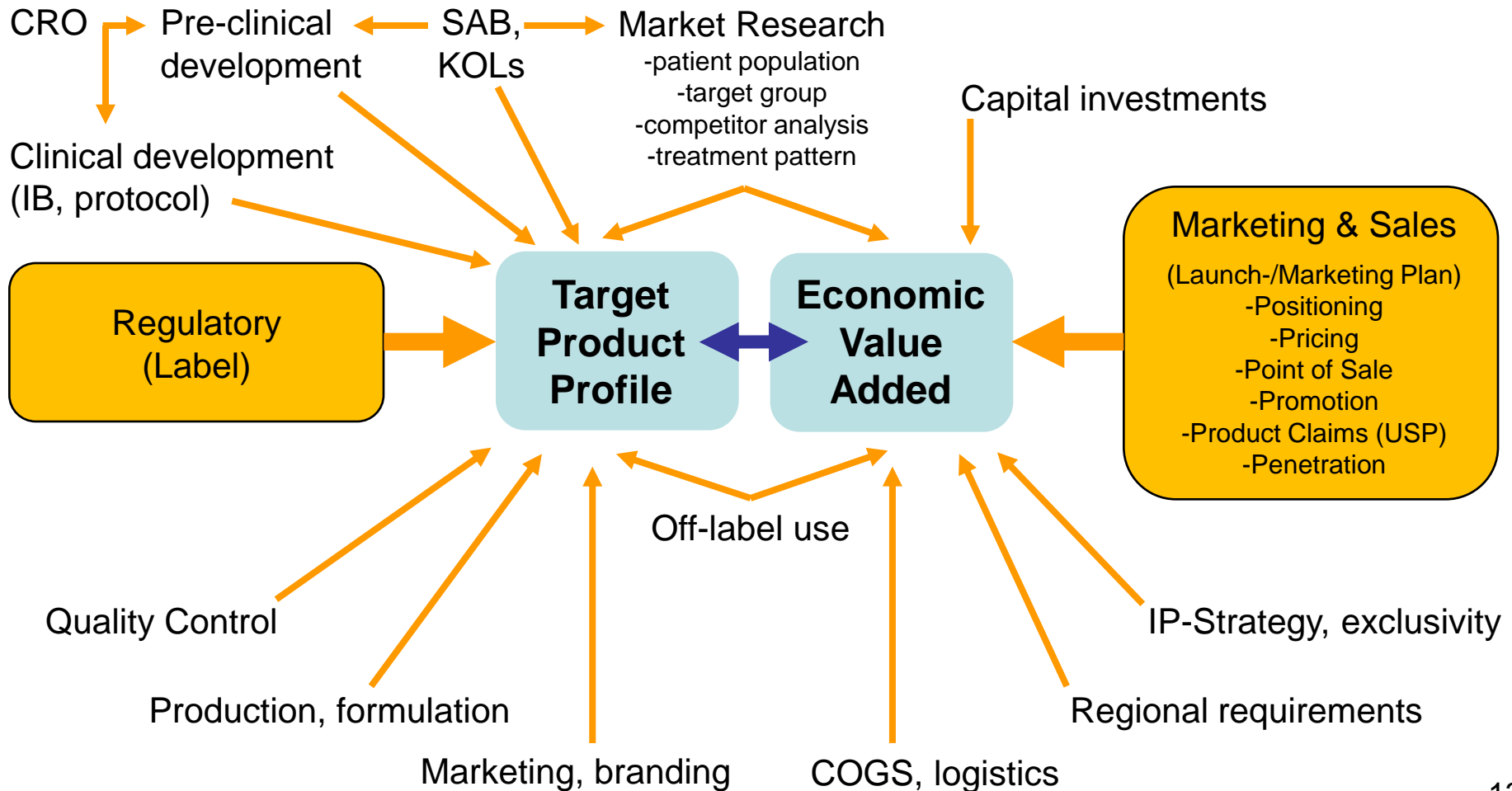
Crucial elements to realize value



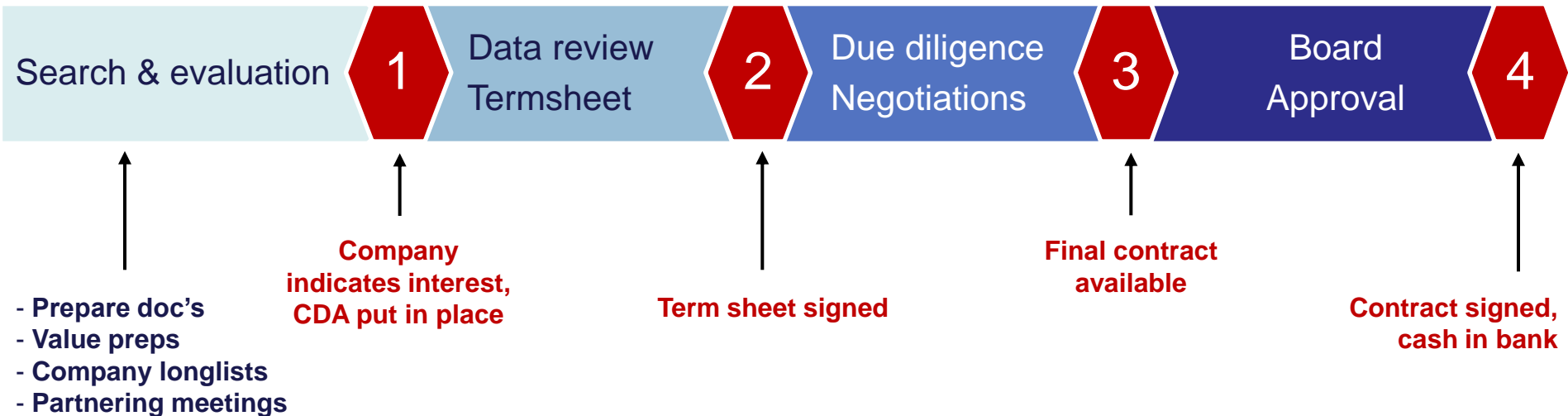
- Product portfolio
- Degree of innovation
- Product specialty
- Development feasibility
- Etc.

- Risk profile/exposure
- Return on investment
- Marketing power
- Capital at risk
- Etc.

Key drivers



Deal timelines



- Deals with Big Pharma or Big Biotech are expected to take minimum 5-6 months, and more realistically 6-9 months

Immunocorp Consumer Health

nbg® 24:7 series - dietary supplements and skin creams

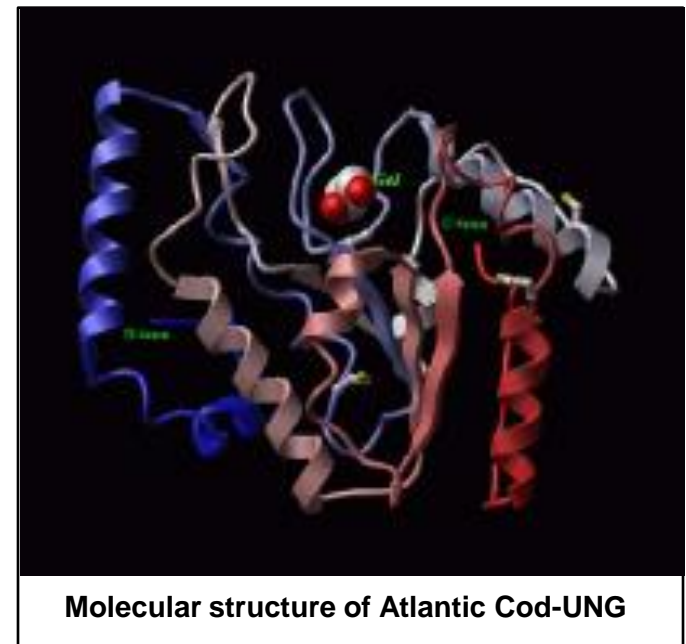
- Revenue increase of 43% in Q4 and 20% in 2008
 - **Norway:** Strong sales growth due to increased distribution and marketing
 - **US:** Weaker underlying demand, positive currency effect in Q4
- Focus on dietary supplements over the winter season
- Plans for broadening of skin care product range
- In talks with 3rd party partners for international sales and distribution



Marine Biochemicals

Enzymes for the genetic R&D and diagnostics

- Revenue increase of 14% in Q4 but decline of 3% in 2008
 - SAP sales affected by de-stocking at re-sellers in Q1
 - Stable Cod-UNG sales to Invitrogen
 - Signed Cod-UNG agreement with Siemens Healthcare Diagnostics in Q4



