

ALASKA GROWTH CAPITAL

**PROVIDING FINANCIAL CAPITAL AND EXPERTISE
TO BUSINESSES AND ORGANIZATIONS**

A wholly-owned subsidiary of Arctic Slope Regional Corporation

OUR CLIENTS



A MESSAGE FROM THE PRESIDENT

“As I look at Alaska Growth Capital’s performance over the last 15 years I am proud to recognize our mission has been met in assisting small businesses grow and creating jobs. This success is a true testament of our owners, Arctic Slope Regional Corporation, our skilled and dedicated employees, and reliable partners’ commitment.

We are unwavering in our resolve to assure our customers during this shifting economy, to stay at the table and work with them to succeed and thereby keep jobs in the economy. For the second straight year Alaska Growth Capital has been recognized as Small Business Administration’s Community Lender of the Year for all of Alaska, which further demonstrates our mission. Our desire to see our customers become successful is the most important element of our team, and brings our greatest reward.

Alaska Growth Capital is broadening its reach, expanding our products and services outside of Alaska. In 2012, our commercial lending team established Hawaii connections. Currently, we are looking at opportunities in Montana and North Dakota. We will also be taking our New Markets Tax Credit product to a national level as we strive to build economies in low income areas. While we remain devoted to our existing market, expansion to other areas will give us bountiful opportunities to act on and expand Alaska Growth Capital’s mission.

Together with the AGC team, I look forward to serving you in the coming year!”



Chris McGee, Alaska Growth Capital President



OUR SUCCESS STORY

ALASKA GROWTH CAPITAL

Let's face it, stepping into the unknown is both scary and exhilarating. There are few accomplishments more rewarding than starting a new business or branching out into a new market place. Your company demands your attention, money and time, but you don't need to take the leap alone.

Founded in 1997, Alaska Growth Capital is a nationally recognized leader in economic development finance. We have mobilized more than \$150 million throughout rural and urban Alaska, Montana and Hawaii.

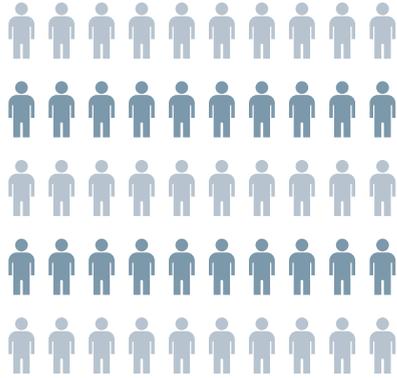
Our diverse skill-set allows us to launch, sustain and grow businesses; create jobs; and support economic development within communities. Like wild Alaska, the business environment is unpredictable, which is why our services are tailored to meet your specific needs. We have assisted hundreds of clients with creating the business of their dreams and look forward to developing new partnerships.

**ALASKA GROWTH CAPITAL
WAS NAMED THE
SBA ALASKA COMMUNITY
LENDER OF THE YEAR
FOR 2011 AND 2012.**

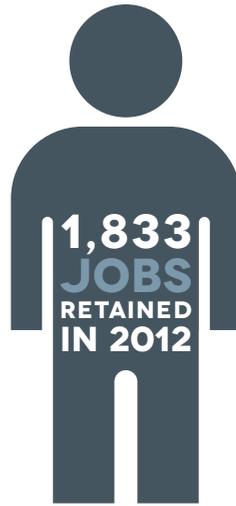
This award recognizes our commitment to providing financial assistance to Alaska's small business owners.



 **53 JOBS**



CREATED IN 2012



**\$150
MILLION
THROUGHOUT
RURAL AND
URBAN ALASKA**



**\$7 MILLION
TO MINORITY OR
NATIVE
CORPORATION-OWNED
BUSINESSES**





New Markets Tax Credits are a powerful tool to help attract investments in low-income areas. New Markets Tax Credits can revitalize a community, providing both jobs and income.

New Markets Tax Credits lend a helping hand when traditional financing cannot. The program can assist with financing businesses, medical clinics, real estate development and nonprofit organizations, anything that will stimulate the economy in a community. In order to receive the funding, the project must be in a qualified census tract or have a large number of low-income customers and employees or the owner must qualify as low-income.

New Markets Tax Credits can revitalize a community, providing both jobs and income. We have received nearly \$100 million through the program and continue to support these types of projects.

BUILDING COMMUNITIES

NEW MARKETS TAX CREDITS

INVESTMENT CRITERIA CAN INCLUDE

- Investments greater than \$5 million
- Project must be in a qualified census tract
- A large number of low-income customers and employees
- Owner qualifies as low-income
- Projects that improve community infrastructure and further the mission of the New Markets Tax Credits Projects

GCI – TERRA

Working with two partners, we provided \$78 million in New Markets Tax Credits to extend GCI's TERRA broadband internet project from Southwest Alaska to Nome.

