



BIOTIE STOCK EXCHANGE RELEASE 19 January 2016 at 11:15 a.m. (EET)

**ACORDA ANNOUNCES A RECOMMENDED CASH TENDER OFFER FOR ALL SHARES, ADSs AND OTHER EQUITY INSTRUMENTS IN BIOTIE**

Acorda Therapeutics, Inc. ("**Acorda**") and Biotie Therapies Corp. ("**Biotie**" or the "**Company**") have today entered into a combination agreement ("**Combination Agreement**") whereby Acorda, either directly or through a wholly-owned subsidiary (jointly the "**Offeror**"), will make a public tender offer in Finland and in the United States to purchase all of the issued and outstanding shares, American Depositary Shares ("**ADSs**"), stock options, share units and warrants in Biotie that are not owned by Biotie or any of its subsidiaries (the "**Tender Offer**").

The price offered for each share validly tendered into the Tender Offer will be EUR 0.2946 in cash, representing a premium of approximately 95 per cent compared to the closing price of the Biotie shares on Nasdaq Helsinki Ltd. ("**Nasdaq Helsinki**") on 18 January 2016, the last trading day on Nasdaq Helsinki preceding this announcement. This represents a premium of approximately 84 per cent compared to the 90 trading day volume-weighted average on Nasdaq Helsinki.

The price offered for each ADS will be EUR 23.5680 in cash, payable in the equivalent amount of U.S. dollars determined as near to the payment date as reasonably practicable based on the U.S. dollar spot rate against the euro exchange rate on the nearest practicable day to the closing date of the Tender Offer. As of January 18, 2016, this would be equivalent to USD 25.60 per ADS in cash, based on an exchange rate of 1.0864 USD to EUR 1.00, representing a premium of approximately 94 per cent compared to the closing price of the Biotie ADSs on the Nasdaq Stock Market LLC ("**Nasdaq US**") on 15 January 2016, the last trading day on the Nasdaq US preceding this announcement. Acorda will also offer to acquire all of the outstanding option rights, share units and warrants issued by Biotie.

The Board of Directors of Biotie recommends that the holders of Biotie shares, ADSs, option rights, share units and warrants accept the Tender Offer. The Board's decision has been unanimous. The Board of Directors of Biotie will issue its complete statement regarding the Tender Offer in accordance with the Finnish Securities Market Act before the commencement of the Tender Offer. In connection with the Tender Offer, the Board of Directors of Biotie has received an opinion from Biotie's financial advisor.

Certain factors considered by the Board of Directors of Biotie when giving its recommendation include (i) the costs required to gain approval and to subsequently launch the products, which could require an additional dilutive financing (ii) the various strategic alternatives available to the Company, taking into account discussions with other possible counterparties; (iii) the risks of a successful launch of the products for the Company to be able to realize the full economic value of the products and (iv) the fact that the offer is a cash offer and not subject to a financing condition.

Certain Biotie shareholders and ADS holders representing in total approximately 59 per cent (on the fully diluted basis) of the outstanding shares and votes in Biotie have subject to certain customary conditions irrevocably undertaken to accept the Tender Offer. This includes all holders of Biotie warrants and members of the management team of Biotie who have subject to certain customary conditions irrevocably undertaken to tender their equity instruments into the Tender Offer.

Board Member Mr. Don M Bailey, ViVo Capital, whose venture partner is Board Member Mr. Mahendra G. Shah, and Versant Euro Ventures, whose managing director is Board Member Mr. Guido Magni, representing in total approximately 27 per cent (on the fully diluted basis) of the outstanding shares and votes in Biotie (which is included in the 59 per cent figure mentioned in the paragraph above), have subject to certain customary conditions irrevocably undertaken to accept the Tender Offer. Mr. Bailey, ViVo Capital and Versant Euro Ventures have made the commitment in question after Biotie's Board of Directors approved the entry into the Combination Agreement. Board Members Mr. Bailey, Mr. Shah and Mr. Magni shall not participate in the giving of the Board of Directors' statement regarding the Tender Offer.

