

Consolidated Financial Results for the 1st Qtr of the FY2016 (Apr. 2016 – Jun. 2016)

August 10, 2016



SPARX Group Co., Ltd.
<http://www.sparxgroup.com/>



To Be the Most Trusted and Respected
Investment Company in the World



選ばれし1社に。
3年連続受賞は、
史上初。

リッパー・ファンド・アワード・ジャパン 2016
「最優秀運用会社賞(株式部門)」を受賞。
3年連続受賞は、GDP上位5ヶ国で史上初。

QUALITY
It's SPARX

ファンド運用力にこそ、クオリティを。

We have achieved an unprecedented three-year run of for the awards. SPARX Asset Management Co., Ltd. is the only Japanese asset management company to receive the Lipper Fund Awards Japan in 2016 for Best Group in Group Award (Equity). This is the first time for a company in one of the five biggest economies in the world by GDP to win for three years in a row.

(Note) SPARX Asset Management Co., Ltd. is our subsidiary; hereinafter called SAM in this document.



Won the best fund award in domestic stock fund division!

R Rakuten Securities

**FUND
AWARD
2015**

**SPARX Shin Kokusai Yuryo Japanese
Equity Fund (“Gensentoshi” (“Highly
Selective Investment”))**

(Reference) <http://www.sparxgroup.jp/press/uploads/PressE160331-01.pdf>

24 funds were selected for the first “Rakuten Securities Fund Award” from 8 divisions as excellent funds. Among those, customers of Rakuten Securities, FP belonging to the financial instruments brokers of Rakuten Securities, and Rakuten Securities Investment Trust Advisory Committee voted and selected 8 best funds. SPARX Shin Kokusai Yuryo Japanese Equity Fund (“Gensentoshi” (“Highly Selective Investment”)) has received “Best Fund Award (Domestic Stock Fund Division)”.

Received the Best Group Award of “Lipper Fund Awards Japan 2016”



Wining an award in equity category 3 years in a row, is the first time in history among the top 5 GDP countries!



WINNER OF THE 2016
THOMSON REUTERS
LIPPER FUND AWARDS
JAPAN

Lipper Fund Awards Japan 2016
Group Award(Equity)
Best Group

(Reference) <http://www.sparxgroup.jp/press/uploads/PressE160323-01.pdf>

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Received the First Prize of “R&I Fund Award 2016”

Won the first prize in emerging equity multi-regional fund for the four consecutive years!

Investment Trusts Category/Emerging Equity Multi-regional Fund
The First Prize Nikko SPARX Asia & Middle East Equity Fund
Four consecutive years !!

Investment Trusts /Aggregate Category /Japanese Equity
Outstanding Performance Award SPARX Asset Management Co., Ltd.

Special Prize of 10th Anniversary/ Japanese Mid-Small Equity Fund
SPARX Japan Small Cap Fund (“Rising Sun”)

(Reference) <http://www.sparxgroup.jp/press/uploads/PressE160422-01.pdf>

The R&I Fund Award is presented to provide reference information based on the past data R&I believes to be reliable (however, its accuracy and completeness are not guaranteed by R&I) and is not intended to recommend the purchase, sale or holding of particular products or guarantee their future performance. The Award is not the Credit Rating Business, but one of the Other Lines of Business (businesses excluding Credit Rating Business and also excluding the Ancillary Businesses) as set forth in Article 299, paragraph (1), item (xxviii) of the Cabinet Office Ordinance on Financial Instruments Business, etc. With respect to such business, relevant laws and regulations require measures to be implemented so that activities pertaining to such business would not unreasonably affect the Credit Rating Activities. Intellectual property rights including copyright and all other rights in this Award are the sole property of R&I, and any unauthorized copying, reproduction and so forth are prohibited. The Award for the "Investment Trusts/Aggregate" category is based on the average performance of the relevant funds of a fund manager, and does not indicate the excellent performance of all individual funds of the manager.

Received “MERCER MPA Award (Japan) 2016”



Won the prize of Japan Equity Category for 5 years for the four consecutive years!

14th Annual Mercer MPA Award (Japan) 2016
Japan Equity Category (5 years to March 2016)

Four consecutive years !!

SPARX Japan Equity Focus All Cap Strategy

(Reference) <http://www.sparxgroup.jp/press/uploads/PressE160712-01.pdf>

The Mercer MPA Awards are based only on historical return obtained from investment managers and there is no relationship with Mercer's qualitative ratings or recommendation. Mercer gives no representations or warranties as to the accuracy of such information or method of calculation, and accepts no responsibility or liability (including for indirect, consequential or incidental damages) for any error, omission or inaccuracy in such information. In addition, Past Performance cannot be relied upon as a guide to future performance. Only Mercer Japan Ltd. gives this award to investment managers and no other Mercer offices are responsible for this award.

For further information on Mercer Japan Ltd., please visit

<http://www.mercer.co.jp/newsroom/2016-mpa-awards.html> (Japanese)

Financial Results for the 1st Qtr of the FY2016

FY 2016 Results for Q1 Overview (1)



Large growth of base earnings due to increase in management fees even though each stage revenue has been less due to decrease in performance fees reflecting the decline in Japanese equity market and increase in tax expenses.

➤ Operating Revenue:	YoY Change	▲13.8%	¥2,188MM⇒	¥1,886MM
➤ Operating Profit:	YoY Change	▲21.9%	¥661MM⇒	¥516MM
➤ Net Income:	YoY Change	▲92.1%	¥602MM⇒	¥47MM
➤ Base Earnings:	YoY Change	+50.7%	¥333MM⇒	¥ 502MM

(Note1) Please refer P13, 14 for details of management fees and performance fees.

(Note2) Please refer P19, 20 for details of base earnings.

FY 2016 Results for Q1 Overview (2) AUM

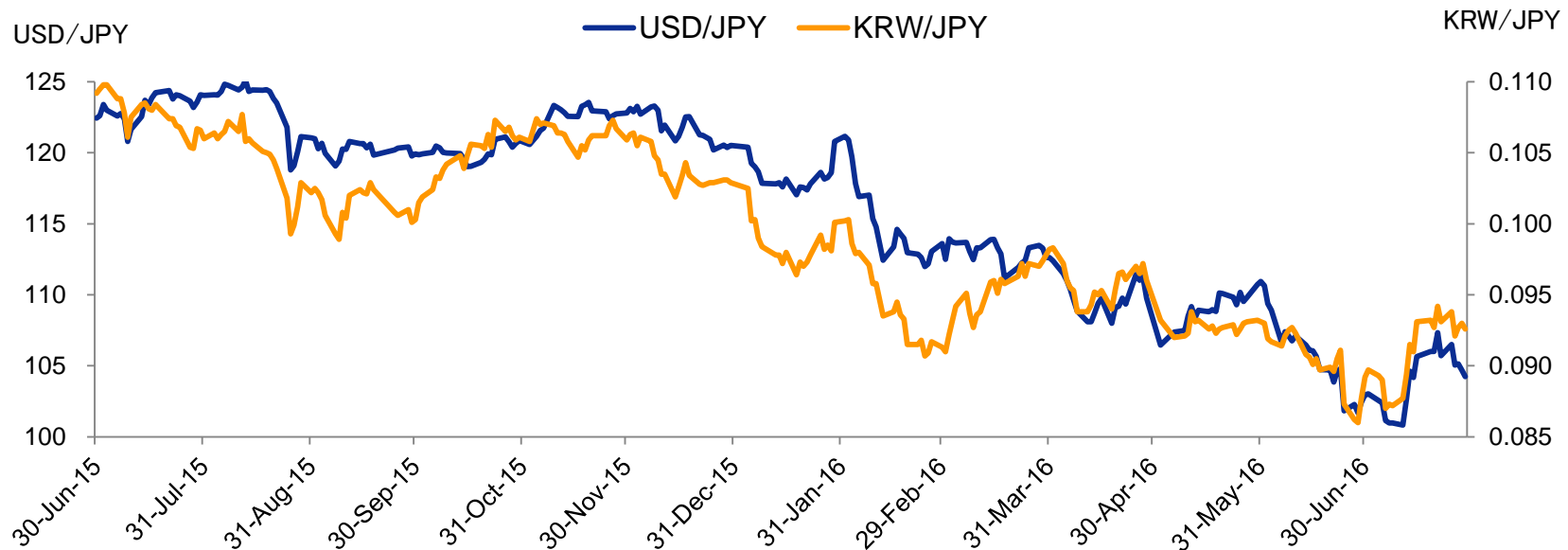
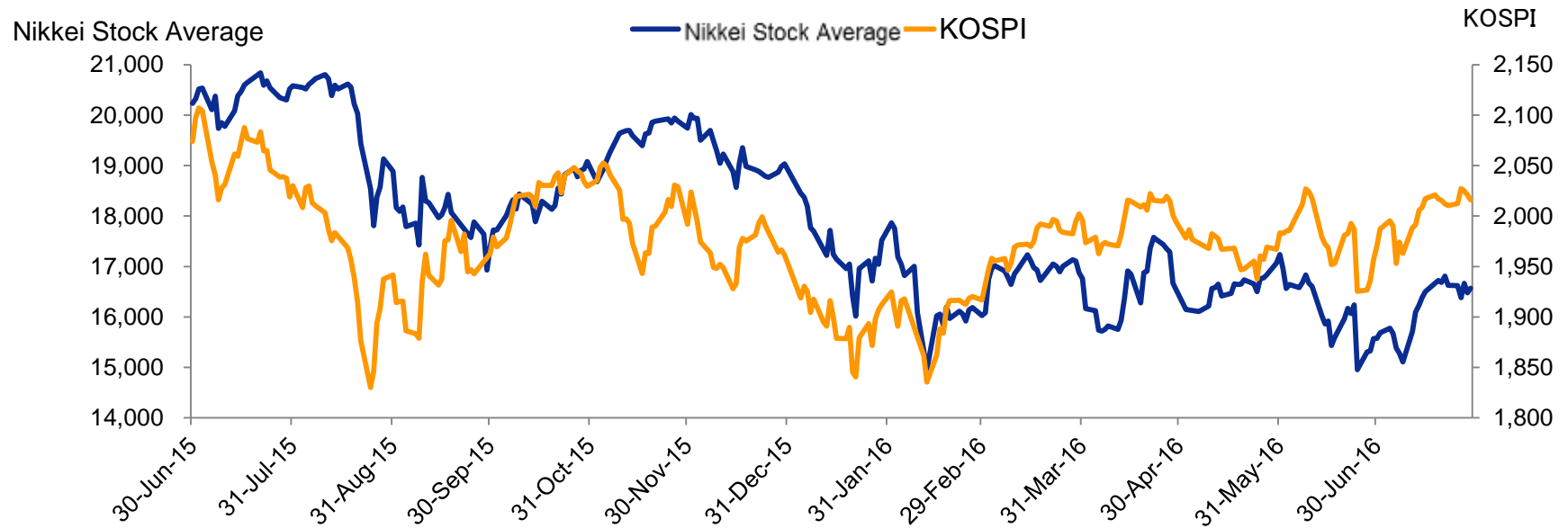


Japanese AUM has increased compared to Q1 of FY2015, even though AUM of the entire SPARX group decreased from the end of FY2015 due to decline of equity market and appreciation of the Yen.

