

December 11, 2015

Summary of Consolidated Financial Results for the Fiscal Year Ended October 31, 2015

[Japanese GAAP]

Company name: LONGLIFE HOLDING Co., Ltd. Listing: Tokyo Stock Exchange (JASDAQ)
 Stock code: 4355 URL: <http://longlife-holding.co.jp>
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Scheduled date of Annual General Meeting of Shareholders: January 28, 2016
 Scheduled date of filing of Annual Securities Report: January 28, 2016
 Scheduled date of payment of dividend: January 12, 2016
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: Yes (for analysts and institutional investors)

Note: The original disclosure in Japanese was released on December 11, 2015 at 15:00 (GMT +9).

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

1. Consolidated Financial Results for the Fiscal Year Ended October 31, 2015 (Nov. 1, 2014 – Oct. 31, 2015)

(1) Consolidated results of operations (Percentages shown for net sales and incomes represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Oct. 31, 2015	11,288	2.9	659	7.5	619	5.8	324	11.7
Fiscal year ended Oct. 31, 2014	10,974	5.1	613	18.1	585	28.7	290	44.5

Note: Comprehensive income (million yen)

Fiscal year ended Oct. 31, 2015: 331 (up 8.0%)

Fiscal year ended Oct. 31, 2014: 306 (up 51.5%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income on total assets	Operating income on net sales
	Yen	Yen	%	%	%
Fiscal year ended Oct. 31, 2015	31.03	-	10.7	5.0	5.8
Fiscal year ended Oct. 31, 2014	27.32	-	10.2	5.0	5.6

Reference: Investment gain (loss) by equity method (million yen)

Fiscal year ended Oct. 31, 2015: 13

Fiscal year ended Oct. 31, 2014: (28)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Oct. 31, 2015	12,814	3,142	24.5	302.36
As of Oct. 31, 2014	11,948	2,944	24.6	278.06

Reference: Shareholders' equity (million yen)

As of Oct. 31, 2015: 3,142

As of Oct. 31, 2014: 2,944

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Oct. 31, 2015	1,233	(502)	(279)	2,108
Fiscal year ended Oct. 31, 2014	1,228	(133)	(528)	1,657

2. Dividends

	Dividend per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Oct. 31, 2015	-	0.00	-	5.50	5.50	58	20.1	2.0
Fiscal year ended Oct. 31, 2014	-	0.00	-	8.50	8.50	88	27.4	2.9
Fiscal year ending Oct. 31, 2016 (forecasts)	-	0.00	-	7.50	7.50		23.1	

3. Consolidated Forecast for the Fiscal Year Ending October 31, 2016 (Nov. 1, 2015 – Oct. 31, 2016)

(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
First half	5,820	4.1	340	(1.0)	310	9.5	200	46.5	19.13
Full year	12,000	6.3	700	6.1	630	1.7	340	4.8	32.53

*** Notes**

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

Newly added: - Excluded: -

(2) 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

(3) Number of outstanding shares (common stock)

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

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

3) Average number of shares outstanding during the period

Fiscal year ended Oct. 31, 2015:10,452,717 shares Fiscal year ended Oct. 31, 2014:10,629,484 shares

For reference: Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended October 31, 2015(Nov. 1, 2014 – Oct. 31, 2015)

(1) Non-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	%
Fiscal year ended Oct. 31, 2015	805	18.5	271	36.5	238	50.3	148	66.8
Fiscal year ended Oct. 31, 2014	679	(2.3)	183	(26.8)	158	(37.1)	88	(48.4)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Oct. 31, 2015	14.19	-
Fiscal year ended Oct. 31, 2014	8.37	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Oct. 31, 2015	2,706	683	25.3	65.81
As of Oct. 31, 2014	1,951	666	34.2	62.97

Reference: Shareholders' equity (million yen) As of Oct. 31, 2015 683 As of Oct. 31, 2014 666

2. Non-consolidated Forecast for the Fiscal Year Ending October 31, 2016 (Nov. 1, 2015 – Oct. 31, 2016)

(Percentages represent year-over-year changes)

	Net sales		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
First half	440	9.3	160	36.5	105	42.7	10.05
Full year	880	9.3	315	32.0	200	34.8	19.13

Indication of audit procedure implementation status

The current financial report is not subject to the audit procedures based on the Financial Instruments and Exchange Act. At the time of disclosure, the audit procedures for the consolidated financial statements have not been completed.

