

**Closing Results for the Term Ending March 31, 2004
(Consolidated)**



May 27, 2004

Name of Company **LEOC JAPAN Co., Ltd.**

Registered issue

Code Number 2366

Head office: Tokyo

(URL <http://www.leoc-j.com/>)

Representative Name of Post President, representative director

Name Hiroshi Onodera
Corporate officer,

Contact Person Name of Post Managerial Accounting Office Manager

Name Shinichi Kubouchi

Phone: 03 (5774) 7050 (main)

Date of the Board meeting for results May 27, 2004

1. Results for the fiscal 2003 (April 1, 2003 – March 31, 2004)

(1) Term related to the making of the situation of the results

LEOC Japan has been established as the parent company of SODEXHO Japan Co., Ltd. (present LEOC North Japan) at the August 1, 2003, by the transition of stocks. Therefore situation of consolidated results of the fiscal 2002 are the results of SODEXHO Japan Co., Ltd.

(2) Earnings Results

(Omit figures below million yen)

	Sales		Operating profit		Ordinary profit	
	Million Yen	%	Million Yen	%	Million Yen	%
Fiscal 2003	45,113	(27.8)	769	(42.4)	722	(58.2)
Fiscal 2002	35,303	(110.9)	540	(1.6)	456	(15.9)

	Net profit		After adjustment of potential stocks		Shareholders equity	Total Capital	Sales
	Current net profit	Current net profit	Current net profit	Current net profit	% per current net profit	% per ordinary profit	% per ordinary profit
	Million Yen	%	Yen	Sen	Yen	Sen	%
Fiscal 2003	129	(70.2)	9	52	-	-	4.3
Fiscal 2002	433	(8.8)	31	03	-	-	15.1
							%
							%
							%

(NOTES) 1. Earnings (losses) from equity method investments Term ended March 31, 2004 - Million yen
Term ended March 31, 2003 - Million yen

2. Average number of outstanding shares (consolidated) Term ended March 31, 2004 13,584,012 shares
Term ended March 31, 2003 13,977,591 shares

3. Changes of Accounting procedures No

4. Percentages for sales, operating profit, ordinary profit and net profit show the percentage year-on-year increase or decrease.

(3) Consolidated Financial Position

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share	
	Million Yen	Million Yen	%	yen	sen
Fiscal 2003	16,600	2,956	17.8	211	89
Fiscal 2002	17,662	3,024	17.1	216	36

(NOTE) 1. Shares outstanding at end of period (Consolidated) Term ended March 31, 2004 13,954,038 shares
Term ended March 31, 2003 13,977,294 shares

(4) Consolidated Statement of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Balance of cash and cash equivalents at end of period
	Million Yen	Million Yen	Million Yen	Million Yen
Fiscal 2003	937	344	1,329	5,400
Fiscal 2002	391	3,054	3,894	5,448

(5) Coverage of Consolidation and Application of Equity Method

Consolidated subsidiaries 10 companies
Number of non-consolidated subsidiaries to which the equity method is applied - companies
Number of affiliated companies to which the equity method is applied - companies

(6) Changes of Coverage of Consolidation and Application of Equity Method

Consolidation (New) companies (Exclusion) - companies

Equity method (New) - companies (Exclusion) - companies

2. Consolidated Earnings Forecasts for the term ending March 31, 2005 (April 1, 2004 – March 31, 2005)

	Sales	Operating profit	Ordinary profit
	Million Yen	Million Yen	Million Yen
Mid-term	22,700	560	140
Full year	45,200	1,100	280

(Reference) Expected net profit per share (full year) is 20.03 yen

* The earnings forecasts shown above are based on information available as of the release date of this document and actual earnings may vary from the expected figures shown above depending on future factors.

