

Part 1

How Kajima Creates Value

Kajima always attempts to create value responsibly with a view toward enriching the sustainability and evolvability of industry, economy, and life.

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FY2022 Major Projects & Technologies

01: Offshore Wind Farms at Akita Port and Noshiro Port (Akita Prefecture) ▶Page 41 / 02: Urashuku No.2 Pumping Station (Miyagi Prefecture) / 03: UPS Middletown (U.S.) / 04: Epworth Eastern Hospital (Australia) / 05: HILTON OKINAWA MIYAKO ISLAND RESORT (Okinawa Prefecture) / 06: Spot, a quadruped robot patrolling a tunnel site / 07: YOKOHAMA CONNECT SQUARE (Kanagawa Prefecture) / 08: YEBISU GARDEN PLACE TOWER with D³SKY-L long-period seismic motion countermeasure technology installed (Tokyo) ▶Page 72 / 09: WORLD TRADE CENTER BUILDING SOUTH TOWER (left) and Demolition of existing WORLD TRADE CENTER BUILDING AND ANNEX (right) (Tokyo) / 10: Harrow International School Appi Japan (Iwate Prefecture) / 11: KUDAN-KAIKAN TERRACE (Tokyo) / 12: Yoshinogawa Sunrise Bridge in the Tokushima-Nanbu Expressway (Tokushima Prefecture) ▶Page 44



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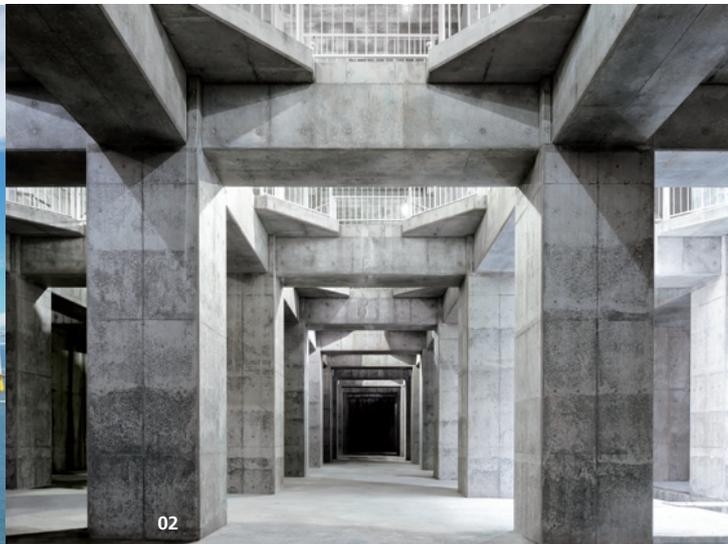
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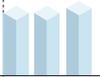


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History to Continue Meeting Contemporary Needs

—Enterprising Spirit

Kajima has helped to develop Japan’s industry and economy through both the construction and real estate development businesses. We have always anticipated contemporary needs and continued trailblazing initiatives throughout our history of over 180 years, that we are now widely recognized for our leadership in fields ranging from Western-style buildings and railways to dams and skyscrapers. This enterprising spirit is still being passed down today, leading to new challenges.



Consolidated Net Income
(Net Income Attributable to Owners of the Parent)

1977

<p>1840— Facing Cultural Enlightenment</p>	<p>1880— Demand for the Development of Early-Modern Infrastructure</p>	<p>1960— During Japan’s Post-War Period of Rapid Economic Growth</p>
<p>Leadership in Western-Style Buildings</p>	<p>Leadership in Railways and Dams</p>	<p>Leadership in Skyscrapers</p>

Kajima was founded in 1840 by Iwakichi Kajima, a carpenter who was successful enough to frequent the residences of daimyo in Edo. He expanded his business to Yokohama, where construction was booming as an open port under the Treaty of Amity and Commerce between Japan and the United States. Following the construction of the Ei-Ichiban Kan, which housed Yokohama’s first foreign trading company, Kajima set precedents for Western-style buildings and became widely associated in the public mind with this style of buildings.



Color print showing the prosperity of the Ei-Ichiban Kan

Iwazo Kajima, second-generation leader, established Kajima Gumi in 1880 and started a railway subcontracting business, taking the opportunity of the Tsuruga Line construction. He built a substantial reputation in the railway field and expanded into dam construction to meet the rapidly growing demand for electricity, including Japan’s first concrete high dam, the Ohmine Dam, which contributed to Japan’s development.



