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Matson Honored With U.S. Coast Guard's Prestigious Benkert Environmental Award for Excellence

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OAKLAND, Calif.--(BUSINESS WIRE)--June 12, 2006--Matson Navigation Company has been honored with the U.S. Coast Guard's 2006 Rear Admiral William M. Benkert Marine Environmental Award for Excellence. The Benkert Award was created to recognize outstanding achievements in marine environmental protection that go beyond mere compliance with industrial and regulatory standards. Matson was the only containership operator recognized in the 2006 award process, which is conducted every two years. Other recipients of the 2006 award include Dow Chemical, British Petroleum, Marathon Petroleum and Todd Shipyard. The formal awards presentation will take place on June 26 in San Diego.

"The William M. Benkert Award is the premier national award that recognizes excellence in marine environmental protection," said Captain Michael B. Karr, U.S. Coast Guard, Chief, Office of Vessel Activities. "The evaluation process is competitive; standards are rigorous and demanding. This award was created to recognize vessel and facilities operators who have implemented outstanding marine environmental protection programs -- programs that far exceed mere compliance with industrial and regulatory standards."

Matson President and CEO James Andrasick commended the company's safety, quality and environmental affairs (SQE) and vessel operations departments for this distinguished achievement: "The criteria for receiving the Benkert Award require operators to demonstrate comprehensive and industry leading environmental initiatives. Matson's efforts here have clearly gone far beyond today's stringent requirements. In many instances, Matson has demonstrated leadership in areas pertaining to offshore environmental protection by partnering with various regulatory agencies and equipment manufacturers on environmental studies and projects. In every example, Matson's SQE and vessel operations departments received the full support and cooperation of all Matson personnel. The collaborative work has been exceptional."

Matson has had a zero discharge policy since 1993 and is still the only container vessel company that has such a program. In 2003, Matson's S.S. Chief Gadao became the first U.S.-flag container vessel certified to the American Bureau of Shipping's Safety, Quality and Environmental Management (SQE) program. All of Matson's vessels now have the SQE certification, which requires a documented environmental management system focused on continuous improvement. In addition, our offices and terminals are certified to the ISO 14000 environmental management system standard.

"Matson has also established a Matson Environmental Protection Zone which voluntarily limits discharges from the onboard oil water separators in coastal areas even when it is permissible legally to do so," said Paul Londynsky, vice president, SQE. "Last year, we installed additional filters on the discharge side of the oil water separators to further reduce the oil content below the 15 ppm limit."

Environmental Affairs Manager Lisa Swanson added: "Recent projects to reduce air emissions include a new generator and turbocharger retrofits on our C9-class vessels, a slide valve retrofit on the MV R. J. Pfeiffer, and installation of boiler combustion hardware on two steamships. In order to minimize the potential introduction of invasive species from ballast water, Matson has maintained a long and successful partnership with the California State Lands Commission to demonstrate innovative technologies. An Optimar(TM) system was installed and tested on a Matson vessel in 2003, and we are now in the process of testing an Ecochlor(TM) system on the ITB Moku Pahu."

Matson and SSA Marine also recently signed a new "green port" lease with the Port of Long Beach, setting a new environmental standard for terminal leases. As part of the new agreement, Matson will retrofit five vessels in its current fleet to use shoreside electricity, known as cold-ironing, or technology that is at least 90 percent as clean as cold-ironing. In addition, a class of older vessels will be retrofitted with technology that is at least 80 percent as clean as cold-ironing.

The Benkert Award is named in honor of Rear Admiral William M. Benkert (1923 - 1989), a distinguished Coast Guard officer widely known for his leadership and vision in marine environmental protection. Matson received the bronze award in the large business vessel category.

Matson provides ocean transportation services for Hawaii, Guam, China and the Mid-Pacific, as well as logistics services throughout North America. Matson is a wholly owned subsidiary of Alexander & Baldwin, Inc. of Honolulu (NASDAQ:ALEX).

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