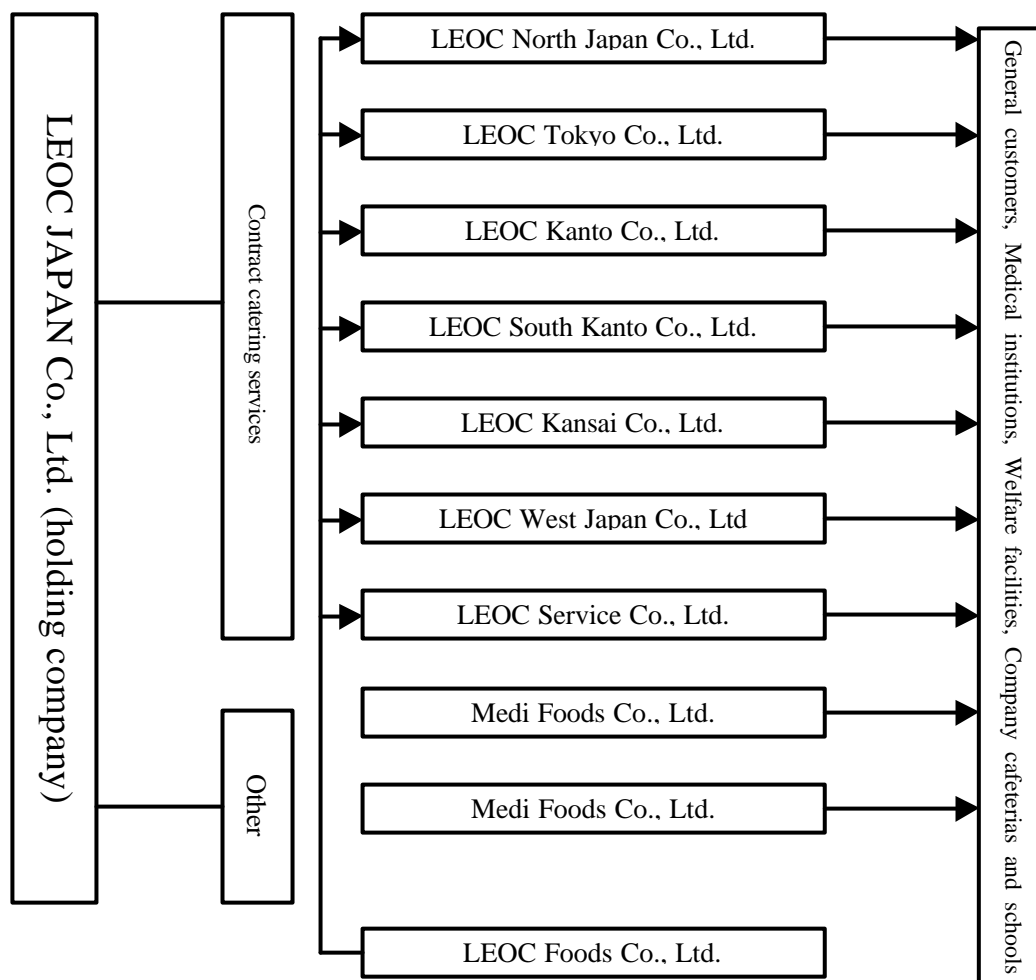
1. Profile of the LEOC JAPAN Corporate Group

The LEOC JAPAN Group (LEOC JAPAN and its affiliates) consists of LEOC JAPAN Co., Ltd. (the Company) and its ten consolidated subsidiaries. It operates businesses such as contract catering services and the provision of meals and beverages to medical institutions (hospitals and clinics), welfare facilities and business offices.

The principal businesses of the LEOC JAPAN Group (LEOC JAPAN and its affiliates) are as follows.

