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

January 31, 2019

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

Notice Regarding Revision to an Expected Dividend for Fiscal Year Ending on March 31, 2019

30th anniversary commemorative dividend per share scheduled to be 3.00 yen

in addition to ordinary dividend per share scheduled to be 7.00 yen

TOKYO (January 31, 2019) - SPARX Group Co., Ltd. (“SPARX”) hereby notify you that the Board of Directors has resolved at its meeting held on January 31, 2019 to revise a year-end expected dividend per share for the fiscal year ending on March 31, 2019.

■ Reasons for the revision to an expected dividend

SPARX has positioned return of profits to the shareholders to be one of the most important tasks of our business management, enhancing continued growth and mid- to long-term increase of corporate value. We decide shareholder return by comprehensively examining the business performance, financial condition and return ratio, as well as the timing and method, among others, while considering stability and continuity of our company from a mid- to long-term perspective.

As for the dividend for the year ending March 2019, we maintained the dividend forecast to be yet determined; however, after a comprehensive review at this time of the financial condition and future business performance, SPARX has decided that a year-end expected ordinary dividend to be 7.00 yen per share for the year, which is same as the previous fiscal year considering the continuously robust financial condition, increase in the Base Earnings(*), and so on.

Furthermore, SPARX will mark the 30th anniversary of its founding in July 2019. Ahead of this milestone, SPARX wishes to express sincere appreciation for all stakeholders, including shareholders, for their constant support over the years.

SPARX would therefore like to issue a commemorative dividend of 3.00 yen per share in commemoration of the 30th anniversary of its founding. SPARX has decided to pay year-end dividend of 10.00 yen per share for the fiscal year ending March 31, 2019, adding commemorative dividend of 3.00 yen per share to ordinary dividend of 7.00 yen per share, accordingly.

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This matter shall be officially determined and the dividends will be paid out subject to the approval of the resolution of the 30th general shareholders' meeting that is scheduled to be held in June 2019.

■ Reference for the revision to an expected dividend

	Annual dividend amount				
	Q1-end	Q2-end	Q3-end	Year-end	Total
Previously expected dividend (announced on October 31, 2018)				Undetermined	Undetermined
Revised expected dividend by this notice				¥10.00 (Ordinary share ¥7.00) (Commemorative share ¥3.00)	¥10.00 (Ordinary share ¥7.00) (Commemorative share ¥3.00)
Actual dividend for fiscal year ending on March 31, 2019	-	¥0.00	-		
Actual dividend for fiscal year ended on March 31, 2018	-	¥0.00	-	¥7.00	¥7.00

(Note) The expected dividend amount shown above is an estimated figure as of today and subject to change due to various factors arising in the future.

(*) SPARX identifies "Base Earnings" as the most important financial indicator. The term "Base Earnings" indicates the sustained and stable fundamental profitability of the company.

Base Earnings = Management Fee(After the deduction of commission paid)-Ordinary Expenses

The Ordinary Expenses is calculated by deducting the sum of (1) Commissions paid, (2) Bonuses (including allowance for bonuses, mandatory welfare expenses related to bonuses, and ESOP expenses) and (3) Severances package for key members, from the total operating and general administrative expenses.

The operating profit for financial accounting purposes includes one-off/ additional performance fees, which can be affected by trends of the equity market and progress of real assets investment business. For this reason, we regard the Base Earnings, which indicates the sustained and stable fundamental profitability, as one of the most important financial indicators.

No further entry