



ANCESA REGIONAL ASSOCIATION

Bringing Together Regional Corporation Presidents and CEOs

Kim Reitmeier
Executive Director



A Brief History of Land Claims

1867 - **Treaty of Cession**: US purchases, from Russia, the right to tax and govern the area known as Alaska.

1884 - Congress passes the **Organic Act** designed to strengthen administrative control over "neglected lands". Instead of attempting to set up a code in Alaska, the laws of Oregon were "extended over Alaska".



1912 - **Second Organic Act** is passed by Congress creating the Territory of Alaska and provides for a legislature elected by the people.

1959 - **ALASKA BECOMES A STATE**

1966 - Interior Secretary Stewart Udall imposes a "land freeze" until Congress acted on the claims issued.

1968 - Largest oil field in North America discovered at Prudhoe Bay Oilfield.

1971 - **Alaska Native Claims Settlement Act (ANCSA)** passed December 18, 1971.



The Settlement and its Unique Features

- ✦ 43.7 million acres of land
 - ✦ Land held in fee simple title
- ✦ \$962.5 million dollars
 - ✦ Moneys paid for lands that can not be returned to Native ownership
- ✦ 13 Regional Corporations
 - ✦ Regular corporations with no federal overview
- ✦ 211 Village Corporations
 - ✦ Each village incorporated independently of the Region

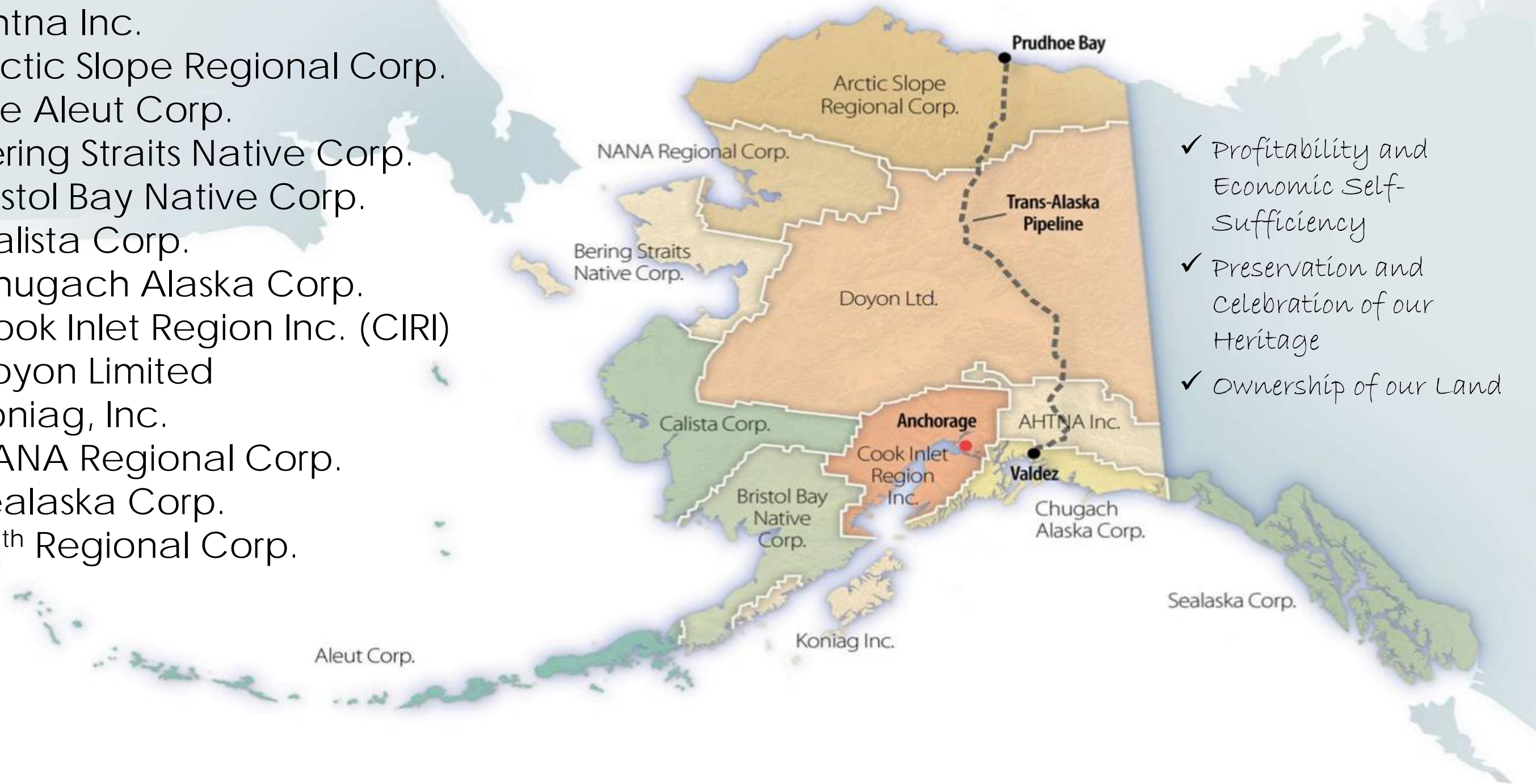


Layers of Native Organizations

- Statewide Organizations (AFN, ANCSA Regional Association, Alaska Native Village Corporation Association...)
- **Regional Corporations**
- Regional Subsidiaries
- Regional Native Non-Profit Corporations
- Village Corporations
- Village Subsidiaries
- Tribal Governments/Councils
- Other: Foundations, Cultural Organizations, Radio Stations, Whaling and Walrus Commissions...