Ohmine Dam (completed in 1924, Kyoto)

After completing the Kasumigaseki Building, Japan’s first skyscraper, in 1968, Kajima built skyscrapers throughout the country and established trust in our leadership in the field. These construction technologies were developed mainly at the Kajima Technical Research Institute, which we established in 1949 as the first such facility in Japan’s construction industry. We have answered calls for greater skyscraper safety by leading the world in the development of seismic damping in the 1980s, and other technologies.



Kasumigaseki Building (completed in 1968, Tokyo)



Houraisha (completed in 1873, Tokyo)



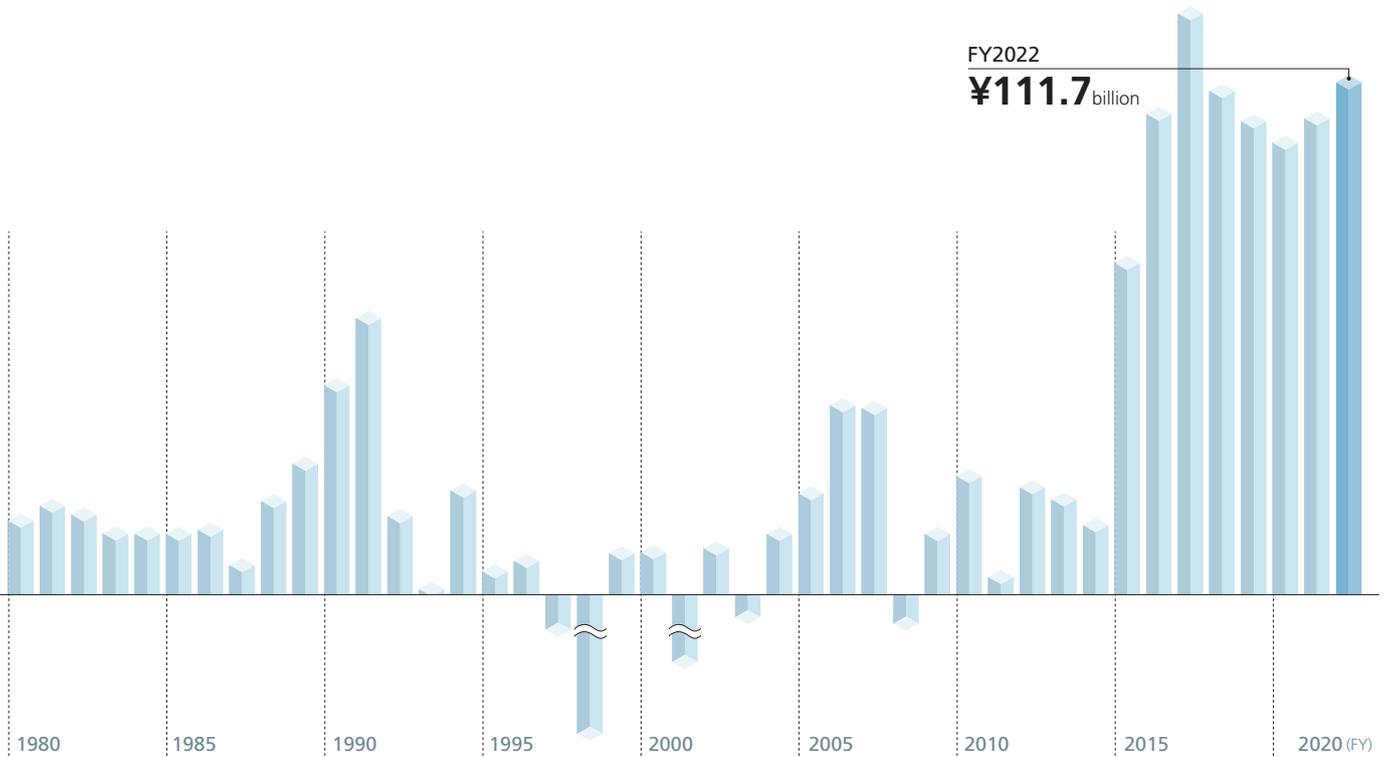
Tanna Tunnel (completed in 1934, Shizuoka)



