



ALEXANDER & BALDWIN
PARTNERS FOR HAWAII

Premier Hawaii Commercial Real Estate Company

Investor Presentation
As of September 30, 2023



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. 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, results of operations, liquidity and financial condition, and the evaluation of alternatives by the Company related to its materials and construction business, as well as other factors 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.



ALEXANDER & BALDWIN

- Fully **integrated** commercial real estate company
- Only publicly-traded real estate investment trust to **focus exclusively on Hawai'i** commercial real estate
- **Largest owner of grocery-anchored centers** in Hawai'i, with complimentary industrial and ground lease assets

Financial Metrics

Annualized Dividend	\$0.88
Forward Dividend Yield	5.3%
Equity Market Capitalization	\$1,213.5 million
Net Debt to TTM Consolidated Adjusted EBITDA	4.4x
Total Liquidity	\$429.7 million

Improved Property Portfolio Statistics

Number of Properties	39 properties
Total GLA	3,933,900 sq. ft.
Leased Occupancy	94.6%
Economic Occupancy	92.9%



Premier Hawaii REIT Investment Opportunity



PROVEN MANAGEMENT TEAM

Diverse Experience and Deep Local Roots



SUPERIOR MARKET FUNDAMENTALS

Dynamic, Growing Market with Structural Limitations on New Supply



HIGH-QUALITY PORTFOLIO

Irreplaceable assets



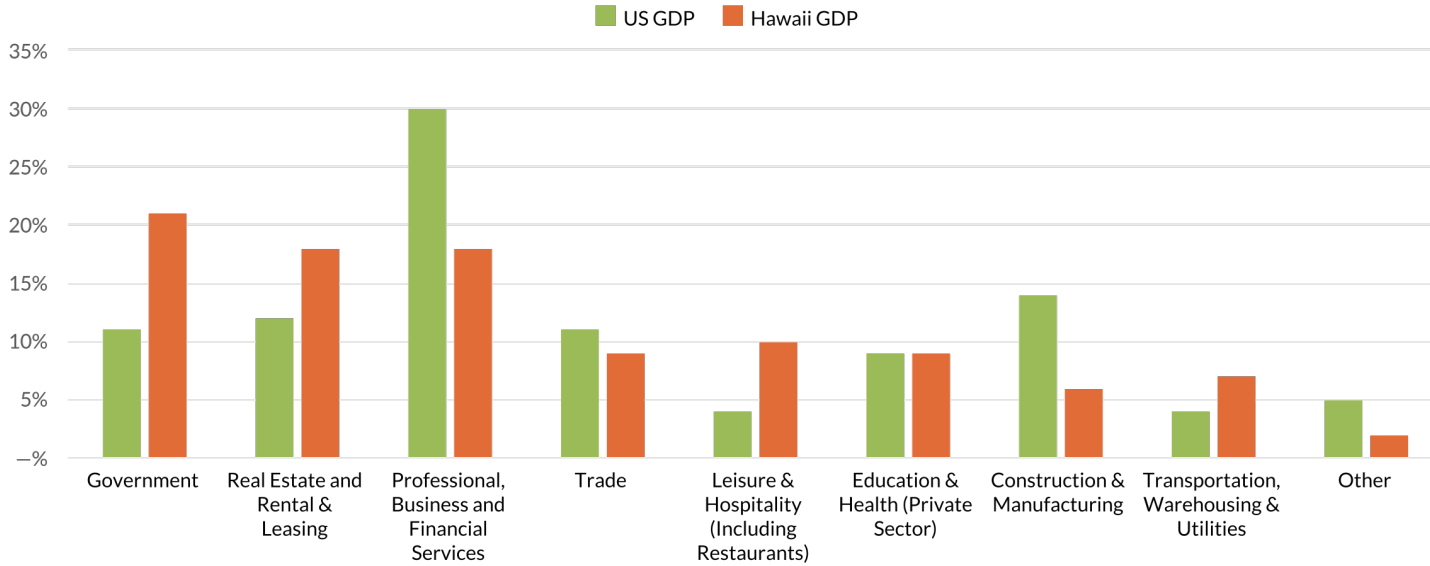
OPPORTUNITIES FOR GROWTH

Embedded Internal Growth Opportunities and Competitive Advantage with Hawaii Focus



Hawai'i Market

2022 US and Hawaii GDP by Industry



Secondary Market Population Density and Household Income



Diverse Economy, Compelling Secondary Market Demographics

- Hawaii has a unique economic make-up compared to the rest of the US
 - High proportion of stable government spending at the federal, state and county levels
 - Supplemented by leisure, hospitality and restaurant spend from local and tourist-driven spend
- Honolulu's household income is the highest out of all secondary markets, as identified by Green Street.
- Honolulu's population density is above the median of secondary markets, as identified by Green Street.

Sources:

- 1) GDP from U.S. Bureau of Economic Analysis
 - 2) "Secondary Market" metrics per Green Street
 - 3) Hawaii population metrics per U.S. Census and Hawaii square footage excludes land zoned as conservation and agricultural.
- Data provided for informational purposes only; no endorsement implied.

