

Summary of Consolidated Financial Results
for the Third Quarter of the Fiscal Year Ending October 31, 2013
(Nine Months Ended July 31, 2013)

[Japanese GAAP]

Company name: LONGLIFE HOLDING Co., Ltd. Listing: Tokyo Stock Exchange (JASDAQ)
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 Scheduled date of filing of Quarterly Report: September 9, 2013
 Scheduled date of payment of dividend: -
 Preparation of supplementary materials for quarterly financial results: None
 Holding of quarterly financial results meeting: None

Note: The original disclosure in Japanese was released on September 6, 2013 at 15:30 (GMT +9).

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

1. Consolidated Financial Results for the Nine Months Ended July 31, 2013 (November 1, 2012 – July 31, 2013)

(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	%
Nine months ended Jul. 31, 2013	7,639	2.6	240	(26.4)	194	(32.1)	72	(53.7)
Nine months ended Jul. 31, 2012	7,444	7.8	327	242.3	286	173.2	155	-

Note: Comprehensive income (million yen) Nine months ended Jul. 31, 2013: 67 (down 56.6%)

Nine months ended Jul. 31, 2012: 155 (n.a.)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Jul. 31, 2013	6.68	-
Nine months ended Jul. 31, 2012	14.42	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jul. 31, 2013	10,946	2,621	23.9	242.82
As of Oct. 31, 2012	10,181	2,589	25.4	239.99

Reference: Shareholders' equity (million yen) As of Jul. 31, 2013: 2,619 As of Oct. 31, 2012: 2,589

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Oct. 31, 2012	-	0.00	-	3.50	3.50
Fiscal year ending Oct. 31, 2013	-	0.00	-		
Fiscal year ending Oct. 31, 2013 (forecasts)				5.00	5.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Forecast for the Fiscal Year Ending October 31, 2013 (November 1, 2012 – October 31, 2013)

(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	11,600	17.1	670	61.2	600	59.5	280	27.7	25.95

Note: Revisions to the most recently announced consolidated forecast: None

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in scope of consolidation): Yes

Newly added: 1 (Long Life Casita Co., Ltd.) Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others:	None
2) Changes in accounting policies other than 1) above:	None
3) Changes in accounting-based estimates:	None
4) Restatements:	None

(4) Number of outstanding shares (common stock)

1) Number of shares outstanding at end of period (including shares of treasury stock)			
As of Jul. 31, 2013:	11,190,400 shares	As of Oct. 31, 2012:	11,190,400 shares
2) Number of shares of treasury stock at end of period			
As of Jul. 31, 2013:	401,657 shares	As of Oct. 31, 2012:	401,657 shares
3) Average number of shares outstanding during the period			
Nine months ended Jul. 31, 2013:	10,788,743 shares	Nine months ended Jul. 31, 2012:	10,788,743 shares

Indication of quarterly review procedure implementation status

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

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 certain 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 "Qualitative Information Regarding Consolidated Forecast" on page 3 of the attachments for assumptions for forecasts and notes of caution for usage.

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Qualitative Information Regarding Consolidated Results of Operations

In the first nine months of the current fiscal year, Japan's economy continued to recover underpinned by improvement in the employment situation and a continuation in the shift towards a weaker yen and rising share prices triggered by the positive expectations that greeted the monetary easing by the Bank of Japan and the government's economic and financial policies. As a result, attention is now shifting to whether these trends will spread to the real economy.

In the nursing care services sector, with the trend towards an ageing society in Japan expected to reach a peak in 2025, the focus is on the establishment of a "regional comprehensive care system" that can provide housing, medical care, nursing care, preventive care, and assisted living services in an integrated manner.

In this environment, the LONGLIFE Group recorded a steady growth in the number of residents in the nursing home business and an increase in the number of customers in the in-home nursing care business. Net sales increased 2.6% from one year earlier to 7,639 million yen, operating income decreased 26.4% to 240 million yen, ordinary income decreased 32.1% to 194 million yen, and net income decreased 53.7% to 72 million yen.

Business segment performance was as follows.

1) Nursing home business

Long Life Kyoto Arashiyama was opened in December 2012. As a result, the nursing home business was operating 20 nursing homes with a total of 803 rooms for residents at the end of the third quarter. The central objective in this business is to raise the occupancy ratio by restructuring the operating framework and strengthening sales activities.