Type of Company	Name of Company	Type of Business	Principal Business
Filing Company	LEOC JAPAN Co., Ltd.	Management guidance	Management guidance to subsidiaries
Consolidated subsidiary	LEOC North Japan Co., Ltd. (previous Sodexho Japan Co., Ltd.)	Catering business and other businesses	Contract catering services for medical institutions, welfare facilities and corporations
Consolidated subsidiary	LEOC Tokyo Co., Ltd. (previous Captain Cook Co., Ltd.)	Catering business and other businesses	Contract catering services for medical institutions, welfare facilities and corporations
Consolidated subsidiary	LEOC Kanto Co., Ltd. (previous Zenshoku Co., Ltd.)	Catering business and other businesses	Contract catering services for medical institutions, welfare facilities and corporations
Consolidated subsidiary	LEOC South Kanto Co., Ltd. (previous Chukyo Sodex Co., Ltd.)	Catering business and other businesses	Contract catering services for medical institutions, welfare facilities and corporations
Consolidated subsidiary	LEOC Kansai Co., Ltd.	Catering business and other businesses	Contract catering services for medical institutions, welfare facilities and corporations
Consolidated subsidiary	LEOC West Japan Co., Ltd.	Catering business and other businesses	Contract catering services for medical institutions, welfare facilities and corporations
Consolidated subsidiary	LEOC Service Co., Ltd. (previous Yurakuken Co., Ltd.)	Catering business and other businesses	Contract catering services for medical institutions, welfare facilities and corporations
Consolidated subsidiary	LEOC Foods Co., Ltd. (previous Zenshoku Preparation Center Co., Ltd.)	Other businesses	Sales of food materials, etc
Consolidated subsidiary	Medi Foods Co., Ltd.	Catering business and other businesses	Contract catering services for medical institutions and welfare facilities
Consolidated subsidiary	Medi Foods Co., Ltd (previous Kyushu General Food Co., Ltd.)	Catering business and other businesses	Contract catering services for medical institutions and welfare facilities

Organizational Chart of LEOC JAPAN Group



2. Business Policy

(1) Basic Business Policy

The LEOC JAPAN Group strives as one to provide its customers with sincere and genuine services, based on its management philosophy of “Enjoyment and Excitement to Our Customers, Development and Happiness to Our Employees and Contribution to Society.” It aims to provide food services that satisfy customers.

(2) Basic Principle on Profit Distribution

LEOC JAPAN believes that the most important management issue is to serve the best interests of its shareholders and that the basic principle should be to increase shareholders’ equity and maintain stable profitability over the long term, as well as to sustain an appropriate distribution of profits based on its earnings capability.

Responding to an expansion of businesses and greater competition in the industry, LEOC JAPAN appropriates retained earnings for investment and capital commitment, to enable it to develop its competitive edge and respond to rapid technological innovation, and to improve business results and its financial position to meet the expectations of shareholders.

(3) Basic Principle and Policies on Reduction of Minimum Trading Lots for Shares

LEOC JAPAN recognizes that it is an important issue for its capital policy to facilitate long-term, stable holding of its shares by investors and expand its investor base. LEOC JAPAN continues to consider this matter carefully.

(4) Basic Approach to Corporate Governance and Status of Corporate Governance Policy Implementation

Basic Approach to Corporate Governance

LEOC JAPAN believes that it is a critical task to make appropriate decisions based on a quick and accurate understanding of information while maintaining harmony with society and transparency in its management, adhering to its corporate philosophy.

Status of Corporate Governance Policy Implementation

LEOC JAPAN has introduced a statutory auditor system, which consists of nine directors, including five outside directors and four statutory auditors including two outside statutory auditors. LEOC JAPAN has also implemented a corporate officer system to improve management efficiency by clarifying the area of responsibility for directors and corporate officers and transferring operational responsibility to corporate officers to enable the Board of Directors to work on governing issues. LEOC JAPAN also believes that it is essential to work in close communication with outside directors and outside statutory auditors constantly and to obtain useful advice from them in regular meetings of the Board of Directors and on other occasions as necessary.

LEOC JAPAN considers the fulfillment of corporate social responsibility (CSR) to be an important task for the Company and endeavors to ensure that every employee has a thorough understanding of compliance issues and corporate ethics, by introducing an action guideline for executives. In addition, LEOC JAPAN has taken some preventive measures, such as conducting an opinion survey on corporate ethics through a third-party institution and setting up a hotline to absorb internal opinions, for an early discovery of undesirable events and accidents.

