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AnGes MG, Inc.

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Shionogi Co., Ltd. and AnGes Agree on Co-Development of NF- κ B Decoy for Atopic Dermatitis

AnGes MG, Inc. (“AnGes”) announces that a license agreement with Shionogi & Co., Ltd. (“Shionogi”) for a co-development of therapeutic drug for atopic dermatitis, NF- κ B decoy oligodeoxynucleotide, a nucleic acid medicine, has recently been executed.

AnGes has been developing NF- κ B decoy oligodeoxynucleotide for multiple indications including atopic dermatitis. AnGes has agreed with Shionogi, a company that is expanding its business globally and has excellent development capability, on the co-development for atopic dermatitis of this drug and also provided an exclusive license for the global marketing rights. The license covers all skin diseases that are treated with topical formulations, including not only atopic dermatitis but also psoriasis that affect many patients in the US and Europe.

AnGes believes that rapid development can be enabled, maximizing the value of NF- κ B decoy oligodeoxynucleotide through this alliance which will combine AnGes’ expertise in nucleic acid medicines including NF- κ B decoy oligodeoxynucleotide with the development capability of Shionogi.

The number of patients with atopic dermatitis is estimated to be 2.8 million just in Japan and 10 million in the US with increasing tendency. Furthermore, from the viewpoints of safety, currently available products do not satisfy existing healthcare needs because of irritations and local adverse reactions. There is existing need for safe products as a new therapeutic option.

NF- κ B decoy oligodeoxynucleotide has an unprecedented novel pharmacological action, and therefore is expected to be used as a new type of dermal topical product which is effective and has less irritation. AnGes intends to verify the usefulness of NF- κ B decoy oligodeoxynucleotide for atopic dermatitis through further clinical studies in the joint R&D activities with Shionogi.

There will be no financial impact on AnGes’ business performance for the financial year ending in December 2010.

<Reference>

- Glossary -

1. NF- κ B (nuclear factor-kappa B)

Genes have important functions in maintaining the homeostasis of the living body, but not all genes are always used. Proteins called transcription factors control the use of genes when needed. NF- κ B is one of the transcription factors which play an important role in regulating various forms of gene expression related to inflammation, immunity, stress, etc. However, when NF- κ B is activated excessively by various factors, gene expression cannot be stopped, thereby causing excessive inflammation or immune responses. In fact, it is pointed out that NF- κ B is involved in diseases caused by abnormal inflammation or immune responses such as atopic dermatitis, psoriasis, rheumatic arthritis, etc.

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- κ B decoy oligodeoxynucleotide

NF- κ B decoy oligodeoxynucleotide is a decoy against NF- κ B. It targets transcription factors per se, and therefore is considered to have superiority as a therapeutic drug, and is expected to reduce adverse drug reactions, as compared to existing drugs. AnGes is developing NF- κ B decoy oligodeoxynucleotide as a therapeutic drug for diseases caused by immune responses, such as atopic dermatitis, psoriasis, and rheumatic arthritis.

4. Atopic dermatitis

Atopic dermatitis is a skin disorder with itchy eczema, which often persists for a long time with cyclic deterioration and improvement of symptoms. It is thought to be caused by allergic reactions resulting from excessive immune responses. It may also be caused by food and drink such as eggs or milk, by environmental factors such as dust and mites, and by stress. The number of patients with atopic dermatitis is increasing and it is now estimated that there are about 2.8 million in Japan.