

June 21, 2005
AnGes MG, Inc.

Rush University Medical Center /USA and AnGes MG executes License Agreement
-AnGes obtains the exclusive right to develop and sell NFκB Decoy Oligonucleotide
as a treatment for Disc Degeneration-

AnGes announces that it has obtained from Rush University Medical Center (Chicago, USA), an exclusive worldwide license of a patent which is required to develop a NFκB Decoy as a treatment for Disc Degeneration. Now, AnGes can exclusively develop and sell NFκB Decoy for Disc Degeneration worldwide.

The NFκB Decoy is an oligonucleotide which Anges is developing for treatments such as Atopic Dermatitis and Rheumatoid Arthritis. NFκB Decoy has the ability to inhibit the synthesis of inflammatory cytokines. Therefore, we are developing NFκB Decoy mainly in diseases that are caused through excessive immune responses.

As for Disc Degeneration, this is a disease caused by the degeneration of the disc, leading to back pain. The relation with IL-1 and TNF-alpha during the degeneration process is claimed, while NFκB Decoy has an inhibitory effect on such cytokines and enzymes. Therefore, since last year, AnGes conducted efficacy studies to evaluate NFκB Decoy's effect in Disc Degeneration, in collaboration with Rush, and made a joint patent application of these results.

The license agreement that has been executed is providing Rush' right of the patent, which is jointly owned between Anges and Rush, which provides Anges the full right to enable exclusive development.

Now, Anges intends to try to find a pharmaceutical company as a partner to develop NFκB Decoy for Disc Degeneration, and try to incubate this as a new project.

AnGes plans to pay to Rush an upfront payment, milestones and royalties after launch of product, however, we do not expect that these payments will cause an impact to our financial results so that we do not intend to revise our forecasts.