LEOC JAPAN has also established the Internal Audit Office to audit business practices in each department and to actively make proposals on internal governing system, which include a recommendation to introduce more efficient and effective internal rules.

LEOC JAPAN receives advice on compliance from its legal counsel as necessary and on appropriate accounting procedures from the Tohmatsu audit office, through its accounting audit processes.

LEOC JAPAN has no special relationships of interest with outside directors and outside statutory auditors.

(5) Operational Issues

In catering services, it is important to add value continuously by introducing the latest varieties to the food menu. From this perspective, LEOC JAPAN believes that it is important to create a corporate structure that flexibly responds to changes in the market, expand its competitive edge and enhance the safety and quality of its services. With these issues in mind, LEOC JAPAN continues to endeavor to improve its development and training of human resources and superior quality control of food materials.

Also according to the transition to the holding company, LEOC Japan are aiming to establish business system including each areas’ operating companies as soon as possible. To make a base to make a profit stably is the most important issue. LEOC Japan will do all kind of measures according to the mid-term business plan.

(6) Target Management Indicators

The LEOC JAPAN Group has set the following indicators as key targets:

Return on equity (ROE) ... 15% or more

Ratio of ordinary profit to sales ... 3% or more

Earnings per share (EPS) ... 30 yen or more

3. Business Results and Financial Conditions

(1) Overview of Current Consolidated Accounting Period

The Japanese economy, which still under uncertain international situation, has sustained moderate tendency of economic recovery, due to prospective recovery in corporate profit by the increase of export. There is a tendency of recover in equipment investment. Add to that there is a roll back of financial system uneasiness and tendency of the rise of stock price. These are the certain things. Also there is a counteract in decrease of the consumer mind and degeneracy in employment and earnings circumstance.

In the catering industry, difficult business environment continued. There are new business due to the increase of welfare facilities and readjusting of subsidiary business by the company, but for the B&I, there are abolish or merge of branches and integration of factory because of the companies making an operation more efficient. Also they are readjusting welfare program and because of this there are closure of sites and request to discount prices. In the HC, by the deterioration in hospital management and intensification in price competition, there are tendency of decrease in sales continued in existing sites.

Under such conditions, our group made a new start as LEOC JAPAN group. Regrouping of catering industry, response to diversifying needs of clients, offering high quality services, business operation that meets characteristic of area, quick decision making, etc. to seek the operational benefit, LEOC JAPAN are going to handle business operation by the holding company system. SODEXHO Japan Co., Ltd. established our LEOC JAPAN Co., Ltd. by the transfer of stocks as the holding company of the group at August 1, 2003. At October 1, 2003 LEOC JAPAN Co., Ltd. reorganized it's subsidiary companies by districts and function. On the other hand of reevaluating management framework, to realize our constant concept "Open-hearted true service", LEOC JAPAN Co., Ltd. enriched education and OJT system for our employee, reexamined human resource system, and built the structure to offer a service with high motivation.

As a result, net sales for this fiscal year stood at JPY45.113 billion (a 27.8% increase from the previous year). Operating profit was JPY769 million (a 42.2% rise from last year), ordinary profit was JPY722 million (up 58.2%), and net income was JPY129 million (declining 70.2%).

(Situation for the cash flows)

This fiscal year's consolidated base cash and cash equivalent (from now on we say "cash") are decreased JPY47 millions and became JPY5.4 billion at the end of this fiscal year..

The status of each cash flows of this fiscal year and these factor are as below

(Cash flows from operating activities)

The cash earned from operating activities are JPY937 millions (increased JPY1.328 billions from the previous year).

These are mainly due to the earning before tax and adjustment JPY759 millions (a 35.5% rise from last year), amortization of consolidated adjustment JPY645 millions, decrease of labor cost debt JPY228 millions, payment of corporate tax JPY471 millions and etc.

