



PRESS RELEASE

PAION'S ANTICOAGULANT SOLULIN ACHIEVES PROOF OF CONCEPT FOR MODE OF ACTION IN PHASE I

Multiple dosing confirms that drug candidate has the expected anti-coagulative properties, is safe and well tolerated

Aachen (Germany), 21 May 2008 - The biopharmaceutical company PAION AG (Frankfurt Stock Exchange, Prime Standard: PA8) today announced that its drug candidate Solulin has successfully completed multiple dosing within a first-in-man study. The substance confirmed its good safety profile as well as its anti-coagulative mode of action through its high potential to inhibit the formation of thrombin at dosages which do not reveal any relevant change in factors seen as key indicators for an increased bleeding propensity. Positive results for single dose administration had been reported earlier this year.

This first study with healthy volunteers focused on safety, tolerability, pharmacokinetics, and as far as can be concluded from laboratory results, also on the pharmacologic effects of Solulin. As traditional antithrombotic treatments interfere with hemostasis, it is of utmost importance to minimize the bleeding risk inherent in such procedures. Hence, in addition to the regular safety parameters, the study looked into possible negative effects of the applied Solulin doses on the clotting system. The results of the study revealed that in blood samples taken from healthy volunteers Solulin was able to dose-dependently block thrombin generation almost completely with a very low impact on hemostasis.

"The results of the multiple dosing schemes confirmed that Solulin effectively reduces thrombin generation, is safe and well tolerated over a broad dose range in volunteers," said Dr Mariola Söhngen, Chief Medical Officer of PAION. *"The findings from the Phase I study also validated our hypothesis on its mechanism of action and therefore provided proof-of-concept for Solulin as an intelligent anticoagulant. We now intend to approach potential partners and to agree on a future development plan for this substance with such a partner."*

In total, 56 healthy volunteers participated in the Phase I study. 14 of them received a pharmacologically inactive substance, i.e. a placebo. In the single dose part, ranging from 0.6 to 30 mg of Solulin, a dose-dependent reduction of thrombin formation was shown with a 50% inhibition at 1 mg. In the multiple dose part, two groups of healthy volunteers were administered a once daily dose of 1 or 10 mg over a period of five days. Maximum inhibition on day five in the multiple dose part was 54% for the 1 mg dose and 93% for the 10 mg dose, again with no relevant changes in indicators of bleeding propensity. Thus, the good safety and tolerability profile of the single dose part of the study extends to multiple dosing, confirming a broad dose range for safe Solulin administration. A long elimination half-life of 15 to 30 hours was observed, suggesting that therapy with Solulin may require less frequent dosing than once daily.

###

About Solulin

Solulin is an improved, recombinant variant of the human protein thrombomodulin, an important endogenous regulating factor in blood coagulation. The function of thrombomodulin is to down-regulate the formation of thrombin, which, when produced in excess, can lead to blood clots. In contrast to natural thrombomodulin, which is an integral protein of vascular cell membranes, Solulin can freely travel the blood stream to reach its potential site of action. Prior to the clinical Phase I study, it could be shown in animal models that Solulin effectively inhibits the formation of blood clots in veins and arteries.

About PAION

PAION is a biopharmaceutical company specializing in developing and commercializing innovative drugs for the treatment of thrombotic diseases, that is, diseases caused by the obstruction of a blood vessel by a blood clot. Currently, PAION's focus is on the causal treatment of acute ischemic stroke. PAION intends to build and expand its portfolio of drug candidates using a "search-and-development" approach. Accordingly, PAION seeks to identify promising new compounds, license or otherwise acquire them and advance them through the clinical development and regulatory approval process. Where appropriate, particularly during the late stages of the clinical development and approval process and the commercialization phase, PAION seeks to collaborate with experienced partners.

Disclaimer

On 10 April 2008 PAION announced a recommended offer for the entire issued and to be issued share capital of CeNeS Pharmaceuticals plc. Therefore the Company is currently in an offer period as defined by the Takeover Code of the UK Panel on Takeovers and Mergers. Because of this, shareholders need to be aware of certain additional reporting requirements regarding transactions in PAION shares. For further information, please see the full text of the acquisition announcement published on 10 April 2008 and the press release explaining the additional reporting requirements published on 14 April 2008, both of which are available on PAION's website at www.paion.de/investors.

This communication is neither an offer to buy securities nor a solicitation for an offer to sell securities. Securities may not be offered or sold in the United States absent registration or an exemption from registration. There will be no public offer of the shares of PAION AG in the United States.

Contact

Dr. Peer Nils Schröder, Investor Relations / Public Relations
PAION AG
Martinstrasse 10-12
52062 Aachen - Germany
Phone +49 241 4453-152
E-mail pn.schroeder@paion.de
www.paion.de