



ALASKA SEAFOOD INTERNATIONAL MOVES FORWARD

FOR IMMEDIATE RELEASE - ANCHORAGE January 5, 2001 12:00pm // In a joint announcement today, Bob Poe, Executive Director of the Alaska Industrial Development and Export Authority (AIDEA), and John Brady, CEO of Alaska Seafood International (ASI) announced the substantial completion of the restructuring and refinancing plan for ASI. The deal, which was the result of extensive negotiations which began last September, restructures debt and equity ownership in ASI and provides an initial \$14.0 million dollars in working capital to the Anchorage-based seafood company.

The new restructuring and financing plan, reached between ASI shareholders, its primary lending bank and AIDEA realigns about \$16.0 million in project debt, creates a new ASI board of advisors, and makes AIDEA and Bank Sino Pac equity owners in the venture. AIDEA currently owns the building housing ASI's manufacturing operations. Under the terms of the agreement, AIDEA exchanges a portion of current and future lease payments and \$2.5 million in additional equity infusion for its shares in ASI.

Bank Sino Pac converts \$8.0 million in current debt to equity and invests an additional \$2.5 million in equity contribution for a total investment of \$10.5 million. Central Investment Holding (CIH) invests an additional \$8.0 million in equity in addition to the \$31.0 million has invested to date for a total investment of \$39.0 million.

Shareholders, represented by ASI founder, Howard Benedict, will have a limited interest in the project of 0.1% with an option to purchase up to an additional 14.7% interest in the company in the future. Benedict has recently resigned from the ASI board of advisors and a new board will be named later in January, according to Poe.

"The completion of this agreement and the further investment in this project by CIH, Bank Sino Pac and AIDEA reflects each shareholders' optimism about the future for ASI and our mutual commitment to help this venture become successful for Alaska. We especially appreciate the support of our Taiwan partners CIH and Bank Sino Pac in this new agreement. But the job is not done yet, AIDEA and the other partners in this venture continue to seek a "4th partner" to bring additional food/seafood processing experience to the company. That part of the effort remains encouraging, but agreement with a new partner has not yet been reached", said Poe.

"ASI is very pleased with the agreement. We now have the support to execute our business plan. A good deal of work remains, but we are progressing nicely with our production upgrades and are implementing an aggressive marketing and sales effort. This has been a long process requiring several changes along the way. We pledge to work with our board of advisors to focus on our mission of delivering high-quality seafood products to markets in North America and the world," said Brady.

Alaska Seafood International is a manufacturer of value-added Alaskan seafood products, located in Anchorage, Alaska. The 202,000 square foot facility is the first of its type in North America, offering culinary quality portioned and flavored seafood products. For more information, please contact Greg Galik at ASI, 770-8210 or Bob Poe at AIDEA, 269-3000.