



September 12, 2007

To whom it may concern,

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Assignment of “Home Nursing Care Services” of COMSN, Inc. by Means of Corporate Split up

This is to inform you that the Board of Directors of subsidiary COMSN, Inc. (“COMSN” hereinafter), meeting on September 12, 2007, resolved to split up the home nursing care services of COMSN in Osaka prefecture to be assigned to a receiver company that is a subsidiary of JAPAN LONGLIFE Co., Ltd. (“LONGLIFE” hereinafter). Details will be found below.

Details

1. Purpose of split up

As previously disclosed, COMSN is in the process of assigning its nursing care services under a business transition plan published on July 31, 2007. Based on the opinion of the Third-Party Committee, it has selected candidate purchasers in all 47 prefectures for the home nursing care services and has entered into negotiations with candidates. The opinion of the Third-Party Committee is that LONGLIFE is an appropriate purchaser for the operation in Osaka prefecture and, respectful of this opinion, the company entered into consultations with LONGLIFE which resulted in a decision to split up the home nursing care service in Osaka prefecture into a prefectural unit to be assigned to a corresponding receiver company that is a subsidiary of LONGLIFE. This will result in the succession of home nursing care services in Osaka prefecture in a manner that respects the wishes of COMSN users, provides for certain continuity of services and also respects the wishes of COMSN employees in this operations and provides for the smooth continuity of their employment.

2. Outline of corporate split up

(1) Operations

- Home nursing care assistance services (including preventative nursing care), visiting nursing care services (including transportation services), visiting nursing services, visiting bathing nursing care services, leasing (and sale) of welfare equipment, outpatient nursing services, small-scale/multi-function home nursing care, assistance

for the independent living of the disabled, community assistance services, visiting dental care services

(2) Transition scheme

- 1) COMSN will assign the home nursing care service in Osaka prefecture to the following receiver company established for the purpose of succession (referred to generically below as the “receiver company”) and will assign all shares in the receiver company to LONGLIFE at a price of 1 yen.
- 2) Next, COMSN will enter into a split agreement in which this receiver company will be assigned by means of absorption-type split (“the Split” hereinafter).
- 3) On the date on which the Split enters into effect, the receiver company will be assigned and COMSN will receive the countervalue from the receiver company.

* List of receiver company (successor company)

Successor Company
L-Care Co., Ltd.

* The receiver company changed its name and representative after the assignment of shares.

Below are the primary reasons for the employment of this scheme in this assignment.

- 1) Corporate split up involves a comprehensive succession to rights and obligations with respect to home-care services and will provide for a smoother succession of home-care services in comparison with other means of assignment that require the assignment of individual rights and obligations.
- 2) The purchaser will be required to apply for new permits, file notifications and take other procedures for the operation of home-care services, and the use of an ordinary corporate split up to establish new companies means that the purchaser is only able to take those procedures beginning the date on which the split off takes effect. By contrast, an absorptive-type split in which receiver companies are established in advance and succeed to operations allows procedures to be taken prior to the date on which the split off takes effect as long as it is after the establishment of the receiver company, and therefore provides for a speedier succession to operations.

3. Schedule for split (absorptive-type split)

Board of Directors approval of split agreement etc. (COMSN)	September 12, 2007
Stock assignment agreement entered into for the receiver company	September 12, 2007
Stock in the receiver company assigned	September 12, 2007
Split agreement entered into	September 12, 2007
General Meeting of Shareholders to approve split agreement (COMSN)	October 22, 2007 (tentative)
Split enters into effect	November 1, 2007 (tentative)

Split registered

November 1, 2007 (tentative)

4. Method of split

Absorptive-type split in which COMSN is the splitting company and the receiver company is the successor company.

5. Allocation of shares

The receiver company will not allocate shares in conjunction with the Split.

6. Cash transfers in conjunction with split

The receiver company will pay to COMSN a total of 450 million yen in cash at the time of the Split. (*Details will be found in the table below.)

In determining the amount to be paid at the time of the split, LONGLIFE, in consultation with third-party experts, use the discounted cash flow method (DCF) to calculate the business value of the home nursing care service, which served as a reference from which to calculate a final price based on the advice of the third-party institution and an analysis of other matters (including synergies from acquisition of the services).

Upon receiving LONGLIFE's offer, COMSN reviewed the rationality of the price based upon the results of the home-care services for the fiscal year ending June 2007.

The determination of the cash transfer in conjunction with the Split was finalized after repeated negotiations and consultations between the two companies.

Prefecture	Successor Company	Assignment price
Osaka	L-Care Co., Ltd.	450 million yen

7. Rights and obligations succeeded to by the receiver company

On the date on which the Split enters into effect, the receiver company will succeed to all assets, liabilities, contractual positions, rights and obligations pursuant to said contracts and employees primarily assigned to relevant all-care services for the home-care service noted separately in the relevant split agreement.

