



ALEXANDER & BALDWIN

A&B Properties Buys Phoenix Office Building; Deer Valley Financial Center is Fourth A&B Investment in Arizona

June 8, 2005

HONOLULU--(BUSINESS WIRE)--June 8, 2005--A&B Properties, Inc., the real estate subsidiary of Alexander & Baldwin, Inc. (Nasdaq:ALEX), has purchased the Deer Valley Financial Center, a two-story office building in Phoenix, Arizona, from Hannay Investment Properties, Inc., for \$22.25 million. The property contains approximately 126,600 square feet of leasable space situated on a 9.7-acre fee simple parcel in the north central area of Phoenix. Deer Valley Financial Center is currently 96% occupied. This is A&B's fourth real estate investment in the larger Phoenix region.

The property, which was constructed in 2001, is located at the intersection of Interstate-17, Phoenix's primary north/south arterial, and the Loop 101 freeway. It is a two-story structure with a total of 580 parking stalls occupied by 22 tenants, including Blackboard Corp., Compass Bank, Performance Software, Pantheon Chemical, American Mortgage Specialists and Global Water Management.

"We have confidence in the Phoenix market," said A&B Properties Executive Vice President Norb Buelsing, "as it is one of the fastest growing metropolitan areas in the nation and its growth is expected to continue." Deer Valley Center is positioned near several master planned communities that are in various stages of construction, and is immediately adjacent to the Deer Valley Airport, the second busiest general aviation facility in the U.S. Buelsing added, "The property is well-configured to address the requirements of smaller office space users, with the majority of its office units ranging from 3,000 to 5,000 square feet in area."

In total, A&B owns an income property portfolio comprising over 5 million square feet of leasable space in Mainland and Hawaii office, industrial and retail properties. A&B also owns 90,000 acres in Hawaii, making it the State's fourth largest private landowner.

Alexander & Baldwin, Inc. (A&B), headquartered in Honolulu, is engaged in real estate through its subsidiary, A&B Properties, Inc.; in transportation through its subsidiaries, Matson Navigation Company, Inc. and Matson Integrated Logistics, Inc.; and in food products through Hawaiian Commercial & Sugar Company and Kauai Coffee(R) 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 the closing 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.

CONTACT: for A&B Properties, Inc. Meredith J. Ching, 808-525-6669 mching@abinc.com SOURCE: A&B Properties, Inc.