Dr. Ron Cohen, Acorda's President and CEO stated that "Our acquisition of Biotie positions Acorda as a leader in Parkinson's disease therapeutic development, with three clinical-stage compounds that have the potential to improve the lives of people with Parkinson's. Tozadenant, Biotie's most advanced clinical program, is a promising therapy being developed to reduce daily OFF time. Adenosine A2a receptor antagonists may be the first new class of drugs approved for the treatment of Parkinson's in the U.S. in over 20 years. Approximately 350,000 people with Parkinson's in the U.S. experience OFF periods, and if approved, tozadenant could provide a much needed treatment option."

Dr. Cohen added, "Tozadenant is a compelling opportunity with potential market exclusivity to 2030. The Phase 2 data were highly statistically significant and clinically meaningful. We are targeting an NDA filing by the end of 2018."

Mr. William M. Burns, Chairman of the Board of Biotie commented "We have carefully assessed the terms and conditions of the Offer and believe that it is an attractive offer to shareholders that recognizes the strategic value of Biotie."

Mr. Burns continued, "With the shared mission to improve the lives of patients with neurological diseases, this transaction will allow Acorda and Biotie to bring together their expertise and resources in order to fully maximize the potential of tozadenant, an A2a receptor antagonist in Phase 3 for Parkinson's disease, and SYN120, a dual 5-HT<sub>6</sub>/5-HT<sub>2A</sub> receptor antagonist in Phase 2 for cognitive and psychotic disorders, and to bring new medicines to patients. We are excited about this offer for our shareholders, the Biotie team and for patients."

## **BACKGROUND AND REASONS FOR THE TENDER OFFER**

Acorda is a biotechnology company focused on developing therapies that improve the lives of people with neurological disorders, with its common stock listed on Nasdaq US.

Biotie is a specialized drug development company focused on products for neurodegenerative and psychiatric disorders. Through the acquisition, Acorda will obtain worldwide rights to tozadenant, an oral adenosine A2a receptor antagonist currently in Phase 3 development in

Parkinson's disease (PD). In clinical trials, tozadenant reduced average daily OFF time as an adjunct to treatment regimens including levodopa.

Further expanding its Parkinson's pipeline, Acorda will also obtain global rights to SYN-120, an oral, 5-HT<sub>6</sub>/5-HT<sub>2A</sub> dual receptor antagonist in Phase 2 development for Parkinson's-related dementia, with support from the Michael J. Fox Foundation.

The acquisition also includes two other assets: BTT1023, a fully human monoclonal antibody in Phase 2 development for primary sclerosing cholangitis (PSC), a chronic liver disease; and Selincro, a European Medicines Agency (EMA)-approved therapy for reduction of alcohol consumption marketed by H. Lundbeck A/S in multiple European countries and for which the Company receives royalties.

## **THE TERMS AND CONDITIONS OF THE TENDER OFFER**

The price offered for each share validly tendered into the Tender Offer will be EUR 0.2946 per share in cash.

The price offered for each ADS will be EUR 23.5680 in cash, payable in the equivalent amount of U.S. dollars determined as near to the payment date as reasonably practicable based on the U.S. dollar spot rate against the euro exchange rate on the nearest practicable day to the closing date of the Tender Offer.

The price offered for each stock option or share unit issued by Biotie pursuant to its option and equity incentive plans and convertible into Biotie shares will be the greater of (i) EUR 0.2946 minus the applicable subscription price and (ii) EUR 0.01 in cash. The price offered for each warrant will be EUR 0.1664 in cash.

The specific prices for each of the stock options, share units and warrants have been set out in Annex A of this release.

