



February 5, 2026

Company name: Kanadevia Corporation

Representative: Michi Kuwahara, President & CEO

(Security Code: 7004; Prime Market, Tokyo Stock Exchange)

Inquiries: Toru Kawasaki, Executive Officer,

General Manager, Corporate Planning Department

Telephone: +81-6-6569-0005

Notice Regarding Withdrawal from the Bridge Construction Business and Termination of Operations at the Mukaishima Works

Kanadevia Corporation (hereinafter, the “Company”) hereby announces that its Board of Directors meeting resolved today to withdraw from its bridge construction business including new constructions and maintenances (hereinafter, the “Bridge Business”) and to terminate operations at the Mukaishima Works.

1. Reason for the Withdrawal from the Bridge Business and Termination of Operations at the Mukaishima Works

For more than 120 years, our Bridge Business has engaged in the construction of numerous steel bridges both in Japan and overseas. However, the Japanese new bridge construction market has continued to contract since peaking in fiscal year 1995, and order volumes have declined significantly in recent years. Amid these circumstances, competition has intensified further, making it difficult to maintain stable orders sufficient to ensure continued operations at the Works, resulting in a persistently challenging business environment. Based on these factors, the Company has determined that continued operation of Mukaishima Works is no longer feasible and has decided to withdraw from the Bridge Business.

The Company has yet to determine the future utilization of Mukaishima Works site after operations cease.

The Company has set forth “promotion of business structure reform” as a key priority under its Medium-Term Management Plan “Forward 25” and is advancing business portfolio management. Based on comprehensive evaluations, including the alignment of each business with our long-term vision and its contribution to corporate value, the Company is promoting the optimal allocation of management resources through “selection and concentration,” and is working to achieve sustainable growth and enhance corporate value over the medium to long term.

2. Overview of the Bridge Business and Mukaishima Works

(1) Overview of the Bridge Business

- Commencement of Business: 1900
- Business Description: Design, Manufacture, Construction, and Maintenance of steel bridges
- Net Sales: ¥10,573 million (1.7% of consolidated net sales) (Fiscal year ended March 31, 2025)
- Number of Employees: 239 (as of January 31, 2026)

Note: Operating income for this business is managed together with other businesses and is not calculated on a standalone basis; therefore, it is not disclosed.

Note: The above Number of Employees includes those of the Mukaishima Works.

(2) Overview of the Mukaishima Works

- Name: Mukaishima Works
- Location: 14755 Mukaihigashi-cho, Onomichi, Hiroshima 722-0062, Japan
- Commencement of Operations: 1943
- Business Description: Manufacture of Steel bridges and other steel structures; Manufacturing of Foreign substance separation equipment for food
- Number of Employees: 157 (as of January 31, 2026)

3. Schedule Going Forward

- February 5, 2026 onward: Cessation of marketing activities for new projects related to the Bridge Business
- Fiscal year 2026 (planned): Termination of operations at Mukaishima Works (after completion of work on existing orders)
- Fiscal year 2030 (planned): Withdrawal from the Bridge Business (after completion of on-site construction work for existing orders)

4. Treatment of Employees Assigned to the Bridge Business and Mukaishima Works

With respect to employees belonging to the Bridge Business and Mukaishima Works, the Company will ensure employment as a fundamental premise and will determine specific measures through consultation with the labor union.

5. Response to Inappropriate Conduct

As announced in the “(Progress of Disclosed Matters) Notice of Inappropriate Conduct at Our Mukaishima Works” dated November 6, 2025, the Company will continue to conduct on-site inspections and follow-up monitoring in coordination with regular inspections, in consultation with road administrators, even after withdrawing from the Bridge Business.

6. Impact on Consolidated Financial Results

In connection with the decision to withdraw from the Bridge Business and terminate operations at Mukaishima Works, the Company has reduced the book value to the recoverable amount and recorded an impairment loss of JPY 1.6 billion as an extraordinary loss in the consolidated and non-consolidated financial results for the third quarter of the fiscal year ending March 31, 2026.

This matter has been reflected in today's announcement "Notice Regarding Revision of Full-Year Consolidated Earnings Forecast."

End