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

Forecasts of future performance in these materials are based on certain standards 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 "1. Analysis of Business Results and Financial Position, (1) Analysis of Business Results" on page 2 of the attachments for assumptions for forecasts and notes of caution for usage.

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1. Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Thousands of yen)

	FY10/14 (As of Oct. 31, 2014)	FY10/15 (As of Oct. 31, 2015)
Assets		
Current assets		
Cash and deposits	1,692,287	2,143,320
Notes and accounts receivable-trade	1,452,615	1,511,721
Inventories	40,715	40,066
Deferred tax assets	111,728	146,129
Deposits paid	1,407,914	1,550,513
Other	202,037	205,049
Total current assets	4,907,299	5,596,799
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,858,133	5,931,623
Accumulated depreciation	(2,118,092)	(2,303,583)
Buildings and structures, net	3,740,040	3,628,039
Vehicles	4,956	4,956
Accumulated depreciation	(4,942)	(4,949)
Vehicles, net	13	6
Tools, furniture and fixtures	420,964	422,981
Accumulated depreciation	(331,812)	(334,698)
Tools, furniture and fixtures, net	89,152	88,282
Land	2,284,295	2,440,381
Lease assets	304,993	325,189
Accumulated depreciation	(172,677)	(225,325)
Lease assets, net	132,315	99,863
Construction in progress	15,320	98,789
Total property, plant and equipment	6,261,137	6,355,363
Intangible assets		
Goodwill	31,887	6,377
Other	24,996	22,894
Total intangible assets	56,883	29,272
Investments and other assets		
Investment securities	138,489	147,414
Stocks of subsidiaries and affiliates	13,767	43,313
Guarantee deposits	431,593	503,576
Long-term prepaid expenses	66,098	61,301
Other	73,493	77,688
Total investments and other assets	723,443	833,295
Total noncurrent assets	7,041,464	7,217,931
Total assets	11,948,764	12,814,731

	(Thousands of yen)	
	FY10/14 (As of Oct. 31, 2014)	FY10/15 (As of Oct. 31, 2015)
Liabilities		
Current liabilities		
Accounts payable-trade	104,054	134,212
Short-term loans payable	204,668	170,000
Current portion of long-term loans payable	533,443	259,231
Lease obligations	55,420	49,400
Accounts payable-other	309,516	494,910
Accrued expenses	504,484	524,595
Income taxes payable	170,280	172,275
Advances received	4,183,820	4,656,951
Provision for bonuses	226,445	278,329
Allowance for cancellation of contract	23,323	30,468
Other	118,745	141,631
Total current liabilities	6,434,201	6,912,006
Noncurrent liabilities		
Long-term loans payable	2,309,982	2,528,418
Lease obligations	90,523	60,510
Deferred tax liabilities	29,499	29,771
Net defined benefit liability	42,208	48,139
Asset retirement obligations	88,600	88,637
Other	9,163	4,812
Total noncurrent liabilities	2,569,976	2,760,288
Total liabilities	9,004,177	9,672,295
Net assets		
Shareholders' equity		
Capital stock	100,000	100,000
Retained earnings	2,935,075	3,201,195
Treasury stock	(126,806)	(201,774)
Total shareholders' equity	2,908,269	3,099,420
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,874	25,622
Foreign currency translation adjustment	16,154	17,393
Total accumulated other comprehensive income	36,028	43,015
Minority interests	288	-
Total net assets	2,944,586	3,142,435
Total liabilities and net assets	11,948,764	12,814,731

