GenomIdea, a Subsidiary of AnGes MG, Signs a Licensing Contract for GEN0101

AnGes MG Inc. is pleased to announce that its subsidiary, GenomIdea, Inc. ("GenomIdea") has signed a licensing contract with TSD Japan, Inc. ("TSD"), which provides exclusive rights to manufacture, develop and sell drugs containing GEN0101/TSD-0014 (HVJ-E) as medicinal properties in the prostate cancer sector in Japan. The license includes the right to sublicense.

GenomIdea signed a basic agreement with TSD in October last year in preparation for signing this licensing contract. (Please refer to the released material dated October 9, 2008).

GEN0101/TSD-0014 is known to activate dendritic cells that play an important role in cancer immunity, and activate T-lymphocytes and Natural Killer (NK) cells that attack cancer. At the same time, it has been revealed that cancer immunity can be efficiently activated by controlling the functions of regulatory T-lymphocytes that are reported to suppress cancer immunity. Recent studies also demonstrate the action of directly killing hormone-refractory prostate cancer cells. Results of past studies using animal cancer models have shown that GEN0101 is effective with a variety of cancers, including hormone-refractory prostate cancer models.

The development of this drug is one of the programs for developing therapeutic drugs to enhance immunity in the Projects for the Development of Cutting-Edge Immunity Drugs and the Development of Innovative Technologies for Cutting-Edge Antibody

Drugs and Adjuvants adopted by the Special District for Advanced Medical Care

Development (super special district) on November 18, 2008.

The number of new patients afflicted with prostate cancer each year in Japan is estimated to rise from 37,060 in 2005 to 53,357 in 2010 and 78,468 in 2020. This number is anticipated to increase rapidly into the future with the aging of the population (White Paper on Cancer Statistics, 2004). The number of deaths in Japan reached 9,265 (National Cancer Center, Cancer Information Services), making prostate cancer a disease sector in which the development of new, highly effective drugs to treat the ailment is being eagerly sought.

TSD aims to develop anti-cancer drugs targeting hormone-refractory prostate cancer by using GEN0101/TSD-0014.

After signing the licensing contract, Genomldea plans to receive royalties at each milestone as well as post-launch royalties. Genomldea will now conduct non-clinical tests jointly with TSD.

The signing of this licensing contract will not affect the consolidated earnings forecast and there will be no revision to the forecast.

<Reference>

- Company Profile -

Company name : TSD Japan, Inc.

Head office : 1-15-2 Nishinakajima, Yodogawa-ku, Osaka Representative : Yoshiharu Sakashita, President and CEO

Established : July 2005

Capital : 734 million yen (December 2008)

Employees : 48 (December 2008)

Sales : 181 million yen (term ended September 2008)

Scope of Business : 1. Value-added partnering to assist affiliations between domestic

and foreign bio-venture companies and pharmaceutical

companies in Japan

2. Contract clinical studies service (CRO Business)

Major shareholder : Daiwa SMBC Capital Co., Ltd.

Mitsubishi UFJ Capital Co., Ltd.

Company name : GenomIdea, Inc.

Head office : 7-7-15 Saito-Asagi, Ibaraki-shi, Osaka

Representative : Toshihiro Nakajima, CEO

Established : July 2002

Capital : 348 million yen (December 2008)

Employees : 17 (December 2008)

Sales : 75 million yen (term ended December 2007)

Scope of Business: Research and development of new vector technologies

Major shareholder : AnGes MG, Inc. (72%)

(equity ratio)