



## PRESS RELEASE

### START OF JAPANESE PHASE I WITH CNS 7056 TRIGGERED FIRST MILESTONE OF ONE MILLION USD FOR PAION FROM ONO PHARMACEUTICAL

- Japanese Phase I study started to support induction and maintenance of anaesthesia
- CNS 7056 administered to first Japanese volunteer in April 2010

Aachen (Germany), 10 May 2010 – The biopharmaceutical company PAION AG (ISIN DE000A0B65S3; Frankfurt Stock Exchange, Prime Standard: PA8) today announces that it will receive the first milestone payment of one million USD from Partner Ono Pharmaceutical Co., Ltd. (“Ono”).

The milestone was triggered by the administration of the anaesthetic/sedative CNS 7056 to the first volunteer in the first Japanese Phase I study.

Ono is planning to develop CNS 7056 for the Japanese market initially for the induction and maintenance of anaesthesia. Ono entered into the licence agreement, dated 3 August 2007, with PAION UK Ltd. (former CeNeS Limited) to develop and commercialize CNS 7056 in Japan.

Dr. Wolfgang Söhngen, CEO of PAION commented, *“We are delighted that Ono has advanced CNS 7056 to Phase I development in the indications of anaesthesia and ICU sedation; we look forward to the future progress of this important program. Achieving this milestone with Ono is a strong indicator of the excellent working relationship that underpins this collaboration. Furthermore it underscores the potential for this innovative anaesthetic/sedative.”*

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#### **About CNS 7056**

CNS 7056 is an innovative short-acting general anaesthetic/sedative that is initially being developed by PAION for use in minor medical interventions (procedural sedation). Sedatives are used, for example, in endoscopic procedures such as colonoscopies. After intravenous administration CNS 7056 rapidly induces the desired sedation. Importantly, this sedative effect quickly disappears. This rapid offset of the effect of the substance is due to its metabolism by tissue esterase enzymes that are widely distributed throughout the body. CNS 7056 is being developed as a sedative agent for day case procedures and for the induction and maintenance of anaesthesia. It could also be used as a sedative during artificial respiration in Intensive Care Unit (ICU) settings.

CNS 7056 is licensed to Ono Pharmaceutical (Osaka, Japan) for the Japanese market. PAION is exploring partnering opportunities for the territories outside Japan, in order to be able to initiate the development of CNS 7056 in other indications as early as possible.

**About PAION**

PAION is a biopharmaceutical company headquartered in Aachen, Germany and with a second site in Cambridge, UK.

The company is focusing on the clinical development of drug candidates for diseases or interventions for which there is a substantial unmet medical need. PAION has a "Search & Develop" business model, which is based on its core expertise in drug development. Where appropriate, particularly during the late stages of the clinical development, PAION seeks to collaborate with experienced partners.

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