

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



August 24, 2005

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

**Notice Regarding Official licenses and Commencement of
Operation of Indirect Subsidiary**

SPARX International (Hong Kong), Limited (“the Company”), a wholly-owned subsidiary of SPARX International Limited (a wholly-owned subsidiary of SPARX Asset Management Co., Ltd), has obtained the official license from the competent authorities of Hong Kong (Securities and Futures Commission), and commences operations herewith. SPARX Asset Management Co., Ltd entered the incorporation procedure of the Company, which was announced on March 30, 2005.

Details of Indirect Subsidiary

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|---------------------------------------|--|
| (1) Trade name | SPARX International (Hong Kong), Limited |
| (2) Date of foundation | April 14, 2005 |
| (3) Commencement of operations | August 24, 2005 |
| (4) Location | Suite 3107-3108, One Exchange Square 8 Connaught Place,
Central, Hong Kong |
| (5) Capital | 49,912,200 HK\$ |
| (6) Shareholder | 100% owned by SPARX International Limited |
| (7) Relationship with the Company | |
| Capital relationship | Indirect subsidiary, as a wholly-owned subsidiary of SPARX International Limited, itself a subsidiary |
| Personnel relationship | Key directors and employees will be dispatched from SPARX Asset Management Co., Ltd. and its subsidiaries. |
| Business relationship | It will primarily conduct the investment management of SPARX Group's offshore funds. |
| (8) Licenses obtained | Advising on Securities
Asset Management |
| (9) Number of directors and employees | 6 |