

March 10, 2011
AnGes MG, Inc.

Medikit and AnGes MG Signed a Memorandum of Understanding
for Development, Manufacturing, and Distribution of a Novel Medical Device
- A New Type of Drug-Coated PTA Balloon Catheter -

AnGes MG Inc. announces that it has signed a Memorandum of Understanding (hereinafter, this MOU) for the development, manufacturing, and distribution of a new type of drug-coated PTA balloon catheter (hereinafter, this product) with Medikit Co., Ltd. (head office: Bunkyo-ku, Tokyo; President and CEO: Nobufumi Kurita; hereinafter, Medikit).

This product R&D is ongoing together with Medikit and Hosokawa Micron Corporation, as a new type of medical device that “prevents restenosis” by applying NF-κB Decoy Oligo, an anti-inflammatory agent under development by AnGes MG as a medicinal drug, on the outer surface of the PTA balloon catheter, in order to suppress vascular inflammation related to balloon dilation.

With currently available PTA balloon catheters used for hemodialysis shunts and peripheral intravascular therapy for arteriosclerosis etc., the rate of restenosis is high, and consequently there is strong demand for the development of the new type PTA balloon catheters that can be expected to prevent restenosis in clinical practice. This product will add the useful function of restenosis prevention, which may enable extension of the time to undergo vasodilatation repeatedly or the avoidance of surgical bypass, thereby hopefully improving the patients’ QOL. Additionally patients with peripheral arterial occlusive disease together with approximately 280,000 hemodialysis patients are the target of this product’s treatment, but as the number of diabetic patients may increase currently, further expansion of the market scale is expected.

AnGes MG has signed this MOU for development, manufacturing, and distribution, intending to clarify the roles of both companies and the conditions for commercialization in moving forward to the new stage of clinical development including clinical trials aiming for the market-launch of this product.

Both companies will work together toward early approval and product launch by merging Medikit’s manufacturing/marketing capacities, who possesses a good track record as a medical device manufacturer in the areas of dialysis and vascular treatment, with AnGes MG’s R&D capacities and then carrying forward clinical development in a rapid manner.

This MOU will have a negligible effect on AnGes MG’s performance for the term ending December 2011, and there will be no revision to the company’s business forecast.