

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



July 3, 2006

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

Appointment of a temporary independent auditor

SPARX Asset Management Co., Ltd. ("SPARX") would like to announce that the Audit Committee scheduled on July 5, 2006, would pass a resolution appointing a temporary independent auditor in accordance with the Company law Article 346-4 and 346-6, for Japanese law purposes.

1. Reason for the Appointment

ChuoAoyama PricewaterhouseCoopers was suspended from auditing for purposes of the Japanese legislative audit by order of the Financial Service Agency for the period July 1, 2006 to August 31, 2006. Accordingly, they have lost the status and resigned from being SPARX's independent auditor for the Japanese legislative audit. We have appointed "Masayuki Maekawa (Certified Public Accountant)" as our temporary independent auditor to avoid the absence of an independent auditor under the Company Law for that period.

After a suspension period, we would also reassign ChuoAoyama PricewaterhouseCoopers as our temporary independent auditor on September 1, 2006.

We would place the issue of appointment of independent auditor on agenda of annual shareholders' meeting scheduled on June 2007.

2. Incoming Independent Auditor

Name: Masayuki Maekawa (Certified Public Accountant)

Address: 1-3, Hibiya Park, Chiyoda-ku, Tokyo

Scheduled date of change: July 5, 2006

3. Outgoing Independent Auditor

Name: ChuoAoyama PricewaterhouseCoopers

Address: 3-2-5, Kasumigaseki, Chiyoda-ku, Tokyo

Scheduled date of change: July 1, 2006

[END]

###