



Novocure (NVCR) q3 2017 results

October 26, 2017



patientforward

forward-looking statements

This presentation contains certain forward-looking statements with respect to the business of Novocure and certain of its plans and objectives, including with respect to the development and commercialization of its lead product candidate, Optune, for a number of oncology indications. These forward-looking statements can be identified in this presentation by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words “expect”, “intend”, “anticipate”, “plan”, “may”, “should”, “would”, “could” or other words of similar meaning. These statements are based on assumptions and assessments made by Novocure in light of industry experience and perception of historical trends, current conditions, expected future developments and other appropriate factors. By their nature, forward-looking statements involve risk and uncertainty, and Novocure's performance and financial results could differ materially from those expressed or implied in these forward-looking statements due to general financial, economic, regulatory and political conditions as well as more specific risks and uncertainties facing Novocure such as those set forth in its Annual Report on Form 10-K filed on February 23, 2017, or in subsequent quarterly filings with the U.S. Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation. Novocure assumes no obligation to update or correct the information contained in this presentation, whether as a result of new information, future events or otherwise, except to the extent legally required.

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As of the date of this presentation, Optune is only FDA-approved for the treatment of adults with glioblastoma, or GBM, and its approval for other indications is not certain. Novocure can provide no assurances regarding market acceptance of Optune or its successful commercialization, and can provide no assurances regarding the company's results of operations or financial condition in the future. This presentation is for informational purposes only and may not be relied upon in connection with the purchase or sale of any security.

three strategic objectives



Drive commercial adoption of Optune



Advance the clinical pipeline



Focus on improving operating leverage

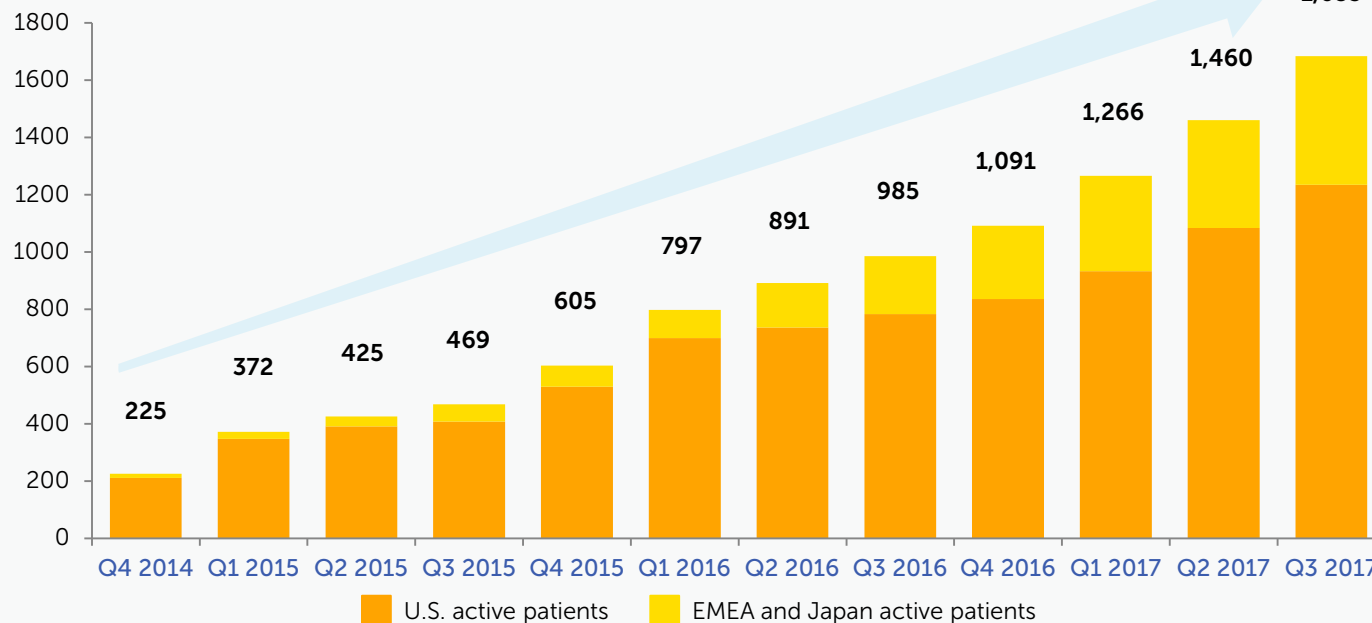
q3 2017 operating statistics

	Q3 2017	Q3 2016	YOY % GROWTH	Q2 2017	QOQ % GROWTH
Prescriptions	1,076	690	56%	1,059	2%
United States	805	569	41%	803	0%
Germany, Switzerland and other EMEA Markets	270	120	125%	255	6%
Japan	1	1	-	1	-
Active patients at period end	1,683	985	71%	1,460	15%
United States	1,234	783	58%	1,083	14%
Germany, Switzerland and other EMEA Markets	448	202	122%	376	19%
Japan	1	-	N/A	1	-

