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Securities Code: 2734

January 30, 2019

To our shareholders:

**Goro Kamino**  
President and Representative Director  
**SALA Corporation**  
Sala Tower, 1-55, Ekimae-odori,  
Toyohashi-shi, Aichi

## Notice of the 17th Annual General Meeting of Shareholders

You are cordially invited to attend the 17th Annual General Meeting of Shareholders of SALA Corporation (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights by any of the following methods. Please review the attached Reference Documents for General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m. on Tuesday, February 19, 2019 (JST).

### [Exercise of voting rights in writing]

Please indicate your approval or disapproval of each proposal on the enclosed voting form and then return the form by postal mail so that your vote is received by the aforementioned deadline.

### [Exercise of voting rights via the internet]

Please access the website for the exercise of voting rights designated by the Company (<https://www.web54.net>), enter the “voting code” and “password” printed on the enclosed voting form, and indicate your approval or disapproval for each proposal according to the instructions on the screen.

Please review the “Instructions for the Exercise of Voting Rights via the Internet” (Japanese only) to exercise your voting rights via the internet.

If you exercise your voting rights in duplicate both in writing and via the internet, the voting rights exercised via the internet shall be deemed valid.

If you exercise your voting rights multiple times via the internet, only the last exercise of voting rights shall be deemed valid.

- 1. Date and Time:** Wednesday, February 20, 2019, at 10:00 a.m. (The reception desk will open at 9:00 a.m.)
- 2. Venue:** THE GRACE, 5F, Hotel Arc Riche Toyohashi  
1-55, Ekimae-odori, Toyohashi-shi, Aichi

### **3. Purpose of the Meeting**

#### **Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the 17th fiscal year (from December 1, 2017 to November 30, 2018), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 17th fiscal year (from December 1, 2017 to November 30, 2018)

#### **Matters to be resolved:**

**Proposal No. 1:** Election of Eight Directors

**Proposal No. 2:** Election of Three Audit & Supervisory Board Members

### **4. Instructions for the Exercise of Voting Rights, etc.**

Please refer to the “Instructions for the Exercise of Voting Rights, etc.” (Japanese only).

- If you attend the meeting in person, you are kindly requested to submit the enclosed voting form at the reception desk.
- Any changes in the Reference Documents for General Meeting of Shareholders and the Business Report, the Non-consolidated Financial Statements, and the Consolidated Financial Statements will be posted on the Company’s website.
- To ensure that information is furnished in a timely manner, the content of this notice was disclosed on the Company’s website before it was sent out.

**The Company’s website (<https://www.sala.jp/ja/ir/stock/meeting.html>)**

## Reference Documents for General Meeting of Shareholders

### Proposal No. 1: Election of Eight Directors

The terms of office of all eight Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of eight Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<b>Shoji Nakamura</b> (January 26, 1942)  Reelection	<p>Mar. 1994      President and Representative Director of CHUBU GAS CO., LTD.</p> <p>June 1997      Director of Chubu Engineering Corporation (current position)</p> <p>Aug. 2000      Director of GASTEC SERVICE, INC</p> <p>May 2002      Chairman and Director of the Company</p> <p>Feb. 2003      Chairman and Representative Director (current position)</p> <p>Jan. 2006      Chairman and Representative Director of SALA HOUSE CO., LTD.</p> <p>Mar. 2012      Chairman and Representative Director of CHUBU GAS CO., LTD.</p> <p>Feb. 2017      Advisor and Director of SALA HOUSE CO., LTD. (current position)</p> <p>Feb. 2018      Advisor and Director of CHUBU GAS CO., LTD. (current position)</p> <p>Advisor and Director of GASTEC SERVICE, INC (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Outside Director of Kawai Musical Instruments Manufacturing Co., Ltd.</p>	352,086 shares
		<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Nakamura has been engaging in management at the Company and Group companies over many years, and began assuming a managerial role as the Company's Chairman and Representative Director in February 2003. The Company has nominated him as a candidate for reelection as Director in anticipation that he will appropriately make managerial decisions given his abundant experience and extensive knowledge relating to corporate management.</p>	

