

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

**Summary Report of Semi-Annual Consolidated Financial Results
for First Half (April – September, 2007) of Fiscal Year Ending March 31, 2008**

November 21, 2007

Company Name: SPARX Group Co., Ltd.
 Stock Code Number: 8739
 (U R L <http://www.sparxgroup.com>)
 Representative: Shuhei Abe
 President & Chief Executive Officer
 Contact: Masatoshi Fukami
 Managing Director
 Tel: +81-3-5437-9700

Date of Board of Directors Meeting (to finalize financial results): November 21, 2007

Adoption of U.S. Accounting Standards: Yes / No

1. Consolidated Results for FY2007 (April 1, 2007 to September 30, 2007)

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

	Operating Revenue		Operating Profit		Ordinary Profit	
	Million yen	%	Million yen	%	Million yen	%
Sep. FY 2007	12,973	(△14.4)	1,549	(△74.8)	1,881	(△70.3)
Sep. FY 2006	15,161	(96.2)	6,140	(62.2)	6,338	(70.2)
FY 2006	27,504	—	9,650	—	10,119	—

	Net Income		Net Income per share		Net Income per share (fully diluted)	
	Million yen	%	yen		yen	
Sep. FY 2007	169	(△94.2)	84.66		82.26	
Sep. FY 2006	2,911	(49.7)	1,462.90		1,394.81	
FY 2006	3,779	—	1,897.00		1,820.44	

Notes:

- Profit/loss from equity method investments:
 Sept. FY 2007: nil Sep. FY 2006: nil FY 2006: nil
- Average number of shares (consolidated)
 Sept. FY 2007: 1,999,075 shares Sep. FY 2006: 1,990,503 shares FY 2006: 1,992,550 shares
- Changes of Accounting Method: Yes / No
- Percentage figures shown for operating revenue, operating profit, ordinary profit and net income represent year-on-year changes.

(2) Consolidated Financial Position

	Total Assets	Shareholders' Equity	Shareholders' Equity / Total assets	Shareholders' Equity per share
	Million yen	Million yen	%	yen
Sep. FY 2007	82,694	53,741	60.6	25,062 23
Sep. FY 2006	77,913	50,484	62.7	24,346 29
FY 2006	81,215	52,598	60.8	24,699 12

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

 Sep. FY 2007: 2,033,600 shares Sep. FY 2006: 2,011,100 shares FY 2006: 2,029,740 shares

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2. Forecast of Results for the Fiscal Year ended March 31, 2008

The SPARX Group Co., Ltd.'s business is influenced by changes in market conditions which make it difficult to forecast operating results with a high degree of accuracy. Instead of a projection for results, please refer to the following quarterly report of operating results:

3. Breakdown of Consolidated Operating Revenue

Items	Period	Sep. FY 2007		Sep. FY 2006		FY 2006	
		Amount	Share	Amount	Share	Amount	Share
		Thousand yen	%	Thousand yen	%	Thousand yen	%
1. Fee income from investment trust business		1,490,157	11.5	2,970,124	19.6	4,746,235	17.3
Management fee income		(1,489,448)	(11.5)	(1,887,493)	(12.5)	(3,660,326)	(13.3)
Performance-based fee income		(709)	(0.0)	(1,082,630)	(7.1)	(1,085,909)	(4.0)
2. Fee income from investment advisor business		11,408,145	87.9	11,814,192	77.9	22,066,310	80.2
Management fee income		(6,942,787)	(53.5)	(6,893,020)	(45.4)	(13,754,556)	(50.0)
Performance-based fee income		(4,465,357)	(34.4)	(4,921,171)	(32.5)	(8,311,753)	(30.2)
Sub – total < 1 + 2 >		12,898,303	99.4	14,784,316	97.5	26,812,545	97.5
Management fee income		(8,432,236)	(65.0)	(8,780,514)	(57.9)	(17,414,882)	(63.3)
Performance-based fee income		(4,466,066)	(34.4)	(6,003,801)	(39.6)	(9,397,663)	(34.2)
3. Other		74,987	0.6	377,026	2.5	692,008	2.5
Total Operating Revenue		12,973,290	100.0	15,161,343	100.0	27,504,554	100.0

