

**Summary of Consolidated Financial Results**  
**for the Second Quarter of the Fiscal Year Ending October 31, 2012**  
**(Six Months Ended April 30, 2012)**

[Japanese GAAP]

Company name: LONGLIFE HOLDING Co., Ltd. Listing: Osaka Securities Exchange (JASDAQ)  
 Stock code: 4355 URL: <http://longlife-holding.co.jp>  
 Representative: Masakazu Endo, CEO  
 Contact: Akiyasu Takimura, Managing Director and General Manager, Administration Division Tel: +81-(0) 6-6373-9191  
 Scheduled date of filing of Quarterly Report: June 11, 2012  
 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)

Note: The original disclosure in Japanese was released on June 8, 2012 at 15:30 (GMT +9).

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

**1. Consolidated Financial Results for the Six Months Ended April 30, 2012 (Nov. 1, 2011 – Apr. 30, 2012)**

(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, 2012	5,030	13.3	230	146.9	203	135.5	110	-
Six months ended Apr. 30, 2011	4,440	11.9	93	(49.7)	86	(49.3)	(208)	-

Note: Comprehensive income (million yen) Six months ended Apr. 30, 2012: 110 (n.a.)  
 Six months ended Apr. 30, 2011: (203) (n.a.)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Apr. 30, 2012	10.21	-
Six months ended Apr. 30, 2011	(3,861.90)	-

Note: Net income per share for the six months ended Apr. 30, 2011 is calculated based on the number of shares outstanding before the 1-to-200 common stock split that became effective on May 1, 2011.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Apr. 30, 2012	9,797	2,478	25.3	229.74
As of Oct. 31, 2011	9,697	2,402	24.8	222.69

Reference: Shareholders' equity (million yen) Apr. 30, 2012: 2,478 Oct. 31, 2011: 2,402

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Oct. 31, 2011	-	0.00	-	2.50	2.50
Fiscal year ending Oct. 31, 2012	-	0.00	-	-	-
Fiscal year ending Oct. 31, 2012 (forecasts)	-	-	-	3.50	3.50

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

**3. Consolidated Forecast for the Fiscal Year Ending October 31, 2012 (Nov. 1, 2011 – Oct. 31, 2012)**

(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	10,500	11.2	400	97.7	380	89.8	140	-	12.98

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

#### 4. Others

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

(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

Note: Please refer to “2. Matters Related to Summary Information (Others), (3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements” on page 4 of the attachments for further information.

(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, 2012:	11,190,400 shares	As of Oct. 31, 2011:	11,190,400 shares
----------------------	-------------------	----------------------	-------------------

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

As of Apr. 30, 2012:	401,657 shares	As of Oct. 31, 2011:	401,657 shares
----------------------	----------------	----------------------	----------------

3) Average number of shares outstanding during the period

Six months ended Apr. 30, 2012:	10,788,743 shares	Six months ended Apr. 30, 2011:	53,944 shares
---------------------------------	-------------------	---------------------------------	---------------

Average number of shares outstanding for the six months ended Apr. 30, 2011 is figures before the 1-to-200 common stock split that became effective on May 1, 2011.

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, the review procedures for these 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 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 4 of the attachments for assumptions for forecasts and notes of caution for usage.

## Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Performance	2
(1) Qualitative Information Regarding Consolidated Results of Operations	2
(2) Qualitative Information Regarding Consolidated Financial Position	3
(3) Qualitative Information Regarding Consolidated Forecast	4
2. Matters Related to Summary Information (Others)	4
(1) Changes in Significant Subsidiaries during the Period	4
(2) Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements	4
(3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements	4
3. Quarterly Consolidated Financial Statements	5
(1) Quarterly Consolidated Balance Sheets	5
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	7
Quarterly Consolidated Statements of Income	
(For the Six-month Period)	7
Quarterly Consolidated Statements of Comprehensive Income	
(For the Six-month Period)	8
(3) Quarterly Consolidated Statements of Cash Flows	9
(4) Going Concern Assumption	11
(5) Segment and Other Information	11
(6) Significant Changes in Shareholders' Equity	12

## 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, there were signs of a recovery in some sectors of the Japanese economy. The upturn was supported by healthy domestic demand backed by consumer spending and public-works expenditures associated with demand created by reconstruction activities following the Great East Japan Earthquake. However, the outlook is still uncertain because of electricity supply problems, the high cost of crude oil, the reemergence of the debt crisis in Europe and other events.

