

MINUTES OF MEETINGS

OF

EXECUTIVE COMMITTEES

OF

AIR ASIA COMPANY LIMITED AND AIR AMERICA, INC.

9 May, 1967

Meetings of the Executive Committees of Air Asia Company Limited and Air America, Inc., were held on May 9, 1967, and the following matters were considered:

1 - Approval of Minutes: The Minutes of the Meetings of the Air Asia Company Limited and Air America, Inc. Executive Committees of April 11, 1967 were approved.

2 - Reports:

(a) Personnel Statistics - March, 1967: Personnel increased by 86 during March, 1967 to a total of 10,074 on board. Vacancies totalled 1,697 down 33 for the month. Pilot personnel has remained fairly stable over the past few months, however, the Field has recently requested that 75 pilots be hired at the rate of 25 per month. It was reported that personnel have increased by about 2,500 during the past 12 months.

(b) Operating Statistics - March, 1967: Flying activity for March totalled 24,130 hours or 778 hours per day as compared with a total of 19,230 hours or 689 hours per day reported for February. March flying

APPROVED FOR
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represented an all time high for the Companies. Preliminary reports show April flying off slightly from March with flying during the early days of May exceeding March. Total revenue load factor for scheduled operations was 52% for March as compared with 48% for March of 1966. Customer aircraft maintenance was up 32% with 257,000 skilled man-hours reported for March, 1967, as compared with 190,000 for February, 1967. The total skilled man-hours expended in March at the main maintenance base was 587,000 up 19% over the 495,000 expended in February. Skilled labor overtime was 22% of regular hours worked in March, 1967 as compared with 18% for February, 1967.

(c) Preliminary Financial - March and Fiscal Year Ended March 31, 1967: Preliminary financial results show transport and other operating revenue for March, 1967 of \$4,657,000 and customer maintenance revenue of \$1,330,000. Total gross revenue for March was \$5,987,000 after an adjustment of \$1,030,000 which reduced March's total gross revenue from \$7,017,000. For the Companies' fiscal year ended March 31, 1967, total revenues were \$65,610,000 which is 45% above the revenues of \$45,194,000 for the previous fiscal year. Air Asia Company Limited showed a net loss of \$41,000 for March after year end adjustments. For the fiscal year ended March 31, 1967 Air Asia Company Limited showed a net income before income taxes of \$3,287,000. Air America's results were approximately the same.

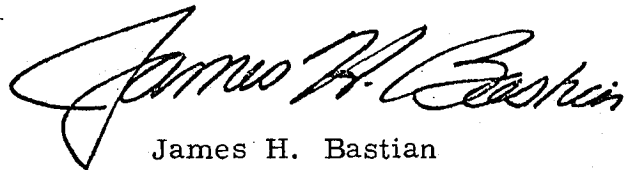
3 - SEA Contract Flying: The Executive Committee reviewed and discussed various Southeast Asia contract flying programs. It was also reported that

SEA customers' requirements are being adequately met at the present time.

4 - Revetments at Saigon: The Executive Committee approved the Field proposal, which was considered at previous meetings, for construction of revetments at Saigon's Tan Son Nhut Airport at a cost of \$72,572.

There being no further business to come before the meeting, on motion duly made and seconded, it was adjourned.

Respectfully submitted,

A handwritten signature in cursive script, reading "James H. Bastian". The signature is written in dark ink and is positioned above the typed name and title.

James H. Bastian
Secretary for the Meeting