

NICHII GAKKAN COMPANY

Financial Results Briefing Document

For the Three Months Ended Jun. 30, 2015

August 18, 2015

Financial Results Highlights

(Unit: Millions of Yen)

	FY2015 1Q	FY2016 1Q	
	Amount	Amount	Change
Net Sales	67,720	67,878	0.2%
Operating Income	1,258	▲ 614	-
%	1.9%	▲0.9%	-
Ordinary Income	788	▲ 1,028	-
%	1.2%	▲1.5%	-
Net income attributable to owners of parent	147	▲ 1,165	-
%	0.2%	▲1.7%	-

Consolidated Net Sales and Operating Income by Segment

(Unit: Millions of Yen)

(Unit: Millions of Yen)

Net Sales	FY2015 1Q	FY2016 1Q	Change
Medical Support	26,933	27,106	0.6%
Long-term Care	36,335	35,748	▲1.6%
Health Care	926	944	2.0%
Education	3,023	3,126	3.4%
Child Care	458	701	53.0%
Others	405	614	51.7%
Elimination	▲ 362	▲ 365	
Total	67,720	67,878	0.2%

Operating Income	FY2015 1Q	FY2016 1Q	Change
Medical Support	1,980	1,886	▲4.8%
Long-term Care	3,266	1,590	▲51.3%
Health Care	▲ 48	31	-
Education	▲ 1,523	▲ 1,605	-
Child Care	▲ 174	▲ 272	-
Others	185	55	▲70.2%
Elimination	▲ 2,426	▲ 2,300	-
Total	1,258	▲ 614	-

Major Changes in Net Sales

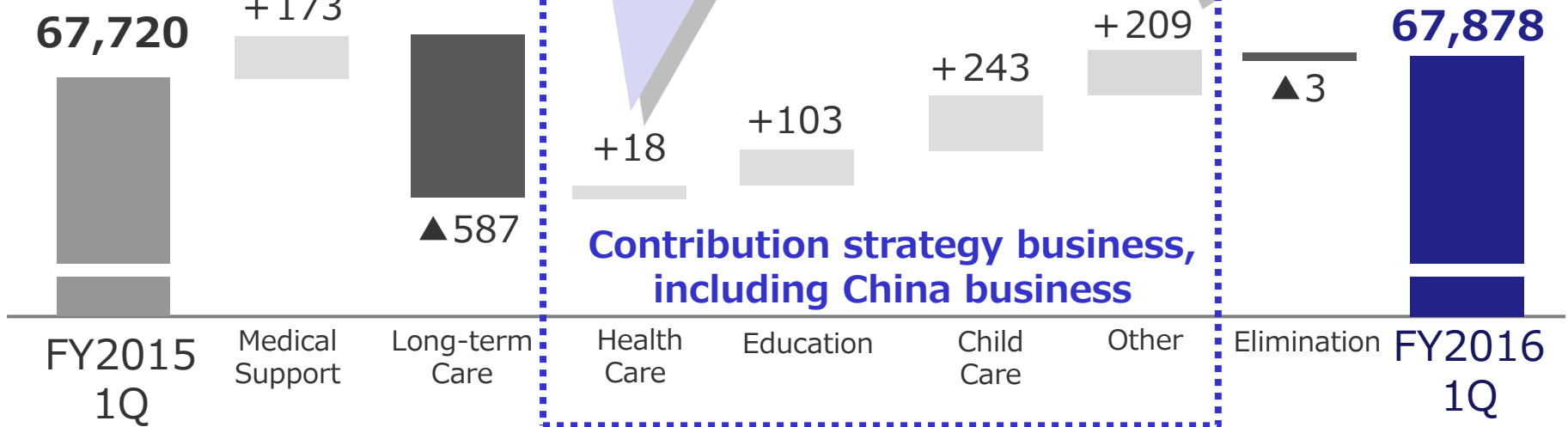
**Year on year
Increase in sales of
158 million yen**

- Hospitals + 0.45 billion yen
- Clinics - 0.2 billion yen
- Medical Education - 0.1 billion yen

