

## Proof of Share Ownership

**Annual General Meeting of PAION AG on June 20, 2007**

We herewith confirm

that \_\_\_\_\_ shares of PAION AG; ISIN DE000A0B65S3,  
*<no. of shares>*

are being held by us for *(please fill in)*

\_\_\_\_\_  
*<Surname, First name of the shareholder>*

\_\_\_\_\_  
*<Street, No.>*

\_\_\_\_\_  
*<City, Postcode, Country>*

**as of May 30, 2007, 0:00 CEST (record date) - in a securities account.**

\_\_\_\_\_  
*<City, Date>*

\_\_\_\_\_  
*<Signature and stamp of the custodian bank>*

### **Custodian bank details:**

\_\_\_\_\_  
*<Name of the custodian bank>*

\_\_\_\_\_  
*<Street, No.>*

\_\_\_\_\_  
*<City, Postcode, Country>*

\_\_\_\_\_  
*<Contact>*

\_\_\_\_\_  
*<Telephone number for queries>*

### **Important:**

**Please arrange to have this proof of share ownership confirmed by your custodian bank as of May 30, 2007, 0:00 CEST and return it by post or fax to the following address no later than June 13, 2007:**

**PAION AG / LBBW  
c/o HV Connection GmbH  
Attn. Gabriele Hubl  
Bopserwaldstr. 40 G  
D-70184 Stuttgart  
Germany**

**Fax: +49 711 86 02 02 11**

## Proxy by the Representatives Nominated by the Company

PAION AG offers its shareholders the option of representation at the Annual General Meeting by employees of the Company or by voting representatives who are nominated by the Company and bound to adhere to your instructions.

If you would like to take advantage of this service, please fill in the following Authorisation and Instruction form, sign it and send it, together with the admission ticket, to PAION AG, c/o HV Connection GmbH, Attn. Gabriele Hubl, Bopserwaldstrasse 40 G, 70184 Stuttgart, Germany (or alternatively fax to +49 711 86 02 02 11). Please ensure that the documents will be received by the company's nominees no later than **June 18, 2007**. Authorisations arriving after this date will not be considered.

### Additional Information on Proxy Voting

If motions from shareholders (counter motions) regarding the agenda of our Annual General Meeting are received that are subject to disclosure requirements, these will be published on our website at [www.paion.de/hv](http://www.paion.de/hv). If you would like to endorse a counter motion to an item of the agenda, please vote "No" on this item of the agenda.

Please note that the company nominees are unable to react to last minute changes during the Annual General Meeting. The company nominees cannot exercise the voting rights given to them in case items that concern the procedure to be followed during the Annual General Meeting or concerning items that were not disclosed before the Annual General Meeting (e.g. interlocutory applications). The company nominees will in such cases abstain.

## Authorisation and Instructions to the Company Nominees of PAION AG

(please fill in)

\_\_\_\_\_  
<Surname, First name of the shareholder>

\_\_\_\_\_  
<Street, No.>

\_\_\_\_\_  
<City, Postcode, Country>

I/We herewith grant authorisation to the representatives nominated by PAION AG (Ms Gabriele Hubl, Bietigheim-Bissingen, employee of HV Connection GmbH, as well as Mr Karim Allam, Aldenhoven, or Ms Dr Stephanie Harloff, Aachen, both employees of PAION AG), each of them singly and with the power to sub-delegate their power, to represent me/us at the Annual General Meeting of PAION AG on June 20, 2007 and to exercise or have the vote exercised for me/us in the manner subsequently described (please mark with a cross). The proxy representatives may only act on my/our behalf if this authorisation is signed by me/us.

- I/We agree with the proposals of the administration in respect of **all** items of the agenda.  
or  I/We issue **individual instructions** as mentioned below<sup>1</sup>:

Agenda item	YES	NO	ABSTENTION
2. Adoption of a resolution to formally approve the actions of the members of the Management Board for the financial year 2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Adoption of a resolution to formally approve the actions of the Supervisory Board for the financial year 2006	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Adoption of a resolution to appoint the auditors for the annual financial statements and consolidated financial statements for the financial year 2007 and to perform a review of the abbreviated financial statements and the interim management report in accordance with Sections 37w para. 5, 37y no. 2 of the Securities Trading Act (Wertpapierhandelsgesetz)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Election of Dr. Jörg Spiekerkötter as a new member to the Supervisory Board, termination of the Supervisory Board mandate of Dr. Franz Wirtz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. Adoption of a resolution (i) to authorise the instigation of a stock option plan 2007 to issue stock options with subscription rights to shares of PAION AG to members of the Management Board of PAION AG and to such employees of PAION AG and its group companies as are particularly key to the success of the Company while at the same time terminating the issue of any new shares under the stock option plan 2005, and (ii) to amend the profit entitlement of those shares that can already be purchased as a result of stock options already granted under the stock option plan 2005, and (iii) to create new Conditional Capital 2007 to service the stock option plan 2007 while at the same time reducing the Conditional Capitals III and 2004 II to the extent that they are not needed to service the stock options granted under the stock option plan 2005, and (iv) to amend the articles of association accordingly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Adoption of a resolution to authorise the purchase of treasury stock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Adoption of a resolution to amend the remuneration of the Supervisory Board	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Adoption of a resolution to amend the articles of association to reflect new legislation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> Only one instruction may be issued for each item of the agenda.

Please note that this authorisation must be filled in and signed.

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
 (City) (Date) (Signature)