



MINUTES

27th Annual General Meeting 2010 of Marel Food Systems hf.

The Annual General Meeting 2010 of Marel Food Systems hf. was held on 3 March, 2010 at 15:00 at the Company's headquarters, Austurhraun 9, 210 Garðabær, Iceland.

Agenda

1. The report of the Board of Directors on the activities of the Company during the preceding year of operation.
2. CEO's operational report. Submission of the annual accounts of the Company for the preceding year for confirmation, and decision on how to address the profit or loss from the Company's operations for the year.
3. Decision in respect of dividends for the year 2009.
4. Decision on remuneration to the members of the Board of Directors for the next year of operation and of the Auditor for the preceding year of operation.
5. Proposal on the Company's remuneration policy.
6. Proposals on amendments of the Company's Articles of Association.
 - a) Art. 1.1. – Proposal to change the name of the Company to Marel hf.
 - b) Art. 4.14. – Proposal to amend list of matters addressed at Annual General Meeting
 - c) Art. 4.16. – Proposal to extend the period for announcement/notification of the Company's shareholders meetings.
 - d) Art. 4.18. – Proposal to have the Company's Annual General Meeting announced with no less than three week's notice.
 - e) Art. 5.1. – Proposal to increase number of Directors of the Company from 6 to 8.
 - f) Art. 15.1. – Proposal to increase the number of shares from ISK 12,000,000 to ISK 45,000,000 which the Company's Board of Directors is

authorised to issue as new shares in relation to fulfil share option contracts concluded with employees etc. in accordance with the Company's applicable stock option programme

g) Art. 15.3. – Proposal to delete reference to amount as share capital of the Company is variable from time to time.

7. Elections to the Board of Directors.
 8. Election of an auditor or auditing firm.
 9. Proposal on a renewed authorisation for the Company to buy shares in itself.
 10. Any other business, lawfully presented.
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The Chairman of Marel's Board of Directors, Mr. Árni Oddur Þórðarson, announced the Meeting open and proposed that Mr. Árni Sigurjónsson be elected to Chair the Meeting. The proposal was agreed unanimously. The Chair proposed that Mr. Kristján Þorsteinsson be elected Secretary of the Meeting to keep the Records of Minutes. The proposal was agreed unanimously. The Chair reviewed the Meeting's calling and announced the Meeting to be in accordance with the Company's Articles of Association.

According to received ballots shareholders holding 590,051,828 of 727,136,497 outstanding shares attended the Meeting, equal to 81.15% of the Company's voting share.

All proposals presented to the meeting were distributed to the attendants both in English and Icelandic.

Passing to the Agenda.

1. The report of the Board of Directors on the activities of Marel during the preceding year of operation

The Chairman of the Board of Directors, Mr. Árni Oddur Þórðarson addressed the Company's last year operations.

Mr. Þórðarson spoke about the Company's environment. Marel is in a unique position to create value for customers and shareholders. The Chairman discussed the growth strategy set in 2006 and how it has been faithfully followed. Marel is now a one company with a common heritage which can be traced back to 1932. Mr. Þórðarson discussed and explained the changes in the senior management last year and the organisational changes based on the four industries, i.e. poultry, fish, meat and further processing. Marel is in a fierce competition. In last year Marel had a record cash flow in a tough environment. Mr. Þórðarson expressed his gratitude to the shareholders of the Company and three Icelandic banks for how supportive they have been towards the Company through difficult period.

Mr. Þórðarson discussed the outlook for the Company which is favourable.

2. CEO's operational report. Submission of the annual accounts of Marel for the preceding year for confirmation, and decision on how to address the profit or loss from Marel's operations for the year

Marel's CEO, Mr. Theo Hoen submitted the audited Consolidated Financial Statements of 2009 of Marel Food Systems hf and discussed the key numbers of the Company's operation. Reference is made to the Annual Report 2009 of Marel Food Systems hf which was distributed at the meeting and is available at the Company's webpage (<http://marel.com/resources/files/ir/2010/Marel---Annual-Report-2009.pdf>)

Mr. Hoen stressed the importance for the Company to be the best in its field.

