SPASTICITY
CEREBRAL PALSY
POST-STROKE DEFICITS
PERIPHERAL NERVE INJURY
HEART FAILURE
SPINAL CORD INJURY
MULTIPLE SCLEROSIS
STROKE
EPILEPSY
HEART FAILURE
CONTINUED GROWTH FOR AMPYRA

More than 75,000 people with MS have tried AMPYRA in the U.S. since its launch in March 2010. This breakthrough therapy has helped tens of thousands of people to improve their walking; it represents a unique contribution by Acorda to the treatment of MS, one that is highly valued by people with this challenging disease.

AMPYRA has shown consistent year-over-year growth since approval. In 2012, we closed the year with $266.1 million in net sales, a 26% increase over 2011. Our 2013 net sales guidance of $285-315 million reflects our confidence that we can continue to build AMPYRA through a combination of organic growth and pricing adjustments.

To support future AMPYRA sales growth, we will continue to develop or expand innovative commercial strategies, such as our highly successful First Step and patient outreach programs. We are also piloting initiatives that encourage people who are benefiting from therapy to continue to take AMPYRA as prescribed. At the same time, we continue to focus on the cost-effectiveness of these initiatives, and project that commercial AMPYRA spend will be essentially the same in 2013 as in 2012, and significantly lower as a percentage of sales.

We are also exploring the potential of dalfampridine extended release tablets to help people with other neurological conditions and other indications within MS. These programs are discussed in more detail in the pipeline section of this letter.
In April 2013, three-month data from the Phase 1 GGF2 clinical trial in heart failure patients were highlighted at the American College of Cardiology meeting, the premier medical conference for cardiovascular physicians. These data were presented by our academic collaborator, Vanderbilt Medical Center.
clinical study. This next study will primarily investigate further the safety profile of GGF2 across a range of doses, and will continue to explore efficacy outcomes. The FDA has granted Fast Track designation for GGF2 for the treatment of heart failure.

GGF2 has also shown promise in improving motor function in preclinical models of acute stroke, and in restoring erectile function in preclinical models of cavernous nerve injury, the same nerve that is routinely injured in men undergoing prostate surgeries. If GGF2 continues to show promise in our clinical program in heart failure, we plan also to develop it for neurological indications in the future.

We also initiated a new clinical program in April 2013, enrolling the first patient in a Phase 1 clinical trial for rHIgM22 to evaluate myelin repair in MS. rHIgM22 has shown the ability to repair myelin in several preclinical models of MS.

Another clinical stage product, AC105, has shown promise in preclinical models of acute spinal cord injury (SCI), brain trauma and stroke. We are planning to initiate a Phase 2 clinical trial in AC105 later this year, pending results of additional preclinical data.

PROFITABILITY AND GROWTH

We believe that the Company is now positioned advantageously to leverage its assets for future growth. These significant assets include: a seasoned team of executives with proven records of identifying and successfully developing opportunities that have not been obvious to others; a highly skilled, accomplished commercial organization in the specialty neurology space; and a disciplined approach to business and drug development that has yielded a promising and diversified clinical stage pipeline.

Our priorities are to maximize our commercial opportunities with AMPYRA® and expand them where possible, to acquire new commercial or near-commercial stage opportunities that leverage our existing commercial organization, and to invest in the potential of our pipeline to fuel future growth. We also seek to achieve a reasonable balance between current profitability and future growth. Where we set this balance will be determined at any given time by the quality, stage and size of our pipeline opportunities.

On behalf of my associates at Acorda and our Board of Directors, I thank you for your continuing support of our mission to bring novel therapies to people with neurological diseases, and look forward to keeping you informed of our progress in 2013.

Ron Cohen
President and Chief Executive Officer