

# Alexander & Baldwin

Nareit REITworld 2020 Annual Conference

Investor Presentation



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# Safe Harbor Statement

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Statements in this presentation 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 statements.

These forward-looking statements include, but are not limited to, statements regarding possible or assumed future results of operations, business strategies, growth opportunities and competitive positions, as well as the rapidly changing challenges with, and the Company's plans and responses to, the novel coronavirus (COVID-19) pandemic and related economic disruptions. Such forward-looking statements speak only as of the date the statements were made and are not guarantees of future performance. Forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from those expressed in or implied by the forward-looking statements. These factors include, but are not limited to, prevailing market conditions and other factors related to the Company's REIT status and the Company's business, risks associated with COVID-19 and its impacts on the Company's businesses, results of operations, liquidity and financial condition, the evaluation of alternatives by the Company related to its materials and construction business and by the Company's joint venture related to the development of Kukui'ula, generally discussed in the Company's most recent Form 10-K, Form 10-Q and other filings with the SEC. The information in this presentation should be evaluated in light of these important risk factors. We do not undertake any obligation to update the Company's forward-looking statements.



# Statement On Use Of Non-GAAP Financial Measures

The Company presents certain non-GAAP financial measures in this presentation. The Company uses these non-GAAP measures when evaluating operating performance because management believes that they provide additional insight into the Company's and segments' core operating results, and/or the underlying business trends affecting performance on a consistent and comparable basis from period to period. These measures generally are provided to investors as an additional means of evaluating the performance of ongoing core operations.

The non-GAAP financial information presented herein should be considered supplemental to, and not as a substitute for or superior to, financial measures calculated in accordance with GAAP.

The Company's methods of calculating non-GAAP measures may differ from methods employed by other companies and thus may not be comparable to such other companies.

Required reconciliations of these non-GAAP financial measures to the most directly comparable financial measure calculated and presented in accordance with GAAP are set forth in the following slides. Additional information on non-GAAP financial measures is included in the Company's quarterly Supplemental Information report, which is furnished to the SEC and available at [www.alexanderbaldwin.com](http://www.alexanderbaldwin.com).

# Alexander & Baldwin

## Partners for Hawai'i

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### Hawai'i Sharpshooter

Hawai'i's premier commercial real estate company with 150-year history of successfully operating in this unique market

- Deep market knowledge resulting in acquisition advantages (off-market or first look opportunities)
- Strong relationships with key stakeholders in the communities operated in, with a proactive approach when dealing with valued tenants and addressing community feedback

### Needs-Based Retail Portfolio

Largest owner of grocery-anchored, neighborhood shopping centers in high-performing yet high barrier to entry Hawai'i market

### High-Quality and Diverse Portfolio with Internal Capital Sources for Growth

Strategically located portfolio of retail, industrial and ground lease assets with attractive future growth opportunities able to be sourced by the monetization of non-core assets

### Nearing End of Strategic Transformation

Focus on end goal and ongoing simplification process should allow Company to unlock significant near-term value for all stakeholders

### Strong Environmental, Social and Governance (ESG) Commitment

Solid reputation with a long history of valuing ESG matters, which has been highlighted in inaugural digital-format Corporate Responsibility Report

- A 2020 Nareit Diversity, Equity & Inclusion (DEI) Recognition Award Winner



# Alexander & Baldwin

## Business overview

<b>Number of Properties</b>	<b>86+</b>
Retail ("Needs-Based")	22
Industrial	10
Ground Lease	50+
Office	4
<b>Total GLA (Sq. Ft.)</b>	<b>3.9 M</b>
Retail	2.5M
Industrial	1.2M
Office	0.1M
Ground Leases	154 acres
<b>Portfolio Occupancy %</b>	<b>93.5%</b>
<b>Total Portfolio Rent Spread</b>	<b>4.2%</b>
Average quarterly rent spread for trailing four quarters	6.8%
<b>Annualized Base Rent (ABR) Per Sq. Ft.</b>	<b>\$26.86</b>
Retail	\$33.11
Industrial	\$14.89
Office	\$33.06
<b>% of Retail ABR from Grocery-Anchored Properties</b>	<b>84%</b>
<b>Equity Market Cap</b>	<b>\$0.8B</b>
<b>Net Debt to TTM Consolidated Adjusted EBITDA</b>	<b>6.6x</b>
<b>Total Liquidity</b>	<b>\$385.0M</b>