Alaska Native Regional Corporations

- ✦ Ahtna Inc.
- ✦ Arctic Slope Regional Corp.
- ✦ The Aleut Corp.
- ✦ Bering Straits Native Corp.
- ✦ Bristol Bay Native Corp.
- ✦ Calista Corp.
- ✦ Chugach Alaska Corp.
- ✦ Cook Inlet Region Inc. (CIRI)
- ✦ Doyon Limited
- ✦ Koniag, Inc.
- ✦ NANA Regional Corp.
- ✦ Sealaska Corp.
- ✦ 13th Regional Corp.



- ✓ Profitability and Economic Self-Sufficiency
- ✓ Preservation and Celebration of our Heritage
- ✓ Ownership of our Land

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.



Chair
Aaron Schutt
President/CEO
Doyon, Ltd.



Vice-Chair
Gail Schubert
President/CEO
Bering Straits Native
Corporation



Treasurer
Sophie Minich
President/CEO
CIRI



Secretary
Thomas Mack
President/CEO
Aleut Corporation



Michelle Anderson
President
Ahtna, Inc.



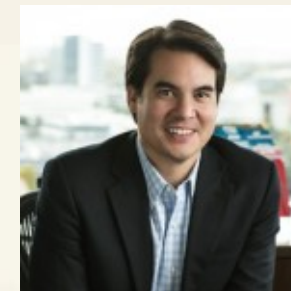
Rex Rock, Sr.
President/CEO
Arctic Slope Regional
Corporation



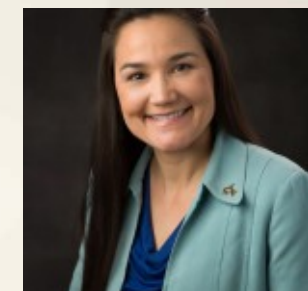
Jason Metrokin
President/CEO
Bristol Bay Native
Corporation



Andrew Guy
President/CEO
Calista Corporation



Gabriel Kompkoff
CEO
Chugach Alaska Corporation



Shauna Hegna
President
Koniag, Inc.



Wayne Westlake
President/CEO
NANA Regional
Corporation



Anthony Mallott
President/CEO
Sealaska Corporation



Julie Kitka
President
Alaska Federation of Natives

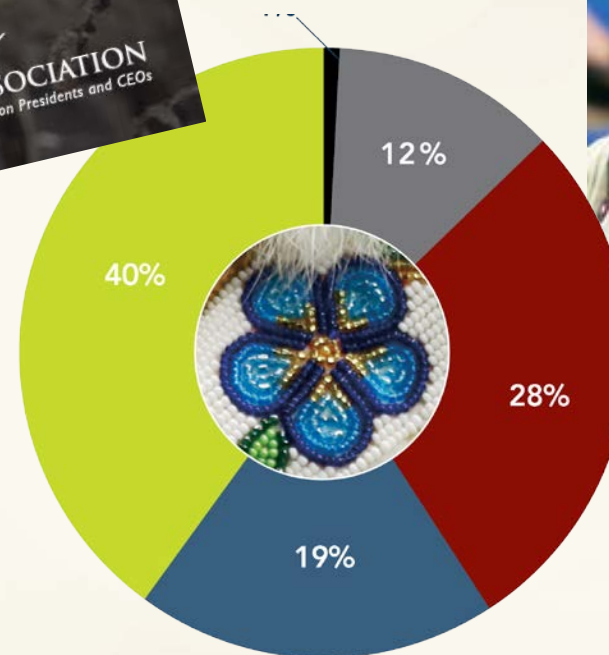
CELEBRATING
CULTURE
&
BUSINESS
2017 ECONOMIC REPORT

ANCSA REGIONAL CORPORATIONS 2012–2016 FINANCIAL ANALYSIS (in thousands)

