

A&B Expands Ongoing Cost Reduction Efforts, Matson Announces Workforce Reduction Plan

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HONOLULU--(BUSINESS WIRE)--Jan. 20, 2009--Alexander & Baldwin, Inc. (NYSE:AXB) ("Company") announced today an expansion of ongoing cost reduction initiatives in response to an expected continued slowdown in economic activity.

"Ongoing initiatives to decrease our costs include workforce reductions, commencing with steps taken today to pare staffing by 10 percent at Matson Navigation Company ("Matson")," said W. Allen Doane, chairman and chief executive officer of A&B. "Other measures to be implemented over the coming months at various A&B business units include: elimination of salary increases; continued reductions in general and administrative expenses; and reductions in incentive award targets, profit sharing targets and workforce levels." Doane continued, "And while fourth quarter and full-year 2008 earnings are expected to be good, these and other proactive measures are necessary in view of the current economic climate."

Matson plans to reduce its non-union headcount by approximately 60 positions, augmenting position eliminations that resulted from hiring freezes adopted in 2007 and 2008. "Over the past several years, Matson has been diligently implementing cost reduction measures across the board, without undercutting the reliability of its service," said Matthew Cox, president of Matson Navigation Company. "We remain fully committed to delivering industry-leading ocean transportation services in all of our trade lanes, and the actions we are taking will be seamless to our customers. Measures involving employees are difficult; however, it is important that Matson realign its cost structure to current demand."

A&B will issue its full-year and fourth quarter earnings before markets open on February 4, 2009 and will host a conference call and webcast later in that day to discuss its operating results, and details of its cost reduction efforts.

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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