\*As of September 30, 2020

# Q3 2020 Highlights

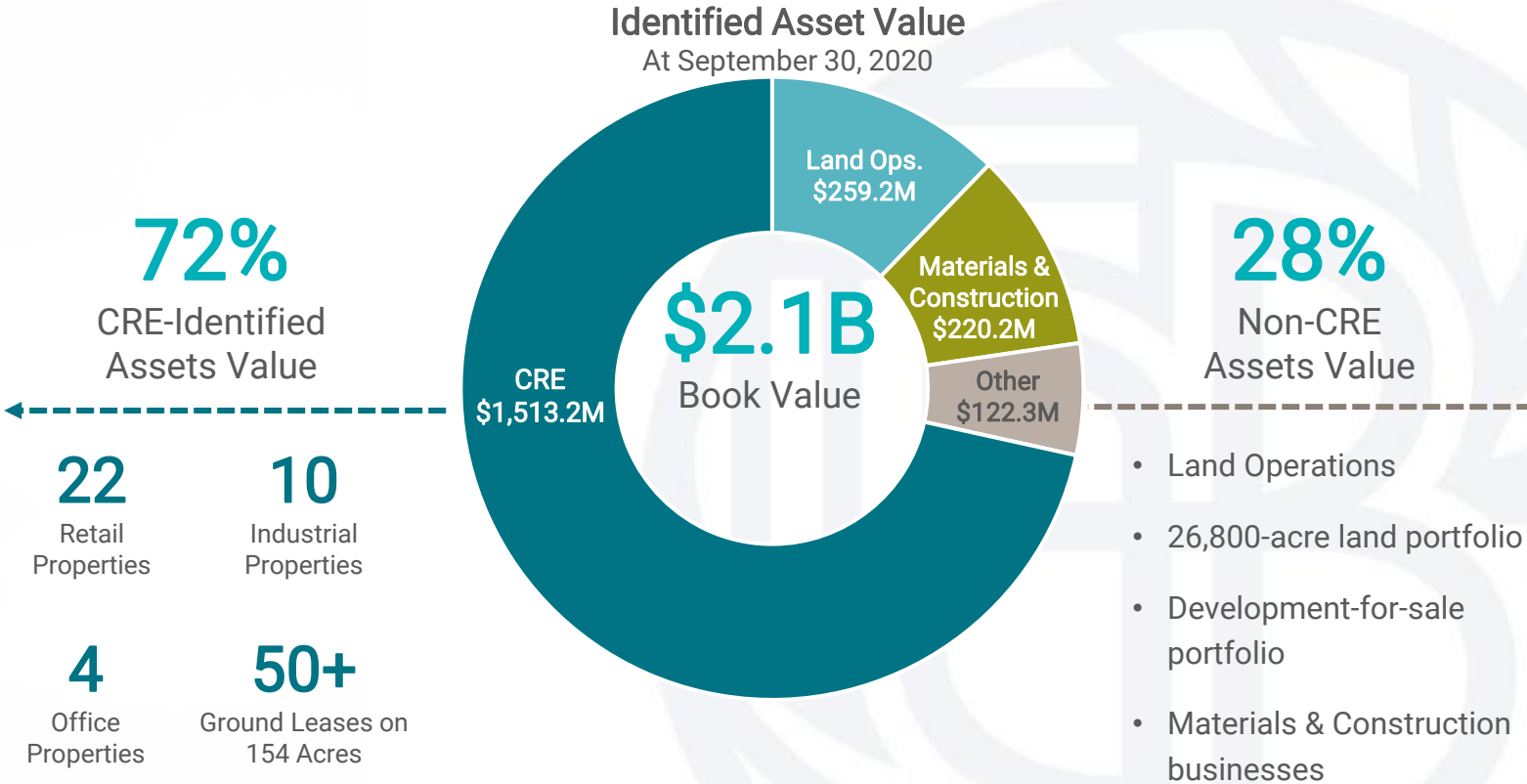
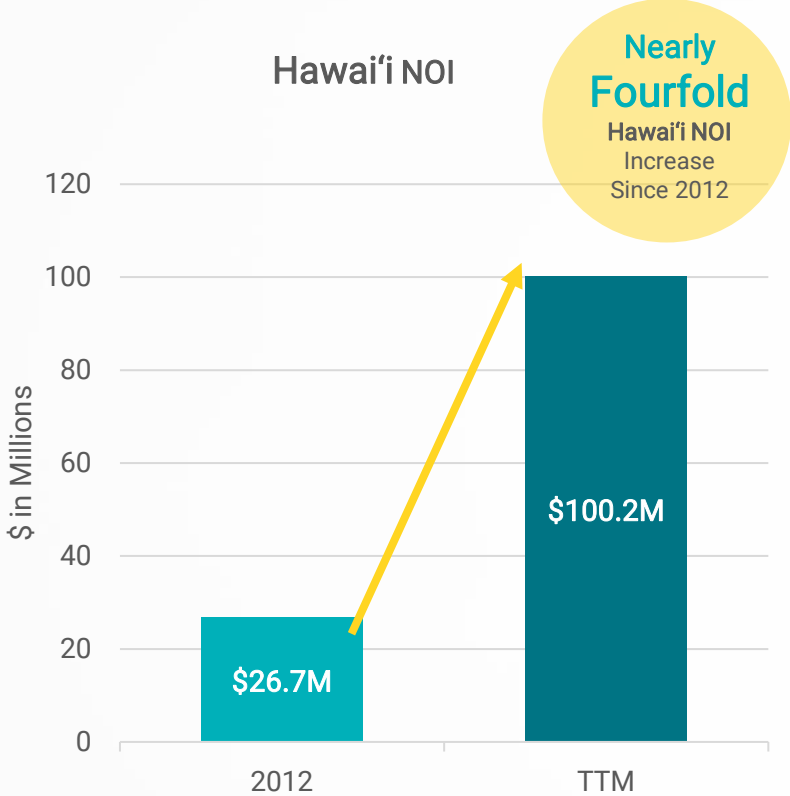
<b>CORE FFO</b>	Core FFO per diluted share for Q3 2020 of \$0.16. Negatively impacted by charges related to collectability of tenant receivables as a result of COVID-19.
<b>SS NOI</b>	SS NOI 18.8% lower for Q3 2020 compared to Q3 2019.
<b>LEASING</b>	Executed 35 standard leases in Q3 2020 totaling approximately 81,600 sq. ft., with comparable leasing spreads of 4.2%. Also executed 35 COVID-related lease modification extensions.
<b>PORTFOLIO COMPOSITION</b>	Breakout of portfolio by ABR; Retail “needs-based” 67%, industrial 16%, ground leases 15% and office 2%.
<b>BALANCE SHEET</b>	Loan maturities for 2020 addressed, with no material maturities until September 2022.
<b>COVID-19 UPDATE<sup>1</sup></b>	Collected 74% of Q2 billings, 81% of Q3 billings, 80% of October billings and 75% of November billings.
<b>LAND OPERATIONS UPDATE</b>	Monetization during Q3 included 1 acre at Maui Business Park, 4 units at Kukui‘ula joint venture projects and a non-core asset sale on Kauai.
<b>MATERIALS &amp; CONSTRUCTION UPDATE</b>	Positive Adjusted EBITDA for both Q3 and YTD. Operational momentum and continued new business wins provide optimism, though remain committed to monetization at appropriate time.
<b>BOARD</b>	Recent Board changes, announced last quarter, align with commitment to governance best practices.
<b>ESG</b>	Numerous recognitions for A&B’s ESG initiatives highlight progress and efforts made as “Partners for Hawai‘i.”

<sup>1</sup>: Rent receipts data as of November 13, 2020, presented by month/quarter of billing.

# Alexander & Baldwin

## Asset base overview

Since 2012, A&B began simplification efforts to transform from a diversified conglomerate into a focused Hawai'i REIT. Hawai'i NOI has steadily increased to highlight such progress.







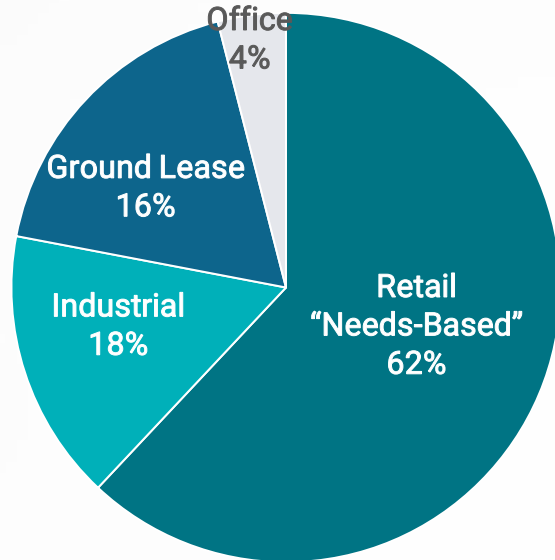
# Commercial Real Estate

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# Commercial Real Estate Portfolio overview

NOI (TTM) by Asset Class



Segment	No. of Assets	GLA (SF unless indicated)	NOI (TTM in mils)	Occupancy At 9/30/20	ABR PSF At 9/30/20
Retail "Needs-Based"	22	2.5M	\$61.6	91.5%	\$33.11
Industrial	10	1.2M	\$18.0	97.8%	\$14.89
Ground Lease	50+	154 acres	\$16.5	N/A	N/A
Office	4	0.1M	\$4.1	92.3%	\$33.06
<b>Total Portfolio</b>	<b>86+</b>	<b>3.9M+</b>	<b>\$100.2</b>	<b>93.5%</b>	<b>\$26.86</b>



**\$100.2M**  
Total NOI (TTM)

Island	Hawai'i GDP <sup>1</sup>	Q3 2020 NOI
Oahu	74%	75%
Maui	11%	14%
Other	15%	11%

# Update on COVID-19 in Hawai'i

- All properties remain open
- Hawai'i has remained relatively shielded from COVID-19's health impacts
  - Fourth lowest state in overall total cases per 100K, according to CDC data
- Experienced rise in daily new case counts during the third quarter
  - Triggered a one-month, stay-at-home order for Oahu from late August to late September, which mandated closure of non-essential businesses on the island
- Have since moved to second tier of Oahu's reopening process as daily case counts dropped



## September 24

Most businesses on Oahu allowed to reopen, following drop in daily case counts that had led to second stay-at-home order for island of Oahu.

