



PAION INITIATES PROGRAMME OF NEXT GENERATION PLASMINOGEN ACTIVATORS

Aachen, 24 March 2006 - Today, PAION AG (Frankfurt Stock Exchange, Prime Standard PA8), a company focusing on the development of treatment opportunities for stroke and other thrombotic diseases announced the initiation of a new plasminogen activator programme, which is intended to serve as a long-term life cycle management tool for Desmoteplase and a mid term option for indications not within the current profile and development programme of Desmoteplase.

PAION announced that it has initiated early-stage development activities for a series of plasminogen activators and analogues that make use of the exciting pre-clinical findings of Desmoteplase. These include the highest currently known fibrin specificity. Patents for this new generation of plasminogen activators and proteases have been filed and the lead protein has shown promising fibrinolytic activity in *in vitro* tests. PAION expects that the lead will be tested for lack of neurotoxicity during 2006.

For the work necessary to start proof-of-concept studies, PAION can rely on key experimental set-ups that have been established for testing Desmoteplase. The 2006 plan includes small-scale production and selected *in vitro* and *in vivo* studies. PAION anticipates to decide by the end of 2006, which member of this promising new class of drugs qualifies for advanced preclinical testing and human studies: the current lead compound or another related protein. Key selection criteria will include fibrin specificity and other parameters important for stroke.

"We are extremely excited about the potential of the PN-10 programme, which will allow us to use what we have learned from the Desmoteplase programme. Proteases seem to be important in several disease states – a field that is just beginning to be unravelled. PAION has built an attractive, wholly-owned IP position around this promising project that demonstrates its leadership in this area" says PAION's CMO Mariola Söhngen. *"Desmoteplase is our key value driver and it is only natural that we do everything we can to enlarge the potential of this molecule and establish a platform with our own IP around it"* adds CEO Wolfgang Söhngen.

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
Internet: www.paion.de