In the nursing care services sector, Japan enacted an amended Long-term Care Insurance Act in April 2012. Looking ahead to the peak of Japan's population aging in 2025, the act incorporates many elements to create a stronger foundation for regional comprehensive care system. Actions include stronger ties between medical care and nursing care, recruiting nursing care personnel and improving the quality of the services they provide, and establishing residences for seniors. In addition, the amended act has elements that reflect the impact of its measures on the tight financial resources for nursing care insurance. For example, regional categories and time categories for home-visit long-term care were revised.

In this situation, the LONGLIFE Group achieved a 13.3% increase in consolidated net sales from one year earlier to 5,030 million yen. One reason was strong nursing home sales in the nursing home business, and sales were higher in the in-home nursing care business because of sales activities that closely reflect the characteristics of individual regions. In addition, operating income increased 146.9% to 230 million yen, ordinary income 135.5% to 203 million yen and there was a net income of 110 million yen compared with net loss of 208 million yen one year earlier.

Business segment performance was as follows.

#### 1) Nursing home business

At the end of the second quarter of the current fiscal year, the nursing home business was operating 18 nursing homes with a total of 723 rooms for residents.

More progress was made by focusing on collecting information from many sources and strengthening sales activities in order to increase the occupancy rate. Performance also included a reduction in personnel expenses and a reexamination of advertising and other categories of expenses. Sales decreased 0.4% to 2,103 million yen and ordinary income surged 241.3% to 108 million yen.

#### 2) In-home nursing care business

In the in-home nursing care business, there were 129 services as of the end of the second quarter of the current fiscal year.

At existing locations, the number of customers increased because of sales activities that closely reflect the characteristics of individual regions. Sales increased 15.6% to 2,681 million yen and ordinary income increased 39.3% to 25 million yen.

#### 3) Food business

The food business mainly involves the preparation of meals which are served at our 28 nursing homes.

External sales increased because of heightened sales activities targeting companies outside the Group. Sales surged 886.9% to 85 million yen and ordinary income increased 26.2% to 8 million yen.

The name of this segment was changed from the food service business to the food business in the first quarter of the current fiscal year.

#### 4) 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, 2011 resulted in the transfer of some

business activities from the in-home nursing care business to the nursing care equipment business. Sales were 159 million yen (0 million yen one year earlier) and there was an ordinary income of 8 million yen compared with ordinary loss of 14 million yen one year earlier.

## 5) Others

Others includes the investment business of Long Life International Business Investment Co., Ltd., a consolidated subsidiary which invests in companies in Japan and other countries. Due to continuing up-front investments to implement the growth strategies of nursing homes at portfolio companies, there was an ordinary loss of 2 million yen compared with a 4 million yen loss one year earlier.

## (2) Qualitative Information Regarding Consolidated Financial Position

Total assets were 9,797 million yen at the end of the second quarter, 100 million yen more than at the end of the previous fiscal year.

Current assets increased by 7 million yen to 3,263 million yen. This was primarily attributable to an increase of 72 million yen in deposits paid, and decreases of 52 million yen in cash and deposits and 9 million yen in deferred tax assets.

Noncurrent assets increased by 92 million yen to 6,533 million yen. The primary causes were an increase of 175 million yen in property, plant and equipment, and decreases of 57 million yen in intangible assets and 24 million yen in investments and other assets.

Current liabilities decreased by 158 million yen to 5,725 million yen. This was mainly increases of 204 million yen in short-term loans payable and 96 million yen in accounts payable-other, and a decrease of 438 million yen in current portion of long-term loans payable.

Noncurrent liabilities increased by 182 million yen to 1,593 million yen mainly because of increases of 160 million yen in long-term loans payable and 27 million yen in lease obligations, and a decrease of 5 million yen in deferred tax liabilities.

Net assets increased 76 million yen to 2,478 million yen, and the equity ratio improved from 24.8% at the end of the previous fiscal year to 25.3%.

### Cash flows

There was a net decrease of 52 million yen in cash and cash equivalents from the end of the previous fiscal year to 851 million yen at the end of the first half of the current fiscal year. Cash flows during the first half under review and major components were as follows.

#### Cash flows from operating activities

Net cash provided by operating activities was 296 million yen compared with 101 million yen used one year earlier.