High Barriers to Entry

STATE ACREAGE BY USE

CONSERVATION
1,973,946
 (48%)

AGRICULTURE
1,932,822
 (47%)

URBAN
205,620
 (5%)



Source: State of Hawaii Land Use Division
 Data provided for informational purposes only; no endorsement implied.

Supply Constraints Due to Long Entitlement Process

Lengthy & Complex Entitlement Process

3-5 Years

FOR COUNTY GENERAL PLAN INCLUSION

3-5 Years

FOR STATE LAND USE URBAN DESIGNATION

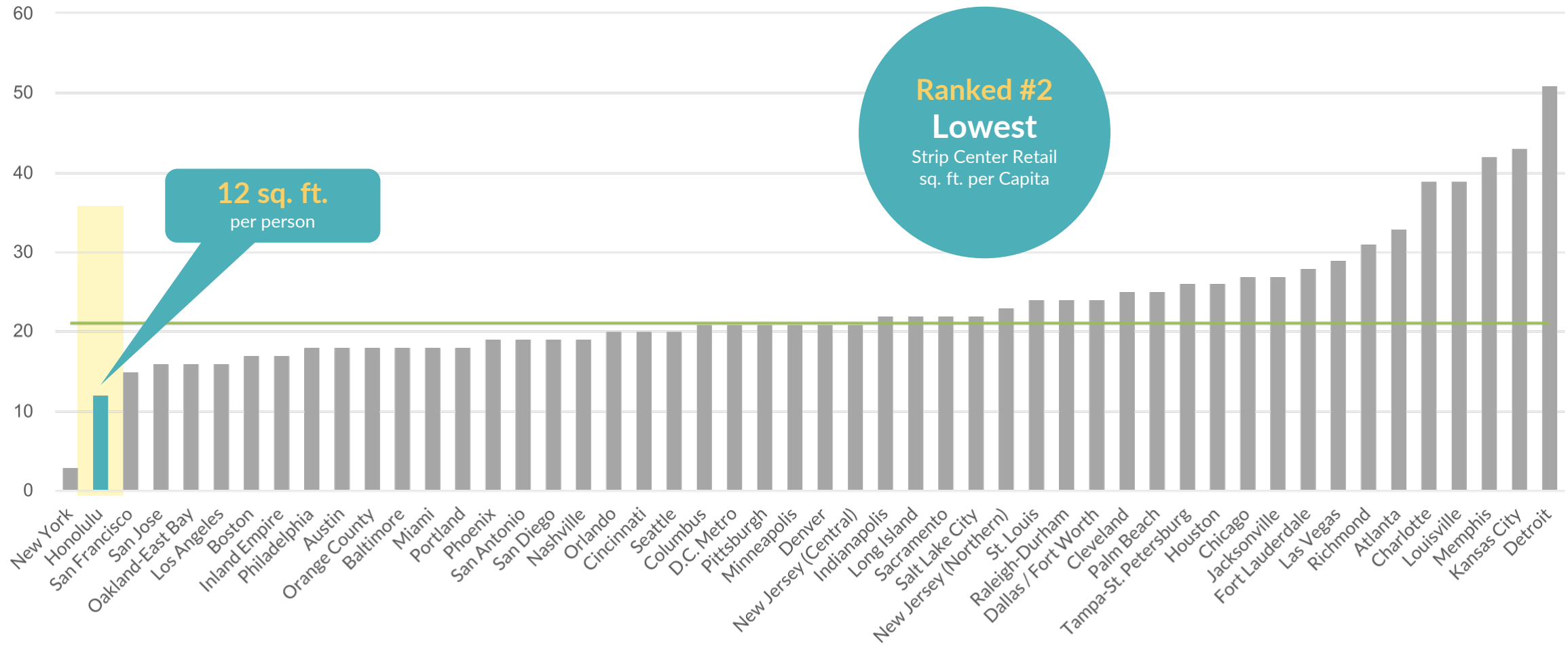
3-5 Years

FOR COUNTY URBAN ZONING

9-15 Years

TOTAL

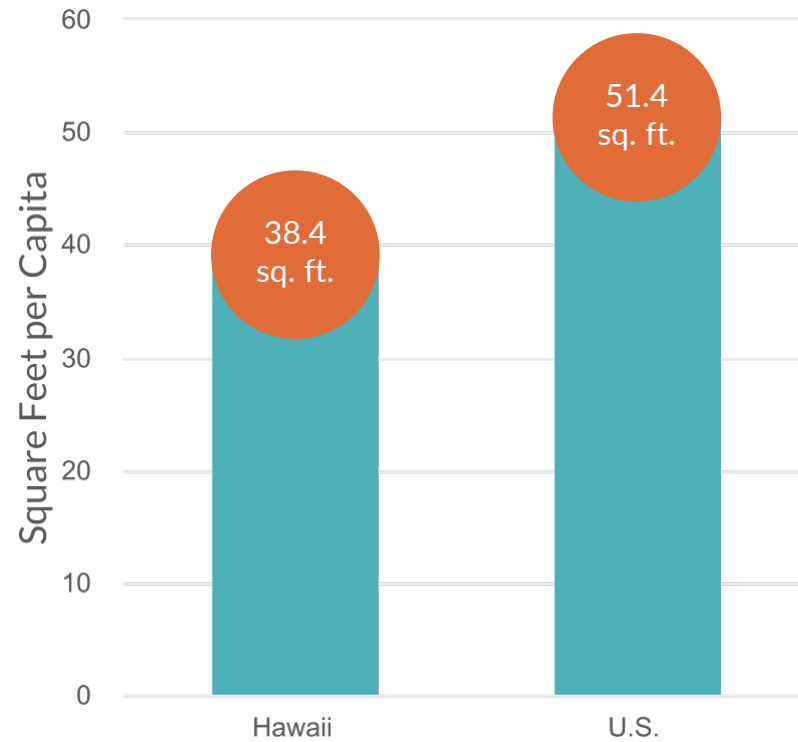
Strip Center Retail Supply



Source: Green Street Advisors 2023 Strip Center Outlook
Data provided for informational purposes only; no endorsement implied.

■ SF per Capita — Median

Industrial Supply