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

	FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)	FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)
Net sales	10,974,683	11,288,182
Cost of sales	8,451,683	8,548,062
Gross profit	2,522,999	2,740,119
Selling, general and administrative expenses	1,909,006	2,080,381
Operating income	613,993	659,738
Non-operating income		
Interest income	348	622
Dividends income	1,801	2,135
Contribution for tenants received	15,005	14,073
Revenue of facility usage charge	1,373	1,176
Subsidy income	6,615	708
Contribution in income	51,908	—
Share of profit of entities accounted for using equity method	—	13,098
Refunded consumption taxes	893	9,363
Other	8,057	8,130
Total non-operating income	86,003	49,309
Non-operating expenses		
Interest expenses	64,047	58,813
Commission paid	20,705	21,487
Share of loss of entities accounted for using equity method	28,052	—
Other	1,708	9,378
Total non-operating expenses	114,514	89,679
Ordinary income	585,482	619,367
Extraordinary loss		
Loss on sales of noncurrent assets	18,005	—
Loss on retirement of noncurrent assets	4,025	1,946
Impairment loss	8,064	879
Office relocation fee	3,442	—
Loss on closing of stores	—	14,983
Loss on cancellation of leasehold contracts	2,055	896
Loss on cancellation of lease contracts	124	—
Settlement package	7,500	5,000
Loss on litigation	1,110	1,369
Total extraordinary losses	44,329	25,075
Income before income taxes and minority interests	541,152	594,292
Income taxes-current	281,030	306,316
Income taxes-deferred	(28,941)	(36,381)
Total income taxes	252,088	269,934
Income before minority interests	289,063	324,357
Minority interests in loss	(1,345)	—
Net income	290,409	324,357

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)	FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)
Income before minority interests	289,063	324,357
Other comprehensive income		
Valuation difference on available-for-sale securities	14,767	5,747
Share of other comprehensive income of associates accounted for using equity method	3,083	1,238
Total other comprehensive income	17,850	6,986
Comprehensive income	306,913	331,344
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	308,259	331,344
Comprehensive income attributable to minority interests	(1,345)	—

(3) Consolidated Statements of Changes in Net Assets

FY10/14(Nov. 1, 2013 – Oct. 31, 2014)

(Thousands of yen)

	Shareholders' equity			
	Capital stock	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	100,000	2,698,609	(62,440)	2,736,168
Changes of items during the period				
Retained earnings		(53,943)		(53,943)
Net income		290,409		290,409
Treasury Stock			(64,365)	(64,365)
Net changes of items other than shareholders' equity				
Total changes of items during the period	—	236,465	(64,365)	172,100
Balance at the end of current period	100,000	2,935,075	(126,806)	2,908,269

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total changes of items during the period		
Balance at the beginning of current period	5,107	13,071	18,178	1,634	2,755,981
Changes of items during the period					
Retained earnings					(53,943)
Net income					290,409
Treasury Stock					(64,365)
Net changes of items other than shareholders' equity	14,767	3,083	17,850	(1,345)	16,504
Total changes of items during the period	14,767	3,083	17,850	(1,345)	188,604
Balance at the end of current period	19,874	16,154	36,028	288	2,944,586

FY10/15(Nov. 1, 2014 – Oct. 31, 2015)

(Thousands of yen)

	Shareholders' equity			
	Capital stock	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	100,000	2,935,075	(126,806)	2,908,269
Changes of items during the period				
Retained earnings		(58,237)		(58,237)
Net income		324,357		324,357
Treasury Stock			(74,968)	(74,968)
Net changes of items other than shareholders' equity				
Total changes of items during the period	—	266,119	(74,968)	191,151
Balance at the end of current period	100,000	3,201,195	(201,774)	3,099,420

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total changes of items during the period		
Balance at the beginning of current period	19,874	16,154	36,028	288	2,944,586
Changes of items during the period					
Retained earnings					(58,237)
Net income					324,357
Treasury Stock					(74,968)
Net changes of items other than shareholders' equity	5,747	1,238	6,986	(288)	6,698
Total changes of items during the period	5,747	1,238	6,986	(288)	197,849
Balance at the end of current period	25,622	17,393	43,015	—	3,142,435

