



PAION to start Phase IIa study with neuroprotectant Enecadin in acute ischaemic stroke

Aachen (Germany) 1 February 2006. Biopharmaceutical company PAION (Frankfurt Stock Exchange PA8.DE) today announced that it has received formal authorisation by the German regulatory authority Bundesinstitut fuer Arzneimittel und Medizinprodukte (BfArM) to commence the clinical Phase IIa study TEST (Tolerability of Enecadin in acute ischaemic Stroke Trial) with PAION's neuroprotectant Enecadin.

The study was previously approved by the responsible Ethics Committee of Heidelberg University Hospital.

Enecadin is a neuroprotective sodium and calcium channel blocker. It has been extensively studied in various *in vivo* models examining pharmacokinetic and pharmacodynamic parameters and with respect to safety and toxicity. It has shown excellent neuroprotective efficacy in permanent and transient animal stroke models. Moreover, it has been investigated in a number of clinical Phase I studies.

TEST is a multicentre, double-blind, randomised, placebo-controlled, dose-escalating parallel-group study and will evaluate the safety, efficacy and tolerability of the compound in patients with acute ischaemic stroke within a nine-hour time window after stroke onset.

"We are pleased that we now move Enecadin into clinical Phase II", commented Dr. Wolfgang Soehngen, founder and CEO of PAION. "The TEST study is part of our broad clinical development programme for the treatment of stroke and other thrombotic diseases. Patient enrolment is scheduled to start within a few weeks."

"We believe that in stroke it is inevitable to tackle the secondary damages resulting from the ischaemic condition", adds Dr. Mariola Soehngen, PAION's Chief Medical Officer. "Enecadin maintains neuronal viability and has shown promising results in a variety of stroke models. In these studies, it effectively reduced mortality and infarct size as well as improved functional outcome - even when administered up to 24 hours after onset of ischaemia. It could be shown in pre-clinical models that the compound reaches the brain in therapeutically sufficient amounts shortly after administration, where it persists with a long half life. We thus believe that this drug candidate could make a major contribution to an effective and safe stroke therapy."

About stroke

Stroke is the third leading cause of death in the industrialised world and a leading cause of serious, long-term disability. In the US alone, 700,000 people suffer from a stroke attack each year, and around 20% of them die within four weeks. Only about 40% of all stroke survivors are able to return to full employment, and one third are permanently dependent on support and care. According to the American Heart Association, the financial burden of stroke due to in-hospital and long-term care programs was 57 billion dollars in 2005 in the US alone.

About Enecadin

Enecadin is a neuroprotective sodium and calcium channel blocker. It is, after Desmoteplase, PAION's second drug candidate for the treatment of acute ischaemic stroke. During ischaemic stroke, depletion of energy results in a depolarisation of nerve cell membranes which causes an excessive influx of sodium and subsequently calcium ions. In this process of excitotoxicity, high intracellular amounts of calcium provoke a series of adverse reactions that ultimately lead to cell death. It effectively prevents these toxic processes by its unique mode of action, blocking both sodium and calcium channels.

In 2004, PAION has exclusively in-licensed the neuroprotectant from Nippon Shinyaku Co., Ltd. for territories outside Japan whereas Nippon Shinyaku has retained co-exclusive rights for Japan.

About PAION

PAION is a listed biopharmaceutical company based in Aachen, Germany (Frankfurt Stock Exchange, Prime Standard, ISIN DE000A0B65S3). It aims to become a leader in developing and commercialising innovative drugs for the treatment of stroke and other thrombotic diseases for which there is a substantial unmet medical need. PAION intends to build an integrated portfolio of drugs by exploiting its core expertise in identifying compounds, licensing or otherwise acquiring these compounds and advancing them through the clinical development and regulatory approval process. Where appropriate, PAION seeks to collaborate with experienced partners, particularly in the late stages of clinical development, the approval process and marketing. PAION's most advanced drug candidate, Desmoteplase, a novel plasminogen activator for the treatment of acute ischaemic stroke is partnered with Forest Laboratories, Inc. and H. Lundbeck A/S and currently being tested in an international multi-centred Phase III study. At year-end 2005 PAION employed on average 72 people.

For further information please contact

Dr. Peer Nils Schroeder
PAION Investor Relations, Public Relations
Martinstraße 10-12, 52062 Aachen, Germany
Phone +49 (0)241 4453 152
Email pn.schroeder@paion.de
www.paion.de