Source: Square footage per Colliers International and population data from U.S. Census Bureau
Data provided for informational purposes only; no endorsement implied.



Portfolio

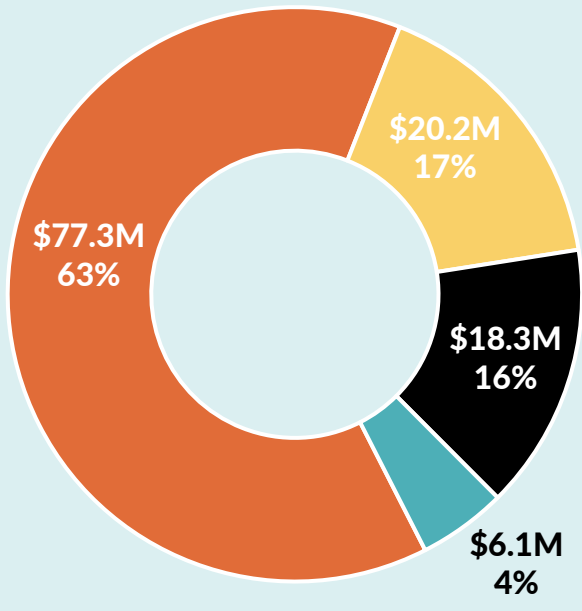
As of September 30, 2023

Outstanding Portfolio

Largest Owner of Grocery-Anchored Shopping Centers in Hawaii

\$121.9M¹

TTM NOI



3.9M sq. ft.
Total Improved GLA

2.5M sq. ft. Total GLA
22 Properties

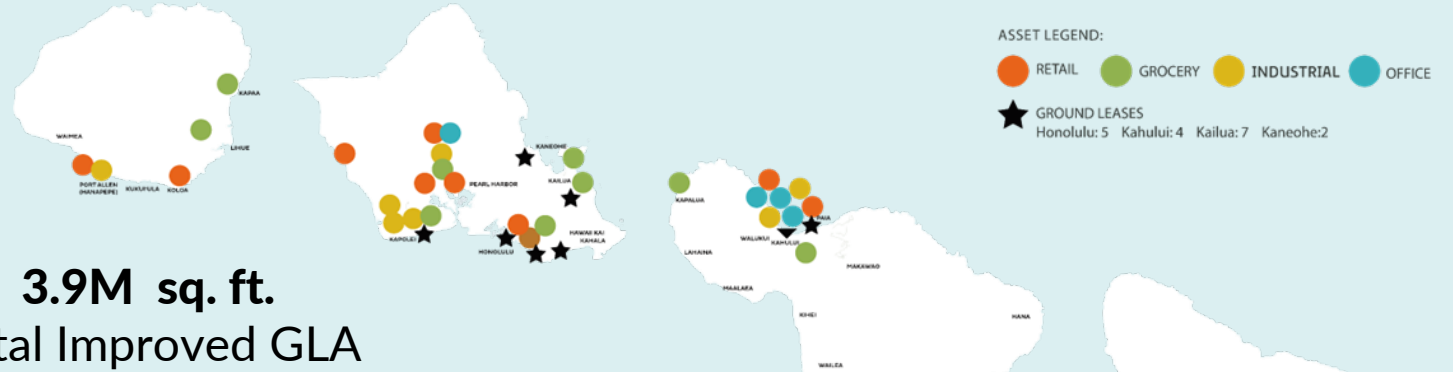
1.3M sq. ft. Total GLA
13 Properties

142.0 Acres
Total

OAHU
% of Hawai'i GDP² | 74%
TTM NOI | 71%

MAUI
% of Hawai'i GDP² | 11%
TTM NOI | 13%

OTHER ISLANDS
% of Hawai'i GDP² | 15%
TTM NOI | 16%



As of September 30, 2023

Retail Portfolio

22

Properties

2.5M

GLA

\$19.7M

NOI (QTD)