Skyscraper Town in Shinjuku Subcenter (as of 1974, Tokyo)

FY2022

¥111.7 billion



1980—

Accelerating Globalization

Promoting Overseas Business

Kajima's overseas business grew rapidly in the 1960s, with the redevelopment of Little Tokyo in Los Angeles, U.S. We established Kajima U.S.A. Inc. in the U.S., Kajima Europe Ltd. in the U.K., and Kajima Overseas Asia Pte. Ltd.* in Singapore in the 1980s. With the addition of Kajima Corporation (China) Co., Ltd., Chung-Lu Construction Co., Ltd., and Kajima Australia Pty Ltd., we are developing businesses that are rooted in local communities at our six regional bases.

* Now Kajima Asia Pacific Holdings Pte. Ltd.



Little Tokyo
(development completed in 2007, Los Angeles, U.S.)



Senayan Square
(development completed in 2015, Jakarta, Indonesia)

2000—

Pursuing Richness through Urban Renewal

Branching Out into Real Estate Development

The impetus for Kajima's full-scale entry into the development of large-scale mixed-use facilities was the development of Shiki New Town, a large housing project that began in 1971. In the 2000s, we began participating in urban renewal projects, including the Akihabara Crossfield and the Toranomon Towers Office & Residence. Since then, we have leveraged our technological skills and comprehensive capabilities as a general contractor-developer with design-build capabilities to develop attractive urban communities.



Shiki New Town (completed in 1988, Saitama)



Toranomon Towers Office & Residence
(completed in 2006, Tokyo)

2020—

In the Era of VUCA

Toward the Goals for 2030

In an increasingly uncertain business environment, we set the Goals for 2030 and formulated the Kajima Group Medium-Term Business Plan (FY2021–2023), which has the following pillars: further strengthen core businesses, strive to create new value, and establish a strong management foundation and promote ESG measures for growth and transformation. Based on this plan, we are implementing initiatives for the sustainable growth of our Group and the solution of social issues.



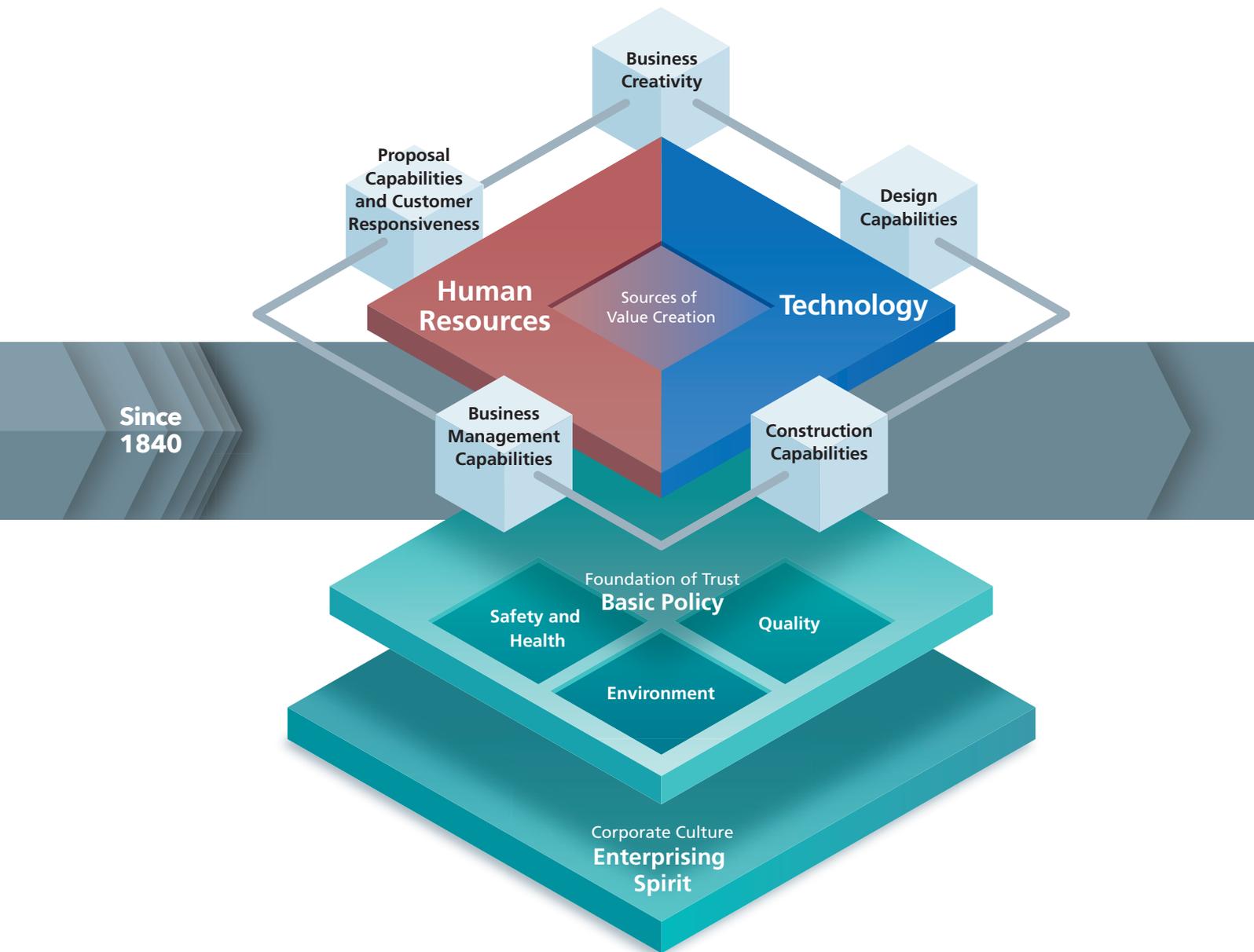
Construction of Offshore Wind Farms at Akita Port and Noshiro Port [▶ Page 41](#)