This project modernized internet for the region giving schools, hospitals, government offices, businesses and homes access to faster internet. The project created 184 construction jobs and an additional 464 jobs linked to construction.



MANIILAQ ELDER CARE FACILITY

Thanks to \$18.6 million in New Markets Tax Credits, the Maniilaq Elder Care Facility will provide a center for the elderly in the Kotzebue area. Senior centers across the state are dealing with severe backlogs that can last years. The addition of another facility will cut down on wait times, as well as allow Native elders to be close to their families and continue to eat a subsistence diet. The facility will employ 20 highly skilled healthcare workers and income from facility operations will remain in the community. Direct and indirect jobs are estimated at 151.

PACIFIC GATEWAY CENTER

Looking to help develop job skills, The Pacific Gateway Center opened in Hawaii using \$6.3 million in New Markets Tax Credits. The center helps teach immigrants, refugees and low-income Hawaiians culinary skills. The project created 35 jobs during its construction and there are 22 permanent jobs at the center.

Photo A: A nurse smiles at the Maniilaq Elder Care Facility in the Kotzebue area. Photo B: With a care facility located in the area, seniors can eat a traditional diet. Photo C: A construction crew works on GCI's Terra broadband internet project in Southwest Alaska.



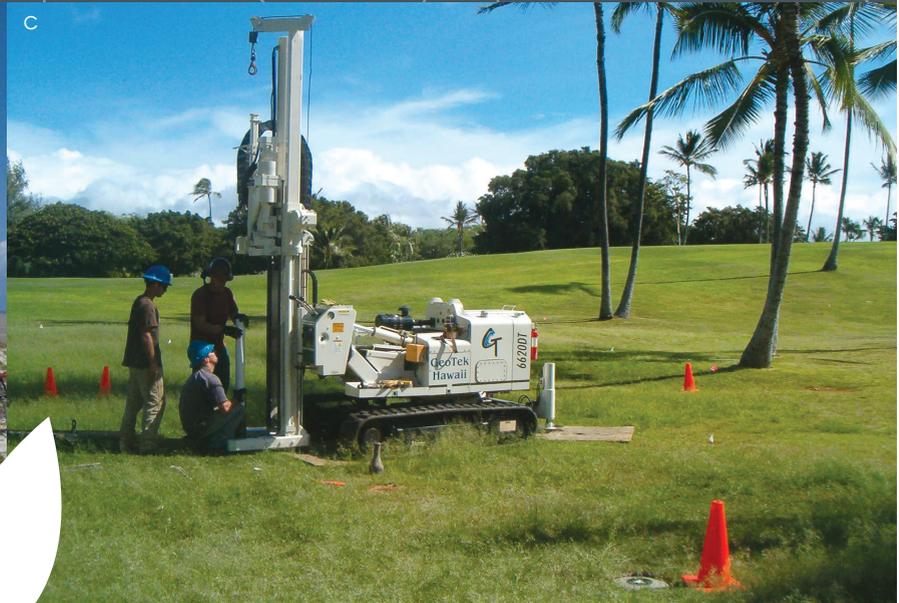
THE RIGHT RELATIONSHIP

GEOTEK HAWAII

We have a lot in common with GeoTek Hawaii. The company specializes in looking below the surface and analyzing the substance underneath, which is exactly what we did when company owner Kevin Rogers came to us for help. Kevin is what we like to call a “good risk.” He understands his niche market inside and out, and that gave us enough confidence to invest in him and his business. The company has now expanded into other markets, including

Guam, Japan and other areas in the Pacific Rim. GeoTek Hawaii is adding equipment and employees every year.

Photo A: GeoTek Hawaii crews prepare for a project. Photo B: Scientists analyze samples taken from a worksite. Photo C: The company specializes in environmental assessment and geotechnical soil analysis.



WHAT THE OWNER SAID:

“Chris makes it happen every time I come to him with an idea. He looks out for us as a whole, whether it’s financing for a new piece of equipment or a new line of credit. Whatever our financial need, he can take a look at that and steer us in the right direction. Over the long term, it has helped us invest and save money.”

– *Kevin Rogers, Owner*

WHAT THE LENDER SAID:

“GeoTek Hawaii is an innovative and growing company that is aggressive and going after the niche in their markets. They are strategic in their growth plans. It’s a relationship that started from the beginning and shows the value of working with a company from the start.”

