

November 29, 2005

AnGes MG, Inc.

AnGes Group Forms Business Alliance with FALCO biosystems

AnGes MG, Inc. and GenomIdea Inc., a subsidiary of AnGes MG, have each officially announced the signing of joint business basic agreements with FALCO biosystems Ltd. to establish a gene (nucleic acid) testing and analysis technical base for the development of gene medicine (genetic medication, nucleic acid medicine) and to develop genetic testing methods for newly identified disease-related genes, respectively.

As for the contract between FALCO biosystems and AnGes MG, the objective is to establish a technical base, including a laboratory that is able to perform the gene analysis necessary for new drug applications, phase I to III clinical trials, and post-marketing research and analysis. AnGes is already conducting clinical trials of NFκB decoy oligodeoxynucleotide (nucleic acid medicine), and FALCO biosystems will contract to perform the testing and analysis.

AnGes MG is Japan's first bio-venture founded for the development of gene medicine, and its products are expected to be innovative therapies for diseases that are difficult to treat by conventional methods. FALCO biosystems will perform the gene (nucleic acid) testing and analysis required for clinical development of gene medicine, and through this, the testing and analysis methods necessary for application for medical authorization of AnGes's products are expected to become firmly established.

As for the joint development contract between FALCO biosystems and GenomIdea, genetic testing is expected to lead to the achievement of reliable diagnosis of the two genes (related to circulatory system diseases and for which patent applications have already been made) discovered and identified by GenomIdea using HVJ envelope vector.

It is expected that this business alliance will contribute to expansion of FALCO biosystems's range of human genetic testing for new disease areas by way of addition to the license they have already acquired for Myriad Genetic Inc.'s cancer gene testing method.

We believe that FALCO biosystems's human genetic testing business will be able to

progress to a new stage via these business alliances in both the fields of clinical genetic testing and genetic testing for new drug development.

As for AnGes MG, the genetic testing necessary for the development of gene medicine once entrusted to overseas contractors has now become handier and closer domestically.

This alliance also allows GenomIdea to establish a partner relationship for commercializing on genetic testing of their newly discovered and identified genes with FALCO biosystems, which is active at the domestic forefront of genetic testing.

In consideration of these business alliance agreements, AnGes MG and GenomIdea will each receive initial payments from FALCO biosystems. In addition, GenomIdea will grant allocation of new shares to a third party to FALCO biosystems.