

April 3, 2006  
AnGes MG, Inc.

**AnGes MG, Inc. Announces Newly Establishing a Position of CIPO**  
**(Chief Intellectual Property Officer)**

As of April 2006, AnGes MG, Inc. newly established the position of CIPO (Chief Intellectual Property Officer) to utilize Intellectual Properties (IP), lifeline for biotech start-up companies, for IP strategies more efficiently, and appointed Koji Nakamoto, Operating Officer and Director of IP Department as CIPO.

In recent years, Japanese companies have come to strongly acknowledge the importance of IP strategy for the purpose of making themselves more competitive, technologically superior, unique, and more profitable supported by government measures aiming at building a nation on IP. However, in reality, there is no correct way for companies to understand, interpret and address IP strategy and instead, it depends on numerous factors including the type of business, business size, area of operation, as well as corporate history and culture.

For example, there is a trend seen in some companies in which they propose enhancing licensing activities and filing lawsuits in order to “make profit on IP”. Although this trend might bring about short-term increase in revenue, as long as the “effective utilization of IP” is assumed, it is not likely to lead to perpetuation and progress of business and rather could weaken corporate vitality and strength in the long term.

The goal of the IP strategy at AnGes MG, Inc. is to strengthen and support its own business based on IP, and the achievement of this goal depends heavily on how IP are efficiently utilized and how they can help further the growth of the company.

This principle has been the basic philosophy of AnGes MG, Inc. since its foundation. For example, in line with this principle lies its business model in which transfer of rights or in-licensing from other companies are carried out numerous times for the development and commercialization of its own propriety technologies.

However, what the Chief Executive Officer (CEO) alone can do for the IP strategy is limited even at a start-up company which is very adaptable and can be easily managed in a

top-down approach, and sufficient measures and their outcomes cannot be expected. In addition, sufficiently effective support cannot be expected from an IP Department, with its operation system and ways of thinking specialized in dealing directly with IP. Seen in this light, a specialist of IP is necessary, one who supports the CEO and strategically plans, designs, proposes and follows-up specific measures for the IP strategy from a management point of view. The person assigned to this position is required to always think from a management point of view, be forward-looking and to have, not only the knowledge and experience related to IP, but also the multifaceted cross-organizational vision, judgment and coordinating power that transcends such fields as research and development, regulatory affairs, finance and investor relations.

Furthermore, biotech start-up companies need to be evaluated by the public including investors and analysts through disclosure of multidimensional corporate information, especially, information related to IP, thereby communicating corporate goals and current status accurately. From this point of view, AnGes MG, Inc. issued its first IP Report last year, and is planning to further improve the report to meet the expanding needs timely and appropriately.

For these reasons, AnGes MG, Inc. decided to establish the position of CIPO to strengthen its IP strategy that takes advantage of the characteristics and uniqueness of the company.

While major companies recently started to establish the position of CIPO, among start-up companies with limited number of employees, those with a department specialized in IP are still few. Under these conditions, AnGes MG, Inc. is committed to further promote its IP strategy and raise its corporate value.