## October 15

Mandatory two-week quarantine requirement for travelers relaxed. Travelers may now enter Hawai'i without quarantine after providing a negative pre-travel COVID test.

## October 22

Additional restrictions lifted, including indoor gyms and more indoor dining flexibility.

Currently, 95% of our portfolio is open.



Partners for Hawai'i

**ALEXANDER & BALDWIN**

**PAYMENT PROTECTION PROGRAM (PPP) INFO SHEET**

**APPLY ASAP!**

This loan program provides loan forgiveness for retaining employees by temporarily expanding the traditional SBA 7(a) loan program.

Benefits	Quick Links
<ul style="list-style-type: none"> <li>• There are minimal requirements</li> <li>• No collateral or personal guarantee</li> <li>• Loans convert to grants equal to amount spent on payroll, rent, interest on mortgage, and utilities for the 8 weeks after origination</li> <li>• Loan amounts not forgiven have a 0.50% fixed rate and the loan is due in 2 years</li> <li>• Payments may be deferred for 6 months, with maximum deferrals of up to a year</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">Small Business Administration (SBA)</a></li> <li>• <a href="#">Paycheck Protection Program</a></li> <li>• <a href="#">PPP Borrower Application Form</a></li> </ul>

- WHEN CAN I APPLY**  
Small businesses can apply for and receive loans as of April 3, 2020.
- WHERE CAN I APPLY**  
Apply through your local lender or any existing SBA lender or federally insured depository institution or federally insured credit union. For a list of lenders visit [www.sba.gov](http://www.sba.gov).
- WHO CAN APPLY**  
All businesses with 500 or fewer employees. Businesses in certain industries can have more than 500 employees base on SBA standards.
- WHAT DO I NEED TO APPLY**  
Apply ASAP and submit the application with required documentation to an approved lender by June 30, 2020. [Click here for the Application](#)
- WHAT CAN I USE THE LOAN FOR**  
Payroll costs, rent (under lease agreement before Feb. 15, 2020), and utilities (service began before Feb. 15, 2020)
- WHAT COUNTS AS PAYROLL COSTS**
  - Salary, wages, commission, or tips
  - Employee benefits including costs for vacation, family leave, medical or sick leave and health care and payment benefits
  - State and local taxes assessed on compensation
- HOW LARGE CAN THE LOAN BE**  
Loans can be up to two months of average monthly payroll costs from last year plus an additional 25% of that amount. That amount is subject to a \$10 million cap.
- WILL THE LOAN BE FORGIVEN**  
The loan will be forgiven as long as its used for payroll costs, mortgage interest, rent and utilities payments over 8 weeks after getting the loan. You will also need to maintain your staff and payroll.

# Our Actions

## Swift and strategic measures

**Business Continuity:** Executed work-from-home plan on March 12, which enabled A&B to remain fully operational while workforce worked from home

**Communication:** Developed surveys, web-postings, flyers and other measures to ensure tenants were kept informed

**Operations:** Instituted safety measures and BOPIS measures to ensure all A&B properties remained open

### Tenant Assistance:

- Assisted impacted tenants with additional marketing and operational support, and provided tenants with guidance in accessing government relief resources
- Proactively provided deferrals to highest-risk tenants and addressed rent relief requests on a case-by-case basis to protect long-term health and cash flows of tenants

**Cost Control:** Implemented expense and capital spending reductions to partially offset cash flow impact; suspended dividend until greater visibility on REIT taxable income

**Community Support:** Increased ESG-related efforts to help greater community, including \$200K in COVID-19 impact donations



# Supporting Our Tenants

## Playing the Long Game

- Operational team focused on long-term tenant retention
- Senior executives meet daily to approve tenant actions
- Strategic approach:
  - Case-by-case risk review of all tenants
  - Proactive approach toward those most-impacted
  - Leveraging technology, marketing and other resources to assist during these times

## Deferrals<sup>1</sup>



199

Deferrals



\$4.5M

Deferrals



2.7

Avg. Term (Months)



95%

Paid back by 2021

## Other Modifications<sup>1</sup>

81

Count

\$2.6M

Value

1: YTD COVID-related impacts as of September 30, 2020.



