

Shareholder



Juneau hosts Olympic torch

Sealaska Director Ethel Lund carried the Olympic Torch in Juneau in a Native canoe propelled by the Tlingit Warriors, January 24, 2002

Sealaska/Nypro joint venture reached for TriQuest Guadalajara

January, 17, 2002—Sealaska Corporation and Nypro Inc. announced a joint venture for TriQuest S.A. de C.V.'s plastics injection molding operation in Guadalajara, Mexico. The Guadalajara operation was previously 100% owned by Sealaska.

Sealaska will continue to own and control a majority of TriQuest Guadalajara and Nypro will own a minority share. Nypro will operate the facility under a management agreement. The announcement was made jointly by Chris E. McNeil, Jr., Sealaska president and CEO and Brian S. Jones, Nypro president.

"Sealaska is very pleased to reach this agreement with Nypro, a firm with a depth of experience and track

record of success in plastics injection molding with worldwide operations," Mr. McNeil said. "We expect that we will increase the amount of work we get from major electronics and computer manufacturing firms because of the strength of this joint venture."

Nypro looks forward to bringing our global customer base to the first-class facility of TriQuest Guadalajara," said Mr. Jones. "Sealaska's special status as an ANCSA corporation (Alaska Native-owned for-profit corporation formed under the Alaska Native Claims Settlement Act) opens new access for Nypro to markets that are focused on doing **Please turn to Joint venture, back pg.**

Highlights

- ✔ **Nypro will operate the TriQuest Guadalajara operation under a management agreement.**
- ✔ **As part of the management agreement, Nypro will get 20% of the stock in TriQuest Mexico.**
- ✔ **As a minority-owned business, TriQuest expects to bring more diversity supply business to the Guadalajara joint venture operation.**
- ✔ **Nypro has Latin America operations in Mexico, Puerto Rico and the Dominican Republic.**
- ✔ **Nypro operates worldwide in 12 countries.**

Inside

Shareholder survey results	2-7
Business briefs	7-8
Calendar	8



Photos on pg. 2 and back page are from the recent community meetings.

Inside: Special report on shareholder survey

"Sealaska reached out and took the pulse of our shareholders, and despite the challenging past two years, we found strong views and strong support for Sealaska and for Native culture," Sealaska President & CEO Chris E. McNeil, Jr. said.

For the first time in nearly 10 years, Sealaska surveyed a random sample of shareholders to gather their opinions on a wide range of issues.

The Sealaska board of directors approached the survey method as a way to find out what is most important to shareholders, and how it can best represent the interest of Southeast Alaska and all Sealaska share-

"We found strong views and strong support for Sealaska and for Native culture."
Pres. & CEO Chris McNeil, Jr.

holders. Sealaska will use the survey results to improve its communications with the shareholders, set new policies and guide policy on important shareholder issues.

The telephone survey was conducted by Adam Davis of Davis, Hibbitts & McCaig of Portland.

Davis has worked on Sealaska's surveys since the first one in 1982. In late November 2001, the survey sampled shareholder opinions on a broad range of issues, from the quality of Sealaska's work to the company's impact on Alaska Native people and culture.

The survey also measured shareholder views on Sealaska's handling of investments and dividends, in addition to its ability to communicate with shareholders. Findings were compared with previous surveys performed in 1988, 1991, 1993 and some ranging back to 1982.

Please turn to Survey, pg. 2

Survey: shareholders want more financial information, business reporting

(continued from front page)

Preserving, Promoting Native Culture

Survey results show that shareholders expect Sealaska to help preserve and promote Alaska Native people and culture. Respondents said they look to Sealaska to tackle many problems they believe are facing the community, such as education, subsistence, alcoholism and preserving their heritage.

Shareholders were asked to rate Sealaska's performance in relation to its role in preserving and strengthening Alaskan culture. Respondents ranked Sealaska from highest to lowest in the following areas: scholarships, helping shareholders feel proud of their heritage, protecting Native land, protecting subsistence rights and supporting elders.