94.0%

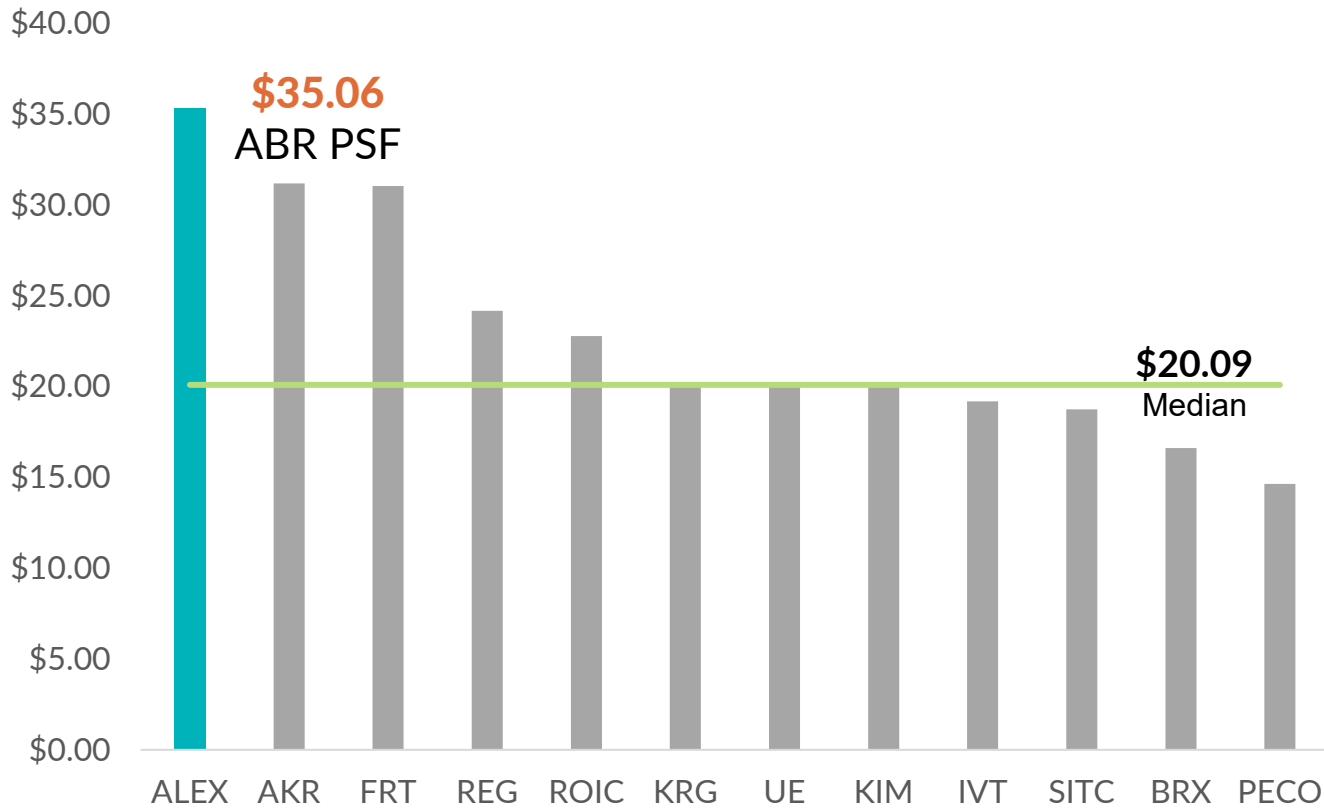
Leased
Occupancy

\$35.34

ABR PSF



Strong ABR Compared to Peer Set



Source: A&B disclosure as of September 30, 2023. Comparative data set represents Strip Retail peers under Green Street coverage as of June 30, 2023; no endorsement implied.



As of September 30, 2023

Industrial Portfolio

13

Properties

1.3M

GLA

\$5.2M

NOI (QTD)