(Unit:100MM JPY)	AUM			Average AUM (Three months)		
	FY2015 4Q	FY2016 1Q	YoY change (%)	FY2015 1Q	FY2016 1Q	YoY change (%)
Japan	7,388	6,833	▲7.5%	5,903	7,175	+21.6%
Korea	1,979	1,783	▲9.9%	4,101	1,851	▲54.9%
Asia	231	194	▲15.9%	291	205	▲29.4%
Total	9,599	8,811	▲8.2%	10,297	9,233	▲10.3%

(Note) Calculation method of AUM for Japan Renewable Energy Investment Strategy has been changed since the 3Q of the FY 2015. Due to the change, the figures of Japanese and the entire SPARX's AUM of the 1Q of the FY2015 have been retroactively amended accordingly. Hereinafter the same applies in this document.

(Reference) Trends of Stock Price Index and Exchange Rate



Financial Highlights



		FY2015		FY2016	
		Apr-Jun 2015	Full Year	Apr-Jun 2016	YoY change
Average AUM	(100MM JPY)	10,297	9,732	9,233	▲10.3%
Operating Revenue	(MMJPY)	2,188	8,743	1,886	▲13.8%
Operating General& Administrative Expenses	(MMJPY)	1,527	5,764	1,370	▲10.3%
Operating Profit	(MMJPY)	661	2,978	516	▲21.9%
Ordinary Profit	(MMJPY)	734	3,004	502	▲31.5%
Profit attributable to owners of parent	(MMJPY)	602	2,685	47	▲92.1%
ROE	(%)	18.1%	19.6%	1.4%	▲16.7
Number of Employees (period-end)		119	135	133	+11.8%
TOPIX(period-end)		1,630	1,347	1,245	▲23.6%
NIKKEI stock average (period-end)	(JPY)	20,235	16,758	15,575	▲23.0%
KOSPI(period-end)		2,074	1,995	1,970	▲5.0%

(Note 1) The figures above, excluding “YoY change” are truncated. “YoY change” are rounded to the nearest tenth of a percent excluding ROE.
In addition, YoY change of “ROE” is not percentage of change but simple fluctuation.

(Note 2) Number of employees (period-end) is excluding the number of “directors and corporate auditors”. The total headcount (including outside director) at the end of June, 2016 is 155.

Breakdown of Operating Revenue

	FY2015		FY2016	
	Apr-Jun 2015	Full Year	Apr-Jun 2016	YoY change (%)
Management fees (MM JPY)	1,432	6,647	1,795	+25.4%
Net management fee rate (%)	0.49%	0.59%	0.67%	0.18
Performance fees (MM JPY)	641	1,730	66	▲89.6%
Percentage of AUM eligible to earn performance fees (%)	47.4%	40.1%	39.8%	▲7.6
Other operating revenue (MM JPY)	114	365	24	▲78.7%
Total operating revenue (MM JPY)	2,188	8,743	1,886	▲13.8%

(Note1) Management fees include inflow from such managing power stations relating to Japan Renewable Energy Investment Strategy. Hereinafter the same applies in this document.

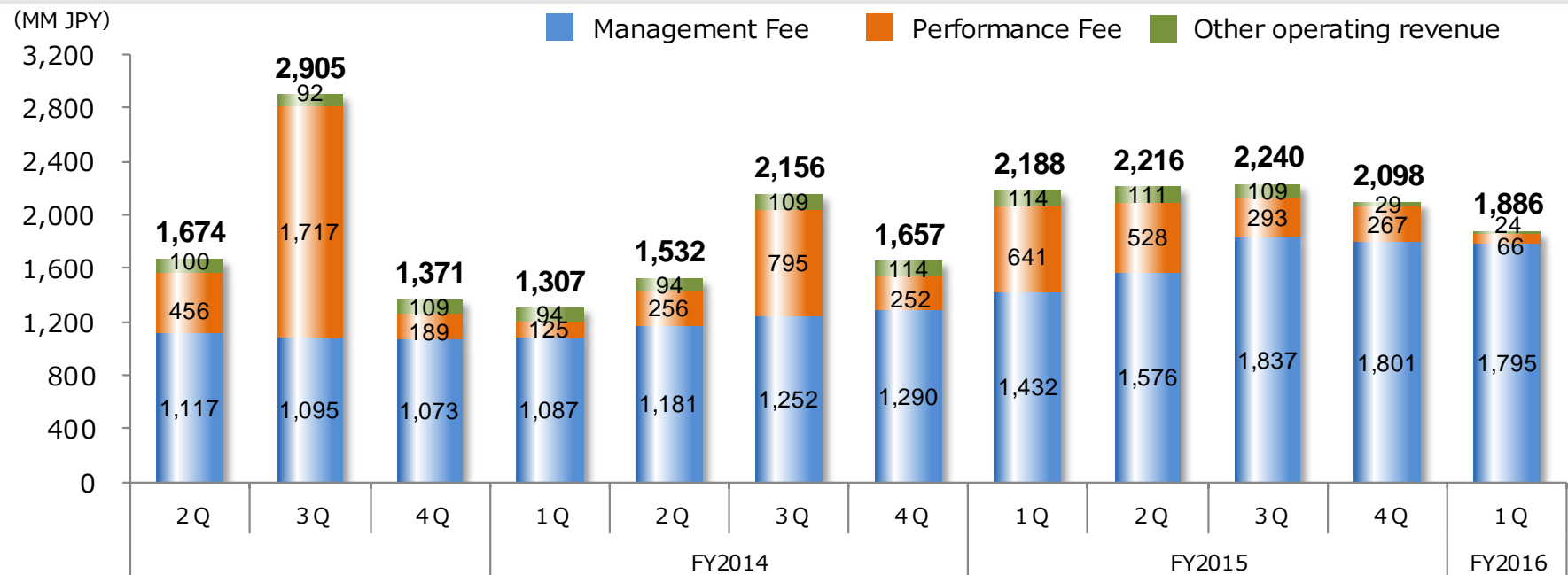
(Note2) Performance fees include one-off fees received from real estate sales and purchases relating to Japan Real Estate Investment Strategy, and acquisition fees for fundraising received from such power stations relating to Japan Renewable Energy Investment Strategy. Hereinafter the same applies in this document.

(Note3) The figures stated above are truncated excluding “YoY change,” “Net management fee rate (%)” and “Percentage of AUM eligible to earn performance fees (%)”.
“YoY change” is rounded to the nearest tenth of a percent. “YoY change” of “Net management fee rate (%)” and “percentage of AUM eligible to earn performance fee (%)” shows the amount of decrease/increase instead of percentage of change.

(Note4) “Net management fee rate” = (management fees – related commissions and charges) ÷ Average AUM.

(Note5) “Percentage of AUM eligible to earn performance fees (%)” = full-year AUM eligible to earn performance fees ÷ full-year AUM

<Reference> Quarterly Trends of Operating Revenue



(MM JPY)	FY2013			FY2014				FY2015				FY2016
	2 Q	3 Q	4 Q	1 Q	2 Q	3 Q	4 Q	1 Q	2 Q	3 Q	4 Q	1 Q
Management Fee	1,117	1,095	1,073	1,087	1,181	1,252	1,290	1,432	1,576	1,837	1,801	1,795
Performance Fee	456	1,717	189	125	256	795	252	641	528	293	267	66
Other operating revenue	100	92	109	94	94	109	114	114	111	109	29	24
Operating Revenue	1,674	2,905	1,371	1,307	1,532	2,156	1,657	2,188	2,216	2,240	2,098	1,886

(Reference)

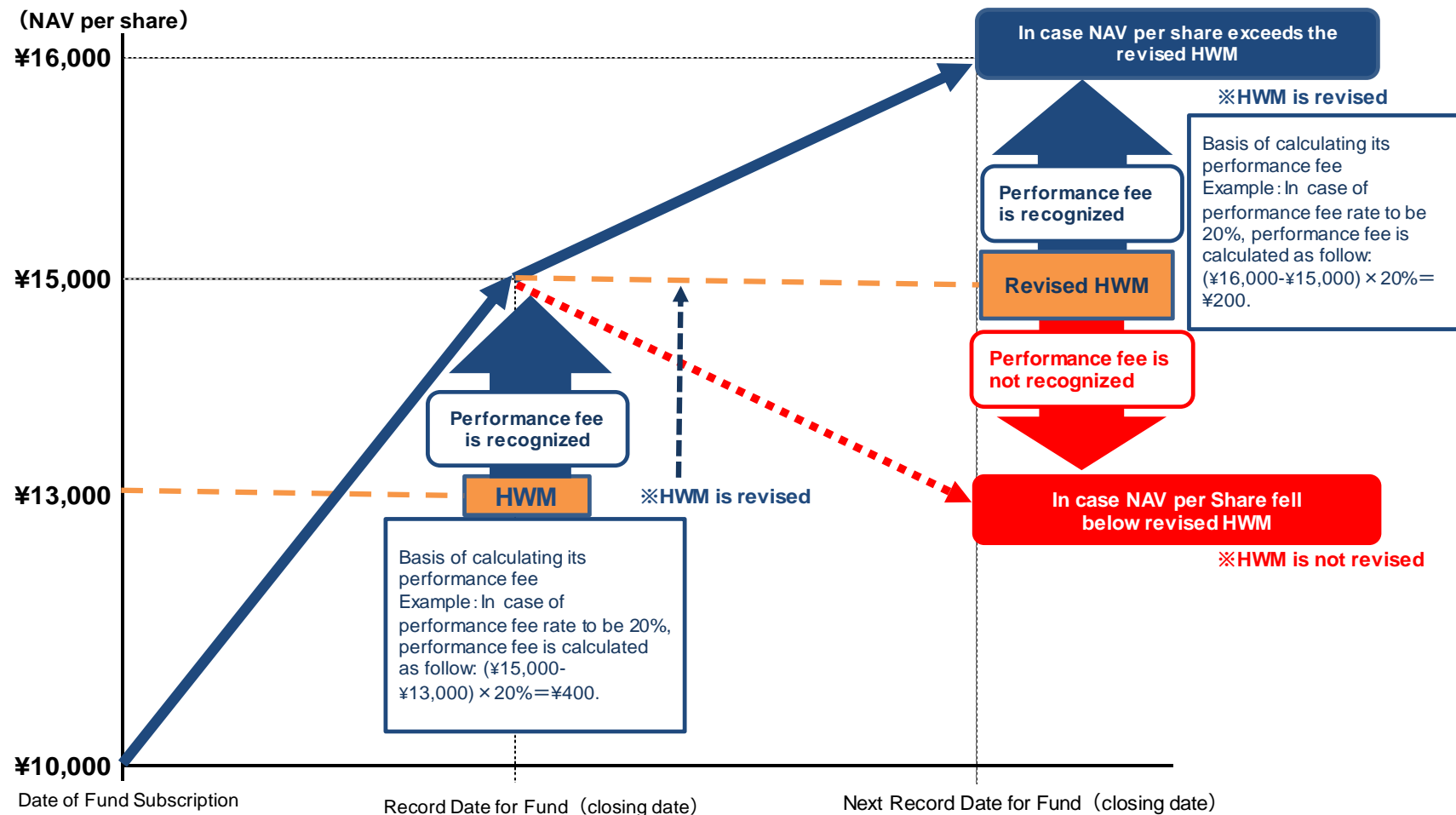
Average AUM (100MM JPY) (3months average)	6,752	7,117	6,874	7,239	7,859	8,217	9,126	10,297	9,277	9,856	9,497	9,233
Net management fee rate (3months average) (after the deduction of commission fee)	0.58%	0.53%	0.52%	0.51%	0.52%	0.53%	0.49%	0.49%	0.59%	0.63%	0.66%	0.67%
Percentage of AUM eligible to earn performance fees	49.4%	51.9%	55.1%	51.2%	50.5%	51.2%	47.6%	47.4%	37.7%	37.3%	40.1%	39.8%
NIKKEI stock average	14,455	16,291	14,827	15,162	16,173	17,450	19,206	20,235	17,388	19,033	16,758	15,575

<Reference> Structure of Performance Fee

(Related to Stock Fund)



Performance Fee is recognized for NAV per share exceeding HWM as of record date for fund



(Note 1) The structure described above is only informational purpose on performance fee structure. It is not intended to explain exactly how the performance fee is calculated based on fund's NAV.