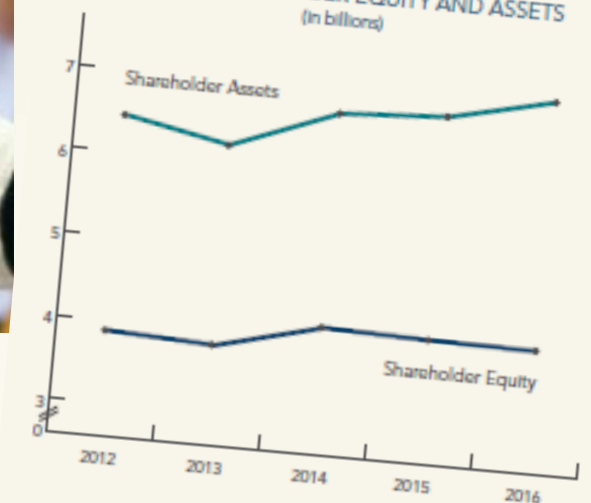
2012–2016 Financial Analysis	2012	2013	2014	2015
Total Revenue	\$ 8,972,865	\$ 8,498,897	\$ 8,575,078	\$ 8,714,491
B(a) Contract Revenue	\$ 2,139,379	\$ 2,614,078	\$ 2,443,186	\$ 2,176,929
B(a) Revenue as Percent of Total Revenue	35.0%	30.8%	28.5%	25%
Total Net Income	\$ 270,880	\$ 153,696	\$ 304,954	\$ 240,796
Profit Margin	3.0%	1.8%	3.6%	2.8%
Total Assets	\$ 6,426,656	\$ 6,175,478	\$ 6,680,563	\$ 6,716,964
Return on Assets	4.2%	2.5%	4.6%	3.6%
Total Asset Turnover	1.40	1.38	1.28	1.30
Total Shareholder Equity	\$ 3,845,123	\$ 3,790,890	\$ 4,116,887	\$ 4,090,718
Shareholder Equity as Percent of Total Assets	59.8%	61.4%	61.6%	60.9%
Return on Equity	7.0%	4.1%	7.4%	5.9%
Total Debt Ratio	40.2%	38.6%	38.4%	39.1%
Debt to Equity Ratio	67.1%	62.9%	62.3%	64.2%
Equity Multiplier	1.67	1.63	1.62	1.64
Total 7(i) Distributions Paid			\$ 93,587	\$ 131,770
Total Dividends Paid to Shareholders	\$ 165,862	\$ 204,997	\$ 155,780	\$ 167,345
Total Dividends as Percent of Net Income	61.2%	133.4%	51.1%	69.5%
Total Scholarship Funds Awarded	\$ 7,653	\$ 7,657	\$ 6,366	\$ 5,834
Scholarships as a Percent of Net Income	2.8%	5.0%	2.1%	2.4%
Donations to Native Non-Profit Efforts	\$ 22,872	\$ 20,437	\$ 16,281	\$ 15,653
Donations to Native Non-Profit Efforts as Percent of Net Income	8.4%	13.3%	5.3%	6.5%
Donations to Non-Native Charities	\$ 1,838	\$ 1,492	\$ 1,947	\$ 1,572
Non-Native Charitable Giving as Percent of Net Income	0.7%	1.0%	0.6%	0.7%
Percent of Net Income Paid Out in Dividends, Scholarships, and Non-Profit Contributions	72.5%	151.7%	58.5%	78.4%

2016	Percentage Change from 2015	Averages 2012–2016	2016 as Percentage of Average	Percentage Change Over 5 Years
\$ 8,224,808	-5.6%	\$ 8,597,228	95.7%	-8.3%
\$ 2,010,565	-7.6%	\$ 2,476,827	81.2%	-36.0%
24.5%	-2.1%	28.7%	85.1%	-30.1%
\$ 107,323	-55.4%	\$ 215,530	49.8%	-60.4%
1.3%	-53.0%	2.5%	52.2%	-56.9%
\$ 7,040,061	4.8%	\$ 6,607,945	106.5%	9.5%
1.5%	-57.6%	3.3%	46.4%	-63.9%
1.17	-10.0%	1.30	89.6%	-16.3%
\$ 4,064,072	-0.7%	\$ 3,981,538	102.1%	5.7%
57.7%	-5.2%	60.3%	95.7%	-3.5%
2.6%	-55.2%	5.4%	48.8%	-62.5%
42.3%	8.1%	39.7%	106.5%	5.2%
73.2%	14.1%	65.9%	111.0%	9.1%
1.73	5.5%	1.66	104.4%	3.6%
\$ 67,653	-48.7%	\$ 58,602	115.4%	
\$ 160,460	-4.1%	\$ 170,889	93.9%	-3.3%
149.5%	115.1%	92.9%	160.9%	144.2%
\$ 7,654	31.2%	\$ 7,033	108.8%	0.03%
7.1%	194.4%	3.9%	183.4%	152.5%
\$ 39,650	153.3%	\$ 22,978	172.6%	73.4%
36.9%	468.4%	14.1%	261.9%	337.6%
\$ 1,264	-19.6%	\$ 1,370	92.3%	-31.2%
1.2%	80.4%	0.6%	200.3%	73.6%
193.6%	146.9%	110.9%	174.5%	167.0%

ANCSA REGIONAL ASSOCIATION
Bringing Together Regional Corporation Presidents and CEOs