### CASE STUDY: Iconic small specialty food & surf clothing tenant with short-term cash flow challenges

- 40+ years in business at location
- Impacted by reduced tourism

#### Tenant Assistance

- 2 months abated rent
- CAM + % rent until sales return to 85% or 12/21

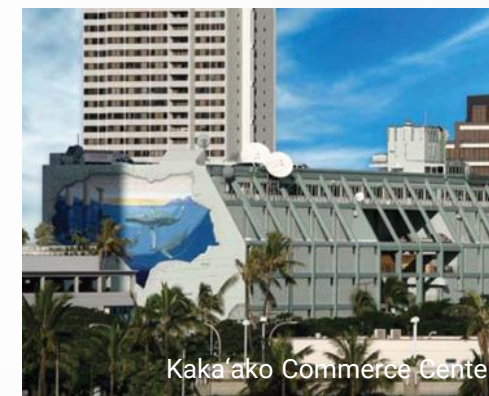
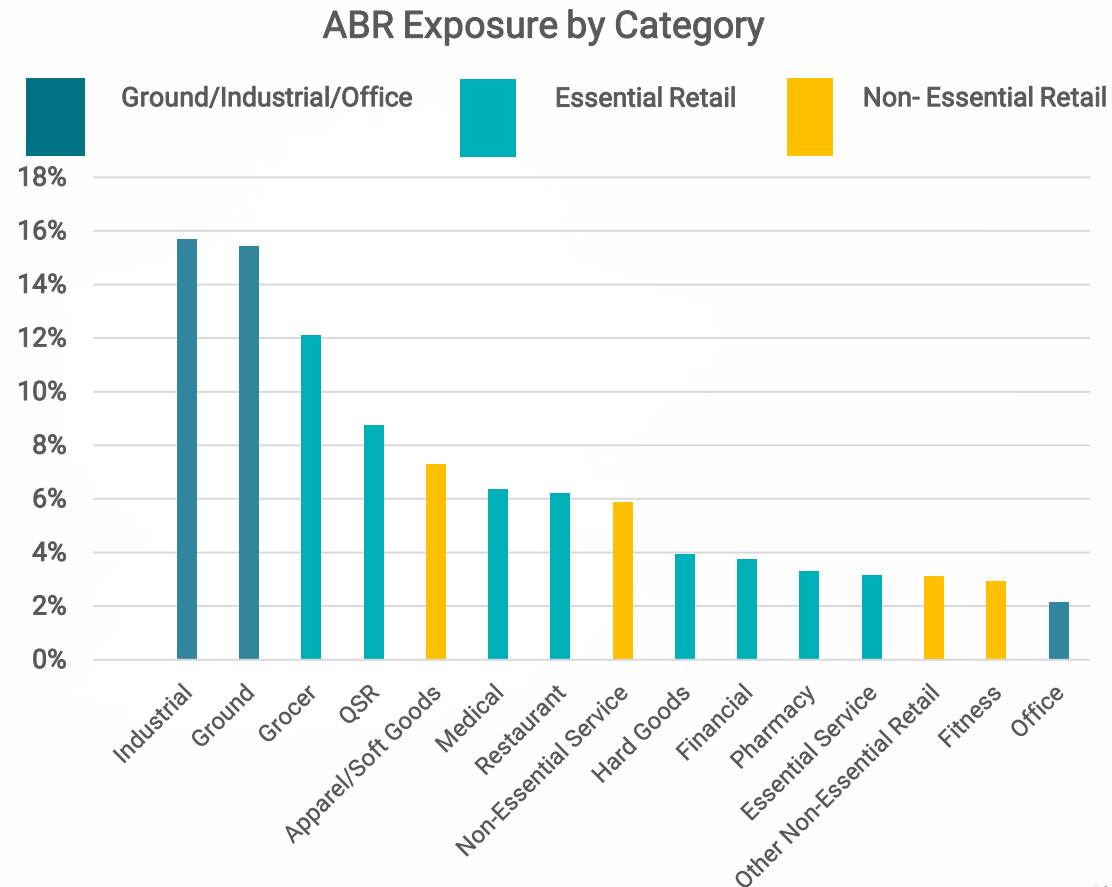
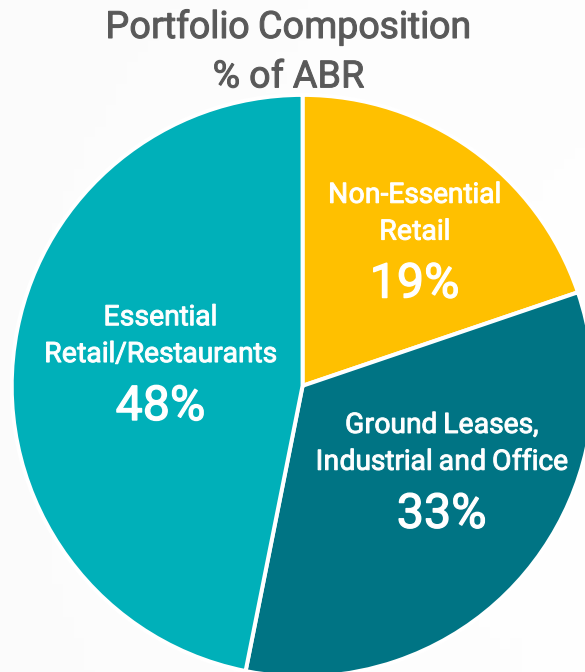
#### Landlord Benefit

- Survival and retention of bell cow tenant
- 10-year lease extension
- 33% increase in contract rent
- Re-tenanting would cost over \$100K

# Portfolio Composition

## ABR Exposure By Category

A&B's portfolio is strategically diversified with low exposure to non-essential retail.



# High-Quality Tenants

## Top Ten Tenants

Tenant <sup>1</sup>	# of Leases	ABR	Current <sup>2</sup>	Category
Albertsons Companies (including Safeway)	7	\$6,920	Paying	Grocery – National
Sam’s Club	1	\$3,308	Paying	Warehouse – National
CVS Corporation (including Longs Drugs)	6	\$2,752	Paying	Drugstore – National
Foodland Supermarket & related companies	9	\$2,229	Paying	Grocery – Local
Ross Dress for Less	2	\$1,992	Paying	Discount – National
Coleman World Group	2	\$1,834	Paying	Moving – National
GP/RM Prestress, LLC <sup>3</sup>	1	\$1,584	Paying	Materials & Construction – Local
24 Hour Fitness	1	\$1,513	Paying	Fitness – National
Ulta Salon, Cosmetics & Fragrance, Inc.	3	\$1,508	Paying	Beauty – National
Petco Animal Supplies Stores	3	\$1,358	Paying	Pet – National
<b>Total</b>	<b>35</b>	<b>\$24,998</b>		

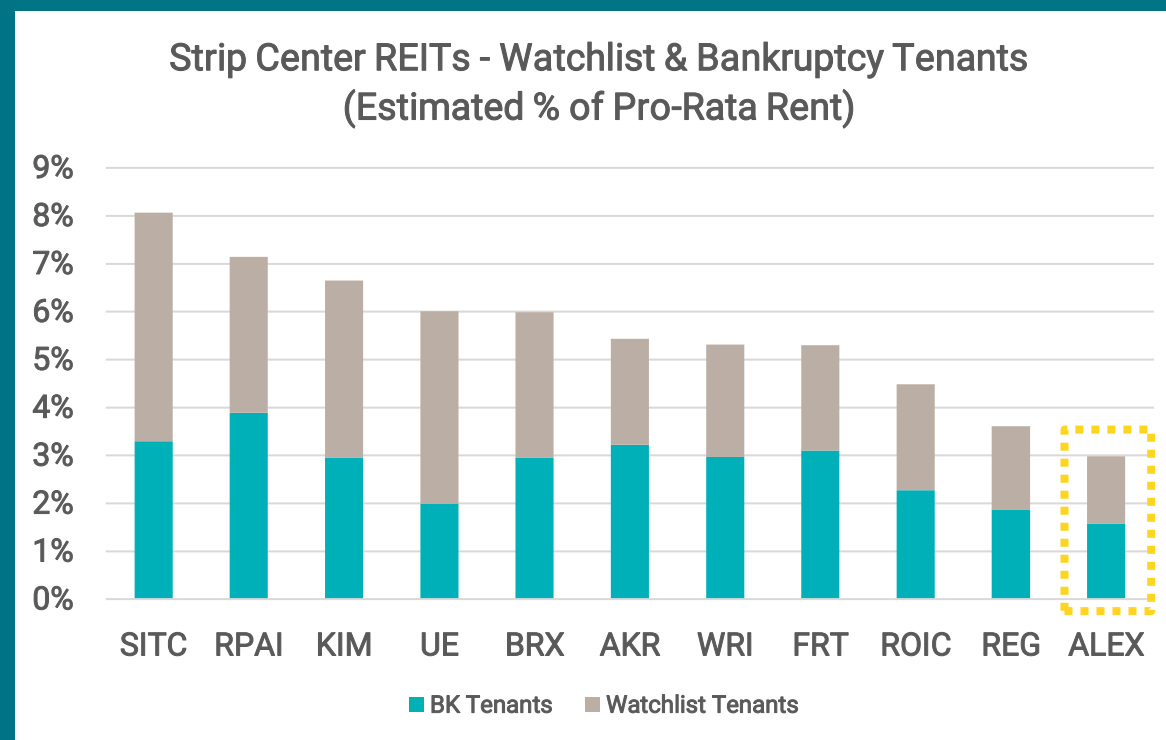
1: Excludes ground leases, primarily from the Materials & Construction segment.

2: Current status as of September 30, 2020.

3: The leased premises in the GP/RM Prestress, LLC lease is Yard space and therefore not included in GLA.

