

October 9, 2008

AnGes MG, Inc.

**GenomIdea, a Subsidiary of AnGes MG Enters into a Basic Agreement
Toward the Signing of a Licensing Contract for GEN0101 (HVJ-E)**

AnGes MG, Inc. (AnGes MG)'s subsidiary GenomIdea, Inc. (GenomIdea) has entered into a basic agreement with TSD Japan, Inc. (TSD) toward the signing of a licensing contract that provides exclusive manufacturing, development and sales rights in the prostate cancer sector in Japan of GEN0101.

GEN0101 is known to work on 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 become clear that cancer immunity can be efficiently activated by controlling the functions of regulatory T-lymphocytes that are reported to suppress cancer immunity. Results of past studies using animal cancer models have shown that GEN0101 is effective for a variety of cancers including hormone-refractory prostate cancer models.

The number of new patients afflicted with prostate cancer each year in Japan is estimated to rise from the 37,060 people 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 in 2005 (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.

On entering into this basic agreement, TSD will remunerate GenomIdea for being granted exclusive negotiation rights up to the signing of a licensing agreement. After concluding the licensing agreement, GenomIdea plans to receive milestone as well as post-launch royalties. From this point, GenomIdea will conduct non-clinical tests jointly with TSD.

Moreover, in line with this basic agreement involving its subsidiary GenomIdea, AnGes MG plans to invest a total of 100 million yen into TSD.

<Reference>

- Company Profile -

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 (June 2007)
Employees : 21 (December 2007)
Sales : 75 million yen (term ending December 2007)
Scope of Business : Research and development of new vector technologies
Major shareholder : AnGes MG, Inc. (72%)
(equity ratio)

Company name : TSD Japan, Inc.
Head office : 1-15-2 Nishinakajima, Yodogawa-ku, Osaka
Representative : Yoshiharu Sakashita, President and CEO
Established : July 2005
Capital : 492 million yen (September 2008)
Employees : 50 (September 2008)
Sales : 174 million yen (term ending 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 (61%)
(equity ratio)