

ECONOMIC IMPACT REPORT

2009-2012



ANCSA REGIONAL ASSOCIATION

Bringing Together Regional Corporation Presidents and CEOs



**ANCSA
REGIONAL
CORPORATIONS:**
as unique as the people
we represent.



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MESSAGE FROM ANCSA REGIONAL ASSOCIATION



Jason Metrokin
BOARD CHAIR

Kim Reitmeier
PRESIDENT

Alaska's Native Corporations are unique in the world. Signed into law by President Nixon on December 18, 1971, the Alaska Native Land Claims Settlement Act (ANCSA) is arguably the most successful aboriginal land claims settlement anywhere. In 1971, Alaska Native people faced some of the harshest living conditions and lowest economic status in the United States.

The Act created 12 Alaska-based Regional Corporations and over 200 Village Corporations, which celebrated their 40th anniversary in 2011. Our report limits its scope to the performance of the 12 Regional Corporations who represent more than 100,000 shareholders, the majority of whom are Alaska Native people.

This year's economic report actually represents four years of financial data – 2009, 2010, 2011 and 2012. It is a report of how Alaska's Regional Corporations weathered our country's great recession. While the impact of the recession, combined with misguided political pressure on Native 8(a) contracting, placed a great deal of economic stress on our corporations, as a whole, through continued diversification and a great deal of hard work we were able to stay profitable throughout this period.

In fact, between 2009 and 2012, gross revenues for ANCSA Regional Corporations grew by 22 percent from \$7.34 billion in 2009 to \$8.97 billion in 2012. And while net income was negatively affected by the recession, our average profit margins ranged from 5.4 percent in 2009 to a lower, but still profitable, margin in 2012 of 3 percent. Average revenue for the four-year period was \$8.6 billion, and our average profit margin across the four years reported was 4 percent.

Key to our success has been the conservative way our companies are managed, our diversified holdings, and our deep commitment to directly delivering these successes to our shareholders. In fact, over the last four years Alaska Native Regional Corporations have committed an average of 62.4 percent of net income to dividends, social/cultural programs, and scholarships. In the last two years this has

averaged nearly 75 percent of net income – at a time when the average American company dividend payout rate is 32 percent. Between 2009 and 2012, ANCSA Regional Corporations paid out a total of \$678.4 million in dividends to their shareholders.

ANCSA Regional Corporations are unique from other U.S. companies. We are majority owned by Alaska Native people. Our companies truly manage to a triple bottom line – financial, social/cultural, and environmental. Of course our companies must be financially strong enough to pay significant dividends and to grow in ways that provide jobs and growth opportunities to our shareholders and descendants. But we also maintain a deeply held commitment to the social and cultural bottom line, as evidenced by the dividend payout ratios discussed above and our continued financial support for scholarships and social/cultural programs.

Our Regional Corporations are also some of the largest landowners in the world today, but our undeveloped land is not carried on our balance sheets as a long-term financial asset because the land represents to us who we are – our environmental bottom line. It represents our culture, our subsistence way of life, and a tremendous potential for future resource development and shareholder/descendant job creation.

We have grown our companies with a multigenerational perspective. Over the years, through a long-term investment in scholarships, we have worked hard to build capacity within our people. In fact, several of our companies today are run by Alaska Native shareholders who were either very young or weren't even born at the time ANCSA was signed into law. And the investment we have made in scholarships has yielded a strong base of Alaska Native professionals working in all industries in Alaska and beyond.

ANCSA Regional Corporations, as unique as the people we represent. ■

ANCSA REGIONAL ASSOCIATION BOARD MEMBERS



Michelle Anderson
PRESIDENT
Ahtna, Incorporated



**Marie Kasan̄naaluk
Greene**
PRESIDENT & CEO
NANA Regional Corporation



Andrew Guy
PRESIDENT & CEO
Calista Corporation



Julie Kitka
PRESIDENT
Alaska Federation of Natives



Gabriel Kompkoff
CEO
Chugach Alaska Corporation



Thomas Mack
PRESIDENT
Aleut Corporation



Chris E. McNeil, Jr.
PRESIDENT & CEO
Sealaska Corporation



Jason Metrokin
PRESIDENT & CEO
Bristol Bay Native Corporation



Sophie Minich
PRESIDENT & CEO
Cook Inlet Region, Incorporated



Thomas Panamaroff
INTERIM PRESIDENT
Koniag, Incorporated



Rex Rock, Sr.
PRESIDENT & CEO
Arctic Slope Regional Corporation



Gail R. Schubert
PRESIDENT & CEO
Bering Straits Native Corporation



Aaron M. Schutt
PRESIDENT & CEO
Doyon, Limited



AHTNA, INCORPORATED

MISSION

Ahtna, Inc., an Alaskan Native Corporation, is a global company providing exceptional construction and integrated services to both government and private sector clients.

VISION

Our Culture Unites Us; Our Land Sustains Us; Our People are Prosperous.

NUMBER OF SHAREHOLDERS:

1,788

LANDHOLDINGS

Along with regional entitlements, Ahtna manages a total land area of 1.77 million acres. In addition, Ahtna, Inc. owns 622,000 acres within Denali National Park and the Wrangell-St. Elias National Park and Preserve.

GEOGRAPHY OF REGION

Situated in southcentral Alaska, the Ahtna Athabascan traditional lands extend from the Nenana River in the north to the Chugach Range in the south. The Alaska-Canada border forms the eastern boundary and the western portion reaches into the Alaska Range. The Ahtna region is considered as one of the most beautiful places in Alaska. The region includes eight villages: Cantwell, Chistochina, Chitina, Copper Center, Gakona, Gulkana, Mentasta, and Tazlina.

BUSINESS ACTIVITIES

Construction and Engineering Services
Facilities Support Services
Environmental Remediation
Janitorial Services
Detention and Security Guard Services
Oil and Gas Services
Marine/Dredging
Food Services
Property Management
Natural Resource Development

WEBSITE

www.ahtna-inc.com



CORPORATION SPOTLIGHT:

Our Chief – Ahtna Traditional First Chief Ben Neeley

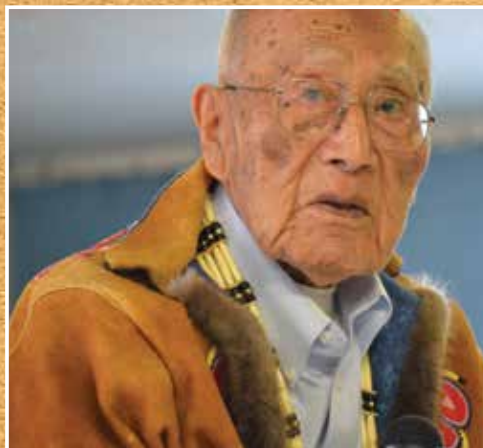
Ahtna Traditional First Chief Ben Neeley was born in a tent at the Old Gulkana village in 1914. His parents were Tom Neeley and Fanny Ewan, and he had three sisters and one brother. At the time of his birth, the Ahtna people still practiced a primarily nomadic lifestyle, traveling extensively throughout the Ahtna region while following traditional food sources such as caribou, moose, and salmon. As a child growing up, Ben did not attend school or obtain a formal education. Instead, he learned the traditional Ahtna way of life from people

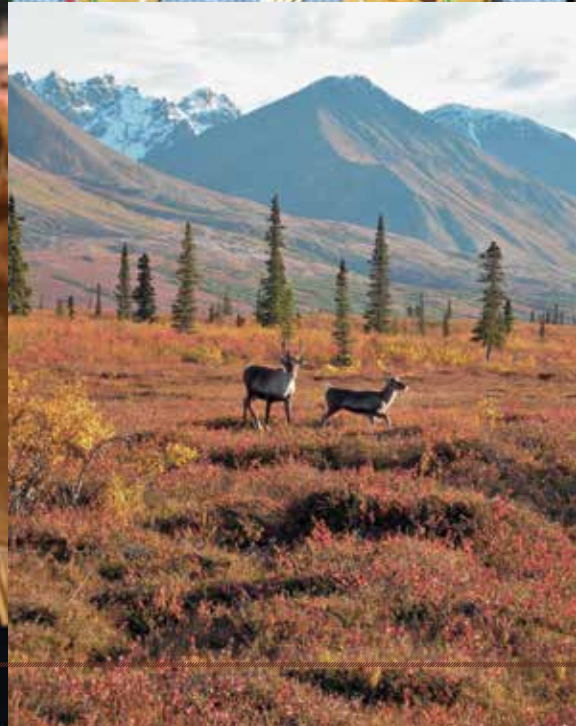
like his father, including how to hunt, fish, and trap. His first language is Ahtna, not English; in fact, it wasn't until much later in life that he adopted Ben as his English name.

In July of 2006, nearly a century after Ben's birth, a meeting was held amongst the Ahtna Elders to select a new Ahtna Traditional Chief following the death of Traditional Chief Harry Johns, Sr. There, alongside his long-time friend Fred Ewan (who is Traditional Second Chief), Ben was elected by his peers to become the new cultural leader of the Ahtna people.

