

The following is a translation summary of the official announcement given to the JASDAQ and the media in Tokyo, Japan.

Summary Report of Consolidated Financial Results of Nine Months (April – December, 2005)
for the Fiscal Year 2005 (ending March 31, 2006)

February 8, 2006

Company Name: SPARX Asset Management Co., Ltd.
Stock Code Number: 8739
(URL <http://www.sparx.co.jp/>)
Representative: Shuhei Abe
President & Chief Executive Officer
Contact: Kenzo Kosuda
Executive Officer and Head of Corporate Administration
Tel: +81-3-5435-8200

Date of Board of Directors' Meeting (to finalize financial result): February 8, 2006

Adoption of US Accounting Standard: Yes / No

1. Consolidated Results of Nine Months for FY2005 (April 1, 2005 to December 31, 2005)

(1) Consolidated Operating Results (Amount rounded down to million yen)

	Operating Revenue		Operating Profit		Ordinary Profit	
	Million yen	%	Million yen	%	Million yen	%
Dec. FY 2005	18,731	(61.6)	11,405	(66.1)	11,376	(67.8)
Dec. FY 2004	11,590	(43.4)	6,864	(50.1)	6,777	(51.5)
FY 2004	14,277		7,790		7,670	

	Net Income	Net Income per share	Net Income per share (fully diluted)	Return on stock holders equity (annual basis)	Ordinary Profit ratio of Total Capital	Ordinary Profit ratio of Operating Revenue
	Million yen %	yen	yen	%	%	%
Dec. FY 2005	5,799 (73.6)	6,008 26	5,607 19	16.5	26.0	60.7
Dec. FY 2004	3,340 (52.4)	8,108 10	7,146 50	28.6	43.7	58.5
FY 2004	4,264	9,939 83	8,643 53	19.6	30.4	53.7

Notes:

- Profit/Loss from equity method investments:
Dec. FY 2005: nil Dec. FY 2004: nil FY 2004: nil
- Average number of shares (consolidated)
Dec. FY 2005: 965,190 shares Dec. FY 2004: 411,963 shares FY 2004: 420,006 shares
- Changes of Accounting Method: Yes / No
- Percentage figures shown in the operating revenue, operating profit, ordinary profit, Net Income represent year-on-year changes.

(2) Consolidated Financial Position

	Total assets	Shareholder's equity	Shareholder's equity / Total assets	Shareholder's equity per share
	Million yen	Million yen	%	yen
Dec. FY 2005	51,697	37,366	72.3	38,449 40
Dec. FY 2004	16,360	12,708	77.7	29,531 56
FY 2004	35,818	32,831	91.7	67,949 99

Note: Total outstanding shares as of the end of the quarter/fiscal year (consolidated)

Dec. FY 2005: 971,835 shares Dec. FY 2004: 430,340 shares FY 2004: 481,851 shares

(3) Scope of consolidation and application of equity method

- Number of consolidated subsidiaries: 13
- Number of non-consolidated subsidiaries to which equity method is applicable: None
- Number of affiliated companies to which equity method is applicable: None

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(4) Changes in the scope of consolidation or application of equity method

Consolidated subsidiaries:

Newly included: 3

Newly excluded: None

Affiliated companies to which equity method is applicable

Newly included: None

Newly excluded: None

2. Forecast of Results for the Fiscal Year ending March 31, 2006

The business of this Company is largely susceptible to changes in market conditions and it is difficult to make a reliable forecast of operation results. Instead, a quarterly report of operation results is presented.