Sales decreased 5.6% to 2,797 million yen and ordinary loss was 12 million yen compared with ordinary income of 109 million yen one year earlier.

2) In-home nursing care business

There were 142 services in this business segment as of the end of the third quarter. Major activities include opening new locations to provide services, increasing the utilization rates of existing locations and conducting extensive sales activities for the provision of welfare services for persons with disabilities.

A divestiture within the LONGLIFE Group that took place on November 1, 2012 resulted in the transfer of some business activities from the in-home nursing care business to the nursing care equipment business. As a result, sales decreased 3.6% to 3,986 million yen and ordinary income decreased 26.0% to 48 million yen.

3) Nursing care equipment business

In this business segment, 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.

A divestiture within the LONGLIFE Group that took place on November 1, 2012 resulted in the transfer of some business activities from the in-home nursing care business to the nursing care equipment business. As a result, sales increased 201.3% to 738 million yen and ordinary income decreased 25.4% to 15 million yen.

4) Food business

The food business mainly involves the preparation of meals which are served at our 35 nursing homes.

The LONGLIFE Group is making its brand more powerful by focusing on reinforcing operations to serve customers outside the Group. This involves the use of catering and other activities to strengthen business operations.

Sales decreased 85.2% to 12 million yen and there was an ordinary loss of 2 million yen (0 million yen one year earlier).

5) Others

This segment includes the following three businesses: the investment business operated by consolidated subsidiary Long Life International Business Investment Co., Ltd. that makes investments in companies in Japan and other countries; the dispensing pharmacy business operated by consolidated subsidiary Long Life Pharmacy Co., Ltd; and the education and training business operated by Long Life Casita Co., Ltd., which was included in this segment as the Company established this subsidiary with capital and business alliance partner Total Life Support Research Institute Co., Ltd. on April 5, 2013.

Sales surged 800.4% to 103 million yen and there was an ordinary loss of 15 million yen (3 million yen one year earlier).

(2) Qualitative Information Regarding Consolidated Financial Position

Total assets increased by 764 million yen over the end of the previous fiscal year to 10,946 million yen at the end of the third quarter of the current fiscal year.

Current assets increased by 111 million yen to 3,381 million yen. This was primarily attributable to increases of 82 million yen in deposits paid and 62 million yen in notes and accounts receivable-trade, and a decrease of 78 million yen in cash and deposits.

Noncurrent assets increased by 653 million yen to 7,564 million yen. The primary causes were an increase of 658 million yen in property, plant and equipment, and a decrease of 31 million yen in intangible assets.

Current liabilities increased by 87 million yen to 5,594 million yen. This was mainly caused by increases of 329 million yen in advances received and 124 million yen in accounts payable-other, and decreases of 290 million yen in short-term loans payable and 105 million yen in income taxes payable.

Noncurrent liabilities increased by 645 million yen to 2,731 million yen mainly because of an increase of 661 million yen in long-term loans payable, and a decrease of 14 million yen in long-term lease obligations.

Net assets increased by 31 million yen to 2,621 million yen, and the equity ratio was 23.9%.

(3) Qualitative Information Regarding Consolidated Forecast

There are no revisions to the consolidated forecast for the fiscal year ending October 31, 2013 that was announced on December 14, 2012.

2. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

Long Life Casita Co., Ltd. was included in the scope of consolidation in the second quarter of the current fiscal year since the Company established this subsidiary with capital and business alliance partner Total Life Support Research Institute Co., Ltd. on April 5, 2013.

(2) Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements

Not applicable.