The Expectations: Bigger Returns, Communication

The survey asked shareholders for the one most important message they would like to give Sealaska board members, and the message was clear: seek sound financial advice and earn larger dividends and profits.

Dividends Helping People's Lives

Most shareholders said Sealaska dividends help them handle critical, every-day costs. A large portion of the respondents said they use their dividends to pay bills or living expenses and other necessities.

"The survey is just one step in a larger effort to improve the way Sealaska represents and connects with shareholders."

Overall, shareholders want Sealaska to provide them with larger dividends. They preferred that Sealaska give them bigger returns instead of greater reinvestment or more programs.

Yet the results show that they want Sealaska to take a more moderate approach to investing, unlike the more aggressive approach survey respondents preferred 10 years earlier.

ANCSA Protecting the Land

ANCSA plays an important role in the lives of shareholders, according to survey results. The majority of respondents said that ANCSA helps preserve Alaska culture and heritage and is important to the survival of Native people. Respondents also stressed the importance of Sealaska continuing to advocate for the protection of subsistence rights.

Reconnecting with the Community

Survey results suggest that shareholders want more information about Sealaska board members, corporate officers and day-to-day operations, indicating some specific avenues for Sealaska to strengthen its connection with shareholders.

The survey reaffirmed again that the Sealaska Shareholder newsletter is the best way to pass on Sealaska news and information to shareholders. The majority of shareholders said they were satisfied with the five-times-a-year frequency of the newsletter.

Sealaska Must Reflect Native Culture

Respondents feel that it is important for board members to reflect the face and culture of the Alaska Native community. A majority of shareholders said the Sealaska Board should be comprised of recognized Alaska Native leaders. Respondents were split when asked whether the Sealaska CEO and top officers should be shareholders or Alaska Natives.

"These survey results will make a difference in the way the Sealaska talks with shareholders and works for the community," McNeil said. "The survey is just one step in a larger effort to improve the way Sealaska represents and connects with shareholders."



2001 Shareholder Survey Highlights

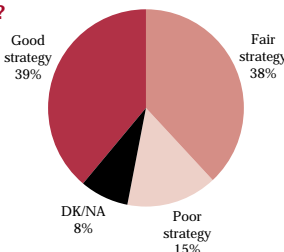
Sealaska's new business strategies

Sealaska's new business strategies, in brief, involve:

- Creating value from our natural resource base.
- Building on successful investments in telecommunications and Indian gaming.
- Pursuing government contracting using our minority status to land contracts in our areas of expertise.

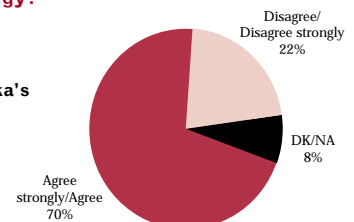
Do you think this is a good strategy, a fair strategy, or a poor strategy?

77% of shareholders think Sealaska's new business strategy is a good or fair strategy.



Do you agree with this strategy?

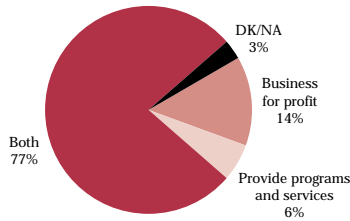
70% of shareholders agree strongly or agree with Sealaska's new business strategy.



Role of Sealaska: a Native institution, provide financial benefits & programs

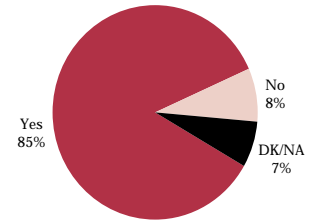
Should Sealaska Corp. be a business for profit or provide programs and services for shareholders, or both?

77% of shareholders say **both**.