96.8%

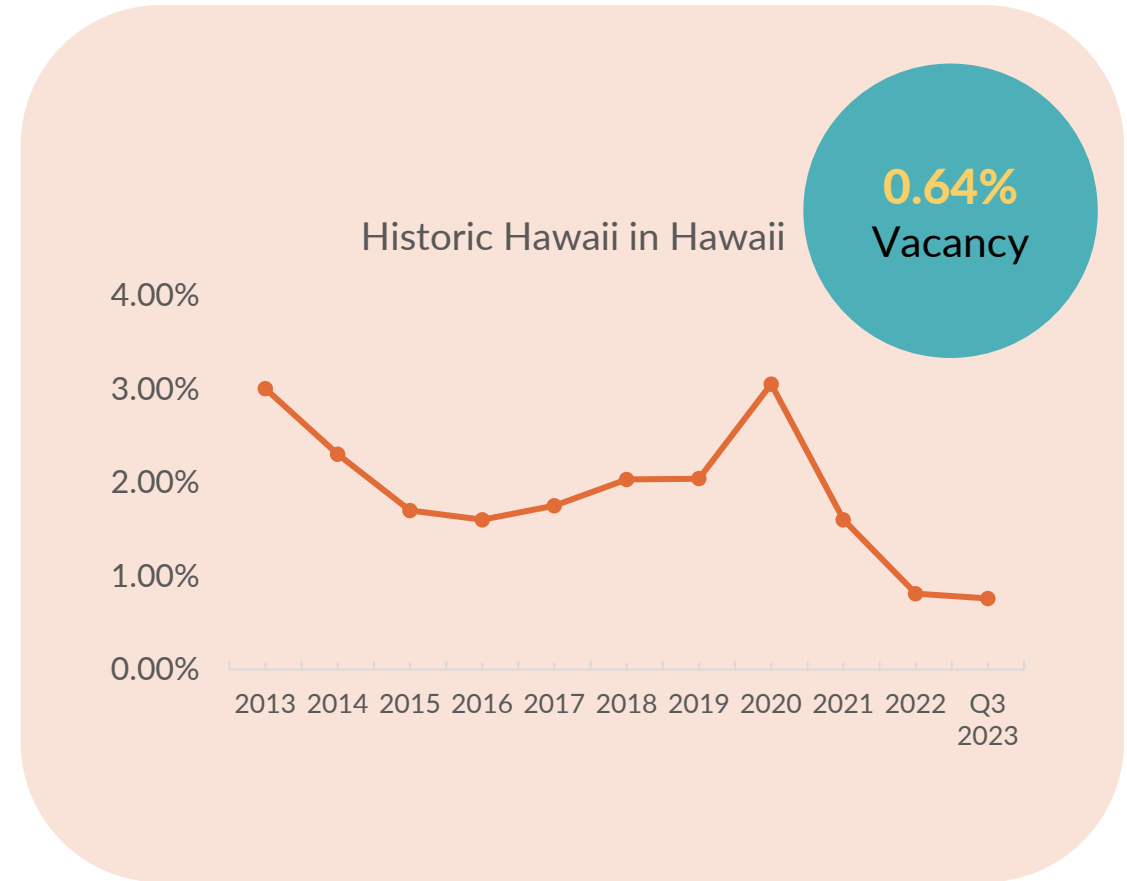
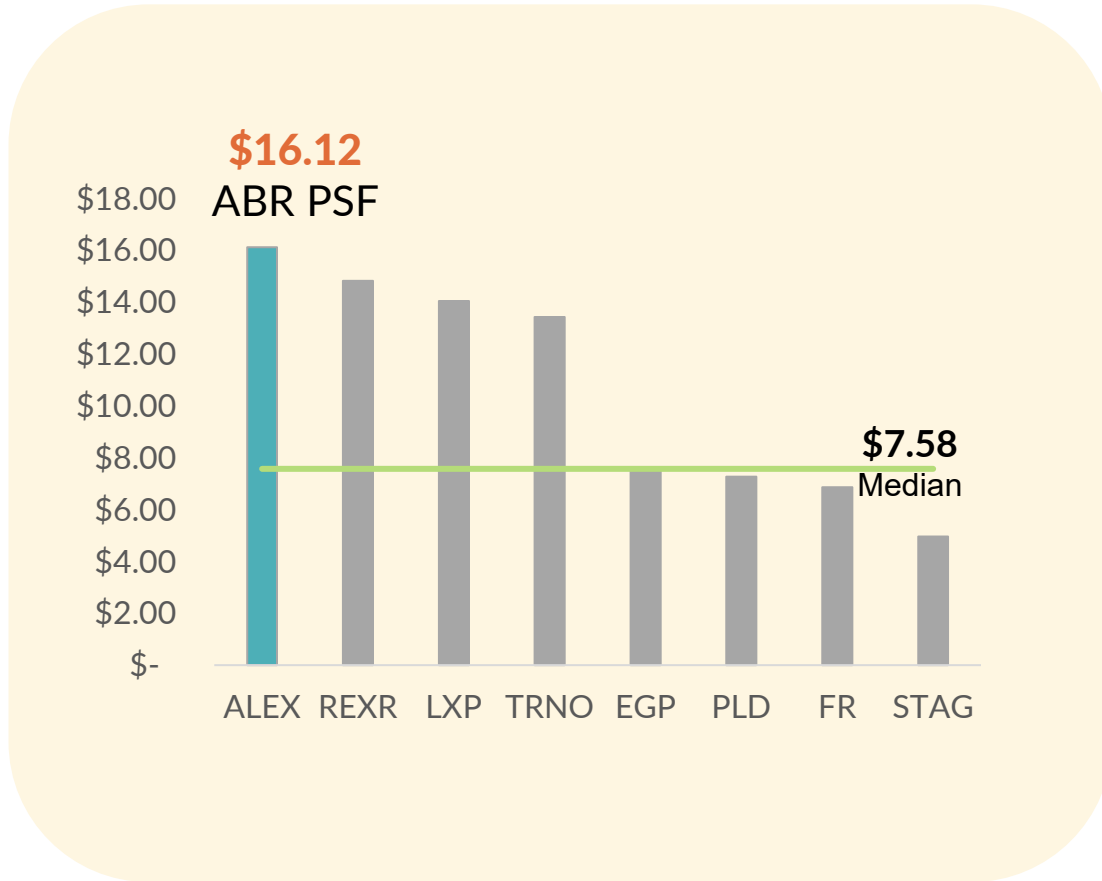
Leased
Occupancy

\$16.12

ABR PSF



Strong ABR Compared to Peer Set



Source: A&B disclosure as of September 30, 2023. Comparative data set represents Strip Retail peers under Green Street coverage as of June 30, 2023; Vacancy per Colliers International; no endorsement implied.