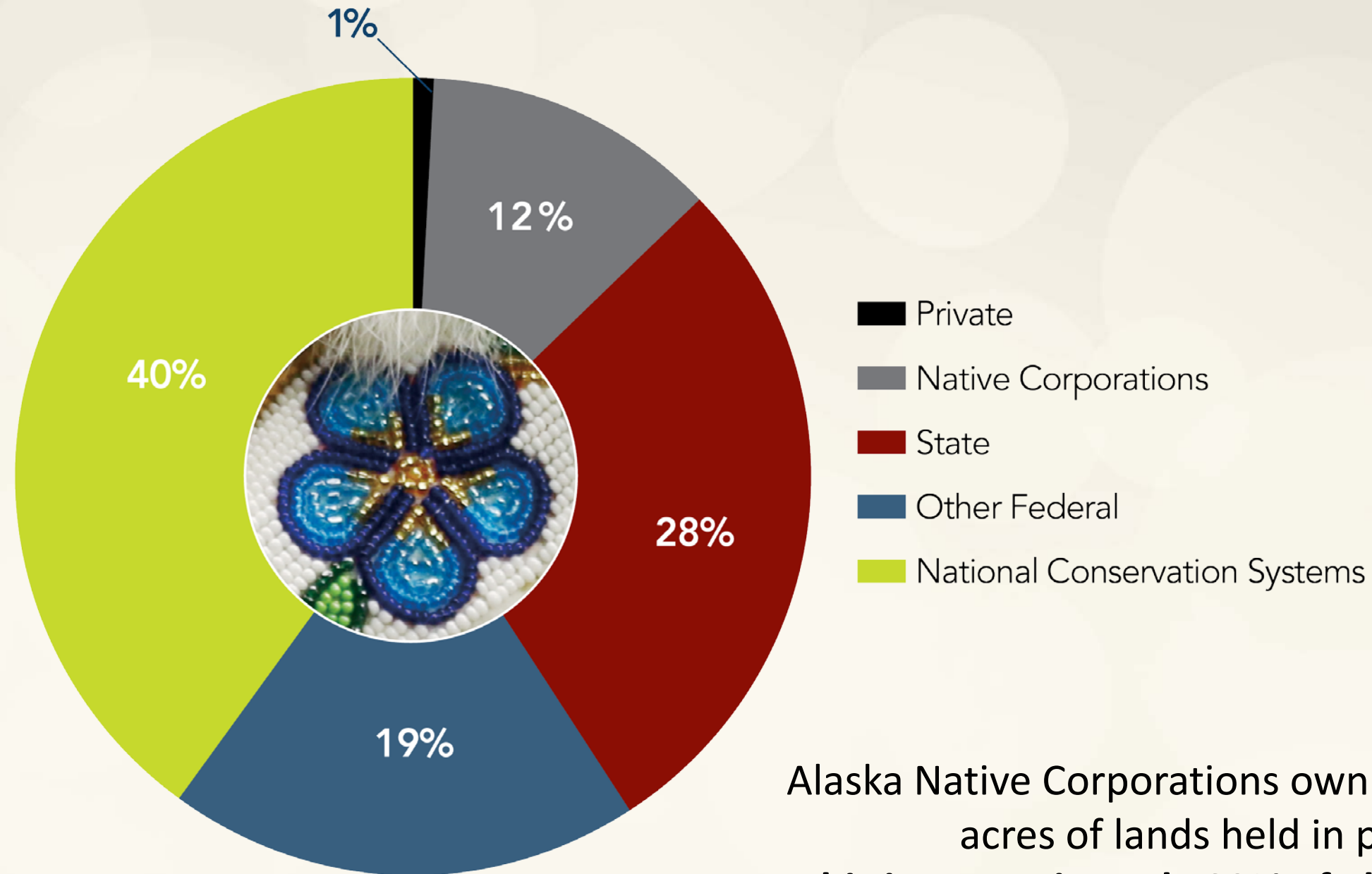
TOTAL SHAREHOLDER EQUITY AND ASSETS
(in billions)



What Everyone Should Know About ANCSA Corporations

- ✦ Regional Corporations are stand-alone, for-profit companies focusing on the “triple bottom line” – economic returns, benefits to shareholders and benefits to the community/environment.
- ✦ Not all Alaska Native people are shareholders.
- ✦ Regional Corporations own their land fee-simple and also own the subsurface estate.
- ✦ Village Corporations and Regional Non-Profits are not subsidiaries of Regional Corporations.
- ✦ ANCSA increased private land ownership in Alaska.