Partners for Hawai'i

## Low Exposure to Green Street “National Watchlist” Tenants

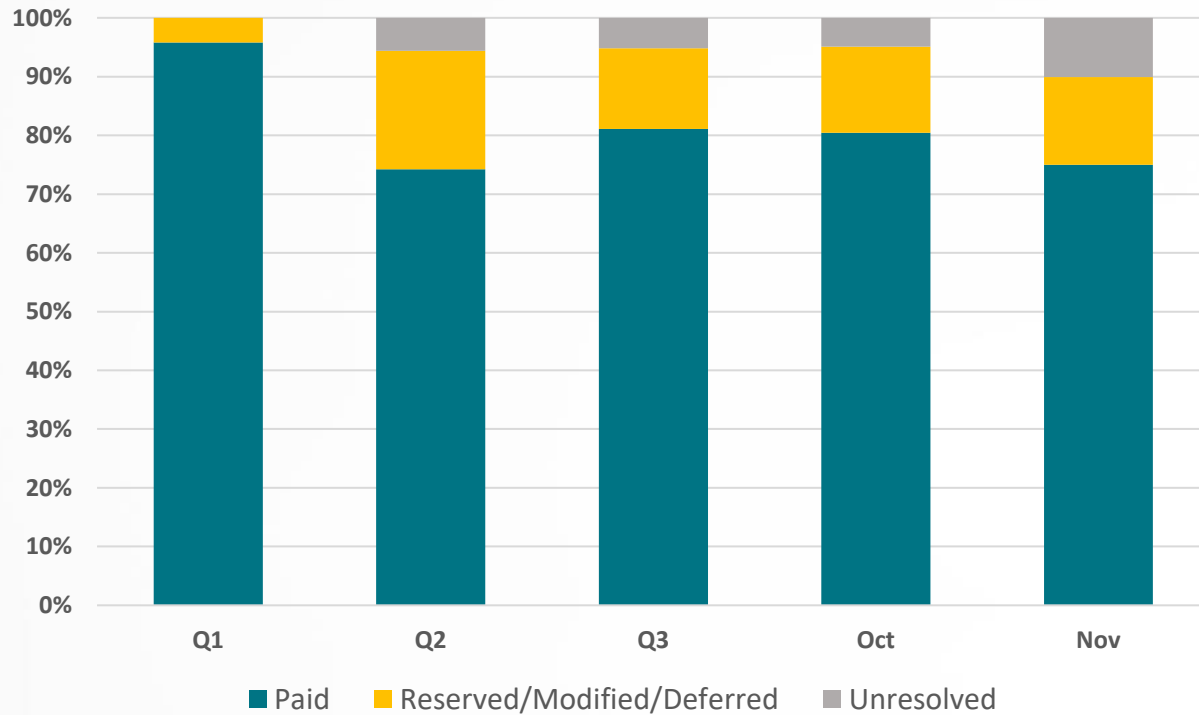


Source: Green Street Advisors Strip Center Sector Report, August 2020.



# Collections

### Portfolio Collections Trend



Rent receipts data as of November 13, 2020, presented by month/quarter of billing.

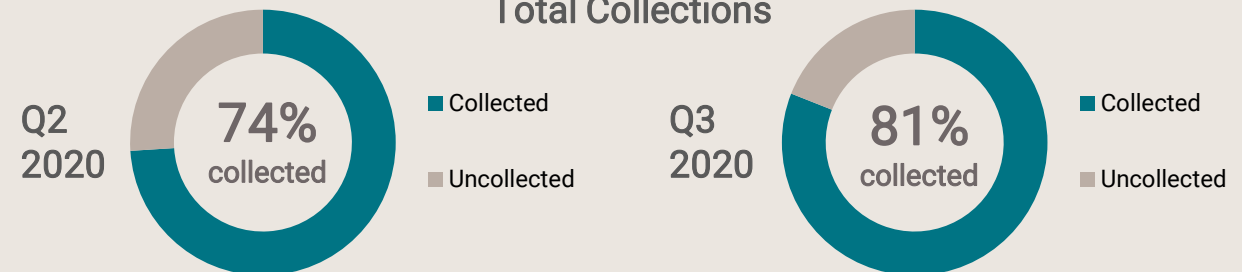
## Collections by Tenant Category<sup>1</sup>

Asset Class/ Tenant Type	% Q2 2020 Rent Rec.	% Q3 2020 Rent Rec.	% October Rent Rec.	% November Rent Rec.
Retail <sup>2</sup>	69%	77%	74%	72%
Grocer	86%	91%	85%	87%
Restaurant	43%	51%	41%	37%
Service	69%	74%	78%	73%
QSR	62%	74%	79%	68%
Hard Goods	76%	96%	93%	92%
Apparel/Soft Goods	45%	51%	57%	48%
Industrial	85%	90%	92%	77%
Ground Leases	93%	95%	96%	92%
Office	95%	90%	96%	89%
<b>Total</b>	<b>74%</b>	<b>81%</b>	<b>80%</b>	<b>75%</b>

1: Rent receipts data as of November 13, 2020, presented by month/quarter of billing.

2: Retail tenant breakout excludes certain smaller categories such as pharmacy, medical and financial.

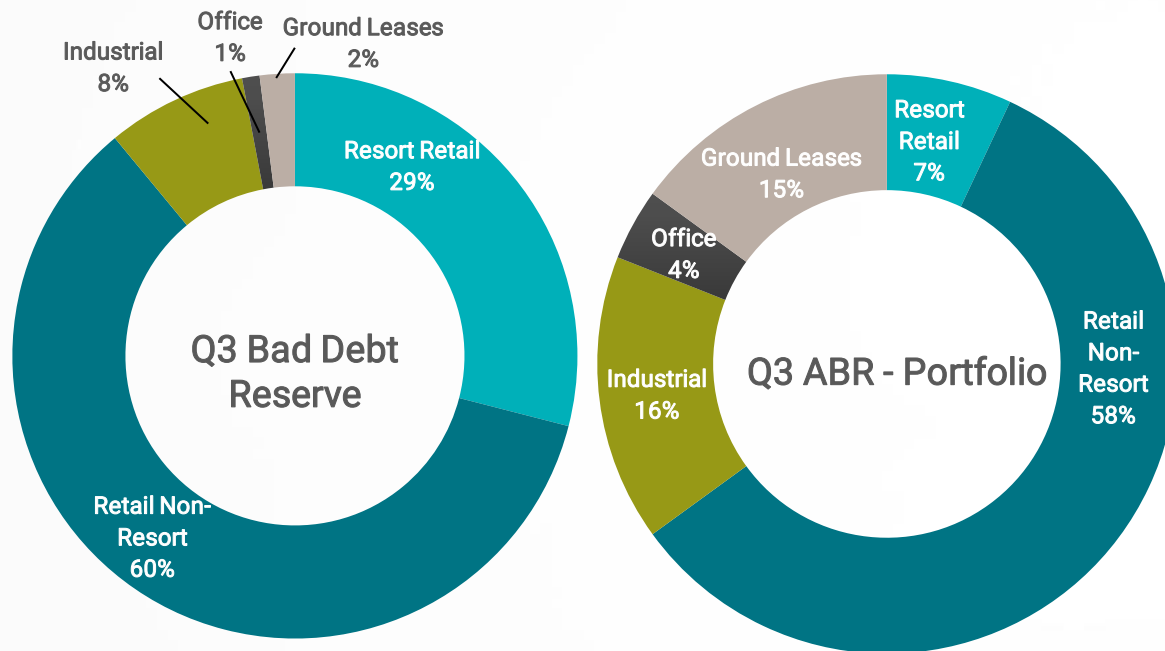
### Total Collections



# CRE Bad Debt Reserve

## Q3 2020

- \$12.9 million total reserve as of the end of Q3 2020
- Resort retail was responsible for nearly 1/3 of Q3 reserve, despite being less than 10% of portfolio



