

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



April 25, 2007

Company: SPARX Group Co., Ltd.
(Registration Code: 8739)

SPARX Group Statement on PENTAX Corp. Shareholder Proposal

TOKYO (April 25, 2007) -- SPARX Group Co., Ltd. (hereafter "SPARX Group"), acting through a fund managed by one of its asset management subsidiaries, has exercised its right as a shareholder to make a proposal for consideration at PENTAX Corp.'s ("PENTAX" hereafter) 77th annual shareholders' meeting to be held in late June of 2007.

Specifically, the proposal calls for PENTAX to appoint three board members and two new statutory auditors at the company's shareholders' meeting. From a perspective seeking to improve PENTAX's long-term corporate value as well as benefit of stakeholders such as its employees and business partners, SPARX Group, as the largest shareholder, has submitted the proposal to open a debate on who can best manage the company going forward amid such incessant internal turmoil.

I. The Intention of the Proposal:

For almost two years, SPARX Group companies have been exchanging candid and constructive opinions with the management of PENTAX about strategies and possibilities for maximizing shareholder value at the company, in which we have invested appreciating its globally recognized brand name power and competitive optics technologies.

In December of 2006, when PENTAX and HOYA Corp. ("HOYA" hereafter) announced they had concluded a Letter of Intent ("LOI" hereafter) to merge operations, the agreement was cheered by investors, many of whom apparently considered it as a good strategic step forward for PENTAX. It is the view of SPARX Group that the market regarded their merger agreement as a means of (1.) further boosting each company's long-standing lead in optics technologies, which few foreign competitors can match and (2.) enhancing the combined value of two brand names recognized around the globe. SPARX also believes this market consensus had supported the share price of PENTAX.

However, on April 10, 2007, a newly installed PENTAX management team announced that they

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had dismissed the former President and the CFO of the company and would also abandon the proposed merger. Since that sudden replacement of senior management, we have pursued discussions with the new management team on their strategic plans based upon our previous talks with the former management, which sought to improve overall corporate value and benefit stakeholders such as its employees and business partners. At those discussions, their explanation about their future strategies was changed at each occasion. Their motive for causing the internal management change and their explanation about how to improve corporate value showed a marked lack of consideration for PENTAX shareholders. The directors of any company have a fiduciary duty and a duty of care to that company's customers, employees, business partners, shareholders and other stakeholders. But as far as we have been able to determine, there is little possibility that entrusting PENTAX's future to the current management will result in executive decision-making based on fiduciary duties and duties of care that do indeed seek to benefit both shareholders and stakeholders. What's more, the current management took its position as a result of internal turmoil, and they have never demonstrated within PENTAX or to the market their experience and capability as top management prior to their appointment. This, in turn, has prompted speculation that the current management of PENTAX cannot be trusted to meet the standards that stockholders are entitled to expect from them. We believe that if the new management continues to manage the company, PENTAX's corporate value and stockholder interests will not be maximized but rather are likely to be damaged. Our recommendation is for PENTAX to appoint directors who are professionals who unquestionably have a high discipline to enhance corporate value and stockholder interests at PENTAX with a wealth of experience in the management of such a business.

Furthermore, in light of the discord that occurred within the board of directors of PENTAX in April of 2007, we do not believe that the two statutory auditors who will be up for reappointment have satisfactorily fulfilled their duties as statutory auditors. Accordingly, we believe what is called for at this juncture is the introduction of statutory auditors who have the competency and insight to properly audit the administration of the directors and who, being in a neutral position as outsiders, have the discipline and integrity to resolutely take action when there is any doubt as to whether directors are fulfilling their duties.

For all of the reasons enumerated above, SPARX Group today announced its intention to execute its right as a shareholder to make a formal proposal and bring up the matter for consideration at PENTAX's upcoming annual shareholders' meeting.

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II. Details of the Proposal: (Format to be adjusted by IR in Tokyo)

1 Appointment of three directors

(1) Details

As a shareholder of PENTAX, we hereby propose that the slate of directors set forth below be appointed as directors of the company.