(Note 2) Above uses performance fee rate of 20% for informational purpose only. In addition, "HWM" an abbreviation of High-Water Mark.

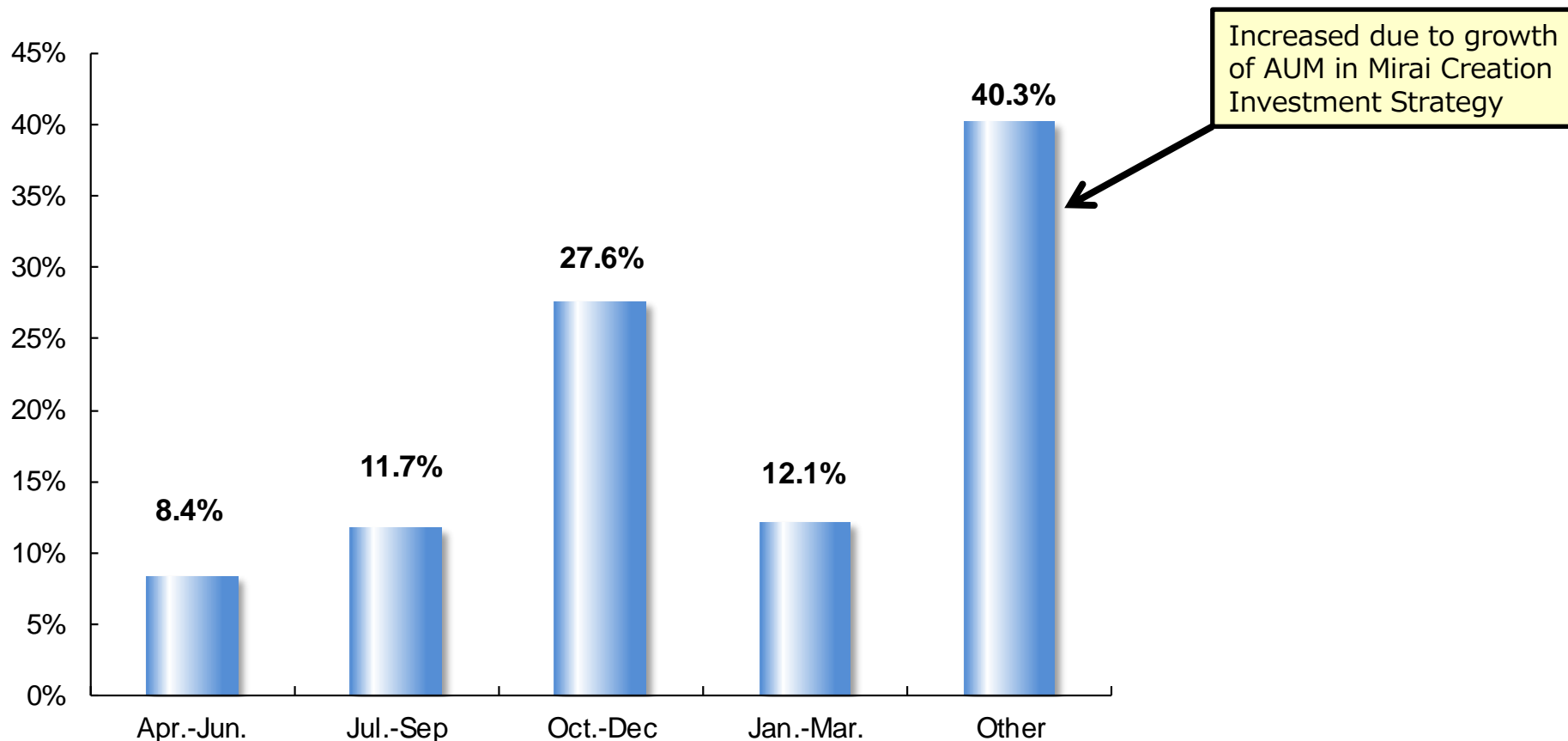
(Note 3) In case performance fee recognized on record date for fund, "HWM" is revised.

<Reference> (SAM) Funds with Performance Fees

– Distribution of Closing Date for Calculation



Aim to distribute record date of performance fee for funds



(Note1) All funds managed by SPARX Asset Management Co., Ltd. (investment trusts and discretionary investment accounts) as of June 30, 2016 are classified by the performance fee value date in the graph above. Among these, performance fee is recorded only if it has met the requirements specified in the contract in each calculation value date. Please note that it is not intended to demonstrate how definite performance fee to occur in the future.

(Note2) In calculating these percentages, the following adjustments are made: for funds with multiple payment periods through a year, the equally divided values of the funds are allocated to the amount in the month of each value date and for funds with no regular payment periods are classified as “others”.

(Note3) The table above excludes AUM which arises acquisition fees of fundraising the Company Group received from such power stations relating to Japan Renewable Energy Investment Strategy.

(Note4) The above % figures are rounded to the nearest tenth of a percent. In addition, the figures are estimated based on in-house calculation.

(Note5) SAM is the abbreviation for SPARX Asset Management co., Ltd. (subsidiary). Hereafter called the same .

Breakdown for Operating Expenses and General & Admin Expenses



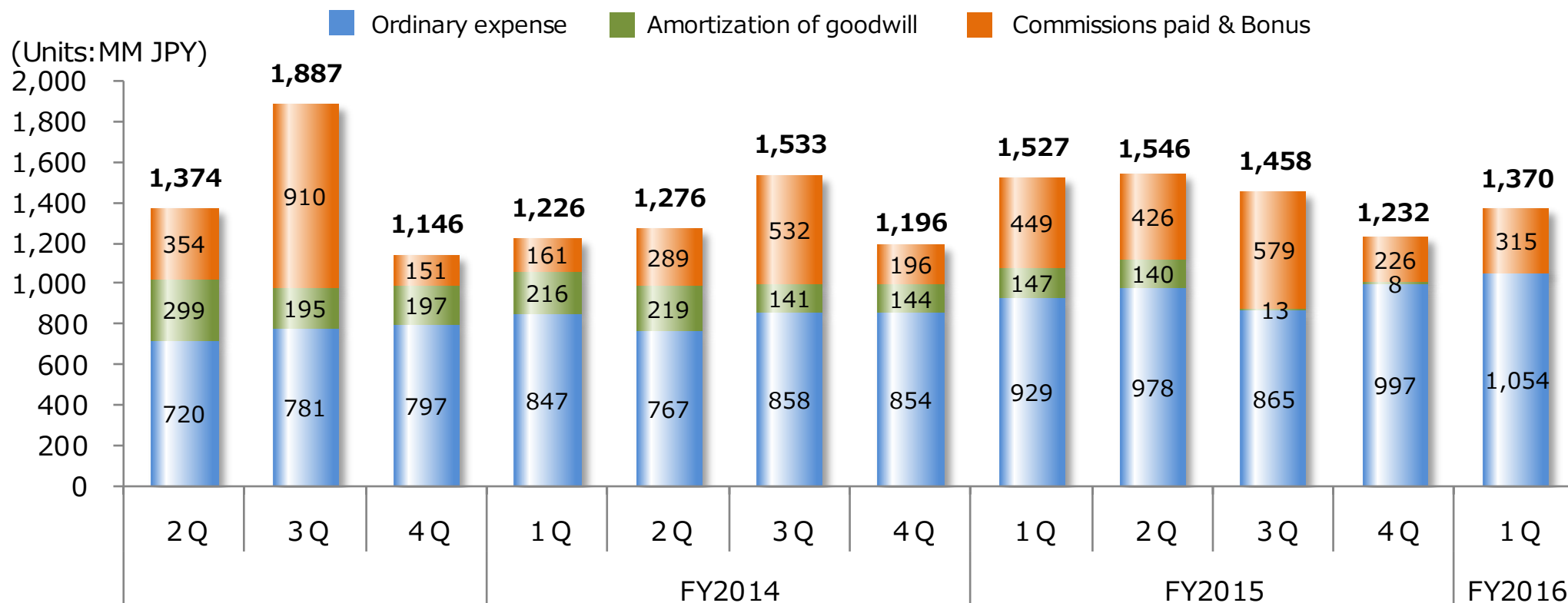
(Units: MM JPY)	FY2015		FY2016	
	Apr-Jun 2015	Full Year	Apr-Jun 2016	YoY change
Commissions paid	215	1,008	240	+11.4%
Personnel exp.	633	2,305	498	▲21.4%
Entrusted fund admin fees	4	19	5	+9.7%
Travel exp.	36	187	56	+54.4%
Property rent	72	303	104	+43.9%
Entrusted business expenses	93	321	75	▲19.6%
Depreciation on fixed assets	12	112	15	+25.2%
Other expenses	309	1,195	374	+20.9%
Amortization of goodwill	147	311	—	▲100.0%
Total: Operating and general administrative expenses	1,527	5,764	1,370	▲10.3%

(Note1) The figures above, excluding “YoY change” are truncated. “YoY change” is rounded to the nearest tenth of a percent.

(Note2) The “Personnel expenses” data includes payments for legal welfare, bonus and temporary staff, etc. other than salary .

(Note3) The “Ordinary expenses” is calculated by deducting (1) Commissions paid, (2) Bonuses (including allowance for bonuses, and legal welfare expenses related to bonuses), (3) Severances package for key members and (4) Amortization of goodwill, from total operating and general administrative expenses; hereinafter the same applies in this document.