The completion of the Tender Offer will be subject to the following conditions:

- a. the valid tender of outstanding shares (including outstanding shares represented by validly tendered ADSs and validly tendered warrants) representing, together with any outstanding shares (including outstanding shares represented by ADSs and warrants) otherwise acquired by the offeror, more than ninety percent (90%) of the issued and outstanding shares and voting rights of the Company, calculated on a Fully Diluted Basis and otherwise in accordance with Chapter 18 Section 1 of the Finnish Limited Liability Companies Act (21.7.2006/624); as used in this paragraph "Fully Diluted Basis" means an equation in which the numerator represents the aggregate number of Outstanding Shares (including Outstanding Shares represented by ADSs) and Warrants that have been validly tendered or otherwise acquired by the Offeror and the denominator represents the aggregate number of all Outstanding Shares (including Outstanding Shares represented by ADSs) and Warrants, as well as shares issuable upon the vesting and exercise of those Outstanding Equity Instruments (other than Warrants) that have not been validly tendered into the Tender Offer or otherwise acquired by the Offeror;
- b. the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Act;
- c. no material adverse effect (as defined in the Combination Agreement) having occurred in Biotie after 19 January 2016;

- d. the Offeror not, after 19 January 2016, having received information previously undisclosed to it that describes a material adverse effect to the Company that occurred prior to 19 January 2016;
- e. no information made public by the Company or disclosed by the Company to the Offeror being materially inaccurate, incomplete, or misleading, and the Company not having failed to make public any information that should have been made public by it under applicable laws, including without limitation the rules of Nasdaq Helsinki and Nasdaq US, provided that, in each case, the information made public, disclosed or not disclosed or the failure to disclose information constitutes a material adverse effect to the Company;
- f. no court or regulatory authority of competent jurisdiction (including without limitation the Finnish Financial Supervisory Authority or the SEC) having given an order or issued any regulatory action preventing or enjoining the completion of the Tender Offer;
- g. the Board of Directors of the Company having issued its recommendation for the Tender Offer and the recommendation remaining in force and not being modified or changed in a manner detrimental to the Offeror; and
- h. the Combination Agreement not having been terminated and remaining in force and no event having occurred that, with the passage of time, would give the Offeror the right to terminate the Combination Agreement under specified sections of the Combination Agreement that give the Offeror the right to terminate the Combination Agreement in response to a breach of the agreement by the Company.

The Offeror reserves the right to complete the Tender Offer even if the conditions to completion of the Tender Offer have not been fulfilled.

The Tender Offer will commence after the Offeror has obtained certain regulatory relief from the US Securities and Exchange, which is expected to be obtained no later than the end of February 2016, and initially run for twenty (20) banking days. The Offeror reserves the right to extend and is obligated to extend the acceptance period from time to time in accordance with the terms and conditions of the Tender Offer.

The Offeror will make the filings required under the Hart-Scott-Rodino Act which requires the Offeror to delay the completion of the Tender Offer until the applicable waiting period pursuant to the Hart-Scott-Rodino Act has expired or been terminated. The initial waiting period under the Hart-Scott-Rodino Act is thirty days, unless it is earlier terminated or extended by a request for additional information. The Offeror currently does not believe that the completion of the Tender Offer would require regulatory approvals from competition authorities outside the United States.

The Tender Offer will be financed through cash on Acorda's balance sheet and the gross proceeds of a private placement to a banking institution] of approximately USD 75 million of Acorda's common stock that was executed concurrently with the execution of the Combination Agreement and that is expected to close by 26 January, 2016. The Tender Offer is not conditional upon obtaining any external financing for the Tender Offer.

The detailed terms and conditions of the Tender Offer and information on how to accept the Tender Offer will be included in the tender offer documents that will be published by the Offeror before the commencement of the acceptance period in Finland and in the United States.

Acorda and Biotie have undertaken to follow the Helsinki Takeover Code issued by the Finnish Securities Market Association as referred to in the Finnish Securities Market Act and will comply with the US Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, subject to any relief from the US Securities and Exchange Commission.

On the date of this release, Biotie's share capital amounts to EUR 279,218,058.55 and the number of shares issued to 1,089,608,083. The Offeror does not currently hold any shares, ADSs, option rights, share units or warrants in Biotie.

## **COMBINATION AGREEMENT**

The Combination Agreement sets forth the principal terms under which the Offeror will make the Tender Offer.

