



August 13, 2013

AnGes MG, Inc.

Background to the Report of Vical's Phase 3 Trial Results of Allovectin®

AnGes MG Inc. ("AnGes"), regarding its August 12, 2013 press release, announces the background leading up to the reporting of outcome and the effect on business performance as follows.

1. Background leading up to the reporting of outcome

AnGes signed a development agreement for Allovectin® as well as an equity investment agreement with Vical in May 2006 and Phase 3 Trial of Allovectin® progressed smoothly under mutual understanding. Also, Vical was scheduled to announce the top-line data during August.

However, because Vical issued a press release announcing the failure of Phase 3 Trial and termination of the project without any consultation with AnGes yesterday, August 12, 2013, AnGes issued a press release as well on the same day to inform the announcement by Vical. Currently AnGes is requesting Vical for the detailed explanations, as well as the analysis results of Phase 3 Trial data of Allovectin®.

Furthermore, AnGes holds exclusive development/sales rights in Asia regarding Allovectin® and taking into consideration the possibility of application of Allovectin® to cancers other than melanoma (malignant melanoma), the Company will take countermeasures while reviewing the data.

2. Effect on business performance and further responses

There will be no effect on the consolidated business performance for the fiscal year ending December 2013. However, because AnGes expected Allovectin® as one of its source of earnings of the medium-term management plan, the Company will review the plan. AnGes will focus on its Collatogene®, NF-kB decoy-related project, CIN therapeutic vaccine project and other projects.

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Disclaimer: This is a translation of the news release posted in Japanese. In case of any deviations between the two language versions, the original document in Japanese shall take precedence.

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