June 10, 2011

Summary of Financial Results for the Second Quarter of the Fiscal Year Ending October 31, 2011 (Six Months Ended April 30, 2011)

[Japanese GAAP]

Company name: LONGLIFE HOLDING Co., Ltd. Listing: Osaka Securities Exchange (JASDAQ)
Stock code: 4355 URL: http://www.longlife-holding.co.jp
Representative: Masakazu Endo, CEO
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Scheduled date of filing of Quarterly Report: June 13, 2011
Scheduled date of payment of dividend: -
Preparation of supplementary materials for quarterly financial results: Yes
Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Six Months Ended April 30, 2011 (November 1, 2010 – April 30, 2011)

(1) Consolidated results of operations

(Percentages represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Apr. 30, 2011	4,440	11.9	93	(49.7)	86	(49.3)	(208)	-
Six months ended Apr. 30, 2010	3,969	(3.3)	185	249.0	170	393.5	38	-

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Apr. 30, 2011	(3,861.90)	-
Six months ended Apr. 30, 2010	718.67	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Apr. 30, 2011	9,762	2,339	24.0	43,362.14
As of Oct. 31, 2010	9,185	2,569	28.0	47,635.50

Reference: Shareholders' equity (million yen): Apr. 30, 2011: 2,339 Oct. 31, 2010: 2,569

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Oct. 31, 2010	-	0.00	-	500.00	500.00
Fiscal year ending Oct. 31, 2011	-	0.00			
Fiscal year ending Oct. 31, 2011 (forecasts)			-	2.50	2.50

Note: Revision of dividend forecast during the period: None

The Board of Directors approved a resolution on April 1, 2011 to conduct a 1-to-200 stock split on May 1, 2011. The dividend per share forecast for the fiscal year ending in October 2011 has been adjusted to reflect this stock split. See "Note concerning dividend after the stock split" on the following page for more information.

3. Consolidated Forecast for the Fiscal Year Ending October 31, 2011 (November 1, 2010 – October 31, 2011)

(Percentages represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	9,600	18.7	280	(29.6)	250	(32.1)	(90)	-	(8.34)

Note: Revision of consolidated forecast during the period: None

The Board of Directors approved a resolution on April 1, 2011 to conduct a 1-to-200 stock split on May 1, 2011. The net income per share forecast for the fiscal year ending in October 2011 has been adjusted to reflect this stock split. See "Note concerning forecasts" on the following page for more information.

4. Others (Please refer to “2. Other Information” on page 4 of the attachments for further information.)

(1) Changes in significant subsidiaries during the period: Yes

Newly added: 2 (Nihonbicoh Corporation, Kashidasu Co., Ltd.)   Excluded: 0

Note: Changes in specified subsidiaries affecting the scope of consolidation during the period

(2) Application of simplified accounting methods and special accounting methods: Yes

Note: Application of simplified accounting methods and special accounting methods for presenting quarterly consolidated financial statements

(3) Changes in accounting principles, procedures, presentation methods, etc.

1) Changes caused by revision of accounting standards: Yes

2) Other changes: None

Note: Changes in accounting principles, procedures, presentation methods, etc. for presenting quarterly consolidated financial statements described in “Change in Significant Accounting Policies in the Preparation of Quarterly Consolidated Financial Statements”

(4) Number of outstanding shares (common stock)

1) Number of shares outstanding at end of period (including shares of treasury stock)

As of Apr. 30, 2011:	55,952 shares	As of Oct. 31, 2010:	55,952 shares

2) Number of shares of treasury stock at end of period

As of Apr. 30, 2011:	2,008 shares	As of Oct. 31, 2010:	2,008 shares

3) Average number of shares outstanding during the period

Six months ended Apr. 30, 2011:	53,944 shares	Six months ended Apr. 30, 2010:	54,243 shares

* Indication of quarterly review procedure implementation status

The current quarterly financial statements are exempted from quarterly review procedures based on the Financial Instruments and Exchange Act. At the time of disclosure, we have not completed the review process for these consolidated statements.

