



Positioned For Growth

Second Quarter 2021 Earnings Presentation July 29, 2021



SAFE HARBOR STATEMENT

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.

AGENDA

Chris Benjamin

Strategic and Operational Update

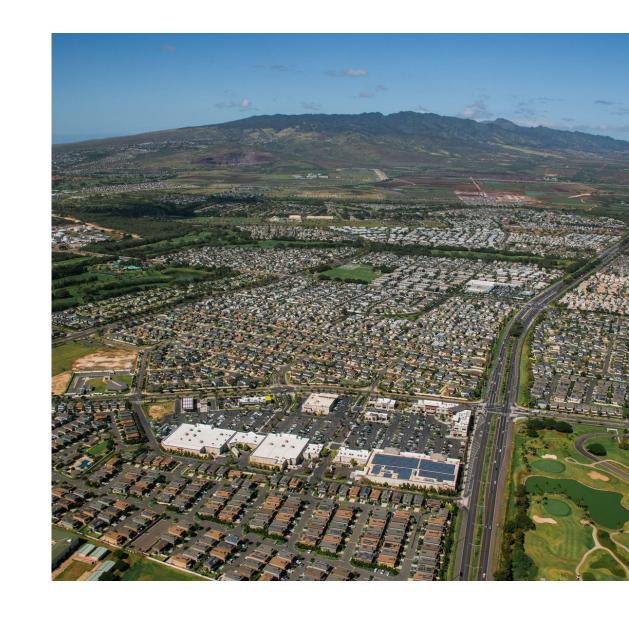
Brett Brown

Detailed Operational Update Financial Matters

Chris Benjamin

Closing Remarks

Questions & Answers





OPENING REMARKS

CRE PORTFOLIO CONTINUES TO

PERFORM VERY WELL

Improved tenant performance as Hawai'i's economy recovers

STRONG DEMAND PERSISTS FOR

NON-CORE ASSETS

Surge in demand for Hawai'i real estate has supported monetization efforts of non-core assets

WITHIN TARGETED

LEVERAGE RANGE, AT 5.4 TIMES EBITDA

Shrinks non-CRE asset base and supports pivot back to growth via acquisitions

SECOND CONSECUTIVE QUARTERLY DIVIDEND INCREASE

Dividend is just a penny below pre-COVID levels at \$0.18 per share following 2-cent, or 12.5%, increase



RECOVERY OF THE HAWAI'I ECONOMY

- Hawai'i rate of employment growth nearly double national average
- State unemployment rate fell 2.2% since start of year through May 2021
- Vaccine exemption for mainland travelers initiated in early July
- Visitor arrivals for June were at 82% of 2019 levels, with essentially no international travelers

Source: U.S. Bureau of Labor Statistics and Hawai'i Department of Labor and Industrial Relations



STRONG CRE RESULTS

NOI UP NEARLY 13%

OVER PRIOR QUARTER AND UP NEARLY 29% YEAR-OVER-YEAR

Greatly improved tenant performance and collections

STRONG LEASING ACTIVITY

WITH AVERAGE SPREADS OF 11.5%

Robust leasing demand, including 14% spreads for retail leases, with near match of quarterly record for new lease volume

SAME-STORE LEASED

OCCUPANCY OF 94%

Solid Same-Store leased occupancy realizes positive incremental movement of 20 basis points over prior quarter

AIKAHI PARK SHOPPING CENTER

- On budget
- Substantial completion of central shops
- Starbucks grand opening in May
- Safeway's exterior fully renovated
- 94% occupancy

8.2% to 9%

ESTIMATED RETURN ON INVESTMENT

\$1.7M

ANTICIPATED
INCREMENTAL ANNUAL
NOI UPLIFT



SIMPLIFICATION EFFORTS

Non-Core Asset Monetization

- \$19 million cash proceeds in Q2 2021
- \$48 million cash proceeds YTD
- Robust demand for Hawai'i land and operating assets continues, supporting simplification efforts

KUKUI'ULA JOINT VENTURE PROJECTS

Q2 2021

- 14 units closed
- \$15 million in joint venture distributions and other payments

High level of buyer interest continues at this exceptional community on the south shore of Kauai



MAUI BUSINESS PARK

Q2 2021

- 6.3 acres closed
- \$11 million in revenue

Strategically offering build-to-suit lease arrangements, while monetizing select parcels at well-located industrial park





