



Company	Atlas Arteria Limited
Code	ALX
Meeting	AGM
Date	17 April 2019
Venue	The Mint, 10 Macquarie Street, Sydney NSW
Monitor	Nick Bury

Number attendees at meeting	51 shareholders
Number of holdings represented by ASA	68
Value of proxies	\$2.087m
Number of shares represented by ASA	278,363
Market capitalisation	\$5,122 billion
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with chair Nora Scheinkestel, director Jeffrey Conyers and Head of Investor Relations Kylie Ramsden

ALX'S AGM resolutions for the re-election of non-executive directors (NED) David Bartholomew and election of Jean-Georges Malcor as an NED were overwhelmingly passed, as was its remuneration report, and the motions to approve the granting of performance rights and restricted securities to new ALX CEO Graeme Bevans.

Approval was also given to an increase in ALX's aggregate fee pool for its NED's, though the ASA monitor on the day advised the AGM that there would be scrutiny of any proposed future increases of fees for NED's.

A concurrent meeting was also held for ALX's stapled security ATLAX, and the proposed amendments to its constitution were easily passed. The purpose of the latter amendments was also clearly explained to unitholders at the AGM, which was informative. ATLAX NED's James Keyes and Chairman Nora Scheinkestel were also easily re-elected.

PricewaterhouseCoopers were re-appointed as auditors. ALX explained that those duties would be rotated within that firm, however the ASA contended that this function should be periodically put out to tender. The logic that PricewaterhouseCoopers should remain as auditors for continuity purposes during ALX's transition period from its former life as MQA, was accepted.

Unitholders were advised that ALX's operating costs going forward for the payment of key management personnel, other staff, NED's and other foreseen accompanying expenses would be about \$15-20m per annum.

About \$12m per annum (before performance fees) would be payable to Macquarie Bank for its management of ALX's principal asset APRR, which comprises the remaining poison pill (so to speak) for ALX's unitholders going forward. Nonetheless, a lot more profit is now available for distribution to unitholders under the new arrangements, as opposed to the same being paid to Macquarie.

Very significantly, ALX's interest costs have been massively reduced by about 123m Euros per annum going forward by the re-negotiation of its debt. ALX indicated that as its balance sheet position had improved over time, it was now better positioned to consider any future prospective investments in any future promising greenfield or other assets within the confines of its expertise, which is in toll roads.

Guidance given for the coming year's distributions is at 30 cents per unit, being an increase of 20% on last year's distributions. ALX's predecessor MQA had likewise increased its distributions by about 20% between 2017 and 2018. Both increases were paid from cash earnings, which is singularly impressive. Going forward, ALX is likely to benefit from its increased holdings in its Dulles Greenway toll road in Virginia, USA, and Warnow Tunnel in Rostock, Germany if these 2 assets become ever larger contributors to its earnings, given the static nature of its overheads.