The major sources of cash were income before income taxes of 199 million yen, and depreciation and amortization of 119 million yen. The major use of cash was a decrease of 73 million yen in advances received.

#### Cash flows from investing activities

Net cash used in investing activities was 217 million yen compared with 540 million yen used one year earlier.

Cash was mainly used for payments of 206 million yen for the purchase of property, plant and equipment.

#### Cash flows from financing activities

Net cash used in financing activities was 131 million yen compared with 405 million yen provided one year earlier.

The major sources of cash were proceeds of 700 million yen from long-term loans payable and a net increase of 204 million yen in short-term loans payable. The major uses of cash were repayments of 977 million yen in long-term loans payable, cash dividends paid of 26 million yen, and repayments of 21 million yen in lease obligations.

**(3) Qualitative Information Regarding Consolidated Forecast**

There are no revisions to the consolidated forecast for the fiscal year ending October 31, 2012 that was announced on December 9, 2011.

**2. Matters Related to Summary Information (Others)**

**(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**

Change in depreciation method of property, plant and equipment

Following tax law revisions, from the second quarter of the current fiscal year, the Group has changed its method of depreciation of property, plant and equipment acquired on or after April 1, 2012 in line with methods prescribed in the revised Corporate Tax Law. The effect of this change on the consolidated financial statements for the first half of the current fiscal year is insignificant.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	FY10/11 (As of Oct. 31, 2011)	Second quarter of FY10/12 (As of Apr. 30, 2012)
Assets		
Current assets		
Cash and deposits	923,411	871,043
Notes and accounts receivable-trade	1,180,251	1,201,721
Inventories	26,988	19,843
Deferred tax assets	47,696	38,384
Deposits paid	890,616	963,008
Other	190,364	173,354
Allowance for doubtful accounts	(3,127)	(3,561)
Total current assets	3,256,201	3,263,795
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	4,758,748	4,824,149
Accumulated depreciation	(1,769,250)	(1,848,442)
Buildings and structures, net	2,989,498	2,975,707
Vehicles	11,581	7,011
Accumulated depreciation	(11,329)	(6,858)
Vehicles, net	251	152
Tools, furniture and fixtures	325,575	332,432
Accumulated depreciation	(260,518)	(268,476)
Tools, furniture and fixtures, net	65,057	63,955
Land	2,355,086	2,367,014
Lease assets	159,043	219,993
Accumulated depreciation	(22,825)	(44,346)
Lease assets, net	136,218	175,646
Construction in progress	51,795	190,437
Total property, plant and equipment	5,597,907	5,772,914
Intangible assets		
Goodwill	199,905	144,925
Other	26,821	24,298
Total intangible assets	226,726	169,223
Investments and other assets		
Investment securities	50,096	48,925
Stocks of subsidiaries and affiliates	3,450	3,450
Guarantee deposits	395,005	399,629
Long-term prepaid expenses	78,339	74,901
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,322	200
Other	88,676	64,157
Allowance for doubtful accounts	(1,222)	(100)
Total investments and other assets	615,668	591,163
Total noncurrent assets	6,440,302	6,533,301
Deferred assets		
Bond issuance cost	532	332
Total deferred assets	532	332
Total assets	9,697,036	9,797,429

	(Thousands of yen)	
	FY10/11 (As of Oct. 31, 2011)	Second quarter of FY10/12 (As of Apr. 30, 2012)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	91,415	64,355
Short-term loans payable	714,244	918,924
Current portion of bonds	20,000	20,000
Current portion of long-term loans payable	969,956	531,374
Lease obligations	35,020	47,020
Accounts payable-other	158,875	255,067
Accrued expenses	462,371	446,688
Income taxes payable	28,574	83,063
Advances received	3,200,385	3,127,337
Provision for bonuses	107,801	99,966
Allowance for cancellation of contract	8,599	8,441
Other	86,772	123,166
<b>Total current liabilities</b>	<b>5,884,014</b>	<b>5,725,404</b>
<b>Noncurrent liabilities</b>		
Bonds payable	10,000	-
Long-term loans payable	1,099,466	1,260,270
Lease obligations	112,644	139,664
Deferred tax liabilities	53,126	47,726
Provision for retirement benefits	38,484	36,768
Deferred revenue of home nursing care apart from general revenue	12,960	12,420
Asset retirement obligations	69,102	75,987
Other	14,727	20,584
<b>Total noncurrent liabilities</b>	<b>1,410,512</b>	<b>1,593,422</b>
<b>Total liabilities</b>	<b>7,294,527</b>	<b>7,318,827</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	100,000	100,000
Retained earnings	2,349,188	2,424,875
Treasury stock	(62,440)	(62,440)
<b>Total shareholders' equity</b>	<b>2,386,747</b>	<b>2,462,434</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	15,762	16,167
<b>Total accumulated other comprehensive income</b>	<b>15,762</b>	<b>16,167</b>
<b>Total net assets</b>	<b>2,402,509</b>	<b>2,478,602</b>
<b>Total liabilities and net assets</b>	<b>9,697,036</b>	<b>9,797,429</b>



