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February 2, 2026

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 Representative: Yoshihiro Uozumi, President  
 Listing: Prime of Tokyo Stock Exchange and  
 Premier of Nagoya Stock Exchange  
 Securities code: 7241  
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## Notice Concerning Capital Increase of Consolidated Subsidiary

FUTABA INDUSTRIAL CO., LTD. (the “Company”) hereby announces that, at a meeting of the Board of Directors held on February 2, 2026, the Company has decided to increase its capital in Tianjin Shuang Shye Mechanical Industrial Co., Ltd. (“Tianjin Shuang Shye”), a subsidiary of the Company in China. As a result of the capital increase, Tianjin Shuang Shye’s capital is expected to correspond to an amount equivalent to 10% or more of the Company’s capital, and therefore Tianjin Shuang Shye will be designated as the specified subsidiary of the Company. Details are described below.

### 1. Reason for capital increase

As announced in the news release “Notice Concerning Optimization of Production Bases in Tianjin Area of China” dated October 30, 2024, the Company discontinued production at Tianjin Shuang Shye in 2025, and the consolidation of production into Tianjin Futaba Shye Chan Mechanical Co., Ltd. has been completed. In connection with making Tianjin Shuang Shye a wholly owned subsidiary of the Company and commencing liquidation procedures, it is necessary to eliminate its excess liabilities. Accordingly, the Company has resolved to increase the capital of Tianjin Shuang Shye.

### 2. Overview of subsidiary (Tianjin Shuang Shye) subject to change

(1) Name	Tianjin Shuang Shye Mechanical Industrial Co., Ltd.	
(2) Location	Xiqingqu, Tianjin, China	
(3) Representative	Masayasu Miura, Chairperson	
(4) Business description	Manufacture and sale of parts of automobiles and other vehicles	
(5) Capital before capital increase	USD 6.50 million (about 1,000 million yen)	
(6) Date of establishment	February 1, 2002	
(7) Major shareholders and ownership ratios	Futaba Industrial Co., Ltd.: 100%	
(8) Relationship between the Company and Tianjin Shuang Shye	Capital relationship	A subsidiary in which the Company holds 100% of the shares.
	Personnel	Employees are seconded from the Company.

	relationship		
	Business relationship	There is no business relationship with the Company.	
(9) Financial performance and position on a consolidated basis for the past three fiscal years			
Fiscal year ended	March 31, 2023	March 31, 2024	March 31, 2025
Net assets	181 million yen	148 million yen	(2,543) million yen
Total assets	1,539 million yen	1,213 million yen	1,157 million yen
Net sales	10,181 million yen	5,925 million yen	5,030 million yen
Net income	(1,705) million yen	(22) million yen	(2,757) million yen

### 3. Overview of capital increase

(1) Date of decision	February 2, 2026
(2) Amount of capital increase	USD 20.5 million (about 3,100 million yen)
(3) Capital after capital increase	USD 27.0 million (about 4,100 million yen)
(4) Investment ratio after capital increase	100%

\* The exchange rate: 1 US dollar = 155 yen

### 4. Impact on financial results

The impact of the capital increase on the Company's consolidated financial results is not expected to be material. If any matter required to be disclosed arises, the Company will announce it immediately.

(For reference)

On the same day, the Company decided to reduce the capital of a consolidated subsidiary in China to improve capital efficiency within the Group. For details, please refer to the "Notice Concerning Capital Reduction of Consolidated Subsidiary."