HANEDA INNOVATION CITY
(development completed in 2023, Tokyo)

Creating New Value from Human Resources and Technology

Kajima has developed human resources and technologies, which are the sources of value creation, through corporate activities with a focus on the enterprising spirit, safety and health, environment, and quality, we have accumulated since first opening for business, and responded to the trust of society and customers through new value creation.



Since 1840

-  **Business Creativity** Our ability to generate business in collaboration with our network of customers and partners by applying construction technology capabilities and knowledge to real estate development
-  **Design Capabilities** Our ability to provide advanced design and engineering technologies in fields including design, structure, and equipment
-  **Construction Capabilities** Our ability to provide high-quality structures even under difficult construction conditions by leveraging specialized technologies and cutting-edge technologies
-  **Proposal Capabilities and Customer Responsiveness** Our ability to understand customers' true needs and organically link internal and external technologies and knowledge to propose the best services
-  **Business Management Capabilities** Our ability to understand what many stakeholders including society, customers, and partner companies think, and coordinate them to realize businesses

Forms of Capital Kajima Has Accumulated throughout our History of over 180 Years

Human Capital

Diverse Human Resources Who Live up to Trust

Diverse human resources with advanced specialist skills are playing active roles around the world in each phase of our construction value chain, living up to the trust of customers and other stakeholders.

Group employees **19,396**
(13,507 in Japan and 5,889 outside Japan)

Qualified personnel Professional engineers **855**
(Kajima Corporation only)

First-class architects **2,474**

First-class civil engineering works execution managing engineers **1,909**

First-class building operation and management engineers **2,655**

▶ P.73

Intellectual Capital

Technologies to Solve Social and Customer Issues

As a technology-driven company, Kajima develops and verifies new technologies and advanced construction methods. Kajima's many experienced engineers embody our technical prowess at actual construction sites.

Rather than solely depending on our own resources, we also adopt superior technologies from outside Kajima by promoting the search for cutting-edge technologies, collaboration through open innovation, and efficient technology development.

Investment in R&D and digitalization **¥55.0** billion for three years
(Medium-Term Business Plan)

Number of patents registered / published **238 / 208**

Research and development centers Kajima Technical Research Institute
The GEAR (Singapore)
Silicon Valley Office (U.S.)

▶ P.67

Financial Capital

Strong Financial Foundation that Supports Growth

Our construction and real estate development businesses stabilize Group management and provide a sound financial foundation. These two businesses generate the cash flow that fuels investment for medium-term and long-term growth.

