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AnGes MG, Inc.

**AnGes MG Expanding Its US Presence**

**-Licensing activities now in full-swing on the bioventure-rich US West Coast-**

As already reported in the Japanese press, AnGes MG has established an additional foothold in San Diego (CA), on the US west coast stepping up licensing activities to search for new seeds and new technologies.

AnGes MG has been steadily developing such gene technologies as HGF genetic medicine, NF kappa B decoy oligo, and HVJ envelope vector for use in gene function analysis and drug delivery systems.

Since there is a considerable number of target patients in the US and Europe, AnGes MG has already established overseas footholds there to enhance development and clinical research activities. The following subsidiaries have been established: AnGes Inc. (in Maryland on the US east coast) in October 2001, and AnGes Euro Limited (in Sussex, U.K.) June 2002.

AnGes MG considers it to be a crucial corporate task to enhance its development portfolio by starting up new projects alongside the ongoing ones to mitigate the drug development risk. Hence, as a matter of policy AnGes MG seeks new seeds and technologies in the academic and corporate sectors abroad as well as in Japan.

As part of this activity, AnGes MG newly opened an overseas base in California on the US west coast to achieve the above mentioned issue. The state of California is home to such , major bioventures such as Genentech, Inc. and Amgen Inc. where they originated, and has been showing its function and existence as a Mecca of a biotechnology industry in the world for more than 20 years.

AnGes MG is striving to proactively expand its activities in Japan and abroad to enhance its product lines specifically in genetic medicine and nucleotide drugs.

AnGes MG relies on an alliance strategy, in which development activities are carried out

with the assistance from allied companies to minimize financial risk. Although this basic strategy will be continued, with regard to projects (including new ones) in which the development period is comparatively short and cost is lower, AnGes MG guardedly uses its own funds and resources exclusively for development and distribution under due consideration of its overall financial condition.

As already reported in the Japanese press, to the likelihood of receiving a license for a new project within 2004 and to start its distribution from 2005 (at the earliest) in Japan. However, the exact schedule is not fixed at present since the licensee has not been determined yet.

Among the funds required for the launching of new projects, AnGes MG has set aside 2 billion yen from a total 5.8 billion yen generated through a recent public offering (October 2003) to cover the cost of obtaining patents and other rights. A portion of this 2 billion yen reserve will be used for licensing activities related to the launch of new projects.