As Chief, Ben is a representative of the Ahtna way of life. At cultural events and company functions alike, even those held outside of the Ahtna region, he is often asked to speak first. Ben's words are remembered for their honesty and wisdom; his advice is cherished and heeded. For his people, his message is a simple yet powerful one – he encourages them to love one another, to try their best to get along, and to work together.

A humble and generous man, Ben is a beacon of hope for reviving and sustaining the Ahtna culture, ensuring that the traditional values, knowledge and insight he's gained is not lost in today's modern world, but are successfully passed on to future generations of Ahtna. ■





ALEUT CORPORATION

MISSION

The Aleut Corporation's mission is to maximize dividends and choices for our shareholders. The Corporation is committed to promoting economic, cultural and social growth for its shareholders through its subsidiaries, partnerships and foundation.

NUMBER OF SHAREHOLDERS

3,750

LANDHOLDINGS

The Aleut Region starts in the east at Sand Point and stretches over a thousand miles along the Aleutian Chain to Attu in the west and to the Pribilofs to the north. The Aleut Corporation manages 66,000 acres of surface lands and 1.572 million acres of subsurface estate.

GEOGRAPHY OF REGION

The Aleut people live and subsist in one of the harshest and most beautiful parts of the world. Centered in the Ring of Fire with over 45 volcanoes, the region encompasses over 167 named islands in the five major island groups, which are the Fox Islands, Islands of Four Mountains, Andreanof Islands, Rat Islands, Near Islands and the Eastern Islands, south of the Alaska Peninsula. Unimak Island is the eighth largest island in the United States, with Unalaska Island being the 13th largest.

BUSINESS ACTIVITIES

Government Contracting
Fuel/Energy Sales and Operations
Real Estate Investment
Commercial Property Rentals
Finance, Investments, and Joint Ventures
Transportation Services
Commercial Fisheries
Water Testing
Hazardous Waste Remediation
Mechanical Engineering

WEBSITE

www.aleutcorp.com



CORPORATION SPOTLIGHT: *Summer Culture Camps*

One of the most pressing concerns facing Alaska Native people today is preservation of cultural practices, traditions and values. In an ever-changing world, we must work to ensure that our young people are provided with opportunities to learn and appreciate the activities that have sustained our people for countless generations.

That's why every summer, Aleut Corporation provides support for culture camps held throughout the Aleut region, Anchorage, and the Pacific Northwest. These camps were established with the objective of passing cultural practices down from Elders to youth, and they are presented through cooperation with tribal organizations, local governments, private businesses and the U.S. Fish and Wildlife Service.

The first such program, Camp Qungaayux, opened in Unalaska in 1998, celebrating Native culture through arts and crafts, subsistence activities and traditional foods. "Camp Q" was followed in 1999 by Sand Point, and there are now organized culture camps in King Cove, Atka, Akutan, St. Paul, St. George, Anchorage and the Pacific Northwest.

Each camp offers a variety of activities, including kayak building; Aleut bentwood visor



design and construction; Aleut basket weaving; drum making; headdress, regalia and gut sewing; language and traditional values; carving; and genealogy.

Aleut Corporation is proud to help support these popular and valuable programs, which help ensure our traditions and culture are handed down from generation to generation. ■



ARCTIC SLOPE REGIONAL CORPORATION

MISSION

ASRC's mission is to actively manage our businesses, our lands and resources, our investments and our relationships to enhance Iñupiaq cultural and economic freedom - with continuity, responsibility and integrity.

NUMBER OF SHAREHOLDERS

11,000

LANDHOLDINGS

ASRC owns title to nearly 5 million acres of land on Alaska's North Slope. Iñupiat Eskimo shareholders live in the villages of Point Hope, Point Lay, Wainwright, Atkasuk, Barrow, Nuiqsut, Kaktovik and Anaktuvuk Pass.

GEOGRAPHY OF REGION

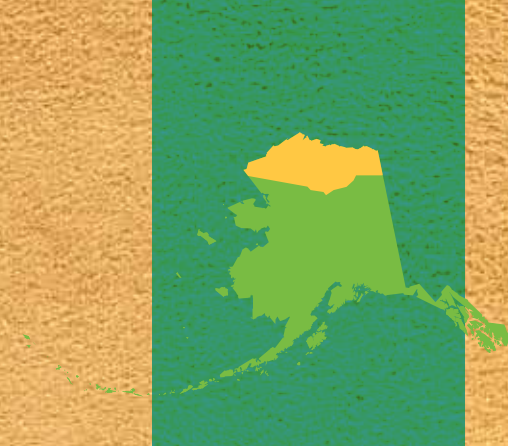
ASRC shareholders live primarily in eight villages on Alaska's North Slope, above the Arctic Circle. This is one of the most isolated and challenging environments in the United States.

BUSINESS ACTIVITIES

Energy Services
Petroleum Refining and Marketing
Government Services
Construction
Resource Development
Financial and Lending Services
Local Services
Tourism

WEBSITE

www.asrc.com



CORPORATION SPOTLIGHT: ASRC Subsidiary Builds Healthier Future for North Slope Residents

A new regional hospital with a familiar name has opened its doors in Barrow and is expected to dramatically improve healthcare for thousands across Alaska's North Slope. In late August, organizers invited dignitaries to join them in a ribbon-cutting ceremony to officially mark the end of construction of the new Samuel Simmonds Memorial Hospital (SSMH) and to show off the facility's new features and capabilities. The new facility was a joint venture project between Arctic Slope Regional Corporation subsidiary ASRC SKW Eskimos, Inc. and Ukpeagvik Iñupiat Corporation. The facility first started accepting patients September 21. When fully staffed, SSMH will have more than 250 people on its payroll – about 80 more than the current facility.

"The theme that you have going forward into the next 50 years is something that is certainly worthy of celebration," said Sen. Lisa Murkowski (R-Alaska) while addressing the crowd in Barrow. "I know that within the Iñupiaq culture you're not looking at today or tomorrow – you look forward many generations forward, well beyond 50 years. You built a facility that reflects your values and I'm just pleased and honored to be able to celebrate with you."

The hospital, the only facility of its kind across the North Slope, has long been a goal of the Arctic Slope Native Association Board of directors and will be able to serve patients from six communities across the region – Atkasuk, Kaktovik, Nuiqsut, Point Hope, Point Lay and, of course, Barrow. At 109,000 square feet, the \$160 million hospital is roughly four times larger than the old building and includes medical services that haven't been available on the Slope before – to include CT scans, physical therapy and even optometry resources. It also includes a list of expanded services, like a full pharmacy, a pair of labor and delivery rooms and space to dramatically increase the number of dental procedures it can provide. ■





BERING STRAITS NATIVE CORPORATION

MISSION

Our mission is to improve the quality of life of our people through economic development while protecting our land and preserving our culture and heritage.

NUMBER OF SHAREHOLDERS

More than 7,000

LANDHOLDINGS

The Bering Straits region encompasses the majority of Alaska's Seward Peninsula and the coastal lands of eastern Norton Sound. BSNC owns and manages nearly 2 million acres of subsurface estate of land selected by 17 village corporations in the region.

GEOGRAPHY OF REGION

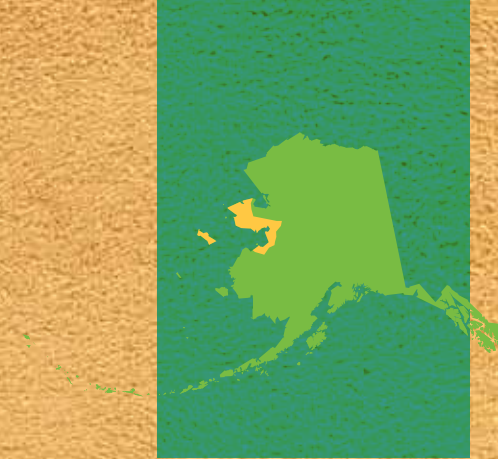
The Bering Straits region encompasses the majority of Alaska's Seward Peninsula and the coastal lands of eastern Norton Sound.

BUSINESS ACTIVITIES

Government Services
Construction
Tourism

WEBSITE

www.beringstraits.com



CORPORATION SPOTLIGHT: *Summer Internships*

In pursuing responsible development of our natural resources and other business opportunities, BSNC is committed to conducting business in a way that is consistent with our core cultural values. Our mission is to improve the quality of life of our people through economic development while protecting our land and preserving our culture and heritage. We believe that being a successful and sustainable Alaska Native Corporation requires more than just financial results. With our mission in mind, we believe in investing in tomorrow's leaders and the communities in which we live and work by supporting programs and

organizations that provide long-term solutions and make a difference in the lives of our shareholders and their descendants.

BSNC provides paid internships each summer to qualified shareholders and descendants who are either current college students or recent college graduates. This past summer, we provided internships in our Anchorage office to four promising young shareholders and descendants: Vincent Tomalonis, Ana Swanson, Michael Anagick and Vince Hiratsuka. These future leaders gained valuable work experience and skills by working with staff in Special Projects, IT, Business Development and Operations.