- Growth driven primarily by commercial activities in our active markets, benefitting from Novocure's ongoing emphasis on building prescriber confidence in Optune for the treatment of GBM
- Increase in active patients driven primarily by prescription growth and an increase in the percentage of newly diagnosed GBM patients who typically have a longer duration of treatment with Optune

active patient growth

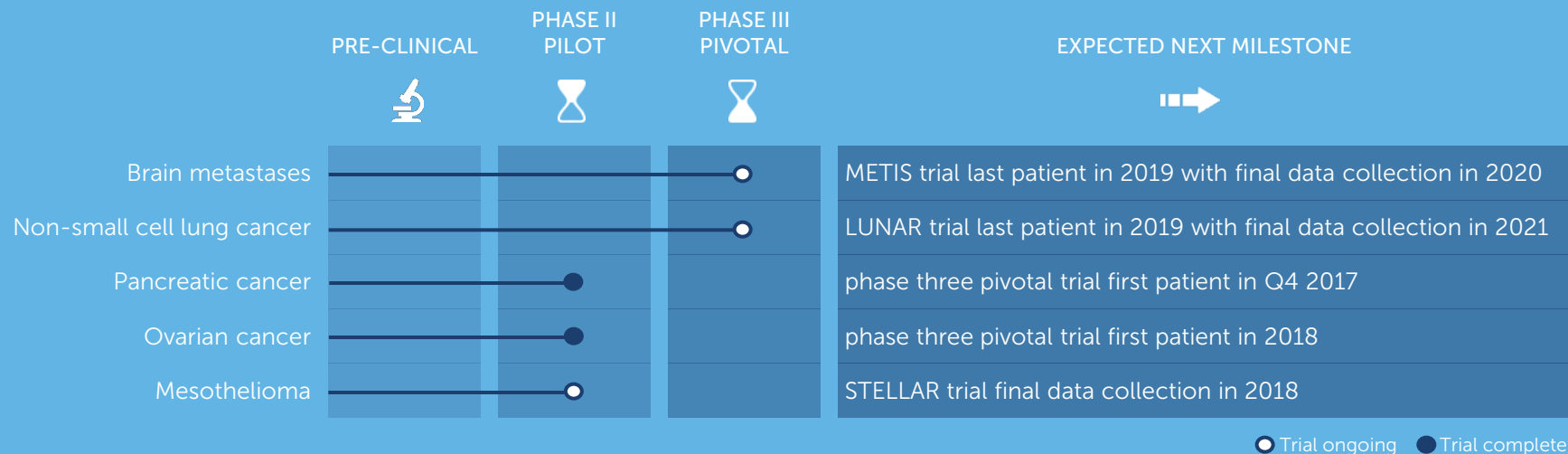
active patients at period end



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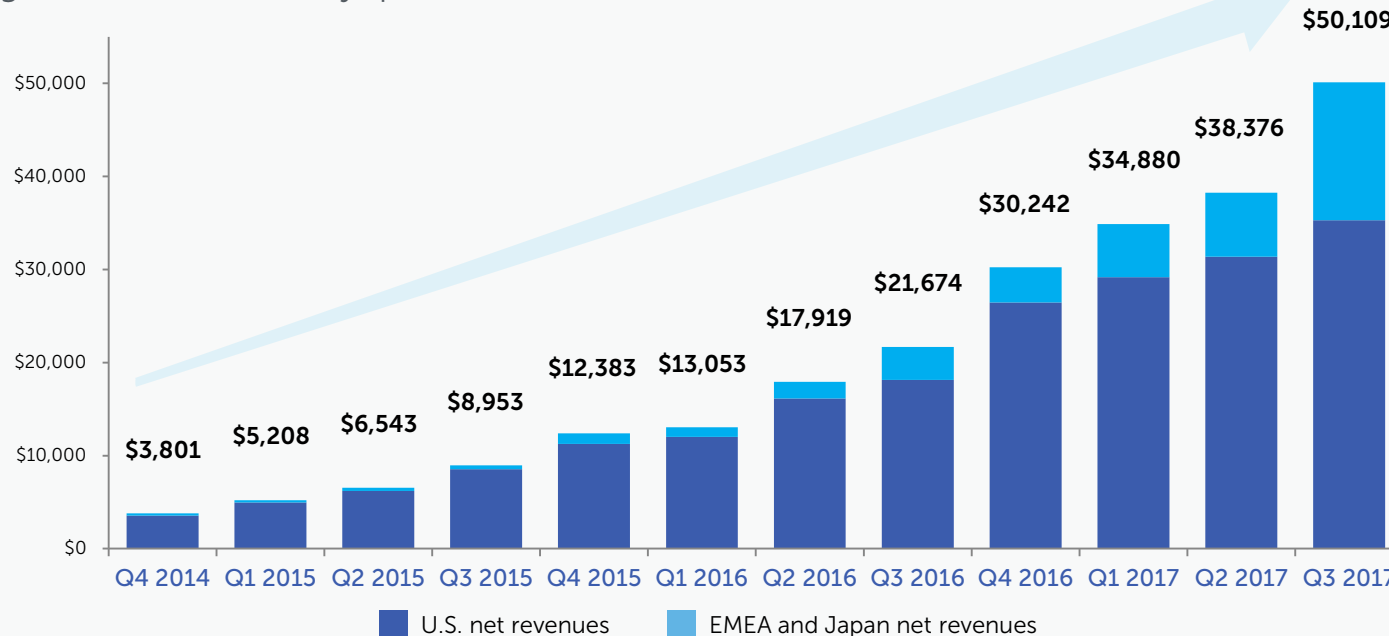
CONSECUTIVE
 QUARTERS OF ACTIVE
 PATIENT GROWTH
 SINCE PRESENTATION
 OF EF-14 DATA

ongoing clinical trials



revenue growth

global net revenues by quarter (U.S. dollars in thousands)



131%

YEAR-OVER-YEAR
REVENUE GROWTH

transition to accrual-based revenue recognition

U.S. DOLLARS IN MILLIONS	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Gross billings	\$ 101.9	\$ 87.2	\$ 73.2	\$ 63.8	\$ 57.5	\$ 54.0	\$ 45.5
Accrual basis revenue	\$ 35.7	\$ 19.1	\$ 14.7	\$ 8.5	\$ 0.0	\$ 0.0	\$ 0.0
Cash basis revenue for therapy provided in the period	3.1	5.7	5.9	6.3	8.9	7.6	5.6
Cash basis revenue for therapy provided in previous periods	\$ 11.3	\$ 13.6	\$ 14.3	\$ 15.5	\$ 12.7	\$ 10.3	\$ 7.4
Net revenues	\$ 50.1	\$ 38.4	\$ 34.9	\$ 30.2	\$ 21.7	\$ 17.9	\$ 13.1

