

For Immediate Release

Sealaska Corporation

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Sealaska Announces Dividend

April 16, 2003, Juneau, Alaska - The Sealaska Board of Directors has approved a dividend that will be paid to shareholders on April 18 from Permanent Fund earnings and 7(j) revenues. \$3.00 per share will be sent to Urban and At Large shareholders and \$2.37 per share will be sent to Village shareholders. Under ANCSA, a direct 7(j) payment will be made to each Village Corporation. The \$.63 per share 7(j) distribution is taxable and should be reported by Urban and At Large shareholders on their 2003 IRS 1040 Tax form.

The \$2.37 per share being paid to all shareholders is from the Sealaska Permanent Fund according to Board Chairman Albert Kookesh. "We had strong profitability in 2002 that led to significant returns on our Permanent Fund investments," said Kookesh. "We last paid dividends in 2000 from the Permanent Fund. The Board believes it's important to pay a shareholder dividend above and beyond our dividend policy in recognition of shareholder patience and support over these past two years."

According to Kookesh the Sealaska Permanent Fund Dividend Policy provides that shareholders will receive 50 percent of a five-year average of earnings, after inflation proofing. "\$.78 of the \$2.37 per share being paid exceeds the Permanent Fund Dividend Policy," said Kookesh. "This \$.78 equates to \$1.2 million. This additional dividend payment will reduce the Permanent Fund and will effect the long-term growth of the fund. However, if Permanent Fund performance goals are met the Fund should reach the \$100 million benchmark by the end of 2010."

Sealaska matured several investments in 2002 that contributed to the Permanent Fund returns including Alaska Native Wireless and the San Pasqual's *Valley View Casino*. "The board of directors has approved the independent audit of Sealaska's 2002 financials which will be published in the May annual report," said Sealaska President and CEO Chris McNeil, Jr. "Preliminary financials show consolidated net earnings of \$40.4 million for the 2002 fiscal year."

"Our forecasts show a reduction in dividends in 2004 and 2005 from decreasing 7(i) revenues from other regional corporations. We forecast that annual dividends should increase thereafter," he said.

The record date of the April dividend will be April 4 and direct deposit and mail checks will be issued on April 18. ###