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

(Thousands of yen)

	First six months of FY10/11 (Nov. 1, 2010 – Apr. 30, 2011)	First six months of FY10/12 (Nov. 1, 2011 – Apr. 30, 2012)
Net sales	4,440,865	5,030,339
Cost of sales	3,553,571	3,971,264
Gross profit	887,293	1,059,074
Selling, general and administrative expenses	793,842	828,346
Operating income	93,451	230,727
Non-operating income		
Interest income	455	158
Dividends income	758	777
Contribution for tenants received	4,711	5,324
Revenue of facility usage charge	521	509
Subsidy income	12,237	3,372
Contribution in income	210	3,000
Other	3,910	6,998
Total non-operating income	22,807	20,141
Non-operating expenses		
Interest expenses	27,633	28,836
Equity in losses of affiliates	-	16,788
Other	2,397	2,139
Total non-operating expenses	30,030	47,765
Ordinary income	86,228	203,103
Extraordinary income		
Gain on sales of noncurrent assets	-	51
Reversal of provision for loss on litigation	45,995	-
Reversal of provision for bonuses	2,146	-
Total extraordinary income	48,141	51
Extraordinary loss		
Loss on retirement of noncurrent assets	3,482	864
Impairment loss	185,595	-
Loss on cancellation of leasehold contracts	716	530
Loss on litigation	-	2,328
Loss on adjustment for changes of accounting standard for asset retirement obligations	21,936	-
Loss on prior periods adjustment	25,073	-
Total extraordinary losses	236,804	3,723
Income (loss) before income taxes and minority interests	(102,434)	199,432
Income taxes-current	33,753	83,506
Income taxes-deferred	72,138	5,803
Total income taxes	105,891	89,310
Income (loss) before minority interests	(208,326)	110,121
Net income (loss)	(208,326)	110,121

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

(Thousands of yen)

	First six months of FY10/11 (Nov. 1, 2010 – Apr. 30, 2011)	First six months of FY10/12 (Nov. 1, 2011 – Apr. 30, 2012)
Income (loss) before minority interests	(208,326)	110,121
Other comprehensive income		
Valuation difference on available-for-sale securities	4,776	405
Total other comprehensive income	4,776	405
Comprehensive income	(203,549)	110,526
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(203,549)	110,526
Comprehensive income attributable to minority interests	-	-

**(3) Quarterly Consolidated Statements of Cash Flows**

(Thousands of yen)

	First six months of FY10/11 (Nov. 1, 2010 – Apr. 30, 2011)	First six months of FY10/12 (Nov. 1, 2011 – Apr. 30, 2012)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	(102,434)	199,432
Depreciation and amortization	111,403	119,884
Amortization of long-term prepaid expenses	6,769	5,535
Amortization of goodwill	48,602	54,980
Impairment loss	185,595	-
Increase (decrease) in allowance for doubtful accounts	736	(688)
Increase (decrease) in deferred revenue of home nursing care apart from general revenue	(540)	(540)
Increase (decrease) in provision for bonuses	10,353	(7,835)
Increase (decrease) in allowance for cancellation of contract	(2,262)	(158)
Increase (decrease) in provision for loss on litigation	(45,995)	-
Increase (decrease) in provision for retirement benefits	4,927	(1,716)
Interest and dividends income	(1,213)	(936)
Interest expenses	27,633	28,836
Equity in (earnings) losses of affiliates	-	16,788
Loss (gain) on sales of property, plant and equipment	-	(51)
Loss on retirement of property, plant and equipment	3,482	485
Loss on retirement of intangible assets	-	378
Loss on adjustment for changes of accounting standard for asset retirement obligations	21,936	-
Decrease (increase) in notes and accounts receivable-trade	(77,462)	(20,348)
Decrease (increase) in inventories	(6,931)	7,144
Decrease (increase) in deposits paid	(102,794)	(72,392)
Increase (decrease) in notes and accounts payable-trade	13,886	(27,059)
Increase (decrease) in accounts payable-other	100,833	84,877
Increase (decrease) in advances received	(192,753)	(73,047)
Decrease (increase) in consumption taxes refund receivable	1,322	(15)
Increase (decrease) in accrued consumption taxes	(8,701)	(8,098)
Other, net	(2,286)	37,369
Subtotal	(5,890)	342,825
Interest and dividends income received	1,213	936
Interest expenses paid	(28,379)	(26,008)
Return of litigation deposits	80,000	-
Litigation settlement paid	(75,800)	-
Income taxes paid	(72,875)	(21,624)
Net cash provided by (used in) operating activities	(101,731)	296,128

