Achievement of First LNG Sale through Reloading Facilities _at Shimizu LNG Terminal_

SHIZUOKA GAS CO., LTD. ("Shizuoka Gas") is pleased to announce that it has completed the first sale of liquefied natural gas ("LNG") by utilizing the reloading facilities at Shimizu LNG Terminal ("Sodeshi Terminal") on February 5th 2017.

Shizuoka Gas has been pursuing the possibility of further utilizations of Sodeshi Terminal through the expansion of liquidity on the LNG transaction in order to attain the reduction of LNG procurement cost adapting ourselves to the fully deregulated gas market in Japan including the retail sector of city gas distribution from April 2017.

As the specific effort, Shizuoka Gas constructed the relevant facilities to reload the LNG which is once discharged into the LNG storage to the LNG tanker in April 2016 and two months later, Shizuoka Gas has entered into LNG Sale and Purchase Agreement ("SPA") with Shell Eastern Trading (Pte.) Ltd.

Based on the SPA, this memorable first LNG sale through the use of reloading facilities at Sodeshi Terminal has been actualized.

Shizuoka Gas ensures stable and safety energy supply for our customers and tries to meet various customers' needs through expanding new businesses.