



KAJIMA

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A New Breed of Hospitals
in Japan

A New Breed of Hospitals in Japan



Juntendo Tokyo Koto Geriatric Medical Center, built by Kajima

Innovative Health Care Facilities for Japan's Aging Society

As Japan develops into an “ultra-aged society,” the provision of national health care and social services for the aged will become a pressing social need. At the same time, the number of working people who support the system of national health care and social services is decreasing. These conflicting trends have brought sweeping change to the health care and social services environment, notably cuts in public

medical expenditures and the introduction of nursing care insurance. Efficiently satisfying future health care and social service needs will require more ingenious solutions, such as the optimization of the social services mix and a comprehensive approach to health care and social services. Let's examine some innovative solutions being applied to this critical public issue using case studies involving Kajima.

The Juntendo Tokyo Koto Geriatric Medical Center (pictured on the cover) in Koto Ward's Shinsuna district is a hospital that provides medical treatment for elderly people suffering from senile dementia and other geriatric diseases. It was initiated by the Tokyo Metropolitan Government with the aim of building a multiple complex for elderly people who require long-term care, rehabilitation, health promotion, home medical care and other services

beyond the scope of traditional health care. Today, a geriatric nursing and health care facility and a special nursing home for the aged have been built next to the Juntendo Tokyo Koto Geriatric Medical Center. Complementing each other, they form an innovative health care complex for Japan's aging society.

Flexible Construction for Adjustable Hospitals

Change is endemic in 21st century society, and hospitals in Japan are pressed to respond to ever-changing requirements and expectations—revisions to the Medical Service Law, the introduction of state-of-the-art medical technologies, and developments in the use of hospital rooms, to name a few examples. However, with conventional hospital construction, adjusting corridor width or hospital room dimensions requires extensive demolitions including dismantling ceilings, and this





Artist's rendering of double-floor construction

necessitates vacating the rooms on the floors above and below areas under construction. To solve this dilemma, Kajima has developed the “adjustable hospital,” a concept for building flexibility into hospital wards to cope with continual change. This innovative concept involves combining techniques for increasing the adjustability of space such as flat-slab construction that does not require beams; double floors that simplify renewal and rearrangement of wet areas and other facilities; panel system partition walls that make it possible to change room layouts; and bedside medical equipment units. An



Tokyo Dental College Ichikawa General Hospital

adjustable facility is currently under construction at the Tokyo Dental College Ichikawa General Hospital.

Adoption of these flexible techniques not only reduces the time and cost required for facilities refurbishment, it also minimizes hospital revenue decreases during construction by effectively utilizing beds.

Safe and Secure Seismic-Resistant Hospitals

When a major earthquake strikes, hospitals in Japan are expected to secure the safety of patients and function as emergency relief centers for surrounding areas. To ensure that they are able to perform this critical public function, more hospitals are taking measures to prevent the collapse of buildings, the destruction of medical equipment, and the severing of electrical wiring and plumbing. The most effective means of achieving this is to utilize

base-isolation systems that effectively reduce earthquake motion. This method involves installing between the building and its foundation quake-absorbing equipment that acts as a cushion which greatly dampens the seismic force on the building and reduces shaking by from about one-fifth to one-third. This greatly increases safety during earthquakes and protects vital hospital functions.



Inagi Municipal Hospital: Kajima's base-isolation technology was applied in a suburban hospital.

Building Hospitals That Will Appeal to Patients for Years to Come

Hospitals today are constantly exposed to inexorable change in the form of advances in medical practices, the diversification of patient needs, and changes in facilities standards. In its role as a reliable partner for hospital management, Kajima both provides proven construction technologies and emphasizes consulting on management and business issues from the initial planning stage. Offering comprehensive services that span everything from management diagnosis, facilities planning, design, construction, and aftermarket support, the Kajima medical and social services team will continue to strive to create medical facilities that patients will choose for years to come.

Kajima around the World

From England

First Column Erection Ceremony for JVC Business Park Project



On May 7, 2004, Kajima Europe BV (KE) celebrated the first column erection ceremony for JVC Business Park in the London Borough of Brent. The 25,000-square-meter (269,000-square-foot) mixed-use development will be the future European headquarters and distribution center of JVC Europe, a European subsidiary of Victor Company of Japan, Ltd.