BSNC is also investing in building strong and stable Alaska Native communities by proudly providing support to the Bering Straits Foundation (BSF). BSF helps BSNC shareholders and their direct lineal descendants attain their educational and vocational goals by offering scholarship, fellowship and mentorship opportunities. In 2012, BSF provided more than \$238,000 in educational funding to BSNC shareholders and descendants, and since its inception in 1994, BSF has provided more than \$1.8 million to our shareholders and their descendants. ■





BRISTOL BAY NATIVE CORPORATION

MISSION

Enriching our Native way of life.

VISION

To be a corporation that protects the past, present and future of the Natives from Bristol Bay.

NUMBER OF SHAREHOLDERS

More than 9,400

LANDHOLDINGS

At 40 million acres, the Bristol Bay region is larger than the state of Ohio. BBNC manages more than 3 million acres of surface and subsurface estate on behalf of its shareholders.

GEOGRAPHY OF REGION

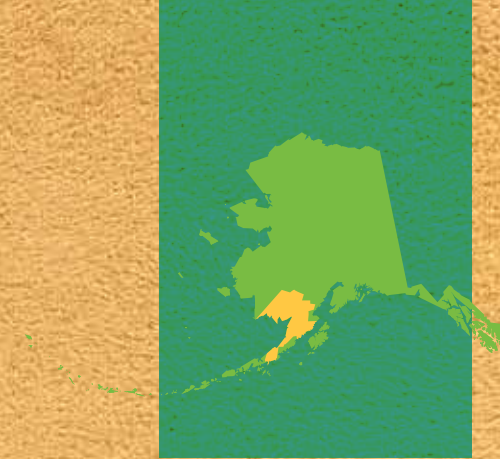
The region has spectacular landscapes, a fascinating and complex history, three diverse Native cultural traditions, volcanoes, unspoiled wilderness and diverse state and national parks and refuges. In addition to approximately 8,000 residents, Bristol Bay is home to abundant wildlife: 10,000 brown bears, 25,000 walrus, and 25 million salmon, plus fresh water seals, ospreys, eagles and many other species. Among the wide-open spaces are black sand beaches, mountain ranges, lowland tundra, wetlands, abundant flora and fauna, and many wild and scenic rivers. Iliamna Lake, located in the north of the region, is the largest freshwater lake in Alaska. The Bristol Bay villages are situated in the watersheds of the world-renowned Bristol Bay salmon fishery.

BUSINESS ACTIVITIES

Oilfield & Industrial Services
Construction
Government Services
Petroleum Distribution
Tourism

WEBSITE

www.bbnc.net



CORPORATION SPOTLIGHT: *Apayo Moore*

Apayo Moore is a very visionary Yup'ik artist from Bristol Bay. She is the daughter of Tom Hoseth of Dillingham and Debbie Hoseth of Twin Hills. She lives in Dillingham with her husband Christopher Strub and their daughter Kaya.



Apayo started drawing at the young age of five. In high school she started painting during art class; it was here she first realized that painting came more naturally to her than it did for most others.

After high school, Apayo enrolled in Green River Community College in Auburn, Washington, where she received an associate degree and her first commissions for animal portraits. She then attended Fort Lewis College in Du-

rango, Colorado, receiving her bachelor's degree in art business.

Apayo said opportunities kept unexpectedly falling into her lap and that led to people calling her an "artist" and referring her for jobs: "It was my peers who decided that it was my destiny, not necessarily me. As I've matured, I've become aware of myself though and I see that I have a gift. It is to share insight through visual communication."

Apayo has worked on several community art projects and murals across Alaska, in Dillingham, New Stuyahok, Bethel, Juneau, and most recently in Anchorage at the new Covenant House teen shelter. She's also been named the 2013 TOSCA Alaska Artist of the Year and in 2010 received the Alaska Native Visionary Award.

If you've seen Apayo's work, you can see the inspiration and deep passion she has for her culture and life in Bristol Bay. "My culture is what gives me the creativity I need to survive as an artist," Apayo said. "It seems like a duty to accept my talent as a gift from the universe so I can help inform the world that our people want to continue our traditional subsistence lifestyle in a contemporary context." ■



CALISTA CORPORATION

MISSION

Increase shareholder benefits and economic opportunities through innovation, growth, leadership, execution and financial discipline.

VISION

Increase financial prosperity through diversified global investments and business ventures – adhering to our Native values and corporate responsibility.

NUMBER OF SHAREHOLDERS

12,600

LANDHOLDINGS

Calista Corporation's land entitlement is made up of approximately 6.5 million acres in the Yukon Kuskokwim (YK) River Delta and the Kuskokwim Mountains regions of Southwestern Alaska. The area's 56 villages selected the bulk of their entitlement based on the importance of the land to their subsistence economies, both in terms of the available resources and in preserving access to those resources. Nearly 5 million acres of the total entitlement has been conveyed to Calista and villages in the region.

GEOGRAPHY OF REGION

The Calista region includes the villages of the Lower Yukon River, the Central and Lower Kuskokwim River, Nunivak Island and the coast of the Bering Sea from the mouth of the Yukon River to Cape Newenham. The entire area encompasses over 58,000 square miles. No roads connect the region with the rest of Alaska, making it only accessible by boat or plane.

BUSINESS ACTIVITIES

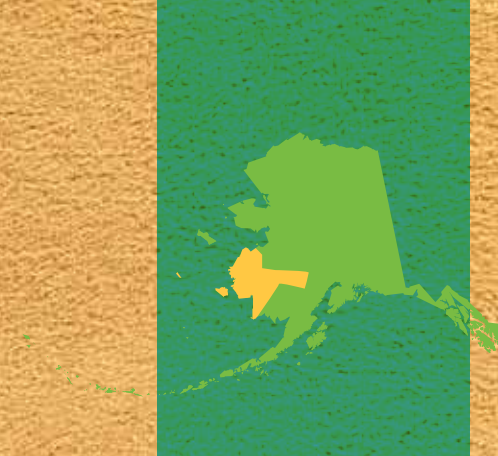
Construction and Heavy Equipment
Environmental Services
IT, Telecom and Marketing Services
Real Estate Holdings
Military Defense Contracting
Professional Services

WEBSITE

www.calistacorp.com



CALISTA CORPORATION
www.calistacorp.com



CORPORATION SPOTLIGHT: *Michael Ulroan*

Whether it's exercising his legs or his brain, 25-year-old Michael Ulroan of Chevak lives a fast-paced life that most people can't even begin to keep up with. This civil engineering major at the University of Alaska Anchorage juggles his jam-packed course load between leading an after-school Alaska Native engineering club and living his passion for fitness.



"Running teaches you mentally and physically how to keep going when it's tough. You keep looking forward, never look back, even when you're tired," Michael said.

It's that drive that keeps him pounding the pavement during long-distance runs and his head in the books. Engineering is a tough major and he routinely studies from 8 a.m. until 1 a.m. He was the 2012 President of the UAA American Indian Science & Engineering Society (AISES), and at the 2012 National AISES conference in Las Vegas Michael received the prestigious "Outstanding Leader Award."

"To meet students with the same goals from all over the country, it's like being in a room full of executives," Michael said.

Being recognized by his peers inspired Michael to encourage other Alaska Natives to pursue higher education. Michael's parents and all four siblings attended college and he wants to show other Calista region youth seeking higher education is possible.

Michael has one year of school left, and on the days when he begins to run on empty, he reminds himself that he's forging an important path for others. ■



CHUGACH ALASKA CORPORATION

MISSION/VISION

Committed to profitability, celebration of our heritage and ownership of our lands.

NUMBER OF SHAREHOLDERS

2,500

LANDHOLDINGS

The Chugach region comprises 10 million acres in southcentral Alaska. Chugach is entitled to 928,000 acres, of which 378,000 acres are full fee entitlement, and 550,000 acres are subsurface estate.

GEOGRAPHY OF REGION

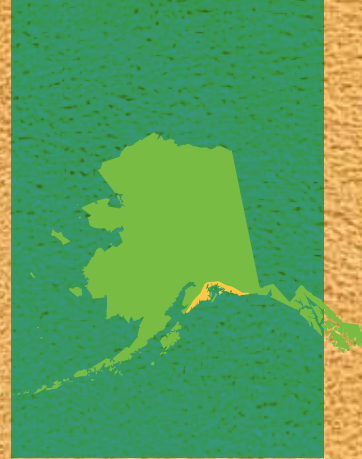
Chugach owns lands within and adjacent to the Chugach National Forest and Wrangell-St. Elias National Park. Unique landmarks include some of the largest non-polar glaciers in the world. The Columbia, Bering and Malaspina Glaciers are all accessible from Chugach's lands. Mount St. Elias rises from the protected waters of Icy Bay to 18,008 feet, the fourth highest mountain in North America. A major portion of Chugach's lands lie within the Prince William Sound, which is well recognized as a visitor's paradise.