WHO OWNS ALASKA

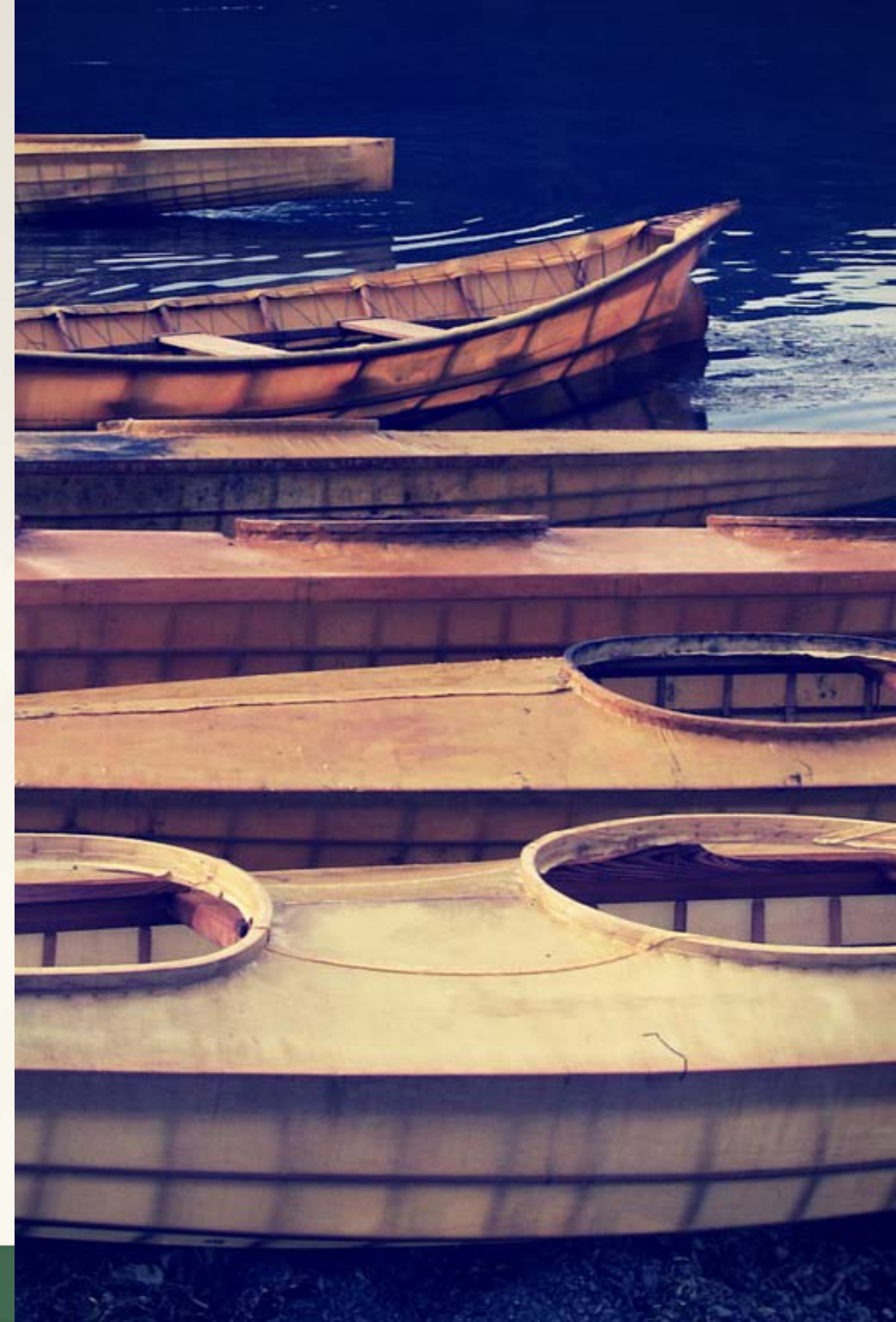


Alaska Native Corporations own 44 million of the 48 million acres of lands held in private ownership.

This is approximately 92% of all private land in the State!