Financial Figures

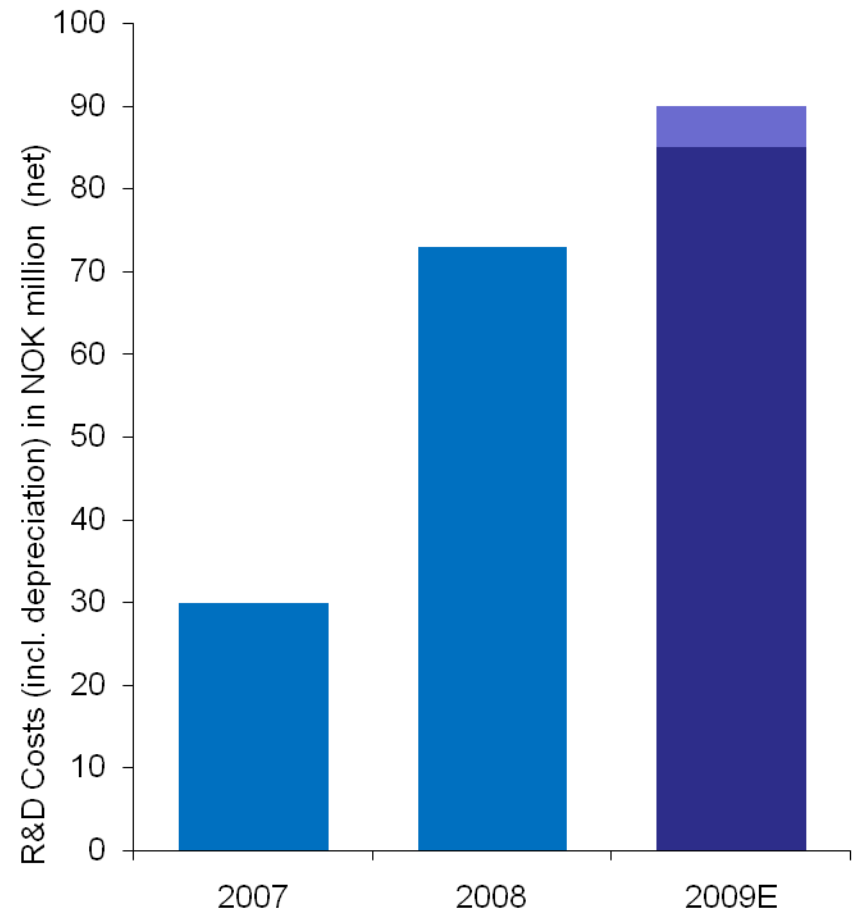
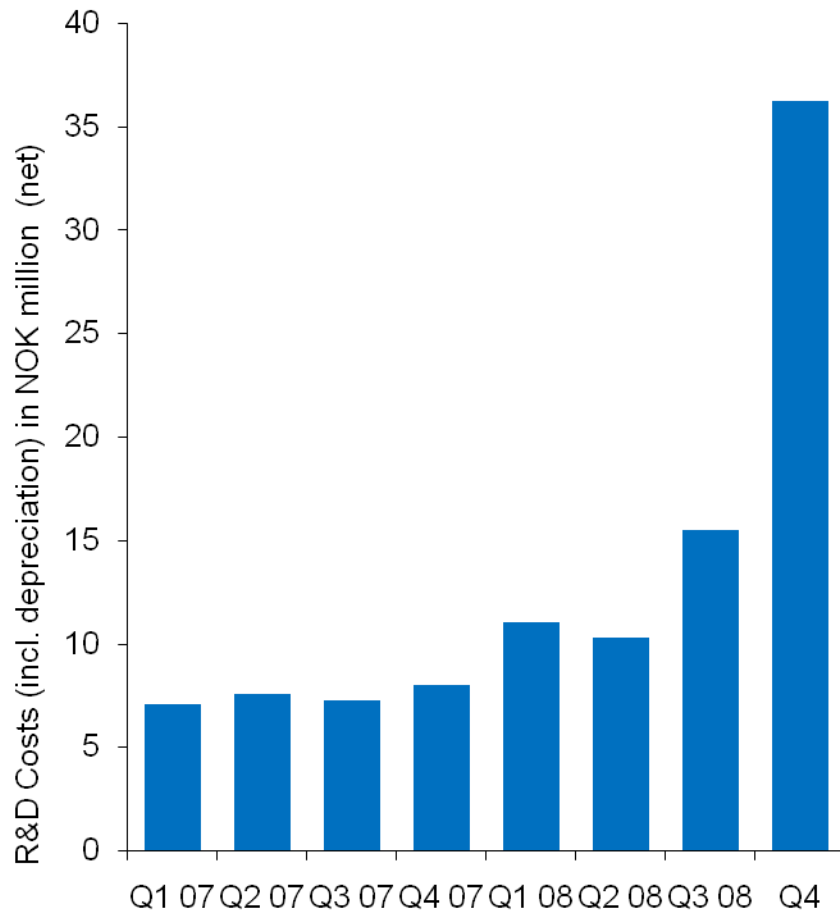
Fourth Quarter and Full Year 2008

