

Asia Rising

The World's Most Dynamic
Economy Comes of Age
and Japan's Role

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Sojitz Corporation

= NISSHO IWAI + NICHIMEN



- Turnover: US\$ 50 billion (Expected in Marc 31,2008)
- Branches & Offices: 103 (12 in Japan)
- Subsidiaries & Affiliates: 646 (207 in Japan)
- Employees: 18,642 (Consolidated)

As of Sep.30,2007



Sunrock Institute
Affiliate of Sojitz Group
“Window” to Washington

World Bank / CEPEX Seminar Series

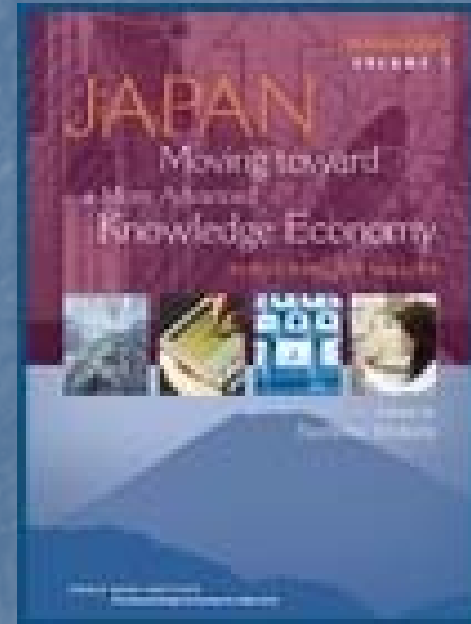
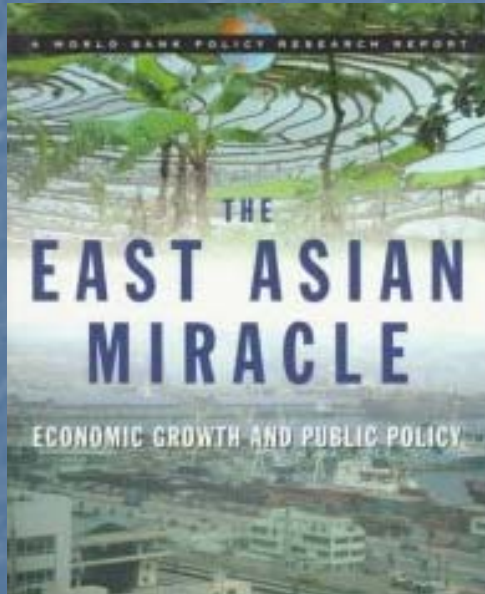
Japan, Moving Toward a More Advanced Knowledge Economy

- Assessment and lessons -

World Bank Policy Research Reports

1994

2006



1994: The East Asian
Miracle: Economic Growth
and Public Policy

2006; Japan, Moving
Toward a More Advanced
Knowledge Economy

- **Why Study Japan Now?**
- Japan's economic development in the 90's was labeled "*a lost decade*". Its neighbor is the growing giant China and Korea.
- In fact, The tremendous resilience Japanese industries had shown in overcoming 1995 Shocks, as well as previous oil and Yen shocks.



- **Tsutomu Shibata**
- **Senior Adviser, World Bank Institute**

Japan's Competitiveness

IMD Ranking

1989	1
1993	1
2002	30
2006	17

Is this right evaluation?

IMD Ranking		Profit ratio*	ROE
1989	1	6.1%	8.5%
1993	1	2.7%	1.7%
2006	17	6.8%	9.5%