MATERIALS & CONSTRUCTION

- Robust quarry sales and progress made in closing out old projects and collecting receivables
- Operations challenged due to delays in commencing jobs we have won
- Strong backlog of paving projects should drive meaningful results for business



TO ISIBILITY



FINANCIAL RESULTS

Q2 2021 PERFORMANCE

	Q2 2021	Q2 2020	PER SHARE	PER SHARE
NET INCOME	\$12.8M _{vs}	\$(4.7)M	\$0.18 vs	\$(0.07)
FFO	\$22.3M vs	\$5.9M	\$0.31 vs	\$0.08
CORE FFO	\$18.5M vs	\$13.1M	\$0.25 vs	s \$0.18

- Core FFO compares favorably with same quarter of prior year due to improved tenant performance resulting in higher current rent payments and increased collections of previously-reserved amounts
- On sequential basis, Core FFO increased by 20% from Q1 2021

02 2021

022020

CRE SEGMENT METRICS

QUARTERLY RESULTS FOR Q2 2021

	Q2 2021	Y O Y Q 2 2 0 2 0	YOY % CHANGE	Q O Q Q 1 2 0 2 1	QOQ % CHANGE
REVENUE	\$43.3M	\$34.0M	+27%	\$39.9M	+9%
NOI	\$28.5M	\$22.2M	+29%	\$25.3M	+13%
SAME-STORE NOI	\$27.8M	\$21.6M	+29%	\$24.7M	+13%

Note: See appendix for a statement on management's use of non-GAAP financial measures and reconciliations.

YoY and QoQ increase driven by enhanced collections of both current and prior-period rents as tenant performance continues to improve, with meaningful reversal of reserves

STRONG LEASING DEMAND

- 59 standard leases totaling approximately 106,000 sf of GLA
- 11.5% portfolio-wide lease spreads and 14% for retail spaces
- 32 new leases in quarter nearly ties highwater mark for new leases by count in Hawai'i portfolio



LAND OPERATIONS

- \$16.0 million of revenue
- \$9.3 million of EBITDA
- Monetization of non-core assets during the quarter included:
 - 14 units at Kukui'ula joint venture projects, resulting in second consecutive quarter of distributions from main partnership
 - 6.3 acres at Maui Business Park
 - \$19 million in total cash proceeds for the quarter

Note: See appendix for a statement on management's use of non-GAAP financial measures and reconciliations.



MATERIALS & CONSTRUCTION

- \$0.7 million Adjusted EBITDA for the quarter
- Results were largely impacted by delays associated with receiving necessary approvals to commence jobs we have won
- Performance should improve over time as paving activity increases, based on backlog built

Note: See appendix for a statement on management's use of non-GAAP financial measures and reconciliations.





CONSOLIDATED FINANCIALS

- Pleased with core G&A trajectory and expect decreases to continue as simplification and streamlining efforts advance
- \$12.4 million of G&A expenses for the quarter, an increase YoY due to timing of expenses including certain one-time charges and low G&A levels experienced at height of pandemic
- \$51 million to \$55 million core G&A range for full-year 2021
- On net basis, expenses should be well below 2019 run-rate, consistent with progress made in simplification efforts

STRONG BALANCE SHEET

AMPLE LIQUIDITY TO SUPPORT ACCELERATED CRE GROWTH

TOTAL LIQUIDITY | \$443M

CASH | \$20M

UNDRAWN REVOLVER | \$423M



In the coming weeks, in an effort to improve our financial tools as we focus on growth of our portfolio:

- Will complete a recast of our credit facility which has been fully committed and will include favorable changes to all unsecured debt covenants
- Will establish an At-the-Market equity issuance program, though no imminent issuance is anticipated
 - Combined with existing share repurchase authorization, provides us robust capital market tools as we complete our simplification efforts and pivot to growth

As of June 30, 2021, Net Debt to TTM Consolidated Adjusted EBITDA was **5.4x**, down from 6.4x last quarter and from 7.1x one year ago

DIVIDEND

Q3 2021 dividend of \$0.18 per share, a 12.5% increase from the Q2 2021 dividend.

