

A&B Properties Acquires California Warehouse Portfolio

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Centrally Located Industrial Facilities Offer Tenants Overnight Service to 98 Percent of California's Population

HONOLULU--(BUSINESS WIRE)--Dec. 11, 2008--A&B Properties, Inc., the real estate subsidiary of Alexander & Baldwin, Inc. (NYSE:AXB)("Company"), announced today that it has acquired the Midstate 99 Warehouse Portfolio ("Midstate") in Visalia, California. The 790,370 square-foot, four-building warehouse and distribution facilities are 94 percent leased, with a mix of retail and wholesale tenants, and are located within a 480-acre master-planned logistics park, Midstate 99 Distribution Center. The acquisition will be funded through the use of 1031 tax-deferred proceeds from some of the Company's prior commercial property sales and the assumption of existing debt.

"Midstate extends our real estate investment strategy of acquiring logistics-oriented assets in emerging industrial markets," said Norbert M. Buelsing, president of A&B Properties. "And with adjacency to the main north/south truck corridor in central California, tenants can easily reach their customers, over 98 percent of California's population, with overnight ground service, and over 65 million people in an expedited, two-day truck run. Midstate also represents a continuation of our strategy to tax-effectively reinvest real estate sales proceeds into our commercial property portfolio."

The buildings were recently constructed from 2001 to 2008 by The Allen Group, a San Diego-based industrial development firm specializing in the development of logistics parks situated near strategic intermodal, rail and highway infrastructure. The buildings consist of high-quality concrete tilt-up structures, providing ESFR fire protection systems, 30-foot clear heights and deep truck courts. Major tenants at the property include International Paper, Coast Distribution and Workflow One.

With the acquisition, A&B Properties' commercial property/investment portfolio will comprise of 7.9 million square feet of retail, office and industrial space located in Hawaii and eight mainland states. Additional information about A&B Properties, Inc. may be found at its web site: www.abprop.com.

About Alexander & Baldwin: A&B is headquartered in Honolulu, Hawaii and is engaged in ocean transportation and logistics services through its subsidiaries, Matson Navigation Company, Inc., Matson Integrated Logistics, Inc. and Matson Global Distribution Services; in real estate through A&B Properties, Inc.; and in food products through Hawaiian Commercial & Sugar Company and Kauai Coffee 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. 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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