

Summary of Consolidated Financial Results
for the Third Quarter of the Fiscal Year Ending October 31, 2015
(Nine Months Ended July 31, 2015)

[Japanese GAAP]

Company name: LONGLIFE HOLDING Co., Ltd. Listing: Tokyo Stock Exchange (JASDAQ)
 Stock code: 4355 URL: <http://www.longlife-holding.co.jp>
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Scheduled date of filing of Quarterly Report: September 14, 2015

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 11, 2015 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, 2015 (Nov. 1, 2014 – Jul. 31, 2015)**(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, 2015	8,388	2.8	492	0.0	437	(15.4)	225	(16.0)
Nine months ended Jul. 31, 2014	8,159	6.8	491	104.4	517	165.9	268	271.9

Note: Comprehensive income (million yen)

Nine months ended Jul. 31, 2015: 238 (down 13.8%)

Nine months ended Jul. 31, 2014: 276 (up 308.5%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Jul. 31, 2015	21.51	-
Nine months ended Jul. 31, 2014	25.20	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jul. 31, 2015	12,005	3,049	25.4	293.39
As of Oct. 31, 2014	11,948	2,944	24.6	278.06

Reference: Shareholders' equity (million yen)

As of Jul. 31, 2015: 3,049

As of Oct. 31, 2014: 2,944

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ending Oct. 31, 2014	-	0.00	-	5.50	5.50
Fiscal year ending Oct. 31, 2015	-	0.00	-	-	-
Fiscal year ending Oct. 31, 2015 (forecasts)	-	-	-	6.50	6.50

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

3. Consolidated Forecast for the Fiscal Year Ending October 31, 2015 (Nov. 1, 2014 – Oct. 31, 2015)

(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	11,900	8.4	690	12.4	640	9.3	330	13.6	31.05

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

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in scope of consolidation): None

Newly added: -

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, 2015:11,190,400 shares As of Oct. 31, 2014:11,190,400 shares

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

As of Jul. 31, 2015:797,305 shares As of Oct. 31, 2014:601,705shares

3) Average number of shares outstanding during the period

Nine months ended Jul. 31, 2015:10,472,810 shares Nine months ended Jul. 31, 2014:10,643,230 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 been completed.

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1. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

Not applicable.

(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.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	FY10/14 (As of Oct. 31, 2014)	Third quarter of FY10/15 (As of Jul. 31, 2015)
Assets		
Current assets		
Cash and deposits	1,692,287	1,543,508
Notes and accounts receivable-trade	1,452,615	1,477,387
Inventories	40,715	39,937
Deferred tax assets	111,728	56,923
Deposits paid	1,407,914	1,469,460
Other	202,037	240,874
Total current assets	4,907,299	4,828,092
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,858,133	5,926,185
Accumulated depreciation	(2,118,092)	(2,257,171)
Buildings and structures, net	3,740,040	3,669,013
Vehicles	4,956	4,956
Accumulated depreciation	(4,942)	(4,947)
Vehicles, net	13	8
Tools, furniture and fixtures	420,964	438,175
Accumulated depreciation	(331,812)	(356,340)
Tools, furniture and fixtures, net	89,152	81,835
Land	2,284,295	2,438,561
Lease assets	304,993	318,457
Accumulated depreciation	(172,677)	(212,582)
Lease assets, net	132,315	105,874
Construction in progress	15,320	45,565
Total property, plant and equipment	6,261,137	6,340,859
Intangible assets		
Goodwill	31,887	12,754
Other	24,996	20,852
Total intangible assets	56,883	33,607
Investments and other assets		
Investment securities	138,489	154,836
Stocks of subsidiaries and affiliates	13,767	43,313
Guarantee deposits	431,593	474,626
Long-term prepaid expenses	66,098	62,691
Other	73,493	67,870
Total investments and other assets	723,443	803,338
Total noncurrent assets	7,041,464	7,177,805
Total assets	11,948,764	12,005,898

	(Thousands of yen)	
	FY10/14 (As of Oct. 31, 2014)	Third quarter of FY10/15 (As of Jul. 31, 2015)
Liabilities		
Current liabilities		
Accounts payable-trade	104,054	112,093
Short-term loans payable	204,668	170,000
Current portion of long-term loans payable	533,443	218,454
Lease obligations	55,420	49,736
Accounts payable-other	309,516	234,620
Accrued expenses	504,484	516,897
Income taxes payable	170,280	49,797
Advances received	4,183,820	4,481,379
Provision for bonuses	226,445	134,882
Allowance for cancellation of contract	23,323	20,863
Other	118,745	113,271
Total current liabilities	6,434,201	6,101,995
Noncurrent liabilities		
Long-term loans payable	2,309,982	2,612,803
Lease obligations	90,523	66,912
Deferred tax liabilities	29,499	32,988
Provision for retirement benefits	42,208	47,091
Asset retirement obligations	88,600	89,009
Other	9,163	5,875
Total noncurrent liabilities	2,569,976	2,854,680
Total liabilities	9,004,177	8,956,675
Net assets		
Shareholders' equity		
Capital stock	100,000	100,000
Retained earnings	2,935,075	3,102,117
Treasury stock	(126,806)	(201,774)
Total shareholders' equity	2,908,269	3,000,342
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,874	30,519
Foreign currency translation adjustment	16,154	18,360
Total accumulated other comprehensive income	36,028	48,879
Minority interests	288	—
Total net assets	2,944,586	3,049,222
Total liabilities and net assets	11,948,764	12,005,898