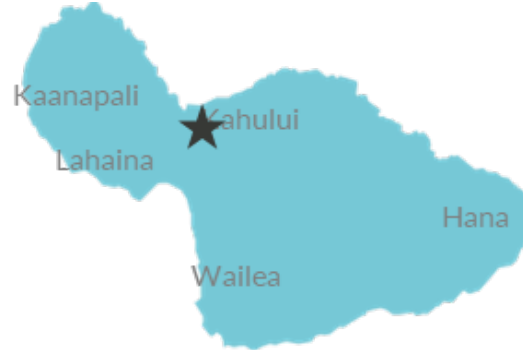
As of September 30, 2023

Ground Lease Portfolio

O'AHU



MAUI



142.0
Acres

\$5.0M
NOI
(QTD)

7.5%
5-Year NOI
CAGR

19.6 years
Wtd. Avg.
Lease Term



Ground Lease Portfolio

In Hawaii, it is common to bifurcate property ownership between land and improvements by way of a ground lease. A **ground lease** is a type of lease agreement where a landowner retains ownership of land (the “leased fee”) and leases that land to a tenant for a long-duration. Often, the tenant will build improvements (the “leasehold”) which the tenant owns and maintains for the duration of the ground lease term.



Land
(Owned by A&B)

Leasehold Owner (Our Ground Lease Tenant)

- Pays ground rent to A&B
- Responsible for the operating costs and capital expenditures related to ongoing ownership and maintenance of the land and associated improvements
- Tenant may sublease all or a portion of the improvements

Leased Fee Owner (Alexander & Baldwin)

- A&B receives senior / secured ground rent payments from our tenant which include fixed, CPI adjusted and / or fair market value-based rent escalations
- All improvements automatically revert to A&B upon ground lease expiration or tenant default

Ground Lease Value Proposition



Ground Rent Fixed Step Ups

Tenant pays A&B ground lease rent that includes contractual fixed step-ups and is responsible for majority of operating and capital costs.



Ground Rent Fair Market Value Resets

Periodically, ground lease rent resets based on increases in land value, often at substantial growth rate.