3. Breakdown of Consolidated Operating Revenue

Items	Period	Dec. FY 2005		Dec. FY 2004		FY 2004	
		Amount	Share	Amount	Share	Amount	Share
		Thousand yen	%	Thousand yen	%	Thousand yen	%
1. Fee income from investment trust business		3,848,468	20.5	3,610,490	31.1	4,700,538	32.9
Management fee income		(2,439,786)	(13.0)	(1,920,354)	(16.5)	(2,643,745)	(18.5)
Performance-based fee income		(1,408,682)	(7.5)	(1,690,135)	(14.6)	(2,056,793)	(14.4)
2. Fee income from investment advisory business		14,595,608	78.0	7,754,455	66.9	9,273,984	65.0
Management fee income		(6,241,159)	(33.4)	(3,936,418)	(34.0)	(5,318,803)	(37.3)
Performance-based fee income		(8,354,449)	(44.6)	(3,818,036)	(32.9)	(3,955,181)	(27.7)
Sub - total (1 + 2)		18,444,077	98.5	11,364,945	98.0	13,974,523	97.9
Management fee income		(8,680,945)	(46.4)	(5,856,773)	(50.5)	(7,962,549)	(55.8)
Performance-based fee income		(9,763,131)	(52.1)	(5,508,172)	(47.5)	(6,011,974)	(42.1)
3. Other		287,634	1.5	225,561	2.0	303,266	2.1
Total Operating Revenue		18,731,711	100.0	11,590,507	100.0	14,277,789	100.0

Note: Figures in () indicate the breakdown of the fee income in the above category.

4. Net Management Fee Rate

Period	Dec. FY 2005	Dec. FY 2004	FY 2004
Net Management Fee Rate	0.84%	0.89%	0.88%

Note: Net Management Fee Rate = (Management Fee – related commissions and charges and minority interests) ÷ average asset under management

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5. Asset Under Management by investment style

(Hundred million yen)

Style \ Month year	April 2005	May 2005	June 2005	July 2005	August 2005	September 2005	October 2005	November 2005	December 2005
Long-Short Strategy	2,678	2,670	2,725	2,737	2,796	2,947	2,977	3,121	3,326
Strategic Investment Strategy	393	479	503	515	602	641	675	730	766
Multi-Manager Alternative Investment Strategies	265	267	270	274	272	323	339	351	418
Active Strategy	2,803	2,865	3,099	3,166	3,439	3,834	4,207	4,477	4,963
Mid & Small Cap Strategy	1,493	1,527	1,600	1,681	1,741	2,184	2,313	2,509	2,813
Value Creation Investment Strategy	1,003	991	1,072	1,345	1,364	1,466	1,517	1,690	1,812
Private Equity Investments	43	43	43	43	42	42	44	42	42
TOTAL	8,680	8,844	9,314	9,764	10,259	11,440	12,073	12,922	14,142
TOPIX (Note 2)	1,129.93	1,144.33	1,177.20	1,204.98	1,271.29	1,412.28	1,444.73	1,536.21	1,649.76
JASDAQ Index (Note 2)	95.58	93.24	98.67	100.95	101.19	102.32	105.52	111.61	130.21

Notes: 1. The figures above are market values, rounded off to a hundred million yen, and they include the amount assured by contracts.

2. TOPIX and JASDAQ Index are showed as references to share the status of stock markets, however, those indexes will not make any effects to the assets under management of SPARX Asset Management Co., Ltd. In addition, the assets under management will be fluctuated by flow of assets, and performance of fund management.

3. The figure of December 2005 is the preliminary.

6. Asset under management for funds with performance-based fees

(Hundred million yen)

Types \ Month year	April 2005	May 2005	June 2005	July 2005	August 2005	September 2005	October 2005	November 2005	December 2005
Funds with performance-based fees	Amount	5,136	5,247	5,437	5,490	5,689	6,721	6,260	7,202
	% within AUM total	59.2	59.3	58.4	56.2	55.5	58.7	51.9	50.9
Funds without performance-based fees	Amount	3,543	3,596	3,877	4,273	4,570	4,719	5,812	6,939
	% within AUM total	40.8	40.7	41.6	43.8	44.5	41.3	48.1	49.1
TOTAL	Amount	8,680	8,844	9,314	9,764	10,259	11,440	12,073	14,142
	% within AUM total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: 1. The figures above are market values, rounded off to a hundred million yen, and they include the amount assured by contracts.

2. The figure of December 2005 is the preliminary.

7. Average asset under management

(Hundred million yen)

Period	Dec. FY 2005	Dec. FY 2004	FY 2004
Average asset under management	10,827	7,329	7,556

Notes: 1. The figures above are simple average of the asset under management of each month-end.

2. The figures of third quarter 2005 are preliminary.