Mr. Hoen then further summarized the results of the Company's core businesses which are comparable figures between the years 2009 and 2008. He explained the financial highlights and the sales of the none core operation.

Mr. Hoen discussed the future outlook for the Company and explained the situation in the industries the Company is serving. He showed an explanatory video from the IPE exhibition in Atlanta US in January 2010.

The attendants were invited to speak about the Company's annual accounts and its day-to-day operations.

None of the shareholders wished to accept that invitation and the annual accounts were subsequently approved.

3. Decision in respect of dividends for the year 2009.

The following proposal on payment of dividends for the year 2009 was brought before the Meeting:

"The Board of Directors proposes that no dividends will be paid for the financial year 2009."

No requests to comment on the proposal were put forward and subsequently the proposal was agreed by all casted votes.

4. Decision on remuneration to the members of the Board of Directors for the next year of operation and of the Auditor for the preceding year of operation

The following proposal on remuneration to the members of the Board of Directors for the next year of operation and of the Auditor for the preceding year of operation was brought before the Meeting:

"The Board of Directors of Marel Food Systems hf. recommends the following remuneration to Board members for the coming operating year:

Chairman of the Board, EUR 4,000 per month;

Vice-chairman of the Board, EUR 2,400 per month;

Other members of the Board, EUR 1,600 per month;

The compensation will be paid on the 15th day of each month.

The Board of Marel Food Systems hf. recommends that the remuneration to the Company's auditors for the preceding operating year should be paid according to invoice."

No requests to comment on the proposal were put forward and subsequently the proposal was agreed by all casted votes.

5. Proposal on Marel's remuneration policy

Proposal on Marel's remuneration policy agreed on by the Board of Directors according to Article 79a of the Act No 2/1995 respecting Public Limited Companies, was brought before the Meeting.

The Chair explained the main substance of the remuneration policy in accordance with the submitted policy agreed by the Board of Directors. It was proposed that the Remuneration Policy approved by the AGM 2009 would be approved unchanged for the year 2010. It is as follows:

Article 1. Objective

The remuneration policy of Marel hf. has the aim of making the company and its subsidiaries competitive in hiring outstanding employees, a necessary prerequisite to fulfilling the company's vision for its presence on the global market. The remuneration policy covers all main aspects of salary and benefits for the Chief Executive Officer (CEO) and management of the company. A wage and benefits committee operates within the company comprised of three to four Board members.

Article 2. Remuneration for Board members

Board members shall receive a fixed, monthly payment in accordance with the decision of the annual general meeting of the company, as stipulated in article 79 a of Act No. 2/1995 on Public Limited Companies. The Board of Directors shall submit a proposal on the fee for the upcoming operating year and shall take into account the time board members spend on their duties, the responsibility involved and company performance.

Article 3. Remuneration for the CEO

A written employment contract shall be made between the company and the CEO. His terms of employment shall be competitive on an international standard. The amount of salary and other payments to the CEO shall be decided on the basis of his education, experience and previous occupation. Other terms of employment shall be specified in the contract, along with pension payments, vacation rights, benefits and terms of notice.

When preparing employment contract the emphasis shall be that no additional payments will be made at termination other than those stipulated in the employment contract. However, special circumstances in the opinion of the Board of Directors may lead to a separate termination agreement being concluded with the CEO.

Article 4. Acknowledgements to senior management

The CEO is authorized to propose to the Board of Directors and Compensation Committee that senior management should be rewarded in addition to their set terms of employment in the form of delivery of shares, performance based payments, stocks, stock options or other forms of payment having to do with company shares or the future value of such shares, pension fund contributions, retirement or redundancy payments.

When deciding whether senior managers should be granted rewards in addition to the set terms of employment, the status, responsibility and future prospects of the respective manager within the company shall be taken into consideration.

