

August 10, 2011
AnGes MG, Inc.

**Co-Development of Novel Cosmetic and Healthcare Products, Using Functional Peptides
- A Basic Agreement with St. Louis International, Inc. Concluded -**

AnGes MG, Inc. is pleased to announce that St. Louis International, Inc. (hereinafter called “St. Louis”) and AnGes MG concluded a basic agreement on co- development of novel cosmetic and healthcare products using functional peptides for which patent has been applied by AnGes MG.

AnGes MG has developed functional peptides with wide antimicrobial activity and has been aiming to develop novel products in the area of healthcare. AnGes MG agreed to co-develop novel products using functional peptides with St. Louis which has its strength in development of functional natural cosmetic products based on phytotherapy, which is a form of therapy according to plants’ pharmacology.

The functional peptides have broad spectrum of activity against bacteria and fungi. AnGes MG aims to develop new types of products such as acne control and preservative-free products by taking an advantage of its peptides’ antimicrobial activity against acne bacteria and fungi. Their constituent elements are all amino acids and thus, they have high safety on skin and are gentle on human body.

St. Louis has formed a business tie-up with Association Médicale pour la Promotion de la Phytothérapie (roughly translated as “Medical Association of French Phytotherapy Promotion”, AMPP) and has been working to promote Phytotherapy in Japan and in other countries around the world. St. Louis has a flagship shop in Omotesando Hills (Shibuya, Tokyo) of its own brand, “le bois”, and proposes “Phytotherapy life” in which phytotherapy is used as a primary care, targeting females mainly between the age of 30s and 40s. Their work has been covered by many women’s magazines and other media.

Taking advantage of the synergistic effect between functional peptides and multifunctional natural products with healing promoting benefits at which St. Louis excels, AnGes MG will pursue the development of novel products, aiming for the launch of the first product in a series of preservative-free high functional products in this year.

Meanwhile, this trend will have no effect on AnGes MG’s business performance for the current fiscal year.

<Reference>

Company name:	St. Louis International, Inc.
Head office:	3-12-5, Nakameguro Meguro-ku, Tokyo 153-0061 Japan.
Representative:	Atsuko Morita
Established:	January, 1998
Capital:	200 million
Number of employees:	16
Scope of business:	1. Research, development, manufacture, sales, store development and education on phytotherapy products 2. Business on comprehensive medical care and nursing care