



PRESS RELEASE

EUR 7 MILLION SUBORDINATED LOAN FOR GROWTH STRATEGY FINANCING OF PAION AG

Aachen, 20 April 2006 – The German biopharmaceutical company PAION AG (Frankfurt Stock Exchange, Prime Standard: PA8) strengthens its cash position by a securitised subordinate loan amounting to EUR 7 million and thus supports its development activities in the field of stroke and other thrombotic diseases. The subordinated loan is part of the “H.E.A.T Mezzanine I-2006” programme, a structured financing of HSBC Trinkaus & Burkhardt KGaA which has been issued on the capital market. The loan is repayable at the end of the maturity period of 7 years.

PAION AG’s CFO Bernhard Hofer comments: “The long-term subordinate loan strengthens PAION’s liquidity and, from the economical point of view, can be regarded as similar to equity. The inflow of funds represents a further financing module for our development projects as well as for marketing preparation of our lead product. Moreover, it enhances our flexibility towards strategic options. PAION is one of 47 companies that have qualified for the H.E.A.T programme. To be included, PAION successfully passed a three-level selection process which included balance sheet evaluation, qualitative company analysis and final assessment by the investment board of the issuer.”

More on the H.E.A.T programme (German only): [HSBC Trinkaus & Burkhardt KGaA](http://www.hsbc Trinkaus & Burkhardt KGaA) (<http://www.hsbc Trinkaus & Burkhardt KGaA>) (<http://www.hsbc Trinkaus & Burkhardt KGaA>)

About PAION

PAION is a listed biopharmaceutical company based in Aachen, Germany (Frankfurt Stock Exchange, Prime Standard, ISIN DE000A0B65S3). It aims to become a leader in developing and marketing innovative drugs for the treatment of stroke and other thrombotic diseases for which there is a substantial unmet medical need. PAION intends to build an integrated portfolio of drugs by exploiting its core expertise in identifying compounds, licensing or otherwise acquiring these compounds and advancing them through the clinical development and regulatory approval process. Where appropriate, PAION seeks to collaborate with experienced partners, particularly in the late stages of clinical development, the approval process and marketing. PAION’s most advanced drug candidate, Desmoteplase, a novel plasminogen activator for the treatment of acute ischaemic stroke is partnered with Forest Laboratories, Inc. and H. Lundbeck A/S and currently being tested in an international multi-centred Phase III study. At year-end 2005 PAION employed on average 72 people.

Contact

Dr. Peer Nils Schröder, Investor Relations / Public Relations
PAION AG
Martinstraße 10-12
52062 Aachen – Germany
Tel. +49 (0)241 4453 152
Email pn.schroeder@paion.de
www.paion.de