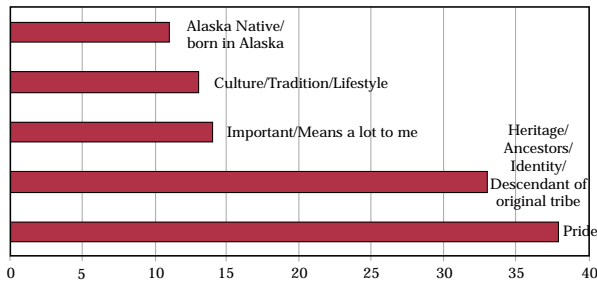
Do you believe that Sealaska should be a Native institution?

85% of shareholders say **yes**.



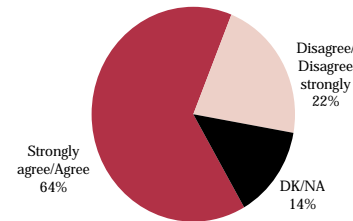
The importance of culture & heritage to Sealaska shareholders

What does being an Alaska Native mean to you?



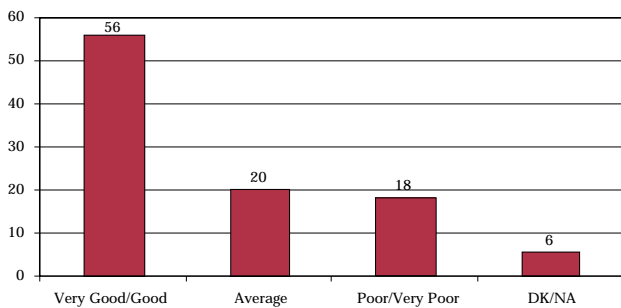
ANCSA was passed more to help preserve Native culture and heritage than to return economic benefits to Natives.

64% of shareholders strongly agreed or agreed that ANCSA was passed more to help preserve Native culture and heritage than to return economic benefits to Natives.



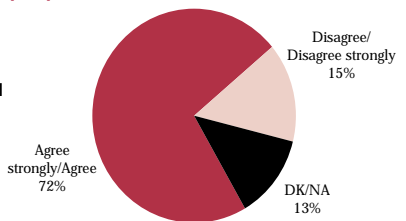
How good a job is Sealaska Corporation doing in helping shareholders feel proud of their heritage?

76% of shareholders say Sealaska is doing a very good, good, or average job of helping shareholders feel proud of their heritage.



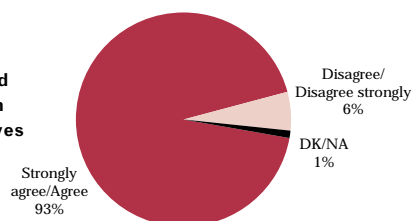
ANCSA Corporations are important to the survival of Native people.

72% of shareholders strongly agreed or agreed that ANCSA Corporations are important to the survival of Native people.



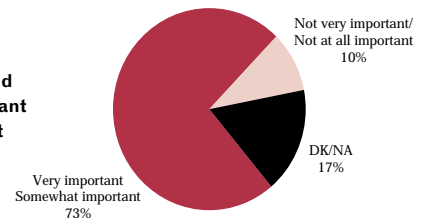
My Native heritage is an important part of my life.

93% of shareholders strongly agreed or agreed that Native heritage is an important part of their lives



How important is ANCSA to you?

73% of shareholders said ANCSA is very important or somewhat important to them.



SEALASKA Shareholder

The Sealaska Shareholder is published for shareholders by Sealaska Corporation and sent free of charge to them. Information on subscriptions for non-shareholders is available by writing the Office of Corporate Communications at the address below.

