



ALEXANDER & BALDWIN

A&B Properties Announces New Residential Project in Wailea; Joint Venture with Armstrong Builders; 150-unit Kai Malu at Wailea has Ocean and Sunset Views

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HONOLULU--(BUSINESS WIRE)--Nov. 15, 2004--Alexander & Baldwin, Inc. (NASDAQ:ALEX) is developing a 150-unit residential project on a 25-acre parcel at the Wailea Resort on Maui, and has received the final Maui County government approval needed to proceed, announced A&B President & CEO Allen Doane. The project, named Kai Malu ("peaceful waters") at Wailea, is being developed in a joint venture with Armstrong Builders, and is A&B's first development at Wailea Resort following its late-2003 acquisition of 270 undeveloped acres at the Resort, comprising 17 individual development parcels entitled for residential and commercial uses. Wailea Resort was originally master-planned in the early 1970s by A&B subsidiary Wailea Development Company and is considered one of the finest residential resort communities in the world.

"A&B's strategy in acquiring the Wailea Resort lands was to engage in a program of developing some of the development parcels ourselves or in joint ventures with others," explained Doane, "and selling some of the parcels to other builders. In the year since we purchased this property, we have sold four development parcels, have substantially sold out the 29 single-family house lots in the Golf Vistas subdivision, and will now be engaged in the development of Kai Malu. The Wailea acquisition has been good not only for A&B, but for the larger Wailea community as well, and we are extremely pleased with the initial results of this major acquisition for the company."

A&B Properties CEO Stanley M. Kuriyama said, "We are excited to launch Wailea Resort's newest development project with this exceptional parcel. We are also excited to be venturing the project with Armstrong Builders, an extremely capable development company in whom we have the highest degree of confidence and trust. Kai Malu will offer high-quality, unique homes that should be well-received in the marketplace, and which will enhance Wailea Resort's long-standing reputation for excellence."

The Kai Malu parcel is zoned for residential development, and its gently sloping elevations provide for excellent ocean and sunset views from most of the site. It is surrounded on three sides by the Wailea Blue Golf Course.

The project is planned for approximately 150 units to be developed in 75 two-story buildings. Each building will have the appearance of a large single-family resort home, but will be divided into two units, each two stories high. The buildings will be sited to take advantage of view channels toward the ocean and golf course. Each individual unit will be designed to maximize privacy, with the functionality and "feel" of a single-family residence. Units will average approximately 1,800 square feet of living area, and will have large covered lanais and enclosed two-car garages.

Sales are expected to begin next month with construction scheduled to start in mid-2005. To request information on the project, visit its website at www.kaimalutwailea.com.

Kai Malu at Wailea marks A&B's second joint venture with Armstrong Builders, the first being a very successful collaboration on the award-winning "Kai Lani at Ko Olina," a 116-unit condominium project at the Ko Olina Resort on Oahu. Construction on Kai Lani began in July 2002 and was completed by March 2004, with all units sold under binding contracts within 21 months of their initial release.

Robert H. Armstrong, president of Armstrong Wailea Corporation and Armstrong Builders, Ltd., said, "We are pleased to partner again with A&B Properties in this joint venture. Our combined efforts are moving Kai Malu forward quickly, and we are happy to be working with A&B Properties on making our shared vision for Kai Malu a reality."

Founded in 1976 by Robert Armstrong, Armstrong Builders, Ltd. is a leading residential and commercial construction company in Hawaii. The company has been honored as Builder of the Year several times by the Building Industry Association of Hawaii; has won numerous Parade of Homes awards; and is a two-time recipient of the Overall Grand Award of the Hawaii Renaissance. Armstrong Builders' projects include the Ko Olina Marina, Kai Lani at Ko Olina, the Golf Club Estates at Waikole, Brookview, Hale Kalana and Kapalai Hale at Windward Oahu, among many others. For more information about the company, visit its website at www.armstrongbuilders.com.

A&B Properties is a developer and owner of commercial and residential properties, and is the State's most active real estate investor. The Kai Malu project is A&B's 22nd Hawaii acquisition or investment outside of its core landholdings since 1998; these acquisitions represent a total capital investment of over \$425 million. A&B's income portfolio includes over 5 million square feet of commercial space in Hawaii and on the Mainland. A&B's landholdings include a total of 90,000 acres in Hawaii, making it the state's fourth largest private landowner. A&B development projects are ongoing now in various locations on Maui, Oahu; Kauai and the Big Island. Additional information may be found at its web site: www.abprop.com.

A&B Properties, Inc. is the property development and management subsidiary of Alexander & Baldwin, Inc., a diversified corporation headquartered in Honolulu. A&B's major lines of business are transportation services (Matson Navigation Company, Inc. and Matson Integrated Logistics); property development and management (A&B Properties, Inc.); and food products (Hawaiian Commercial & Sugar Company and Kauai Coffee(R) Company). Additional information about A&B may be found at its web site: www.alexanderbaldwin.com.

Statements in this press release that are not historical facts are "forward-looking statements," within the meaning of the Private Securities Litigation

Reform Act of 1995, that involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Factors that could cause actual results to differ materially from those contemplated in the statements include, without limitation, overall economic conditions and other risks associated generally with developments. These forward-looking statements are not guarantees of future performance. This release should be read in conjunction with our Annual Report on Form 10-K and our other filings with the SEC through the date of this release, which identify important factors that could affect the forward-looking statements in this release.

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