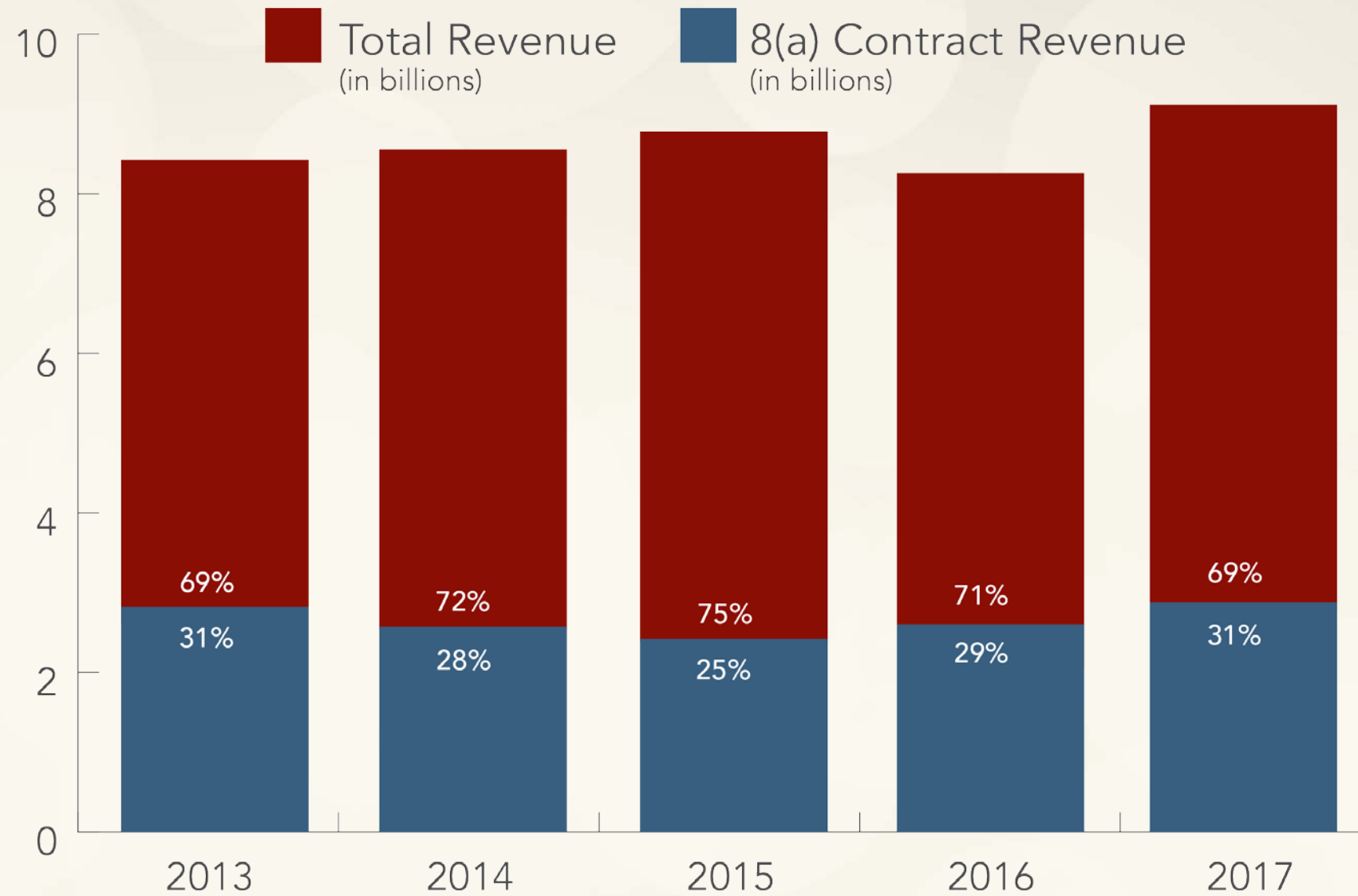
What Everyone Should Know About ANCSA Corporations

- ✦ Stock cannot be traded or sold.
 - 1991 Amendment extended the period of stock alienation to preserve Native ownership.
- ✦ 7(i) and 7(j)
- ✦ The land is part of who we are.
 - Undeveloped land is not carried on their balance sheets.
- ✦ ANCSA Corporations have dramatically diversified Alaska's economy.