(3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements

Not applicable.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	FY10/12 (As of Oct. 31, 2012)	Third quarter of FY10/13 (As of Jul. 31, 2013)
Assets		
Current assets		
Cash and deposits	736,298	657,618
Notes and accounts receivable-trade	1,262,585	1,325,285
Inventories	21,004	35,321
Deferred tax assets	90,315	45,483
Deposits paid	987,407	1,069,691
Other	173,354	249,335
Allowance for doubtful accounts	(905)	(948)
Total current assets	3,270,060	3,381,786
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,367,698	6,356,295
Accumulated depreciation	(1,949,686)	(2,119,824)
Buildings and structures, net	3,418,011	4,236,471
Vehicles	6,911	7,112
Accumulated depreciation	(6,643)	(6,954)
Vehicles, net	268	157
Tools, furniture and fixtures	343,545	401,249
Accumulated depreciation	(277,090)	(308,626)
Tools, furniture and fixtures, net	66,454	92,623
Land	2,367,014	2,367,014
Lease assets	234,786	263,154
Accumulated depreciation	(65,542)	(102,626)
Lease assets, net	169,243	160,527
Construction in progress	176,815	-
Total property, plant and equipment	6,197,808	6,856,794
Intangible assets		
Goodwill	89,944	63,774
Other	30,501	24,761
Total intangible assets	120,446	88,536
Investments and other assets		
Investment securities	44,024	30,376
Stocks of subsidiaries and affiliates	3,450	3,450
Guarantee deposits	399,699	414,825
Long-term prepaid expenses	73,936	74,172
Claims provable in bankruptcy, claims provable in rehabilitation and other	200	200
Other	72,040	96,568
Allowance for doubtful accounts	(100)	(100)
Total investments and other assets	593,251	619,491
Total noncurrent assets	6,911,506	7,564,822
Deferred assets		
Bond issuance cost	133	-
Total deferred assets	133	-
Total assets	10,181,699	10,946,609

(Thousands of yen)

	FY10/12 (As of Oct. 31, 2012)	Third quarter of FY10/13 (As of Jul. 31, 2013)
Liabilities		
Current liabilities		
Accounts payable-trade	71,831	81,080
Short-term loans payable	663,668	372,967
Current portion of bonds	10,000	-
Current portion of long-term loans payable	560,892	621,860
Lease obligations	49,176	54,026
Accounts payable-other	205,857	330,195
Accrued expenses	470,535	491,233
Income taxes payable	155,743	49,928
Advances received	3,076,852	3,406,221
Provision for bonuses	172,199	86,123
Allowance for cancellation of contract	5,522	11,884
Other	64,300	88,770
Total current liabilities	5,506,578	5,594,291
Noncurrent liabilities		
Long-term loans payable	1,763,250	2,424,514
Lease obligations	130,296	115,764
Deferred tax liabilities	45,704	39,247
Provision for retirement benefits	39,495	44,819
Deferred revenue of home nursing care apart from general revenue	11,880	11,070
Asset retirement obligations	75,746	80,180
Other	19,600	15,686
Total noncurrent liabilities	2,085,973	2,731,282
Total liabilities	7,592,551	8,325,573
Net assets		
Shareholders' equity		
Capital stock	100,000	100,000
Retained earnings	2,535,408	2,569,767
Treasury stock	(62,440)	(62,440)
Total shareholders' equity	2,572,967	2,607,326
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,764	3,117
Foreign currency translation adjustment	1,415	9,274
Total accumulated other comprehensive income	16,179	12,391
Minority interests	-	1,318
Total net assets	2,589,147	2,621,036
Total liabilities and net assets	10,181,699	10,946,609

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
(For the Nine-month Period)

(Thousands of yen)

	First nine months of FY10/12 (Nov. 1, 2011 – Jul. 31, 2012)	First nine months of FY10/13 (Nov. 1, 2012 – Jul. 31, 2013)
Net sales	7,444,245	7,639,044
Cost of sales	5,878,084	5,990,742
Gross profit	1,566,161	1,648,301
Selling, general and administrative expenses	1,238,997	1,407,578
Operating income	327,163	240,723
Non-operating income		
Interest income	158	174
Dividends income	1,612	2,175
Contribution for tenants received	7,475	7,760
Revenue of facility usage charge	890	740
Subsidy income	4,274	4,490
Contribution in income	3,000	-
Other	7,964	6,930
Total non-operating income	25,375	22,271
Non-operating expenses		
Interest expenses	42,598	50,960
Equity in losses of affiliates	19,718	13,836
Other	3,584	3,641
Total non-operating expenses	65,901	68,438
Ordinary income	286,637	194,555
Extraordinary income		
Gain on sales of noncurrent assets	51	-
Gain on sales of investment securities	-	35,113
Gain on negative goodwill	1,983	-
Gain on forgiveness of debt	-	7,341
Total extraordinary income	2,034	42,454
Extraordinary loss		
Loss on retirement of noncurrent assets	6,520	389
Loss on cancellation of leasehold contracts	1,138	-
Loss on cancellation of lease contracts	2,449	-
Settlement package	-	9,395
Loss on litigation	2,328	11,281
Total extraordinary losses	12,437	21,066
Income before income taxes and minority interests	276,234	215,944
Income taxes-current	108,082	99,466
Income taxes-deferred	12,541	45,041
Total income taxes	120,623	144,507
Income before minority interests	155,611	71,437
Minority interests in loss	-	(681)
Net income	155,611	72,118