Total assets **¥2,769.7** billion

Total investment **¥800.0** billion for three years
(Medium-Term Business Plan)

Issuer credit rating **A+** (R&I)

▶ P.111

▶ P.32

Manufactured Capital/Social and Relationship Capital

Structure for Promoting Businesses Rooted in Local Communities

We actively communicate with many stakeholders including customers, local communities, and partner companies to build good relationships as we expand the range of business domains and the regions where we operate.

Partnerships with partner companies

Kajima Business Partners' Association member companies Approx. **940**

Rokueikai member companies Approx. **4,500**

Key business regions **24** countries and regions

▶ P.89

Natural Capital

Environmentally Responsible Business Activities

We monitor the quantitative environmental impacts caused by our business activities, promote initiatives for reducing CO₂ emissions, and encourage the development of technologies to reduce impacts on the natural environment as well as conservation, creation, and use of biodiversity.

CO₂ emissions reduction goal Achieve carbon neutrality by 2050

Low-carbon construction material technology Eco-friendly concrete

Biodiversity recovery technology Restoration of coral and eelgrass

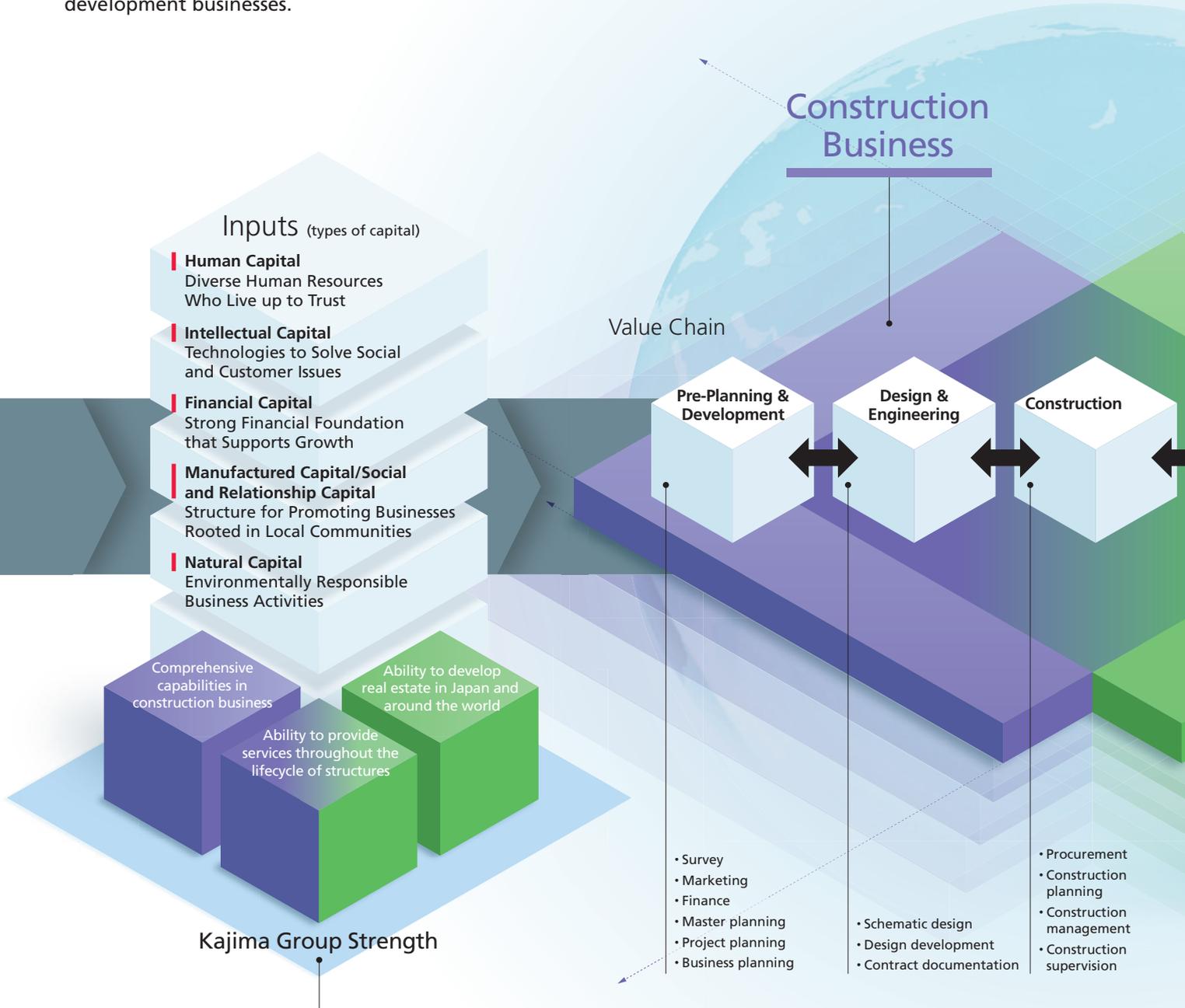
Creation of carbon credits J Credit (Group-owned forests and Eco-friendly concrete),
Blue Carbon (seaweed bed regeneration)

