



ALEXANDER & BALDWIN

Exemption Granted for Hawaii Cargo Operations on the West Coast; Matson Resumes Hawaii Service

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SAN FRANCISCO, Oct 5, 2002 (BUSINESS WIRE) -- The Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU) agreed last night to exempt all Hawaii cargo from the current West Coast defensive shutdown. As a result, Matson Navigation Company, Inc. (Matson) will resume its West Coast operations for the company's Hawaii service, beginning with the evening shift on Saturday, October 5.

Governor Benjamin Cayetano of Hawaii had submitted the request for exemption on Wednesday. It received the full support of Hawaii's congressional delegation, led by Senator Daniel Inouye, who enlisted the support and signatures of Senator Dan Akaka and Congressman Neil Abercrombie on an urgent letter of appeal to the PMA and ILWU.

Matson Navigation Company currently has five vessels on the West Coast ready to resume service. Two vessels are in Los Angeles, one in Oakland and another two in Seattle. Three other vessels are currently en route to the West Coast from Hawaii.

The first vessel scheduled to depart for Hawaii is the S.S. Kauai in Seattle, which will sail directly from the Pacific Northwest to Honolulu on late Monday night and arrive on Saturday, October 12. Arrivals are scheduled for five successive days in Hawaii. The S.S. Matsonia will depart Oakland on Tuesday, October 8 and arrive in Honolulu on Sunday, October 13. The S.S. Ewa will depart Los Angeles on Wednesday, October 9 and arrive in Honolulu on Monday, October 14. The MV R. J. Pfeiffer will depart Oakland on Friday, October 11 and arrive in Honolulu on Tuesday, October 15. And the S.S. Chief Gadao will depart Los Angeles on Saturday, October 12 and arrive in Honolulu on Wednesday, October 16.

"This is very good news for Hawaii," said James Andrasick, president and chief executive officer. "Clearly, as the nation's only island state, Hawaii is totally dependent on ocean transportation to support its economy. Unlike other states, the Islands have no alternative modes of transportation, such as rail or truck, to ensure goods continue to flow to and from the U.S. Mainland. The only other cargo option is by air, which is expensive and limited in capacity. Matson provides a vital lifeline to the state and its residents."

While the exemption has allowed carriers serving Hawaii to resume service, the West Coast defensive shutdown remains in place. There is currently no contract agreement between the PMA and ILWU. Negotiations are continuing with a federal mediator.

Matson Navigation Company provides ocean transportation, intermodal and logistics services in U.S. domestic markets. Matson is a wholly owned subsidiary of Alexander & Baldwin, Inc. of Honolulu (Nasdaq:ALEX).

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