* Operational profit ratio for 691 to 838 manufacturing firms

Business System in the past

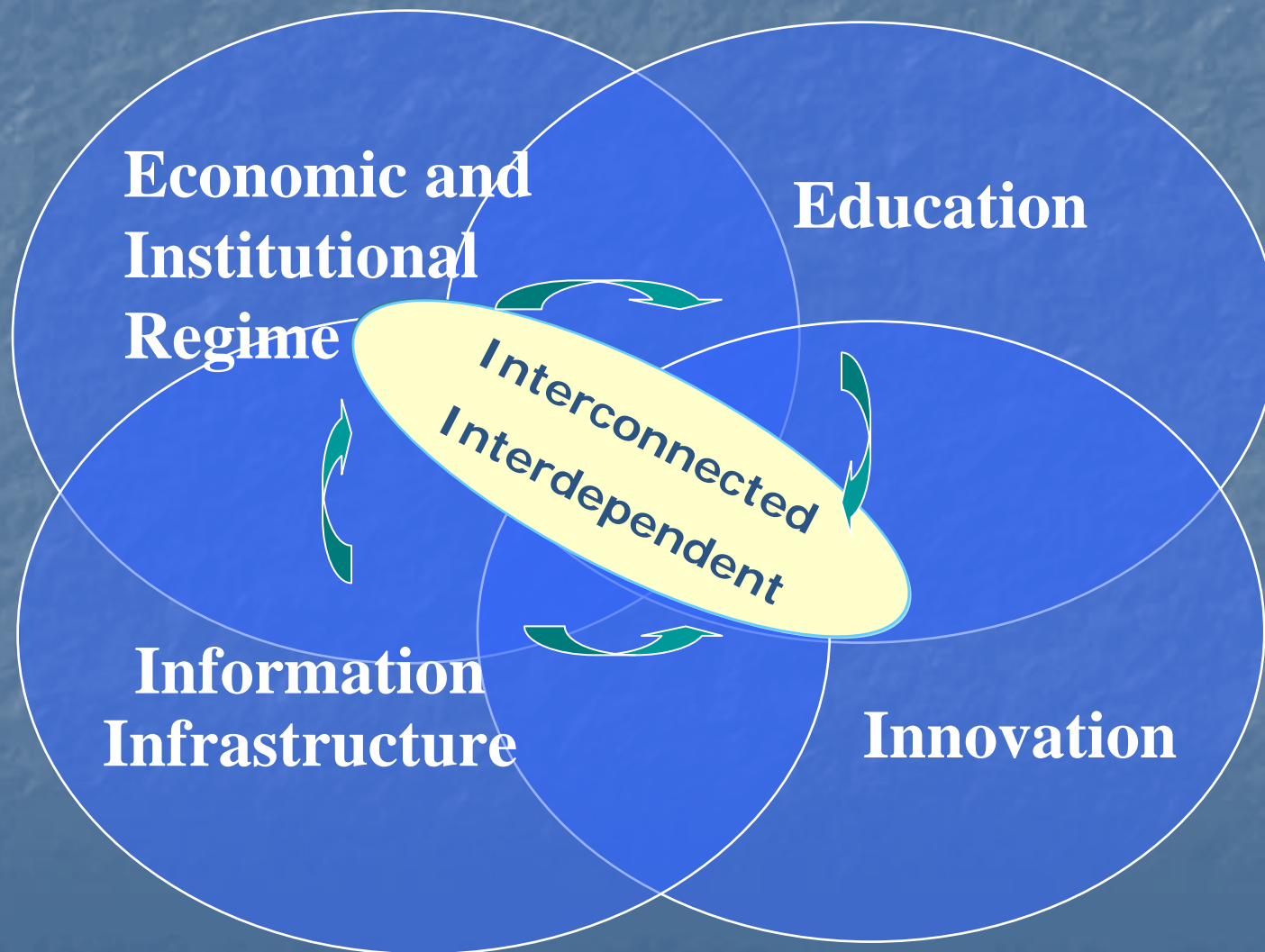
Catch-up period

- Friendly shareholders and internally-promoted managers.
 - Pursuit of long-run goals.
- Long-term employment with internal training and rotation.
- Long-term assembler-supplier relationship
 - Sharing of information, joint R&D.
- Flexibility in rearranging workshops & workers' broad skills.
 - Easier introduction of new technologies.

Changing Economic Situations

- Globalization and Global Framework, WTO/FTA/APEC
- Strict enforcement of IPR and other Global rules
- IT, High Tech and FT Revolution
- Competition and Cooperation with NIEs and BRICs

The Four Pillars of the Knowledge Economy



In the new Knowledge Economy

A “knowledge revolution”!

Speed-up in creation and dissemination of knowledge. Global Big Bang.

More opportunities for leapfrogging, but also raising risks that all countries may fall behind unless they take advantage of the new era.

Catalyst for change in Asia

New Formation in the new era.

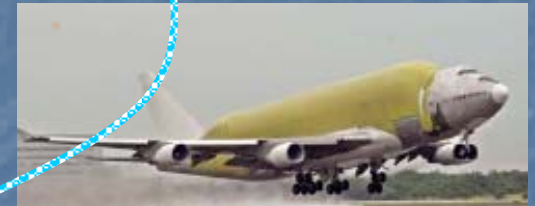
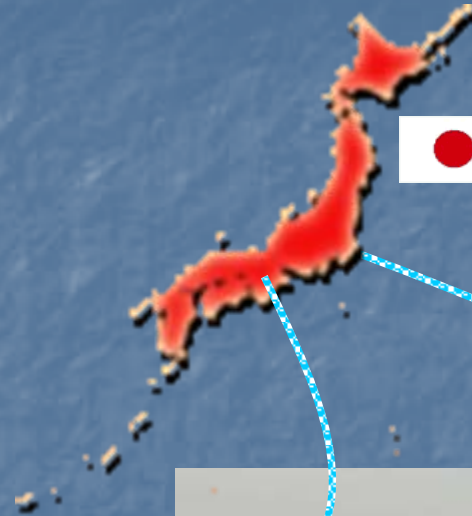


US-Japan Public Private Partnership for Health Care in Vietnam



Toward Pacific Public Private Partnership
for Economic Development

Boeing 787 Alliance Partner



Logistics System Provider

►► Design ►► Operation ►► Management

From Global to Universe



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Asia Rising, The World's Most Dynamic Economy Comes of Age *for All*



Washington, DC
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