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)	FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	541,152	594,292
Depreciation and amortization	314,955	290,236
Amortization of long-term prepaid expenses	11,081	11,298
Amortization of goodwill	25,509	27,221
Impairment loss	8,064	879
Increase (decrease) in allowance for doubtful accounts	(100)	—
Increase (decrease) in deferred revenue of home nursing care apart from general revenue	(10,800)	—
Increase (decrease) in provision for bonuses	71,000	51,884
Increase (decrease) in allowance for cancellation of contract	(1,507)	7,145
Increase (decrease) in net defined benefit liability	(3,579)	5,931
Interest and dividends income	(2,149)	(2,758)
Interest expenses	64,047	58,813
Equity in (earnings) losses of affiliates	28,052	(13,098)
Loss (gain) on sales of noncurrent assets	18,005	—
Loss on retirement of property, plant and equipment	4,025	1,946
Office relocation fee	3,442	—
Loss on closing of stores	—	14,983
Contributed income	(51,908)	—
Decrease (increase) in notes and accounts receivable-trade	33,704	(59,105)
Decrease (increase) in inventories	(1,976)	648
Decrease (increase) in deposits paid	(323,380)	(142,598)
Increase (decrease) in notes and accounts payable-trade	(42,260)	30,158
Increase (decrease) in accounts payable-other	105,958	200,389
Increase (decrease) in advances received	609,323	473,131
Increase (decrease) in accrued consumption taxes	51,937	(23,822)
Decrease (increase) in consumption taxes refund receivable	6,027	(2,225)
Other, net	29,525	59,624
Subtotal	1,488,151	1,584,975
Interest and dividends income received	2,149	2,758
Interest expenses paid	(63,621)	(50,356)
Amount of contributed receivable	51,908	—
Income taxes paid	(250,344)	(304,320)
Net cash provided by (used in) operating activities	1,228,244	1,233,057

	(Thousands of yen)	
	FY10/14	FY10/15
	(Nov. 1, 2013 – Oct. 31, 2014)	(Nov. 1, 2014 – Oct. 31, 2015)
Net cash provided by (used in) investing activities		
Payments into time deposits	(35,000)	(35,000)
Proceeds from withdrawal of time deposits	35,000	35,000
Purchase of investment securities	(81,331)	(890)
Purchase of property, plant and equipment	(471,442)	(378,715)
Proceeds from sales of property, plant and equipment	472,131	—
Purchase of intangible assets	(3,175)	(4,896)
Payments for asset retirement obligations	—	(2,779)
Payments for lease and guarantee deposits	(26,315)	(79,067)
Proceeds from collection of lease and guarantee deposits	14,554	7,084
Purchase of long-term prepaid expenses	(6,380)	(9,063)
Purchase of stocks of subsidiaries and affiliates	—	(29,546)
Payments for investments in capital	(27,000)	—
Purchase of investment payments of subsidiaries and affiliates	—	(2,000)
Other, net	(4,410)	(2,744)
Net cash provided by (used in) investing activities	(133,369)	(502,619)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(101,900)	(34,668)
Proceeds from long-term loans payable	390,000	1,150,000
Repayment of long-term loans payable	(639,470)	(1,205,776)
Repayments of lease obligations	(59,051)	(56,228)
Purchase of treasury stock	(64,365)	(74,968)
Cash dividends paid	(53,351)	(57,839)
Net cash provided by (used in) financing activities	(528,137)	(279,480)
Effect of exchange rate change on cash and cash equivalents	47	75
Net increase (decrease) in cash and cash equivalents	566,784	451,032
Cash and cash equivalents at beginning of period	1,090,502	1,657,287
Cash and cash equivalents at end of period	1,657,287	2,108,320

(5) Segment and Other Information

a. Segment data

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 LONGLIFE 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 nursing care equipment business, and the food business.

2. Calculation methods for sales, profit (or loss), assets, liabilities, and other items for each reportable segment

The accounting methods for reportable segments are generally the same as those listed in "Significant Accounting Policies in the Preparation of Consolidated Financial Statements."

Profits for reportable segments are generally ordinary income figures.

Inter-segment sales or transfers are based on market prices.