(Cash flows from investing activities)

The cash earned from investing are JPY344 millions (last year JPY3.054 billions were used).

These are mainly due to the disposal of fixed tangible assets.

(Cash flows from financing activities)

The cash used through financial activities are JPY1.329 billions (last year we got JPY3.894 billions)

These are mainly due to the pay back of long-term borrowing, payout for refundment of bond and acquisition of treasury stock.

(2) Business Forecast for the Next Year

It is considered that difficult business situation for HC and B&I still continues. But it is predicted that there are development of outsourcing for catering in hospital, expansion of market in the welfare facilities, increase of needs for safe and healthy menu at the cafeteria, and these makes a chance to expand the earnings bigger. LEOC Japan will continue to challenge for the increase of earnings through high quality service and new menu.

For the next year, it is predicted that sales are JPY45.2 billions (a 0.2% rise from this year), ordinary profit are JPY1.1 billions (a 52.2% rise from this year), and net income are JPY280 millions (a 116.5% rise from this year). For the future, we are aiming to develop as the company that contribute to the society through business and trusted from customers.

4. Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Unit: Thousand yen)

Account title	At End of Current Period (As of March 31, 2004)		At End of Previous Period (As of March 31, 2003)		Increase and decrease
	Amount	Distribution	Amount	Distribution	
Period		%		%	
(Assets)					
Current assets					
Cash and deposits	5,400,646		5,505,992		105,345
Notes and trade accounts receivable	4,518,110		4,461,636		56,474
Inventories	137,001		152,777		15,775
Deferred tax asset	652,688		558,594		94,093
Other current assets	143,785		293,292		149,506
Allowance for doubtful accounts	16,538		39,533		22,995
Total current assets	10,835,693	65.3	10,932,759	61.9	97,065
Fixed assets					
1 Tangible fixed assets					
Building	607,558		839,318		
Accumulated depreciation	414,952	192,606	538,330	300,987	108,381
Machinery and equipment	6,379		13,828		
Accumulated depreciation	5,953	426	8,535	5,292	4,866
Land		343,487		528,226	184,738
Other	494,583		647,067		
Accumulated depreciation	427,859	66,723	522,890	124,177	57,453
Total tangible fixed assets		603,243		958,683	355,439
2 Intangible assets					
Consolidation adjustment account		4,429,822		4,929,714	499,891
Other intangible assets		171,967		120,792	51,175
Total intangible assets		4,601,790	27.7	5,050,507	448,716
3 Investment and other assets					
Investment securities		69,854		72,406	2,552
Long-term loan		28,383		18,881	9,502
Deferred tax asset		11,461		126,335	114,874
Other		468,107		513,857	45,749
Allowance for doubtful accounts		18,030		10,617	7,412
Total investment and other assets		559,776	3.4	720,864	161,088
Total fixed assets		5,764,811	34.7	6,730,055	965,244
Total assets		16,600,505	100.0	17,662,814	1,062,309

(NOTE) Figures are rounded down to the nearest thousand yen.

(Unit :Thousand yen)