▶ P.82

Business Model

Providing High Value-Added Services from Our Value Chain through the Construction and Real Estate Development Businesses around the World

The Kajima Group has built a global construction value chain by leveraging its accumulated capital. We are creating diverse value by leveraging synergies through the promotion of our construction and real estate development businesses.



- 
Comprehensive capabilities in construction business
 Solve various challenges to meet customer needs and build high-quality structures by utilizing advanced and specialized technologies
- 
Ability to develop real estate in Japan and around the world
 Create high added value by combining construction technologies with expertise of real estate development
- 
Ability to provide services throughout the lifecycle of structures
 Deliver consistently high-quality services from upstream to downstream rather than only in one area of the construction value chain



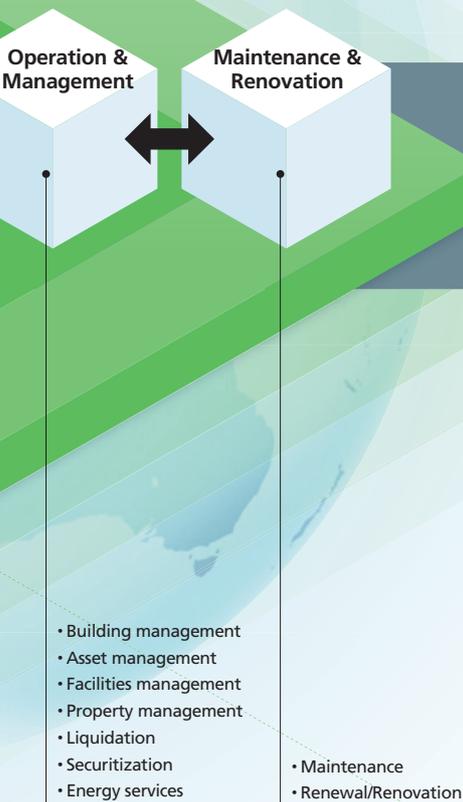
*1 Values for the construction business and other businesses
 *2 Figure of the consolidated net income excluding the net income of real estate development business

Business Development Leveraging Our Global Network

We provide services across countries and regions in response to requests from customers and partners to build further trust relationships, and cultivate business opportunities by leveraging the Kajima Group's multi-dimensional global network.



Real Estate Development Business



Real Estate Development Business

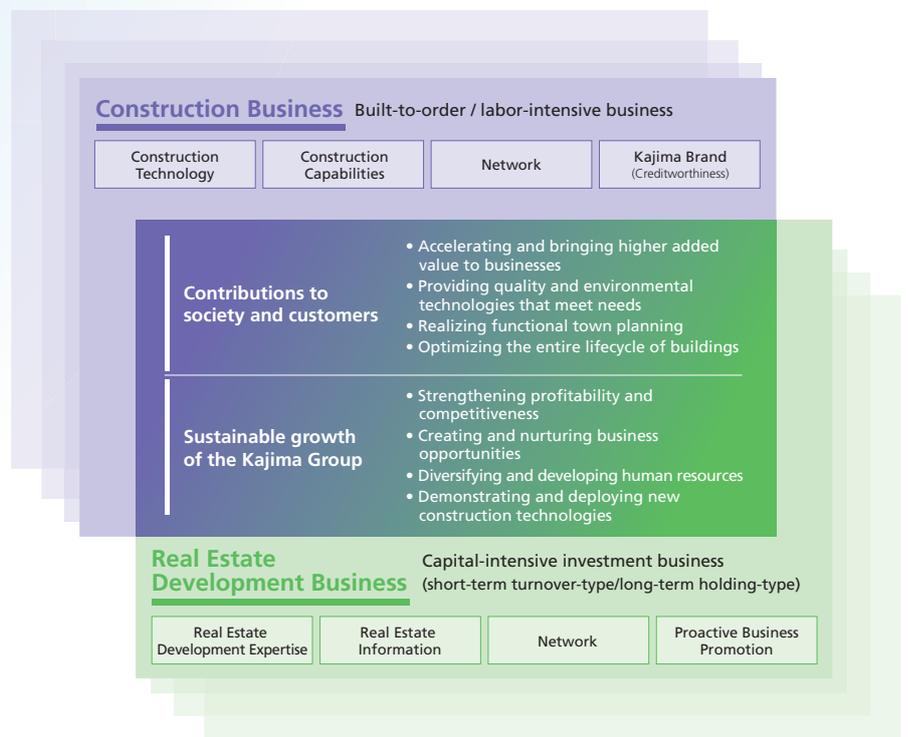
Consolidated revenues **¥160.5 billion** Net income*³ **¥38.7 billion**