* Cautionary statement with respect to forecasts of future performance and special items

< Note concerning forward-looking statements >

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the Company’s management at the time the materials were prepared. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to “(3) Qualitative Information Regarding Consolidated Forecasts” on page 3 for assumptions for forecasts and notes of caution for usage.

< Note concerning dividend after the stock split >

The Board of Directors approved a resolution on April 1, 2011 to conduct a 1-to-200 stock split on May 1, 2011. Dividend payments after retroactive adjustments to reflect this split are as follows.

Record date: Oct. 31, 2010   Year-end: 2.50 yen per share   Total dividend: 2.50 yen per share

< Note concerning forecasts >

The net income per share forecast was calculated as if the above-mentioned stock split took place at the beginning of the fiscal year.

Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Qualitative Information Regarding Consolidated Results of Operations

In the first half of the current fiscal year, the Japanese economy recovered as overseas economies posted strong growth. But the economic outlook in Japan is uncertain because of the impact of the Great East Japan Earthquake of March 11, 2011.

In the nursing care services sector, the Japanese Cabinet approved a proposal for amendments to the Long-Term Care Insurance Act on March 11, 2011. This Cabinet decision indicates that Japan will make progress toward rebuilding the nursing care system, which is scheduled in April 2012, in order to create a regional comprehensive care system that allows seniors to lead a worry-free life in the communities. Proposed revisions include regular and additional nursing care home visits on a 24-hour basis, a composite service in which a single location offers both nursing care visits and multi-function long-term care in a small group home, and other changes.

The Long Life Group (Longlife Holding Co., Ltd. and its consolidated subsidiaries) achieved an 11.9% increase in consolidated net sales to 4,440 million yen. Sales of rooms of nursing homes were robust in the nursing home business. In addition, the in-home nursing care business made steady progress in generating additional sales by obtaining certification of business sites as high-quality locations that are eligible for the receipt of additional payments. Operating income decreased 49.7% to 93 million yen and ordinary income was down 49.3% to 86 million yen. After an extraordinary loss of 185 million yen for an impairment loss, there was a net loss of 208 million yen compared with net income of 38 million yen one year earlier.

Business segment performance was as follows.

1) Nursing home business

At the end of the second quarter, the nursing home business was operating 18 nursing homes with a total of 723 rooms for residents. The occupancy rate was 71.6% as of April 30, 2011 as these homes continued to attract new residents. The Group plans to further increase sales activities in order to achieve an even higher occupancy rate.

Second quarter sales were 2,112 million yen and ordinary income was 31 million yen.

2) In-home nursing care business

In the in-home nursing care business, the Long Life Group expanded its activities in the Tokyo metropolitan area and established a stronger base of operations by purchasing all shares of Nihonbicoh Corporation on February 1, 2011. During the first half of the current fiscal year, the number of in-home nursing care locations increased by 16 due to the Nihonbicoh acquisition and seven locations were newly opened. Including the relocation and integration of two locations, this resulted in 124 locations at the end of the first half. The Group plans to continue to sign up new customers by offering services that are deeply rooted in each community.

Second quarter sales were 2,332 million yen and ordinary income was 18 million yen.

3) Food service business

This business mainly involves the preparation of meals which are served at the Group’s 18 nursing and group homes and 10 facilities as part of daytime care services provided by the Group. The number of meals supplied is increasing steadily along with the number of these locations. In addition, the Group plans to expand external sales activities to target outsourced hotel banquet operations and other opportunities in order to sign up new food service customers.

Second quarter sales were 296 million yen and ordinary income was 6 million yen.

4) Nursing care equipment business

In the second quarter of the current fiscal year, the Long Life Group started a comprehensive wholesale rental business in which nursing-care equipment is rented to companies that rent these items to users. Equipment that is returned after use undergoes rigorous quality inspections and is then disinfected and maintained at Long Life Group warehouses. This system allows equipment to be rented again by nursing care insurance recipients from companies that provide this equipment. Extensive support is provided by nursing care equipment specialists who have much expertise and skill in the nursing care field. The aim is to provide services that assist seniors in living on their own.