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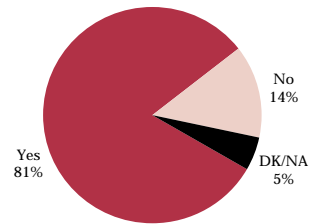
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Copy deadline for next issue:
 April 11, 2002

Support for including shareholder descendants

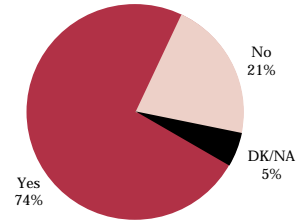
Do you think shareholder descendants have a moral right to participate in Sealaska Corporation?

81% of Sealaska shareholders say shareholder descendants have a moral right to participate in Sealaska.



Do you think Sealaska should put forward a proposal to Sealaska shareholders to include shareholder descendants?

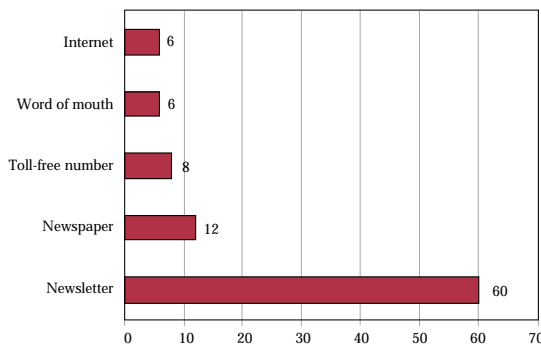
74% of Sealaska shareholders say Sealaska should put forward a proposal to include shareholder descendants.



Communications with shareholders

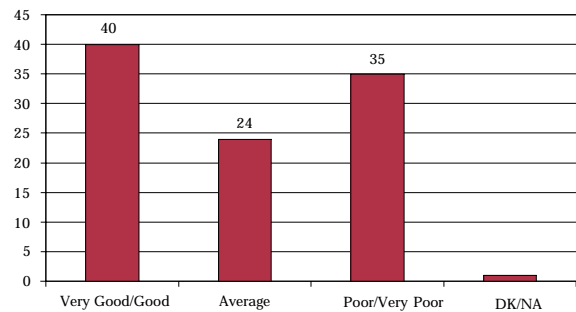
What source of information do you use the most to learn about Sealaska Corp?

60% of Shareholders say the Sealaska newsletter is the source they use to find out information about Sealaska.



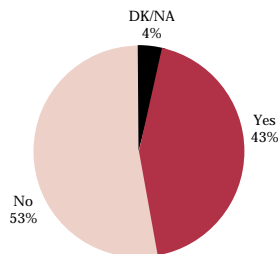
How good a job is Sealaska Corporation doing in telling shareholders what the company is doing?

64% of shareholders say Sealaska is doing a very good, good, or average job of telling shareholders what the company is doing.



Do you know what Sealaska's dividend policy is?

53% of shareholders do not know what Sealaska's dividend policy is.



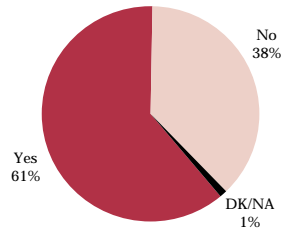
Shareholder dividends come from three sources. Sealaska's dividend policy is to distribute:

- Up to 50% of the earnings of the permanent fund averaged over a five-year period.
- Up to 35% of net earnings averaged over a five-year period.
- Distributions are made in December and April.
- The April distribution includes any Sec. 7(i) revenues received from other ANCSA regional corporations and Sealaska's own Sec. 7(i) revenues that are paid out under Sec. 7(i).

Growing use of the Internet, electronic communications by shareholders

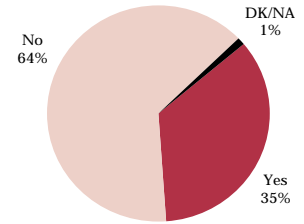
Do you have Internet access?

62% of shareholders have internet access.



Have you visited Sealaska's Web site?

35% of shareholders have visited Sealaska's Web site.



