



27 February 2009

## Cephalon announces intention to offer \$1.40 per share for Arana

Cephalon, Inc. (Nasdaq: CEPH) today announced that its wholly-owned subsidiary, Cephalon International Holdings, Inc., intends to make a cash takeover offer for all of the shares in Arana Therapeutics Limited which it does not already own (ASX: AAH) ("Arana") at a minimum price of \$1.40 per share ("Cephalon Offer").

### Major Shareholder Support

Cephalon has acquired an ownership position in Arana representing approximately 19.9% of Arana's total issued share capital. This position has been acquired from Arana's largest two shareholders, being Start-up Australia Ventures Pty Ltd and Rockwell Securities. Start-up Australia Ventures Pty Ltd is an entity associated with Arana Director, Dr George Jessup.

### Independent Director Support

The Independent Directors of Arana, in the absence of a superior proposal, unanimously recommend that Arana shareholders accept the Cephalon Offer.

In the absence of a superior proposal each of the Arana Directors intend to accept the Cephalon Offer in respect of all Arana shares they or their associated entities own or control.

### Conditions of the Offer

Cephalon's offer is subject to certain minimum conditions, including a 50.1% minimum acceptance condition.

### Increase in Price if Cephalon Offer achieves 90% acceptance

Cephalon has further announced that should it be successful in achieving a 90% acceptance level (ie compulsory acquisition), the Cephalon Offer consideration will be increased to \$1.45 per share ("Increased Cash Offer").

### Substantial Premium

The Cephalon Offer represents a very substantial premium for Arana shareholders. In particular, it represents:

**Minimum Cash Offer** • a 68.7% premium to the closing share price on Wednesday 25 February 2009, being the date prior to Arana entering a trading halt in relation to the announcement of the Cephalon Offer; and

**Increased Cash Offer** • a 74.7% premium to the closing share price on Wednesday 25 February 2009, being the date prior to Arana entering a trading halt in relation to the announcement of the Cephalon Offer

The Cephalon Offer values Arana's ordinary equity at approximately \$318 million (or \$329m based on the Increased Cash Offer) and provides Arana shareholders with the

Arana Therapeutics Limited  
Level 2 37 Epping Road  
Macquarie Park  
Sydney, NSW 2113  
Australia  
P + 61 2 8061 9900  
F + 61 2 8061 9999  
ABN 98 002 951 877

opportunity to realise an attractive price for their Arana shares. Arana shareholders will not incur any brokerage charges by accepting the Cephalon Offer.

Arana's Chairman, Robin Beaumont, said: "The Cephalon Offer is an attractive cash offer and provides Arana shareholders with liquidity, certainty and a substantial premium to the current share price. The Independent Directors of Arana, being myself and Chris Harris, unanimously recommend the Offer, in the absence of a superior proposal."

Arana is being advised by ABN AMRO Morgans Corporate and Middletons Lawyers.

Contact information:

Steffen Nock Acting CEO Arana Therapeutics T: + 61 2 8061 9900 snock@arana.com	Paul Dekkers Buchan Consulting T: 61 2 9237 2800 M 0418 218 722 pdekkers@bcg.com.au	Mark Gross ABN AMRO Morgans T: + 61 2 8215 5059 M: 0419 517 437 mgross@abnamromorgans.com.au
--------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------

### **About Arana Therapeutics:**

Arana Therapeutics (ASX: AAH) is a biopharmaceutical company focused on developing next generation antibody based drugs that will improve the lives of patients with inflammatory diseases and cancer.

Arana Therapeutics' innovative engineering technologies provide the basis for developing its next generation antibody candidates. Arana Therapeutics has the financial strength and management expertise to develop its product pipeline.

Arana has a significant track record of commercialising its technologies and has collaborations with GlaxoSmithKline (GSK), CSL, Kyowa Hakko Kirin (KHK), and licensing arrangements with Centocor (J&J) and Abbott Laboratories.

For further information: [www.arana.com](http://www.arana.com).

### **About Cephalon, Inc.**

Founded in 1987, Cephalon, Inc. is an international biopharmaceutical company dedicated to the discovery, development, and commercialization of many unique products in four core therapeutic areas: central nervous system, inflammatory diseases, pain, and oncology. A member of the Fortune 1000 and the S&P 500 Index, Cephalon currently employs approximately 3,000 people in the United States and Europe. U.S. sites include the company's headquarters in Frazer, Pennsylvania, and offices, laboratories or manufacturing facilities in West Chester, Pennsylvania, Salt Lake City, Utah, and suburban Minneapolis, Minnesota.

Cephalon has a growing presence in Europe, the Middle East and Africa. The Cephalon European headquarters and pre-clinical development center are located in Maisons-Alfort, France, just outside of Paris. Key business units are located in England, Ireland, France, Germany, Italy, Spain, the Netherlands for the Benelux countries, and Poland for Eastern and Central European countries. Cephalon Europe markets more than 30 products in four areas: central nervous system, pain, primary care and oncology.

The company's proprietary products in the United States include: AMRIX® (cyclobenzaprine hydrochloride extended-release capsules), TREANDA® (bendamustine hydrochloride) for Injection, FENTORA® (fentanyl buccal tablet) [C-II], PROVIGIL® (modafinil) Tablets [C-IV], TRISENOX® (arsenic trioxide) injection, GABITRIL® (tiagabine hydrochloride), NUVIGIL® (armodafinil) Tablets [C-IV] and ACTIQ® (oral transmucosal fentanyl citrate) [C-II]. The company also markets numerous products internationally. Full prescribing information on its U.S. products is available at <http://www.cephalon.com> or by calling 1-800-896-5855.