Under the Combination Agreement, the Board of Directors of Biotie has undertaken, in the event of a competing offer, not to cancel or change its recommendation for the Tender Offer, unless

- i. it determines in good faith, after taking advice from external legal counsel and financial advisor that the competing offer is superior to the Offeror's offer and that therefore it would no longer be in the best interest of the shareholders, ADS holders and holders of stock options, share units and warrants of Biotie to accept the Tender Offer and that failure to cancel or change the Board of Directors' recommendation for the Tender Offer would be inconsistent with the Board of Directors' fiduciary duties towards Biotie's shareholders and holders of other equity instruments under Finnish laws; and
- ii. prior to and as a precondition for cancelling or changing its recommendation, the Board of Directors has complied with certain agreed procedures allowing Acorda to assess the competing offer and to enhance the Tender Offer.

Should Acorda enhance the Tender Offer so as to be at least equally favourable to Biotie's shareholders as the competing offer, the Board of Directors has undertaken to confirm and uphold the recommendation for the Tender Offer, as enhanced.

Biotie has also agreed not to, directly or through its representatives, solicit or encourage any competing offers or proposals for such offers or other transactions competing with the Tender Offer, nor to facilitate or promote any such competing proposals, unless the Board of Directors has determined that, with respect to an unsolicited competing proposal, failure to take such measures would be inconsistent with the Board of Directors' fiduciary duties. Biotie has agreed to inform Acorda of any competing proposals and to provide Acorda an opportunity to negotiate with the Board of Directors of Biotie on matters arising from such competing proposals.

The Combination Agreement further includes certain representations, warranties and undertakings by both parties customary in transactions of a similar nature, such as conduct of business by Biotie in the ordinary course of business before the completion of the Tender Offer and cooperation by the parties in necessary regulatory filings and in completing the Tender Offer in the most expeditious manner practicable.

Biotie has further undertaken to compensate Acorda for its reasonable transaction costs in the amount of USD 4,500,000 in the event the Combination Agreement is terminated in connection with the Board of Directors of Biotie withdrawing or changing its recommendation for the Tender Offer.

Acorda's intention is to cause the shares of Biotie to be delisted from Nasdaq Helsinki and the ADSs to be delisted from Nasdaq US as soon as permitted and reasonably practicable under applicable laws and regulations.

The foregoing summary is not complete and is qualified by reference to the full text of the Combination Agreement.

## **EFFECT ON BIOTIE'S CURRENT ORGANIZATION**

Biotie is headquartered in Turku, Finland, with a subsidiary based in South San Francisco, California. Following the close of the acquisition, Acorda plans to maintain the operations of South San Francisco in full, including the staff at that site. The future of Biotie's location in Turku will be considered separately later on. With this addition, Acorda will have operations in three major U.S. biotechnology centers: New York, Boston and San Francisco.

## **ADVISORS**

Guggenheim Securities, served as Biotie Therapies' financial advisor, Davis Polk & Wardwell LLP and Hannes Snellman Attorneys Ltd. served as Biotie's legal advisors.

Lazard, MTS Health Partners and J.P. Morgan Securities LLC served as financial advisors and Kirkland & Ellis, Roschier Attorneys Ltd., Covington & Burling LLP and Jones Day LLP served as legal advisor to Acorda in connection with the Tender Offer.

## **BIOTIE THERAPIES CORP.**

Board of Directors

## **FURTHER INFORMATION**

For further information, please contact:

Biotie

Timo Veromaa, President and Chief Executive Officer

Tel. +358 2 274 8900, e-mail: [timo.veromaa@biotie.com](mailto:timo.veromaa@biotie.com)

David Cook, Chief Financial Officer

Tel. +358 2 274 8900, e-mail: [david.cook@biotie.com](mailto:david.cook@biotie.com)

Virve Nurmi, Investor Relations Manager

Tel. +358 2 274 8900, e-mail: [virve.nurmi@biotie.com](mailto:virve.nurmi@biotie.com)

The Trout Group LLC

Lauren Williams  
Managing Director

Tel: +44 203 780 4972, e-mail: lwilliams@troutgroup.com

Jennifer Porcelli  
Vice President

Tel: +1 646 378 2962, e-mail: jporcelli@troutgroup.com

Acorda

Jeff Macdonald ( + 1 914 326 5232, jmacdonald@acorda.com); or

Sijoittajasuhteet: Felicia Vonella, ( + 1 914 326 5146, fvonella@acorda.com)