<Reference> Quarterly Trends of Operating Expenses and General & Admin Expenses



(Units : MM JPY)	FY2013			FY2014				FY2015				FY2016
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Ordinary expense	720	781	797	847	767	858	854	929	978	865	997	1,054
Amortization of goodwill	299	195	197	216	219	141	144	147	140	13	8	—
Commissions paid & Bonus	354	910	151	161	289	532	196	449	426	579	226	315
Operating and general administrative expenses	1,374	1,887	1,146	1,226	1,276	1,533	1,196	1,527	1,546	1,458	1,232	1,370

Base Earnings

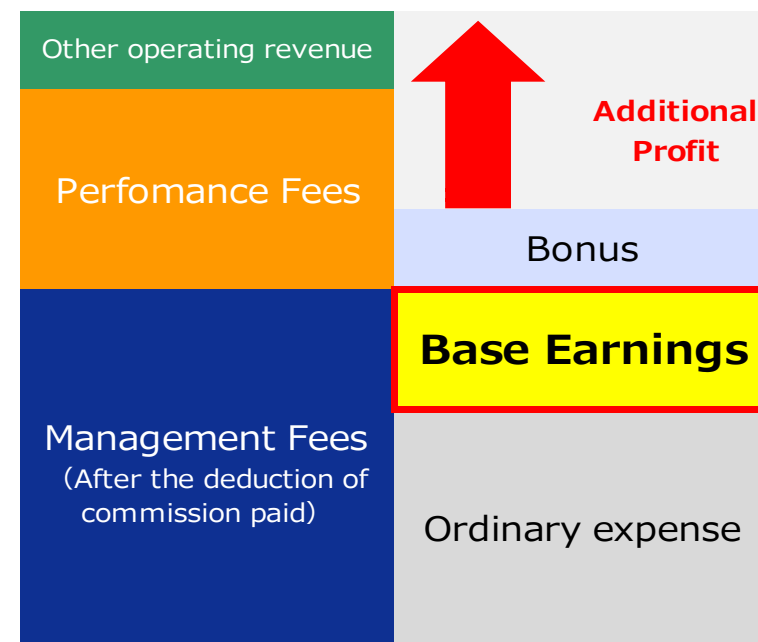


Base earnings (Annualized) slightly increased due to improvement of the rate of management fee even though Average AUM decreased

		FY2015 Full Year	FY2016 Annualized
Average AUM	(100MM JPY)	9,732	9,233
Net management fee rate (After the deduction of commissions paid)	(%)	0.59	0.67
Annualized net management fee revenue (After the deduction of commission paid)	(MM JPY)	5,705	6,228
Annualized ordinary expenses	(MM JPY)	3,770	4,218
Annualized "Base Earnings"	(MM JPY)	+1,935	+2,010

■ Base Earnings

Base Earnings are calculated by Management fees (after the deduction of commission paid) minus ordinary expenses which explain sustained and stable fundamental profitability of the company.



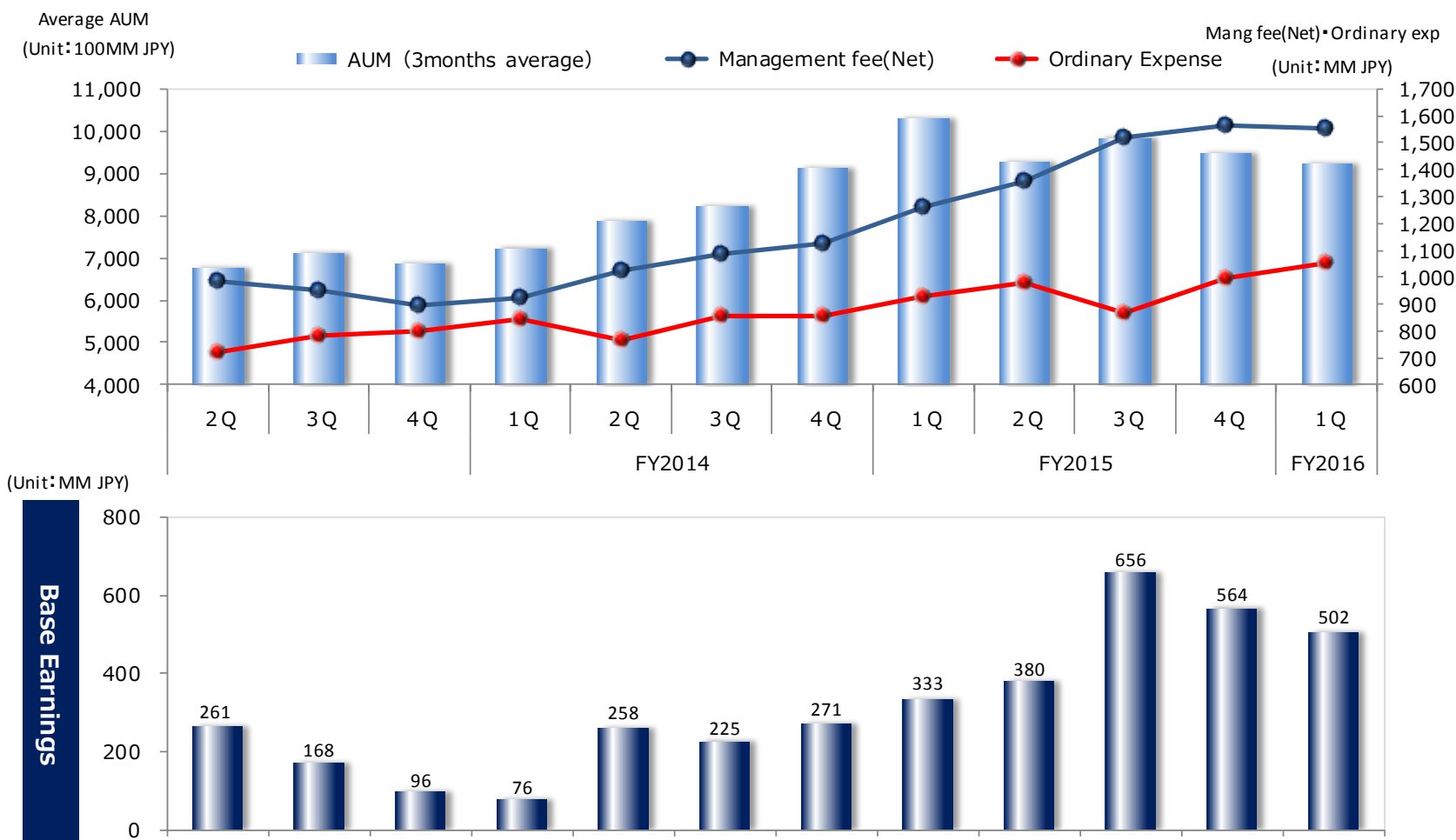
(Note1) "Management fee revenue (after the deduction of commission paid)" is obtained by multiplying "Average AUM" and "Net management fee rate (after the deduction of commission paid)". As figures less than the presented unit are used for the calculation, the calculation using the above numbers after rounding down fractions less than the presented unit does not necessarily match the "Net management fee revenue" numbers provided above.

(Note2) The figures above are truncated.

<Reference> Quarterly Base Earnings Trends



Base Earning slightly decreased (large growth comparing with the Q1 of the FY2015)
due to decrease in average AUM and expenses arisen for relocation of SPARX
Tokyo office (including one-time cost)

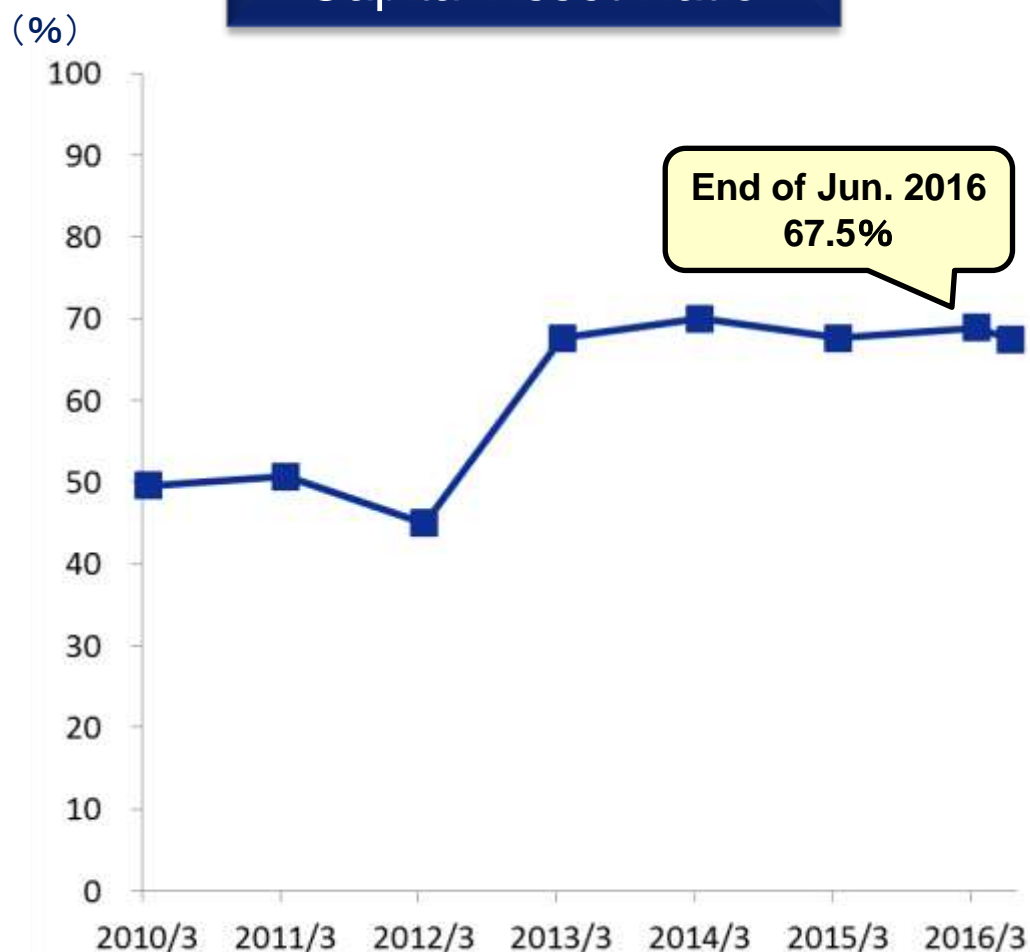


(Note) As preliminary figures, the 「Management fee (Net)」 is calculated by multiplying the net management fee rate and the average AUM for the period.

B/S Overview(1)



Capital Asset Ratio



Consolidated B/S

(Unit: MM JPY)

Cash and Cash equivalent 10,949	Interest-bearing debt 3,000
	Other liabilities 1,871
	Net assets 14,223
Receivables 2,352	
Securities - Investment Securities 3,692	
Other Assets 2,101	
Total Assets 19,094	Liabilities and Net Assets 19,094

**Own capital will be used in order to expand business for the time being.
We continuously explore the most effective approaches to obtain necessary funds for
business expansion.**

B/S Overview (2)



(Units: MM JPY)	Mar. 2016	June. 2016	YoY change
Current assets	16,921	15,068	▲1,852
Cash and cash equivalents	13,070	10,949	▲2,120
Securities	494	457	▲36
Receivables	1,838	2,352	+514
Fixed assets	3,758	4,026	+267
Investment securities	3,335	3,234	▲100
Total assets	20,680	19,094	▲1,585
Current portion of long-term loans payable	3,000	3,000	-
Payables	1,465	927	▲538
Deposits received	200	756	+556
Provision for bonuses	-	59	59
Total liabilities	4,946	4,871	▲75
Common stock	8,575	8,575	-
Add'l paid-in-capital	4,108	4,108	-
Retained earnings	3,972	3,204	▲767
Treasury stock	▲3,501	▲3,501	-
Total Shareholder's Eq	13,154	12,386	▲767
Valuation difference on AFS securities	▲63	▲253	▲190
Foreign currency translation adjustment	1,163	755	▲408
Non-controlling interests	1,453	1,314	▲138
Total net assets	15,733	14,223	▲1,510

(Simplified) Operating CF: ¥516MM
Decreased due to yen appreciation and payment of dividend and bonus.