Quarterly Consolidated Statements of Comprehensive Income

(For the Nine-month Period)

(Thousands of yen)

	First nine months of FY10/12 (Nov. 1, 2011 – Jul. 31, 2012)	First nine months of FY10/13 (Nov. 1, 2012 – Jul. 31, 2013)
Income before minority interests	155,611	71,437
Other comprehensive income		
Valuation difference on available-for-sale securities	234	(11,646)
Foreign currency translation adjustment	-	7,858
Total other comprehensive income	234	(3,788)
Comprehensive income	155,845	67,648
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	155,845	68,330
Comprehensive income attributable to minority interests	-	(681)

(3) Going Concern Assumption

Not applicable.

(4) Significant Changes in Shareholders' Equity

Not applicable.

(5) Segment and Other Information

I. First nine months of FY10/12 (Nov. 1, 2011 – Jul. 31, 2012)

1. Information related to sales and profit (or loss) for each reportable segment

(Thousands of yen)

	Reportable segment					Others (note)	Total
	Nursing home	In-home nursing care	Nursing care equipment	Food	Subtotal		
Sales							
External sales	2,963,577	4,136,307	245,103	87,796	7,432,784	11,460	7,444,245
Inter-segment sales or transfers	349	5,652	25,132	362,835	393,969	-	393,969
Total	2,963,927	4,141,959	270,235	450,631	7,826,754	11,460	7,838,214
Segment profit (loss)	109,747	66,037	20,958	(173)	196,569	(3,503)	193,065

Note: "Others" segment is not included in any of the reportable segments and includes investment business and dispensing pharmacy business.

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

Reconciliation items (Thousands of yen)

Profit	Amount
Total for reportable segments	196,569
Profits attributable to "Others"	(3,503)
Adjustments on unrealized profits	114
Amortization of goodwill	(19,132)
Equity in losses of affiliates	(19,718)
Corporate revenue/expenses (note 1)	132,405
Other (note 2)	(97)
Ordinary income on the quarterly consolidated statements of income	286,637

Notes: 1. Corporate revenue/expenses represent consulting fee income from the group companies to the Company and costs of the Company for administration of the group companies.

2. "Other" is the write-down of depreciable assets resulting from revisions of book values based on the fair valuations of these assets.

3. Information related to impairment losses on noncurrent assets, goodwill, etc. for each reportable segment

Significant gain on negative goodwill

Gains on negative goodwill of 1,983 thousand yen was booked in the dispensing pharmacy business which is included in "Others" business segment. This was due to the purchase of all shares of Aoi Corporation (currently Long Life Pharmacy Co., Ltd.) stock by the Company on June 1, 2012.

II. First nine months of FY10/13 (Nov. 1, 2012 – Jul. 31, 2013)

1. Information related to sales and profit (or loss) for each reportable segment

(Thousands of yen)

	Reportable segment					Others (note)	Total
	Nursing home	In-home nursing care	Nursing care equipment	Food	Subtotal		
Sales							
External sales	2,797,338	3,986,990	738,567	12,950	7,535,847	103,196	7,639,044
Inter-segment sales or transfers	9,199	3,357	41,087	297,321	350,966	982	351,948
Total	2,806,538	3,990,348	779,654	310,272	7,886,813	104,178	7,990,992
Segment profit (loss)	(12,093)	48,869	15,630	(2,470)	49,935	(15,747)	34,187

Note: "Others" segment is not included in any of the reportable segments and includes investment business, dispensing pharmacy business, and education and training business.

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

Reconciliation items

(Thousands of yen)

Profit	Amount
Total for reportable segments	49,935
Profits attributable to "Others"	(15,747)
Adjustments on unrealized profits	114
Amortization of goodwill	(19,132)
Corporate revenue/expenses (note 1)	179,483
Other (note 2)	(97)
Ordinary income on the quarterly consolidated statements of income	194,555

Notes: 1. Corporate revenue/expenses represent consulting fee income from the group companies to the Company and costs of the Company for administration of the group companies.

2. "Other" is the write-down of depreciable assets resulting from revisions of book values based on the fair valuations of these assets.

3. Information related to impairment losses on noncurrent assets, goodwill, etc. for each reportable segment

Not applicable.

This summary 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.