## CRE Revenue Components and Reconciliation

\$ in Millions

	Q3 2020	YTD
CRE Billings Collected	\$35.7M	\$111.1M
CRE Billings Uncollected	8.6	21.9
<b>Total CRE Billings</b>	<b>44.3</b>	<b>133.0</b>
Revenue Charges Against Uncollectable Billed Receivables	(4.7)	(11.8)
Impact of Other Relief Modifications/Other Adjustments	(2.6)	(3.0)
Intercompany Billings	(1.1)	(4.1)
Straight-Line Lease Adjustments	(0.6)	(1.1)
Favorable/Unfavorable Lease Amortization	0.1	0.8
Other Miscellaneous Activity	0.3	(0.7)
<b>Total CRE Revenues</b>	<b>\$35.7M</b>	<b>\$113.1M</b>





# Hawai'i CRE

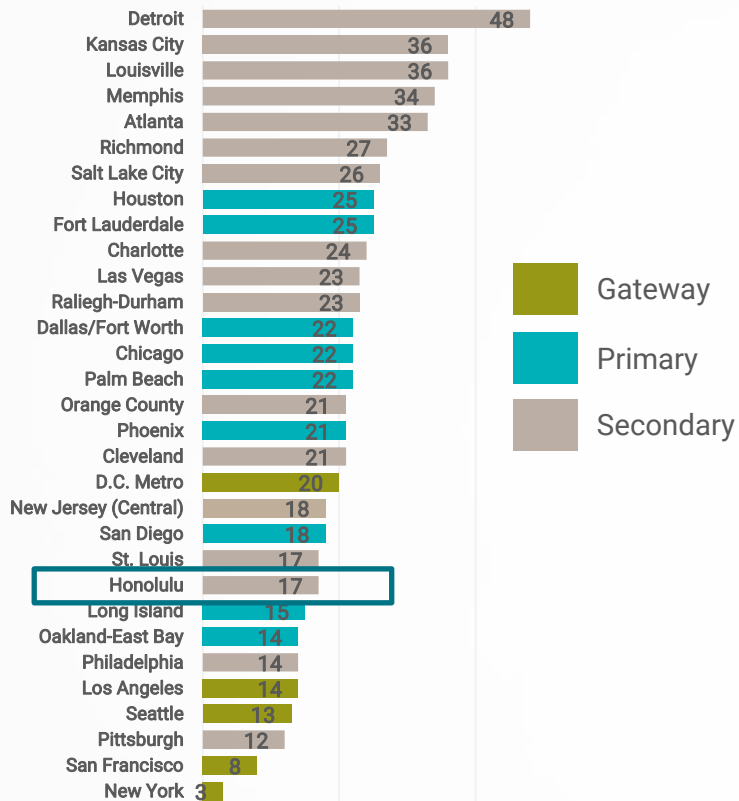
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# Hawai'i Market

High-performing market with substantial barrier to entry

## Low Strip Retail Square Footage Per Capita



### Lengthy & Complex Entitlement Process

- 3-5 Years: County General Plan Inclusion
- 3-5 Years: State Land Use Urban Designation
- 3-5 Years: County Urban Zoning

**9 to 15 years**

### Fundamentals Drive Performance

**\$33.11** vs **\$21.48**  
A&B Q3 2020 Retail ABR PSF vs Q2 2020 Peer\* Average Retail ABR PSF

**\$14.89** vs **\$6.58**  
A&B Q3 2020 Industrial ABR PSF vs Q2 2020 Peer\* Average Industrial ABR PSF

**\$806**  
A&B Full-year 2019 Average Grocer Sales

Source: Green Street Advisors and Company disclosures; comparative data set represents strip retail and industrial REITs under Green Street coverage.

# Ground Leases

## Secure, with upside

- 01 Tenant leases land and operates/ leases building for lease term
- 02 A&B collects ground rent, including FMV and contractual escalations and/or percentage rent during the lease term
- 03 Building and other tenant improvements revert to A&B upon expiration or tenant default



2016

Redevelopment of Macy's box into multi-tenant property (Lau Hala Shops) increased cash NOI to \$2.5M from \$0.2M with investment of \$22.6M.



2018

Ground lease renewal with auto dealership in Windward Oahu at 43% leasing spread.

### Benefits

- Ground lease payment is senior to all other financial obligations
- Costs of ownership are passed to tenant; minimal landlord ownership and operating expenses
- No capital expenditure or tenant improvement costs
- Minimal property management required
- Significant value creation upside at lease reversion and FMV reset



2019

Maui industrial ground lease FMV reset resulted in a 70% ABR increase.



2020

Kaimuki Shopping Center ground lease FMV reset resulted in a 29% ABR increase with additional contract steps in years 3 and 7.

# CRE

## Growth vehicles

### INVESTMENTS

### VIA 1031 EXCHANGES

Local presence provides access to off-market pipeline:

**\$1.0B**  
Invested since 2013

**90%+**  
First-look or off-market acquisitions

Near-term strategic focus is on simplification and debt reduction efforts, with continued growth a constant peripheral goal.

- Future target property types**
- Anchored & strip retail centers
  - Industrial/flex warehouses
  - Mixed-use urban with retail components
  - Sale-leasebacks with creditworthy businesses
  - Leased-fee interests
  - Retail/industrial development opportunities

**UPREIT**  
Structure can provide unique diversification, liquidity and estate benefits to sellers

## CRE GROWTH VIA ACQUISITIONS

Ag land sale proceeds fully reinvested in A&B's preferred asset classes of grocery-anchored, industrial and ground leases; geographically balanced between Oahu and neighbor islands