Breakdown of current portion of long-term loans payable is as follows:
1,500MM Rate : 1.365%
1,500MM Rate : 1.396%
Due : March 2017

Increased due to withholding tax payable on dividend payments.

Payment of dividend : ▲ 815MM yen
profit attributable to owners of parent : +47MM yen

Decreased due to decline in net value of securities hold and yen appreciation

Decreased mainly due to the impact of yen appreciation / won depreciation.

(Note1) Figures above are truncated.

(Note2) Investment securities include the seed money of SPARX Group funds.

(Note3) Operating revenue is simply applied to "(Simplified) operating cash flow".

Progress of the Businesses and Future Plans

① Complete revival has become foreseeable

- ⇒ Lower dependence on equity investment due to revenues from real asset investment and Mirai Creation.
- ⇒ Enhancing profitability toward the 30th anniversary in July 2019 of foundation of SPARX.
- ⇒ Developing high quality and high value added products such as renewable energy and Mirai Creation.
- ⇒ Aiming to achieve net inflow of 200 billion yen in AUM.

② Enhancing shareholders return

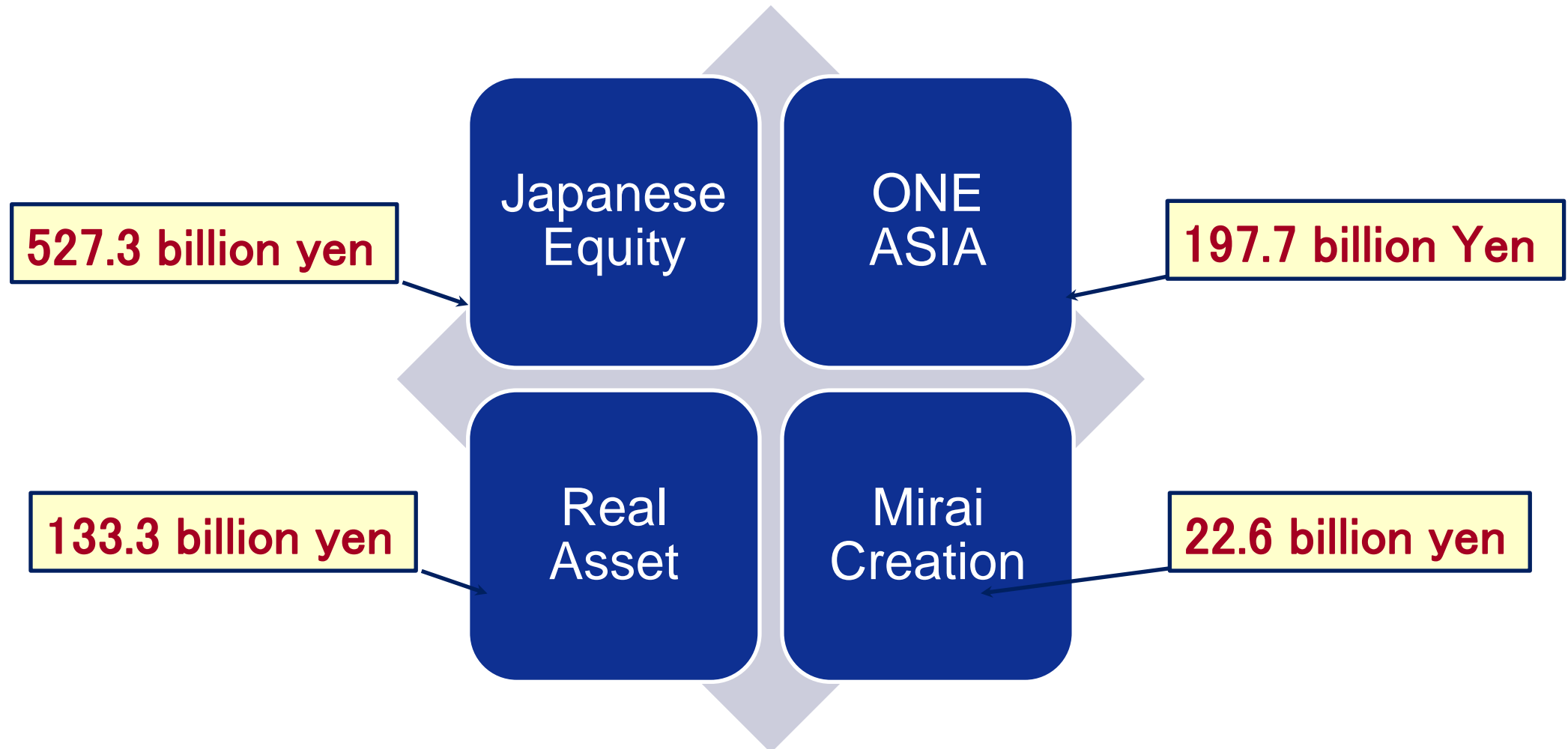
- ⇒ Aiming to keep enhancing profit and dividend subsequent to the previous fiscal year.
- ⇒ Implemented stock repurchase program in July, which was second time in this year following it in February.

③ Branding “SPARX” as representative of Japanese /Asian asset managers

- ⇒ Activate exchanges of human resources among offices (Tokyo, Seoul and Hong Kong) and enhance PR activities.
- ⇒ Setting up SPARX TV and renewing SPARX website.

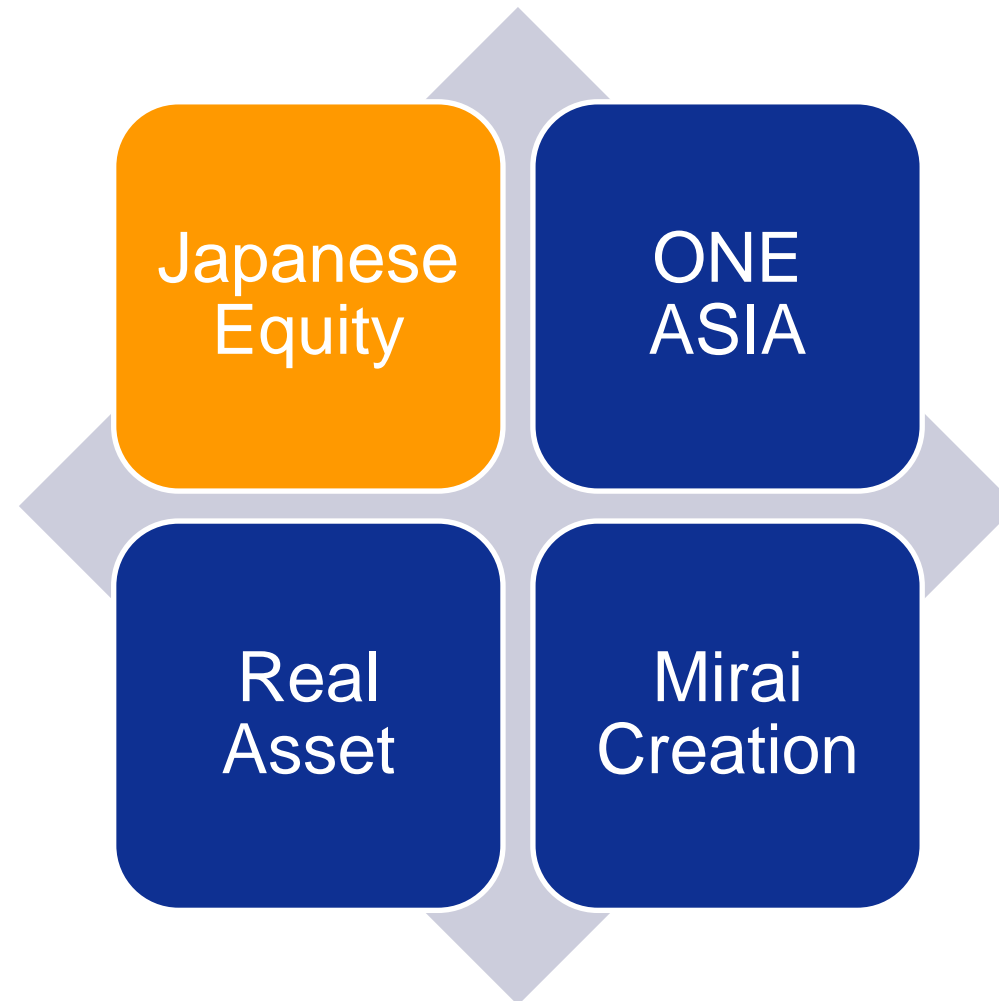
4 Main Investments for Growth Realization

– Breakdown of AUM as at the end of June 2016



① Japanese Equity Investment Strategy

(AUM as at the end of June 2016 : 527.3 billion yen)



Japanese Equity Investment Strategy



(Unit : 100million JPY)	AUM		
	FY2015 End	FY2016 June	YoY change (%)
Japanese Equity Long-Short Strategy	399	316	▲20.8%
Japanese Equity Focus All Cap Strategy	2,622	2,442	▲6.9%
Japanese Equity Mid & Small Cap Strategy	1,915	1,605	▲16.2%
Japanese Equity Clean Tech. Strategy	851	847	▲0.5%
Others ^(Note)	65	62	▲5.1%
Total	5,855	5,273	▲9.9%

(Note) Engagement fund of SPARX such Stewardship fund

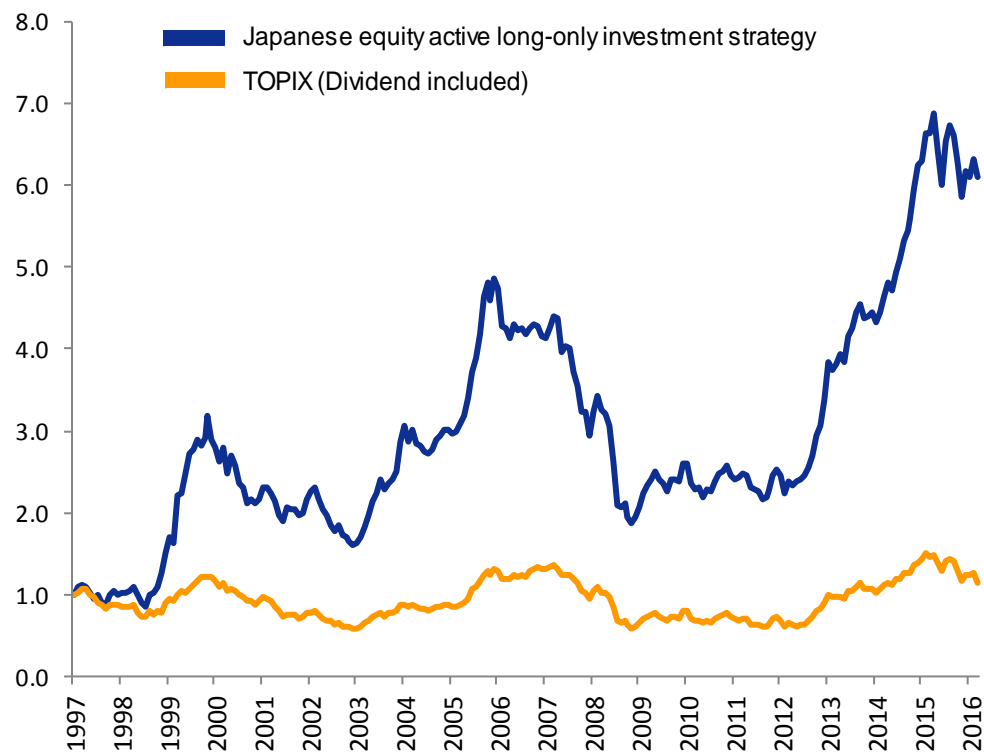
- Realizing individual investors' needs of asset managements under the extended negative interest rate policy.
Enhancing marketing activities for such wrap accounts and DCs (defined-contribution pensions).
- Planning to have a 2,000 population size seminar on August 30th with Yokohama branch of Nomura Securities Co., Ltd.

