

July 8, 2005  
AnGes MG, Inc.

**AnGes MG Forms Business Alliance with Alfresa Pharma Corporation**  
**- Joint Research on Atopic Dermatitis Therapeutic Medicine to Prepare**  
**for AnGes MG Establishing its own Sales Network-**

Alfresa Pharma Corporation (Alfresa Pharma) and AnGes MG, Inc. (AnGes) officially announced the signing of an agreement for joint research on atopic dermatitis therapy using NFκB decoy oligo in Japan.

With the execution of this agreement, Alfresa Pharma and AnGes are to jointly develop NFκB decoy oligo as a medicine for treatment of atopic dermatitis in Japan, and both companies will possess the right to distribute the drug after obtaining manufacturing and distribution approvals.

When proceeding with drug development projects, AnGes has always established business alliances with pharmaceutical companies to minimize financial risks by decreasing development costs. The company has been preparing for a clinical trial of NFκB decoy oligo for atopic dermatitis therapy in Japan to be started this year. The new alliance with Alfresa Pharma allows it to reduce the expenses involved in the development of this therapeutic medicine.

After successful development of NFκB decoy oligo for atopic dermatitis therapy and acquisition of the manufacturing and distribution approvals, AnGes will possess distribution rights for the medicine in Japan. The establishment of this sales network will enable AnGes to further advance, growing from a bioventure company into a full-fledged pharmaceutical company.

AnGes MG has been developing NFκB decoy oligo as a gene-based therapy that treats immune inflammatory diseases including atopic dermatitis and rheumatic arthritis. Although there are as many as 1.4 million patients with atopic dermatitis in Japan, no effective drugs have been developed yet for sufferers of severe facial atopic dermatitis. The development of new treatments for the diseases is anxiously awaited. NFκB decoy oligo can specifically inhibit transcription factors, leading to the possibility for the development of an innovative and effective therapeutic agent with minimal side effects.

Alfresa Pharma and AnGes are currently preparing clinical trial that will be ready to start within this year.

As announced in AnGes' December 9, 2004 News Release, it has been decided that AnGes shall receive support for the development of NFκB decoy oligo for atopic dermatitis therapy from the PMDA (The Pharmaceutical and Medical Devices Agency).

## Company Profile

Alfresa Pharma Corporation

Headquarters : 2-2-9 Kokumachi, Chuo-ku, Osaka

President : Tetsuo Kure

Establishment : December 24, 1939

Capital: 1 billion yen (as of March 31, 2005)

Personnel: 637 employees (consolidated; as of March 31, 2005; 122 part-time and contracted employees)

Sales: 20,881 million yen (term ended on March 31, 2005)

Business field: Manufacture, import, export and marketing of pharmaceuticals, diagnostic products, medical devices, pharmaceutical raw materials, etc.

Major shareholder: Alfresa Holdings Corporation (100%)

\*Sales figure represents the value of drug manufacture, etc. (the total value of drug manufacture, etc. from April to September by the former Azwell, and from October to March by Alfresa Pharma).

AnGes MG, Inc.

Headquarters : 7-7-15, Saito-Asagi, Ibaraki, Osaka

President : Ei Yamada

Establishment : December 1999

Capital: 5,156 million yen (at the end of December, 2004)

Personnel: 82 employees (consolidated; at the end of December, 2004; 21 part-time and contracted employees)

Sales: 2,669 million yen (Annual Report 2004)

Business field: R&D of genetic medicine