Among the many guests for the ceremony were Masahiko Terada, President of Victor Company of Japan

Ltd. and Osamu Minamitani, Executive Vice President of Kajima Corporation. Together with Robert Whitton, Chief Executive of Active Asset Investment Management (aAIM), they had the bolts fixed with special spanners with their names at the bottom of the first erected column. At the banquet, they also held a sake-cask breaking ceremony to share Japanese traditional culture with local guests.

In 2002, KE made a proposal for redevelopment of old office and warehouse buildings on the 10-acre (4-hectare) site owned by JVC. The proposal, including creative financial solutions such as sale and leaseback, was selected and approved by JVC in November 2002. Since then, KE has offered “full integrated service” coordinating the total process of development, design/engineering, and construction of the



project. JVC, advised by KE, was granted a

planning permit in August 2003, and entered into both a sale and leaseback contract with the investor, aAIM, and a design-and-build contract with KE in November 2003. The new development scheme designed by Kajima Design Europe, a design/engineering arm of KE, including a five-story-high, 6,000-square-meter (65,000-square-foot) headquarters office and a 13,000-square-meter (140,000-square-foot) warehouse, will be an icon in the area.



From China

Kajima Establishes a New Subsidiary Company in China

Kajima recently established a new subsidiary company, Kajima (Shanghai) Construction Co., Ltd., and obtained a construction license (second-grade qualification) in China.

China has allowed foreign companies to establish wholly owned local subsidiaries in China as part of its commitment in connection with accession to the World Trade Organization (WTO) in December 2001. Kajima undertook the registration and licensing procedures to acquire the construction license because direct construction contracting in China on the part of foreign companies will be prohibited beginning in April 2004. By acquiring the license, Kajima has put in place a framework to do business in China through its local subsidiary. Kajima will step up marketing activities and continue to meet the construction requirements of Japanese companies setting up facilities in China.



Construction projects:

(Upper photo) GC Dental (Suzhou) Co., Ltd.
Construction completed in September 2003

(Lower photo) Unicharm Shanghai Factory
Construction completed in January 2004

From Vietnam

Twenty Bridges Completed in Vietnam's Mekong Delta Region



In December 2003, construction was completed on 20 bridges that provide essential support for the livelihoods of residents of southern Vietnam's Mekong Delta region. The bridges were delivered to the local government without incident and commissioned as highway bridges before the Tet lunar new year's holiday, which began on January 22 this year.

The Mekong River system is one of the world's great watercourses, and the Mekong Delta is called the breadbasket that supports the Vietnamese economy. However, rivers swell and flooding frequently occurs during the monsoon season. Accordingly, it was essential to

have a reliable network of highway bridges to withstand a series of floods during the monsoon season, which brings great uncertainty to the lives of residents in remote areas and disruption to the distribution of goods.

The bridge-building project was a Japanese government non-refundable official development assistance (ODA) project undertaken following successful completion of a similar project to construct 21 bridges in northern Vietnam. Kajima served as a prime contractor on both projects. Construction on the second project, which began in January 2002, was completed without accident and about two months ahead of schedule. This was a remarkable achievement in view of the complicated logistical planning and execution required to simultaneously erect bridges at 20 sites in remote areas scattered throughout the expansive delta region. The formidable undertaking was managed from a central project office set up in Ho Chi Minh City and satellite offices in Can Tho, My Tho, Ca Mau, and two other cities.

From Japan

Kajima Is the First Organization Outside the United States to Participate in NEES



Kajima has become the first organization outside the United States to participate in The George E. Brown Jr. Network for Earthquake Engineering Simulation (NEES). NEES features 15 advanced experimental facilities at universities across the United States, all of which will be connected by cutting-edge cyber-infrastructure. Through NEES, emphasis of earthquake engineering research will shift from the current reliance on expensive physical testing to integrated experimentation, computation, theory, databases, and model-based simulation. The earthquake engineering community will be spurred to test and validate more complex and comprehensive analytical and computer numerical models, substantially improving seismic design and performance of civil infrastructure. NEES will be fully operational in the fall of this year.

Because of Kajima's reputation as a world leader in earthquake engineering, researchers of the NEES team at University of Illinois at Urbana-Champaign invited Kajima to participate in the first trans-Pacific NEES simulation. Kajima was the first non-U.S. organization to become a fully functional node on NEES.

