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 6, 2018

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

Mirai Creation Fund Invests in ArchiTek Corporation A Digital Circuit Design Venture on AI and Image Processing on a Fingertip LSI

—Financing enables production of sample LSI and development of algorithms which will run on the chip —

Tokyo (March 6, 2018) –Today, SPARX Group Co., Ltd. (“SPARX”) announced that Mirai Creation Investment Limited Partnership ("Fund") has executed a new investment (the amount is not disclosed) in ArchiTek Corporation ("ArchiTek") which designs AI and Image Processing digital circuits as well as software. ArchiTek will use this investment to produce a fingertip size programmable sample chip and develop algorithms which will run on these circuits.

■ Overview of Investment

Architek was established on September 2011 by CEO Shuichi Takada who left a major electric appliance maker where he had worked on semiconductor R&D and productization for a long time. Earlier working on contracted development projects, Architek has shifted now to developing a world first AI and Image Processing LSI chip circuit (aIPE) which will fit in just a 5mm square LSI chip Among its applications are image recognition using AI and self driving technologies based on SLAM (※) which can be implemented at the edge in IoT devices for which there is expected to be huge demand. Further need to accelerate the production of sample chip and development of algorithm and tools to penetrate into global markets.

（※）SLAM（Simultaneous Localization and Mapping）is the computational problem of constructing or updating a map of an unknown environment while simultaneously keeping track of an agent's location within it.（From：Wikipedia）

■ Overview of the Fund

The Fund targets investment in enterprises and projects that possess innovative technologies in the core fields of AI, robotics, technologies to enable a hydrogen-based society, as well as other related projects. The Fund began its operations in November 2015 with SPARX as an operator, with investment of 13.5 billion yen by Toyota Motor Corporation, Sumitomo Mitsui Banking Corporation and SPARX. At the end of December 2017, 20 companies have invested in the Fund and AUM reached 36.7 billion yen. The Fund has been investing in about 40 companies, in US, UK, Israel and Japan. (https://mirai.sparx.co.jp/en/)

■ Contact Information

Finance & Management Control
SPARX Group Co., Ltd.
Telephone： +81-3-6711-9100
Fax: +81-3-6711-9101