Name (Date of Birth)	Employment History/ Positions Held	Stockholdings in the Company
Fumio Urano (April 12, 1943)	March 1968: Joins PENTAX August 1988: Promoted to Manager of PENTAX's Optical Devices Dept. June 1989: Named as Director of PENTAX June 2000: Named President and Representative Director of PENTAX April 2007 - present: Named Director of PENTAX	92,290 shares
Katsuo Mori (July 23, 1944)	March 1968: Joins PENTAX June 1993: Named Director of PENTAX June 1997: Named Chief of the President's Office at PENTAX June 1999: Named Managing Director of PENTAX June 2002: Named Senior Managing Director, in charge of PENTAX's Corporate Center April 2007 - present: Named Director of PENTAX	48,143 shares

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<p>Yuji Nishiura (January 3, 1953)</p>	<p>1975: Joins Sumitomo Trust and Banking</p> <p>1986: Joins Boston Consulting Group</p> <p>1989: Joins Citibank N.A</p> <p>1994: Joins BOOZ ALLEN & HAMILTON Japan, serves as Partner and Vice President</p> <p>2000: Promoted to Partner and President</p> <p>2002: Named Managing Partner and CEO of Roland Berger & Partner Japan Ltd. (currently Roland Berger Ltd.)</p> <p>January 2005: Becomes Co-Chairman & Partner of the above company.</p> <p>January 2006 - present: Alix Partners Asia LLC, Managing Director and Japan representative</p>	<p>0 share</p>
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(Notes)

1. Mr. Nishiura is a candidate as an outside director.

2. Reasons for nomination as an outside director:

Mr. Nishiura has experience in consulting in a wide range of industries, which we can be utilized in advising on the overall management of PENTAX so that the company's corporate governance will be strengthened.

2 Appointment of Two Statutory Auditors

(1) Details

As a shareholder of PENTAX, we hereby propose that the slate of statutory auditors set forth below be appointed as statutory auditors.

Name (Date of Birth)	Backgrounds	Stockholdings in the Company
<p>Kunitaro Saida (May 4, 1943)</p>	<p>April 1967: Legal Apprentice</p> <p>April 1998: Joins Tokyo District Prosecutor's Office as deputy public prosecutor</p> <p>November 1999: Joins Supreme Public Prosecutors' Office as a public prosecutor</p> <p>December 1999: Joins Tokyo High Public Prosecutor's Office as deputy public prosecutor</p>	<p>0 share</p>

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	<p>November 2001: Joins Tokyo District Prosecutor's Office as chief public prosecutor</p> <p>February 2003: Joins Takamatsu High Public Prosecutor's Office as superintending public prosecutor</p> <p>June 2004: Joins Hiroshima High Public Prosecutor's Office as superintending public prosecutor</p> <p>August 2005: Joins Osaka High Public Prosecutor's Office as superintending public prosecutor</p> <p>May 2006 - present: Retire from offices above, registers as an attorney-at-law</p>	
<p>Wataru Nakamura (April 25, 1966)</p>	<p>September 1991: Joins Arthur Andersen, Osaka</p> <p>January 1995: Joins MYTS Co., Ltd. (Ikeda CPA Office)</p> <p>April 1996: Joins JAFCO Co., Ltd.</p> <p>January 2000 - present: Establishes Nakamura CPA Office</p>	<p>0 share</p>

(Notes)

1. Messrs. Saida and Nakamura are candidates as outside statutory auditors.
2. Reasons for nomination as outside statutory auditors:
 - (1) Mr. Saida has considerable experience in legal practice, including superintending the public prosecutor at the High Public Prosecutor's Office. This experience will help him to serve as an outside statutory auditor with respect to compliance in particular.
 - (2) Mr. Nakamura has abundant knowledge and experience in accounting and tax practices as a certified public accountant, which enables him to serve as a statutory auditor.

For more information contact:

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