Grocery-Anchored Retail Assets



Industrial Assets



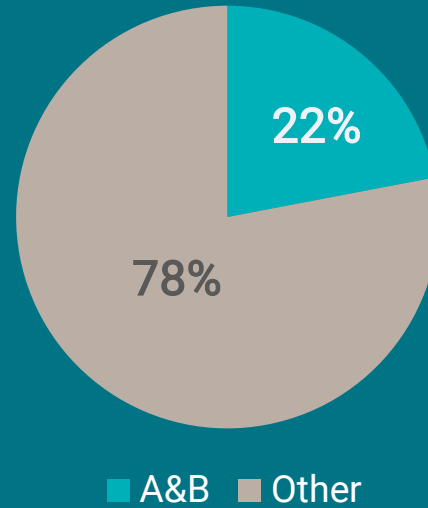
Ground Lease Assets



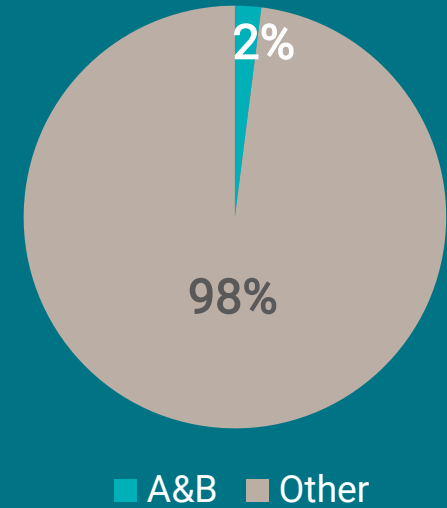


***Ample Opportunity  
for Future Growth  
in Hawai'i***

Anchored Retail Asset  
Ownership in Hawai'i



Industrial Asset  
Ownership in Hawai'i



**15** Grocery or drugstore  
anchored assets

**2.2M** Sq. Ft. of GLA

**91.5%** Occupancy

**57%** Of Total Improved Property  
NOI in Q3 2020

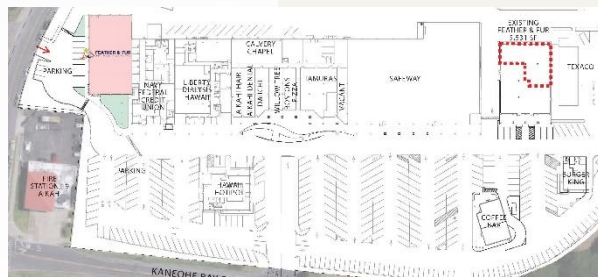
**10** Industrial assets

**1.2M** Sq. Ft. of GLA

**97.8%** Occupancy

**26%** Of Total Improved Property  
NOI in Q3 2020

## *Redevelopment and Repositioning of Existing Assets and Ground Leases*



## AIKAHI PARK SHOPPING CENTER

- Redevelopment efforts continue at 98,000-sq. ft. center in Kailua with demolition work completed
- Late-2021 expected completion on track even with modest COVID-19-related timing impacts
- Repositioning of 8,000-sq. ft. vacant theater space, re-tenanting main pad with Starbucks and renewal/remodel of anchor Safeway store
- Refresh will create community space with exciting mix of dining, shopping and service options
- Will improve shopping experience and attract new tenants

## Ground-up Development of Commercial Assets



## HO'okele Shopping Center

- Completed phase one development of 69,100-sq. ft. center
- Safeway grocery store, gas station, and convenience store anchor well-located property
- Strong phase one leasing activity continues
- Anticipated to generate stabilized yield of approximately 8%

## OPPORTUNITIES THROUGH EXISTING LAND ENTITLEMENT PIPELINE

Pipeline of commercial zoned lands at different stages of entitlements provides an advantage over other developers:

- Kailua Town
- Wailea Business, Parcels I & II
- Kahului Shopping Center Block
- 'Ele'ele Commercial
- Pu'unene Mill
- Maui Business Park II





# Non-CRE Businesses

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# Land Operations

## *Monetization of Development-for-Sale Projects and Investments*



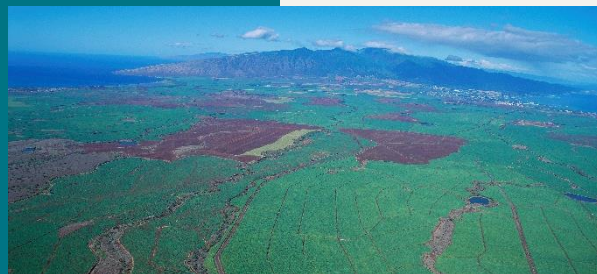
**Maui Business Park**  
Light-Industrial Lots / Kahului, Maui  
67 acres remaining



**Kukui'ula**  
Resort Residential / Poipu, Kauai  
1,202 units remaining



**Other Kukui'ula Related Investments**  
Resort Residential / Poipu, Kauai  
9 units remaining



**Non-Core Landholdings**  
Agricultural and Conservation Land / Kauai and Maui  
Approximately 26,800 acres

"Remaining" figures as of September 30, 2020.

# Materials & Construction

*Focused on Continued Improvement of Operations*



- Focused on continued improvement of operations
- Positive Adjusted EBITDA for Q3 and year to date 2020
- Encouraged by progress made this year including G&A reductions, successful bidding activity and improving operational efficiency
- Pleased with steady improvement in business, optimistic for continued progress in 2021





# Financial Review

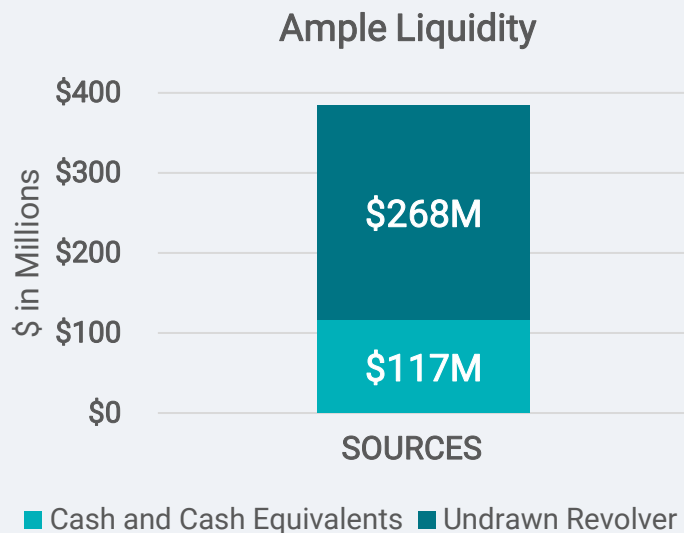
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# Capitalization

As of 9/30/20

- Loan maturities for 2020 addressed with no material maturities until September 2022
- \$385 million of total liquidity, consisting of cash and cash equivalents of \$117 million and \$268 million available on committed line of credit



Total Debt  
**\$763.6M**

Fixed-Rate Debt to  
Total Debt  
**76%**

Net Debt to TTM  
Consolidated  
Adjusted EBITDA

**6.6x**

Weighted-Average  
Interest Rate of Debt  
**3.7%**

Total Debt to  
Total Market  
Capitalization

**48%**

Weighted-Average  
Maturity  
**4.1 years**





# Corporate Responsibility

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# Corporate Responsibility

## Improving Hawai'i's communities and creating value for stakeholders

### Inaugural Report

Inaugural digital-format report now available on the Sustainability portion of website



### Environmental

- What matters to A&B: SASB and TCFD
- Energy efficiency initiatives and sustainable elements of our properties
- Clean energy production leader



### Social

- Employee engagement, culture and diversity
- Empowering and taking care of our employees
- Commitment to our communities



### Governance

- Knowledgeable and diverse Board
- Business ethics
- Shareholder engagement

### Framework

Report outlines sustainability efforts, social initiatives to help our employees and communities, and governance principles by which we live



**Nareit**  
Diversity, Equity & Inclusion

Recognition  
Awards

A 2020 Nareit Diversity, Equity & Inclusion (DEI) Recognition Award Winner

# Supporting Our Communities

A&B has earmarked \$200,000 of its annual \$1 million giving budget to support non-profits on the frontline of COVID-19 relief and to provide stability to those most affected by the impacts of this pandemic in key communities, working with trusted non-profits that A&B has partnered with over our many years of providing community support.