- Gross billings reflect total charges for active patients on therapy without any deductions or adjustments for payer discounts, patient financial assistance or charitable care
- Net revenues recognized on an accrual basis represent charges to certain U.S.-based third-party payers and certain German claims
 - Net revenues as a percent of gross billings increased to 49% in Q3 2017 from 38% in Q3 2016
 - Without the benefit from a transition to accrual-based revenue, we estimate that net revenues as a percentage of gross billings will be approximately 46% in Q4 2017

q3 2017 selected financial highlights

U.S. DOLLARS IN THOUSANDS	Q3 2017	Q3 2016	% GROWTH
Net revenues	\$ 50,109	\$ 21,674	131%
Cost of revenues	15,153	11,118	36%
Impairment of field equipment	-	-	-
Gross profit	34,956	10,556	231%
Research, development and clinical trials	9,273	10,233	-9%
Sales and marketing	16,387	15,865	3%
General and administrative	15,215	12,723	20%
Total operating costs and expenses	40,875	38,821	5%
Operating income (loss)	(5,919)	(28,265)	79%
Financial expenses, net	2,156	2,189	-1%
Income (loss) before income taxes	(8,075)	(30,454)	73%
Income tax expense	3,423	3,174	8%
Net income (loss)	\$ (11,498)	\$ (33,628)	66%
Cash and cash equivalents	\$ 82,104	\$ 115,822	
Short-term investments	104,453	119,724	