Capacity for Growth

In the constantly evolving economic environment

Sojitz has made steady progress, overcoming each wave of social change and the changing times. We linked our many past initiatives to reliable growth, and became actively involved in investments and loans while maintaining financial discipline. Having established a complete and robust corporate structure with excellent “defense” and “offense,” we are taking on the challenge of increasing our company value.

Our Current Market Position

ROE (%) 25.1

Trading company B
Trading company C
Trading company D
Trading company E
Trading company F

Sojitz market capitalization ¥488.0 billion

Compound annual growth rate (%) 1

*1 The size of the circles is based on market capitalization on March 31, 2019.

*2 Calculated using the compound annual growth rate of the net profit from each year from March 2014 to March 2019.

More than ¥75.0 billion

(Out-Final
sale)
Growth Foundation

**Finances**

**Total assets**
Around ¥2.3 trillion

**Total equity**
Around ¥620.0 billion

**Human Resources**

Talented people who can create value

- Number of Group employees (consolidated): 18,634
- Number of management positions for locally hired employees: 31 (for around 1,300 locally hired employees)

- Number of employees (non-consolidated): 2,410
- Percentage of people with experience overseas: Around 40% of all employees (80% of these before they were 40 years old)

- Female recruitment ratio for career track positions: 30% (Achieved in FY2018)
- Number of female managers: 27* → 40 (aiming to increase this to 54 by the end of FY2020)

* As of the year ended March 31, 2016

**Domestic and Overseas Bases**

Synergy created by our global network

- Number of bases
  - Bases in Japan: 5
  - Bases overseas: 83
- Group companies
  - Companies in Japan: 124
  - Companies overseas: 308

**Relationships with Customers**

Relationships of mutual trust with customers and the ability to make proposals

**Business Expertise**

Practical abilities on the front lines

Disciplined Initiatives That Support Our Capacity for Growth

**Advanced cash flow management**

We emphasize continuous cash flow management while we focus on growth through investments and loans. In addition to controlling our free cash flow, we are introducing core cash flow control indicators and promoting monitoring in all our companies and on the front lines based on the MTP 2020, which began with the year ended March 2019.

**Thorough risk management**

Based on our experience overcoming difficult situations in our external environment, especially business integration processes and the collapse of Lehman Brothers, we are gaining a careful understanding of risk return and creating a risk management system that can cope with possible future changes in our operating environment. In the year ended March 2013, we established a Controller Office for our business divisions and promoted stronger risk management on the front lines. In the year ended March 2019, we set up an M&A Management Office, and are aiming to enhance our systems to increase value after investing.

Sojitz Corporation  Integrated Report 2019