

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



February 3, 2005

Company: SPARX Asset Management Co., Ltd.  
(JASDAQ Code: 8739)

**Notice Regarding Decision to Enter into Agreement to Purchase Shares in Cosmo Investment Management Co., Ltd., a Korean Investment Company**

Today, the Board of Directors of SPARX Asset Management Co., Ltd. ("SPARX") decided to enter into an agreement to acquire a significant strategic stake in the Korean investment company, Cosmo Investment Management Co., Ltd. (Head Office: Seoul, Korea), through its wholly-owned SPARX UK subsidiary, SPARX International Limited. We give notice of the following:

1. Reason for the Stock Acquisition

We have been considering a broader business strategy to extend our investment management expertise in Japanese equities to the rest of the Asia region as we strive to pursue our corporate vision "to become the most trusted and respected investment company in the world".

As a part of this strategy, we intend to build an Asian investment intelligence network through acquisitions, strategic partnerships, etc., with other independent investment companies in Asia. With a view toward significant mid- to long-term growth, we have decided to acquire a significant strategic stake in Cosmo Investment Management Co., Ltd.

Comprised of a group of highly skilled investment professionals, Cosmo Investment Management Co., Ltd. has a similar investment philosophy to SPARX, which is "the macro is the aggregate of the micro".

2. Summary of Cosmo Investment Management Co., Ltd.

(1)	Address :	Samseong-dong 143-40, Gangnam-Gu, Seoul, Korea
(2)	Establishment date :	June 16, 1999
(3)	Representative :	Kwon-Uk (Kevin) Choi
(4)	Description of principal business :	Korean equities investment advisor, both discretionary and advice
(5)	Assets Under Management (AUM):	600.0 billion Korean Won (as of January 31, 2005)
(6)	Capital :	6.8 billion Korean Won (as of March 31, 2004)
(7)	Fiscal year :	March 31
(8)	Number of employees :	17

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(9)	Main office :	Seoul, Korea	
(10)	Client type :	Korean institutional investors, pension	
(11)	Shareholders and the Percentage of the Ownership (%) :	Kwon-Uk (Kevin) Choi and Family	25.5%
		Employees and Family	14.5%
		Outside shareholders	60.0%
(12)	Relationship with SPARX :	None prior to transaction	
(13)	Performance in most recent fiscal year (Period to March 2004)		
	Operating revenue	9.6 billion Korean Won	
	Recurring profit	3.5 billion Korean Won	
	Net income	2.0 billion Korean Won	

### 3. Summary of Acquiring Company

(1)	Company name :	SPARX International Limited
(2)	Location :	London, UK
(3)	Description of principal business :	Investment in overseas subsidiaries (other than those in the US), etc.
(4)	Relationship with SPARX :	Wholly-owned subsidiary of SPARX Asset Management Co., Ltd.

### 4. Schedule of the Transaction

- |     |                                 |  |
|-----|---------------------------------|--|
| (1) | February 3, 2005                | Signing of Basic Agreement   |
| (2) | By end of March, 2005 (planned) | Transfer of shares<br>(Acquiring a significant strategic stake in Cosmo Investment Management Co., Ltd.) |

### 5. Influence on SPARX's Future Business Performance

In consideration of the size of the company, the transaction is not expected to produce a material impact on our near-term earnings.