Annualized Performance by Strategy Since Inception ①



※ category of investment strategy in this slide is not completely match with IR information in previous slides

Japanese equity active long-only investment strategy

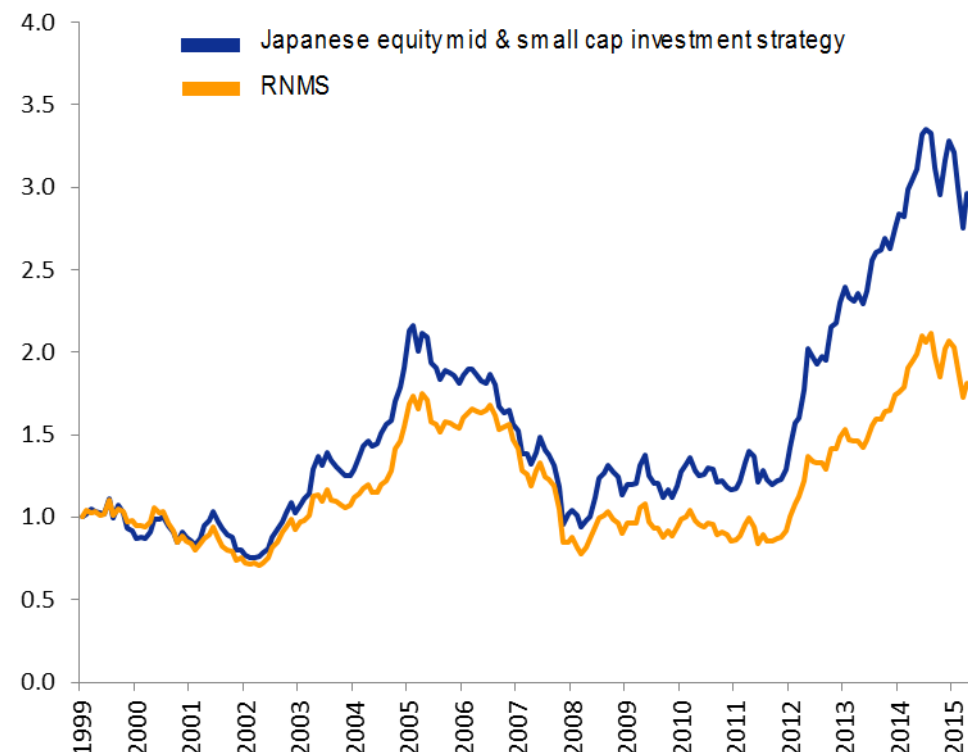


(Annualized Return)

Japanese equity active long-only investment strategy	9.89%
Reference Index	0.70%
Excess Return	9.19%

Reference Index	TOPIX (Dividend included)
Measurement Period	1997/5 ~ 2016/6
Volatility of Composite Return (Annualized)	21.42%

Japanese equity mid & small cap investment strategy



(Annualized Return)

Japanese equity mid & small cap investment strategy	6.35%
Reference Index	3.25%
Excess Return	3.10%

Reference Index	Russell/Nomura Mid-Small Cap Index
Measurement Period	2000/1 ~ 2016/6
Volatility of Composite Return (Annualized)	18.28%

Please refer to the disclaimers at the end of the slides.

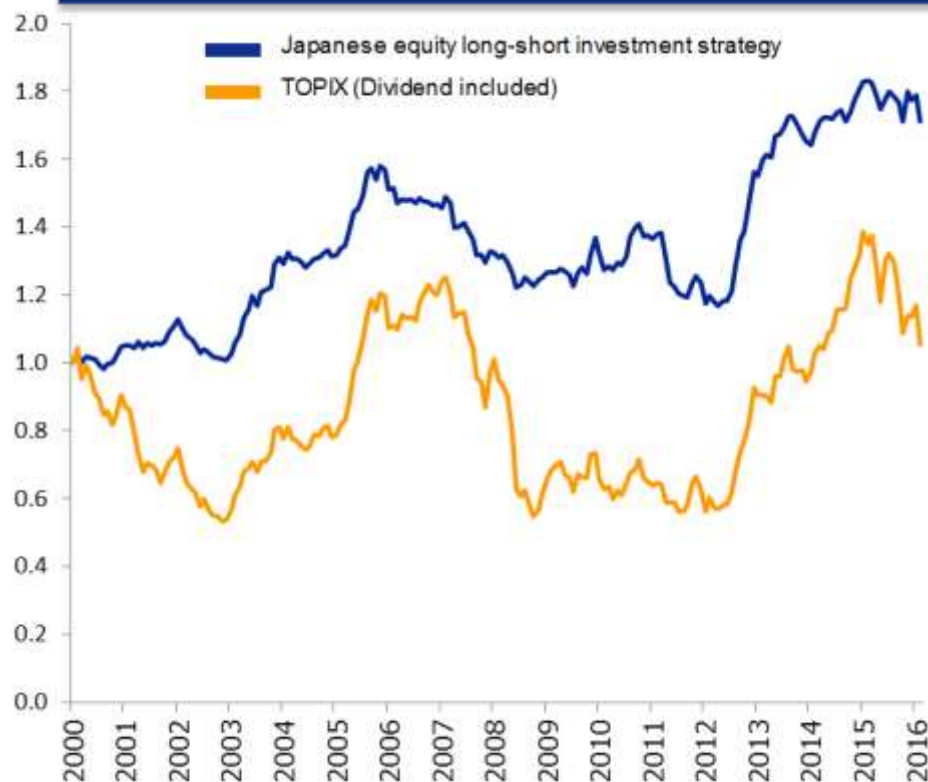
Source: SPARX Group Co., Ltd (Tokyo, Japan), as of June 30, 2016.

Annualized Performance by Strategy Since Inception ②



※ category of investment strategy in this slide is not completely match with IR information in previous slides

Japanese equity long-short investment strategy



(Annualized Return)

Japanese equity long-short investment strategy	3.39%
Reference Index	0.34%
Excess Return	3.06%

Reference Index	TOPIX (Dividend included)
Measurement Period	2000/6 ~ 2016/6
Volatility of Composite Return (Annualized)	7.47%

Japanese equity strategic investment strategy



(Annualized Return)

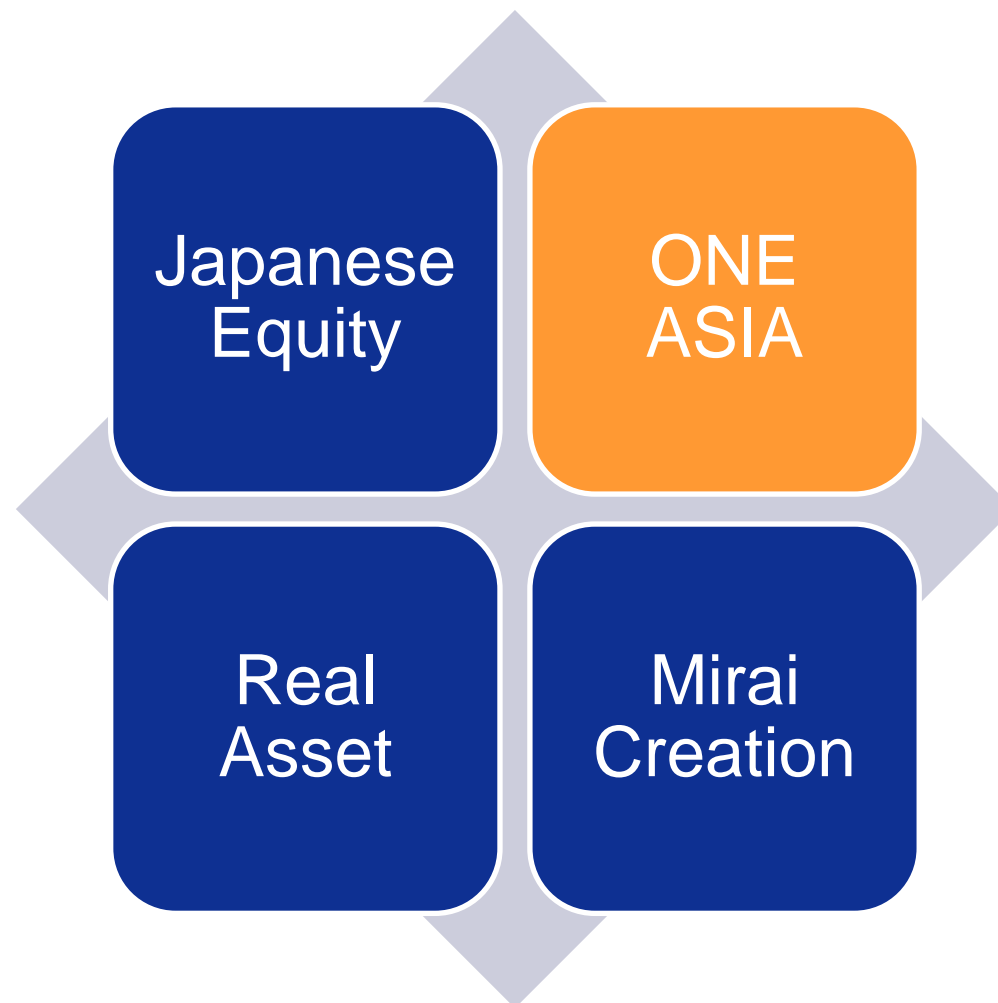
Japanese equity strategic investment strategy	8.06%
Reference Index	0.78%
Excess Return	7.28%

Reference Index	TOPIX (Dividend included)
Measurement Period	1999/7 ~ 2016/6
Volatility of Composite Return (Annualized)	20.68%

Please refer to the disclaimers at the end of the slides.

Source: SPARX Group Co., Ltd (Tokyo, Japan), as of June 30, 2016.

