

Securities Code: 9543

February 28, 2017

To our shareholders:

Hiroshi Tonoya
President and Director
Shizuoka Gas Company, Ltd.
1-5-38 Yawata, Suruga-ku, Shizuoka City, Shizuoka

NOTICE OF THE 169TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 169th Annual General Meeting of Shareholders of Shizuoka Gas Company, Ltd. (the “Company”), which will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by either of the following methods. Please review the Reference Documents for General Meeting of Shareholders (described hereinafter), and cast your vote by Tuesday, March 21, 2017, at 5:00 p.m. (JST).

Exercise of voting rights in writing

Please indicate your vote for or against the proposals on the Voting Rights Exercise Form enclosed and return it by the above deadline.

Exercise of voting rights via the Internet

To vote via the Internet, please visit the Company’s designated website (<http://www.it-soukai.com>)* and vote for or against the proposals using the voting rights code and password shown on the enclosed Voting Rights Exercise Form in accordance with the instructions on the screen after confirming the “Instructions for Voting via the Internet” on pages 13 and 14 (only available in Japanese version).

* This website is only available in Japanese.

If you vote both in writing and via the Internet, only the vote last received will be valid. If both votes arrive on the same day, only the vote placed via the Internet will be valid.

In addition, if you submit your vote multiple times via the Internet, only the last vote will be valid.

1. **Date and Time:** Wednesday, March 22, 2017, at 10:00 a.m. (JST)
2. **Venue:** “Sumpu Hall” on the third floor of the Hotel Associa Shizuoka
56 Kurogane-cho, Aoi-ku, Shizuoka City, Shizuoka
(Please see the map on the last page.) (Only available in Japanese version)

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 169th fiscal year (January 1, 2016 - December 31, 2016), and results of audits by the Financial Auditor and the Board of Auditors of the Consolidated Financial Statements
2. The Non-Consolidated Financial Statements for the 169th fiscal year (January 1, 2016 - December 31, 2016)

Matters to be resolved:

- | | |
|-----------------------|---------------------------|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Ten Directors |
| Proposal No. 3 | Election of One Auditor |

1. When attending the meeting in person, please submit the Voting Rights Exercise Form enclosed at the reception desk at the meeting venue on the day of the meeting.
2. Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements have been posted on the Company’s website shown below in accordance with the provisions of laws and regulations and the Articles of Incorporation of

the Company. We will mail a hard copy of the statements posted on the website to shareholders that request it. Please call the Company's main line at +81-54-284-4141.

3. The Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by Auditors and the Financial Auditor include Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements posted on the Company's website, in addition to matters stated in the Appendix of the Notice of the 169th Annual General Meeting of Shareholders.
4. Any revisions to the Reference Documents for General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-Consolidated Financial Statements will be posted on the Company's website below.

Company website URL: <http://www.shizuokagas.co.jp/>

Reference Documents for General Meeting of Shareholders

Proposals and references

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

1. Year-end dividends

The Company proposes the payment of a year-end dividend as follows in accordance with its basic policy of continuously paying stable dividends while considering the financial condition and business results comprehensively.

(1) Allotment of dividend property to shareholders and their aggregate amount

¥6.5 per common share of the Company

Total payment: ¥479,510,005

(2) Effective date of dividends of surplus

March 23, 2017

2. Other appropriation of surplus

The Company proposes other appropriation of surplus as follows in order to strengthen the financial standing toward the sound promotion of management while considering the future business environment.

