



Information regarding proxy voting at the Annual General Meeting to be held on 24 May 2011

Dear Shareholders,

As outlined in the invitation to the Annual General Meeting, Shareholders may exercise their votes in the Annual General Meeting by proxy voting (e.g. by a financial institution or a shareholders' association). In addition we are pleased to offer you a proxy voting service through representatives nominated by PAION AG who will exercise your voting rights in accordance with your instructions.

1. Proxy by a person in your trust

Shareholders who do not personally attend the Annual General Meeting, may exercise their votes through a proxy (e.g. a financial institution or a shareholders' association).

In case you would like to be represented by a proxy, please proceed as follows:

Apply for your personal admission ticket for the Annual General Meeting of PAION AG on 24 May 2011 in Aachen. Once you have received your admission ticket, please complete the Proxy Authorisation for Third Person, sign it and provide it together with the admission ticket to the voting proxy. The evidence of proxy assignment can also be transmitted to the company by mail, facsimile or e-mail to the address given in section 2.

Exemptions may apply to financial institutions, shareholders' associations or other equivalent individuals or institutions (see Section 135 para. 8 AktG in conjunction with Section 125 para. 5 AktG). Therefore, we ask our shareholders to consult with the respective financial institutions, shareholders' associations or other equivalent individuals or institutions concerning the applicable form requirements.

2. Proxy by the company's nominees

PAION AG offers its shareholders the option of representation by voting proxies appointed by the company and bound to adhere to instructions.

The authorisations can be transmitted in writing, or by facsimile or e-mail (see address below). In the event of e-mail transmission, the completed and signed authorisation and instruction form needs to be attached electronically (exclusively as "PDF" or "TIF" file). Even if you choose to authorise the voting proxies, registration and submission of proof of share ownership must still be provided in due time. If the voting proxies appointed by the company are to be authorised, the shareholder must issue clear instructions as to how his or her vote should be exercised for each of the items on the agenda. The authorisation is deemed to be invalid if corresponding instructions are not given. The voting proxies appointed by the company are bound to vote in accordance with your instructions. Shareholders must complete a authorisation and instruction form, sign and return the form to the company prior to the close of business on 23 May 2011 by mail, facsimile or e-mail to the following address:

PAION AG
c/o BADER & HUBL GmbH
Wilhelmshofstrasse 67
74321 Bietigheim-Bissingen
Germany

Telefax: +49 (0)7142 788667-11
E-Mail: hauptversammlung@baderhubl.de

If motions and/or election proposals from Shareholders 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.

In case the proxies receive several authorisations and instructions via different transmission channels (mail, facsimile or e-mail), the last valid authorisation with the respective instructions will be regarded as binding.



3. Proxy forms

The admission ticket contains a form for the proxy authorisation for a third person as well as a proxy and instruction form for granting a proxy and instructions to the company's nominees. The respective forms are also offered to the Shareholders on the internet at www.paion.com/hv. As stipulated in Section 30a para. 1 no. 5 WpHG the forms will be provided to the Shareholders on request by mail or directly at the Annual General Meeting.

Kind regards

PAION Aktiengesellschaft
Management Board