BUSINESS ACTIVITIES

Facilities Management and Maintenance
Construction and Engineering
IT and Technical Services
Education
Oil and Gas

WEBSITE

www.chugach-ak.com



CORPORATION SPOTLIGHT: *Terri Draper*



Terri Draper, a Chugach Alaska Corporation (Chugach) shareholder and Chugach Heritage Foundation (CHF) scholarship recipient, recently graduated from Pacific University in Oregon with a doctoral degree in psychology from the school of professional psychology. She also earned her master's degree from the same program. She is currently finishing her post-doctoral fellowship at the Indian Health Board of Minneapolis in Minnesota.

As an Alaska Native of Aleut, Athabascan and Yup'ik Eskimo descent, Draper is committed to practicing culturally meaningful

services that combine Western psychology with traditional forms of medicine. Her main interest is providing healing from intergenerational trauma and historical pain within indigenous communities.

"My primary goal is to be of service to Native American and Alaska Native communities through suicide prevention, substance abuse treatment and healing from intergenerational trauma," said Draper. "I am extremely grateful to be a Chugach scholarship recipient, which has encouraged me to pursue my ultimate education and career goals. Most of all, I am honored to work in Native communities and excited to represent Chugach to the best of my abilities."

Draper is the daughter of Gunnar and Toni Berg, and a granddaughter of Olga and Bob Berg (both deceased), and Jim (deceased) and Caroline Toloff. Draper and her husband, Clint Draper, live in Hillsboro, Oregon, with their two dogs.

Draper is a testament to the pivotal role Chugach's nonprofit foundation CHF plays in facilitating job training, scholarship, internship and other professional development opportunities that benefit shareholders and their descendants. ■



COOK INLET REGION, INCORPORATED

MISSION

The mission of CIRI is to promote the economic and social well-being and Alaska Native heritage of our shareholders, now and into the future, through prudent stewardship of the company's resources, while furthering self-sufficiency among CIRI shareholders and their families.

NUMBER OF SHAREHOLDERS

8,271

LANDHOLDINGS

CIRI is the largest private landowner in southcentral Alaska with 1.3 million acres of subsurface estate available for responsible exploration, leasing and resource development. CIRI has leased or contracted under exploration agreements more than 450,000 acres of land for oil and gas exploration and development in the Cook Inlet region. Other business ventures developed by CIRI on CIRI land includes the Tikahtnu Commons and Fire Island Wind.

GEOGRAPHY OF REGION

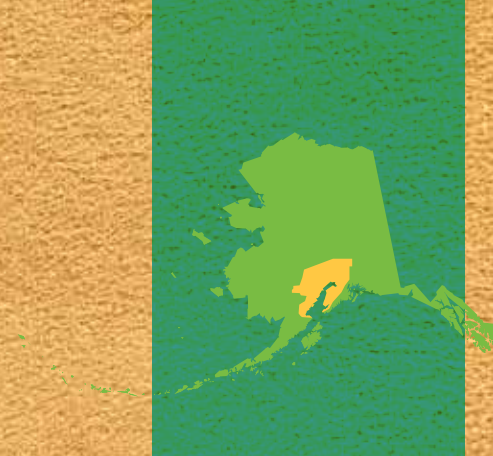
The Cook Inlet region approximates the traditional homeland of the Dena'ina Athabascan people who traditionally lived along the shores of the Cook Inlet, or Tikahtnu as the Dena'ina knew it, taking advantage of abundant salmon runs and other resources offered by land, river and sea. The region includes the following villages: Chickaloon, Eklutna, Knik, Ninilchik, Seldovia and Tyonek.

BUSINESS ACTIVITIES

Traditional and Alternative Energy
and Resource Development
Oilfield and Construction Services
Environmental Services
Real Estate Investment and Management
Tourism and Hospitality
Telecommunications
Aerospace Defense
Private Equity and Venture Capital Investments

WEBSITE

www.ciri.com



CORPORATION SPOTLIGHT: *CIRI launches Fire Island Wind*



With concern mounting in southcentral Alaska about dwindling natural gas supply, Cook Inlet Region, Inc. (CIRI) launched Fire Island Wind, a project in the Cook Inlet basin that is now producing clean, emission-free and renewable energy. The project is the result of the vision and leadership of CIRI, through its wholly owned subsidiary Fire Island Wind LLC, which completed construction of the commercial-scale wind farm on CIRI-owned land on Fire Island, three miles west of Anchorage, in 2012.

Fire Island Wind delivered its first power to Alaska's largest electric utility, Chugach Electric Association, in September 2012 and has per-

formed as expected during its first year of operation. As Fire Island Wind's commercial customer, Chugach Electric Association is setting an example for other Alaska utilities by diversifying its generation resources and by collaborating with an independent power producer.

The project's 11 wind turbines are expected to generate approximately 51,000 megawatt hours per year, enough to power approximately 6,500 average southcentral Alaska households. This wind-generated electricity will reduce Chugach's natural gas demand by an estimated 0.5 billion cubic feet annually for the next 25 years.

Fire Island Wind was a complex project that CIRI started working to develop in the mid-2000s. The complexity of the project was due to its location on an undeveloped island, its proximity to a large commercial airport servicing significant international cargo traffic and having an FAA navigational aid adjacent to the project site—each an independent obstacle that required a first-of-its-kind solution. The project's successful completion was made possible by innovation and determination and through the overwhelming public support of the community and state. ■



DOYON, LIMITED

MISSION

Doyon's mission is to continually enhance our position as a financially strong Native corporation in order to promote the economic and social well-being of our shareholders and future shareholders, to strengthen our Native way of life and to protect and enhance our land and resources.

NUMBER OF SHAREHOLDERS

Over 18,700

LANDHOLDINGS

With a land entitlement of 12.5 million acres, Doyon, Limited is the largest private landowner in Alaska and one of the largest private landowners in North America.

GEOGRAPHY OF REGION

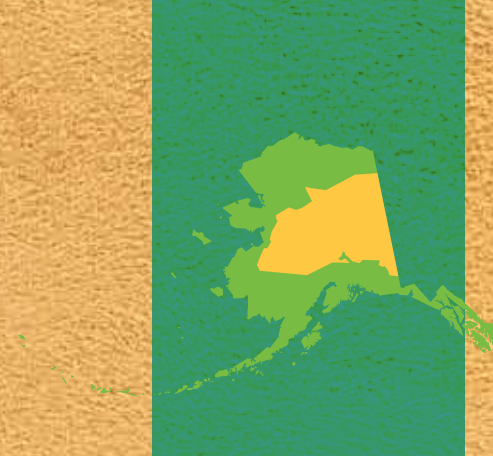
The Doyon region encompasses a vast region in Interior Alaska, from the Brooks Range in the north to the Alaska Range, and from Alaska's border with Canada in the east extending westward nearly to the shores of Norton Sound. As of October 2013, about 11.4 million acres have been conveyed, including 7.8 million acres in surface and subsurface estate (fee Owned) and 3.6 million acres of subsurface estate corresponding to surface estate owned by village corporations in the Doyon region.

BUSINESS ACTIVITIES

Oilfield Services
Utility Management
Security
Engineering Management
Land and Natural Resource Development
Facility Management
Construction
Tourism

WEBSITE

www.doyon.com



CORPORATION SPOTLIGHT: *Doyon Anvil*

In Fiscal Year 2013, Doyon, Limited continued two natural resources initiatives, acquired Arctic Information Technology (Arctic IT) and partnered with Alaska Anvil to form Doyon Anvil.

Notable investments by Doyon in Interior Alaska included the operation of two significant natural resources projects. Doyon invested tens of millions of dollars in oil and gas exploration with the Nunivak #2 well in the Nenana/Minto Basin and a large 3D seismic program in the Yukon Flats near Stevens Village. Currently, the results of both projects are being analyzed.

Arctic IT, an industry leader in providing information technology infrastructure and business solutions, is a Microsoft Gold Certified Partner and is the recipient of numerous industry awards. The Anchorage-based company, operating under the Doyon Government Group, has been providing technical services for public and private customers throughout Alaska and nationwide through its offices in Seattle, Washington and Parsippany, New Jersey. Arctic IT provides implementation and support of enterprise resource planning and customer relationship management solutions, networking, infrastructure services and man-

aged services.

Doyon Anvil, a joint venture between Doyon Emerald and Alaska Anvil, Inc., has years of combined engineering and consulting experience and a thorough knowledge of the needs of its Alaska-based clients. The company's mission is to continue to provide quality services to its clients in Alaska. Doyon Anvil provides full service multidiscipline engineering and procurement, process safety/risk management, project management and construction field support.

The corporate cultures of Arctic IT and Doyon Anvil fit well with Doyon's values, and they help in meeting the strategic goals of the company. The potential for large commercial oil and gas fields in the Nenana/Minto Flats and the Yukon Flats basins will continue to be explored. Continued growth and realizing profits to benefit shareholders continue to be at the forefront for Doyon. ■



KONIAG, INCORPORATED

VISION

Cultural Pride, Corporate Excellence.

MISSION

To sustain growth and provide increasing dividends while celebrating community and culture.