Opinions about and advice for Sealaska directors

Sealaska shareholders had a variety of key messages for the board of directors, but nearly all were focused on investments and financial performance of Sealaska.

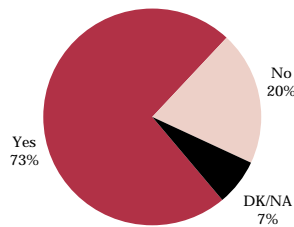
Shareholders also wanted Sealaska directors to communicate more effectively with them, and very strongly supported continuing shareholder community meetings.

All things considered, what is the one most important message you'd like to give the board of directors of Sealaska Corporation?

The most important message most shareholders gave was to make better investments, manage our money better, or get better financial advice. The top three messages were all financial.

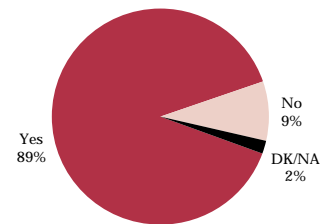
Should Sealaska board members be recognized Alaska Native leaders in their communities and region?

73% of shareholders say that Sealaska directors should be recognized Alaska Native leaders in their communities and region.



Do you think Sealaska Directors should continue to hold community meetings with shareholders?

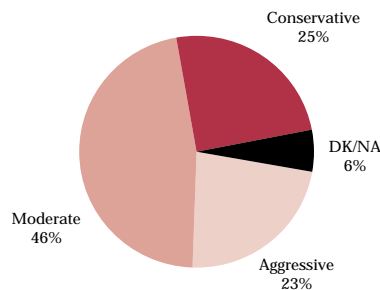
89% of shareholders say that Sealaska directors should continue to hold community meetings with shareholders.



How aggressively should Sealaska invest?

Understanding that more aggressive investments generally mean higher return with the potential for higher loss, how aggressive should Sealaska be in making investments?

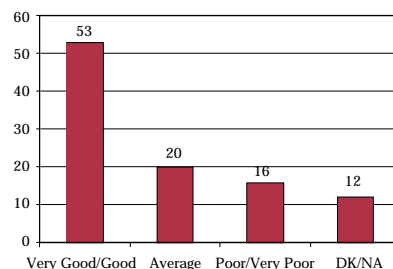
47% of shareholders say Sealaska's investments should be moderately aggressive, while 23% say aggressive, and 25% say conservative. This is nearly a perfect "bell-shaped curve."



How good a job is Sealaska doing?

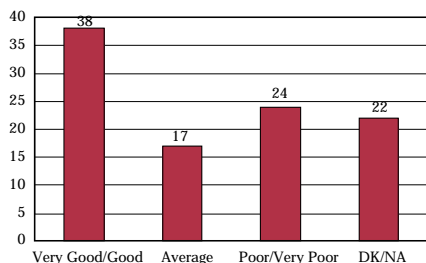
- 41% of shareholders say Sealaska is doing a very good, good, or average job of making money.
- 44% of shareholders say Sealaska is doing a very good, good, or average job of getting jobs for shareholders.

73% of shareholders say Sealaska is doing a very good, good, or average job of providing scholarships to shareholders.

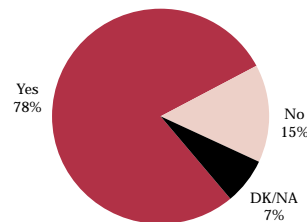


55% of shareholders say Sealaska is doing a very good, good, or average job of helping elders.

Helping elders

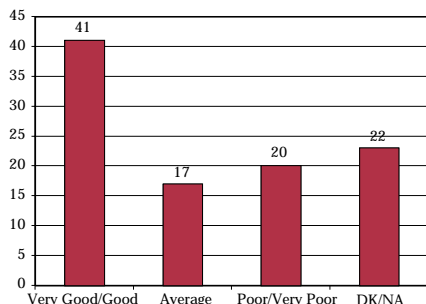


78% of shareholders say Sealaska shareholder records provided them efficient and friendly service.