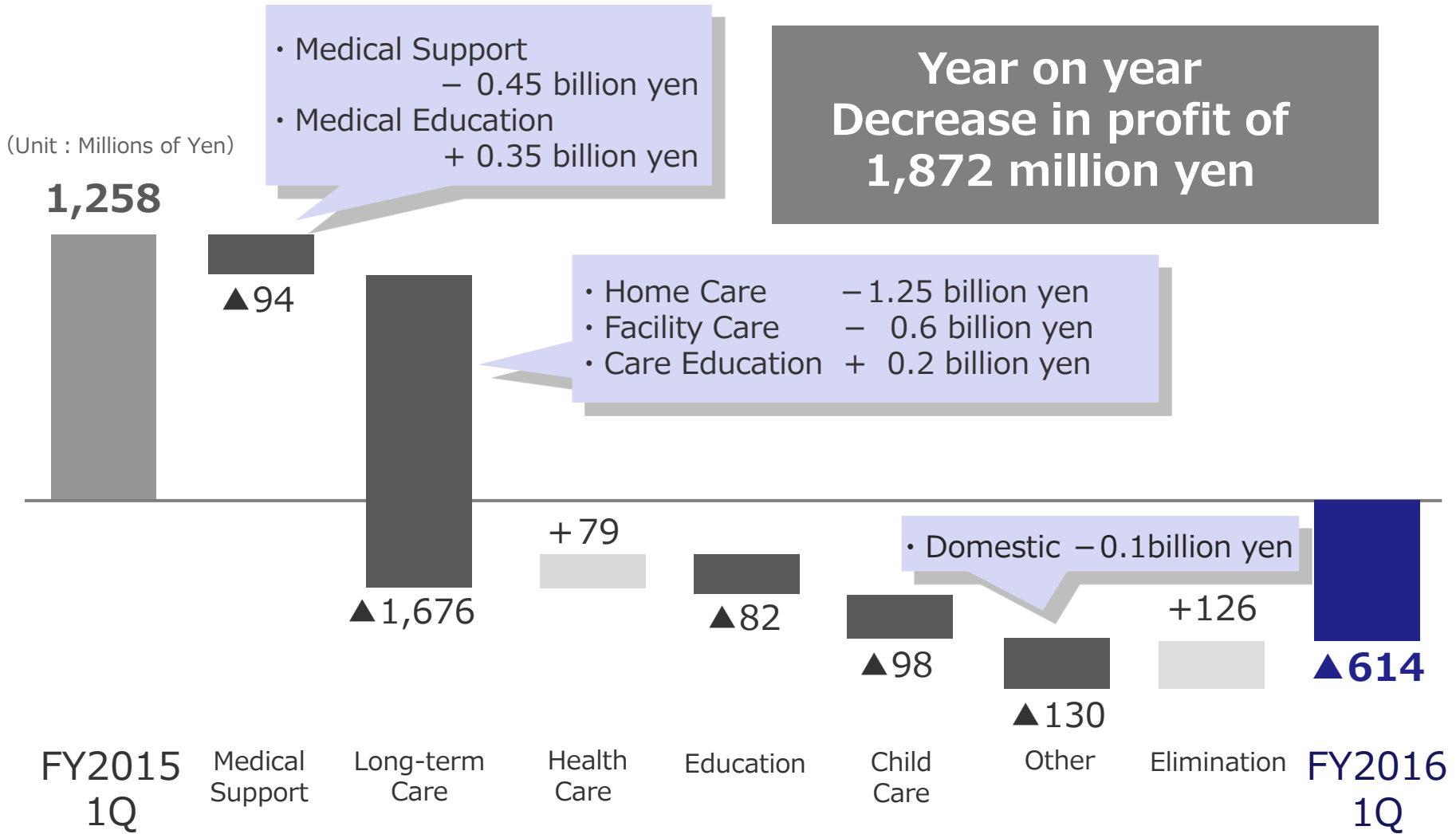
- Home Care - 0.6 billion yen
- Facility Care + 0.1 billion yen
- Care Education - 0.05 billion yen

- China existing + 0.3 billion yen
- Domestic - 0.1 billion yen

(Unit: Millions of Yen)

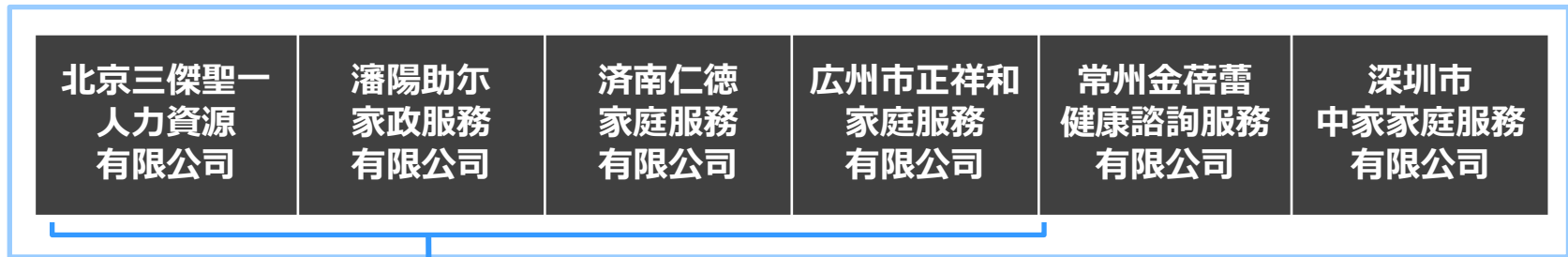


Major Changes in Operating Income



Consolidated Financial Results Highlights

【FY2016.3 1Q】



PL 4 companies

(Unit : Million of Yen)

