

March 25, 2004



To Whom It May Concern

Name of Company: LEOC JAPAN Co., Ltd.
Name of Representative: Hiroshi Onodera,
Representative Director
and President
(Registered Issue: Code 2366)
Contact Person: Shinichi Kubouchi,
Corporate Officer and
Managerial Accounting Office
Manager
Tel: 03-5774-7610

Notice of Conversion of Medi Foods Co., Ltd. to Wholly-Owned Subsidiary

We are pleased to announce that on March 25, 2004 LEOC JAPAN Co., Ltd. received Medi Foods Co., Ltd. stocks by transfer from Sogo Medical Co., Ltd. as set out below, and converted Medi Foods Co., Ltd. to a wholly-owned subsidiary of LEOC JAPAN Co., Ltd.

As a result of this stock acquisition we will execute the merger of our three subsidiaries (LEOC West Japan Co., Ltd., Medi Foods Co., Ltd. and Medi Foods Co., Ltd. (formerly Kyushu General Food Co., Ltd.)), announced on February 23, 2004, as planned on April 4, 2004.

Details

1. Profile of company converted to wholly-owned subsidiary

Trade name	Medi Foods Co., Ltd.
Location	1-1-6 Arato, Chuo-Ku, Fukuoka City, Fukuoka
Name of Representative	Representative Director & President Takeyoshi Yanagihara
Date of foundation	November 25, 1997
Content of business	Catering as trustee in hospitals, welfare facilities, etc.
End of financial year	March 31
Number of employees	250
Capital	100,000,000 yen
Issued and outstanding shares	2,000 shares

2. Number of subsidiary voting rights held by LEOC JAPAN and percentage of total number of subsidiary voting rights before and after change

	(Before change)	(After change)
Number of voting rights held by LEOC JAPAN	1,400	2,000
(Number of shares held by LEOC JAPAN	1,400	2,000)
Total number of voting rights	2,000	2,000
(Issued and outstanding shares)	2,000	2,000)
% of total number of voting rights	70.0%	100%
(% of issued and outstanding shares	70.0%	100%)

3. Content and date of change

Content	We acquired 600 shares (30% of issued and outstanding shares) from Sogo Medical Co., Ltd. (Chuo-ku, Fukuoka City).
Date of change	Received share certificates by transfer on March 25, 2004

4. Amount transferred

In exchange, we will transfer to Sogo Medical Co., Ltd. 500,000 LEOC JAPAN shares held by our wholly-owned subsidiary LEOC North Japan Co., Ltd.

(NOTE) LEOC North Japan will temporarily acquire the 600 Medi Foods shares we are now acquiring and on the same date we will receive them by transfer from LEOC North Japan Co., Ltd.

5. Purpose of change

To merge our three subsidiaries in the West Japan region.

For details of the merger, see the data released February 23, 2004 "Notice of the Merger of LEOC Japan Subsidiaries."

6. Effect on business

The effect of this stock acquisition on our consolidated performance will be minimal.