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

October 15, 2014

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

Notification regarding Renewable Energy Investment

Since there have been various press reports over the past several weeks regarding renewable energy investment, which constitutes a part of our group's real asset management business, we summarized the points, which we report to you as follows.

We believe that there will be no impact of such press reports on the investments we have already made.

We think that the points in the press reports, which are relevant to our group's business, can be roughly summarized into the following two points:

(1) For solar power generation, while priority will be given to the operation of the power plants of relatively big certified companies, projects with a low operational feasibility will be eliminated by lowering their power purchase prices.

(2) In an effort to reduce overconcentration on solar power generation, measures to promote the growth of other renewable energy sources, such as wind energy, geothermal energy, biomass, and small hydroelectric power, will be taken.

We are of the view that the direction suggested by these press reports is as follows:

(1) It is expected that projects with relatively high feasibility will flow intensively into our group, which has a good track record in solar power generation and a clear investment process and know-how as a fund. On the other hand, the elimination of projects with low feasibility will lead to efficient project reviewing and consequent high work efficiency in investment process.

(2) For renewable energy sources other than solar power generation, knowledge of such energy sources are steadily being accumulated and full-fledged investments in them are about to be made, as exemplified by some investment already made in a company in Kyushu, which operates a geothermal power plant, and the approval of a wind power plant development project in Tohoku. Thus measures to reduce overconcentration on solar power generation are being implemented on a steady manner.

As of the end of June 2014, certified solar power facilities (more than 10 kw) reached a market size of about 20 trillion yen, although those that have already been in operation remain only 2 trillion yen. Based on this understating, we plan to select feasible projects in an appropriate manner via stricter

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status management of investment process and make investments promptly and actively while accelerating investments in renewable energy-based power stations, such as wind, geothermal, and small hydroelectric power stations.

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