

For Immediate Release – April 29, 2009



Sealaska Publishes 2008 Annual Report to Tribal Member Shareholders

The corporation remains strong financially despite \$40.9 million in losses primarily attributed to the recessionary decline in investment markets. Gross revenues were \$125.7 million.

Juneau, Alaska – Sealaska Corporation mailed its 2008 Annual Report to tribal member shareholders today, which contains independently audited, consolidated financials for the corporation and its subsidiaries plus key strategies to manage the impacts of the current recession and to capture the business investment opportunities that have been created by the recession. The theme for this year's publication is "Perseverance".

"We are in the midst of the worst economic crisis since the Great Depression and Sealaska has been affected like every other company with investments in the financial markets," said Sealaska President and CEO Chris E. McNeil, Jr. "The annual report and audited financials show 2008 losses of \$40.9 million on revenues of \$125.7 million, primarily attributable to a decline in value of the Sealaska Permanent Fund and Investment and Growth Fund. In spite of the loss in value Sealaska remains strong financially. We want tribal member shareholders to know Sealaska is positioned to grow during this recession, and that we are moving to capture business development opportunities that will increase our future profitability."

The 2008 losses according to Sealaska Chief Financial Officer Richard Rinehart "indicate the value of our financial investment assets as if we had sold them at December 31, the end of the fiscal year represented in the annual report," said Rinehart. "We in fact still own most of these assets and as the markets recover, so may the value of these investments."

Sealaska continues to pursue innovative new business ventures while actively managing its long-term investments. The corporation is currently invested in 12 subsidiaries within the information technology, environmental remediation, natural resources, global logistics and manufacturing sectors. "Sealaska implemented lean manufacturing and administration, federal contracting and commercial diversity supply strategies that positioned our operations to minimize impacts from the recession," said McNeil. "Our manufacturing and services divisions were profitable in 2008 and are poised for growth in the coming years."

"We also added two new strategic companies, Sealaska Global Logistics and Sealaska Wood Products Solutions. These companies are agencies that are built upon our long experience in resource development and management and enhance our services and presence in the supply chain."

"The experience of Sealaska's management and the Board of Directors provides the strength and experience that we need to withstand these turbulent times. The economic crisis has been handled with exceptional skill and is preserving the corporation's financial strength in spite of the losses we are reporting," said Sealaska Board Chair Albert Kookesh. "The company is poised to take advantage of new business opportunities and is still able to continue support of the Sealaska Heritage Institute's

cultural programs, educational scholarships, land stewardship investments and advocacy on many social and political issues that affect our Native people.”

“In 2009 and beyond we will continue with our federal contracting and commercial diversity supply strategies plus aggressively look to innovative approaches to new and enhanced economic development in Southeast Alaska,” said McNeil. “We must further manage our operating costs to become a more efficient and lean organization.”

Sealaska has identified opportunities in the American Recovery and Reinvestment Act and is exploring new partnerships in the region with privately held businesses and also with other Native institutions like Central Council of Tlingit and Haida Indians of Alaska. “Our collective abilities will strengthen opportunities for our membership as well as the communities in the region,” Said McNeil.

Statistics from the Sealaska 2008 Annual Report:

- Sealaska now has more than 20,000 tribal member shareholders.
- Sealaska contributed \$1.3 million in cash and in-kind services support to the Sealaska Heritage Institute in 2008
- Sealaska paid \$26.3 million in dividends and ANCSA Section 7(j) payments to tribal member shareholders and Village Corporations in 2008.
- Since inception Sealaska has paid \$410 million in dividends and ANCSA Section 7(j) payments to tribal member shareholders and village corporations.
- Silviculture activity included:
 - Pre-commercial thinning of 3,542 acres of overstocked young forest lands.
 - Hand-planted 40,000 Sitka Spruce seedlings on 200 acres.

Sealaska, a Growing Tradition

Sealaska has been strengthening business with culture since 1972. We are a Native corporation owned by 20,000 tribal member shareholders and guided by our traditions of environmental stewardship and positively impacting our communities. Learn more at www.sealaska.com

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