FOR IMMEDIATE RELEASE

October 24, 2012

AnGes MG, Inc.

AnGes Enters into the Definitive Agreement with Mitsubishi Tanabe Pharma for Exclusive Marketing Rights of Collategene® in the United States

AnGes MG Inc. ("AnGes") announced today that the company has entered into a definitive agreement with Mitsubishi Tanabe Pharma Corporation (Head Office: Osaka, President & CEO, Michihiro Tsuchiya, "MTPC") for the exclusive marketing rights of Collategene® (DNA Plasmid with HGF gene) as a treatment for Peripheral Arterial Disease (PAD) in the United States.

AnGes and MTPC executed a memorandum of understandings for the exclusive marketing rights of Collategene® in July this year, and since then the two companies have negotiated the detailed terms until they have reached a mutual agreement. Under the terms of the agreement, AnGes will receive upfront payments, performance based milestone payments* and payments after the product launch in accordance with its sales.

AnGes believes that it can maximize the asset value of Collategene® by pursuing the global clinical development centered in the United States, which has hundreds of thousands of targeted patients.

Ei Yamada, President and CEO of AnGes, commented, "We are pleased to announce that we can commence the Phase III global clinical trial of Collategene® as a treatment for Critical Limb Ischemia (CLI), an intractable disease. The United States takes active measures toward promoting new drug development, and the country has the largest market for the drug for CLI which cannot be treated with existing treatments. We estimate that the potential market for the drug is about 5 billion US dollars. AnGes aims to obtain the marketing approval in the United States at an early date by promptly advancing the development. We will definitely achieve this by establishing a cooperative structure with MTPC, a strong partner we long-sought."

Regarding the Phase III global clinical trial, AnGes has already reached an agreement on SPA (Special Protocol Assessment) with the Food and Drug Administration (FDA) and obtained Fast Track Drug Development Program which is designed to facilitate the development and expedite the review of new drugs. AnGes is dedicated to advancing clinical developments promptly and certainly.

The effect of this event on AnGes's business performance for the fiscal term ending in December 2012 is currently under calculation, and it will be published as soon as the result becomes clear.

* For milestone payments, the amount is set equivalent to the maximum development cost for the Phase III clinical trial of Collategene® in the United States, which will be paid in accordance with the progress of the development.

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About Collategene®: The Characteristics and Medical Significance

HGF (Hepatocyte Growth Factor) is known to have a strong angiogenic activity. HGF Plasmid is a regenerative medicine that is used to improve ischemic condition by administrating HGF producing gene to the location of ischemia which leads to angiogenesis by HGF protein produced in the administrated area. This drug is naked plasmid DNA, meaning it does not use virus vector thus it can prevent the adverse effects caused by a virus vector. It is different from the existing drugs which are symptomatic treatment, and improves ischemic condition by angiogenesis. Thus it is expected to become an innovative treatment medicine that is effective to intractable PAD which cannot be treated by the existing drugs.

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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