

Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending October 31, 2016
(Three Months Ended January 31, 2016)

[Japanese GAAP]

Company name: LONGLIFE HOLDING Co., Ltd. Listing: Tokyo Stock Exchange (JASDAQ)
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Scheduled date of filing of Quarterly Report: March 14, 2016

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 March 11, 2016 at 15:30 (GMT +9).

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

1. Consolidated Financial Results for the Three Months January 31, 2016 (Nov. 1, 2015 – Jan. 31, 2016)

(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	%
Three months ended Jan. 31, 2016	2,687	(4.5)	53	(64.5)	24	(78.0)	(17)	-
Three months ended Jan. 31, 2015	2,814	6.6	149	20.0	110	(3.5)	10	(67.5)

Note: Comprehensive income (million yen) Three months ended Jan. 31, 2016: (44) (- %)

Three months ended Jan. 31, 2015: 9 (down 74.9%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jan. 31, 2016	(1.64)	-
Three months ended Jan. 31, 2015	0.97	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jan. 31, 2016	12,742	2,984	23.4	287.15
As of Oct. 31, 2015	12,814	3,142	24.5	302.36

Reference: Shareholders' equity (million yen) As of Jan. 31, 2016: 2,984 As of Oct. 31, 2015: 3,142

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ending Oct. 31, 2015	-	0.00	-	8.50	8.50
Fiscal year ending Oct. 31, 2016	-	0.00	-	-	-
Fiscal year ending Oct. 31, 2016 (forecasts)	-	-	-	7.50	7.50

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

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

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: Yes

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 Jan. 31, 2016: 11,190,400 shares As of Oct. 31, 2015: 11,190,400 shares

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

As of Jan. 31, 2016: 797,305 shares As of Oct. 31, 2015: 797,305 shares

3) Average number of shares outstanding during the period

Three months ended Jan. 31, 2016: 10,393,095 shares Three months ended Jan. 31, 2015: 10,580,810 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.

Cautionary statement with respect to forecasts of future performance and other 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.

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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

Adoption of accounting standards related to business combinations

The Accounting Standard for Business Combinations (Accounting Standards Board of Japan (ASBJ) Statement No.21) of September 13, 2013, the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No.22) of September 13, 2013, and the Accounting Standard for Business Divestitures (ASBJ Statement No.7) of September 13, 2013, have been applied from the first quarter of the current fiscal year.

A change in presentation has been made to 'net income', and the previous account of 'minority interests' has changed to 'non-controlling interests'. To reflect these changes in presentation, certain items in the consolidated financial statements for the first period of the previous fiscal year and the previous fiscal year, have been reclassified.

2. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	FY10/15 (As of Oct. 31, 2015)	first quarter of FY10/16 (As of Jan. 31, 2016)
Assets		
Current assets		
Cash and deposits	2,143,320	1,759,465
Notes and accounts receivable-trade	1,511,721	1,373,914
Inventories	40,066	44,498
Deferred tax assets	146,129	33,144
Deposits paid	1,550,513	1,589,457
Other	205,049	313,160
Total current assets	5,596,799	5,113,641
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,931,623	5,970,885
Accumulated depreciation	(2,303,583)	(2,348,986)
Buildings and structures, net	3,628,039	3,621,898
Vehicles	4,956	4,956
Accumulated depreciation	(4,949)	(4,951)
Vehicles, net	6	4
Tools, furniture and fixtures	422,981	439,293
Accumulated depreciation	(334,698)	(341,498)
Tools, furniture and fixtures, net	88,282	97,794
Land	2,440,381	2,939,018
Lease assets	325,189	325,189
Accumulated depreciation	(225,325)	(237,711)
Lease assets, net	99,863	87,478
Construction in progress	98,789	109,329
Total property, plant and equipment	6,355,363	6,855,525
Intangible assets		
Goodwill	6,377	-
Other	22,894	21,466
Total intangible assets	29,272	21,466
Investments and other assets		
Investment securities	147,414	137,537
Stocks of subsidiaries and affiliates	43,313	8,424
Guarantee deposits	503,576	504,179
Long-term prepaid expenses	61,301	59,861
Other	77,688	42,175
Total investments and other assets	833,295	752,178
Total noncurrent assets	7,217,931	7,629,170
Total assets	12,814,731	12,742,811