Due to up-front expenses associated with the start of this business, second quarter sales totaled 5 million yen and there was an ordinary loss of 14 million yen.

(2) Qualitative Information Regarding Consolidated Financial Position

1) Assets, liabilities and net assets

Total assets were 9,762 million yen at the end of the second quarter, 576 million yen higher than the end of the previous fiscal year.

Current assets increased 14 million yen to 3,317 million yen. This was primarily attributable to an increase of 252 million yen in notes and accounts receivable-trade, and a decrease of 237 million yen in cash and deposits.

Noncurrent assets increased 561 million yen to 6,443 million yen. The primary cause was increases of 401 million yen in property, plant and equipment, and 78 million yen in intangible assets.

Current liabilities increased 56 million yen to 5,466 million yen. This was mainly increases of 122 million yen in accounts payable-other, 81 million yen in current portion of long-term loans payable, 72 million yen in short-term loans payable, 39 million yen in accounts payable-trade, decreases of 191 million yen in advances received, and 121 million yen in provision for loss on litigation.

Noncurrent liabilities increased 750 million yen to 1,956 million yen mainly because of increases of 508 million yen in long-term loans payable, 83 million yen in lease obligations, and 69 million yen in asset retirement obligations.

Net assets decreased 230 million yen from the end of the previous fiscal year to 2,339 million yen, and the equity ratio was 24.0% at the end of the second quarter.

2) Cash flows

There was a net decrease of 237 million yen in cash and cash equivalents from the end of the previous fiscal year to 1,132 million yen at the end of the second quarter. Cash flows during the six-month period under review and major components were as follows.

< Cash flows from operating activities >

Net cash used in operating activities was 101 million yen compared with 90 million yen used one year earlier.
Major sources of cash were impairment loss of 185 million yen, depreciation and amortization of 111 million yen. Major uses of cash were a decrease of 192 million yen in advances received, an increase of 102 million yen of deposits paid, and loss before income taxes and minority interests of 102 million yen.

< Cash flows from investing activities >

Net cash used in investing activities was 540 million yen compared with 30 million yen used one year earlier.
Cash was mainly used for payments of 381 million yen for the purchase of property, plant and equipment, and 120 million yen in purchase of investments in subsidiaries resulting in change in scope of consolidation.

< Cash flows from financing activities >

Net cash provided by financing activities was 405 million yen compared with 32 million yen provided one year earlier.
The major source of cash was a 660 million yen proceeds from long-term loans payable. The major use of cash was repayments of 285 million yen in long-term loans payable.

(3) Qualitative Information Regarding Consolidated Forecasts

Based on results of operations in the first half of the current fiscal year, the fiscal year forecast for consolidated performance that was announced on December 10, 2010 has been revised. For more information, see the press release dated June 9, 2011 concerning the announcement of an extraordinary loss and revisions to forecasts for results of operations and the dividend.

2. Other Information

(1) Overview of Changes in Significant Subsidiaries

Two companies have been newly consolidated in the second quarter of the current fiscal year. Nihonbicoh Corporation became a consolidated subsidiary following the purchase of all of its shares and Kashidasu Co., Ltd. became a consolidated subsidiary upon its establishment by L Care Co., Ltd., which is a wholly owned consolidated subsidiary of Longlife Holding.

(2) Overview of Application of Simplified Accounting Methods and Special Accounting Methods

1) Method for estimating the uncollectible amount of general receivables

The uncollectible amount of general receivables was estimated using the historical write-off ratio at the end of the previous fiscal year as the ratio at the end of the second quarter of the current fiscal year was found not to be significantly different from the ratio at the end of the previous fiscal year.

2) Calculation of depreciation expense for noncurrent assets

For assets subject to the declining balance method, depreciation was calculated pro rata based on the amount for the current fiscal year.