## **INFORMATION REGARDING BIOTIE**

Biotie is a specialized drug development company focused on products for neurodegenerative and psychiatric disorders. Biotie's development has delivered Selincro (nalmefene) for alcohol dependence, which received European marketing authorization in 2013 and is currently being marketed across Europe by partner Lundbeck. The current development products include tozadenant for Parkinson's disease, which is in Phase 3 development, and two additional compounds which are in Phase 2 development for cognitive disorders including Parkinson's disease dementia, and primary sclerosing cholangitis (PSC), a rare fibrotic disease of the liver.

## **INFORMATION REGARDING ACORDA**

Founded in 1995, Acorda is a biotechnology company focused on developing therapies that improve the lives of people with neurological disorders, with its common stock listed on Nasdaq US.

Acorda has an industry leading pipeline of novel neurological therapies addressing a range of disorders, including multiple sclerosis, Parkinson's disease, post-stroke walking deficits, epilepsy and migraine. Acorda markets three FDA-approved therapies, including AMPYRA (dalfampridine) Extended Release Tablets, 10 mg.

## **ANNEX A**

The specific prices for each of the stock options, share units and warrants are as follows:

<b>Outstanding Equity Instrument</b>	<b>Price offered in the Tender Offer (EUR in cash)</b>
<b>2011 Option Rights</b>	
2011C (subscription price EUR 0.01 per share)	0.2846 for each stock option
<b>2014 Option Rights</b>	

2014A (subscription price EUR 0.01 per share)	0.2846 for each stock option
2014B (subscription price EUR 0.01 per share)	0.2846 for each stock option
2014C (subscription price EUR 0.01 per share)	0.2846 for each stock option
2014D (subscription price EUR 0.01 per share)	0.2846 for each stock option
2014M (subscription price EUR 0.01 per share)	0.2846 for each stock option
<b>2016 Option Rights</b>	
Stock option 2016 (subscription price EUR 0.162 per share)	0.1326 for each stock option
<b>2011 Share Rights</b>	
2011 Share right	0.2946 for each share right
<b>2014 Share Rights</b>	
2014A (subscription price USD 0.01 per share)	0.2854 for each share right
2014B (subscription price USD 0.01 per share)	0.2854 for each share right
2014C (subscription price USD 0.01 per share)	0.2854 for each share right
2014D (subscription price USD 0.01 per share)	0.2854 for each share right
2014M (subscription price USD 0.01 per share)	0.2854 for each share right
<b>Swiss Option Rights</b>	
Swiss option (subscription price CHF 0.10 per share)	0.2032 for each stock option
Swiss option (subscription price CHF 0.21 per share)	0.1026 for each stock option
Swiss option (subscription price CHF 0.28 per share)	0.0386 for each stock option
Swiss option (subscription price CHF 0.31 per share]	0,0112 for each stock option
Swiss option (subscription price CHF 0.35 per share)	0.0100 for each stock option
Swiss option (subscription price CHF 0.38 per share)	0.0100 for each stock option
Swiss option (subscription price CHF 0.45 per share)	0.0100 for each stock option
<b>Warrants</b>	
Warrants (subscription price EUR 0.17 per share)	0.1664 for each warrant

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

SOME OF THE STATEMENTS CONTAINED IN THIS ANNOUNCEMENT ARE FORWARD-LOOKING STATEMENTS, INCLUDING STATEMENTS REGARDING THE EXPECTED CONSUMMATION OF THE ACQUISITION, WHICH INVOLVES A NUMBER OF RISKS AND UNCERTAINTIES, INCLUDING THE SATISFACTION OF CLOSING CONDITIONS FOR THE ACQUISITION, SUCH AS REGULATORY APPROVAL FOR THE TRANSACTION AND THE TENDER OF AT LEAST 90% OF THE OUTSTANDING SHARES AND VOTING RIGHTS OF THE COMPANY, THE POSSIBILITY THAT THE TRANSACTION WILL NOT BE COMPLETED AND OTHER RISKS AND UNCERTAINTIES DISCUSSED IN THE COMPANY'S PUBLIC FILINGS WITH THE SEC, INCLUDING THE "RISK FACTORS" SECTION OF THE COMPANY'S REGISTRATION STATEMENT ON FORM F-1 (NO. 333-204147), AS WELL AS THE TENDER OFFER DOCUMENTS TO BE FILED BY ACORDA AND THE SOLICITATION/RECOMMENDATION STATEMENT TO BE FILED BY THE COMPANY. THESE STATEMENTS ARE BASED ON CURRENT EXPECTATIONS,



