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Biotie Financial Statement Release 2014

BIOTIE THERAPIES CORP. Financial Statement Release 27 February, 2015 at 8.45 a.m.

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This is a summary of the financial statement report 2014 published today. The complete report is attached to this release.

Company Highlights
October - December 2014

- Preparations to advance tozadenant into Phase 3 development in Parkinson's disease as part of Biotie's proprietary portfolio continued during the quarter. The Phase 3 program is expected to start recruiting patients in the middle of 2015.

- Biotie advanced SYN120, a 5-HT6 / 5-HT2a antagonist, into Phase 2 development. The SYNAPSE study, a Phase 2a clinical study in patients with Parkinson's disease dementia, started in December 2014. The study is largely funded by The Michael J. Fox Foundation (MJFF).

- Biotie's partner H. Lundbeck A/S (Lundbeck) continued the rollout of Selincro in Europe and it has now been introduced in 26 European markets. Favorable reimbursement decisions have been issued in a number of European markets, including France, Spain and the United Kingdom, where NICE issued its final positive guidance in November 2014.

- Annual impairment review of intangible assets and goodwill resulted in a non-cash impairment charge of EUR 27.6 million in respect of nepicastat and SYN120.

- Biotie's revenue in Q4 2014 was EUR 1.9 million (EUR 5.8 million) and the financial result was a net loss of EUR 32.4 million (net profit of EUR 1.7 million).
- Biotie ended 2014 with liquid assets of EUR 32.4 million (EUR 35.9 million, 30 September 2014). Operating cash flow for the full year was a net outflow of EUR 14.1 million (net inflow of EUR 10.6 million).

Key Financials
Figures in brackets, unless otherwise stated, refer to the same period in the previous year (EUR million)

for the period October - December 2014

- Revenues EUR 1.9 million (5.8).
- Research and development costs EUR 6.3 million (7.1**)
- Financial result EUR -32.4* million (1,7**)
- Cash flow from operating activities EUR -4.7 million (-2.8)
- Earnings per share EUR -0.07 (0.00)

for the period January - December 2014

- Revenues EUR 14.9 million (27.7).

- Research and development costs EUR 17.2 million (17.8**)
- Financial result EUR -35.2* million (5.8**)
- Cash flow from operating activities EUR -14.1 million (10.6)
- Earnings per share EUR -0.08 (0.01)
- Liquid assets at the end of period EUR 32.4 million (43.7).

*Financial result for the three and twelve months ended 31 December 2014 was impacted by a non-cash impairment charge of EUR 27.6 million for nepicastat and SYN120.

** Certain amounts have been adjusted or reclassified in the 2013 comparative statements.

The financial statement release is unaudited. Liquid assets are comprised of cash, cash equivalents and investments held to maturity.

Timo Veromaa, Biotie's President and CEO commented: "The events of 2014 presented Biotie with new opportunities for creating shareholder value. Our top priority in the near term is securing the financial resources to advance our lead product tozadenant into a Phase 3 trial in Parkinson's disease. There are currently limited treatment options available to help patients experiencing the daily burden of motor fluctuations, despite taking a cocktail of current anti-Parkinson's drugs, and we believe tozadenant will be an important new treatment option for these patients."

Outlook for 2015 and key upcoming milestones

Selincro® (nalmefene): Lundbeck will continue the roll out of Selincro in European markets during 2015 following the positive pricing and reimbursement decisions received in the second half of 2014. In addition to royalties, Biotie may also receive further milestone payments if the product reaches certain pre-determined sales. The first clinical Phase 3 study under the joint Lundbeck/Otsuka development program in Japan is expected to be initiated during 2015, but will not impact Biotie's financial results.

Tozadenant (SYN115): The Phase 3 clinical study, which is expected to be the second pivotal study required for registration, is on track to commence patient recruitment in the middle of 2015, as originally planned. The additional studies required to ensure that there is a strong regulatory filing package will continue to be performed at the same time as the clinical study.

SYN120: An 80-patient Phase 2 study with SYN120 in Parkinson's disease dementia started in December 2014. The SYNAPSE study, funded by MJFF, is being conducted by the Parkinson Study Group at approximately 12 specialist sites in the United States. Top-line results of the study are expected in the second half of 2016.

BTT1023: Patient recruitment into the BUTEO study, a Phase 2 study in primary sclerosing cholangitis, is expected to start in Q1 2015. The 41-patient study is being conducted in the UK and is supported by grant funding from the UK's National Institute for Health Research.

Financial: In 2015, the Company expects to continue receiving revenue from Selincro royalties from Lundbeck and a limited contribution towards certain tozadenant development costs from UCB. Research and development expenses on all development products are expected to increase, predominantly due to the start of the tozadenant Phase 3 study.

Strategic: The Company believes that it has sufficient cash to fund its current activities into 2016. Biotie continues to consider financing options to fully fund the tozadenant Phase 3 program to approval. The Phase 2 studies with SYN120 and BTT1023 are funded largely with non-dilutive financing, and top-line data from the SYNAPSE study is expected in the second half of 2016.

The Board of Directors proposal for appropriation of result

The Board of Directors proposes that no dividend for the financial year 2014 will be paid and that the income of the parent company for the financial year of EUR 5.1 million (FAS) will be carried forward to shareholders' equity.

The parent company has no distributable equity as of 31 December 2014**.**

Conference call

An analyst and media conference call will take place on 27 February 2015 at 8:00 a.m. Central European Time. The conference call will be held in English.

Lines are to be reserved ten minutes before the start of conference call. The event can also be viewed as a live webcast at www.biotie.com. An on demand version of the conference will be published on Biotie's website later during the day

Telephone conference numbers:

US callers: +1 646 254 3361
UK callers: +44(0)20 3427 1914
Finnish callers: +358(0)9 6937 9543

Access code: 1819167

In case you need additional information or assistance, please contact: Virve Nurmi, IR Manager, Tel: +358 2 2748 911

Key events after the reporting period

After the reporting period on 20 January 2015 Biotie announced that the Company has conveyed Biotie shares held as treasury shares, that were issued on 17 December 2014, pursuant to the Stock Option Plan 2011 (942,500 shares conveyed) and the Equity Incentive Plan 2011 (66,875 shares conveyed). As a result of the conveyances, the total number of voting rights attached to Biotie's shares increased to 451,705,390 votes and the total number of the Company's shares held by the Company or its fully owned subsidiary in 4,262,784. The conveyance does not affect the number of registered shares (total of 455,968,174 shares).

After the reporting period in January 2015, Biotie announced top-line results from a Phase 2 study investigating nepicastat for cocaine dependence. When compared to placebo, nepicastat did not meet the primary efficacy endpoint of an increased proportion of subjects remaining abstinent from cocaine during the last two weeks of the treatment period. Nepicastat was generally well tolerated in the study. The 11-week, 179-patient study was conducted at 10 US clinics under a Collaborative Research and Development Agreement (CRADA) with the National Institute on Drug Abuse (NIDA) at the US National Institutes of Health.

After the reporting period on 17 February 2015 Biotie announced that The Committee for Orphan Medicinal Products (COMP) of the European Medicines Agency (EMA) had in its February 2015 meeting issued a positive opinion recommending orphan drug designation for BTT1023 for the treatment of primary sclerosing cholangitis (PSC).

After the reporting period on 20 February 2015 Biotie announced further detail on its clinical development plan for tozadenant.

About 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 rolled out across Europe by partner Lundbeck. The current development products include tozadenant for Parkinson's disease, which is transitioning into 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.

Turku, 27 February 2015

Biotie Therapies Corp.

Board of Directors

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