NUMBER OF SHAREHOLDERS

3,853

LANDHOLDINGS

Koniag holds title to approximately 105,000 acres of surfaces estate and 990,000 acres of subsurface estate. Most of Koniag's surface estate is on the west side of Kodiak Island, near the Sturgeon and Karluk Rivers. The Kodiak Island village corporations also received title to surface estate through ANCSA, scattered throughout Kodiak and Afognak Islands, and much of Koniag's subsurface holdings are for those lands.

GEOGRAPHY OF REGION

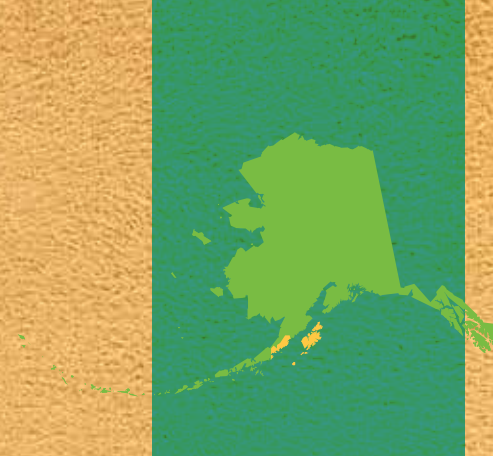
The Koniag region encompasses Kodiak Island, the Kodiak Archipelago and an area of land on the southern coast on the Alaska Peninsula. Kodiak, nicknamed the "Emerald Isle," is the second largest island in the United States. The lands of the Koniag region offer a stunning abundance of natural resources that have sustained the Alutiiq people for centuries.

BUSINESS ACTIVITIES

Aerospace Manufacturing
Construction
Oilfield Services
Natural Resources
Real Estate
Technical Services
Technology Business Solutions

WEBSITE

www.koniag.com



CORPORATION SPOTLIGHT: *Koniag's Top Performer: OST*

Open Systems Technologies (OST) has quickly become a top performer within the corporation's family of companies since Koniag purchased the Michigan-based, information technology (IT) services company in May 2012.

Due to OST's FY13 sales of \$72 million, Koniag's technology solutions sector saw an increase in revenue of approximately \$74 million from 2012 levels.



"Open Systems Technologies has strong leadership and an impressive track record of delivering exceptional results for numerous clients," said Tom Panamaroff, Koniag Interim President. "Combining OST's expertise with

Koniag's resources and strategic vision will continue to produce long-term benefits for OST's clients and our Shareholders."

In recent years, OST has achieved tremendous success, growing 80 percent over the past three years and making the annual Inc. 5000 list of America's fastest-growing privately held companies five times. Its client roster includes Boeing, NASA, Pfizer, Target, U.S. Bank, John Deere and Amway.

"FY13 shows just how tremendously OST expands our offerings in the technical services field," said Ron Unger, Chairman. "The company is a leader in technical services, and we couldn't be more pleased to have their expertise and reputation for excellence as a part of the Koniag family of companies."

Founded in 1997, OST offers data hosting, application development and other IT services to clients in the healthcare, manufacturing and distribution, finance and insurance industries. OST specializes in enterprise technology services – storing and managing data. The company has 114 employees and 60 full-time contractors and operates offices in Grand Rapids, Michigan, Minneapolis, Minnesota, and Ann Arbor, Michigan. ■



NANA REGIONAL CORPORATION

MISSION

We improve the quality of life for our people by maximizing economic growth, protecting and enhancing our lands, and promoting healthy communities with decisions, actions, and behaviors inspired by our Iñupiat Ilitqusiat values consistent with our core principles.

NUMBER OF SHAREHOLDERS

More than 13,500

LANDHOLDINGS

The NANA region is 38,000 square miles located in Northwest Alaska, most of which is above the Arctic Circle. Vast and beautiful, the region is roughly the size of Indiana and encompasses eleven villages: Ambler, Buckland, Deering, Kiana, Kivalina, Kobuk, Kotzebue, Noatak, Noorvik, Selawik and Shungnak. NANA owns 2.28 million acres, or approximately 9.4 percent of the 24.3 million acres that comprise the region.

GEOGRAPHY OF REGION

The NANA region encompasses 38,000 square miles located in Northwest Alaska, most of which is above the Arctic Circle. Most of the NANA region is considered “arctic desert.” Winter lasts nine months of the year, and temperatures often stay well below freezing for months. Rivers wind through the landscape and the terrain varies dramatically from mountains and sand dunes to tundra and boreal forests. Much of the region is designated as national park land.

BUSINESS ACTIVITIES

Land Management
Resource Development
Engineering and Construction
IT and Telecom
Facilities Management and Logistics
Real Estate and Hotel Development

WEBSITE

www.nana.com

NANA



CORPORATION SPOTLIGHT: *NANA's Village Economic Development Efforts*



The centerpiece of NANA Regional Corporation, Inc.'s regional economic development efforts is a grant program designed to fund community-designated projects. Since 2010, the Village Economic Development Committee (VEDC) has approved almost \$3.5 million in energy efficiency and economic development grants. These grants are available to city and tribal governments to address the individual needs of the 11 NANA region communities. The grant programs were developed at the direction of the board of directors and are administered by the Village Economic Development (VED) division of the Community and Government Affairs department.

There are two types of NANA VED grants – energy efficiency grants and economic development grants.

A total of \$55,000 is available to each community for energy efficiency grants. Nine of 11 regional communities have participated in this program, and six communities have made full use of their designated funds. The bulk of funds approved are for energy-saving renovations to local office buildings throughout the region; building renovations help local governments and organizations save money on energy bills so they can dedicate resources to serving the community. NANA has invested more than \$400,000 in the region thus far through the energy efficiency grant program.

Up to one million dollars is available to NANA region communities for economic development projects. Seven communities' applications have been approved for this funding pool and projects include construction of a new store in Selawik and development of a heavy equipment fleet and operator training program in Kiana. To date, NANA has invested more than \$3 million in the region's communities through the economic development grant program.

Cooperation and regional dedication to locally-developed projects is helping the NANA region combat the high costs of energy and goods. ■



SEALASKA CORPORATION

SEALASKA PURPOSE

Strengthen our people, culture, and homelands.

SEALASKA WAY

Utilizing our Values in Action to increase profitability and build Alaska Native capacity.

SEALASKA VISION

An Alaska Native enterprise of excellence built on our cultural values.

NUMBER OF SHAREHOLDERS

Over 21,000

LANDHOLDINGS

Sealaska owns 290,000 acres of surface estate and 560,000 acres of subsurface estate in southeast Alaska, making it the largest private landholder in the region.

GEOGRAPHY OF REGION

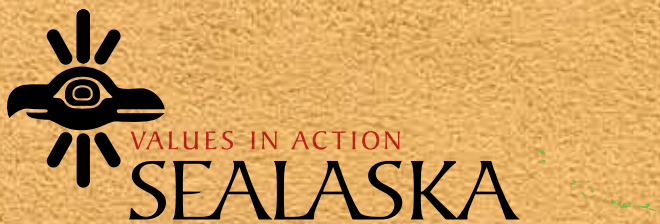
The Sealaska story began in the forests and along the coastlines of southeast Alaska. We, the Tlingit, Haida and Tsimshian, still have a strong connection to these precious lands. Today, we share our homelands with all Americans in what is now called the Tongass National Forest. As long as the forest has been here... there have been people in the Tongass. The land and people – each takes care of the other.

BUSINESS ACTIVITIES

Timber Development and Marketing
Forest Management and Silviculture
Managed Investment Portfolio
Environmental Consulting and Remediation
Information Technology Outsourcing
Rock, Sand and Gravel
8(a) Government Contracting

WEBSITE

www.sealaska.com



CORPORATION SPOTLIGHT: *Kristi Skaflestad*

Sealaska celebrates tribal member shareholders who positively contribute to their communities. Our southeast Alaska core Native values have been handed down through the generations, and they guide all that Sealaska does. We feel great pride when our tribal member shareholders demonstrate our shared values through their actions.

Sealaska shareholder Kristi Skaflestad began sharing her love of cooking with her home community of Hoonah, Alaska, in 2011 when she established her restaurant, Chipper Fish. Since then, whether people enjoyed eating her cooking or were inspired to cook like her, Skaflestad has been seen as a young leader.

In 2011, Skaflestad received recognition from the Huna Heritage Foundation when they held her up as a success story for their scholarship program. The funding that she received from them helped her to graduate from Le Cordon Bleu College of Culinary Arts in Portland, Oregon.

It can be hard to leave home to take on new challenges. The people who do so and then

return with new skills and knowledge help strengthen the entire community. We salute Skaflestad for her desire to give back to her community and open Chipper Fish. Her leadership contributes to Hoonah's economy while also inspiring Chipper Fish workers to pursue culinary arts education. Sealaska believes that

our people's leadership in their communities represents our collective strength as Tlingit, Haida and Tsimshian people. We are proud to call Skaflestad one of our own.