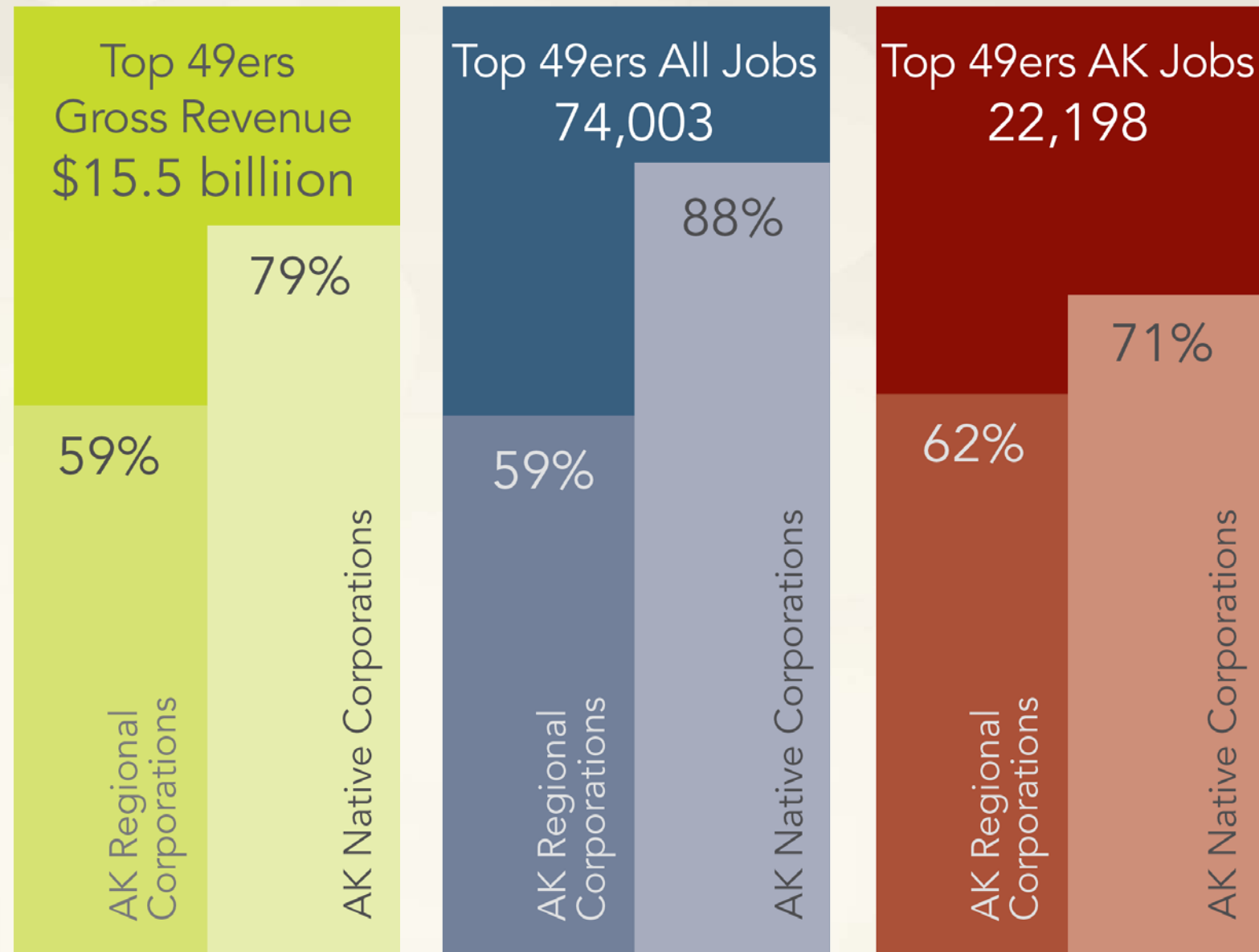


TOTAL REVENUES

(IN BILLIONS)