	(Thousands of yen)	
	FY10/15 (As of Oct. 31, 2015)	first quarter of FY10/16 (As of Jan. 31, 2016)
Liabilities		
Current liabilities		
Accounts payable-trade	134,212	116,217
Short-term loans payable	170,000	170,000
Current portion of long-term loans payable	259,231	258,730
Lease obligations	49,400	40,450
Accounts payable-other	494,910	265,844
Accrued expenses	524,595	490,744
Income taxes payable	172,275	38,183
Advances received	4,656,951	4,834,724
Provision for bonuses	278,329	102,335
Allowance for cancellation of contract	30,468	7,145
Other	141,631	178,920
Total current liabilities	6,912,006	6,503,297
Noncurrent liabilities		
Long-term loans payable	2,528,418	3,023,422
Lease obligations	60,510	55,772
Deferred tax liabilities	29,771	25,875
Net defined benefit liability	48,139	57,224
Asset retirement obligations	88,637	88,995
Other	4,812	3,814
Total noncurrent liabilities	2,760,288	3,255,103
Total liabilities	9,672,295	9,758,400
Net assets		
Shareholders' equity		
Capital stock	100,000	100,000
Retained earnings	3,201,195	3,070,534
Treasury stock	(201,774)	(201,774)
Total shareholders' equity	3,099,420	2,968,759
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,622	19,018
Foreign currency translation adjustment	17,393	(3,367)
Total accumulated other comprehensive income	43,015	15,651
Total net assets	3,142,435	2,984,410
Total liabilities and net assets	12,814,731	12,742,811

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

(Thousands of yen)

	First Three months of FY10/15 (Nov. 1, 2014 – Jan. 31, 2015)	First Three months of FY10/16 (Nov. 1, 2015 – Jan. 31, 2016)
Net sales	2,814,099	2,687,456
Cost of sales	2,164,933	2,059,529
Gross profit	649,165	627,926
Selling, general and administrative expenses	499,755	574,921
Operating income	149,410	53,004
Non-operating income		
Interest income	180	0
Dividends income	360	402
Foreign exchange gains	2,753	142
Contribution for tenants received	4,077	3,591
Revenue of facility usage charge	236	228
Subsidy income	2,397	-
Other	1,118	962
Total non-operating income	11,124	5,327
Non-operating expenses		
Interest expenses	15,472	15,217
Commission fee	17,000	11,826
Share of loss of entities accounted for using equity method	11,383	6,245
Other	6,085	730
Total non-operating expenses	49,941	34,020
Ordinary income	110,593	24,312
Extraordinary income		
Gain on sales of investments in capital of subsidiaries and associates	-	108,360
Total extraordinary income	-	108,360
Income before income taxes and minority interests	110,593	132,672
Income taxes-current	26,884	37,021
Income taxes-deferred	73,450	112,693
Total income taxes	100,334	149,714
Profit (loss)	10,258	(17,042)
Profit (loss) attributable to owners of parent	10,258	(17,042)

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

(Thousands of yen)

	First three months of FY10/15 (Nov. 1, 2014 – Jan. 31, 2015)	First three months of FY10/16 (Nov. 1, 2015 – Jan. 31, 2016)
Profit (loss)	10,258	(17,042)
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,631)	(6,603)
Share of other comprehensive income of entities accounted for using equity method	1,347	(20,760)
Total other comprehensive income	(283)	(27,364)
Comprehensive income	9,974	(44,406)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	9,974	(44,406)
Comprehensive income attributable to non-controlling interests	-	-

(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 three months of FY10/15 (Nov. 1, 2014 – Jan. 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	997,287	1,382,298	362,961	20,158	2,762,705	51,393	2,814,099
Inter-segment sales or transfers	-	2,326	6,850	124,452	133,629	930	134,560
Total	997,287	1,384,625	369,811	144,610	2,896,335	52,324	2,948,660
Segment profit (loss)	21,652	44,511	12,657	7,417	86,239	(27,246)	58,993

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	86,239
Profits (losses) attributable to "Others"	(27,246)
Adjustments on unrealized profits	35
Amortization of goodwill	(8,089)
Corporate revenue/expenses (note)	59,653
Ordinary income on the quarterly consolidated statements of income	110,593

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 three months of FY10/16 (Nov. 1, 2015 – Jan. 31, 2016)

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	Resort	Subtotal		
Sales								
External sales	990,815	1,331,691	282,076	17,417	-	2,622,001	65,455	2,687,456
Inter-segment sales or transfers	-	117	12,717	138,100	-	150,934	4,558	155,493
Total	990,815	1,331,808	294,793	155,518	-	2,772,936	70,013	2,842,949
Segment profit (loss)	(35,370)	(5,468)	13,484	8,707	(26,109)	(44,755)	(5,017)	(49,773)

Note: "Others" segment is not included in any of the reportable segments and includes dispensing pharmacy 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	(44,755)
Profits (losses) attributable to "Others"	(5,017)
Adjustments on unrealized profits	35
Amortization of goodwill	(6,377)
Corporate revenue/expenses (note)	80,426
Ordinary income on the quarterly consolidated statements of income	24,312

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

From the first quarter of the current fiscal year, the Resort business was isolated from the Others in consideration of its significance.

4. 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.

This summary report has been translated from a part of the Japanese original.