



PRESS RELEASE

PAION AND ERGOMED REPORT FULL DATA OF CNS 5161 PHASE IIA STUDY IN NEUROPATHIC CANCER PAIN

- Final data confirm promising preliminary results
- Substance well tolerated over broad dose range
- Signs of efficacy already observed even at low doses

Aachen (Germany) and Frankfurt (Germany) 9 April 2009 – The biopharmaceutical company PAION AG (ISIN DE000A0B65S3; Frankfurt Stock Exchange, Prime Standard: PA8) and ERGOMED Clinical Research Limited today announce data from the open-label Phase IIA study with the NMDA receptor antagonist CNS 5161 which was completed in December 2008. The final reported data confirm that the substance is safe and well-tolerated within the applied administration scheme which covered a large dose range. Adverse events were of mild and moderate intensity, relating mainly to the cardiovascular and the nervous system and were completely resolved following end of treatment. Importantly, none of the psychomimetic side effects normally associated with NMDA antagonist have been observed whilst signs of pain reduction were noted even at the second lowest dosing.

The study was intended to explore the optimal schedule for infusion of CNS 5161 in the management of neuropathic cancer pain and included 24 patients with opioid-refractory cancer pain. Its primary objective was to define the maximum tolerable dose and to assess the relationship between the plasma concentration of CNS 5161 and changes in pain level.

In total, 24 patients received study treatment of which 22 patients received complete course of treatment. The patients were divided into six dose cohorts receiving cumulative dosages between 750 and 4,500 mcg which were applied as six short i.v. infusions every four hours over 20 hours. In the study no dose limiting toxicity was observed.

Efficacy signals were observed in all but the lowest dose cohort. On the 10-grade numerical pain rating scale (NPRS), mean values dropped by 3.0 points from 6.2 to 3.2 at 32 hours, excluding the first (lowest dose) cohort. This represents an approximately 50% reduction in pain in these patients. EMEA guidelines for neuropathic pain indicate that a 30-50% reduction in pain can be considered a response.

Dr Wolfgang Söhngen, PAION's CEO commented: *"Based on the encouraging results of the study, good tolerability paired with efficacy signs already at low dosing, we are positive that CNS 5161 warrants further testing in opioid refractory cancer pain. The next logical step would be an extended placebo-controlled Phase II study in order to show proof-of-concept. This could be achieved with a reasonable investment. Together with our partner ERGOMED we have come to the conclusion that we seek third party (co)-funding."*

Dr Miro Reljanovic, CEO of ERGOMED added, *"As co-development partner we are very pleased with the results of this study and are looking forward to*

working with PAION to find a partner to continue to work with us on the further development of CNS 5161.”

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About opioid refractory cancer pain

Pain is an inevitable consequence of most solid cancers. It has been estimated that nearly three million patients in the seven major markets will require treatment for cancer pain annually and that more than 70% of late stage cancer patients suffer from moderate to severe pain (Source Apex Healthcare) with a neuropathic component. Opioids are commonly used for managing moderate to severe neuropathic cancer pain, but it has been estimated that around 20% of patients will experience opioid-refractory pain which is notoriously difficult to treat leading to a considerable medical need. Existing NMDA antagonists are being used as a last resort to treat these patients. However, their usability is limited by psychomimetic side effects. CNS 5161 could fill this gap.

About PAION

PAION is a biopharmaceutical company headquartered in Aachen, Germany. Since the acquisition of CeNeS Pharmaceuticals, which was completed in June 2008, the company has a second site in Cambridge, UK. The company is specializing in developing and commercializing innovative drugs for the hospital-based treatment of central nervous system (CNS) disorders and thrombotic/cardiovascular diseases, indications for which there is a substantial unmet medical need. PAION intends to further expand its portfolio of drugs by exploiting its core expertise in identifying high-potential compounds, licensing or otherwise acquiring them and advancing 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.

About ERGOMED Group

ERGOMED is a specialized international clinical development company offering contract clinical research and co-development partnerships to biotechnology and pharmaceutical companies worldwide in the fields of neurology, oncology and immunology. ERGOMED's approach to clinical research ensures effective patient recruitment, reducing the time and costs of clinical trials and complementing the drug discovery capabilities of its customers and partners. The company has a dual business model offering standard clinical trial management contracts and also co-development partnerships to share the risks and rewards of clinical development. For further information visit www.ergomed-cro.com

Contact

Oliver Schulte
Investor Relations
PAION AG
Martinstrasse 10-12
52062 Aachen - Germany
Phone +49 241 4453-154
E-mail o.schulte@paion.com
www.paion.com

ERGOMED Group

Dr Miroslav Reljanovic
CEO
Phone +385 1 4628-503
E-mail info@ergomed-cro.com