



ALEXANDER & BALDWIN

Matson to Raise Fuel Surcharge by One Half Percent

March 1, 2004

OAKLAND, Calif.--(BUSINESS WIRE)--March 1, 2004--Due to sustained increases in fuel costs, Matson will raise its fuel surcharge in its Hawaii and Guam/Commonwealth of Northern Mariana Islands (CNMI) services from 7.5 to 8.0 percent, effective March 14, 2004.

"While fuel prices impact virtually all businesses, as well as consumers, the costs are especially significant for transportation companies," said Dave Hoppes, vice president, ocean services. "Matson burns approximately 1.9 million barrels of fuel annually. For every dollar increase per barrel of bunker fuel, Matson experiences an approximate \$1.9 million increase in annual operating costs. We cannot continue to absorb these additional fuel-related operating costs. We will continue to monitor fuel prices and adjust the surcharge accordingly."

Historically, Matson has adjusted its fuel surcharges up or down based on established trends in oil prices.

Matson is a wholly owned subsidiary of Alexander & Baldwin, Inc. of Honolulu (NASDAQ:ALEX).

CONTACT:

Matson

Jeff Hull, 415-271-7141 (cell)

SOURCE: Matson