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<b>Goro Kamino</b> (August 29, 1960)  Reelection	<p>Aug. 2000      President and Representative Director of GASTEC SERVICE, INC</p> <p>Feb. 2001      Director of Shinkyo Auto Service Co., Ltd. (currently SALA CARS JAPAN Co., Ltd.)</p> <p>May 2002      President and Representative Director of the Company (current position)</p> <p>June 2002      Director of Chubu Engineering Corporation (current position)</p> <p>Jan. 2004      Outside Director of SALA HOUSE CO., LTD.</p> <p>Mar. 2006      Representative Director of CHUBU GAS CO., LTD.</p> <p>Feb. 2007      Chairman and Representative Director of SALA CARS JAPAN Co., Ltd. (current position)</p> <p>Mar. 2012      President and Representative Director of CHUBU GAS CO., LTD.</p> <p>July 2016      Director of SALA HOUSE CO., LTD. (current position)</p> <p>Feb. 2018      Chairman and Representative Director of CHUBU GAS CO., LTD. (current position)            Chairman and Representative Director of GASTEC SERVICE, INC (current position)</p> <p>[Significant concurrent positions outside the Company]            Outside Director of Musashi Seimitsu Industry Co., Ltd.</p> <p>[Reasons for nomination as candidate for Director]            Mr. Kamino has been engaging in management at the Company and Group companies over many years, and began assuming a managerial role as the President and Representative Director upon establishment of the Company in May 2002. The Company has nominated him as a candidate for reelection as Director in anticipation that he will demonstrate his outstanding managerial talent given his abundant experience and adequate achievements.</p>	1,274,115 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<b>Kazuhiko Matsui</b> March 28, 1955  Reelection	<p>Apr. 2004      Managing Director of CHUBU GAS CO., LTD.</p> <p>Feb. 2010      Managing Director, in charge of General Planning Department, General Affairs Department and Human Resources Strategy Department, and General Manager of General Planning Department of the Company</p> <p>Mar. 2010      Director of CHUBU GAS CO., LTD. (current position)</p> <p>Dec. 2011      Managing Director, in charge of General Planning Department, General Affairs Department and Human Resources Strategy Department of the Company</p> <p>Feb. 2012      Executive and Representative Director, Assistant to President, in charge of General Planning Department, General Affairs Department and Human Resources Strategy Department</p> <p>Dec. 2012      Executive and Representative Director, Assistant to President (current position)</p> <p>Feb. 2018      Director of GASTEC SERVICE, INC (current position)</p>	32,481 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Matsui has been engaging in management at the Company and Group companies over many years, and began serving as the Company's Executive and Representative Director in February 2012. The Company has nominated him as a candidate for reelection as Director in anticipation that he will appropriately make managerial decisions given his abundant experience and knowledge primarily in planning and administrative operations.</p>			
4	<b>Hiroshi Torii</b> (October 25, 1954)  Reelection	<p>Mar. 2006      Managing Director, General Manager of Sales Division of CHUBU GAS CO., LTD.</p> <p>Mar. 2012      Executive and Representative Director, Assistant to President, and General Manager of Sales Division</p> <p>Jan. 2015      Executive and Representative Director, Assistant to President, and Supervisor of Sales</p> <p>July 2016      Executive Officer, in charge of Gas &amp; Power of the Company</p> <p>Dec. 2016      Executive Officer, Leader of Energy &amp; Solutions Segment</p> <p>Feb. 2017      Director, Executive Officer, Leader of Energy &amp; Solutions Segment (current position)</p> <p>Feb. 2018      President and Representative Director of CHUBU GAS CO., LTD. (current position) President and Representative Director of GASTEC SERVICE, INC (current position)</p>	26,940 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Torii has abundant experience and achievements having been engaged in management in the city gas business and other operations of Group companies. The Company has nominated him as a candidate for reelection as Director in anticipation that he will manage the Company drawing on his substantial insight and managerial talent amassed through such experience.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	<b>Nobuhito Yamaguchi</b> (December 8, 1958)  Reelection	<p>Mar. 2012      Managing Director, General Manager of Administration Division and in charge of Secretariat Office, Planning Office and Regional Business Office of CHUBU GAS CO., LTD.</p> <p>Dec. 2013      Counselor of SALA HOUSE CO., LTD.</p> <p>Jan. 2014      Senior Managing Director, Assistant to President</p> <p>Jan. 2015      President and Representative Director (current position)</p> <p>July 2016      Executive Officer, in charge of Housing of the Company</p> <p>Feb. 2017      Director, Executive Officer, Leader of Housing Segment (current position)</p> <p>[Reasons for nomination as candidate for Director] Mr. Yamaguchi has abundant experience and achievements having been engaged in management in the city gas and housing sales business as well as other operations of Group companies. The Company has nominated him as a candidate for reelection as Director in anticipation that he will manage the Company drawing on his substantial insight and managerial talent amassed through such experience.</p>	31,180 shares
6	<b>Yoshio Ichiryu</b> (January 3, 1946)  Reelection Outside Independent	<p>July 2000      President of Ichiryu Associates, Inc. (current position)</p> <p>Feb. 2003      Outside Audit &amp; Supervisory Board Member of the Company</p> <p>Feb. 2006      Outside Director (current position)</p> <p>[Significant concurrent positions outside the Company] President of Ichiryu Associates, Inc. Outside Director of SHIMA SEIKI MFG., LTD.</p> <p>[Reasons for nomination as candidate for outside Director] The Company has nominated Mr. Ichiryu as a candidate for reelection as outside Director in anticipation that he will manage the Company drawing on his substantial insight across all operations.</p>	41,900 shares
7	<b>Kazuyoshi Ishiguro</b> (August 15, 1944)  Reelection Outside Independent	<p>Apr. 2006      President and Representative Director of JBCC Holdings Inc.</p> <p>Feb. 2007      Outside Director of the Company (current position)</p> <p>Apr. 2010      Chairman and Representative Director of JBCC Holdings Inc.</p> <p>June 2012      Supreme Counselor</p> <p>June 2016      Special Counselor</p> <p>Sept. 2017      Executive Advisor of IGUAZU Corporation (current position)</p> <p>[Significant concurrent positions outside the Company] Executive Advisor of IGUAZU Corporation</p> <p>[Reasons for nomination as candidate for outside Director] The Company has nominated Mr. Ishiguro as a candidate for reelection as outside Director in anticipation that he will manage the Company drawing on his abundant experience and substantial insight as a corporate manager.</p>	53,100 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	<b>Takahisa Kurebayashi</b> (March 16, 1957)  New election	Feb. 2017 Senior Managing Director, in charge of Administration Division, Infrastructure Environment Department and Information Communication Department, and in charge of Hamamatsu District of Chubu Engineering Corporation  Feb. 2018 President and Representative Director (current position)	4,100 shares
		[Reasons for nomination as candidate for Director] Mr. Kurebayashi has abundant experience and achievements having been engaged in management of business involving construction, installation and civil engineering at Group companies. The Company has nominated him as a candidate for new election as Director in anticipation that he will manage the Company drawing on his substantial insight and managerial talent amassed through such experience.	

