Biofrontera
Experts in dermatology

News Release

Biofrontera progresses well in first half year 2015

Leverkusen, Germany, 14 August 2015 – Biofrontera (FSE/AIM:B8F), the biopharmaceutical company focusing on sun-induced skin cancer has published its unaudited consolidated results for the six month period ended 30 June 2015, reporting an increase in revenues by 29% to EUR 1.57 million (2014 H1: EUR 1.22 million). The published half-yearly report is available in full on the Company's website www.biofrontera.com.

Financial highlights

- Significant growth in sales revenue of 29% compared to the same period in the previous year
- Improving sales performance in European countries outside German home market
- Consolidated profit/loss before tax: EUR -7.3 million, reflecting FDA submission fee
- Cash and cash equivalents of EUR 4.1 million as at 30 June 2015
- Capital raise for FDA submission fee successfully completed

Operational highlights

- Approval application for Ameluz® and BF-RhodoLED® submitted to the FDA in the USA
- Patient recruitment for the phase III trial on basal cell carcinoma completed
- Successful takeover of sales and distribution in Spain from Allergan
- Preparations for marketing in the USA initiated, own US subsidiary founded, Monica L. Tamborini appointed CEO of US Operations

The majority of revenues were again recorded in Germany with EUR 1.19 million (2014 H1: EUR 915,000), which represents an increase of 30%. Product revenues in other European countries also developed well with EUR 382,000 being achieved, which represents an increase of 65% compared to the first half of the previous year.

The Company reported a net loss before tax of EUR 7.3 million (2014 H1 loss: EUR 5.4 million) which includes development costs of EUR 4.5 million (2014: EUR 2.1 million). The increase was primarily as a result of the application fee

of EUR 2.1 million which was paid to the FDA. This amount may be repaid by the FDA as Biofrontera may be eligible for a waiver for small businesses.

Milestone Approaching - US filing for Ameluz®

One of Biofrontera's most important strategic goals is entering the US market with its combination prescription drug Ameluz® and PDT-lamp BF-RhodoLED®. Both products are used together in photodynamic therapy for the treatment of mild and moderate actinic keratosis. As announced during the period, the Company's phase III actinic keratosis field therapy study with the drug/light combination reported complete clearance in over 90% of treated patients, along with a strong skin rejuvenation effect.

During the first half of 2015, results from all clinical studies were analysed in the format requested by the FDA and the dossier was finalised. Submission to the FDA was effected on 10 July 2015. This represents an outstanding milestone in the history of Biofrontera. Management believes that globally there are very few biotech companies that have been able to initiate an approval process with the FDA for a drug developed in-house.

Marketing authorization will provide Biofrontera access to the largest pharmaceutical market in the world with the associated significant and transformational revenue potential for the Company.

European Approval Process for Ameluz® for the treatment of BCC

Biofrontera has also made good progress in its second project of strategic importance, the label extension of the European approval of Ameluz® for the treatment of basal cell carcinoma, one of the most frequently occurring forms of skin cancer. Patient recruitment for this study was completed in May. The study will therefore be finished by the end of 2015 and the extended approval is expected to be achieved by mid-2016. This approval will, in management's view, provide further revenue opportunities to the company far greater than with the existing label.

Prof. Hermann Lübbert, Chief Executive Officer, commented: "We are well in line with our targets for revenue development and can confirm our annual growth expectation of 30% with revenue of EUR 4 to 5 million for the full year to 31 December 2015. We have also made great progress with the submission

of the application in the US as well as with completion of patient recruitment in our Phase III study for basal cell carcinoma. Biofrontera is well underway to become a much larger and much more prominent company in the short to medium term and we will work very hard to secure significant value for all our shareholders".

Ends

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Background:

Biofrontera Group (FSE/AIM: B8F, ISIN DE0006046113) is a biopharmaceutical company specialising in the development, sale and distribution of drugs and medical cosmetics for the care and treatment of skin diseases. Biofrontera's most important product is **Ameluz®**, a prescription drug which is approved in Europe for the treatment of mild and moderate actinic keratosis (superficial skin cancer) with photodynamic therapy (light therapy). Biofrontera is the first German pharmaceutical start-up company to obtain centralised approval for a drug it has developed itself. The company also plans for Ameluz® to be approved for basal cell carcinoma and is currently preparing for approval in other countries, especially in the largest pharmaceutical market in the world, the United States.

The company also markets the Belixos® dermatological range of cosmetics. Belixos® products, a cream, a gel and a scalp tonic, contain combinations of active substances extracted from plants, relieve itching and redness and are used for the regenerative care of chronic skin conditions such as atopic dermatitis or psoriasis. The Belixos® Protect, a daily skincare for sun-damaged skin, complements this dermo-cosmetic line. All products are available through Amazon.

The Biofrontera Group was established in 1997 by Prof. Dr Hermann Lübbert, the Chairman of the company's Management Board, and has its headquarters in Leverkusen, Germany.

www.biofrontera.com

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