(Thousands of yen)

	First six months of FY10/11 (Nov. 1, 2010 – Apr. 30, 2011)	First six months of FY10/12 (Nov. 1, 2011 – Apr. 30, 2012)
Net cash provided by (used in) investing activities		
Purchase of investment securities	(300)	(313)
Purchase of property, plant and equipment	(381,551)	(206,595)
Proceeds from sales of property, plant and equipment	-	59
Purchase of intangible assets	(1,912)	(1,655)
Payments for lease and guarantee deposits	(7,372)	(8,177)
Proceeds from collection of lease and guarantee deposits	2,375	1,669
Purchase of long-term prepaid expenses	(11,548)	(2,552)
Payments of loans receivable	-	887
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(120,295)	-
Other, net	(20,309)	(704)
Net cash provided by (used in) investing activities	(540,914)	(217,382)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	72,708	204,680
Proceeds from long-term loans payable	660,000	700,000
Repayment of long-term loans payable	(285,205)	(977,778)
Repayments of lease obligations	(5,670)	(21,929)
Redemption of bonds	(10,000)	(10,000)
Cash dividends paid	(26,377)	(26,153)
Net cash provided by (used in) financing activities	405,454	(131,180)
Effect of exchange rate change on cash and cash equivalents	(3)	67
Net increase (decrease) in cash and cash equivalents	(237,194)	(52,367)
Cash and cash equivalents at beginning of period	1,370,120	903,411
Cash and cash equivalents at end of period	1,132,925	851,043

**(4) Going Concern Assumption**

Not applicable.

**(5) Segment and Other Information**

I. First six months of FY10/11 (Nov. 1, 2010 – Apr. 30, 2011)

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

(Thousands of yen)

	Reportable segment					Other (note)	Total
	Nursing home	In-home nursing care	Food service	Nursing care equipment	Subtotal		
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

Note: The “Other” business segment is not included in any of the reportable segments and includes 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	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

Notes: 1. Corporate expenses 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.

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

Material impairment losses related to noncurrent assets

In the nursing home segment, impairment losses are recorded when noncurrent assets at a facility are not expected to produce as much earnings as initially expected. In the first six months of FY10/11, these impairment losses totaled 185,595 thousand yen.

## II. First six months of FY10/12 (Nov. 1, 2011 – Apr. 30, 2012)

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

(Thousands of yen)

	Reportable segment					Other (note)	Total
	Nursing home	In-home nursing care	Food	Nursing care equipment	Subtotal		
Sales							
External sales	2,103,496	2,681,307	85,871	159,663	5,030,339	-	5,030,339
Inter-segment sales or transfers	289	5,068	274,737	15,769	295,864	-	295,864
Total	2,103,785	2,686,376	360,608	175,433	5,326,203	-	5,326,203
Segment profit (loss)	108,516	25,305	8,789	8,746	151,357	(2,190)	149,167

Notes: 1. The “Other” business segment is not included in any of the reportable segments and includes investment business.

2. The name of the food service business was changed to the food business in the first quarter of FY10/12.

## 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	151,357
Profits attributable to the “Other”	(2,190)
Adjustments on unrealized profits	76
Amortization of goodwill	(12,754)
Equity in losses of affiliates	(16,788)
Corporate revenue/expenses (note 1)	83,468
Other (note 2)	(64)
Ordinary income on the quarterly consolidated statements of income	203,103

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

There are no significant items or changes during the second quarter of FY10/12.

**(6) Significant Changes in Shareholders’ Equity**

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.*