(1) Item of surplus to be increased and amount of increase

General reserve: ¥4,000,000,000

(2) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥4,000,000,000

Proposal No. 2 Election of Ten Directors

At the conclusion of this meeting, the terms of office of all ten Directors will expire. Therefore, the Company proposes the election of ten Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Seigo Iwasaki (October 8, 1946) Reelection Attendance to meetings of the Board of Directors 8/8 (100%)	Mar. 1969	Joined the Company	119,800 shares
		July 1988	Group Leader of General Planning	
		Mar. 1996	Director	
		Mar. 2000	Managing Director	
		Mar. 2001	Senior Managing Director	
		Mar. 2006	President and Representative Director	
		Jan. 2011	Chair of the Board of Directors and Representative Director (current position)	
		May 2014	Outside Director of Star Micronics Co., Ltd. (current position)	
		June 2015	Outside Director of Murakami Corporation (current position)	
		[Significant concurrent positions outside the Company] Outside Director of Star Micronics Co., Ltd. Outside Director of Murakami Corporation		
Reasons for nomination as candidate for Director He has mainly been engaged in planning operations, served as President and Director for four years and nine months from March 2006 until December 2010, and has served as Chair of the Board of Directors since January 2011. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.				
2	Hiroshi Tonoya (August 11, 1953) Reelection Attendance to meetings of the Board of Directors 8/8 (100%)	Apr. 1976	Joined the Company	57,600 shares
		Apr. 1997	Group Leader of General Administration	
		Mar. 2001	Director	
		Jan. 2007	Director, Senior Operating Officer, and General Manager of Corporate Planning Department	
		Apr. 2010	Director and Deputy Chief Operating Officer	
		Jan. 2011	President and Representative Director (current position)	
		Reasons for nomination as candidate for Director He has mainly been engaged in general administration and personnel operations and has served as President and Director since January 2011. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned		
3	Hiroyuki Kishida (December 12, 1958) Reelection Attendance to meetings of the Board of Directors 8/8 (100%)	Apr. 1981	Joined the Company	3,800 shares		
		Mar. 2004	Group Leader of General Planning			
		Jan. 2007	Manager in charge of Management Planning of Corporate Planning Department			
		Apr. 2010	Manager in charge of Planning Promotion and Manager in charge of Wide Area Sales of Sales Administration Department			
		Jan. 2011	Deputy General Manager of East Shizuoka Prefecture Branch			
		Apr. 2012	Operating Officer and General Manager of Corporate Planning Department			
		Mar. 2013	President and Representative Director of Minamifuji Pipeline Co., Ltd.			
		Jan. 2014	Senior Operating Officer and General Manager in charge of Planning, Materials and General Energy Business Promotion of the Company			
		Mar. 2014	Director, Senior Operating Officer, and General Manager in charge of Planning, Materials and General Energy Business Promotion			
		Apr. 2015	Director, Senior Operating Officer, and General Manager of Lifestyle Creation Business Department			
		Jan. 2016	Director, Deputy Chief Operating Officer, and Chief General Manager of Lifestyle Creation Business Headquarters (current position)			
Reasons for nomination as candidate for Director He has mainly been engaged in planning operations and currently serves as Deputy Chief Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.						
4	Masakazu Endo (June 28, 1953) Reelection Attendance to meetings of the Board of Directors 7/7 (100%)	Apr. 1976	Joined the Company	40,700 shares		
		Mar. 2000	Group Leader of Industrial Energy			
		Mar. 2004	Director and Group Leader of Industrial Energy			
		Mar. 2007	Senior Operating Officer and General Manager of Energy Sales Department			
		Mar. 2011	Director, Senior Operating Officer, and General Manager of Energy Sales Department			
		Mar. 2014	President and Representative Director of Shizuoka Gas Energy Co., Ltd. President and Representative Director of Shizuoka Gas Service Co., Ltd.			
		Jan. 2016	Deputy Chief Operating Officer, Chief General Manager of Multi-Energy Business Headquarters, and General Manager of Industrial Energy Department of the Company			
		Mar. 2016	Director, Deputy Chief Operating Officer, Chief General Manager of Multi-Energy Business Headquarters, and General Manager of Industrial Energy Department (current position)			
		Reasons for nomination as candidate for Director He has mainly been engaged in industrial energy operations and currently serves as Deputy Chief Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
5	Shigeru Katsumata (January 29, 1958) Reelection Attendance to meetings of the Board of Directors 7/7 (100%)	Apr. 1980	Joined the Company	17,605 shares
		Mar. 2003	Director of Shizuoka Gas System Solution Co., Ltd.	
Mar. 2005	Managing Director			
July 2008	Deputy Director of Sodeshi Terminal and Group Leader of Production of Shimizu LNG Co., Ltd.			
Mar. 2011	Deputy General Manager of Production and Distribution Department and Manager in charge of Production of the Company			
Apr. 2013	Operating Officer and General Manager of Production Department			
Apr. 2015	Senior Operating Officer, General Manager of LNG Terminal Business Department, and in charge of Feedstock Department			
Mar. 2016	Director, Senior Operating Officer, General Manager of LNG Terminal Business Department, and in charge of Feedstock Department (current position)			
Reasons for nomination as candidate for Director He has mainly been engaged in system and terminal operations and currently serves as Senior Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.				
6	Akihiro Sugiyama (October 31, 1958) Reelection Attendance to meetings of the Board of Directors 7/7 (100%)	Apr. 1982	Joined the Company	
		Dec. 2002	Group Leader of Plant Engineering	
Jan. 2007	Manager in charge of Distribution of Production and Distribution Department			
Sept. 2011	Deputy General Manager of Fuji Branch			
Jan. 2014	Operating Officer and General Manager of Fuji Branch			
Jan. 2016	Senior Operating Officer, General Manager of Conduit Network Business Department, and in charge of the Environment and Safety Maintenance Office			
Mar. 2016	Representative Director of Shizuham Pipeline Co., Ltd. (current position)			
Jan. 2017	Director, Senior Operating Officer, General Manager of Conduit Network Business Department, and in charge of the Environment and Safety Maintenance Office of the Company			
Reasons for nomination as candidate for Director He has mainly been engaged in distribution operations and currently serves as Senior Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.				