Account title	At End of Current Period (As of March 31, 2004)		At End of Previous Period (As of March 31, 2003)		Increase and decrease
	Amount	Distribut ion	Amount	Distribut ion	
		%		%	
(Liabilities)					
Current liabilities					
Notes and trade payable	2,189,465		2,146,128		43,337
Short-term borrowings	500,000		616,000		116,000
Bond due within one year	100,000		100,000		-
Long-term debt due within one year	741,073		747,821		6,748
Accounts payable	1,944,209		1,193,531		750,677
Accrued charge	11,895		933,607		921,712
Income taxes payable	350,095		296,179		53,915
Bonus payment reserve	800,685		809,192		8,506
Other current liabilities	722,393		666,941		55,451
Total current liabilities	7,359,818	44.3	7,509,402	42.5	149,584
Fixed liabilities					
Bonds	1,200,000		1,300,000		100,000
Long-term debt	5,073,075		5,814,148		741,073
Consolidated adjustment	2,147		2,863		716
Other fixed liabilities	8,799		12,287		3,488
Total fixed liabilities	6,284,021	37.9	7,129,300	40.4	845,278
Total liabilities	13,643,839	82.2	14,638,703	82.9	994,863
(Shareholders' equity)					
Capital stock	700,158	4.2	700,158	4.0	-
Capital surplus	354,327	2.1	354,327	2.0	-
Earned surplus	1,908,796	11.5	1,976,504	11.1	67,708
Gains or losses on appraisal of securities	2,578	0.0	5,472	0.0	8,051
Treasury stocks	9,195	0.0	1,405	0.0	7,789
Total shareholders' equity	2,956,665	17.8	3,024,111	17.1	67,446
Total liabilities and shareholders' equity	16,600,505	100.0	17,662,814	100.0	1,062,309

(NOTE) Figures are rounded down to the nearest thousand yen.

(2) Consolidated Income Statements

(Unit: Thousand yen)

Account title	Current Period		Previous Period		Increase and Decrease		
	(From April 1, 2003 To March 31, 2004)		(From April 1, 2002 To March 31, 2003)				
	Amount	Distribut	Amount	Distribut			
			%		%		
Sales		45,113,150	100.0		35,303,027	100.0	9,810,123
Cost of sales		39,557,048	87.7		31,042,055	87.9	8,514,933
Gross profit on sales		5,556,101	12.3		4,260,972	12.1	1,295,129
Selling, general and administrative expenses							
Director's remuneration	118,546			86,275			
Salaries and allowances	1,798,626			1,352,483			
Bonus	237,561			219,722			
Legal welfare expenses	279,231			266,012			
Amortization of consolidation adjustment account	645,675			325,717			
Others	1,706,631	4,786,272	10.6	1,470,153	3,720,365	10.6	1,065,907
Operating profit		769,829	1.7		540,606	1.5	229,222
Non-operating revenue							
Interest income	755			2,623			
Commission earned	60,580			20,953			
Other	72,476	133,811	0.3	70,915	94,492	0.3	39,319
Non-operating expenses							
Interest expenses	122,051			71,935			
Preopening expenses	9,740			-			
Charge for syndicate loan	-			36,000			
Issue expense for bond	-			24,952			
Others	49,225	181,016	0.4	45,370	178,258	0.5	2,757
Ordinary profit		722,624	1.6		456,840	1.3	265,784
Extraordinary profit							
Return of allowance for doubtful accounts	20,091			-			
Earnings for transfer of delivery business division	-			370,707			
Insurance amount receivable	40,736			-			
Profit on sales of investment securities	30,000			-			
Profit on sales of fixed assets *1	40,008			-			
Other	-	130,836	0.3	65,334	436,041	1.2	305,205
Extraordinary losses							
Loss on sales of fixed assets *	46,773			-			
Lease cancel money	23,657			-			
Loss on investment securities *	1,267			-			
Loss on elimination of fixed assets	-			194,218			
Loss on disposal of inventories	9,318			-			
Doubtful debt account	5,684			-			
Others	6,891	93,594	0.2	137,674	331,893	0.9	238,299
Income before taxes		759,866	1.7		560,988	1.6	198,878
Income taxes etc.	620,331			397,898			
Tax refund on previous fiscal year	-			73,952			
Income taxes adjustment	10,222	630,553	1.4	190,815	133,130	0.4	497,423
Minority interest (loss)		-	-		5,839	0.0	5,839
Net profit		129,312	0.3		433,697	1.2	304,384

(NOTE) Figures are rounded down to the nearest thousand yen.

