

[Translation]

December 28, 2020

To whom it may concern,

Company Name: TENMA CORPORATION  
Representative: Hirohiko Hirono, President  
Code Number: 7958 (Tokyo Stock Exchange, First Section)  
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Department  
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**Notice Regarding the Filing of a Lawsuit for Damages against Former  
Inside Directors of TENMA**

As announced in the notice “Announcement on the Publication of the Third Party Committee’s Investigation Report” dated April 2, 2020, TENMA CORPORATION (the “Company”) has disclosed an Investigation Report (Published Version) it received from the Third Party Committee, regarding the suspicion of an inappropriate monetary distribution at an overseas subsidiary of the Company.

Based on the facts confirmed in the Third Party Committee’s Investigation Report, the Audit and Supervisory Committee of the Company determined that six former Inside Directors of TENMA (each a non-member of the Audit and Supervisory Committee; “Former Inside Directors”) violated their duty of care in executing their duties; accordingly, the Company filed a lawsuit with the Tokyo District Court on December 25, 2020, claiming damages as stated in the following. Pursuant to the provisions of the Companies Act, instead of the representative director, the Audit and Supervisory Committee will represent the Company in this lawsuit.

We will announce the progress of the lawsuit as necessary.

This English translation has been prepared by the Shareholders’ Committee for the Better Corporate Governance of TENMA.

(Name of the Former Inside Directors)	(Amount of Damages Claimed*)
Mr. Yasuichi Kaneda	153,689,033 yen
Mr. Kaneto Fujino	376,488,988 yen
Mr. Hisashi Tsukasa	153,652,690 yen
Mr. Noboru Omi	153,616,348 yen
Mr. Hiroshi Kaneda	158,818,767 yen
Mr. Takashi Sudo	200,181,650 yen

\* The amounts claimed by the Company against the respective Former Inside Directors have been claimed jointly against all the Former Inside Directors. The total amount the Company will receive from the six Former Insider Directors, if all amounts claimed in the petition are granted, is 376,488,988 yen plus the delinquency charge thereto.

As this lawsuit is a claim of damages against the Former Insider Directors as individuals, there is no expectation of harm to the Company's business performance as a result of this lawsuit.

End

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