② ONE ASIA Investment Strategy (AUM at the end of June 2016: 197.7 billion yen)



Dynamism of Asia

Follow in Japanese / Korean footsteps

- ▶ industrialization, urbanization
- ▶ consumption behavior, changes of socioeconomics structure

Unique Asian trends and events

- ▶ mixed social structure and its impact
- ▶ incomparable industrial development



SPARX • OneAsia Investment

Sufficient experiences
in Japan / Korea

Investment professionals
localized in Asian market

Platform of SPARX

SPARX
Hong Kong

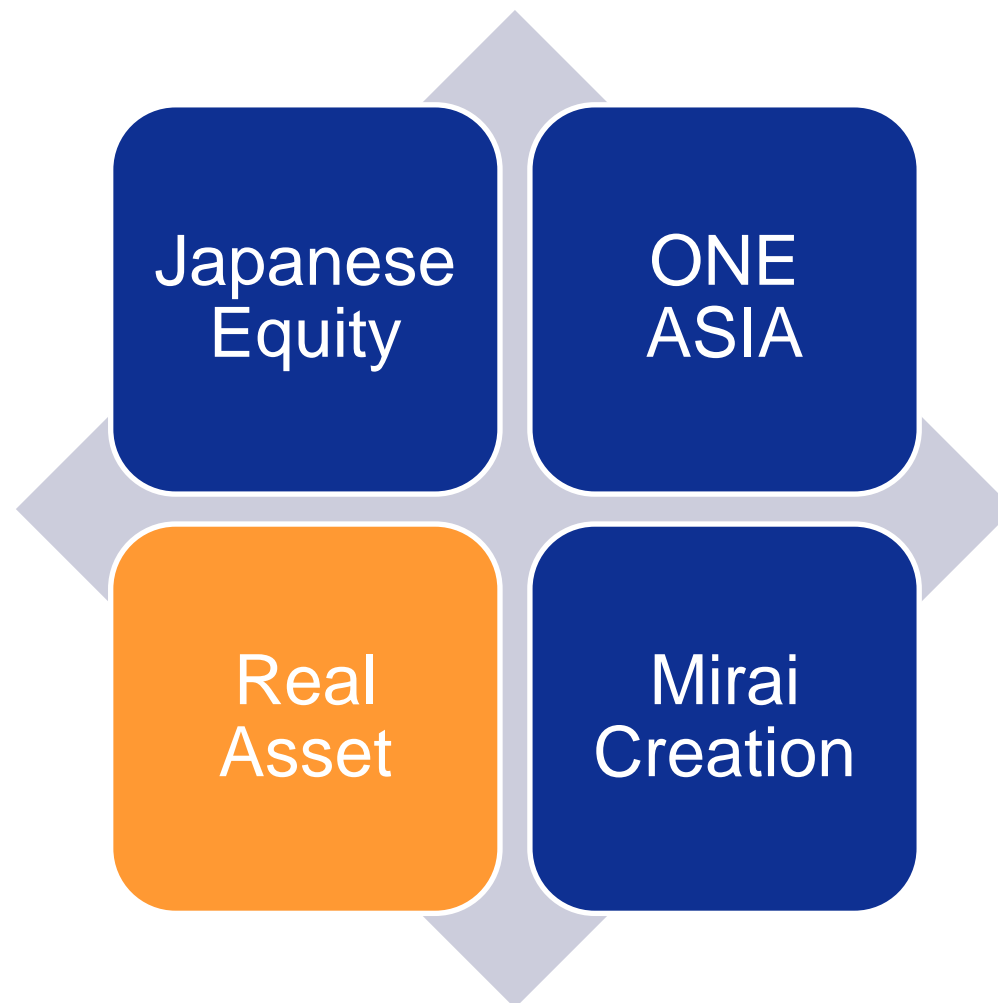
SPARX
Korea

SPARX
Tokyo

Creating a portfolio by researching Asian market as a area by a team

③ Real Asset Investment Strategy

(AUM at the end of June 2016: 133.3 billion)



Investment in Renewable Energy Generating Facilities

(AUM at the end of June 2016: 114.2 billion yen)



Invested in 23 projects (approx.272MW)

Including 11 projects already selling electricity (approx.62MW)

- ▶ Established a portfolio containing variety of energy sources such as solar, wind, geothermal and biomass.
Constructions started such as woody biomass power plant (Sanjo-shi, Niigata Prefecture) and geothermal power plant (Ibusuki-shi, Kagoshima Prefecture).
- ▶ SPARX has been using its intelligence and knowledge for “green field investment” funds, targeting on the preparation and launch of renewable power generation facilities. In addition, SPARX is preparing to provide “brown field investment” funds, focusing on the running of renewable power generation facilities, which can produce long-term stable cash flow, for institutional investors.

Setting up variety of renewable energy generating facilities all over Japan

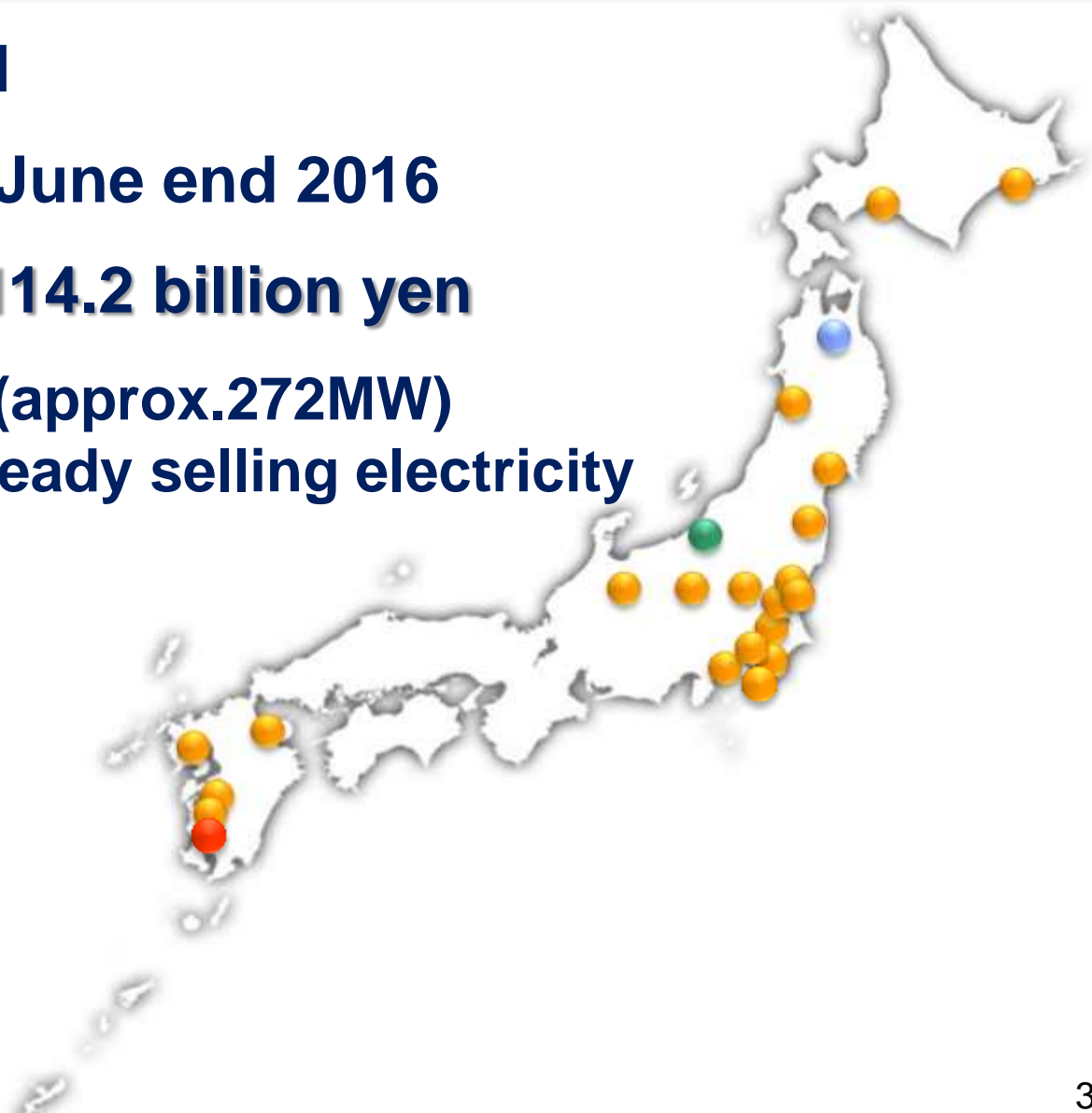




■ AUM

March end 2016

June end 2016

113.4 billion yen ⇒ 114.2 billion yen

- Invested in 23 projects (approx.272MW)
Including 11 projects already selling electricity (approx.62MW)

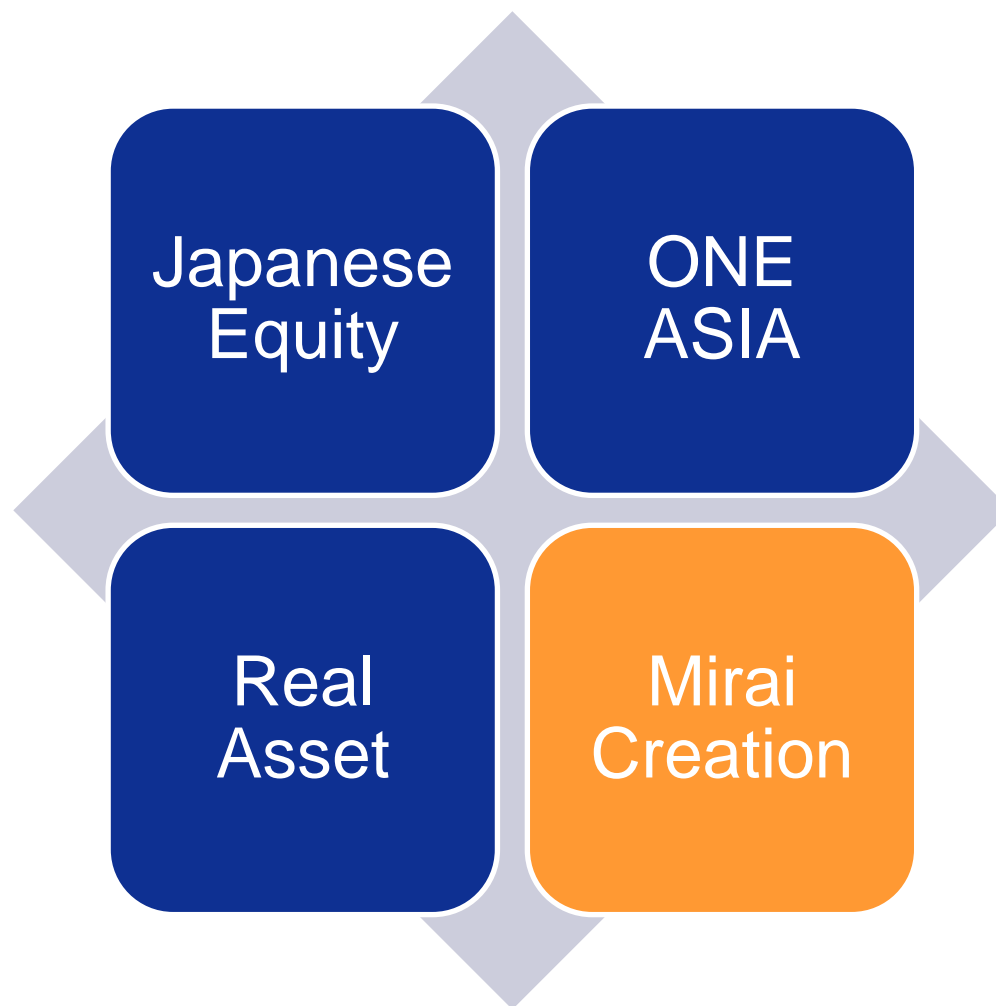
- 
-  Solar Power Station
 -  Wind Power Station
 -  Geothermal Power Station
 -  Biomass Power Station