# Board of Directors Update

## Aligned with Commitment to the Principles of ESG



**Eric Yeaman**  
Independent Director  
Since 2012

Chairman of the Board  
since October 1, 2020



**Doug Pasquale**  
Lead Independent Director  
Since 2018



**John Leong**  
Independent Director  
Since October 1, 2020

Highly respected young  
leader in Hawai'i

Will bring valuable  
environmental and  
non-profit perspectives

### Board of Directors Metrics

	2016	Now
Chair	Non-Independent	Independent
Independent (NYSE)	70%*	86%
Female	20%	29%
Current/Former A&B CEO	3	1
Ethnically Diverse	50%	43%
REIT Expertise	10%	43%

\*Includes a former CEO who was deemed independent under NYSE standards.





## Closing Remarks

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- COVID-19 impacts continue, but A&B's portfolio is balanced and resilient
- Monetization efforts are progressing, reflecting continued demand for non-core Hawai'i assets and land
- Operational momentum at Grace Pacific improving; will enhance longer-term options for monetization
- Advancing efforts to streamline and simplify organization
- Expanding ESG initiatives and engaging with tenants, employees and communities as "Partners for Hawai'i"



# Appendix

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# CRE Net Operating Income

Reconciliation of GAAP to Non- GAAP Measures

Dollars in Millions

	3Q2020	3Q2019
<b>CRE Operating Profit (Loss)</b>	<b>\$11.0</b>	<b>\$18.0</b>
Plus: Depreciation and amortization	9.5	9.8
Less: Straight-line lease adjustments	0.6	(1.9)
Less: Favorable/(unfavorable) lease amortization	(0.1)	(0.1)
Less: Termination income	(1.1)	(0.1)
Plus: Other (income)/expense, net	-	(0.7)
Plus: Selling, general, administrative and other expenses	1.7	2.3
<b>NOI</b>	<b>\$21.6</b>	<b>\$27.3</b>
Less: NOI from acquisitions, dispositions and other adjustments	(2.9)	(4.2)
<b>Same-Store NOI</b>	<b>\$18.7</b>	<b>\$23.1</b>

Note: Additional information is included in the Company's quarterly Supplemental Information report, which is furnished to the SEC and available at [www.alexanderbaldwin.com](http://www.alexanderbaldwin.com).





# Funds From Operations (FFO) and Core FFO

Reconciliation of Net Income (Loss) Available to A&B Common Shareholders to FFO and Core FFO  
Dollars in Millions

	Three Months Ended Sept. 30, 2020	Three Months Ended Sept. 30, 2019
<b>Net Income Available to A&amp;B Common Shareholders</b>	<b>\$3.0</b>	<b>\$(49.8)</b>
Depreciation and amortization of commercial real estate properties	9.5	9.8
Gain on the sale of commercial real estate properties, net	-	-
<b>FFO</b>	<b>\$12.5</b>	<b>\$(40.0)</b>
Exclude items not related to core business:		
Land Operations Operating Profit	(3.4)	(2.8)
Materials & Construction Operating (Profit) Loss	(1.3)	57.9
Loss from discontinued operations	-	0.1
Income (loss) attributable to noncontrolling interest	0.2	(1.1)
Income tax expense (benefit)	-	-
Non-core business interest expense	3.6	4.4
<b>Core FFO</b>	<b>\$11.6</b>	<b>\$18.5</b>

Note: Additional information is included in the Company's quarterly Supplemental Information report, which is furnished to the SEC and available at [www.alexanderbaldwin.com](http://www.alexanderbaldwin.com).



# Core Funds From Operations (Core FFO)

Reconciliation of Core FFO starting from Commercial Real Estate operating profit  
Dollars in Millions

	Three Months Ended Sept. 30, 2020	Three Months Ended Sept. 30, 2019
<b>CRE Operating Profit</b>	\$11.0	\$18.0
Depreciation and amortization of commercial real estate properties	9.5	9.8
Corporate and other expense	(5.4)	(5.5)
Core business interest expense	(3.5)	(3.8)
<b>Core FFO</b>	<b>\$11.6</b>	<b>\$18.5</b>

Note: Additional information is included in the Company's quarterly Supplemental Information report, which is furnished to the SEC and available at [www.alexanderbaldwin.com](http://www.alexanderbaldwin.com).



# Consolidated Adjusted EBITDA

Reconciliation of consolidated net income to Consolidated Adjusted EBITDA

Dollars in Millions

	Three Months Ended Sept. 30, 2020	Three Months Ended Sept. 30, 2019	Trailing 12 Months Ended Sept. 30, 2020
<b>Net Income (Loss)</b>	\$3.2	\$(50.9)	\$9.1
Depreciation and amortization	13.1	13.2	54.4
Interest expense	7.1	8.2	30.4
Income tax expense (benefit)	-	-	(0.9)
<b>Consolidated EBITDA</b>	<b>\$23.4</b>	<b>\$(29.5)</b>	<b>\$93.0</b>
Asset impairments related to the M&C segment	-	49.7	5.6
<b>Consolidated Adjusted EBITDA</b>	<b>\$23.4</b>	<b>\$20.2</b>	<b>\$98.6</b>

Note: Additional information is included in the Company's quarterly Supplemental Information report, which is furnished to the SEC and available at [www.alexanderbaldwin.com](http://www.alexanderbaldwin.com).





# Land Operations EBITDA

Reconciliation of segment operating profit to EBITDA

Dollars in Millions

	Three Months Ended Sept. 30, 2020	Three Months Ended Sept. 30, 2019	Trailing 12 Months Ended Sept. 30, 2020
<b>Operating Profit (Loss)</b>	\$3.4	\$2.8	\$18.0
Depreciation and amortization	0.4	0.4	1.6
<b>Land Operations EBITDA</b>	<b>\$3.8</b>	<b>\$3.2</b>	<b>\$19.6</b>

Note: Additional information is included in the Company's quarterly Supplemental Information report, which is furnished to the SEC and available at [www.alexanderbaldwin.com](http://www.alexanderbaldwin.com).



# M&C Adjusted EBITDA

Reconciliation of segment Operating Profit to EBITDA and M&C Adjusted EBITDA

Dollars in Millions

	Three Months Ended Sept. 30, 2020	Three Months Ended Sept. 30, 2019	Trailing 12 Months Ended Sept. 30, 2020
<b>Operating Profit (Loss)<sup>1</sup></b>	<b>\$1.3</b>	<b>\$(57.9)</b>	<b>\$(12.6)</b>
Depreciation and amortization	2.7	2.7	11.1
<b>M&amp;C EBITDA</b>	<b>\$4.0</b>	<b>\$(55.2)</b>	<b>\$(1.5)</b>
Asset impairments related to the M&C segment	-	49.7	5.6
Loss (income) attributable to noncontrolling interest	(0.2)	1.1	0.6
<b>M&amp;C Adjusted EBITDA</b>	<b>\$3.8</b>	<b>\$(4.4)</b>	<b>\$4.7</b>

<sup>1</sup>Includes the results of GLP Asphalt, a 70%-owned, consolidated joint venture, and GPRM Prestress ("GPRM"), a 51% previously owned, consolidated joint venture that was disposed of at the end of Q2 2020.

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