Article 5. Disclosure information

At the Annual General Meeting, the Board of Directors shall present information on the remuneration of the Chief Executive Officer, managing directors and board members. Information shall be presented on the total amount of salary payments during the year, payments from other companies in the group, the amount paid in bonuses and stock

options, other forms of payment related to the value of company shares, termination payments if applicable, and the total amount of any other payments.

The Company's remuneration policy shall be published on the Company's website.

Article 6. Approval of the Remuneration Policy and other matters

The company's Remuneration Policy shall be presented to the shareholders in the annual general meeting for their approval or rejection.

The Remuneration Policy is binding for the Board of Directors in regards to stock options and payments on the basis of share price movements as per Paragraph 2, Article 79.a of Act No. 2/1995 on Public Limited Companies. In all other aspects the policy shall be viewed as guidelines for the company and its Board. The Board of Directors shall note in the minutes of its meeting any major deviation from the Remuneration Policy and such deviation shall be well justified. The Board of Directors shall inform the annual general meeting of such a deviation.

Mr. Árni Oddur Þórðarson explained the policy further in Icelandic, i.e. the remuneration in the form of salaries, bonuses and stock options. In a new stock option plan the exercise price is increased per year according to the interest rate comparable to 7 years German governmental bonds, i.e. 4% annual interest rate. Subsequently the proposal was agreed by all casted votes.

6. Proposals on amendments of the Articles of Association of the Company

The following proposals on amendments of the Articles of Association of Marel were brought before the Meeting. The Chair proposed to the Meeting that the amendment proposals would be put forward as a whole and it was agreed unanimously. The Chair announced the proposals:

a) Proposed change to Article 1.1

It is proposed that the article reads as follows:

"The name of the company is Marel hf."

b) Proposed change to Article 4.14

It is proposed that the article reads as follows:

"The following matters shall be addressed at Annual General Meeting:

1. Board of Director's report on operations for the previous operating year.
2. Confirmation of the financial statements and decision taken on how to handle the company's profit or loss for the financial year.
3. Decisions on remuneration to the members of the Board of Directors.
4. Proposal by the Board of Directors regarding a remuneration policy.
5. Election of the Board of Directors.
6. Election of auditor.
7. Lawful proposals from shareholders that shall be placed on the agenda.
8. Any other business.

If shareholders controlling at least 1/3 of all shares make a written request at the annual meeting, decisions regarding Clause 2 shall be postponed and taken up at an extraordinary annual meeting to be held not earlier than one month, and not later than two months, later. Further postponements may not be requested.

The financial statements of the company, the Board of Director's report on operations and the auditors' report shall be available for shareholders to examine at the company's headquarters 7 days prior to the Annual General Meeting."

c) Proposed change to Article 4.16

It is proposed that the article reads as follows:

"When a lawful request for a meeting has been made, the Board of Directors shall be required to call a meeting within 21 days from when the request arrives. If the Board has not called a meeting within this period, it is permitted to demand that a meeting be called in accordance with Article 87 paragraph 2 of the Act on Public Limited Liability Companies."

d) Proposed change to Article 4.18

It is proposed that the article reads as follows:

"Shareholder meetings shall be announced with a minimum of three weeks' notice and a maximum of four weeks' notice, unless shareholders of the Company have approved shorter notices as provided for and with the conditions stipulated in Article 88 a of the Act on Public Limited Liability Companies."

e) Proposed change to Article 5.1

It is proposed that the article reads as follows:

"The company's Annual General Meeting annually elects 7-9 (seven to nine) people to sit on the Board of Directors. Their suitability is determined by law."

f) Proposed change to Article 15.1

It is proposed that the article reads as follows:

"The company's Board of Directors is authorised to increase share capital by as much as ISK 45,000,000 nominal value by issuing new shares. Shareholders do not enjoy pre-emptive rights to subscribe for these new shares, which shall be used to fulfill share option contracts concluded with employees etc. in accordance with the Company's currently applicable stock option programme. The purchase price of shares and terms of sale shall be as provided for in contract concluded by the Board or CEO with the individual concerned. This authorisation shall apply for six years from its adoption."

g) Proposed change to Article 15.3

It is proposed that the article reads as follows:

"The Company's Board is authorised to issue bonus shares in the current financial year increasing the company's share capital to as much as four-fold the present amount, or an equivalent amount in EUR if the Company's share

capital has already been registered in that currency when the authorisation is utilised. In such case the conversion rate shall be the same as applied when the share capital was converted to EUR.”

