

Proof of Share Ownership

Annual General Meeting of PAION AG on May 25, 2009

We herewith confirm

that _____ shares of PAION AG; ISIN DE 000A0B65S3,
<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 4, 2009, 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 4, 2009, 0:00 CEST and return it by post or fax to the following address no later than May 20, 2009:

**PAION AG
c/o BADER & HUBL GmbH
Wilhelmshofsstraße 67
D-74321 Bietigheim-Bissingen
Germany**

**Fax: +49 7142 / 788667-11
email: hauptversammlung@baderhubl.de (only PDF or TIF-file)**

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 BADER & HUBL GmbH, Wilhelmshofsstr. 67, D-74321 Bietigheim-Bissingen, Germany (or alternatively fax to +49 7142 788667-11). Alternatively, please send email to: hauptversammlung@baderhubl.de. In case of email transmission, the Authorisation and Instruction form has to be signed and filled. If signed and filled, please attach to the Entrance Ticket and transmit only by PDF or TIF-file. Please ensure that the documents will be received by the company's nominees no later than **May 20, 2009**. 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.com/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 BADER & HUBL GmbH, as well as Mr Karim Allam, Aldenhoven employee 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 May 25, 2009 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 below¹:

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 2008	<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 2008	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Adoption of a resolution to appoint the auditors to audit the annual financial statements and consolidated annual financial statements for the financial year 2009 and to perform an audit review of the abbreviated financial statements and the interim management report pursuant to Sections 37w para. 5 and 37y no. 2 of the Securities Trading Act (<i>Wertpapierhandelsgesetz, WpHG</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5.	Election of Alan Goodman as a new member to the Supervisory Board	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Adoption of a resolution to revoke the previously Approved Capital I, create new Approved Capital 2009 and to amend the articles of incorporation accordingly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Adoption of a resolution to amend the remuneration of the Supervisory Board	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ 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)