[Significant concurrent positions outside the Company] Representative Director of Shizuham Pipeline Co., Ltd.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company’s shares owned
7	Mitsunobu Kosugi (November 28, 1961) Reelection Attendance to meetings of the Board of Directors 7/7 (100%)	Apr. 1985	Joined the Company	19,000 shares
		July 2006	Group Leader of Public Relations	
		Jan. 2007	Manager in charge of Public Relations/IR of Corporate Services Department	
		Apr. 2010	Manager in charge of Management Planning of Corporate Planning Department	
		Apr. 2012	Deputy General Manager of Corporate Planning Department and Manager in charge of Corporate Planning	
		Jan. 2014	Operating Officer, General Manager of Corporate Planning Department, and Manager in charge of Corporate Planning	
		Mar. 2014	President and Representative Director of Minamifuji Pipeline Co., Ltd. (current position)	
		Apr. 2014	Operating Officer and General Manager of Corporate Planning Department of the Company	
		Jan. 2016	Senior Operating Officer and General Manager of Corporate Planning Department	
		Mar. 2016	Director, Senior Operating Officer, and General Manager of Corporate Planning Department	
		Jan. 2017	Director, Senior Operating Officer, General Manager of Management Control Department, and General Manager of Business Strategy Department (current position)	
		[Significant concurrent positions outside the Company] President and Representative Director of Minamifuji Pipeline Co., Ltd.		
		Reasons for nomination as candidate for Director He has mainly been engaged in planning operations and currently serves as Senior Operating Officer. Accordingly, the Company proposes him as a candidate to continue serving as a Director due to his wealth of business experience in the Company in addition to his excellent insight.		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Juichi Nozue (August 15, 1960) Reelection Outside Independent Attendance to meetings of the Board of Directors 8/8 (100%)	<p>Apr. 1987 Registered as an attorney at law</p> <p>Dec. 1990 Joined Kato Law and Patent Office (now Shizuoka Nozomi Law and Patent Office) (current position)</p> <p>Mar. 1996 Obtained license to practice law in New York State, USA</p> <p>Oct. 1996 Registered as patent attorney</p> <p>Mar. 2003 Auditor of the Company</p> <p>Apr. 2005 Outside Auditor of MISUMI Group Inc. (current position)</p> <p>Mar. 2015 Director of the Company (current position)</p> <p>June 2015 Outside Director (member of Audit and Supervisory Committee) of LEC, Inc. (current position)</p> <p>[Significant concurrent positions outside the Company] Attorney at law of Shizuoka Nozomi Law and Patent Office Outside Auditor of MISUMI Group Inc. Outside Director (member of Audit and Supervisory Committee) of LEC, Inc.</p>	5,000 shares
<p>Reasons for nomination as candidate for outside Director</p> <p>He currently provides appropriate advice to the general management as an outside Director of the Company, based on the high level of legal expertise he has fostered through his experience in corporate legal affairs as an attorney at law, broad outlook and excellent insight. The Company determines that he will continue to provide appropriate advice to the general management. Accordingly, the Company proposes him as a candidate as an outside Director. At the conclusion of this meeting, his tenure as outside Director or outside Auditor of the Company will have been 14 years. He has never been directly involved in the management. However, the Company determines he will appropriately fulfill his duties as an outside Director based on the above reasons.</p> <p>The Company has designated him as an independent officer unlikely to cause conflicts of interest with general shareholders and filed this designation with Tokyo Stock Exchange, Inc.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
9	Yoshikuni Kanai (August 2, 1945) New election Outside Independent Attendance to meetings of the Board of Directors 7/8 (88%)	Apr. 1968 June 2001 Apr. 2003 June 2005 Oct. 2006 Apr. 2008 Mar. 2009 [Significant concurrent positions outside the Company]	Joined Mitsubishi Corporation Senior Vice President and Division COO of Petroleum Business Division Senior Vice President Member of the Board and Senior Executive Vice President of Mitsubishi International Corporation Member of the Board and Executive Vice President of Mitsubishi Corporation Regional CEO of Chubu Block, and General Manager of Chubu Branch Member of the Board and Executive Vice President Regional Strategy (Japan) (Assistant) and General Manager of Chubu Branch Advisor to Mitsubishi Corporation (current position) Auditor of the Company (current position) Advisor to Mitsubishi Corporation	3,000 shares
<p>Reasons for nomination as candidate for outside Director</p> <p>He currently provides appropriate advice to the general management as an outside Auditor of the Company, based on the wealth of experience he has fostered at a major trading company. The Company determines that he will provide appropriate advice to the general management including raw materials trading business as an outside Director of the Company by taking advantage of his high level of insight into the energy business. Accordingly, the Company proposes him as a candidate for outside Director. At the conclusion of this meeting, his tenure as outside Auditor of the Company will have been eight years.</p> <p>The Company has designated him as an independent officer unlikely to cause conflicts of interest with general shareholders and filed this designation with Tokyo Stock Exchange, Inc.</p>				
10	Katsunori Nakanishi (June 15, 1953) New election Outside	Apr. 1976 Dec. 1998 Apr. 1999 June 1999 June 2001 June 2003 Apr. 2005 June 2005 [Significant concurrent positions outside the Company]	Joined The Shizuoka Bank, Ltd. Deputy General Manager of Personnel Department and Manager of Personnel Section Senior General Manager of Personnel Department Senior General Manager of Corporate Administration Department Director, Executive Officer, and General Manager of Corporate Planning Department Director and Senior Executive Officer Director, Senior Executive Officer, and Deputy General Manager of Corporate Center in charge of planning and administration President and CEO (current position) President and CEO of The Shizuoka Bank, Ltd.	—
<p>Reasons for nomination as candidate for outside Director</p> <p>The Company determines that he will provide appropriate advice to the general management including overseas expansion by taking advantage of the cosmopolitan and broad outlook and experience he has fostered through support for the overseas deployment of enterprises in addition to the wealth of experience and high level of insight he has fostered as a manager of a financial institution. Accordingly, the Company proposes him as a candidate for outside Director.</p>				