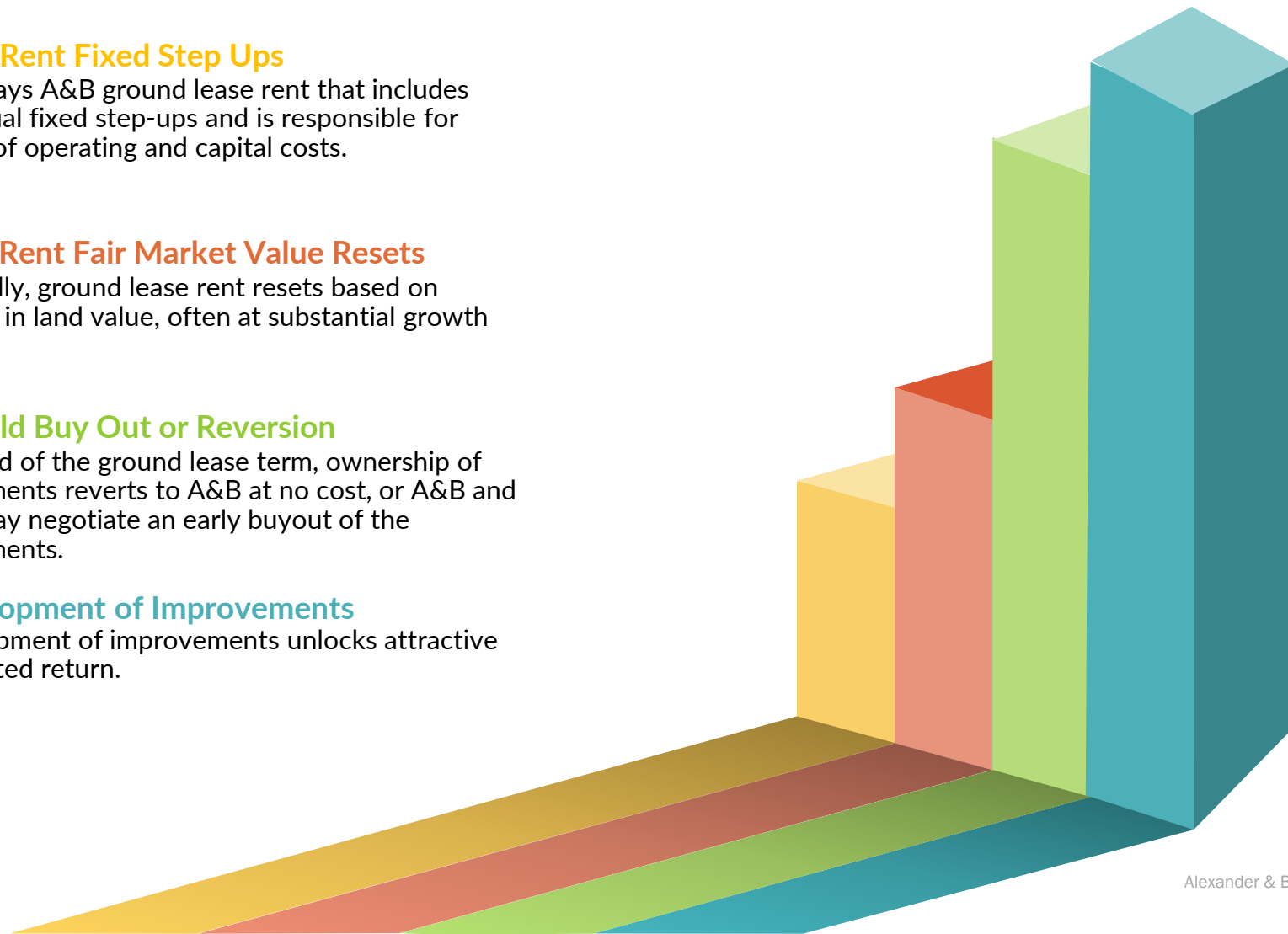
Leasehold Buy Out or Reversion

At the end of the ground lease term, ownership of improvements reverts to A&B at no cost, or A&B and tenant may negotiate an early buyout of the improvements.



Redevelopment of Improvements

Redevelopment of improvements unlocks attractive risk adjusted return.



Ground Lease Case Studies



2020
KAIMUKI SHOPPING CENTER

FMV reset resulted in 29% ABR increase with additional contract steps



2021
HART PRE-CAST YARD

Contractual step-up resulted in 34% ABR increase



2023
WINDWARD CITY SHOPPING CENTER

Contractual step-up resulted in 39% ABR increase

AIKAHI PARK SHOPPING CENTER



2013: Acquired leased fee for \$23.8 M @ 4.6% return
2015: Acquired leasehold for \$1.6 M @ 25.0% return
2022: Repositioning complete @ 9.0% return
Annualized NOI as of Q2 2023: \$2.9 million

LAU HALA SHOPS



2013: Acquired leased fee for \$8.3 M @ 2.2% return
2016: Leaseholds reverted to A&B at no cost
2018: Repositioning complete @ 11.0% return
Annualized NOI as of Q2 2023: \$3.1 million

Growth

External Growth

Hawaii Specialist with 153-Year History

Strong local relationships and track record of closing complex deals provides a sourcing advantage in turbulent times

Access to Capital

Over \$400M of corporate revolver capacity, allowing us to move quickly while competitors are priced or frozen out of the asset-level financing markets

Substantial Headroom in Core Asset Classes

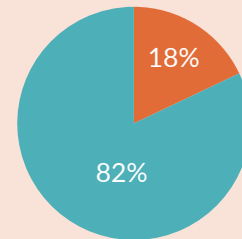
We own less than a quarter of the anchored retail market in Hawaii, and a small sliver of the ~60.5M square foot industrial market

\$1.25B

CRE acquisitions since 2013

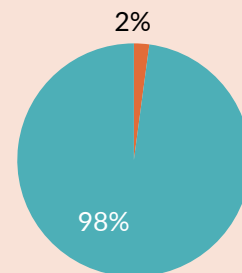
90%+

Of A&B's acquisitions since 2013 were off-market or first-look



A&B Others

16 Grocery or drugstore anchored assets
2.2 M Sq. ft. of GLA
96.6% Retail segment Leased occupancy
89.8% Of total NOI (Retail)
~12.2M Sq. Ft. of GLA total anchored retail market



13 Industrial assets
1.3 M Sq. ft. of GLA
96.8% Leased Occupancy
16.8% Of total NOI
~60.5M Sq. Ft. of GLA total industrial market

Redevelopment

Irreplaceable Assets with Embedded Growth Upside

Expertise in unlocking value-add opportunities

COMPLETED

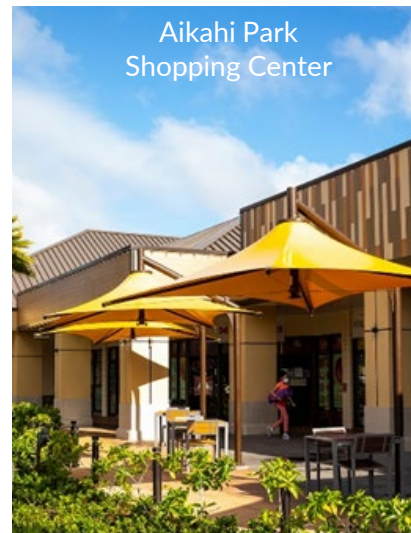


Lau Hala Shops

Reversion of Ground Lease Asset
Adaptive Reuse

Return of 11% on repositioning capital spent and current leased occupancy of 100%.