	FY2016 1Q (Jan~Mar)
Net Sales	318
Operating Income	▲19
Amortization of goodwill (5-year amortization)	40

BS 6 companies

(Unit : Million of Yen)

	FY2015 End of Mar.
Total assets	372
Net assets	202
Goodwill	1,143

Earnings forecast

(Unit: Millions of Yen)

	FY2015			FY2016					
	1Q	Half-year	Full-year	1Q		Half-year		Full-year	
	Result	Result	Result	Result	Change	Forecast	Change	Forecast	Change
Net Sales	67,720	136,015	271,868	67,878	0.2%	137,700	1.2%	294,300	8.3%
Operating Income	1,258	2,719	5,173	▲ 614	–	2,690	▲ 1.1%	8,900	72.0%
%	1.9%	2.0%	1.9%	▲ 0.9%		2.0%		3.0%	
Ordinary Income	788	1,776	3,144	▲ 1,028	–	1,290	▲ 27.4%	6,100	94.0%
%	1.2%	1.3%	1.2%	▲ 1.5%		0.9%		2.1%	
Net Income	147	593	416	▲ 1,165	–	320	▲ 46.1%	2,600	524.9%
%	0.2%	0.4%	0.2%	▲ 1.7%		0.2%		0.9%	

Earnings forecast(by Segment)

(Unit: Millions of Yen)

<Reference : Only China Segment income statement>

(Unit: Millions of Yen)

	FY2015		FY2016			
	Half-year	Full-year	Half-Year		Full-Year	
	Result	Result	Forecast	Change	Forecast	Change
Medical Support	53,896	108,378	54,260	0.7%	111,500	2.9%
Long-term Care	73,032	145,008	73,700	0.9%	151,400	4.4%
Health Care	1,999	4,378	2,000	0.0%	8,200	87.3%
Education	6,067	12,265	6,600	8.8%	13,600	10.9%
Child Care	955	2,228	1,100	15.1%	9,200	312.8%
Others	709	1,313	540	▲ 23.9%	1,500	▲ 14.2%
Elimination	▲ 647	▲ 1,703	▲ 500	-	▲ 1,100	-
Net Sales	136,015	271,868	137,700	1.2%	294,300	8.3%
Medical Support	3,890	8,039	4,020	3.3%	9,100	13.2%
%	7.2%	7.4%	7.4%		8.2%	
Long-term Care	6,674	11,566	5,780	▲ 13.4%	11,950	3.3%
%	9.1%	8.0%	7.8%		7.9%	
Health Care	▲ 62	213	300	-	1,130	429.6%
%	▲ 3.1%	4.9%	15.0%		13.8%	
Education	▲ 3,264	▲ 6,169	▲ 2,700	-	▲ 5,100	-
%	▲ 53.8%	▲ 50.3%	▲ 40.9%		▲ 37.5%	
Child Care	▲ 312	▲ 706	▲ 530	-	80	-
%	▲ 32.7%	▲ 31.7%	▲ 48.2%		0.9%	
Others	297	457	20	▲ 93.3%	▲ 60	-
%	42.0%	34.9%	3.7%		▲ 4.0%	
Elimination	▲ 4,502	▲ 8,228	▲ 4,200	-	▲ 8,200	-
Oporeting Income	2,719	5,173	2,690	▲ 1.1%	8,900	72.0%
%	2.0%	1.9%	2.0%		3.0%	

	FY2016	
	Half-year	Full-year
	Forecast	Forecast
Medical Support	60	2,300
(Post-child birth care)		
Long-term Care	0	2,900
Health Care		
(House keeper,Sales of supplies)	0	3,900
Child Care	0	6,500
(Baby sitting)		
Others	40	600
Elimination	0	0
Net Sales	100	16,200
Medical Support	▲ 80	500
(Post-child birth care)		
%	-	21.7%
Long-term Care	▲ 20	350
%	-	17.2%
Health Care	0	330
(House keeper,Sales of supplies)		
%	-	8.5%
Child Care	▲ 30	680
(Baby sitting,Child care)		
%	-	10.5%
Others	▲ 80	▲ 260
%	-	-
Elimination	▲ 100	▲ 200
%	-	-
Operating Income	▲ 310	1,400
%	-	8.6%

All performance targets and other forecasts, including numbers of contracts and users, and goals, contained in this document are based on information currently available to the Nichii Gakkan Group and will be affected by uncertain factors, including economic circumstances, the relaxation of regulations, and employment conditions. Please note that actual results, numbers of contracts and users, and other data may be different from the forecasts.

Contact information

Nichii Gakkan Company
IR Division, Public Relations Department
Corporate Planning Headquarters
Address: 2-9 Kanda Surugadai, Chiyoda-ku, Tokyo
Tel: 03-3291-5637 (IR Division)
E-mail: nichii-ir@nichiiakkan.co.jp