(Notes) 1. Akihiro Sugiyama is the Representative Director of Shizuham Pipeline Co., Ltd., and the Company has a business relationship with that company, including gas consignment. Mitsunobu Kosugi is President and Representative Director of Minamifuji Pipeline Co., Ltd., and the Company has a business relationship with that company, including gas consignment. Katsunori Nakanishi is President and CEO of The Shizuoka Bank, Ltd., and the Company has a business relationship with the bank, including the borrowing of funds.

2. There is no special interest between any other candidates and the Company.
3. Mitsunobu Kosugi's assignment as General Manager of Business Strategy Department will be released on March 8, 2017.
4. Limited liability agreements with outside Directors
The Company has concluded an agreement with Juichi Nozue to limit his liability for damages set forth in Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under the agreement shall be an amount set forth in laws and regulations. Upon approval of his reelection as outside Director, the Company will continue the agreement with him to limit his liability for damages. If the elections of Yoshikuni Kanai and Katsunori Nakanishi are approved, the Company plans to conclude the aforementioned limited liability agreement with them.

Proposal No. 3 Election of One Auditor

At the conclusion of this meeting, the term of office of Auditor Yoshikuni Kanai will expire. Therefore, the Company proposes the election of one Auditor. In addition, the consent of the Board of Auditors has been obtained for this proposal.

The candidate for Auditor is as follows:

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Hajime Nakai (March 9, 1953) New election Outside Independent	<p>Apr. 1976 Joined The Industrial Bank of Japan, Limited (now Mizuho Bank, Ltd.)</p> <p>June 1999 General Manager of New York Sales Department I President of The Industrial Bank of Japan Trust Company</p> <p>Apr. 2004 Executive Officer and General Manager of Head Office Corporate Banking Division No.5 of Mizuho Corporate Bank, Ltd.</p> <p>Apr. 2005 Managing Executive Officer and Head of Management Planning Group of Mizuho Securities Co., Ltd.</p> <p>June 2007 Executive Managing Officer of Central Glass Co., Ltd.</p> <p>June 2009 Director and Executive Managing Officer</p> <p>June 2012 Representative Director and Senior Executive Managing Officer</p> <p>June 2016 Special Advisor (full time) (current position)</p> <p>[Significant concurrent positions outside the Company] Special Advisor (full time) of Central Glass Co., Ltd.</p>	
<p>Reasons for nomination as candidate for outside Auditor</p> <p>The Company determines that he will provide appropriate advice to the general management as he has the experience and diverse knowledge in the international financial industry and expertise in finance and accounting, in addition to the wealth of experience and high level of insight he has fostered as a manager of a financial institution and others. Accordingly, the Company proposes him as a candidate for outside Auditor.</p> <p>The Company intends to designate him as an independent officer unlikely to cause conflicts of interest with general shareholders and file this designation with Tokyo Stock Exchange, Inc.</p>		

(Notes) 1. There is no special interest between the candidate and the Company.

2. Limited liability agreement with outside Auditor

To enable the Company to welcome talented personnel as candidates for outside Auditor, the current Articles of Incorporation prescribes that the Company may conclude agreements with outside Auditors to limit their liability for damages set forth under Article 423, paragraph 1 of the Companies Act to an amount as set forth by laws and regulations. If the election of Hajime Nakai is approved, the Company plans to conclude the aforementioned limited liability agreement with him.