April 9, 2010
AnGes MG, Inc.

MEDRx and AnGes Concludes a Basic Agreement
- Formal Discussion Starts for Introduction of
Transdermal Preparations Containing NF-κB Decoy Oligo -

AnGes MG, Inc. ("AnGes") announces that it has recently agreed with MEDRx Co., Ltd. ("MEDRx") to start formal discussion for the introduction of a high-molecular (nucleic acid) transdermal absorption technology to enhance the skin permeability of NF-κB decoy oligodeoxynucleotide.

To further improve the skin permeability of NF-κB decoy oligodeoxynucleotide, AnGes and MEDRx have been jointly developing new preparations using the transdermal formulation technology which utilizes ionic liquid owned by MEDRx, called ILTS (Ionic Liquid Transdermal System). Recently, AnGes decided to start full-scale discussion with MEDRx regarding obtainment of the license related to this ILTS technology.

The ILTS technology enables significant enhancement of the transdermal absorption rate of NF-κB decoy oligodeoxynucleotide as compared to ointment preparations that AnGes has been developing; and thus it is considered that the technology can be expected to become applicable to a wider range of inflammatory skin diseases and also enhance the business feasibility of NF-κB decoy oligodeoxynucleotide.

In the clinical studies up until now, NF-κB decoy oligodeoxynucleotide ointment has been confirmed to have therapeutic effect for moderate to severe atopic dermatitis on the face. At the same time, local adverse reactions such as flushing, skin atrophy, and hypertrichosis, which are seen with topical steroids, have not been observed. Also, irritative symptoms seen very frequently with tacrolimus ointments, as well as acne and skin infections seen with both kinds of drugs have occurred at only a low incidence rate similar to placebo. Therefore, its safety is greater than that of existing therapeutic drugs, and the product is expected to become a drug which can be applied for a long period of time without anxiety and can solve unmet needs in current therapies for atopic dermatitis.

Additionally, AnGes is currently promoting discussion with Shionogi & Co., Ltd. ("Shionogi") on joint development as well as granting the products' exclusive marketing rights of all NF-κB decoy oligodeoxynucleotide related topical products to Shionogi.

The effect of this movement on AnGes' business performance for the term ending in December 2010 is currently under calculation, and it will be published as soon as the result becomes clear.

<Reference>

Company name:	MEDRx Co., Ltd.
Head office:	431-7 Nishiyama, Higashikagawa-shi, Kagawa, Japan
Representative:	Masayoshi Matsumura, President & CEO
Established:	January 2002
Capital:	1,622 million yen (as of the end of December 2009)
Number of employees:	27 (as of the end of December 2009)
Consolidated sales:	449 million yen (for the term ending in December 2009)
Scope of business:	Development of novel DDS (Drug Delivery System) preparations; Development of medicinal products based on drug formulation technologies

- Glossary -

1. NF-κB (nuclear factor-kappa B)

NF-κB is a transcription factor regulating the gene expression of molecules such as cytokines and adhesion factors related to immune response. Once NF-κB attaches to the genome of its binding site, it causes excessive gene expression related to immune responses. This is why NF-κB has been indicated as one of the causes of atopic dermatitis, psoriasis and rheumatic arthritis.

2. Decoy nucleotides

Gene expression is caused by the genomic binding of transcription factors. Decoy is a short double stranded nucleic acid consisting of the same sequence as the binding site of certain transcription factors. The administration of decoy suppresses the excessive gene expression by inhibiting the binding of transcription factors to the genome.

3. NF-κB decoy oligodeoxynucleotide

NF-κB decoy oligodeoxynucleotide is a decoy against NF-κB. AnGes MG is trying to develop NF-κB decoy oligodeoxynucleotide as a pharmaceutical product for immune related diseases such as atopic dermatitis, psoriasis and rheumatic arthritis.

4. Ionic liquids

These liquids are salts with a melting point of 100°C or lower, and are also called ambient temperature molten salts. They have characteristics such as low melting point, high ionic conductivity, high polarity, nonvolatility, and noncombustibility; their application to many areas such as solar cells and environmentally-friendly reaction solvents are under study.