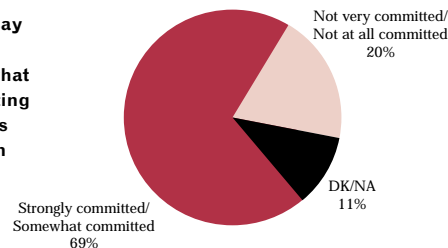


58% of shareholders say Sealaska is doing a very good, good, or average job of protecting Native land.

Protecting Native land



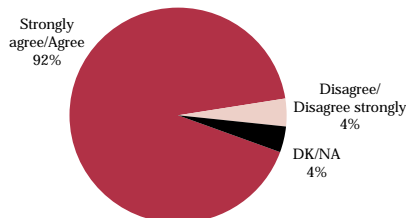
69% of shareholders say Sealaska is strongly committed or somewhat committed to protecting the environment in its business activities on Native land.



Advocacy and the future for Sealaska shareholders

Sealaska Corp. should continue to advocate for protection of subsistence hunting & fishing.

92% of shareholders strongly agree or agree that Sealaska Corp. should continue to advocate for protection of subsistence hunting & fishing.



How good a job is Sealaska Corporation doing protecting subsistence rights?

59% of shareholders say Sealaska is doing a very good, good, or average job of protecting subsistence rights.

Feelings about Sealaska using political clout for subsistence, Native rights and issues?

66% of shareholders are very positive or somewhat positive about Sealaska using political clout for subsistence, Native rights and issues.

Business Briefs

Alaska Native Wireless update

Alaska Native Wireless (ANW) has appeared in national and state news over the past three months. On March 4, 2002, the U.S. Supreme Court agreed to consider the federal government's argument that the Federal Communications Commission (FCC) had the right to seize the licenses from NextWave, a bankrupt company, and auction them to the nation's largest communications carriers.

"This is great news for Alaska Native Wireless partners and Sealaska," Sealaska President & CEO Chris E. McNeil, Jr. said. "Regardless of how the Supreme Court ultimately rules on this issue, our investment remains solid. The immediate effect of the ruling is that we now expect our ANW investment to continue to earn interest at a very high rate for a minimum of 2 to 2.5 years."

The best outcome that we project is that the investment could continue for as long as seven years, McNeil said.

Background

In early 2001, ANW and our partners submitted winning bids for 44 wireless telephone licenses valued at \$2.8 billion in FCC Auction 35. As we reported to you mid-summer 2001, the U.S. Court of Appeals for the District of Columbia ruled in favor of NextWave, a firm that had previously won wireless telephone licenses in a 1997 FCC auction. In 1998 NextWave was unable to pay the \$4.8 billion it owed to the FCC for the wireless licenses it won in the auction, and the firm went into bankruptcy. During the bankruptcy proceedings, the FCC had reclaimed the licenses from NextWave and re-auctioned them in January 2001 under FCC Auction 35. Alaska Native Wireless

successfully bid on some of these same licenses.

The U.S. Court of Appeals ruled that the U.S. government had violated bankruptcy laws when it confiscated the licenses that NextWave won in the 1996 auction. The validity of the Court of Appeals decision is challenged before the U.S. Supreme Court and the issue may take up to a year to decide.

Last December, ANW and other telecommunications industry leaders worked round-the-clock to gain congressional approval of a settlement of the dispute over wireless telephone licenses. However, Congress adjourned just before Christmas without approving the proposed settlement.

"This was an extraordinary effort, lead by the telecommunications industry, to settle the dispute, pay the federal government for these valuable licenses, and open these airwaves to the public," Sealaska President and CEO Chris E. McNeil, Jr. said.

