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May 20, 2026

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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 May 20, 2026, the Company has decided to increase its capital in FUTABA MANUFACTURING MAHARASHTRA PRIVATE LIMITED (“FMM”), a subsidiary of the Company in India. As a result of the capital increase, FMM’s capital is expected to correspond to an amount equivalent to 10% or more of the Company’s capital, and therefore FMM will be designated as the specified subsidiary of the Company. Details are described below.

1. Reason for capital increase

In line with the expansion of production capacity by Japanese automobile manufacturers, which are major customers in India, the Company intends to strengthen its financial base to facilitate the introduction of press machines and welding equipment for the supply of primarily body-related parts.

2. Overview of subsidiary (FMM) subject to change

(1)	Name	FUTABA MANUFACTURING MAHARASHTRA PRIVATE LIMITED	
(2)	Location	Maharashtra, India	
(3)	Representative	Yoshihiko Ishizaki	
(4)	Business description	Manufacture and sale of parts of automobiles and other vehicles	
(5)	Capital before capital increase	45 million rupees (about 70 million yen)	
(6)	Date of establishment	May 4, 2026	
(7)	Major shareholders and ownership ratios	Futaba Industrial Co., Ltd.: 99.99%	
(8)	Relationship between the Company and FMM	Capital relationship	A subsidiary in which the Company holds 99.99% of the shares.
		Personnel relationship	The officers of the Company concurrently serve as directors of FMM.
		Business relationship	The Company conducts transactions, including the provision of technical support.

(9) Financial performance and position on a consolidated basis for the past three fiscal years			
Fiscal year ended	March 31, 2024	March 31, 2025	March 31, 2026
Net assets	million yen	million yen	million yen
Total assets	million yen	million yen	million yen
Net sales	million yen	million yen	million yen
Net income	million yen	million yen	million yen

※Since FMM was established on May 4, 2026, there are no financial statements available.

3. Overview of capital increase

(1) Date of decision	May 20, 2026
(2) Amount of capital increase	2,600 million rupees (about 4.4 billion yen)
(3) Capital after capital increase	2,645 million rupees (about 4.5 billion yen)
(4) Investment ratio after capital increase	99.99%

* The exchange rate: 1 rupee = 1.7 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.