Non-pharmaceuticals

Non-pharma (NOKm)	Q408	Q4 07	Change	2008	2007	Change
Consumer Health products	9.1	6.3	43%	38.9	32.4	20%
Marine Biochemicals	4.1	3.6	14%	11.6	12.0	-3%
Other	0.9	0.8	16%	1.1	1.0	15%
Revenue non-pharma	14.1	10.7	31%	51.7	45.4	14%
Other operating expenses (net)	-16.5	-12.9		-57.3	-45.5	
EBITDA	-2.4	-2.2		-5.6	-0.1	
Depreciation	-0.5	-0.5		-2.0	-2.1	
EBIT	-2.9	-2.7		-7.7	-2.2	

R&D Cost Development

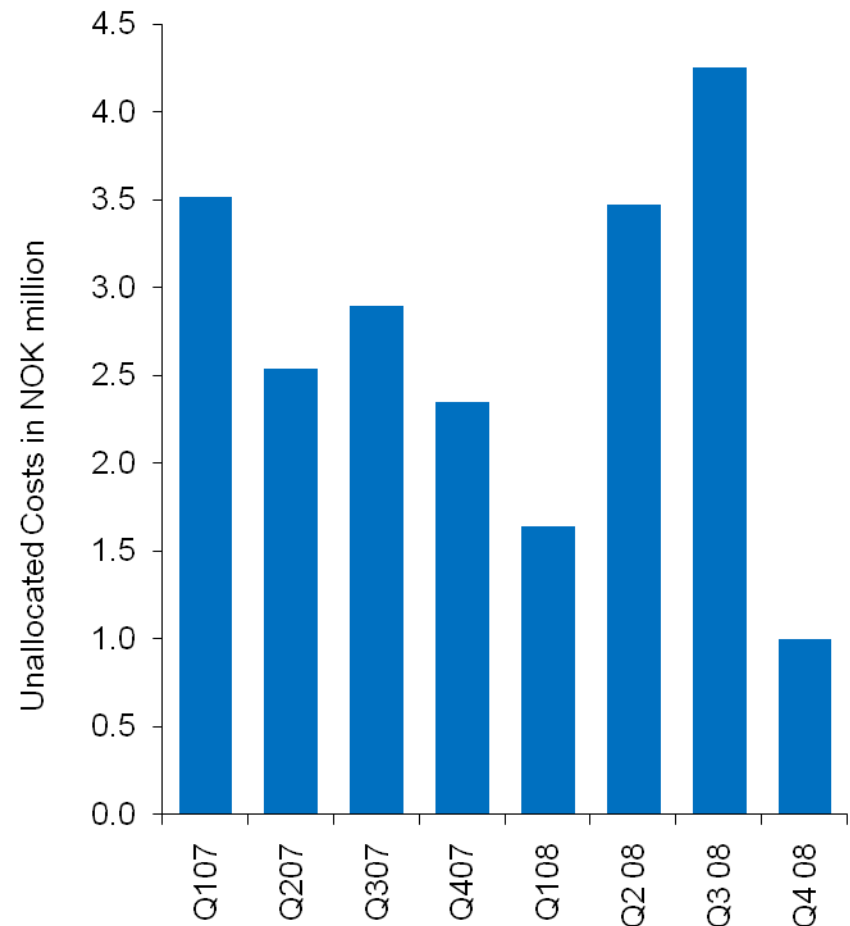
Increasing with breadth of phase III program