3. Information related to sales, profit (or loss), assets, liabilities, and other items for each reportable segment

FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)

	Reportable segment					Others (note)	Total
	Nursing home	In-home nursing care	Nursing care equipment	Food	Subtotal		
Sales							
External sales	4,000,008	5,569,644	1,177,879	32,947	10,780,480	194,203	10,974,683
Inter-segment sales or transfers	5,210	9,217	48,725	475,302	538,456	4,724	543,180
Total	4,005,218	5,578,862	1,226,605	508,249	11,318,936	198,927	11,517,863
Segment profit (loss)	293,467	150,933	66,229	21,052	531,683	(79,578)	452,105
Segment assets	9,193,039	1,994,017	388,360	130,550	11,705,967	233,008	11,938,976
Other items							
Depreciation and amortization	200,934	69,552	28,936	2,349	301,772	2,366	304,139
Interest expenses	49,215	11,807	1,233	457	62,713	2,101	64,814
Impairment loss	—	8,064	—	—	8,064	—	8,064
Equity in losses of affiliates	—	—	—	—	—	(28,052)	(28,052)
Investment in equity-method affiliates	—	—	—	—	—	19,634	19,634
Increase in property, plant and equipment and intangible assets	107,335	30,697	13,979	1,449	153,461	9,025	162,487

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

FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)

(Thousands of yen)

	Reportable segment					Others (note)	Total
	Nursing home	In-home nursing care	Nursing care equipment	Food	Subtotal		
Sales							
External sales	4,136,482	5,547,791	1,323,360	41,091	11,048,725	239,456	11,288,182
Inter-segment sales or transfers	—	6,914	45,816	500,354	553,085	3,803	556,889
Total	4,136,482	5,554,705	1,369,177	541,445	11,601,811	243,260	11,845,071
Segment profit (loss)	159,017	179,272	85,415	18,587	442,292	(34,460)	407,831
Segment assets	9,296,759	1,775,612	407,585	124,571	11,604,529	359,473	11,964,002
Other items							
Depreciation and amortization	185,758	63,214	25,602	2,365	276,941	4,036	280,977
Interest expenses	36,312	10,747	1,854	29	48,945	4,376	53,321
Impairment loss	—	879	—	—	879	—	879
Equity in losses of affiliates	—	—	—	—	—	13,098	13,098
Investment in equity-method affiliates	—	—	—	—	—	33,972	33,972
Increase in property, plant and equipment and intangible assets	94,183	25,838	1,158	110	121,290	12,033	133,324

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.

4. Reconciliation of reported consolidated financial statements with total profit (or loss) for reportable segments

Reconciliation items (Thousands of yen)

Sales	FY10/14	FY10/15
Total for reportable segments	11,318,936	11,601,811
Sales attributable to "Others"	198,927	243,260
Eliminations for inter-segment transactions	(543,180)	(556,889)
Sales on the consolidated financial statements	10,974,683	11,288,182

(Thousands of yen)

Profit	FY10/14	FY10/15
Total for reportable segments	531,683	442,292
Profits attributable to "Others"	(79,578)	(34,460)
Adjustments on unrealized profits	149	143
Amortization of goodwill	(25,509)	(27,221)
Corporate revenue/expenses (note)	158,736	238,614
Ordinary income on the consolidated financial statements	585,482	619,367

Notes: 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.

(Thousands of yen)

Assets	FY10/14	FY10/15
Total for reportable segments	11,705,967	11,604,529
Assets attributable to the "Others"	233,008	359,473
Offsetting of receivables	(1,941,748)	(1,855,561)
Corporate assets (note)	1,951,536	2,706,291
Total assets on the consolidated financial statements	11,948,764	12,814,731

Note: Corporate assets represent the assets of the Company.

(Thousands of yen)

Other items	Total for reportable segments		Others		Adjustments		Amounts shown on consolidated financial statements	
	FY10/14	FY10/15	FY10/14	FY10/15	FY10/14	FY10/15	FY10/14	FY10/15
Depreciation and amortization	301,772	276,941	2,366	4,036	10,815	9,258	314,955	290,236
Amortization of goodwill	—	—	—	—	25,509	27,221	25,509	27,221
Interest expenses	62,713	48,945	2,101	4,376	(766)	5,491	64,047	58,813
Equity in profit (losses) of affiliates	—	—	(28,052)	13,098	—	—	(28,052)	13,098
Impairment loss	8,064	879	—	—	—	—	8,064	879
Investment in equity-method affiliates	—	—	19,634	33,972	—	—	19,634	33,972
Increase in property, plant and equipment and intangible assets	153,461	121,290	9,025	12,033	211,968	260,253	374,456	393,577

Notes: 1. Adjustments to depreciation and amortization consist of adjustments to corporate expenses and to unrealized profits.
 2. Adjustments to amortization of goodwill are not allocated to reportable segments.
 3. Adjustments to interest expenses are not allocated to reportable segments.
 4. Adjustments to an increase in property, plant and equipment and intangible assets consist of the capital investments in the Company.

b. Related information

FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)

1. Information by product or service

This information is omitted because the same information is presented in segment information.