NEES will enable researchers to carry out complicated earthquake engineering simulations more efficiently, both by using Kajima's experimental facilities and computer resources effectively and by cooperating with the U.S. network of university research resources. Researchers from both NEES and Kajima anticipate that the simulation of larger, more complicated structures will be carried out by Japan-U.S. collaborations in the near future.

The National Research Institute for Earth Science and Disaster Prevention (NIED) and Japanese universities have also decided to participate in NEES.

Kajima Deers Cheerleaders Win NFA Cheerleaders of the Year 2003 Award

Kajima Deers Cheerleaders (KDC), the cheerleading squad affiliated with the Kajima Deers American football team, are the proud winners of NFA Cheerleaders of the Year 2003, an award conferred by the X League (formerly known as the Japan American Football League) on the league's most outstanding cheerleading squad for the 2003 season. The award recognizes performance that placed KDC at the forefront of the cheerleading squads of the 18 teams comprising the elite X1 East, West and Central Divisions of Japan's premier American football league.



The 15 members of the Kajima Deers Cheerleaders squad comprise Kajima employees and members selected through public auditions. KDC Captain Ayako Koyanagawa (pictured at left), one of the top cheerleaders in Japan, works at the Kajima Corporation Public Relations Office in Tokyo. She believes that "Energizing people is the same in both public relations and cheerleading," and travels tirelessly to offices and job sites across Japan to perform her public relations work as well as leading the KDC squad during the season.

She can hardly wait for the 2004 season to begin, and plans to pull together with the other cheerleaders to rally the team and fans as the Kajima Deers seek to regain the league title they won in 1997.

Kajima Marks

Four Decades of Successful Operation in the United States



Little Tokyo Redevelopment Project, Los Angeles, California

Forty years have passed since Kajima launched business operations in the United States by establishing Kajima International, Inc. The first project in the United States was to redevelop the original Little Tokyo district of Los Angeles in 1964 under the initiative of the late Chairman Dr. Morinosuke Kajima. Since then, Kajima has steadily expanded and diversified its U.S. business and established a solid presence in the world's largest market.

Through the first half of the 1970's, Kajima engaged mainly in design work on projects for Nissan, Seiko, and other Japanese companies setting up operations on the West Coast. As Japanese companies began moving eastward, Kajima opened an office in New York in 1975 and began construction work as well as design. Kajima also established Kajima Development Corporation to extend its development business in the United States. The 1970's became a period in which Kajima laid the foundation for subsequent business activities in the U.S. market.

In the 1980's, heightened trade friction between Japan and the United States and the yen's sudden appreciation against the U.S. dollar led to a rapid rise in the number of Japanese companies setting up operations in the United States. During this decade, Kajima established Kajima U.S.A. Inc. to manage group companies and expanded offices in Dallas and Chicago, constructing automotive plants for companies such as Mazda, Mitsubishi/Chrysler, and Subaru/Isuzu with annual sales of US\$450 million.

However, the 1990's brought economic recession in the United States and Japan, with a dramatic contraction in the market. Despite these adverse circumstances, Kajima earned a reputation for high quality and reliability in such markets as health care and pharmaceuticals, information technology, educational facilities, and large-scale distribution facilities. The 1990's through 2004 was also a period in which Kajima sought to stabilize its U.S. operations; the Company withdrew from unprofitable businesses and disposed of nonperforming assets while making aggressive investments in new businesses such as establishing Industrial Developments International, Inc. (IDI) to develop logistics facilities, KUD International LLC to engage in fee-based urban development, and Commercial Developments International (CDI) to develop commercial facilities. It has also invested in the leading architectural design firm HOK and acquired Hawaiian Dredging Construction Company, the largest construction firm in Hawaii.

As it enters its fifth decade of operation in the United States, Kajima is poised to pursue sustained growth in design, construction, development, and other fields. Through the operation of a diverse portfolio of businesses, the Kajima U.S.A. Group will continue to contribute to American society.



From Mr. Hiroaki Hoshino, President of Kajima U.S.A. Inc.:

I believe the Kajima U.S.A. Group must become an integrated corporate group of diversified companies sharing common values, while each company functions as an independent business unit with a distinctive corporate culture and sense of values. In the next decade, I would like to continue the challenge of making the Kajima U.S.A. Group an increasingly powerful, vital corporate group.



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