Mr. Árni Oddur Þórðarson explained the proposed change to Article 5.1 in Icelandic and summarised it in English. The above proposals were agreed by all casted votes. It was also agreed that the legal counsel of the Company is granted a permission to make changes to the English version where needed as the Icelandic of the Article of Association prevails.

7. Elections to the Board of Directors of Marel

The deadline for declaring candidacy for election to the Board of Directors expired on 26 February 2010 at 3:00 p.m. according to Marel’s Articles of Association. The following declared their candidacy to the Company’s Board of Directors:

Arnar Þór Másson
Árni Oddur Þórðarson
Ásthildur Margrét Otharsdóttir
Friðrik Jóhannsson
Helgi Magnússon
Lars Grundtvig
Margrét Jónsdóttir
Smári Rúnar Þorvaldsson
Theo Bruinsma

According to Article 5.1 of Marel’s Article of Association, as amended on this Meeting, seven to nine persons shall be elected to Marel’s Board of Directors. The Board proposes that the Company’s shareholders elect nine Directors to serve on the Board of Directors, which would have the effect that the above candidates would be elected to the Board without ballot at the meeting. The proposal was agreed by all casted votes.

No further recommendation to Board of Directors were submitted and the above-mentioned candidates chosen without election. Their election was confirmed by the meeting.

Mr. Árni Oddur Þórðarson introduced the new Board members and the Meeting welcomed them with applause.

8. Election of an auditor or auditing firm

The following proposal on auditor was presented before the Meeting by the Chair:

“The Board of Directors of Marel Food Systems hf. moves for the re-election of KPMG hf. as the Company’s auditing firm for 2010”.

No requests to comment on the proposal were put forward and subsequently the proposal was agreed by all casted votes.

9. Proposal to grant authorization to the Board of Directors to purchase treasury shares in the company submitted to the Annual General Meeting of Marel hf.

The following proposal on the Company's authorisation to buy shares in itself was brought before the Meeting and announced by the Chair:

"The Board of Directors proposes that the Company is authorized, pursuant to the provisions of Article 55 of the Act on Public Limited Liability Companies No. 2/1995, to acquire up to 10% of its own shares at a price which is no higher than 10% over and no lower than 10% under the posted average price of shares in the Company for the two weeks immediately preceding the acquisition.

It is furthermore proposed, that this authorisation is effective for the next 18 months from approval. Earlier authorisation shall be withdrawn."

No requests to comment on the proposal were put forward and subsequently the proposal was agreed by all casted votes.

10. Any other business, lawfully presented

Then the Meeting was open for any other business.

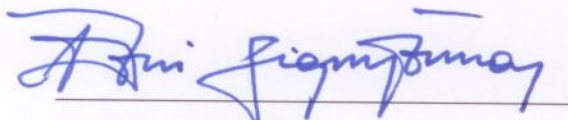
The Chair informed that no other matters had been submitted to the Company's Board of Directors before the Meeting but invited attendants to speak about the Company's matters. No such requests were made.

Mr Sigsteinn Grétarsson invited the attendant to go around in the factory and look at a new processing system which is under final test.

Mr. Árni Oddur Þórðarson thanked the attendant and closed the meeting at 16:50.

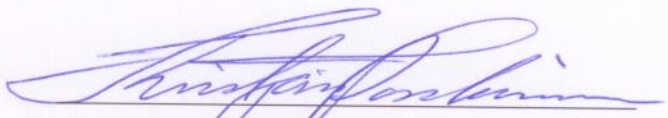
Garðabær, 3rd March 2010

Chair:



Árni Sigurjónsson

Secretary:



Kristján Þorsteinsson