8. Outlook for fulfillment of obligations

The successor company and the split company will respectively bear obligations after the Split. We have determined there to be no problems in the outlook for their fulfillment.

(1) Outline of the business unit to be split

1) Business results

Nursing care services in Osaka

Prefecture	FYE June 2007 Home nursing care services	
	Revenues	Operating profits
Osaka	4,798 million yen	814 million yen

* The results figures noted above are based on branch offices excluding head office and branch company expenses.

2) Status of assets and liabilities

We are currently tabulating the value of assets and liabilities in individual prefectural home nursing care service units and will announce them when they are finalized.

(2) Status of the successor company

1) L-Care Co., Ltd.

Name	L-Care Co., Ltd. (Former name : COMSN Osaka Successor Co., Ltd.)
Description of business	Home nursing care services
Established	August 31, 2007
Head office	6-10-1 Roppongi, Minato-ku, Tokyo
Name and position of representative	Representative Director Kazuya Kojima
Capital	1 yen
Settlement	March 31
Issued and outstanding shares	1 share(s)
Major shareholders and shareholding ratios	JAPAN LONGLIFE CO., Ltd (100%)
Total assets	1 yen

9. Status of COMSN after split

Name	COMSN, Inc.
Description of business	Home nursing care services, institutional nursing care services, senior residences
Head office	6-10-1 Roppongi, Minato-ku, Tokyo
Name and position of representative	Koichi Higuchi, President
Capital	14,148 million yen
Settlement	June 30
Outline of accounting treatment	The difference between the book value of assigned assets and liabilities and the countervalue received from the successor company to be posted as extraordinary profit or loss
Forecast impact of split on results	Currently in calculation; to be announced when finalized

10. Impact on results

We are currently calculating the impact on results and will announce forecasts as they are determined.

11. Company profiles (as at September 10, 2007)

Name	COMSN, Inc.	JAPAN LONGLIFE Co., Ltd (Full parent company of successor
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		company)		
Description of business	Home nursing Institutional care Senior residences	Nursing care services		
Established	1988	September 17, 1986		
Head office	6-10-1 Roppongi, Minato-ku, Tokyo	2-4-12, Nakazaki Nishi, Kita-ku, Osaka		
Name of representative	Koichi Higuchi	Masakazu Endo		
Capital	14,148 million yen	1,114 million yen		
Issued and outstanding shares	3,773,500 share(s)	55,952 share(s)		
Net assets	-5,159 million yen	2,530 million yen (as of April 30, 2007)		
Total assets	61563 million yen	8,629 million yen (as of April 30, 2007)		
Settlement	June 30	October 31		
Employees	23,765 (including temporary staff)	1,137 (including part-timers) (as of April 30, 2007)		
Major customers	Local government agencies etc.	General public, local government agencies etc.		
Major shareholders and shareholding ratios	The Goodwill Group, Inc.	100%	Masakazu Endo	12.24%
			Longlife Soken Co., Ltd.	11.49%
			Masami Kitamura	11.32%
			J.P. Morgan Chase CREF Jasdec Lending Account	3.56%
			Kennichi Umeki	1.81%
			Kennichi Osawa	1.04%
			JAPAN LONGLIFE employee' stock ownership trust	0.89%
			Dai-sho-kin CO., Ltd.	0.81%
			Akiyoshi Tanaka	0.73%
			Hisakazu Wada	0.54%
Main correspondent bank	The Shoko Chukin Bank	Bank of Tokyo-Mitsubishi UFJ, Ltd. Sumitomo Mitsui Banking Corp. Resona Bank, Ltd. Mizuho Bank, Ltd		
Relationship with the company	Capital relationship		Not applicable.	
	Personnel relationship		Not applicable.	
	Transactional relationship		Not applicable.	
	Relationships with affiliated companies		Not applicable.	

12. Results for most recent 3 business years (Unit: 1 million yen)

Settlement	COMSN, Inc.			JAPAN LONGLIFE Co., Ltd.		
	FYE June 2005	FYE June 2006	FYE June 2007	FYE October 2004	FYE October 2005	FYE October 2006
Revenues	50,911	63,855	68,156	2,654	3,368	3,888
Operating profits	1,716	2,670	-4,109	265	132	35
Recurring profits	1,560	2,586	-4,079	238	92	6
Net income	1,158	1,469	-11,282	142	42	-6
Total assets	23,384	47,407	61,563	5,940	8,104	7,939
Net assets	4,653	6,123	-5,159	2,694	2,711	2,659
Dividend per share (yen)	-	-	-	1,750	1,750	300

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