ASSUMPTIONS, ESTIMATES AND PROJECTIONS, AND INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE STATEMENTS. THESE STATEMENTS ARE GENERALLY IDENTIFIED BY WORDS OR PHRASES SUCH AS "BELIEVE", "ANTICIPATE", "EXPECT", "INTEND", "PLAN", "WILL", "MAY", "SHOULD", "ESTIMATE", "PREDICT", "POTENTIAL", "CONTINUE" OR THE NEGATIVE OF SUCH TERMS OR OTHER SIMILAR EXPRESSIONS. IF UNDERLYING ASSUMPTIONS PROVE INACCURATE OR UNKNOWN RISKS OR UNCERTAINTIES MATERIALIZE, ACTUAL RESULTS AND THE TIMING OF EVENTS MAY DIFFER MATERIALLY FROM THE EXPECTED RESULTS AND/OR TIMING DISCUSSED IN THE FORWARD-LOOKING STATEMENTS, AND YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE STATEMENTS. ACORDA AND THE COMPANY DISCLAIM ANY INTENT OR OBLIGATION TO UPDATE ANY FORWARD-LOOKING STATEMENTS AS A RESULT OF DEVELOPMENTS OCCURRING AFTER THE PERIOD COVERED BY THIS ANNOUNCEMENT OR OTHERWISE.

#### **ADDITIONAL INFORMATION AND WHERE TO FIND IT**

THE TENDER OFFER FOR THE OUTSTANDING SHARES, AMERICAN DEPOSITARY SHARES, WARRANTS AND OTHER OUTSTANDING EQUITY INSTRUMENTS IN THE COMPANY (THE "OFFER") HAS NOT BEEN COMMENCED. THIS ANNOUNCEMENT IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER TO PURCHASE OR A SOLICITATION OF AN OFFER TO SELL COMPANY SECURITIES. THE SOLICITATION AND OFFER TO BUY COMPANY SECURITIES WILL ONLY BE MADE PURSUANT TO AN OFFER TO PURCHASE AND RELATED MATERIALS. AT THE TIME THE OFFER IS COMMENCED, ACORDA WILL FILE A TENDER OFFER STATEMENT ON SCHEDULE TO WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC") AND THEREAFTER, THE COMPANY WILL FILE A SOLICITATION/RECOMMENDATION STATEMENT ON SCHEDULE 14D-9 WITH RESPECT TO THE OFFER. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THESE MATERIALS CAREFULLY WHEN THEY BECOME AVAILABLE SINCE THEY WILL CONTAIN IMPORTANT INFORMATION, INCLUDING THE TERMS AND CONDITIONS OF THE OFFER. THE OFFER TO PURCHASE, SOLICITATION/RECOMMENDATION STATEMENT AND RELATED MATERIALS WILL BE FILED BY ACORDA AND THE COMPANY WITH THE SEC, AND INVESTORS AND SECURITY HOLDERS MAY OBTAIN A FREE COPY OF THESE MATERIALS (WHEN AVAILABLE) AND OTHER DOCUMENTS FILED BY ACORDA AND THE COMPANY WITH THE SEC AT THE WEBSITE MAINTAINED BY THE SEC AT [WWW.SEC.GOV](http://WWW.SEC.GOV). INVESTORS AND SECURITY HOLDERS MAY ALSO OBTAIN FREE COPIES OF THE SOLICITATION/RECOMMENDATION STATEMENT AND OTHER DOCUMENTS FILED WITH THE SEC BY THE COMPANY AT [WWW.BIOTIE.COM](http://WWW.BIOTIE.COM).