



ALEXANDER & BALDWIN

A&B Properties Sells Kailua-Kona Shopping Center

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HONOLULU, Dec 05, 2006 (BUSINESS WIRE) -- Alexander & Baldwin, Inc. (NASDAQ:ALEX), through subsidiaries and related entities, has sold the Lanihau Shopping Center in Kailua-Kona on the island of Hawaii, along with the leasehold position and option to acquire the underlying fee simple interest in an adjacent 22.4 acre parcel. The transaction closed today. A&B had purchased the center, as well as the leasehold/fee options on the vacant parcel, in 2005. The buyers are affiliates and partners of Westwood Development Group, a Michigan-based private retail investment and development firm.

A&B Land Group Chief Executive Officer Stanley Kuriyama said, "The Lanihau Shopping Center has been an excellent performer for us, operating at 100 percent occupancy since our acquisition. Due to the highly visible, central location of the center and the adjacent development site, and the strong overall demand for retail properties in Hawaii, we received several unsolicited offers to purchase Lanihau. Westwood's offer created a selling opportunity that will generate attractive returns on our original investment."

The Lanihau Shopping Center consists of 88,200 square feet of retail space on a 9.7-acre fee simple parcel, and is anchored by Sack N Save and a Longs Drug Store. The adjacent 22.4-acre parcel is commercially zoned.

A&B Properties is one of the Hawaii's most active real estate companies with residential and/or commercial development ongoing on four islands. A&B owns approximately 90,000 acres in Hawaii, making it Hawaii's fourth largest private landowner, and has an income portfolio comprising more than 5.3 million square feet of leasable retail, office and industrial space on the Mainland and in Hawaii.

Besides focusing on the development and management of these core real estate holdings, in recent years A&B has embarked on a strategy of expanding beyond its historical Hawaii landholdings. A&B's strategy has focused primarily on Hawaii, where it has invested in 25 Hawaii residential and commercial properties since 1999, representing a capital commitment of approximately \$700 million. Additional information may be found at its web site: www.abprop.com

Alexander & Baldwin, Inc. is a diversified corporation headquartered in Honolulu. A&B's major lines of business are ocean transportation and logistics (Matson Navigation Company, Inc. and Matson Integrated Logistics, Inc.); real estate (A&B Properties, Inc.); and food products (Hawaiian Commercial & Sugar Company and Kauai Coffee Company, Inc.). 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, failure to satisfy closing or funding conditions set forth in the definitive agreement and other risks associated generally with acquisitions and 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.

SOURCE: Alexander & Baldwin, Inc.

Alexander & Baldwin, Inc.
Meredith J. Ching, 808-525-6669
mching@abinc.com