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

4. Net Management Fee Rate

Period	Sep. FY 2007	Sep. FY 2006	FY 2006
SPARX Group	0.83%	0.82%	0.80%

Note:

- Net management fee rate = (management fee – related commissions and charges) ÷ average assets under management
- Net management fee rate for PMA Capital Management Limited (“PMA”) is annualized based on management fees that have been realized since SPARX Group Co., Ltd. acquired its stake in PMA.

5. Assets Under Management (AUM)

The following tables detail historical month-end assets under management of first-half of fiscal year ending March 31, 2008 for the SPARX Group Co., Ltd. (“SPARX Group”); including SPARX Asset Management Co., Ltd. (“SPARX”), Cosmo Investment Management Co., Ltd. (“Cosmo”), and PMA Capital Management Limited (“PMA”). PMA’s operating revenues generated from its AUM are included in the financial figures based on the equity ratio that SPARX owns, following the completion of its acquisition by the SPARX Group on June 19, 2006. Some figures are provided on a preliminary basis. The following numbers represent total AUM for each subsidiary, regardless of the SPARX Group’s equity interest and the minority interests are reported on the profit and loss statement, regarding the interests of shareholders outside of the SPARX Group. SPARX Group unit interests that total less than 100% ownership are as follows:

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Company name	SPARX Group Interest
Cosmo Investment Management Co., Ltd.	51.9%
SPARX Value GP, LLC	70.0%

■ **AUM by company**

(i) **Monthly asset under management**

(hundred million yen)

Company \ Month year	April 2007	May 2007	June 2007	July 2007	August 2007	September 2007
SPARX	12,419	12,301	12,481	11,885	10,900	10,626
Cosmo	2,779	3,299	3,575	3,942	3,750	3,910
PMA	2,311	2,384	2,476	2,378	2,268	2,317
TOTAL	17,510	17,985	18,533	18,206	16,920	16,854

- Note: 1. PMA's operating revenues generated from its AUM are included in the consolidated financial figures based on the equity ratio that SPARX owns, following the completion of its acquisition by the SPARX Group on June 19, 2006.
2. The above-mentioned figures are market values, rounded down to the nearest hundred million yen, and the parts of figures include the committed amount that is applicable for calculating management fee based on each fund contract.
3. Portions of the figures for September 2007 AUM include preliminary data.

(ii) **Average assets under management**

(hundred million yen)

Company \ Month year	Sep. FY 2007	Sep. FY 2006	FY 2006
SPARX	11,769	15,109	14,177
Cosmo	3,542	1,986	2,210
PMA	2,355	2,600	2,535
TOTAL	17,668	19,696	18,922

- Note: 1. PMA's operating revenue generated from its AUM are included in the financial figures based on the equity ratio that SPARX owns, following the completion of its acquisition by the SPARX Group on June 19, 2006.
2. The above-mentioned figures are market values, rounded down to the nearest hundred million yen.
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(iii) Assets under management for funds with performance-based fees

(hundred million yen)

Company \ Month year		Sep. FY 2007	Sep. FY 2006	FY 2006
SPARX	Amount	5,303	7,193	6,475
	% within AUM total	49.9	54.1	50.5
Cosmo	Amount	3,338	1,881	2,255
	% within AUM total	85.4	83.7	87.2
PMA	Amount	2,317	2,659	2,370
	% within AUM total	100.0	100.0	100.0
TOTAL	Amount	10,958	11,735	11,101
	% within AUM total	65.0	64.4	62.4

Note: 1. The above-mentioned figures are market values, rounded down to the nearest hundred million yen, and the parts of figures include the committed amount that is applicable for calculating management fee based on each fund contract.

2. Portions of the figures for September 2007 AUM include preliminary data.

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