November 4, 2008
AnGes MG, Inc.

Joint R&D by Three Companies into the "Drug-Eluting Balloon Catheter" to Prevent Vascular Restenosis: Efficacy Confirmed in Animal Tests
- Results Announced at the 11th Annual Meeting of the Japan Society of Embolus Detection and Treatment -

As the public release on November 15, 2007 indicated, AnGes MG, Inc. (AnGes) has been progressing with joint research and development into the "Drug-Eluting PTA Balloon Catheter (with NF-κB decoy-oligo coating)", intended to prevent vascular restenosis, with Medikit Co., Ltd. (Medikit) and Hosokawa Powder Technology Research Institute (Hosokawa), an R&D subsidiary of Hosokawa Micron Corporation. AnGes herein report that the efficacy of the catheter has recently been confirmed in animal tests.

These results represent the fruits of the project adopted and subsidized by the New Energy and Industrial Technology Development Organization (NEDO) for technological development to promote the cross-linking of basic research with clinical research and the development of technologies to promote cross-linking, in relation to the health assurance program in 2007. This matter was evaluated by Osaka University Graduate School of Medicine, Faculty of Medicine, whom AnGes has re-entrusted the animal tests.

<Outline of the Results of the Animal Tests>

NF-κB decoy-oligo developed by AnGes was encapsulated in Hosokawa's 200-nanometer biocompatible macromolecule PLGA nanoparticle, and was administered to restenosis model using rabbit with the PTA balloon catheter coated with the drug using Medikit's technology.

The results showed that the drug delivery to the site of the lesion was favorable. Regarding the effect on the stenotic lesion formed after endothelial injury, the suppression of restenosis was statistically significant compared to PTA balloon catheter not containing NF-κB decoy-oligo.

Osaka University announced these results at the 11th Annual Meeting of the Japan Society of Embolus Detection and Treatment held on October 31, 2008. With regard to this announcement, Professor Ryuichi Morishita, of Osaka University Graduate School of Medicine, Faculty of Medicine, said, "These results show the efficacy of the decoy eluting catheter, and represent a major step toward the practical use of the world's first drug-eluting

catheter.”

Based on the present results, the group of three companies engaged in this joint research and development intend to move forward to promptly conduct required non-clinical studies to start clinical studies and hope to put the research into practical use in the near future.

<Reference>

- Company Profiles -

Company name	: **Medikit Co., Ltd. / *Togo Medikit Co., Ltd.**
Head office	: 1-13-2 Yushima, Bunkyo-ku, Tokyo
Representative	: Hiroaki Nakajima, President
Established	: June 1973
Capital	: 1,241 million yen (end of March 2008)
Number of employees	: 150 (end of March 2008)
Consolidated sales	: 11,926 million yen (end of March 2008)
Scope of businesses	: Manufacture and sales of medical devices

＊Togo Medikit Co., Ltd. is a 100% subsidiary of Medikit Co., Ltd.

Company name	: **Hosokawa Powder Technology Research Institute**
Head office	: 1-9 Shoudai Tajika, Hirakata City, Osaka
Representatives	: Masuo Hosokawa, Chairman Yasuo Kousaka, President
Established	: October 2002 (Founded: September 1958)
Capital	: 491 million yen
Number of employees	: 39 (end of March 2008)
Scope of business	: Unique particle designing and processing technologies specializing in nanoparticle technology ＊Contract R&D, contracted materials processing, distribution of materials and products related to nano compounds, manufacture and distribution of highly functional cosmetics and hair growth agents

Major shareholder (equity ratio)	: Hosokawa Micron Corporation (100%) Consolidated sales: 50,510 million yen (term ending September 2007)

Corporate name	: **AnGes MG, Inc.**
Head office	: 7-7-15, Saito-asagi, Ibaraki, Osaka
Representative	: Ei Yamada, President and CEO
Established	: December 1999
Capital	: 9,439 million yen (end of December 2007)
Number of employees	: 79 (end of December 2007)
Consolidated sales	: 1,720 million yen (term ending December 2007)
Scope of business	: Research and development of genetic medicines