

August 8, 2011
AnGes MG, Inc.

**GenoLac BL Co. and AnGes MG, Inc. Concluded a Basic Agreement
- Joint Development of Therapeutic Vaccines for HPV -**

AnGes MG, Inc. is pleased to announce that GenoLac BL Co. (hereinafter called "GenoLac") and AnGes MG concluded a basic agreement on joint development of therapeutic vaccines against HPV (human papillomavirus) in precancerous conditions of cervix.

It is known that the development of most cervical cancers is associated with HPV infection and HPV is detected in more than 90% of cervical cancer patients. It is also known that precancerous condition called dysplasia is a precursor to cervical cancer, and that precancerous stage cells can be detected in a health checkup (cytodiagnosis). This precancerous condition can be divided into high grade dysplasia which has a high risk of becoming cancerous and mild/moderate dysplasia. The former is generally treated surgically as an early cancer treatment and currently no drug treatment is available for this stage. On the other hand, the latter is generally not treated surgically and placed under observation, although even in latter case, there is a risk of becoming cancerous. Thus, an effective drug treatment is needed.

The HPV therapeutic vaccine by GenoLac is a therapeutic vaccine which induces immunity, targeting E7 protein, expressed in high grade and moderate dysplasia. This therapeutic vaccine is a promising treatment against precancerous dysplasia in which there has been a need for therapeutic medicine and thus, it can meet the great need of the patients in the context of more widely spreading earlier detection of cervical cancer.

This vaccine uses lactobacillus displaying technology, of which GenoLac obtained the license from Bioleaders Corporation in Korea and is under development as a safe oral vaccine having lactobacillus as a carrier. A study group at Tokyo University has conducted a clinical research and demonstrated its efficacy and safety in human.

AnGes MG highly evaluates the HPV therapeutic vaccine developed by GenoLac and plans to take part in this innovative therapeutic vaccine development and to construct close cooperative relations with GenoLac aiming for early launch of a product for patients with precancerous condition of cervix, whose population is said to be 40 million (according to WHO) worldwide.

Meanwhile, this trend will have no effect on AnGes MG's business performance for the current fiscal year.

<Reference>

[Corporate Profile]

Company name: GenoLac BL Corporation
Head office: Room406, Okinawa Industry Support Center 1831-1 Oroku, Naha,
Okinawa 901-0152, Japan
Representative: Tomomitsu Sewaki, Ph.D
Established: October 16, 2001
Capital: 10 million yen
Number of employees: 10 (as of March 2011)
Scope of business: Development of pharmaceutical products

[Glossary]

HPV (human papillomavirus)

Part of the Papillomaviridae family. HPV has a closed circular double-stranded DNA as its genome.