February 17, 2015

AnGes MG, Inc.

**Change of Marketing Alliance for HGF Plasmid in Japan**

AnGes MG Inc. ("AnGes") announced a change in the marketing alliance for the HGF genetic medicine DNA Plasmid with HGF gene (beperminogene perplasmid, AMG0001) for Japan.

Following the resolution of AnGes's Board of Directors on February 16, 2015, AnGes and Mitsubishi Tanabe Pharma Corporation (Head Office: Osaka, President & CEO, Masayuki Mitsuka, "MTPC") signed a basic agreement for the exclusive rights to the sales of AnGes's HGF genetic medicine as a treatment for Peripheral Arterial Disease (PAD) in Japan.

Prior to signing the basic agreement with MTPC, AnGes terminated the contract with Daiichi Sankyo Company, Limited (Head Office: Tokyo, President & CEO: Joji Nakayama) for the exclusive marketing rights to HGF genetic medicine for PAD and ischemic heart disease.

AnGes and MTPC will discuss the details of the terms for concluding a definitive agreement. AnGes and MTPC entered into an agreement for the exclusive marketing of HGF genetic medicine in the United States in October 24, 2012. If the definitive agreement is concluded, MTPC will hold the marketing rights for the United States and Japan, and AnGes will receive a one-off payment, performance-based milestone payments, and sales-based payments if the product is launched.

"AnGes is undertaking the development of HGF genetic medicine as a treatment for Critical Limb Ischemia, the severe stage of PAD, in Japan and overseas. If the development goes as planned, we expect Japan to be the first country in which we will make a new drug application under the Japanese conditional approval system*1," said Ei Yamada, Ph.D., President and CEO of AnGes. "I believe that the global presence of HGF genetic medicine will be increased by having MTPC as a partner for the United States and Japan, our two most important markets."

AnGes expects to post the one-off payment as revenue for the fiscal year ending December 2015. The impact of this event has already been included in the forecast for 2015.

*1: The Conditional Approval System

The new Japanese drug approval system for treatments such as regenerative medicines and gene therapies, which was introduced in the Pharmaceutical and Medical Device Act enforced in November 2014 as a revision of the Pharmaceutical Affairs Act. Under the conditional approval system, products subject to the system may obtain approval and be marketed on a conditional and temporary basis before they obtain standard approval with the submission of additional clinical data.

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*Disclaimer: This is a translation of the news release posted in Japanese. In case of any deviations between the two language versions, the original document in Japanese shall take precedence.*

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