



ALEXANDER & BALDWIN

Matson Strengthens Sea Star Alliance With Sale of Two Ships

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SAN FRANCISCO, Feb 4, 2002 (BUSINESS WIRE) -- Matson Navigation Company, Inc. (Matson) has completed the sale of two combination roll-on, roll-off/lift-on, lift-off containerships to Sea Star Line, LLC (Sea Star) in Jacksonville, Fla. The vessels, which have been bareboat chartered to Sea Star since the company was formed in 1998, will continue to be deployed in the Puerto Rico trade. The sale to Sea Star, which is owned jointly by SaltChuk Resources, Inc., Matson and Taino Star Investment, Inc., underscores the investors' long term commitment to the line's Puerto Rico service. Matson is a wholly owned subsidiary of Alexander & Baldwin, Inc. of Honolulu (Nasdaq:ALEX).

The two ships, the SSs El Yunque and El Morro, were both built by Sun Ship Building and Dry Dock Company and initially placed in the U.S. Atlantic Coast-Puerto Rico trade. Matson purchased the vessels in 1989 and 1990, respectively. Following the purchase, Matson modified both ships from strictly roll-on, roll-off vessels to combination ro-ro/lift-on, lift-off containerships. When the vessels were chartered to Sea Star, further modifications were made to increase their "big box" container capacity.

As part owner of the Puerto Rico venture, Matson is confident that the two ships are well suited for Sea Star's service and will prove to be a good long term investment in the liner's operations. "Matson recognizes that market conditions today are highly competitive in the Puerto Rico trade," said C. Bradley Mulholland, Matson president and chief executive officer. "We, nevertheless, remain committed to our investment in Sea Star and feel they are prepared to take on the challenges in the market. Long term, we believe that Sea Star will emerge as Puerto Rico's leading ocean carrier."

Mike Shea, president of Sea Star, added: "These two vessels have contributed significantly to Sea Star's success in delivering superior service to our customers. Since their deployment in the Puerto Rico trade, Sea Star has maintained an excellent on-time arrival record, with over 95% of all voyages arriving within two hours of schedule. They are the only combination roll-on, roll-off/lift-on, lift-off vessels in the trade and allow us to accommodate virtually any type of shipment, including containers, trailers, heavy equipment, vehicles of all types, bulk liquids, flat beds, refrigerated cargoes and open tops. The purchase directly reflects Sea Star's dedication to serving Puerto Rico with fast, versatile vessels and making ongoing investments in our service that benefit our customers, ranging from container equipment to modern, state-of-the-art terminal facilities."

Sea Star is an intermodal ocean carrier providing services between the United States, Puerto Rico and the U.S. Virgin Islands. Sea Star Line offers three weekly departures from Florida to San Juan, St. Thomas and St. Croix. For more information, visit Sea Star's Web site at www.seastarline.com.

Matson provides ocean transportation, intermodal and logistics services in U.S. domestic markets. For more information, please visit Matson's Web site at www.matson.com.

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