2. Information by region

(1) Net sales

Not applicable since the Company has no external sales outside Japan.

(2) Property, plant and equipment

Not applicable because there is no property, plant and equipment outside Japan.

3. Information by major client

(Thousands of yen)

Company name	Net sales	Business segment
Osaka Federation of National Health Insurance Organizations	4,669,349	Nursing home, in-home nursing care, nursing care equipment

FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)

1. Information by product or service

This information is omitted because the same information is presented in segment information.

2. Information by region

(1) Net sales

Not applicable since the Company has no external sales outside Japan.

(2) Property, plant and equipment

This information is omitted because the Company has no external sales outside Japan.

3. Information by major client

(Thousands of yen)

Company name	Net sales	Business segment
Osaka Federation of National Health Insurance Organizations	4,964,611	Nursing home, in-home nursing care, nursing care equipment

c. Information related to impairment of noncurrent assets for each reportable segment

FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)

(Thousands of yen)

	Nursing home	In-home nursing care	Nursing care equipment	Food	Others	Elimination or corporate	Total
Impairment loss	—	8,064	—	—	—	—	8,064

FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)

(Thousands of yen)

	Nursing home	In-home nursing care	Nursing care equipment	Food	Others	Elimination or corporate	Total
Impairment loss	—	879	—	—	—	—	879

d. Information related to goodwill amortization and the unamortized balance for each reportable segment

FY10/14 (Nov. 1, 2013– Oct. 31, 2014)

(Thousands of yen)

	Nursing home	In-home nursing care	Nursing care equipment	Food	Others	Elimination or corporate	Total
Amortization for the period	—	—	—	—	—	25,509	25,509
Balance at end of period	—	—	—	—	—	31,887	31,887

Note: Elimination or corporate is the amortization of goodwill associated with the acquisition of stock of a subsidiary that cannot be allocated to any reportable segment.

FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)

(Thousands of yen)

	Nursing home	In-home nursing care	Nursing care equipment	Food	Others	Elimination or corporate	Total
Amortization for the period	—	—	—	—	—	27,221	27,221
Balance at end of period	—	—	—	—	—	6,377	6,377

Note: Elimination or corporate is the amortization of goodwill associated with the acquisition of stock of a subsidiary that cannot be allocated to any reportable segment.

Goodwill was occurred 1,711 thousands of yen by purchase of investment payments of subsidiaries.

e. Information related to gain on bargain purchase for each reportable segment

FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)

Not applicable.

FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)

Not applicable.

f. Per Share Information

(Yen)

	FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)	FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)
Net assets per share	278.06	302.36
Net income per share	27.32	31.03

Notes: 1. Diluted net income per share is not presented since the Company has no outstanding dilutive securities.

2. The following is a reconciliation of net income per share (Thousands of yen)

Items	FY10/14 (Nov. 1, 2013 – Oct. 31, 2014)	FY10/15 (Nov. 1, 2014 – Oct. 31, 2015)
Net income	290,409	324,357
Amounts not available to common shareholders	—	—
Net income available to common shares	290,409	324,357
Average number of common shares outstanding during the period	10,629,484 shares	10,452,717 shares

g. Subsequent Events

(Sales of entities accounted for using equity method and establishment of a joint venture)

Longlife International Business Investment Co., Ltd. decided at its board meeting on December 11, 2015 that sales of entities accounted for using the equity method “Hiking (Qingdao) Longlife Care Service Co., Ltd.” and establishment of a joint venture in China.

2. Other

(1) Change in Directors

Not applicable.

(2) Other

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.