

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

Fiscal Year 2005 (ending March 31, 2006)
Summary Report of Consolidated Financial Results

May 12, 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): May 12, 2006

Adoption of US Accounting Standard: Yes / No

1. Consolidated Results for FY2005 (April 1, 2005 to March 31, 2006)

(1) Consolidated Operating Results

(Amount rounded down to million yen)

| | Operating Revenue | | Operating Profit | | Ordinary Profit | |
|---------|-------------------|---------|------------------|----------|-----------------|----------|
| | Million yen | % | Million yen | % | Million yen | % |
| FY 2005 | 26,863 | (88.2) | 16,401 | (110.5) | 16,280 | (112.2) |
| FY 2004 | 14,277 | (28.4) | 7,790 | (16.5) | 7,670 | (14.9) |

| | 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 | % | % | % |
| FY 2005 | 8,894 | (108.6) | 8,994 55 | 8,412 35 | 24.1 | 34.9 | 60.6 |
| FY 2004 | 4,264 | (26.1) | 9,939 83 | 8,643 53 | 19.6 | 30.4 | 53.7 |

Notes:

1. Profit/Loss from equity method investments:

FY 2005: nil FY 2004: nil

2. Average number of shares (consolidated)

FY 2005: 968,554 shares FY 2004: 420,006 shares

3. Changes of Accounting Method: Yes / No

4. Percentage figures shown in the operating revenue, operating profit, ordinary profit, Net Income of 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 |
| FY 2005 | 57,437 | 40,989 | 71.4 | 41,400 11 |
| 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)

FY 2005: 1,005,170 shares FY 2004: 481,851 shares

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(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

(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 ended March 31, 2007

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 | FY 2004 | | FY 2005 | | |
|---|--------|--------------|--------|--------------|--------|------------|
| | | Amount | Share | Amount | Share | YoY Change |
| | | Thousand yen | % | Thousand yen | % | % |
| 1. Fee income from investment trust business | | 4,700,538 | 32.9 | 6,999,065 | 26.1 | 48.9 |
| Management fee income | | (2,643,745) | (18.5) | (3,415,284) | (12.7) | (29.2) |
| Performance-based fee income | | (2,056,793) | (14.4) | (3,583,780) | (13.4) | (74.2) |
| 2. Fee income from investment advisory business | | 9,273,984 | 65.0 | 19,348,211 | 72.0 | 108.6 |
| Management fee income | | (5,318,803) | (37.3) | (9,167,395) | (34.1) | (72.4) |
| Performance-based fee income | | (3,955,181) | (27.7) | (10,180,816) | (37.9) | (157.4) |
| Sub – total (1 + 2) | | 13,974,523 | 97.9 | 26,347,276 | 98.1 | 88.5 |
| Management fee income | | (7,962,549) | (55.8) | (12,582,679) | (46.8) | (58.0) |
| Performance-based fee income | | (6,011,974) | (42.1) | (13,764,596) | (51.3) | (129.0) |
| 3. Other | | 303,266 | 2.1 | 516,612 | 1.9 | 70.4 |
| Total Operating Revenue | | 14,277,789 | 100.0 | 26,863,889 | 100.0 | 88.2 |

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

4. Net Management Fee Rate

| Period | FY2004 | FY 2005 |
|-------------------------|--------|---------|
| Net Management Fee Rate | 0.88% | 0.81% |

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 | June 2005 | September 2005 | December 2005 | March 2006 |
|---|-----------|----------------|---------------|------------|
| Long-Short Strategy | 2,725 | 2,947 | 3,326 | 3,369 |
| Strategic Investment Strategy | 503 | 641 | 766 | 841 |
| Multi-Manager Alternative Investment Strategies | 270 | 323 | 425 | 513 |
| Active Strategy | 3,099 | 3,834 | 4,963 | 6,506 |
| Mid & Small Cap Strategy | 1,600 | 2,184 | 2,813 | 2,948 |
| Value Creation Investment Strategy | 1,072 | 1,466 | 1,812 | 1,860 |
| Private Equity Investments | 43 | 42 | 42 | 42 |
| TOTAL | 9,314 | 11,440 | 14,149 | 16,082 |

Note:

1. The figures above are market values, rounded off to a hundred million yen, and they include the amount assured by contracts.
2. The portion of figures for Asset Under Management for March 2006 are left as preliminary.

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

(Hundred million yen)

| Types \ Month year | | June 2005 | September 2005 | December 2005 | March 2006 |
|-------------------------------------|--------------------|-----------|----------------|---------------|------------|
| Funds with performance-based fees | Amount | 5,172 | 6,097 | 7,210 | 7,508 |
| | % within AUM total | 55.5 | 53.3 | 51.0 | 46.7 |
| Funds without performance-based fee | Amount | 4,142 | 5,343 | 6,939 | 8,573 |
| | % within AUM total | 44.5 | 46.7 | 49.0 | 53.3 |
| TOTAL | Amount | 9,314 | 11,440 | 14,149 | 16,082 |
| | % within AUM total | 100.0 | 100.0 | 100.0 | 100.0 |

Note:

1. The figures above are market values, rounded off to a hundred million yen, and they include the amount assured by contracts.
2. The portion of figures for Asset Under Management for March 2006 are left as preliminary.

7. Average asset under management

(Hundred million yen)

| Period | FY 2004 | FY 2005 |
|--------------------------------|---------|---------|
| Average asset under management | 7,556 | 11,913 |

Note:

1. The figures above are simple average of the asset under management of each month-end.
2. The portion of figures for Asset Under Management for March 2006 are left as preliminary.