



ALEXANDER & BALDWIN

A&B Properties presents revised Kaka'ako Waterfront proposal to HCDA

December 7, 2005

HONOLULU - December 7, 2005 - A&B Properties, Inc. today presented a revised Kaka'ako Waterfront site plan proposal to the Hawaii Community Development Authority (HCDA). The new plan proposes significant revisions to the original plan including:

- a reduction in the amount of land and number of residential units for the project's residential component through the elimination of one of the three residential pods;
- the elimination of the pedestrian bridge linking Ala Moana Park and the Kaka'ako Waterfront Park;
- the elimination of all proposed development at Kewalo Basin Park, resulting in the area remaining as it is today;
- the elimination of all commercial development at Point Panic and the creation of additional parking space for this area

The overall goal of the project continues to be to create a thriving, vibrant pedestrian-oriented community and gathering place for all of Hawaii's residents to enjoy.

"Since being chosen in September as the developer for this project, we have conducted an extensive community outreach effort," said Stan Kuriyama, CEO of A&B Properties, Inc. "We estimate that, over the last two and a half months, we have been able to reach 5,000 people in the community and inform them about our initial conceptual plan, and have solicited their input. Today, we have proposed to HCDA significant changes to our initial plan in response to that community input.

"Many of the changes we made were to address concerns raised by users of the ocean and Kewalo Basin. The bridge was a concern to boaters because of the height of their masts and the need for continuous access to the Basin. The Kewalo Park and Point Panic areas are extensively used by surfers, bodysurfers and other members of the public and, therefore, keeping these areas free of development, and increasing the parking at Point Panic, will dramatically reduce the impacts to those areas.

"The elimination of one of the three residential pods will serve to reduce the residential unit count, previously at about 950 units, by approximately a third. This was done in an attempt to reduce various impacts from the project, such as traffic and visual impacts, and to reduce the amount of land to be sold by the State. By eliminating one of the pods, approximately six acres will now be dedicated to residential use -- approximately 3 percent of the 200 acres the State owns in fee simple makai of Ala Moana Boulevard.

"At the same time, however, we acknowledge that the removal of this pod will not fully address a basic objection that has been raised to the sale of State land for residential development makai of Ala Moana Boulevard. These are policy issues that State government and our elected officials have the right to address.

"There are different visions that could be adopted for Kaka'ako Makai, ranging from more park space to a life science campus. If, however, it is determined that this vision of creating a vibrant "live, work, learn and play" community is a community that does not go dark at night when people leave their offices is the proper one for this area of Kaka'ako, then the residential component is obviously essential to achieving that vision.

"We look forward to HCDA's response to these proposed changes, and continue to welcome the community's input on this important project," concluded Kuriyama.

Since being chosen by HCDA in September to develop 36.5 acres of waterfront and the area surrounding Kewalo Basin, A&B has conducted more than 70 meetings with the community through forums, talk-story sessions and one-on-one meetings with a variety of individuals, state officials and groups that have an interest in Kaka'ako and Kewalo Basin. In addition, A&B solicited community input through a telephone hotline and Web site, www.kakaakowaterfront.org.

A&B Properties, Inc. (www.abprop.com) is the real estate subsidiary of Alexander & Baldwin, Inc., a diversified corporation headquartered in Honolulu. A&B's major lines of business are ocean transportation and intermodal services (Matson Navigation Company, Inc.; Matson Integrated Logistics, Inc.), real estate (A&B Properties, Inc.) and food products (Hawaiian Commercial & Sugar Company; Kauai Coffee Company, Inc.). Additional information about A&B may be found at its Web site: www.alexanderbaldwin.com.

Statements in this news 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.

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