(3) Consolidated Statement of Retained Earnings

(Unit: Thousand yen)

Account title	Current Period (From April 1, 2003 To March 31, 2004)		Previous Period (From April 1, 2002 To March 31, 2003)		Increase and Decrease
	Amount		Amount		
(Capital surplus)					
Balance of capital surplus at beginning of year					
Balance of capital surplus at beginning of year	354,327	354,327	354,327	354,327	-
Balance of capital surplus at end of the period		354,327		354,327	-
(Retained earnings)					
Balance of retained earnings at beginning of year					
Initial balance of consolidated surplus	1,976,504	1,976,504	1,654,628	1,654,628	321,876
Increase of retained earnings					
Net profit	129,312	129,312	433,697	433,697	304,384
Decrease of retained earnings					
Dividends paid	167,727		111,821		
Amount of elimination of treasury stock	29,293	197,021	-	111,821	85,199
Balance of retained earnings at end of the period		1,908,796		1,976,504	67,708

(NOTE) Figures are rounded down to the nearest thousand yen.

(4) Consolidated Statement of Cash Flows

(Unit: Thousand yen)

Period	Current Period		Previous Period	
	(From April 1, 2003 To March 31, 2004)		(From April 1, 2002 To March 31, 2003)	
	Amount		Amount	
Cash flows from operating activities				
Income before income taxes		759,866		560,988
Depreciation and amortization		83,701		286,272
Decrease in allowance for doubtful accounts		15,582		48,154
Amortization of consolidation adjustment account		645,675		325,717
Interest and dividends earned		755		2,624
Interest expenses		122,051		46,469
Loss on sales of investment securities		28,732		21,840
Loss (profit) on sales of tangible fixed assets		12,431		353,844
Other non-cash items		400		38,720
Increase in inventories		15,775		11,089
Increase (decrease) in trade accounts receivable		62,585		250,082
Increase (decrease) in accrued revenue		73,513		66,299
Increase (decrease) in advance money suspense payment		23,546		59,068
Increase (decrease) in other current assets		13,150		14,502
Increase (decrease) in long-term prepaid expense		4,710		97,580
Increase (decrease) in trade accounts payable		43,337		151,990
Decrease in accrued payroll		228,844		177,850
Increase (decrease) in accounts payable and deposits		99,617		895,686
Increase in unpaid consumption taxes payable		5,281		29,897
Subtotal		1,530,835		267,517
Receipt of interest and dividends		730		66,794
Payment of interest		122,842		98,708
Payment of income tax, etc.		471,404		92,064
Net cash provided by (used in) operating activities		937,319		391,496
Cash flows from investing activities				
Proceeds from withdrawal of time deposits		57,793		365,924
Payments for purchase of investment securities		1,507		17,000
Proceeds from sale of investment securities		46,601		45,711
Payments for purchase of tangible fixed assets		8,549		9,612
Proceeds from sale of tangible fixed assets		297,761		244,342
Payments for purchase of intangible assets		85,275		3,227
Proceeds from sale of intangible assets		5,695		5,799
Acquisition of subsidiary stock with change in the coverage of consolidation		-		4,843,750
Payments for short-term loans		24,750		50,000
Proceeds from short-term loans		19,838		50,610
Payments for long-term loans		21,402		221,341
Proceeds from long-term loans		11,900		227,862
Payments for guarantee and security deposits		32,143		41,814
Proceeds from return of guarantee money and security deposits		81,776		401,814
Other payments for investing activities		4,013		45,192
Other proceeds from investing activities		1,200		835,840
Net cash provided by (used in) investing activities		344,926		3,054,033
Cash flows from financing activities				
Proceeds from short-term borrowings		6,000,000		21,900,000
Payments for repayment of short-term borrowings		6,116,000		21,659,400
Proceeds from long-term debt		-		3,911,360
Payments for repayment of long-term debt		747,821		1,120,665
Proceeds from bonds		-		1,200,000
Payments for redemption of bonds		100,000		200,000
Bond issue cost		-		24,952
Payment for purchase of treasury stock		199,440		160
Payment for dividend of parent company		166,535		111,704
Net cash provided by (used in) financing activities		1,329,797		3,894,477
Net increase in cash and cash equivalents		47,552		448,947
Cash and cash equivalents at beginning of period		5,448,198		2,368,819
Increase in cash and cash equivalents of new consolidated subsidiaries		-		2,630,431
Cash and cash equivalents at end of period		5,400,646		5,448,198

