



ALEXANDER & BALDWIN

A&B Buys Business Center in Nevada, Sells One in California; Transactions Cap Active Year for Real Property Portfolio

December 27, 2002

HONOLULU--(BUSINESS WIRE)--Dec. 27, 2002--Alexander & Baldwin, Inc. (NASDAQ: ALEX) completed an active year of investment activity for its income property portfolio with the purchase of a warehouse/industrial property in Nevada and the sale of a Southern California industrial property in the last week of 2002. "A&B has continued to identify investment opportunities both in Hawaii and on the Mainland, as we enhance and balance our investment portfolio with a mix of retail, commercial and industrial properties," explained President and CEO Allen Doane. These two transactions cap a year that included the disposition of shopping centers in Colorado and Southern California and an industrial complex in Texas, and the acquisition of shopping centers in Mililani, Oahu (Hawaii) and Long Beach, Calif.

The Sparks Business Center, located in the city of Sparks, Nev., in the Reno metropolitan area and approximately 20 miles northeast of Lake Tahoe, was acquired on December 23 by A&B subsidiary WDCI, Inc. for \$20.1 million. The Center comprises four buildings, containing a total of 396,080 square-feet of leasable area, on 20.7 acres. This multi-tenant business park with excellent access to air, rail and highway routes was completed in 1998. The nearby Reno-Tahoe International Airport is home to distribution facilities for UPS, FedEx and Emery, while Interstate 80/US 395 highways provide surface access to all major West Coast markets.

Major international tenants include Carrier Corporation (38,400 square feet), the world's largest manufacturer of heating, air conditioning and refrigeration systems; and Unique Industries (171,900 square feet), a privately held company that manufactures party and childrens merchandise for the United States, Canada and England, which recently signed a lease extension. Local and regional manufacturers complement these primary tenants and many of the remaining leasees, including the City of Sparks and St. Mary's Health Care Corporation, have office space in the facility.

A&B also sold today the Day Creek Industrial Park, located in Ontario, Calif., the center of the "Inland Empire," to Americana Mobile Estates, for \$6.3 million. The warehouse/industrial center comprises 147,319 square-feet of leasable space, located on an 8.18-acre parcel. A&B Properties purchased the property in June 1999 and it is 100% occupied.

A&B Properties Executive Vice President Norbert M. Buelsing said, "We were not actively marketing this property, but a recent lease extension we negotiated with Federal Express definitely enhanced its value. We received an attractive offer from Americana which will provide a good return to the company's shareholders and enable us to redeploy the proceeds from the sale in other properties with appreciation potential." The company continues to own two other warehouse/industrial centers in Ontario: the Ontario Distribution Center and the Ontario-Pacific Distribution Center.

Buelsing stated, "We see the Reno-Tahoe area as having an extremely healthy business climate. Its low 3.5% unemployment rate reflects the significant growth in the non-gaming business sectors. All businesses benefit from an absence of inventory and corporate taxes, and individuals benefit from no personal taxes. Sparks Business Center is in an established and growing industrial market close to the transportation infrastructure needed by the distribution business."

Including this latest acquisition, A&B Properties has a portfolio of 18 properties on the U.S. mainland and 26 commercial properties in Hawaii, comprising more than 5 million square feet of leasable retail, office and industrial space. More information is at website: 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 owns 91,000 acres in Hawaii, making it Hawaii's fifth largest private landowner. A&B's major lines of business are ocean transportation (Matson Navigation Company, Inc.); property development and management (A&B Properties, Inc.); and food products (Hawaiian Commercial & Sugar Company, Kauai Coffee 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 that involve a number of risks and uncertainties such as those described on page 19 of the Company's Annual Report on Form 10-K, which is incorporated in the Company's 2001 annual report to shareholders. These factors could cause actual results to differ materially from those projected in the statements.

CONTACT:

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