



Organizational Assets

ITOCHU's business and administrative divisions are aggregates of individual capabilities. They possess advanced expertise, and as "organizational assets" they support the competitiveness and sustainability of ITOCHU's business models.

What Are Business and Administrative Divisions with a Front-line Focus?

ITOCHU has expanded its business activities around the world and moved beyond trade-centered operations to establish and enhance business models that encompass both investment and trade. Through this process, ITOCHU has improved its business divisions and administrative divisions, such as finance, accounting, tax, legal, and risk management. In particular, ITOCHU's administrative divisions are not simply "back office" units that supervise and check the business divisions. Rather, they have a front-line focus, actually work on the front-lines as needed, and shoulder responsibility for the strategic functions that support the "Earn, Cut, Prevent" initiatives of the business divisions.



Business Division / Accounting Division /
Legal Division / M&A Team

Finance / Global Risk Management / Investor Relations /
Human Resources & General Affairs / Internal Audit /
Corporate Planning & Administration /
Research & Business Development /
Corporate Communications / IT Planning

Strategic Functions of Each Division as Seen in the Sale of Shares of PrimeSource

In FYE 2016, ITOCHU completed an asset replacement project involving PrimeSource Building Products, Inc. This project was promoted by the business divisions and strongly supported by experts in a variety of fields, such as M&A, legal, accounting, tax, and more.

LEGAL DIVISION

Functions

- Close examination of content of various contracts for M&A execution
- Negotiation of legal terms during contract negotiations, providing advice, and minimizing legal risks related to sales contract

Role in the project

Close review and provision of advice regarding sale contract

Legal Advice on the Front-Lines

Participating from the initial stage of the process, we provided advices that reflected front-line needs and worked to secure better terms in negotiations with the legal representatives of the counterparty. In this project, I stressed that focusing only on the goal of completion of the sale without paying attention to the post-sale legal risks was nonsense. For this project, I was quite nervous about my responsibilities, but I was also very motivated.



Keisuke Masuda
At that time: Legal Division
(Current: ITOCHU ENEX)



Satoshi Adachi
ITOCHU International Inc.