3) Calculation of income taxes, deferred tax assets and deferred tax liabilities

The amount of income taxes paid is calculated using only significant taxable and deductible items, and tax credit items. Judgments about the recoverability of deferred tax assets are made based on the earnings forecast at the end of the previous fiscal year and tax planning with regard to items where there have been no significant changes in the operating environment or in the occurrence of temporary differences following the end of the previous fiscal year.

(3) Overview of Changes in Accounting Principles, Procedures, Presentation Methods, etc.

1) Accounting standards for asset retirement obligations

Beginning with the first quarter of the current fiscal year, “Accounting Standards for Asset Retirement Obligations” (Accounting Standards Board of Japan (ASBJ) Statement No. 18, March 31, 2008) and “Guidance on Accounting Standards for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008) have been applied.

The effect of this change has decreased operating income, ordinary income by 2.015 million yen each and increased loss before income taxes and minority interests by 23.952 million yen. The application of these standards increased the account balance of asset retirement obligations by 69.661 million yen.

2) Accounting standards concerning business combinations
Because there were acquisitions during the second quarter of the current fiscal year, “Accounting Standards for Business Combinations” (ASBJ Statement No. 21, December 26, 2008), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008), “Partial Amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No. 23, December 26, 2008), “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, December 26, 2008), “Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16, December 26, 2008), and “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, December 26, 2008) have been applied.

(4) Overview of Important Information about Going Concern Assumption

Not applicable.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	Second quarter of FY2011 (As of Apr. 30, 2011)	FY2010 summary (As of Oct. 31, 2010)
Assets		
Current assets		
Cash and deposits	1,152,925	1,390,120
Notes and accounts receivable-trade	1,145,004	892,685
Inventories	23,365	4,717
Deferred tax assets	36,046	88,710
Deposits paid	802,429	699,634
Other	162,488	229,631
Allowance for doubtful accounts	(4,475)	(2,339)
Total current assets	3,317,784	3,303,160
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	4,753,363	4,737,096
Accumulated depreciation	(1,689,751)	(1,578,273)
Buildings and structures, net	3,063,611	3,158,822
Vehicles	17,895	-
Accumulated depreciation	(17,436)	-
Vehicles, net	459	-
Tools, furniture and fixtures	329,885	296,517
Accumulated depreciation	(258,420)	(231,406)
Tools, furniture and fixtures, net	71,465	65,111
Land	2,355,086	1,967,967
Lease assets	106,171	-
Accumulated depreciation	(5,701)	-
Lease assets, net	100,469	-
Construction in progress	4,846	2,583
Total property, plant and equipment	5,595,938	5,194,484
Intangible assets		
Goodwill	254,885	175,938
Other	21,054	21,617
Total intangible assets	275,940	197,555
Investments and other assets		
Investment securities	38,826	27,289
Guarantee deposits	402,802	387,854
Long-term prepaid expenses	81,099	71,008
Other	49,003	4,042
Total investments and other assets	571,732	490,194
Total noncurrent assets	6,443,611	5,882,234
Deferred assets		
Bond issuance cost	731	-
Total deferred assets	731	-
Total assets	9,762,127	9,185,395

(Thousands of yen)