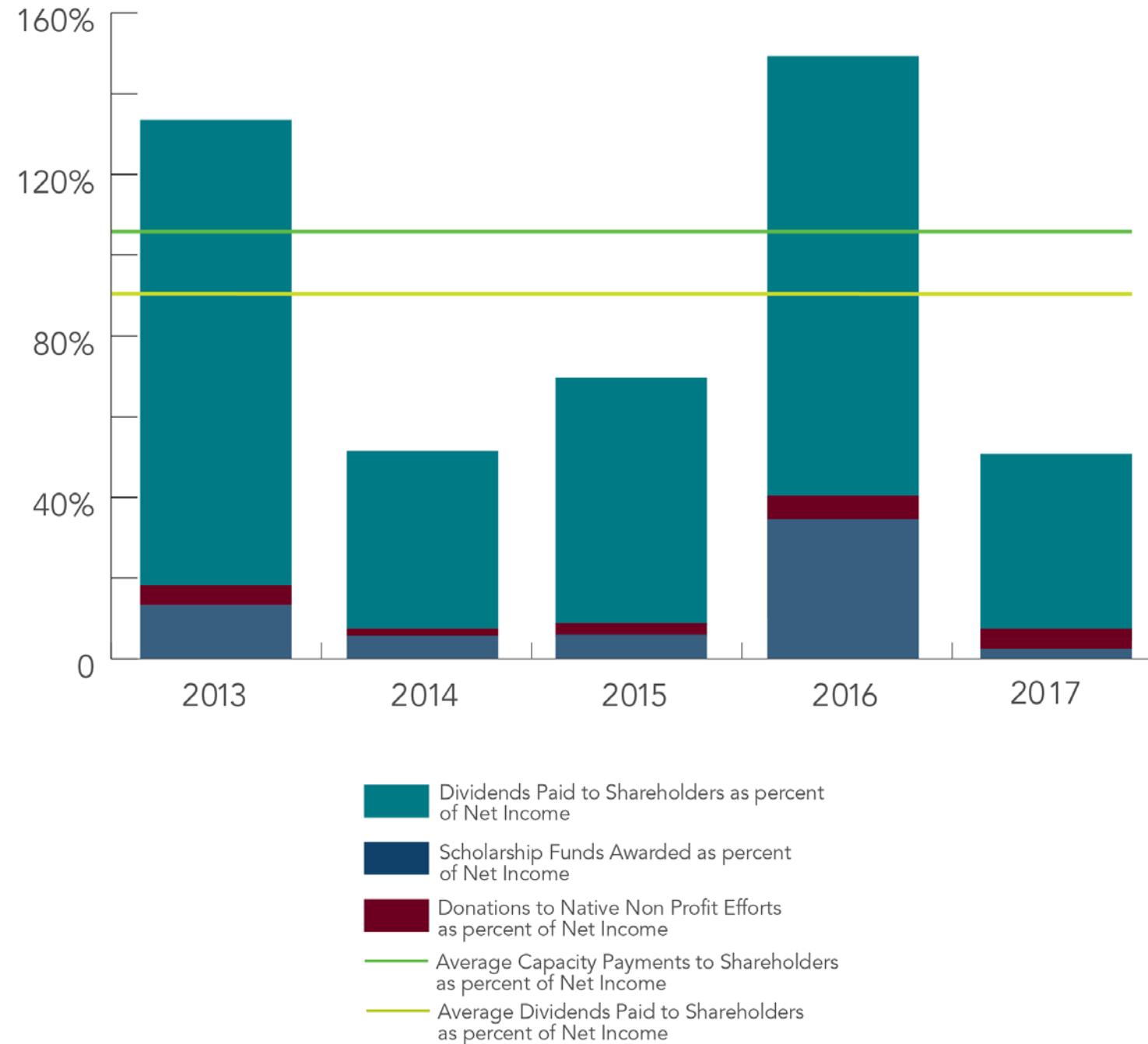


IMPACT OF ANCSA CORPORATIONS



2017

BUILDING SHAREHOLDER CAPACITY



ANCSA ECONOMIC IMPACT

We are an Association of Alaska Native Regional Corporation CEOs. Our corporations are owned by more than 127,000 Alaska Native people and were formed under the Alaska Native Claims Settlement Act of 1971 (ANCSA).



Resource Development Revenue Sharing (7i):
\$232,452,758



Donations to Non-Native Charities:
\$1,284,717

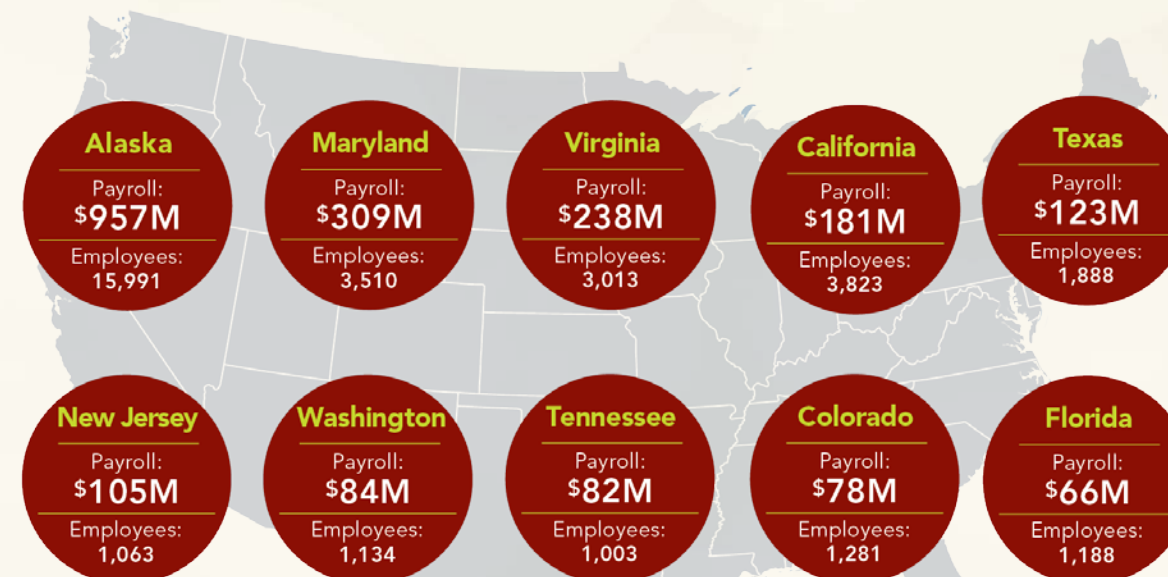
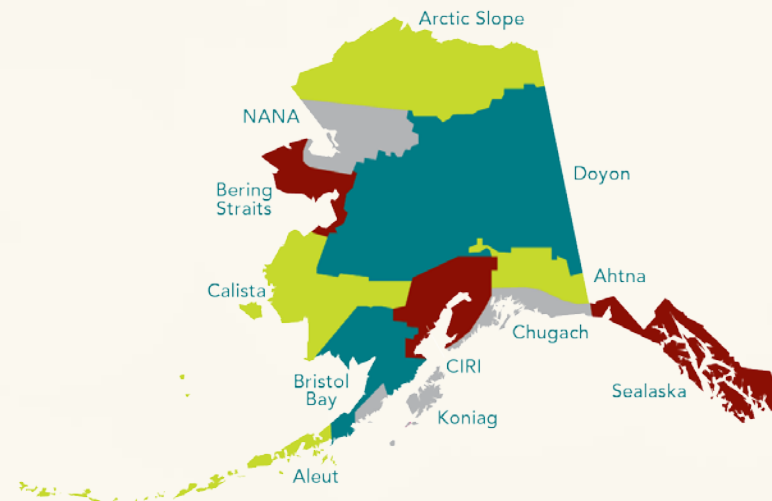


Scholarships Awarded: **3,028**



Employees: **44,625**

Alaska Employees: **15,991**



TOTAL REVENUE: **\$9.1 BILLION** 8(A) REVENUE: **\$2.8 BILLION**

Quyana!

Q&A