Board of Fish adopts Sitka Tribe of Alaska proposal protecting Sitka herring roe subsistence harvest

In January, the Alaska Board of Fish adopted a proposal advanced by Sitka Tribe of Alaska and their supporters, including Sealaska Corporation, which protects the subsistence harvest of herring eggs in traditional subsistence areas of Sitka Sound. The proposal directs the Alaska Dept. of Fish & Game to disperse the herring sac roe commercial fishing fleet during the annual spring harvest so the fishing effort is not concentrated in areas on traditional areas where Natives gather fish eggs. The 2001 subsistence take of herring eggs was poor, despite a healthy herring run, because of this problem.

Sealaska director Ethel Lund carried Olympic Torch

Sealaska Director Ethel Lund carried the Olympic Torch across Juneau's waterfront in a Tlingit canoe, propelled by the Tlingit Warriors. From the Salt Lake 2002 Web site www.olympics.com, you can find the Juneau slide show link under: *Games Programs/Torch Relay/slide shows: Relive the best moments from the Olympic Torch Relay*. On the page *In Pictures: The Olympic Torch Relay*, scroll down the list of slide shows and select *Day 50: Juneau, Alaska*.

Native American Bank opens for business

In mid-October the Federal Reserve Board approved the application of Native American Bancorporation Co. (NABC) to acquire Blackfeet National Bank of Browning, Mont., a critical event to the startup of the first nationwide American Indian bank.

NABC also announced it had raised necessary initial \$10 million capital to get the project off the ground. Through a community development corporation (CDC) unit, Native American National Bank will focus on financial education, specialized housing and small business finance, and trust land recovery and utilization.

NABC investors are a consortium of about 15 American Indian tribes and Alaska Native corporations including Sealaska Corporation. Tex Hall, Three Affiliated Tribes of North Dakota chairman, is chairman of the board. Other founding tribes are the Mashantucket Pequot of Connecticut, the Grand Traverse Band of Ottawa and Chippewa, Michigan, the Oneida of Wisconsin, the Mille Lacs Ojibwe Indians of Minnesota, the Blackfeet, the Chippewa-Cree of Montana, the Mountain Ute of Colorado, the

Arctic Slope Regional Corporation and Sealaska Corporation.

NABC chief executive John Beirise has 30 years of experience with such firms as Continental Bank, Chicago, and Mercantile Bank, St. Louis. Bank headquarters offices in Denver employs about 25 people.

Sealaska Director Byron I. Malott is a member of the NABC board of directors.

Seaweed Contest

The Celebration Committee of the SHI board of trustees will hold a "Seaweed Contest" during the June 6-8, 2002 Celebration. The names of the three judges who will select the best black seaweed will be a secret until Celebration 2002. The Grand Prize for the Seaweed King or Queen will be \$500; Second Prize \$250, and Third Prize \$100. The Seaweed Contest is open to Natives and descendants of Sealaska shareholders. Don Bremner, Celebration 2002 Coordinator is finalizing details for the contest. Please note that winter harvest of black seaweed is fast approaching.

Internship information available on www.sealaska.com

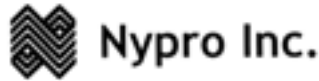
Information and application forms for Sealaska summer internships is available at <http://www.sealaska.com/HTML/intern.htm>. Deadline for applications is March 31, 2002. Information on other internships is also available at the same URL. For more info contact: janice.hotch@sealaska.com.

Joint venture (continued from front page)

business with minority-owned business and diversity suppliers. We expect some Nypro customers who have agreed to set aside certain percentages of their purchasing for minority suppliers will welcome the opportunity to meet this requirement while also accessing Nypro quality assurance and supply chain management strengths."

TriQuest Guadalajara employs 427 people and 63 precision injection molding machines in a 165,000-sq.ft., state-of-the-art facility, which will operate in conjunction with other Nypro Latin American operations in Monterrey and Tijuana, Mexico as well as Puerto Rico and the Dominican Republic.

