



# **P/F Atlantic Airways**

**Annual General Meeting 2010**

25 March 2010





# Agenda – AGM 2010

1. The General Meeting elects a chairman on proposal from the Board of Directors
2. The Board of Directors' report of the company's activities in the past year
3. Submission of audited annual accounts and annual report for adoption
4. Decision on distribution of profit in accordance with the adopted annual accounts
4. Proposals for amendment of the Articles of Association
5. Election of members to the Board of Directors
6. Election of Auditor
7. Proposals from shareholders
9. Other



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# 1 Election of chairman



The Board proposes to elect Djóni Thomassen to chair the meeting



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# 3 Submission of audited annual accounts and annual report for adoption



## Income Statement

DKK 1.000	2009	2008
<b>Total income</b>	<b>402.137</b>	<b>546.836</b>
Flight expenses	-258.669	-348.091
Employee expenditures	-99.835	-111.775
Total operating expenses	-358.504	-459.866
<b>Result before dep., amort. and impairment (EBITDA)</b>	<b>43.633</b>	<b>86.970</b>
Depreciations, amort. and impairment	-63.001	-60.513
<b>Result before financial items</b>	<b>-19.368</b>	<b>26.457</b>
Financial income	22.322	11.536
Financial expenses	-10.577	-10.099
Net financial items	11.745	1.437
Share of profit/loss of associates	-441	-75
<b>Result before taxes (EBT)</b>	<b>-8.064</b>	<b>27.818</b>
Taxes	1.455	-4.971
<b>Net Profit/Loss for the year</b>	<b>-6.609</b>	<b>22.847</b>

# 3 Submission of audited annual accounts and annual report for adoption



## Balance Sheet as at 31 December 2009

<b>ASSETS (DKK 1.000)</b>	<b>2009</b>	<b>2008</b>
Total non-current assets	303.389	301.235
Total current assets	96.467	136.929
<b>TOTAL ASSETS.</b>	<b>399.856</b>	<b>438.164</b>
<b>TOTAL EQUITY AND LIABILITIES (DKK 1.000)</b>	<b>2009</b>	<b>2008</b>
Total equity.	214.377	226.324
Total non-current liabilities.	127.797	146.027
Total current liabilities.	57.682	65.813
Total liabilities.	185.479	211.840
<b>TOTAL EQUITY AND LIABILITIES.</b>	<b>399.856</b>	<b>438.164</b>



# **3** Submission of audited annual accounts and annual report for adoption



**The full length audited annual account and annual report can be obtained at company's main office and can be seen on the company website. A small number of printed copies will be available at the meeting.**



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# **4** Decision on distribution of profit in accordance with the adopted annual accounts



**The Board of Directors recommends that the result for the year be carried forward to next year, and no payment of dividends.**



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# 5 Proposals for amendment of the Articles of Association (1)



**The Board of Directors recommends the following amendments of the Articles of Association:**

**Proposal that Article 5 shall be changed with the following wording: *“At the earliest 28 days and at the latest 14 days prior to the general meeting, the Board of Directors gives notice of the general meeting with specification of time, place and agenda, The notice shall be in writing to each shareholder to the address latest registered in the share register, or by announcement in a Faroese public gazette. The notice may be given by e-mail and it is the responsibility of the shareholders to ensure that the management of the company has a valid e-mail address.”***

# 5 Proposals for amendment of the Articles of Association (2)



**Proposal that Article 6, no. 2 shall be changed with the following wording:**

***“Presentation of audited annual report for approval.”***

# 5 Proposals for amendment of the Articles of Association (3)



**Proposal that Article 10, paragraph 1, last sentence, shall be changed with the following wording:**

*“A written authority to vote by proxy cannot be given for a period longer than 12 months. A proxy to the Board of Directors can only be given for a specific general meeting with a beforehand known agenda.”*

# 5 Proposals for amendment of the Articles of Association (4)



**Proposal that Article 15, paragraph 1, shall be changed with the following wording:**

*“The Board of Directors consists of 4 members appointed by the General Meeting. The Board of Directors is supplemented by members required by legislation.”*



# 5 Proposals for amendment of the Articles of Association (5)



**Proposal that Article 15, paragraph 5, shall be changed with the following wording:**

*“If a member retires from the Board of Directors in the mandate period, the Board of Directors will call for a extraordinary general meeting within 4 weeks for the election of a new member for the remaining of the mandate period. The Board of Directors may – if the Board can form a quorum – postpone the question of the election of a new member to the following annual meeting.”*

# 5 Proposals for amendment of the Articles of Association (6)



**Proposal that Article 17, first sentence, shall be changed with the following wording:**

*“In order to form a quorum a majority of the Board members must be present at the meeting.”*

# 5 Proposals for amendment of the Articles of Association (7)



**Proposal that Article 18, paragraph 2, shall be changed with the following wording:**

*“Minutes of the board meetings are kept and are signed by all participants. A participant, who does not agree with a decision of the Board of Directors, may have his opinion written in the minutes.”*

# 5 Proposals for amendment of the Articles of Association (8)



**Proposal that Article 19, second sentence, shall be changed with the following wording:**

*“The accountant must be authorized.”*

# 5 Proposals for amendment of the Articles of Association (9)



**Proposal that Article 21 shall be changed with the following wording:**

*“Auditing of the annual report is performed by the accountant elected by on General Meeting.”*



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# **6 Election of members to the Board of Directors**



**According to the Articles of Association,  
Article 15, the General Meeting  
appoints 4 Board members that are  
members of the Board until the next  
Annual General Meeting.**



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# 7 Election of Auditor



*The Board of Directors proposes re-election of the auditors, NOTA, State Authorized Public Accountants P/F, Hoyvíksvegur 5, 100 Tórshavn.*



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# 8 Proposals from shareholders



*One shareholder has submitted the following matters for discussion:*

# 8 Proposals from shareholders



## Matter for discussion:

- *Public statements made by the majority shareholder that it wants to facilitate more competition against Atlantic Airways.*

# 8 Proposals from shareholders



## Matter for discussion:

- *The relationship between the Airline and the Airport Authority, and the potential for conflict of interest as the majority shareholder diverts money from the airline to other majority state-owned organisations.*

# 8 Proposals from shareholders



## Matter for discussion:

*-Sale of majority of the shares to private investors or buyback of shares from private shareholders or the conversion of the private investors shares into guaranteed income stock in order to solve the conflict of interest between the Government and the private investors (whose interests are not looked after).*

# 8 Proposals from shareholders



*Matter for discussion:*

*-The Board's vision for the future of the airline and how that matches with the majority shareholders view and actions*

# 8 Proposals from shareholders



## Matter for discussion:

*-We note from the agenda  
of the Annual Meeting that the Board do not  
propose paying a dividend this year*

*We acknowledge that the airline has made a loss and is therefore  
unable to pay a dividend this year but, since the loss is due to, or  
at least contributed to by, the Government's actions, this underlines  
the prejudice and loss which minority shareholders are suffering as a  
result of the Government (a) abusing its majority status and (b)  
failing to deal with the airline at arms length, contrary to the  
statements it made prior to the partial privatisation.*





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# 8 Other



Other