(NOTE) Figures are rounded to the nearest thousand yen

(Sales)**(1) Sales by Business Segment**

(Unit: thousand yen)

Division	Current Period		Previous Period		Increase and Decrease
	(From April 1, 2003 To March 31, 2004)		(From April 1, 2002 To March 31, 2003)		
	Amount	Distribution	Amount	Distribution	Amount
HC: Catering services to hospitals	23,519,424	52.1	19,361,444	54.8	4,157,980
B&I: Catering services to business offices	21,284,469	47.2	14,154,117	40.1	7,130,352
Subtotal	44,803,893	99.3	33,515,561	94.9	11,288,332
Others	309,257	0.7	1,787,466	5.1	1,478,209
Total	45,113,150	100.0	35,303,027	100.0	9,810,123

(NOTES) 1. Catering services to hospitals includes sales to medical institutions (hospitals and clinics) and welfare facilities etc.

2. Catering services to business offices includes sales to company cafeterias, schools and dormitories.

3. Others include sales of stores.

4. Consumption tax is not included in amounts listed above.

(2) Sales by Type of Contract

(Unit: thousand yen)

Type of contract	Current period		Previous period		Increase and Decrease
	(From April 1, 2003 To March 31, 2004)		(From April 1, 2002 To March 31, 2003)		
	Amount	Distribution	Amount	Distribution	Amount
Management contracts	25,061,737	55.6	19,023,795	53.9	6,037,942
Unit price contracts	19,418,199	43.0	14,778,058	41.8	4,640,141
Subtotal	44,479,936	98.6	33,801,853	95.7	10,678,083
Others	633,214	1.4	1,501,174	4.3	867,960
Total	45,113,150	100.0	35,303,027	100.0	9,810,123

(NOTE) 1. Management contract ... Under this contract, customers who consume the meals pay an amount equivalent to material costs and clients entrusted pay as a management cost an amount equivalent to the estimated sum of personnel costs and operating costs required for the management of the catering services and profits. This type of contract is generally called a "Management Contract".

2. Unit price contract ... Under this contract, sales to customers who consume the meals are recorded as our operating revenue and we pay the material costs, personnel expense and operating costs required for the management of the catering services. This type of contract is called a "Unit Price Contract" or "Meal Unit Price Contract" since sales prices become an important factor for deciding our operating profit.

3. Others include sales of stores.

4. Consumption tax is not included in amounts listed above.

(3) Sales by Region

(Unit: thousand yen)

Region	Current period		Previous period		Increase and Decrease
	(From April 1, 2003 To March 31, 2003)		(From April 1, 2002 To March 31, 2002)		
	Amount	Distribution	Amount	Distribution	Amount
North Japan	10,159,561	22.5	9,588,802	27.2	570,759
East Japan	21,409,684	47.5	15,665,045	44.4	5,744,637
Kansai	6,665,945	14.8	5,654,492	16.0	1,011,453
West Japan	6,877,960	15.2	4,394,688	12.4	2,483,272
Total	45,113,150	100.0	35,303		9,810,123

(NOTES) Consumption tax is not included in the amounts listed above. A classification of regions is as follows.

North Japan ... Hokkaido, Aomori, Iwate, Miyagi, Akita, Yamagata, Fukushima

East Japan ... Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, Kanagawa, Niigata, Yamanashi, Nagano, Shizuoka

Kansai ... Toyama, Ishikawa, Fukui, Gifu, Aichi, Mie, Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama

West Japan ... Okayama, Hiroshima, Yamaguchi, Kagawa, Ehime, Kochi, Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima, Okinawa