	Second quarter of FY2011 (As of Apr. 30, 2011)	FY2010 summary (As of Oct. 31, 2010)
Liabilities		
Current liabilities		
Accounts payable-trade	98,540	58,780
Short-term loans payable	593,508	520,800
Current portion of bonds	20,000	-
Current portion of long-term loans payable	640,776	559,160
Lease obligations	21,575	-
Accounts payable-other	278,019	155,044
Accrued expenses	419,671	381,922
Income taxes payable	34,182	77,479
Advances received	3,121,838	3,313,650
Provision for loss on litigation	-	121,795
Provision for bonuses	101,395	80,449
Allowance for cancellation of contract	8,559	10,821
Other	128,085	129,824
Total current liabilities	5,466,150	5,409,727
Noncurrent liabilities		
Bonds payable	20,000	-
Long-term loans payable	1,679,439	1,171,292
Lease obligations	83,835	-
Deferred tax liabilities	46,214	3,357
Provision for retirement benefits	37,444	12,131
Deferred revenue of home nursing care apart from general revenue	13,500	14,040
Asset retirement obligations	69,661	-
Other	6,754	5,198
Total noncurrent liabilities	1,956,848	1,206,018
Total liabilities	7,422,999	6,615,746
Net assets		
Shareholders’ equity		
Capital stock	100,000	100,000
Retained earnings	2,292,149	2,527,447
Treasury stock	(62,431)	(62,431)
Total shareholders’ equity	2,329,717	2,565,015
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	9,410	4,634
Total valuation and translation adjustments	9,410	4,634
Total net assets	2,339,127	2,569,649
Total liabilities and net assets	9,762,127	9,185,395

(2) Quarterly Consolidated Statements of Income
(For the Six-month Period)

(Thousands of yen)

	First six months of FY2010 (Nov. 1, 2009 – Apr. 30, 2010)	First six months of FY2011 (Nov. 1, 2010 – Apr. 30, 2011)
Net sales	3,969,031	4,440,865
Cost of sales	3,121,476	3,553,571
Gross profit	847,554	887,293
Selling, general and administrative expenses	661,780	793,842
Operating income	185,774	93,451
Non-operating income		
Interest income	127	455
Dividends income	733	758
Contribution for tenants received	4,139	4,711
Revenue of facility usage charge	583	521
Subsidy income	-	12,237
Other	2,257	4,121
Total non-operating income	7,841	22,807
Non-operating expenses		
Interest expenses	23,147	27,633
Other	304	2,397
Total non-operating expenses	23,452	30,030
Ordinary income	170,162	86,228
Extraordinary income		
Reversal of provision for loss on litigation	-	45,995
Reversal of provision for bonuses	-	2,146
Return of municipal tax	7,934	-
Total extraordinary income	7,934	48,141
Extraordinary loss		
Loss on retirement of noncurrent assets	16	3,482
Provision for loss on litigation	117,535	-
Impairment loss	-	185,595
Loss on cancellation of leasehold contracts	2,237	716
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	21,936
Depreciable assets tax for prior periods	8,531	-
Loss on prior periods adjustment	-	25,073
Settlement package	6,800	-
Other	2,536	-
Total extraordinary losses	137,657	236,804
Income (loss) before income taxes and minority interests	40,439	(102,434)
Income taxes-current	37,402	33,753
Income taxes-deferred	(35,946)	72,138
Total income taxes	1,456	105,891
Loss before minority interests	-	(208,326)
Net income (loss)	38,983	(208,326)

(For the Three-month Period)

(Thousands of yen)

	Second Quarter of FY2010 (Feb. 1, 2010 – Apr. 30, 2010)	Second Quarter of FY2011 (Feb. 1, 2011 – Apr. 30, 2011)
Net sales	1,981,796	2,392,624
Cost of sales	1,560,226	1,929,366
Gross profit	421,569	463,257
Selling, general and administrative expenses	335,929	439,676
Operating income	85,640	23,580
Non-operating income		
Interest income	127	124
Contribution for tenants received	2,261	2,127
Revenue of facility usage charge	322	276
Subsidy income	-	12,237
Other	1,040	2,255
Total non-operating income	3,752	17,022
Non-operating expenses		
Interest expenses	11,506	14,998
Other	-	1,585
Total non-operating expenses	11,506	16,583
Ordinary income	77,886	24,019
Extraordinary income		
Reversal of provision for loss on litigation	-	200
Return of municipal tax	7,934	-
Total extraordinary income	7,934	200
Extraordinary loss		
Loss on retirement of noncurrent assets	16	728
Impairment loss	-	185,595
Loss on cancellation of leasehold contracts	2,237	138
Depreciable assets tax for prior periods	8,531	-
Loss on prior periods adjustment	-	25,073
Settlement package	6,800	-
Other	2,536	-
Total extraordinary losses	20,122	211,535
Income (loss) before income taxes and minority interests	65,698	(187,315)
Income taxes-current	26,154	18,994
Income taxes-deferred	(9,389)	10,925
Total income taxes	16,765	29,919
Loss before minority interests	-	(217,235)
Net income (loss)	48,933	(217,235)