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Yoshio Ichiryu and Kazuyoshi Ishiguro are candidates for outside Director. The Company appointed Mr. Ichiryu and Mr. Ishiguro as independent officers as provided for by the regulations of the Tokyo Stock Exchange and the Nagoya Stock Exchange and has notified each of the Exchanges of their appointment. If their reelection is approved, the Company plans for their appointment as an independent officer to continue.
  3. Matters regarding the candidates for outside Director are as follows:
    - (1) The number of years served as outside Director since the candidates for outside Director assumed the office:  
Yoshio Ichiryu and Kazuyoshi Ishiguro are currently outside Directors of the Company. At the conclusion of this meeting, their respective tenure as outside Director will be 13 years for Mr. Ichiryu and 12 years for Mr. Ishiguro.
    - (2) Summary of details of limited liability agreement with outside Directors:  
Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Yoshio Ichiryu and Kazuyoshi Ishiguro to limit the liability for damages under Article 423, paragraph 1 of the same Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for in Article 425, paragraph 1 of the same Act.  
If their reelection is approved, the Company plans to continue the said limited liability agreement with them.

## Proposal No. 2: Election of Three Audit & Supervisory Board Members

The terms of office of all three Audit & Supervisory Board Members will expire at the conclusion of this meeting. Therefore, the Company proposes the election of three Audit & Supervisory Board Members. In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