*³ The net income is a control value before adjusting internal transactions, etc.

Creating Synergies between the Construction and Real Estate Development Businesses

Collaboration between two businesses with their different business characteristics, expertise, and network creates business and financial synergies, increases the value we provide to society and customers, and realizes the sustainable growth of the Kajima Group.



Creating Social, Environmental, and Economic Value through Business Development with a Focus on Construction and Real Estate Development

The Kajima Group positions the combination of the economic value created through corporate activities and the social and environmental value that benefits society and environment as our corporate values, and formulates and promotes important measures from short-, medium-, and long-term perspectives.

Return added value created from social value to forms of capital

OUTPUTS



INPUTS (types of capital)

- Human Capital
- Intellectual Capital
- Financial Capital
- Manufactured Capital/Social and Relationship Capital
- Natural Capital



Reinforce strengths through the process of solving social issues

OUTCOMES

Employing and nurturing diverse human resources and giving them full play

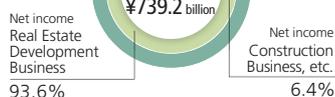
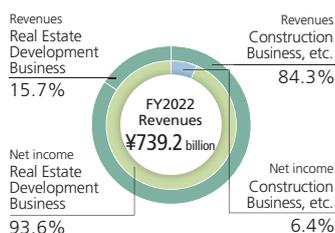
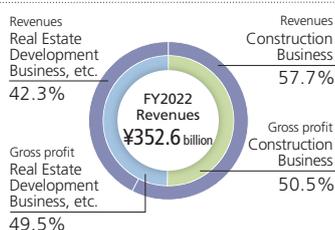
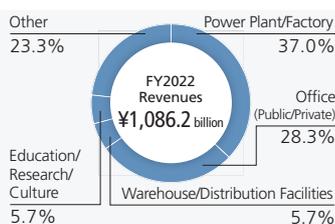
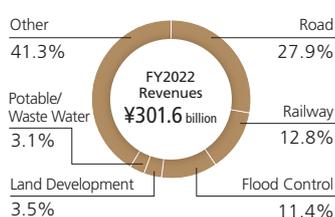
	FY2020	FY2022
Group employees	18,905	19,396
Employees working at overseas subsidiaries and affiliates	5,786	5,889

Cooperating with partner companies and external partners in skill transfer, development of cutting-edge technologies, and other activities

	FY2022
Number of Kajima Meisters	407
Number of patents registered	238

March 31, 2023

Breakdown



Creation of positive impacts on Kajima and society through businesses

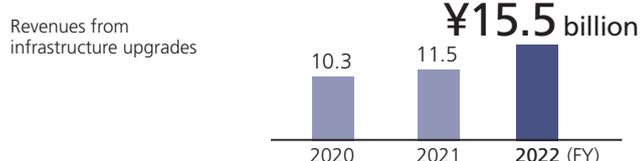
Goals for 2030

Pursuing a balance between growth investment and returns

	FY2020	FY2022
Cash dividends per share	¥54	¥70
Dividend payout ratio	28.0%	30.7%

	FY2018 to FY2020	FY2021 to FY2023
Growth investment	¥518.0 billion (Actual)	¥800 billion (Plan)

Safe, resilient town planning and providing social infrastructure



Promoting migration to a carbon neutral society

