



ALEXANDER & BALDWIN

Matson Decreases Fuel Surcharge by One Percentage Point

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OAKLAND, Calif.--(BUSINESS WIRE)--Oct. 17, 2006--As a result of recent declines in bunker fuel prices, Matson Navigation Company announced today that it is lowering its fuel surcharge in its Hawaii, Guam/CNMI and Micronesia services by one percentage point, from 19.75 percent to 18.75 percent, effective November 5, 2006.

"Bunker fuel prices continue to decrease, allowing us to make this second consecutive reduction to our fuel surcharge," said Dave Hoppes, senior vice president, ocean services. "Following a year of rapidly escalating fuel costs, we're pleased to finally experience this downward trend. For customers, this represents another decrease in shipping costs ranging from \$20 to \$67 per container. We will continue to monitor fuel costs and adjust the fuel surcharge accordingly. While fuel prices remain volatile, we are hopeful this current trend will continue."

Matson provides ocean transportation, intermodal and logistics services. Matson is a wholly owned subsidiary of Alexander & Baldwin, Inc. of Honolulu (NASDAQ:ALEX).

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