Skaflestad expanded her restaurant with financial support from the Haa Aaní Community Development Fund, an economic initiative established in 2012 by Sealaska's subsidiary Haa Aaní LLC. Chipper Fish

was the first project the Fund financed under its small business support program that provides financial, technical and mentoring resources to tribal member shareholder entrepreneurs and other southeast business owners. ■





2009-2012 FINANCIAL RESULTS

EMERGING FROM THE GREAT RECESSION

In 2013, as America began to slowly emerge from the recession that began in late 2007, all 12 Alaska-based ANCSA Regional Corporations emerged in solid shape. Total revenues remained strong, growing from \$7.3 billion in 2009 to \$8.97 billion in 2012, representing a 22 percent increase over the last four years. More importantly, ANCSA Regional Corporations maintained a positive net income, ranging from a high of 5.4 percent of revenue in 2009 to 3 percent in 2012 – an average of 4 percent. Over the last four years, net income has ranged from a high of \$389.5 million in 2010 to a low of \$250.8 million in 2011. In 2012 net income increased by 8 percent to \$270.9 million.

All 12 ANCSA Regional Corporations were among the top 49 Alaska-owned companies (Alaska is the 49th state) ranked by gross revenues, representing 56 percent of all revenue earned, 53.1 percent of the Alaska employment provided and 58.1 percent of the worldwide employment generated by Alaska's top companies (2011 data). When top performing ANCSA Village Corporations are included, the list of ANCSA companies on Alaska Business Monthly's

Top 49ers list includes 20 Native-owned companies. Alaska's Native Corporations represent 73.6 percent of the gross revenue reported, 62.4 percent of the Alaska jobs provided, and 83.3 percent of worldwide employment among the top 49 Alaska-owned companies.

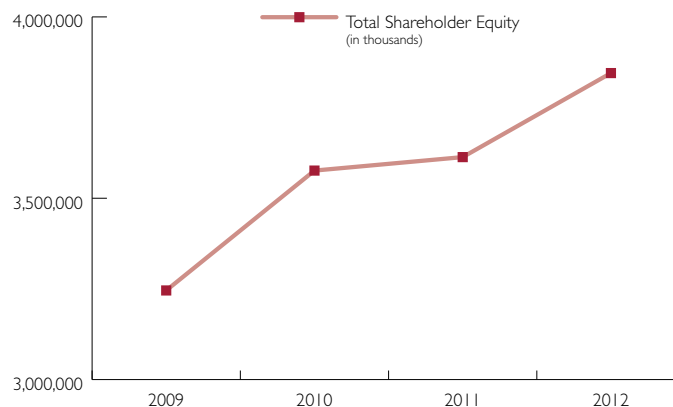
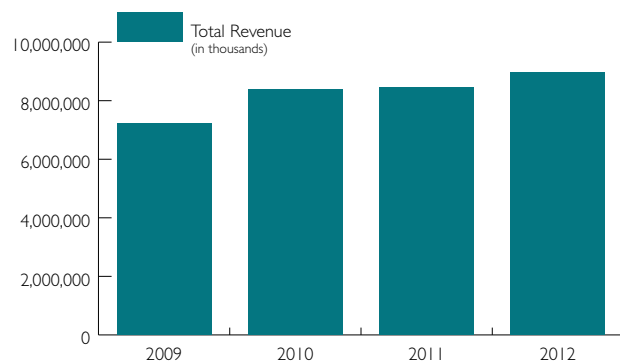
In 2012, ANCSA Regional Corporations had total assets of \$6.5 billion and asset turnover averaged 1.43, indicating a well-managed use of corporate assets. It is important to note here that ANCSA Regional Corporations, which own subsurface rights to 44 million acres of Alaska land, carry only developed land on their balance sheets. The \$6.5 billion in assets therefore includes almost none of the land conveyed to ANCSA Regional Corporations in the original land claims settlement.

Shareholder equity represented an average over the four-year period of 61.9 percent of total assets, indicating a prudent use of debt leverage to magnify the ability of ANCSA Regional Corporations to both earn dividends for their shareholders and build shareholder equity.

From a shareholder perspective, over the four-year

period covered in this report, our companies earned an average return on shareholder equity of 9.16 percent. Additionally, the managers of the ANCSA Regional Corporations maintained a solid financial position in their use of debt leverage over the four years reported – total debt ratio averaged 38.14 percent, debt-to-equity ratio averaged 61.65 percent and the equity multiplier averaged 1.62 – all measures of an appropriate mix of debt and equity.

Diversification of sources of revenue has resulted in continued revenue growth. Between 2009 and 2012, the proportion of revenue stemming from 8(a) contracting with the federal government had dropped from a high of 45.67 percent of revenue in 2009 to 34.99 percent in 2012. In contrast to many Native-owned companies in the Lower 48 U.S. states, our investment portfolios do not include any gaming operations. This trend is likely to continue as our companies move to higher margin opportunities outside of the government contracting arena.



We are delivering very real economic benefit to Alaska Native people, but our successes in no way absolve the federal government from its responsibility for all U.S. citizens, including Alaska Native people.

ANCSA: WHAT IT IS, WHAT IT ISN'T

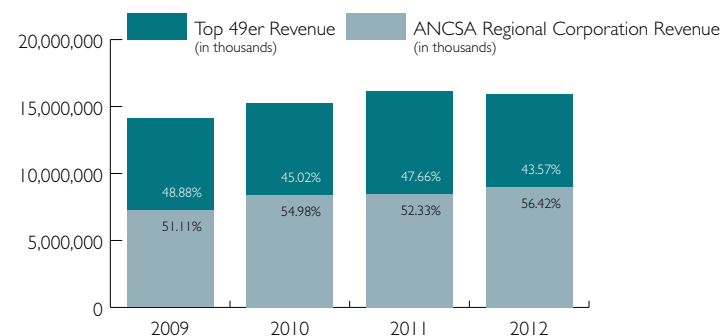
The Alaska Native Land Claims Settlement Act was a settlement of bonafide land claims stemming back to our first contact with Western cultures. In the settlement, Alaska Native people received 44 million acres of land in Alaska (12 percent of the state's land mass) and \$962 million, paid over 10 years, as payment for land that could not be conveyed in the settlement as well as accrued mineral extraction royalties.

Since ANCSA was signed more than 40 years ago, there has been considerable confusion about what ANCSA, and the companies it created, was intended to accomplish. Many have asserted that after the settlement all responsibility for the social ills of Alaska Native people fell on the Corporations to resolve. But in fact, ANCSA was a land claims settlement along similar lines to the 110 million acres conveyed to the State of Alaska as part of statehood. Unfortunately, this misunderstanding continues.

Throughout the four years reported here, ANCSA Regional Corporations paid a total of \$678.4 million in dividends to our shareholders. In fact, ANCSA Regional Corporations, not counting the 176 currently operating Village Corporations, have done considerably better for our shareholders than a sovereign wealth fund would have.

Assuming a 5 percent interest rate, the original cash infusion from the first 10 years of ANCSA – \$962 million paid out over the first 10 years after the passage of ANCSA – had a present value of \$742.8 million. If the original cash infusion from the ANCSA settlement had been invested at the same 5 percent rate for the entire time ANCSA Corporations have been in existence, 42 years, it would be worth \$5.8 billion. When compared with the total asset balance for ANCSA Regional Corporations of \$6.43 billion, Alaska Native Regional Corporation shareholders are \$630 million ahead – and that doesn't even include Village Corporation assets.

We are delivering very real economic benefit to Alaska Native people, but our successes in no way absolve the federal government from its responsibility for all U.S. citizens, including Alaska Native people.



