December 10, 2008

AnGes MG, Inc.

Announcement of New Developments Concerning the Manufacturing of Novel Nucleic-Acid Hybrid Decoy

AnGes MG, Inc. (AnGes) announces that AnGes and Gene Design Inc. (Gene Design) agreed to start joint development of the technology to manufacture novel nucleic-acid hybrid decoy (hybrid decoy). Gene Design has completed the GMP manufacturing facility of the first investigational nucleic-acid drugs in Japan.

The hybrid decoys are next-generation NF-κB decoys with improved in vivo stability developed by the technologies cultivated by AnGes and Gene Design during the development of conventional double-stranded decoys and ribbon type decoys (improved decoys with terminal domains modified in the form of a circle). The hybrid decoy has higher inhibitory activity on NF-κB proteins than the conventional types. It also exhibits excellent in vivo stability due to its improved resistance to nucleolytic enzyme in plasma. Furthermore, it offers the potential benefits of reducing manufacturing costs and increasing the scale forward clinical studies, thanks to its simplified manufacturing process.

So far, there has been no GMP manufacturing facility of investigational nucleic-acid drugs in Japan, and researchers have been obliged to depend on facilities located overseas. This fact has presented obstacles in promoting the smooth development of nucleic-acid drugs. The recent completion of Gene Design's manufacturing facilities has made it

possible to consider the manufacturing of nucleic-acid drugs in Japan. AnGes hopes that this initiative will accelerate the development of nucleic-acid drugs, including the hybrid decoy.

— Company Profile —

Company name	: Gene Design Inc.
Headquarters	: 7-7-20, Saitoasagi, Ibaraki, Osaka
Representative	: President and CEO, Kazuhiko Yuyama
Established	: December 2000
Capital	: 191 million yen
Number of employees	: 23 (As of August 2008)
Sales	: 193 million yen (FY2007)
Scope of business	: The manufacturing of investigational nucleic-acid drugs, contracting of DNA and RNA synthesis, development of innovative nucleic-acid synthesis technology, etc.