(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 FY10/14 (Nov. 1, 2013– Jul. 31, 2014)	First nine months of FY10/15 (Nov. 1, 2014– Jul. 31, 2015)
Net sales	8,159,618	8,388,410
Cost of sales	6,284,349	6,358,484
Gross profit	1,875,268	2,029,925
Selling, general and administrative expenses	1,383,273	1,537,761
Operating income	491,994	492,164
Non-operating income		
Interest income	217	290
Dividends income	1,801	2,135
Contribution for tenants received	11,209	10,720
Revenue of facility usage charge	1,017	920
Subsidy income	6,615	249
Contribution in income	51,908	—
Other	7,882	6,778
Total non-operating income	80,652	21,095
Non-operating expenses		
Interest expenses	48,692	44,475
Commission fee	5,127	274
Equity in losses of affiliates	—	21,487
Other	1,587	9,368
Total non-operating expenses	55,407	75,606
Ordinary income	517,239	437,653
Extraordinary loss		
Loss on sales of noncurrent assets	18,005	—
Loss on retirement of noncurrent assets	2,622	9
Impairment loss	8,064	—
Loss on closing of stores	—	14,983
Loss on cancellation of leasehold contracts	2,055	789
Settlement package	—	5,000
Loss on litigation	710	516
Total extraordinary losses	31,459	21,299
Income before income taxes and minority interests	485,779	416,353
Income taxes-current	182,430	137,740
Income taxes-deferred	36,402	53,333
Total income taxes	218,833	191,073
Income before minority interests	266,946	225,279
Minority interests in loss	(1,259)	—
Net income	268,206	225,279

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

(Thousands of yen)

	First nine months of FY10/14 (Nov. 1, 2013 – Jul. 31, 2014)	First nine months of FY10/15 (Nov. 1, 2014– Jul. 31, 2015)
Income before minority interests	266,946	225,279
Other comprehensive income		
Valuation difference on available-for-sale securities	8,382	10,645
Share of other comprehensive income of associates accounted for using equity method	1,035	2,205
Total other comprehensive income	9,417	12,850
Comprehensive income	276,364	238,130
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	277,624	238,130
Comprehensive income attributable to minority interests	(1,259)	—

(3) Notes to Quarterly Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information

I. First nine months of FY10/14 (Nov. 1, 2013 – Jul. 31, 2014)

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	2,985,206	4,138,313	862,875	26,202	8,012,598	147,019	8,159,618
Inter-segment sales or transfers	5,110	6,830	32,885	351,373	396,199	3,446	399,645
Total	2,990,316	4,145,144	895,760	377,575	8,408,797	150,466	8,559,264
Segment profit (loss)	257,989	103,943	43,888	17,058	422,879	(39,001)	383,878

Note: "Others" segment is not included in any of the reportable segments and includes dispensing pharmacy business, education and training business, and investment 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	422,879
Profits (losses) attributable to "Others"	(39,001)
Adjustments on unrealized profits	113
Amortization of goodwill	(19,132)
Corporate revenue/expenses (note)	152,380
Ordinary income on the quarterly consolidated statements of income	517,239

Note: 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.

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

Not applicable.

II. First nine months of FY10/15 (Nov. 1, 2014– Jul. 31, 2015)

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	3,021,119	4,160,011	1,000,242	29,553	8,210,927	177,482	8,388,410
Inter-segment sales or transfers	—	6,509	28,840	371,053	406,404	2,771	409,175
Total	3,021,119	4,166,520	1,029,083	400,607	8,617,331	180,254	8,797,586
Segment profit (loss)	86,707	170,938	44,521	15,084	317,250	(40,867)	276,383

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

LongLife Resort Co., Ltd., a consolidated subsidiary of the Company abolished the education and training business June 12, 2015, we started a new resort 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	317,250
Profits (losses) attributable to “Others”	(40,867)
Adjustments on unrealized profits	107
Amortization of goodwill	(20,844)
Corporate revenue/expenses (note)	182,007
Ordinary income on the quarterly consolidated statements of income	437,653

Note: 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.

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.