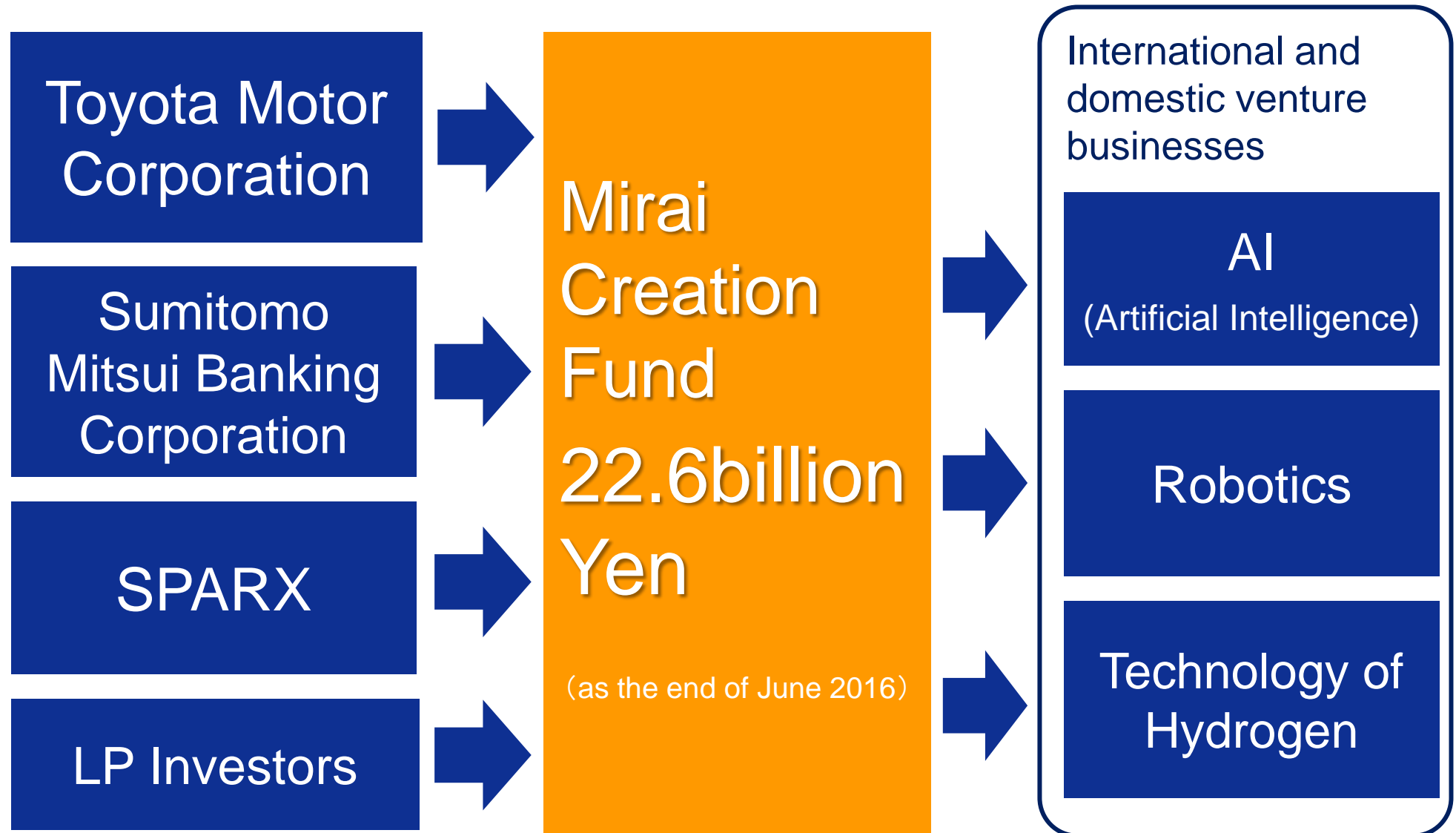
- A medical building being constructed in Setagaya/ Karasuyama by real estate investment fund, completed in June, and opened in August 2016. A specialized medical examination clinic and an orthopedic clinic which are invited by SDP Japan (tenant), will be set up in the same building. The orthopedic clinic is specializing in hip arthroplasty. A doctor of the said clinic is one of the top-class experts of the operations in that field in Japan.
- Realization of low financial risk to medical institutions because of development risk and fixed asset investment are incurred by the real estate investment fund.
- Selection of project has been done prudently by considering investment strategy in each fund, while prices of real estate are soared.

④ Mirai Creation Investment Strategy

(AUM at the end of June 2016: 22.6 billion yen)



Mirai Creation Fund



Portfolio Companies (At the end of June 2016)



【AI】

NO	Company Name	Features
1	UIEvolution, Inc.	Develops middle ware smoothly accessible UX (user experience) from vehicles, hotels and luxury liner.
2	SORACOM	Provides secured network at low costs to accessing IoT devices.
3	Non - disclosure	Non - disclosure

【Robotics】

NO	Company Name	Features
1	GROOVE X	Aims to create a global standardized home robot by utilizing experiences via developing Pepper .
2	Kymeta Corporation	Technology of satellite antenna which will realize high data capacity and high-bandwidth connected mobility.
3	3D MEDiA Co., Ltd.	Contributing to industrial robots' intelligence by providing function of eye and brain
4	WHILL Inc.	Develops, produces and sells high end e-wheelchairs complex of hardware and software.

【Hydrogen】

NO	Company Name	Features
1	Exergy Power System Co., Ltd.	Has unique technology on hybrid-hydrogen batteries and hydrogen production.

【FOF】

NO	Company Name	Features
1	Core Ventures Group Fund II, L.P.	Venture capital specializes investing in startup businesses, gateway to Silicon Valley.
2	Non - disclosure	Non - disclosure

Shareholders Return

Return to Shareholders — Stock Repurchase



Second stock repurchase program in this year since February 2016.

Implemented stock repurchase program in order to achieve higher shareholder return, improve capital efficiency and enable effective execution of its capital strategy to meet the business environment.

(1) Type of shares acquired	Shares of common stock of SPARX Group Co., Ltd.
(2) Total number of shares acquired	1,090,100 shares (0.53% of total issued common stock (excluding treasury stock))
(3) Total price of shares acquired	199,993,100 yen
(4) Period of stock acquisition	From July 1, 2016 through July 14, 2016 (trading day base)

Other Topics

Move of Location of Office



Decided to move the location of office for business expansion

■ New address

〒108-0075

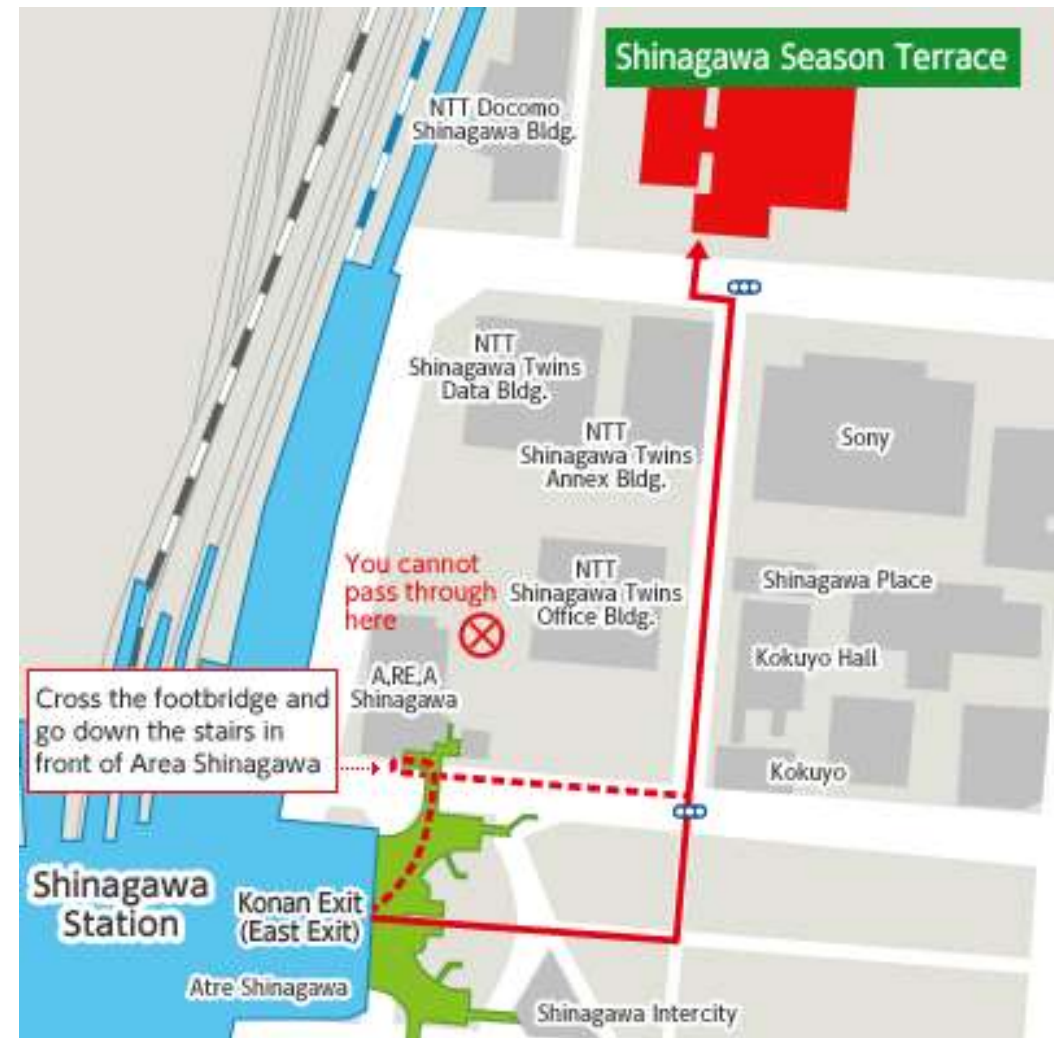
Shinagawa Season Terrace 6F

Konan 1-2-70, Minato-ku, Tokyo

■ Effective Date

June 13, 2016 (Monday)

- Domestic subsidiaries of SPARX will also move their office in the same manner as above.
 - SPARX Asset Management Co., Ltd.
 - SPARX Green Energy & Technology Co., Ltd.
 - SPARX Asset Trust & Management Co., Ltd.



Renew our website on August 22nd!



Actively utilize videos for advertisement.
Use responsive design for smartphones and tablets.

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Contact: Global Business Development Tel: +81-(0)3-6711-9200

Lipper/ Lipper Fund Awards Japan 2016

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