

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

July 30, 2008
Company: SPARX Group Co., Ltd.
(JASDAQ Code: 8739)

Announcement of Dissolution of Subsidiary

SPARX Group Co., Ltd. announced today that the Board resolved to approve its subsidiary, SPARX Investment & Research, USA, Inc. to take necessary action to remove SPARX Value GP, LLC (or "SVGP") as the general partner and manager from SPARX Japan Value Creation Investment Strategy Funds (or "VCI Funds"), which will consequently constitute the event to trigger dissolution of SVGP.

1. Background for the dissolution:

SVGP is a limited liability company which was established on December 26, 2002 between three parties, SPARX, California Public Employee's Retirement System (or "CalPERS") and Relational Investors, LLC (or "Relational") to serve as the general partner and manager of its U.S. domiciled private investment funds, in which capacity it implements the VCI Strategy.

By the end of July, it is expected that SVGP will no longer serve as general partner or manager of any U.S. domiciled VCI Funds, therefore there is no longer a business need for SVGP, a subsidiary of SPARX Group.

Other SPARX Group investment products, including non-U.S. domiciled VCI Funds, are not affected by this action, except that all fee sharing arrangements between SPARX and its partners in SVGP in regard to VCI Strategy will be terminated in conjunction with the dissolution of SVGP.

2. Outline of the subsidiary

(1) Corporate Name	SPARX Value GP, LLC
(2) Business	General partner and manager of US domiciled funds
(3) Establishment	December 26, 2002
(4) Head Office	360 Madison Avenue, 24 th Floor, New York, NY 10017, USA
(5) Representative	Matthew Kubo
(6) Capital	USD 1,000
(7) Net Asset	USD 1,348,996
(8) Total Asset	USD 3,982,757
(9) Fiscal Year End	December 31

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- (10) Major Business Partner SPARX Asset Management Co., Ltd.
(11) Major Shareholder SPARX Investment & Research, USA, Inc. (70%)
California Public Employee's Retirement System (20%)
Relational Investors, LLC (10%)

(12) Financial Results (Units: 1,000USD)

	FY 2005	FY 2006	FY 2007
Operating Revenue	9,571	9,402	7,337
Net Income	4,951	3,043	1,712

3. Schedule

- July 30, 2008 Resolution of the approval by SPARX Group
July 31, 2008 Dissolution of SVGP (planned)
December 31, 2008 Completion of liquidation of SVGP (planned)

4. Expected impact on financial results

The dissolution of the subsidiary is not expected to have material impacts on the Group's financial results (consolidated/non-consolidated).

For more information contact:

SPARX Group Co., Ltd., Communication Development in Tokyo at (813) 5437 9700