

The following is an English version of the official Japanese announcement, which has been given to the JASDAQ and the media in Tokyo, Japan.



JASDAQ

December 15, 2016

Company: SPARX Group Co., Ltd.
(JASDAQ Standard Code: 8739)

Notice Concerning the Execution of Investment in Real Estate Investment Fund

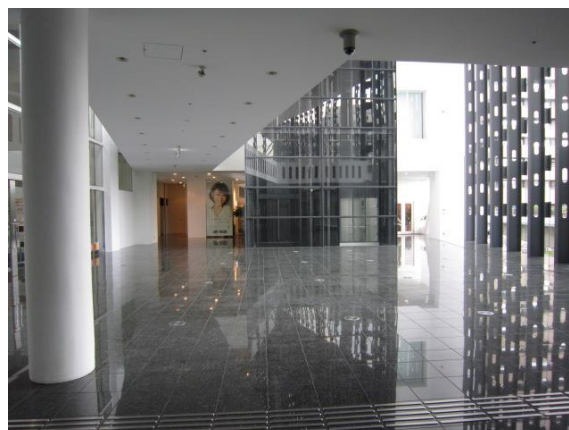
TOKYO (December 15, 2016) – By the press release, “Notice Concerning the Execution of Investment in Real Estate Investment Fund” dated October 17, 2014, SPARX Group Co., Ltd. announced that we have reached an agreement with an overseas sovereign wealth fund to expand the scope of investment in properties. We are now pleased to advise you that a new investment has been executed in an office building “New City Tama Center Building” (hereinafter called the “Building”), which is located in Tama city, Tokyo, Japan, as Investment Case No.12.

- The Building, 6minutes walk from “Tama Center Station,” which serves Keio line, Odakyu line and Tama monorail, is located in a highly commercial business district where a number of office buildings and commercial facilities are situated. The Building is for office use with a sense of dignity and a refined design, which was designed by Kengo Kuma and Associates and constructed in 2002. Currently, it is utilized as headquarters and operation centers by a major bank, an insurance company, retailers and others.

< Appearance of the Building >



< Entrance >



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- Investment in the Building was set up as a private placement fund (the “Fund”) through a joint initiative with the overseas sovereign wealth fund and the fund created by Kenedix, Inc. (hereinafter called “Kenedix”, security code 4321, listed on the First Section of the Tokyo Stock Exchange).
- The management of operation of the Fund is to be performed by SPARX Asset Trust & Management Co., Ltd. (hereinafter called “SATM”), one of the Group subsidiaries. SATM and Kenedix cooperate to operate the Building and increase its value.
- We aim to continuously invest in properties such as office buildings, accommodations, warehouses, commercial facilities or healthcare-related facilities to meet various needs of a wide range of investors by utilizing SATM’s know-how on real estate investment and real estate fund operation.
- Relevant press release
“Notice Concerning the Execution of Investment in Real Estate Investment Funds”
Dated October 17, 2014
<https://www.sparxgroup.com/press/uploads/PressE141017-02.pdf>

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