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Biotie raises EUR 27 million from institutional and strategic investors

BIOTIE THERAPIES CORP. STOCK EXCHANGE RELEASE 11 MARCH 2011 at 8.30 a.m.

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Biotie raises EUR 27 million from institutional and strategic investors

Biotie Therapies Corp. ("Biotie") is pleased to announce that it has executed a private placement of shares (the "Offering") in the amount of EUR 27 million that has been fully subscribed for. The shares have been allocated to Finnish and international institutional and strategic investors. A total of 35,230,000 newly issued and 14,747,084 treasury shares were offered in the Offering at a subscription price of EUR 0.54 per share. Subsequent to the completion of the Offering, Biotie's cash, cash equivalents and short term investments will amount to over EUR 45 million.

As a result of the issue of new shares and the sale of the treasury shares, the share capital of Biotie will be increased by EUR 26,987,625.36. After the registration of the new shares with the Finnish Trade Register and the registration of the share capital increase related to the new shares and the sale of the treasury shares, the share capital of Biotie will be EUR 165,919,181.95, the total number of shares 387,594,457, and the number of votes outstanding 372,682,302 (taking into consideration the treasury shares held by Biotie and its subsidiaries).

Timo Veromaa, President and CEO of Biotie, commented: "We are delighted at the interest in the placement, which attracted a range of new investors while gaining significant support from existing shareholders. We believe this is a sign of confidence in our recently completed business combination with Synosia, and in our exciting development pipeline. The capital raise will allow us to drive our key programs through to significant value inflection and also increase our negotiating power as we discuss some of our products with potential partners".

The new shares will be issued in the Finnish book-entry system and will be entered on the subscriber's book-entry accounts as interim shares against the payment of the subscription price on or about 17 March 2011. Trading with the interim shares (ISIN: FI4000022223 and trading symbol: BTH1VN0111) is expected to commence on 14 March 2011 as a separate class of securities. The interim shares will be combined with Biotie's current class of shares after the registration of the new shares with the Finnish Trade Register and the trading with the new shares is expected to commence on or about 21 March 2011. The new shares are entitled to a full dividend and other distributions of funds, if any, and carry other shareholder rights once the new shares have been registered with the Finnish Trade Register. The treasury shares offered in the Offering will be conveyed against the payment of the subscription price on or about 17 March 2011.

In connection with the Offering, Biotie has entered into a lock-up agreement under which it has, subject to certain exceptions, agreed not to issue or sell any shares in Biotie for a period ending 180 days after the listing of the new shares on NASDAQ OMX Helsinki Ltd., which is expected to take place on or about 21 March 2011.

Nomura Code Securities Limited and Nordea Bank Finland Plc acted as lead managers in the Offering.

The terms and conditions of the offer appear below.

In Turku, 11 March 2011

Biotie Therapies Corp.

Timo Veromaa
President and CEO

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No securities will be offered or sold in any Member State of the European Economic Area other than to persons who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive. For the purposes of this provision, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 Amending Directive" means Directive 2010/73/EU.

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Nordea Bank Finland Plc ("Nordea") and Nomura Code Securities Limited ("Nomura") are acting exclusively for Biotie and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this release) as their client and will not be responsible to anyone other than Biotie for providing the protections afforded to their clients, nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein. No representation or warranty, express or implied, is made by Nordea or Nomura as to the accuracy, completeness or verification of the information set forth in this release.

TERMS AND CONDITIONS OF THE SHARE ISSUE

1. BACKGROUND

Biotie Therapies Corp.'s (the "Company") Annual General Meeting held on 15 April 2010 has authorised the Board of Directors of the Company to decide on one or more share issues. The authorisation is valid until 30 June 2011. The maximum amount of shares issued on the basis of the authorisation may be a total of

80,000,000 shares. Taking into account the shares already issued based on the authorisation the maximum amount of shares issued on the basis of the authorisation may be a total of 59,781,087 shares.

2. SHARE ISSUE

2.1. Number of issued shares

The Company issues a maximum of 35,230,000 new shares and reissues a maximum of 14,747,084 shares from treasury.

2.2. Subscription right

Through derogation from the shareholders' pre-emptive right pursuant to Chapter 9, Section 3 of the Finnish Companies Act (624/2006, as amended, the "Companies Act"), the shares are offered for subscription to institutional and strategic investors appointed by Nordea Bank Finland Plc and Nomura Code Securities Limited.

The shareholders' pre-emptive subscription right is deviated from in order to strengthen the Company's working capital, to provide further financing for the Company's R&D programs and to extend the Company's shareholder base. Thus, from the Company's point of view, there is a weighty financial reason for the deviation from the shareholders' pre-emptive right referred to in Chapter 9, Section 4, Subsection 1 of the Companies Act. No subscription rights in the form of book-entries are given in the share issue.

2.3. Subscription price for the shares

The subscription price for the shares shall be EUR 0.54 per share. The subscription price has been determined based on indicative subscription prices received during the book-building period, and based on the recommendation by Nordea Bank Finland Plc and Nomura Code Securities Limited.

The subscription price shall be paid on 17 March 2011 at the latest to the bank account assigned by the Company. The subscription price of both the new shares and the treasury shares shall be recorded as share capital increase.

2.4. Subscription period for the shares

The subscription period begins immediately and ends on 10 March 2011 at 9 pm (Finnish time) unless the Board of Directors resolves to prolong the subscription period. The subscriptions shall be recorded in a separate subscription list.

2.5. Approval of the subscriptions and registration of the new shares

The subscriptions of shares may be approved at once or in several tranches. The subscriptions that are not in compliance with the terms and conditions of the share issue or that are not paid in accordance with the terms and conditions of the share issue or the given instructions can be rejected totally or in part and the subscribed shares can be re-allocated.

The new shares and the share capital increase may be registered with the Finnish Trade Register in one or several slots.

2.6. Shareholder rights

The subscriber of new shares is entitled to exercise the rights belonging to a shareholder in the Company once the new shares have been registered with the Finnish Trade Register. The treasury shares entitle their holder to exercise the rights belonging to a shareholder upon their conveyance.

Upon the registration with the Finnish Trade Register, the Company will apply for filing of the new shares, subscribed through the share issue, to be listed for public trading on NASDAQ OMX Helsinki Ltd and traded equally with the other series of shares of the Company.

2.7. Registration of shares to book-entry accounts and trading

The new shares subscribed for in the share issue shall be issued as book-entries in the book-entry system maintained by Euroclear Finland Ltd. The interim shares representing the new shares subscribed for in the share issue shall be settled with the investors against the payment of the subscription price in Euroclear Finland Ltd's equity clearing. Trading in the interim shares, as a separate class of securities, will commence on the second trading day after the expiration of the subscription period, on or about 14 March 2011. The interim shares are freely transferable.

The interim shares shall be combined with the Company's current series of shares after the registration of the new shares with the Finnish Trade Register, on or about 21 March 2011. The new shares are freely transferable.

The treasury shares already subject to public trading held by the Company will be transferred to the investors against payment on or about 17 March 2011. The treasury shares are freely transferable.

3. OTHER TERMS AND CONDITIONS

3.1. Governing law and arbitration

These terms and conditions of the share issue shall be governed by the laws of Finland.

Any dispute, controversy or claim arising out of or relating to these terms and conditions of the share issue shall be finally settled by arbitration in accordance with the Arbitration Rules of the Central Chamber of Commerce of Finland. The language of arbitration shall be English and the place of arbitration shall be Helsinki, Finland.

3.2. Other matters and practical arrangements

The Board of Directors of the Company will decide on other matters related to the share issue and practical arrangements resulting therefrom.