Ei Yamada, President and CEO AnGes MG, Inc. (Code No.4563, TSE Mothers)

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<u>Development of Novel Disinfectants Utilizing Antimicrobial Peptides Cure-Peptin®</u> Joint R&D with Kinshukai Group,

Japan's Largest Group of Hospitals and Nishiki Corporation

AnGes MG, Inc. announces that it concluded a basic agreement with Kinshukai Group and Nishiki Corporation to develop antimicrobial sprays based on functional peptides "Cure-Peptin®" that possess antimicrobial actions.

AnGes MG has developed "Cure-Peptin®" that has broad antibacterial spectrum which is effective against multiple-drug-resistant bacteria such as MRSA as well as Acinetobacter, etc. that have recently become an important topic because of nosocomial infections. AnGes MG is working to develop new products based on "Cure-Peptin®" and has recently agreed to work with Kinshukai Group, which has the largest number of hospital beds in Japan (about 5,700 beds), and Nishiki Corporation to develop odor-free, alcohol-free antimicrobial spray with persistent antimicrobial effect that is based on "Cure-Peptin®." Conventional disinfectant solutions and sterilization solutions cause problems such as rough skin on the hands and odor. AnGes MG expects that they can differentiate their new products from conventional solutions in these areas.

AnGes MG aims to develop these products and to verify their effects against nosocomial infections jointly with Kinshukai Group and Nishiki Corporation in this fiscal year, and to sell the products to other medical institutions starting in the next fiscal year.

This project was created based on the results of research covered by the financial aid program of the New Energy and Industrial Technology Development Organization (NEDO), titled "Innovation Promotion Project (March 06, 2009 - March 20, 2010)."

Meanwhile, there will be no effect of this trend on AnGes MG's business performance during the current fiscal year.

[Reference]

About Kinshukai Group

Group corporation: Medical Corporation Kinshukai

Medical Corporation Foundation Hyogo Kinshukai

Medical Corporation Seiwa Kinshukai

Medical Corporation Mutsumikai

Social Welfare Corporation Tezukayama Fukushikai

Social Welfare Corporation Naniwa Fukushikai

Osaka Medical Research Foundation for Incurable Diseases

Sakamoto Psychiatry Foundation

Specified Non-Profit Organization Healthy Life Expectancy

Organization

Headquarters: 3-3-7 Minami-Sumiyoshi, Sumiyoshi-ku, Osaka City, Osaka

Representative: Masami Yabumoto, CEO, Kinshukai Group

Established: July 1957 Number of beds: 5,661 (+ 18)

About Nishiki Corporation

Company name: Nishiki Corporation

Head office: 1-15-1 Abiko-nishi, Sumiyoshi-ku, Osaka City, Osaka

Representative: Motoki Tani, President & CEO

Established: September, 2010 Capital: 9 million yen

Scope of business: Healthcare-related business; Education-related business; Human

resources-related business