- Second consecutive quarterly dividend increase
- Reflects improved visibility and growing conviction that Hawai'i is on a stronger path to growth
- Will continue to work with Board to align dividend with REIT taxable income

REVISED GUIDANCE

The Company increased its annual 2021 guidance to reflect its improved outlook

- Core FFO per diluted share
- CRE Same-Store NOI

REVISED

\$0.81 to \$0.87

7% to 10%

PRIOR

\$0.69 to \$0.77

1% to 4%



CLOSING REMARKS



RECOVERY OF HAWAI'I AND RETURN OF TOURISM HELPS PORTFOLIO PERFORMANCE



PROGRESS OF SIMPLIFICATION
EFFORTS REFLECT LEVEL OF FOCUS
AND STRENGTH OF BUYER DEMAND



STRONG BALANCE SHEET SUPPORTS PIVOT TO GROWTH

Alexander & Baldwin I NYSE: ALEX 20







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.

CRE NET OPERATING INCOME

RECONCILIATION OF GAAP TO NON- GAAP MEASURES

DOLLARS IN MILLIONS

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Change
CRE Operating Profit (Loss)	\$18.6	\$8.9	\$9.7
Plus: Depreciation and amortization	9.5	10.6	(1.1)
Less: Straight-line lease adjustments	(1.0)	1.3	(2.3)
Less: Favorable/(unfavorable) lease amortization	(0.2)	(0.5)	0.3
Plus: Other (income)/expense, net	(0.1)	0.1	(0.2)
Plus: Selling, general, administrative and other expenses	1.7	1.8	(0.1)
NOI	\$28.5	\$22.2	\$6.3
Less: NOI from acquisitions, dispositions and other adjustments	(0.7)	(0.6)	(0.1)
Same-Store NOI	\$27.8	\$21.6	\$6.2

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.



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	Three Months Ended
	June 30, 2021	June 30, 2020
Net income (loss) available to A&B common shareholders	\$12.8	\$(4.7)
Depreciation and amortization of commercial real estate properties	9.5	10.6
Gain on the disposal of commercial real estate properties, net	-	-
FFO	\$22.3	\$5.9
Exclude items not related to core business:		
Land Operations Operating (Profit)	(9.1)	(4.0)
Materials & Construction Operating (Profit) Loss	1.9	6.9
Loss from discontinued operations	0.1	0.6
Income (loss) attributable to noncontrolling interest	0.2	-
Income tax expense (benefit)	-	-
Non-core business interest expense	3.1	3.7
Core FFO	\$18.5	\$13.1



CORE FUNDS FROM OPERATIONS (CORE FFO)

RECONCILIATION OF CORE FFO STARTING FROM COMMERCIAL REAL ESTATE OPERATING PROFIT

DOLLARS IN MILLIONS

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020
CRE Operating Profit	\$18.6	\$8.9
Depreciation and amortization of commercial real estate properties	9.5	10.6
Corporate and other expense	(6.0)	(2.3)
Core business interest expense	(3.6)	(4.1)
Core FFO	\$18.5	\$13.1

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.



CONSOLIDATED ADJUSTED EBITDA

RECONCILIATION OF CONSOLIDATED NET INCOME TO CONSOLIDATED ADJUSTED EBITDA DOLLARS IN MILLIONS

	TTM June 30, 2021	TTM June 30, 2020
Net Income (Loss)	\$27.2	\$(45.0)
Depreciation and amortization	51.3	54.5
Interest expense	28.4	31.5
Income tax expense (benefit)	(0.3)	(0.9)
Consolidated EBITDA	\$106.6	\$40.1
Asset impairments related to the M&C segment	-	55.3
Consolidated Adjusted EBITDA	\$106.6	\$95.4

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.



LAND OPERATIONS EBITDA

RECONCILIATION OF SEGMENT OPERATING PROFIT TO EBITDA

DOLLARS IN MILLIONS

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	TTM June 30, 2021
Land Operations Operating Profit (Loss)	\$9.1	\$4.0	\$27.4
Land Operations depreciation and amortization	0.2	0.4	1.2
Land Operations EBITDA	\$9.3	\$4.4	\$28.6

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.

M&C ADJUSTED EBITDA

RECONCILIATION OF SEGMENT OPERATING PROFIT TO EBITDA AND M&C ADJUSTED EBITDA DOLLARS IN MILLIONS

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	TTM June 30, 2021
M&C Operating Profit (Loss)	\$(1.9)	\$(6.9)	\$(6.2)
M&C depreciation and amortization	2.8	2.6	10.8
M&C EBITDA	\$0.9	\$(4.3)	\$4.6
Impairment of assets	-	5.6	-
Loss (income) attributable to noncontrolling interest	(0.2)	-	(0.4)
M&C Adjusted EBITDA	\$0.7	\$1.3	\$4.2

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