(3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	First six months of FY2010 (Nov. 1, 2009 – Apr. 30, 2010)	First six months of FY2011 (Nov. 1, 2010 – Apr. 30, 2011)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	40,439	(102,434)
Depreciation and amortization	111,330	111,403
Amortization of long-term prepaid expenses	7,254	6,769
Amortization of goodwill	42,225	48,602
Impairment loss	-	185,595
Increase (decrease) in allowance for doubtful accounts	(96)	736
Increase (decrease) in deferred revenue of home nursing care apart from general revenue	(540)	(540)
Increase (decrease) in provision for bonuses	(22,917)	10,353
Increase (decrease) in allowance for cancelation of contract	(1,617)	(2,262)
Increase (decrease) in provision for loss on litigation	117,535	(45,995)
Increase (decrease) in provision for retirement benefits	1,084	4,927
Interest and dividends income	(860)	(1,213)
Interest expenses	23,147	27,633
Loss on retirement of property, plant and equipment	16	3,482
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	21,936
Decrease (increase) in notes and accounts receivable-trade	(15,004)	(77,462)
Decrease (increase) in inventories	1,359	(6,931)
Decrease (increase) in deposits paid	(64,717)	(102,794)
Increase (decrease) in notes and accounts payable-trade	(1,316)	13,886
Increase (decrease) in accounts payable-other	-	100,833
Increase (decrease) in advances received	(94,143)	(192,753)
Decrease (increase) in consumption taxes refund receivable	3,104	1,322
Increase (decrease) in accrued consumption taxes	(7,361)	(8,701)
Other, net	(9,406)	(2,286)
Subtotal	129,516	(5,890)
Interest and dividends income received	860	1,213
Interest expenses paid	(24,021)	(28,379)
Payments for litigation deposits	(80,000)	-
Return of litigation deposits	-	80,000
Litigation settlement paid	-	(75,800)
Income taxes paid	(117,135)	(72,875)
Net cash provided by (used in) operating activities	(90,780)	(101,731)
Net cash provided by (used in) investing activities		
Purchase of investment securities	-	(300)
Purchase of property, plant and equipment	(73,019)	(381,551)
Purchase of intangible assets	(6,838)	(1,912)
Payments for lease and guarantee deposits	(362)	(7,372)
Proceeds from collection of lease and guarantee deposits	50,840	2,375
Purchase of long-term prepaid expenses	(203)	(11,548)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	(120,295)
Other, net	(1,080)	(20,309)
Net cash provided by (used in) investing activities	(30,664)	(540,914)

(Thousands of yen)

	First six months of FY2010 (Nov. 1, 2009 – Apr. 30, 2010)	First six months of FY2011 (Nov. 1, 2010 – Apr. 30, 2011)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(21,084)	72,708
Proceeds from long-term loans payable	375,000	660,000
Repayment of long-term loans payable	(275,980)	(285,205)
Repayments of lease obligations	-	(5,670)
Redemption of bonds	-	(10,000)
Purchase of treasury stock	(30,130)	-
Cash dividends paid	(15,777)	(26,377)
Net cash provided by (used in) financing activities	32,027	405,454
Effect of exchange rate change on cash and cash equivalents	-	(3)
Net increase (decrease) in cash and cash equivalents	(89,417)	(237,194)
Cash and cash equivalents at beginning of period	858,429	1,370,120
Cash and cash equivalents at end of period	769,011	1,132,925

(4) Going Concern Assumption

Not applicable.