Un-allocated Costs

Less complex patent case lowers costs

- Very favourable ruling on filed summary judgement motions in late January
- US competitors' claims regarding 12 of 14 patents were dismissed
- Only claims under two patents proceed to court



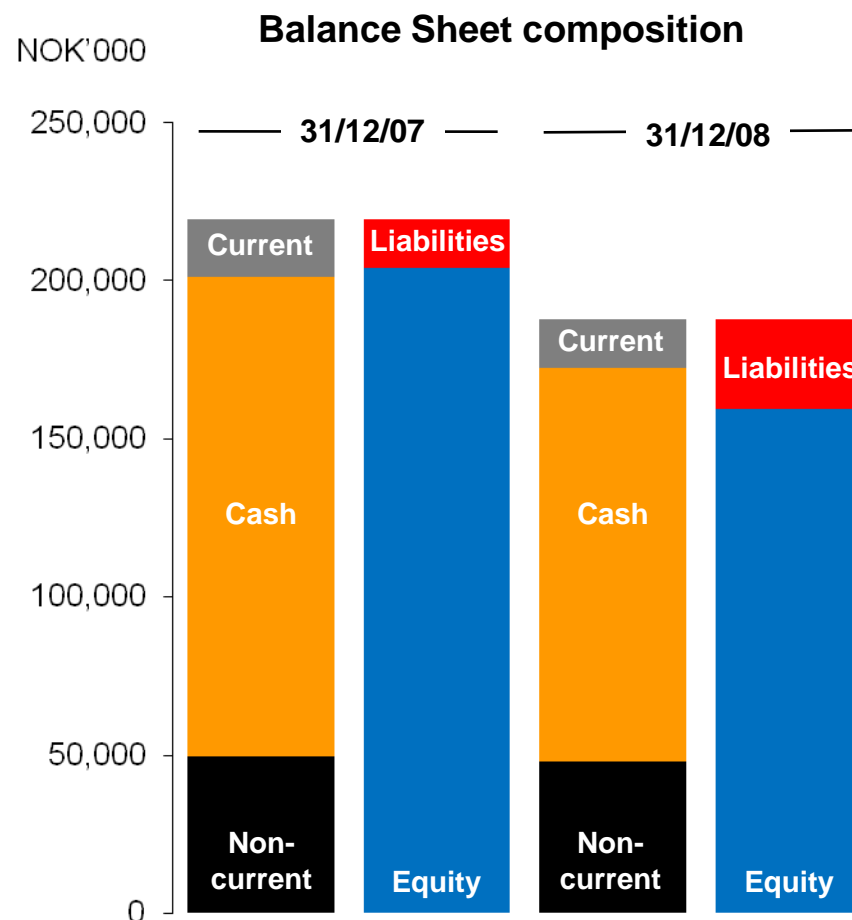
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EBIT	-40.1	-13.5	-91.3	-39.3
Net financial items	2.8	2.2	8.3	5.2
Profit before tax, continued operations	-37.3	-11.4	-83.0	-34.1
Result after tax, continued operations	-37.3	-6.9	-78.8	-23.2
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Consolidated Balance Sheet

Condensed figures

(NOK '000)	31.12.08	31.12.07
Non-current assets	47 818	49 707
Cash and cash eq.	124 589	151 700
Other current assets	15 349	18 131
Total current assets	139 938	169 831
Assets	187 757	219 538
Equity	159 264	204 041
Liabilities	28 493	15 497
Equity & Liabilities	187 757	219 538
Equity Ratio	85%	93%
Cash Flow from Operation	-59 123	-25 986
Total net Cash Flow	-27 707	88 836



Outlook

First half 2009:

- Interim analysis for second phase III study for diabetic foot ulcer
- FDA Guidance Meeting to prepare for filing in USA
- Decision on next steps with regards to cancer program

Second half 2009:

- Interim analysis in first phase III study for oral mucositis
- Results from first phase III study for diabetic foot ulcer
- Enter partnership deal(s)

R&D costs estimated at NOK 85-90 million in 2009

Sufficient funding through first half 2010

Filing for marketing authorisation in EU for diabetic foot ulcer mid-2010