Nypro Inc. is the leading global precision plastics injection molder and manufacturer, with 8,000 team members at 28 molding and assembly facilities in 12 countries. Based in Clinton, Massachusetts, Nypro sales for the current fiscal year are expected to exceed \$800 million.



- **Eighth largest custom precision plastics injection molder – Plastics News**
- **Web site: www.nypro.com**
- **Nypro is the 18th-largest ESOP (Employee Stock Ownership Plan) company in the US. The company will remain employee-owned; there is no public stock.**
- **For 16 years Nypro has had consistent growth in sales and earnings.**
- **Nypro has about 8,000 team members worldwide, including joint ventures.**
- **1,000 injection molding machines at 28 molding locations around the world; twice as many injection molding machines as the nearest custom injection molder; machines in 20 to 350 ton clamping range.**
- **Locations: North America, Latin America, Europe, Asia. "25-year commitment to globalization" (12 countries altogether).**
- **Nypro also operates ten mold-building facilities, making it one of the world's leading mold-builders.**
- **Markets: health care, electronics/telecommunications, consumer/industrial and automotive.**
- **Injection molding is Nypro's core competency; however they have seen tremendous interest in ancillary services, particularly assembly. Contract manufacturing is a growth opportunity for them.**
- **Nypro's customers are Fortune 1,000 companies with a potential of a million dollars of molding and assembly business.**
- **Nypro's four other businesses: mold-building, robotics/automation, mold design, education**

Shareholders come together at community meetings

"There's been a strong turnout of shareholders at our shareholder community meetings," Rosita Worl, Sealaska Shareholder Committee chair said. "Shareholders said in our recent shareholder survey that these meetings are important, and that's what we have seen." Shareholders in Anchorage, Sitka, Ketchikan and Seattle viewed the newly-released Celebration 2002 video, heard a presentation on current Sealaska investments and activities, and asked a variety of questions of Sealaska boardmembers and officers.

The Kuuteeyaa Dancers performed to a packed house in Seattle, and the Naa Luudisk Gwaay Yatx'ee closed the Anchorage meeting. "The dancers really set the right atmosphere for these meetings," Worl said. "They were really powerful."

The last community meeting is slated for Juneau, March 21, 6:30-8:30 pm at Centennial Hall.



Key messages from shareholders

- Protect the permanent fund.
- Sealaska needs to take care of our elders.
- Do not pay bonuses after the recent financial performance of the company.
- Subsistence is important to the survival of Native people—Sealaska should continue to protect subsistence.
- Turn Sealaska around so you can pay us more dividends!
- Keep up Sealaska's work to protect and promote our heritage.
- Harvest timber carefully and protect our land.
- Revise the ID card so it will help shareholders get services they need.
- Thank you for scholarships—education is very important.

Calendar

March

- 24-30 **Juneau Lions Gold Medal Basketball Tournament, Juneau**
- 29 **Good Friday holiday**
- 31 **Application deadline, Sealaska intern program, 907-586-1512**

April

- 2 **Municipality of Anchorage advisory vote on subsistence — "Vote Yes on Proposition One"**
- 16 **Record date, Sealaska 2002 Annual Meeting**
- 17-20 **General Assembly, Central Council of the Tlingit & Haida Indian Tribes of Alaska, Juneau, Alaska, 907-586-1432**
- 29-May 2 **Conference on Indian Preference & Procurement, New Orleans, www.adproweb.com/res2002info.htm**

May

- 1-31 **6th Annual Spring King Salmon Derby, Juneau**
- 20 **Early Bird Prizes deadline**
- 27 **Memorial Day holiday**

June

- 6-8 **Celebration 2002, Centennial Hall, Juneau, 907-4463-4844**
- 13 **7 pm, deadline for submitting all proxies to Inspectors of Election, Sealaska 2002 Annual Meeting**
- 15 **1 pm, Annual Meeting of Shareholders, Sealaska Corporation, Centennial Hall, Juneau**