(5) Segment Information

1. Overview of reportable segment

Segments used for financial reporting are the Group's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Long Life Group uses a pure holding company structure in which individual operating companies determine comprehensive strategies for their respective activities in Japan and other countries and conduct those activities.

Consequently, there are four reportable business segments that are determined by service categories based on the activities of operating companies: the nursing-home business, the in-home nursing care business, the food service business and the nursing care equipment business.

2. Information related to sales and profit or loss for each reportable segment

First six months of FY2011 (Nov. 1, 2010 – Apr. 30, 2011) (Thousands of yen)

	Reportable segment					Other (note)	Total
	Nursing home	In-home nursing care	Food service	Nursing care equipment	Total		
Sales							
External sales	2,112,491	2,319,545	8,701	126	4,440,865	-	4,440,865
Inter-segment sales or transfers	-	13,420	287,347	4,877	305,645	-	305,645
Total	2,112,491	2,332,966	296,048	5,003	4,746,510	-	4,746,510
Segment profit (loss)	31,794	18,160	6,965	(14,127)	42,792	(4,651)	38,141

Second quarter of FY2011 (Feb. 1, 2011 – Apr. 30, 2011) (Thousands of yen)

	Reportable segment					Other (note)	Total
	Nursing home	In-home nursing care	Food service	Nursing care equipment	Total		
Sales							
External sales	1,064,790	1,322,647	5,059	126	2,392,624	-	2,392,624
Inter-segment sales or transfers	-	6,862	142,356	4,877	154,095	-	154,095
Total	1,064,790	1,329,510	147,415	5,003	2,546,720	-	2,546,720
Segment profit (loss)	24,540	(4,452)	5,324	(14,127)	11,284	(3,810)	7,474

Note: The "Other" business segment is not included in any of the four reportable segments and includes investment business.

3. Reconciliation of reported quarterly consolidated statements of income with total profit (or loss) for reportable segments

< Reconciliation items >

First six months of FY2011 (Nov. 1, 2010 – Apr. 30, 2011) (Thousands of yen)

Profit	Amount
Total for reportable segments	42,792
Profits attributable to the "Other"	(4,651)
Adjustments on unrealized profits	76
Amortization of goodwill	(6,377)
Other	(32)
Corporate expenses, etc. (note)	54,420
Ordinary income on the quarterly consolidated statements of income	86,228

Second quarter of FY2011 (Feb. 1, 2011 – Apr. 30, 2011) (Thousands of yen)

Profit	Amount
Total for reportable segments	11,284
Profits attributable to the "Other"	(3,810)
Adjustments on unrealized profits	38
Amortization of goodwill	(6,377)
Other	(32)
Corporate expenses, etc. (note)	22,916
Ordinary income on the quarterly consolidated statements of income	24,019

Notes: 1. "Corporate expenses" mainly include costs of the Company for administration of the group companies, and corporate revenue represents consulting fee income from the group companies to the Company.
2. "Other" is the write-down of depreciable assets resulting from revisions of book values based on the fair valuations of these assets.

4. Revisions to reportable segments

First six months of FY2011 (Nov. 1, 2010 – Apr. 30, 2011)

The nursing care equipment business segment has been added in the second quarter of the current fiscal year due to the establishment of Kashidasu Co., Ltd. In prior fiscal years, the Company had three reportable segments: the nursing home business, the in-home nursing care business and the food service business.

5. Information related to impairment losses of noncurrent assets, goodwill, etc. for each reportable segment

Second quarter of FY2011 (Feb. 1, 2011 – Apr. 30, 2011)

(Material impairment losses related to noncurrent assets)
An impairment loss was recorded in the nursing home business segment because the projected earnings from noncurrent assets at one location are no longer as much as initially expected. This impairment loss totaled 185.595 million yen and was posted in the second quarter of the current fiscal year.

< Additional information >

Beginning with the first quarter of the current fiscal year, "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008) have been applied.

(6) Significant Changes in Shareholders' Equity

Not applicable.

This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.