MANAGING TO A TRIPLE BOTTOM LINE

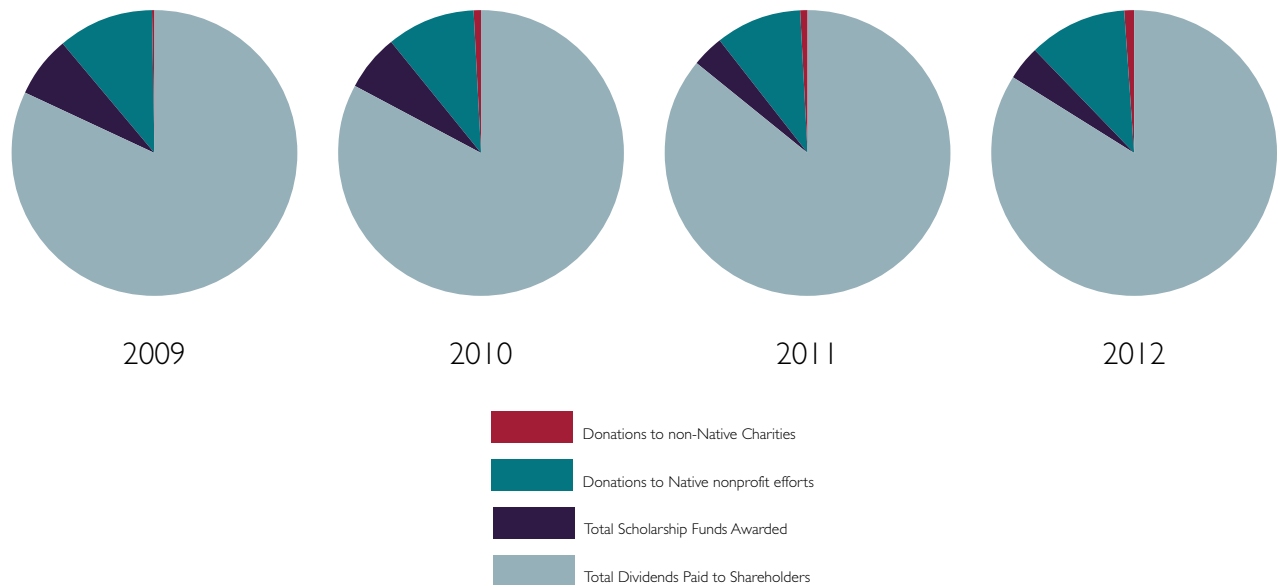
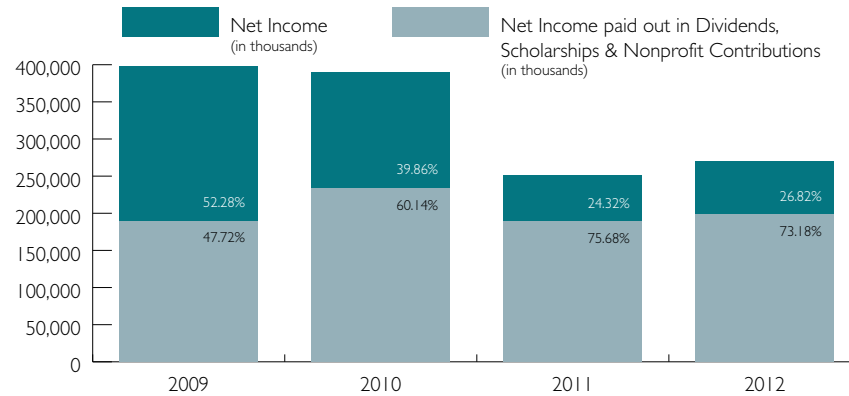
Our companies truly manage to a triple bottom line – financial, social/cultural, and environmental. Of course our companies must be financially strong enough to pay significant dividends and to grow in ways that provide jobs and growth opportunities to our shareholders and descendants, but we also maintain a deeply held commitment to the social/cultural and environmental bottom lines.

As the Governmental Accountability Office (GAO) found, “corporations provide a wide variety of monetary and nonmonetary benefits to their shareholders and other Alaska Natives. Monetary benefits include shareholder dividends, Elder benefits, scholarships, memorial benefits, shareholders’ equity, and charitable donations.”

We have grown our companies with a multigenerational perspective. Over the years, through a long-term investment in scholarships, we have worked hard to build capacity within our people. In fact, several of our companies are run today by Alaska Native shareholders who were either very young or weren’t even born at the time ANCSA was signed into law. And the investment we have made in scholarships has yielded a strong base of Alaska Native professionals working in all aspects of our organizations.

Over the last four years Alaska Native Regional Corporations have paid out an average of 62.4 percent of net income to dividends, social/cultural programs, and scholarships. In the last two years this has averaged nearly 75 percent of net income — at a time when the average American company dividend payout rate is 32 percent. Between 2009 and 2012, ANCSA Regional Corporations paid out a total of \$678.4 million in dividends to their shareholders.

Our Regional Corporations are also some of the largest private landowners in the world today, but our undeveloped land is not carried on our balance sheets as a long-term financial asset because the land represents to us who we are – our environmental bottom line. It represents our culture, our subsistence way of life, and a tremendous potential for future resource development and shareholder/descendant job creation.



*We have grown our companies
with a multigenerational perspective.*

ALASKA'S ECONOMIC ENGINE

In many ways the Alaska Native Claims Settlement Act and the corporations created under the law are Alaska's best kept secret. ANCSA has resulted in the establishment of many of Alaska's largest Alaska-owned companies. All 12 ANCSA Regional Corporations were among the top 49 Alaska-owned companies (Alaska is the 49th state) ranked by gross revenues, representing 56 percent of all revenue earned, 53.1 percent of the Alaska employment provided and 58.1 percent of the worldwide employment generated by Alaska's top companies (2011 data). When top performing ANCSA Village Corporations are included, the list of ANCSA companies on Alaska Business Monthly's Top 49ers list includes 20 Native-owned companies. Alaska's Native Corporations represent 73.6 percent of the gross revenue reported, 62.4 percent of the Alaska jobs provided, and 83.3 percent of world-wide employment among the top 49 Alaska-owned companies.

Not only is the success of Alaska Native Corporations critical to the future of Alaska Native people, we are critical to the economic success of Alaska. For most of the state's history, state and local officials have worked to attract companies from outside of Alaska to locate here — with little success.

Alaska is our home. We care very much about the state's future. Alaska Native people have built a substantial base of companies headquartered in Alaska. We have a deep commitment to hiring and developing our shareholders and their descendants — most of whom live in Alaska. Still, not all of our employees are Alaska Native. Along with creating jobs for our shareholders and descendants, we are committed to creating jobs in Alaska for all Alaskans. And we employ thousands of Americans in virtually every state.

ECONOMIC PARITY: IMPROVING THE LIVES OF ALASKA NATIVE PEOPLE

ANCSA embraced an inclusive model to settle indigenous land claims. For the most part it avoided separating Alaska Native people from other Alaskans. This approach, combined with embracing a Western corporate model, has had a significantly positive effect on the lives and well-being of Native people in the state. Economic parity has been demonstrated repeatedly as the most effective way to enable disadvantaged groups to gain equality. ANCSA Corporations have enabled many people with Alaska Native heritage to achieve economic parity.

Prior to ANCSA, Alaska Native people faced some of the harshest living conditions and lowest economic status in the country. In 1971:

- The average life expectancy was 35 years
- Infant mortality was twice the national average
- The average formal education was eight years, only 9 percent had completed high school and less than 1 percent had completed college
- 21 percent of villages had no schools
- Alaska Native unemployment was 60 percent

From a statistical standpoint, the population of Alaska Native people has more than doubled in the last 30 years. "Alaska Natives have more jobs, higher incomes, and more education than ever. Alaska Natives are a growing workforce in Alaska estimated to grow 11 percent by 2020."¹ "Ownership of Native households increased from 34 percent to 42 percent in the 1990s. And Native women are the only group in Anchorage for whom real earnings has increased between 1990 and 2000."²

And from an educational perspective, "All ANCSA regions in the 1990s demonstrated growth in Alaska Native high school and college attainment, declines in Native unemployment, gains in Native per capita income, and declines in Native poverty. Notably, the growth in Native adults possessing college degrees has been most pronounced in the four ANCSA regions containing the five most active participants in the 8(a) Program."³

ANCSA Corporations employ and do business with a broad range of Alaskans and non-Alaskans. This simple fact has helped Alaska Native people develop business relationships and friendships with many non-Native people, and vice versa. Economic mutual benefit has also proven to be an extremely effective force helping Alaska Native residents participate in the broader population. This has been particularly true in urban Alaska.

¹ (ISER – Understanding Alaska: People Economy and Resources)

² (ISER – Anchorage at 90: Changing Fast, With More to Come)

³ (Native American Contracting Under Section 8(a) of the Small Business Act Economic, Social and Cultural impacts, Jonathan B. Taylor)

THE MYTHS AND FACTS ABOUT 8(a) CONTRACTING

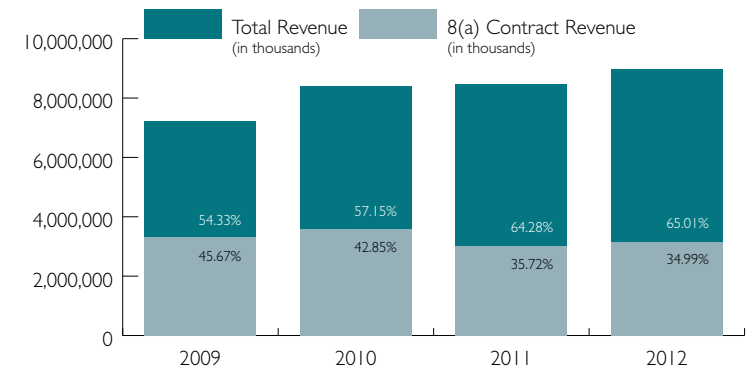
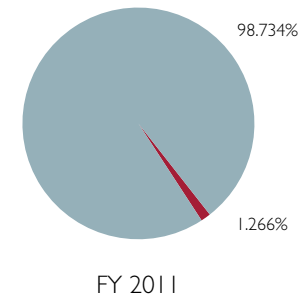
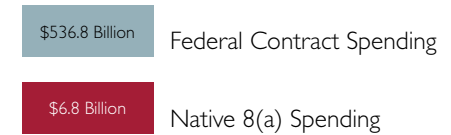
In the late 1980s, Section 8(a) of the Small Business Administration Act was changed to provide special consideration for Alaska Native Corporations and American Indian Tribes. ANCSA Corporations would be eligible to negotiate federal contracts of any size through direct award. These changes were in recognition by the federal government that Alaska Native Corporations represented whole communities of socially and economically disadvantaged individuals, each of whom could be individually eligible for SBA 8(a) status.