– *Alaska Growth Capital*

FOR A LOOK AT THE COMPANY VISIT WWW.GEOTEKHAWAII.COM





EXPLORING EXPANSION

ALASKA WILDLAND ADVENTURES

It's in our name and in our hearts. We love Alaska and jump at the chance to share its wonders with others. But you need a certain level of confidence to live on the edge. When Alaska Wildland Adventures approached us in 2009 it was a turbulent time for both the finance and tourism industries. The company was looking for financing for its newest lodge, the Kenai Fjords Glacier Lodge and also needed help refinancing its debt into one consolidated loan package. We knew it was a tough economic time but

were eager to make it happen for Alaska Wildland Adventures.

Photo A: Guests can enjoy views of glaciers from the deck at Kenai Fjords Glacier Lodge. Photo B: The lodge is the only wilderness lodge in the Kenai Fjords National Park. Photo C: There is a lodge and several guests cabins.



WHAT THE OWNER SAID:

“They specialize in businesses that have unique and remote needs. They were refreshing and enthusiastic in supporting our needs. They were also more knowledgeable than other banks about government programs that were the most helpful for us.”

– Kirk Hoessle, President, Alaska Wildland Adventures

WHAT THE LENDER SAID:

“His business model and industry experience was enough proof for us. Kirk has the right vision and business model, and the intuition to see the market. I have seen him grow his business over the years as planned in spite of national and global economic challenges. He has grown his business to be a leader in ecotourism worldwide”

– Alaska Growth Capital

FOR A LOOK AT THE COMPANY VISIT WWW.ALASKAWILDLAND.COM





STARTUP STRATEGY

THE BABY STORE

The Baby Store was the perfect partnership for Alaska Growth Capital, marrying our two primary objectives of growing Alaska businesses and creating jobs for Alaska Natives. ASRC Shareholder Victoria Kellie saw an opportunity to open a new and gently used baby boutique in Wasilla. While she was bursting with enthusiasm and motivation, Victoria had never owned a business before. Multiple banks turned her down before she came to us. Working on a tight deadline, we were

able to secure a SBA loan for Victoria. But we didn't leave it at that, we worked with Victoria on her business plan and gave her ideas for a possible future expansion. Victoria is now a successful business owner and a role model for other Shareholders.

Photos A and C: The store features a variety of products, including locally made Alaska baby clothes. Photo B: The Baby Store owner Victoria Kellie smiles as she hangs clothes.



WHAT THE OWNER SAID:

“Alaska Growth Capital was super nice, super positive, they looked at everything and they did everything. The only thing I had to do was send in the paperwork and sign my name away.”

– *Victoria Kellie, Owner*

WHAT THE LENDER SAID:

“It was the perfect opportunity. We went in, we interviewed her, we looked at the opportunity like we look at any other. There was a good, solid business plan. The motivation of owner exceeded our expectations and she seemed to have the background and skills to manage a store.”

– *Alaska Growth Capital*

FOR A LOOK AT THE COMPANY VISIT WWW.THEBABYSTORE.NET





NEW OPPORTUNITIES

THREE BEARS

Three Bears Alaska is the state's largest Alaskan-owned retailer, providing Alaskans with all the essentials, hunting, fishing, camping gear and more. The company has seven locations across the state and in 2007 it was looking to take its services to the Lower 48. Three Bears settled on Butte, Montana but this successful company had a hard time convincing lenders it would be easy to operate a business from afar. We didn't need convincing, we know it's much

easier to travel from Butte to Anchorage than it is to get from Kenai to Tok. The Butte store is the perfect opportunity for Three Bears to fill the gap where large box stores are failing.

Photos A: The Three Bears Store in Butte is a warehouse. Photo B: The store provides merchandise in bulk, as well as gas. Photo C: The Butte store often receives shipments sooner than the Alaska locations.



WHAT THE OWNER SAID:

“Alaska Growth Capital was willing to spend the time looking at the facts and getting to know the company. They backed us in that endeavor and we are still there. Alaska Growth Capital is still with us and it’s been a good relationship.” – *Steve Mierop, Chief Financial Officer*

WHAT THE LENDER SAID:

“For the sheer fact that Alaska is so big, we may be dealing with companies on the complete opposite side of the state. There is no reason we shouldn’t be comfortable taking the opportunity. The owner’s innovative ideas of going in and investing in that market was really a great idea.”
– *Alaska Growth Capital*



FOR MORE INFORMATION ABOUT THE COMPANY VISIT THREEBEARSALASKA.COM

VISION

We are a value-added lending institution focused on helping Alaska businesses grow.



MISSION

To help our clients grow and thrive in Alaska's business environment. Our business operates on the foundation of integrity, ethics, honesty and effort.

ALASKA GROWTH CAPITAL

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