

asx announcement

MESOBLAST UPDATE ON VALEANT PROPOSAL TO CEPHALON

Cephalon's Board Rejects Valeant Pharmaceutical's Unsolicited Proposal

Melbourne, Australia; 7 April 2011: Mesoblast wishes to inform the market that the Board of its strategic partner Cephalon Inc. has rejected the unsolicited proposal from Valeant Pharmaceuticals International Inc to acquire its issued share capital or certain assets.

The full Cephalon response can be viewed at: <http://www.cephalon.com/media/news-releases.html>

Reflecting on the value of its pipeline, the Cephalon Board said it "has created one of the broadest pipelines in the industry, with 10 late-stage product candidates targeted at novel and 'best-in-class' therapeutics. This includes six indications with blockbuster potential which are projected to begin launching in the next three years."

Mesoblast Limited

Mesoblast Limited (ASX: MSB; OTC ADR: MBLTY) is a world leader in the development, manufacture, and commercialization of biologic products for the broad field of regenerative medicine. Mesoblast has the worldwide exclusive rights to a series of patents and technologies developed over more than 10 years relating to the identification, extraction, culture and uses of adult Mesenchymal Precursor Cells (MPCs). More information - www.mesoblast.com

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