In recent years, in large part due to their substantial success in federal contracting, ANCSA Corporations have been under close political scrutiny by U.S. senators representing districts with large federal contracting sectors. But after an extensive review by the U.S. Governmental Accountability Office (GAO) into the governance practices and benefits provided to shareholders, the GAO had no substantive negative findings.

The report summary states “GAO found that the corporations provide a wide variety of monetary and nonmonetary benefits to their shareholders and other Alaska Natives. Monetary benefits include shareholder dividends, Elder benefits, scholarships, memorial benefits, shareholders’

equity, and charitable donations. Nonmonetary benefits – often offered in partnership with village corporations, tribal organizations, and nonprofit organizations within the region – include employment opportunities, cultural preservation, land management, economic development, and advocacy on behalf of Alaska Natives and their communities.”

While 8(a) procurement has become important to ANCSA Corporations, it still represents a mere 1.26 percent of all federal contracting. During the last four years, the ratio of 8(a) to total revenue has ranged from a high of 45.67 percent in 2009 to the current ratio in 2012 of 35 percent. With typical profit margins on federal government contracts of less than 5 percent, 8(a) contracts are not a path to great wealth, but they have been a successful path to cash flow and capacity development within the ANCSA Corporations – Regional and Village.



Alaska Native Corporations represented whole communities of socially and economically disadvantaged individuals, each of whom could be individually eligible for SBA 8(a) status.

ANCSA REGIONAL CORPORATION FINANCIAL ANALYSIS 2009-2012

2009 - 2012 Financial Analysis		Percent Change		Percent Change		Percent Change	Averages
	2009	from 2009-2010	2010	from 2010-2011	2011	from 2011-2012	2009 - 2012
Total Revenue	\$ 7,232,098,186	15.85%	\$ 8,378,568,884	0.92%	\$ 8,455,926,848	6.11%	\$ 8,259,864,684
8(a) Contract Revenue	\$ 3,303,111,410	8.68%	\$ 3,589,981,081	-15.86%	\$ 3,020,641,783	3.93%	\$ 3,139,378,700
8(a) Revenue as Percent of Total Revenue	45.67%	-6.19%	42.85%	-16.63%	35.72%	-2.06%	39.51%
Total Net Income	\$ 397,492,677	-2.01%	\$ 389,504,403	-35.61%	\$ 250,811,171	8.00%	\$ 270,879,859
Profit Margin	5.50%	-15.42%	4.65%	-36.20%	2.97%	1.78%	3.96%
Total Assets	\$ 5,050,011,149	8.91%	\$ 5,499,862,729	11.07%	\$ 6,108,481,052	5.21%	\$ 6,426,656,335
Return on Assets	7.87%	-10.02%	7.08%	-42.02%	4.11%	2.65%	4.21%
Total Asset Turnover	1.43	6.38%	1.52	-9.13%	1.38	0.86%	1.40
Total Shareholder Equity	\$ 3,245,722,360	10.18%	\$ 3,576,262,833	1.04%	\$ 3,613,403,930	6.41%	\$ 3,845,123,091
Shareholder Equity as Percent of Total Assets	64.27%	1.17%	65.02%	-9.03%	59.15%	1.14%	59.83%
Return on Equity	12.25%	-11.07%	10.89%	-36.27%	6.94%	1.49%	7.04%
Total Debt Ratio	35.73%	-2.11%	34.98%	16.79%	40.85%	-1.66%	40.17%
Debt to Equity Ratio	55.59%	-3.24%	53.79%	28.38%	69.05%	-2.77%	67.14%
Equity Multiplier	1.56	-1.16%	1.54	9.92%	1.69	-1.13%	1.67
Total Dividends Paid to Shareholders	\$ 154,741,214	26.11%	\$ 195,147,565	-16.68%	\$ 162,597,825	2.01%	\$ 165,862,349
Total Dividends as Percent of Net Income	38.93%	28.70%	50.10%	29.39%	64.83%	-5.55%	61.23%
Total Scholarship Funds Awarded	\$ 13,414,606	12.40%	\$ 15,077,970	-56.10%	\$ 6,619,757	15.60%	\$ 7,652,528
Scholarships as Percent of Net Income	3.37%	14.70%	3.87%	-31.82%	2.64%	7.04%	2.83%
Donations to Native Nonprofit Efforts	\$ 19,824,449	17.62%	\$ 23,317,482	-19.84%	\$ 18,692,168	22.36%	\$ 22,871,882
Donations to Native Nonprofit Efforts as Percent of Net Income	4.99%	20.03%	5.99%	24.49%	7.45%	13.30%	8.44%
Donations to Non-Native Charities	\$ 1,708,944	-58.33%	\$ 712,167	167.39%	\$ 1,904,229	-3.49%	\$ 1,837,829
Scholarships and Charitable Giving as Percent of Net Income	0.43%	-57.47%	0.18%	315.24%	0.76%	-10.64%	0.68%
Percent of Net Income Paid Out in Dividends, Scholarships and Nonprofit Contributions	47.72%	26.03%	60.14%	25.84%	75.68%	-3.31%	73.18%

CONCLUSION

The Alaska Native Land Claims Settlement Act (ANCSA) arose in a perfect storm – a moment when the federal government, the newly formed state of Alaska, the oil and gas industry and the early conservation movement all had reason to reach agreement. Alaska Native land claims struggles began as soon as outsiders started arriving in the territory. Early leaders fought to enact legislation assuring Native peoples' role in shaping Alaska's future. Federal leadership from many including Sen. Ted Stevens, Secretary of Interior Stewart Udall, and President Richard Nixon were critical to the success of ANCSA. And it was those early Alaska Native visionaries who saw the opportunity at this moment in time to create a new model of self-determination.

The Alaska Native Claims Settlement Act has changed the destiny of Alaska Native peoples and the destiny of Alaska itself, and we are humbly grateful to all who gave their energy and spirit to make ANCSA a reality. It has shaped who we are today and will empower us to create a vibrant tomorrow.

Certainly, ANCSA has faced external challenges, and there have also been internal issues to resolve. But Alaska Native leaders, through a strongly held vision, found ways to work together for the common good – then and now. As an example, natural resource revenues are today shared among all the ANCSA Corporations through 7(i) provisions built upon a collective belief in the sharing of resources, to the benefit of all, held by many of our Native peoples.

Key to our success has been the conservative way our companies are managed, our diversified holdings, and our deep commitment to directly delivering these successes to our shareholders. In fact, over the last four years, Alaska Regional Corporations have committed an average of 62.4 percent of net income to dividends, social/cultural programs, and scholarships. In the last two years this has averaged nearly 75 percent of net income — at a time when the average American company dividend payout rate is 32 percent. Between 2009 and 2012, ANCSA Regional Corporations paid out a total of \$678.4 million in dividends to its Native shareholders.

All 12 Alaska-based ANCSA Regional Corporations were among the top 49 Alaska-owned companies (Alaska is the 49th state) ranked by gross revenues, representing 56 percent of all revenue earned, 53.1 percent of the Alaska employment provided and 58.1 percent of the worldwide employment generated by Alaska's top companies (2011 data). When top performing ANCSA Village Corporations are included, the list of ANCSA companies on Alaska Business Monthly's Top 49ers list includes 20 Native-owned companies. Alaska's Native Corporations represent 73.6 percent of the gross revenue reported, 62.4 percent of the Alaska jobs provided, and 83.3 percent of worldwide employment among the top 49 Alaska-owned companies.

It is success neither our Elders, nor the young visionaries who were so relentless during the creation of ANCSA, could have imagined. Native Corporations have reversed the Alaska economic model of the past by establishing their headquarters in Alaska, doing business worldwide and bringing the profits home.

From the start, our leaders envisioned ANCSA as a multi-generational creation. They invested in educational assistance to help create future Alaska Native leaders and a qualified workforce for the corporations and their affiliated nonprofits. Now, Alaska Native people who grew up under the promise of ANCSA are taking the reins of some of Alaska's largest corporations in large part due to the sacrifice and investment in the future made by our early leaders.

The Alaska Native Claims Settlement Act is a model of indigenous rights and empowerment. In most places throughout the world, indigenous peoples do their best to survive inhospitable economies and colonial cultures in which they have little opportunity to participate or shape their own destinies. In Alaska, our Native peoples truly lead the development of the economy, society and culture. We are unique in the world.

To those who came before us, to those who today are leading the way and to those who will shape our future – we deeply thank you. ■

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ABOUT THE AUTHOR

Bob Poe is an Assistant Professor of Business Administration at the University of Alaska - Anchorage. Over his 33 year career in Alaska he has held several top management positions in both the private and public sectors. From a public sector perspective he has served four Alaska Governors in a variety of cabinet and sub-cabinet leadership roles. He holds a BS and an MBA in Finance from the University of Missouri – St. Louis.

PHOTOGRAPHY

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The ANCSA Regional Association exists to promote and foster the continued growth and economic strength of the Alaska Native Regional Corporations on behalf of their shareholders. The Board of Directors includes one representative from each of the 12 Alaska-based Native Regional Corporations as well as the Alaska Federation of Natives. These members represent the highest level of each corporation's management.

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