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 17, 2014

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

Notice Concerning the Execution of Investment in Real Estate Investment Funds

As reported in the "SPARX Will Form Its First Japan Real Estate Partnership" dated June 15, 2012, the Company Group has been making investments in terms of Investment Cases No. 1 to No. 5 that aim to invest in residential properties since we obtained the investment commitment from an overseas sovereign wealth fund. (The total cumulative amount of acquired assets being approximately 36.6 billion yen, out of which the investment in anonymous partnership is approximately 9.4 billion yen.)

We are pleased to advise you that we have reached an agreement with the relevant sovereign wealth fund that we should invest in wider types of assets, such as office buildings, warehouses, commercial facilities, and healthcare-related facilities (i.e., homes for the elderly and clinic malls) and that we have executed an investment in a warehouse (whose amount of assets is approximately one billion yen) located in Chiba Prefecture as Investment Case No. 6. In addition, management operations of the private placement fund established in Japan for the purpose of Investment Case No. 6 were accepted and are being performed by SPARX Asset Trust & Management Co., Ltd. (hereinafter referred to as "SATM"), which became one of the Group subsidiaries on April 16, 2014.

The Company Group's real estate-related investment fund business has so far been executed in cooperation with one of Japan's leading residential properties-type investment corporations and its asset management company, however, from now on, we intend not only to form funds by cooperating with the said investment corporation but also to meet wide-ranging needs of institutional investors including sovereign wealth funds by utilizing the real estate investment know-how of SATM and developing such funds that aim to invest in office buildings, warehouses, commercial facilities or healthcare-related facilities.

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

(Reference) Overview of SATM

Name	SPARX Asset Trust & Management Co., Ltd.
Address	Tennoz First Tower, 2-2-4, Higashi Shinagawa, Shinagawa-ku, Tokyo, Japan
Name and Title of the Representative	Masatoshi Fukami, President and Representative Director
Major Shareholders	SPARX Group Co., Ltd.（100%）
Capital Amount	100 million yen（As of September 30, 2014）
Business	Real estate asset management business, Fund launching consulting business, and real estate brokerage business, etc.
Date of Incorporation	May 10, 2006

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