Candidate No.	Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<b>Takashi Sugii</b> (January 14, 1947)  Reelection Outside Independent	Oct. 2002 Partner of Sugii law office Feb. 2006 Outside Audit & Supervisory Board Member of the Company (current position) Oct. 2015 Representative Partner of Sugii law office (current position) [Significant concurrent positions outside the Company] Representative Partner of Sugii law office Outside Audit & Supervisory Board Member of SEKIDO Co., Ltd. [Reasons for nomination as candidate for outside Audit & Supervisory Board Member] The Company has nominated Mr. Sugii as a candidate for reelection as outside Audit & Supervisory Board Member in anticipation that he will carry out precise audits of Directors' execution of duties drawing on his professional insight and abundant experience as an attorney at law.	7,700 shares
2	<b>Naomi Muramatsu</b> (July 20, 1972)  Reelection Outside Independent	Oct. 2002 Registered as an attorney at law with Shizuoka Bar Association Assigned to Ishizuka and Muramatsu law office (current position) Feb. 2011 Outside Audit & Supervisory Board Member of the Company (current position) [Significant concurrent positions outside the Company] Attorney at law of Ishizuka and Muramatsu law office [Reasons for nomination as candidate for outside Audit & Supervisory Board Member] The Company has nominated Ms. Muramatsu as a candidate for reelection as outside Audit & Supervisory Board Member in anticipation that she will carry out precise audits of Directors' execution of duties drawing on her professional insight and abundant experience as an attorney at law.	0 shares
3	<b>Takuji Yamamoto</b> (March 26, 1962)  New election	Apr. 1984 Joined CHUBU LIQUEFIED GAS, INC. (currently GASTEC SERVICE, INC) Feb. 2008 Acting Manager of General Audit Office of the Company Dec. 2011 General Manager of Audit Department (current position) [Reasons for nomination as candidate for Audit & Supervisory Board Member] Mr. Yamamoto has abundant experience having been engaged in operational audits and other initiatives of the Company and Group companies over many years serving in the Company's audit operations. The Company has nominated him as a candidate for new election as Audit & Supervisory Board Member in anticipation that he will carry out precise audits of Directors' execution of duties drawing on such experience and knowledge.	1,000 shares

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Takashi Sugii and Naomi Muramatsu are candidates for outside Audit & Supervisory Board Member. The Company appointed Mr. Sugii and Ms. Muramatsu as independent officers as provided for by the regulations of the Tokyo Stock Exchange and the Nagoya Stock Exchange and has notified each of the Exchanges of their appointment. If their reelection is approved, the Company plans for their appointment as an independent officer to continue.
  3. Matters regarding the candidates for outside Audit & Supervisory Board Member are as follows:
    - (1) The number of years served as outside Audit & Supervisory Board Member since the candidates for outside Audit & Supervisory Board Members assumed the office:

Takashi Sugii and Naomi Muramatsu are currently outside Audit & Supervisory Board Member of the Company. At the conclusion of this meeting, their respective tenure as outside Audit & Supervisory Board Member will be 13 years for Mr. Sugii and eight years for Ms. Muramatsu.
    - (2) Summary of details of limited liability agreement with outside Audit & Supervisory Board Members:

Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Takashi Sugii and Naomi Muramatsu to limit the liability for damages under Article 423, paragraph 1 of the same Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for in Article 425, paragraph 1 of the same Act.

If their reelection is approved, the Company plans to continue the said limited liability agreement with them.

## **(Reference) Criteria for Independence of Outside Officers**

The Company deems that a candidate for outside Director or candidate for outside Audit & Supervisory Board Member is independent when none of the following conditions apply:

1. A principal executive (Note 1) of the Company or its subsidiaries (the “Group”)
2. An entity for which the Group is a major business partner (Note 2) or a principal executive thereof
3. A major business partner of the Group (Note 3) or a principal executive thereof
4. A major shareholder of the Company (Note 4) or a principal executive thereof
5. Financial Auditor or a member or other employee of an audit firm of the Group
6. A consultant, legal expert or accounting expert who receives a large amount of monetary consideration (Note 5) or other assets other than officer remuneration from the Group
7. An entity that receives a large amount of donation (Note 6) from the Group or a principal executive thereof
8. A spouse or relative within the second degree of kinship of the person described in 1. through 7. above
9. Notwithstanding the provisions of each preceding item, a person who is considered to have a special reason that may cause a conflict of interest with the Company

Notes:

- 1: “Principal executive” refers to an executive director, an executive officer or an important employee whose position is ranked at the level of general manager or above.
- 2: “Entity for which the Group is a major business partner” refers to an entity that has received the payment of 2% or more of its consolidated net sales from the Group in the most recent fiscal year.
- 3: “Major business partner of the Group” refers to an entity that has paid the Group 2% or more of its consolidated net sales in the most recent fiscal year.
- 4: “Major shareholder” refers to a shareholder who holds 10% or more of the total number of voting rights of the Company directly or indirectly.
- 5: “A large amount of monetary consideration” refers to the sum of ¥10 million or more a year, while for an organization, 2% or more of the annual revenues, on average for the past three fiscal years.
- 6: “A large amount of donation” refers to amounts of ¥10 million or more a year on average for the past three fiscal years.