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

March 30, 2016

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

Notice Concerning the Execution of First Investment In Energy Storage Venture by Mirai Creation Fund

Investment in a Tokyo-University born Japanese venture
which has unique technology on hybrid-hydrogen batteries and hydrogen production

Tokyo (March 30, 2016) – The Company has executed a new investment (Approximately JPY 500 million yen) in Exergy Power Systems Co., Ltd. (hereinafter the “Exergy”) from “Mirai Creation Fund” (“Fund”), which was established in November 2015. It is the first investment by the Fund in the area of energy storage.

■ Overview of the Investment

Exergy is a venture company of energy storage area with a unique technology in the hybrid-hydrogen batteries and hydrogen production technology, which was founded as a Tokyo University venture in 2011. The company has already successfully developed a hybrid hydrogen battery of nickel-hydrogen battery and a hydrogen gas cell , and has achieved both fast charge and discharge characteristics and durability. The company is currently under development of extremely efficient hydrogen electrolysis which is expected to be a major step towards the realization of a hydrogen society.

■ This Fund has entered into a discretionary investment management agreement with SPARX Asset Management Co., Ltd (hereinafter referred to as “SPARX Asset Management”), a wholly-owned subsidiary of SPARX Group Co., Ltd.（"SPARX”）, and the Fund entrusted the operational authority to it. SPARX Asset Management dispatches an outside director to Exergy and supports to enhance its corporate value.

■ Overview of “ the Fund”

The Fund targets to invest in enterprises and projects that possess innovative technologies in the core fields of artificial intelligence (AI), robotics, technologies to help achieve a hydrogen-based society, as well as other related projects. The Fund began its operations in November 2015 with SPARX as an operator in the total amount of approximately 13.5 billion yen invested by Toyota Motor Corporation, Sumitomo Mitsui Banking Corporation and SPARX.

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

■ Related press release

"Toyota and Sumitomo Mitsui Banking Corporation to Invest in New Investment Fund Established by SPARX Group Co., Ltd." dated November 4, 2015.

http://www.sparxgroup.jp/press/uploads/PressE151104-01.pdf

"Notice Concerning the Execution of First Investment Project by Mirai Creation Fund" dated January 5, 2016.

http://www.sparxgroup.jp/press/uploads/PressE160105-01.pdf

"Notice Concerning the Execution of First Investment Project by Mirai Creation Fund" dated January 13, 2016.

http://www.sparxgroup.jp/press/uploads/PressE160113-01.pdf

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