COMPLETED

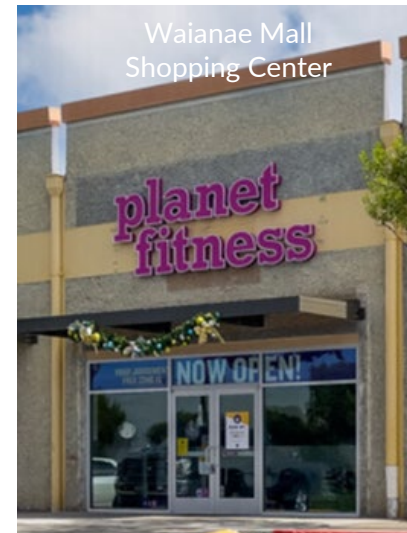


Aikahi Park
Shopping Center

Reversion of Ground Lease Asset
Renovation and GLA Expansion

Estimated return of 9% on repositioning capital spent and current leased occupancy of 92.4%.

COMPLETED



Waianae Mall
Shopping Center

Re-tenancy of Big Box

Estimated return of 12% on re-tenancy capital spent and 100% preleased.

COMPLETED



Manoa Marketplace

Renovation of Aging Asset

Estimated return of 8% on refresh capital spend and current leased occupancy of 98.2%.

Retail / Industrial Land-Bank at Kahului, Maui

Low-cost Land Basis - Competitive Advantage at Maui
Business Park II

Strategically developing and offering build-to-suit lease arrangements for tenants, while monetizing select parcels to owner-users.



46.5 sellable acres

Located in Kahului, Maui

Flex Zoning

Light industrial, retail and office use

RETAIL / Ho'okele Shopping Center



- Phase one development of 71,400-sq. ft. center complete
- Safeway grocery store, gas station, and convenience store anchor property
- First Sonic Drive-In in the State
- Stabilized yield of approximately 8%

Industrial / Build-to-Suit



- Highly desirable commercial and light industrial development given proximity to Kahului Airport, Kahului Harbor and main Maui roadways

Industrial Land-Bank at Kapolei, Oahu

55 acres of Industrial zoned land strategically located on West Oahu, with capacity for 940,000 sf of institutional quality warehouse and distribution centers.

Oahu Industrial Land Bank Summary	Land*	Potential GLA
Komohana Industrial Park (yard only)	23.1	373,000 sf
HART	29.1	508,000 sf
KBPW Lots 22 & 5	3.0	59,000 sf
Total	55.2	940,000 sf

* NET developable area excluding future roads, retention areas, and existing buildings.

55 acres

Located in Kapolei, Oahu

Industrial Zoning

Industrial, manufacturing, warehouse, and distribution

Industrial / Komohana Industrial Yard



- Asset includes 23 acres of undeveloped yard space zoned for Industrial use.

Industrial / HART Yard



- Asset includes 29 acres of undeveloped yard space zoned for Industrial use.

Completed PV Initiatives

Pearl Highlands Center

- Completed construction of 1.3-megawatt rooftop PV system
- Sized to offset 100% of common area energy and provide additional power to select tenants

Complete
Status

\$400k
Estimated
incremental
annual NOI uplift



Ongoing PV Initiatives

Identified next properties for broader rooftop solar initiative

Kaka`ako Commerce Center

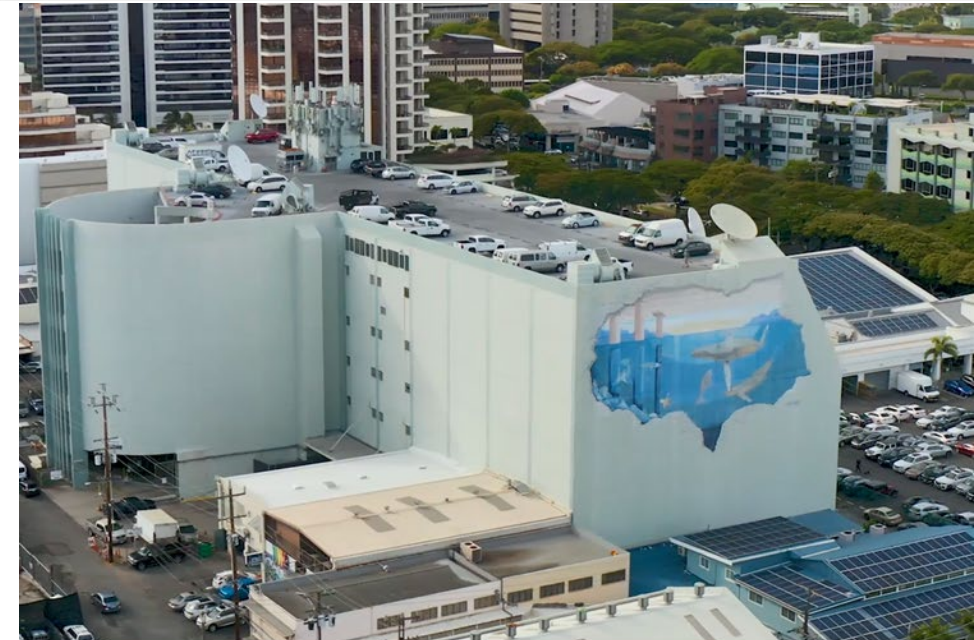
- 465-Kilowatt PV system
- Sized to offset approximately 37% of the Center's current energy demand

The Shops at Kukui'ula

- 443-Kilowatt PV system
- Sized to offset approximately 38% of the Center's current energy demand

In
Progress
Status

Low
Teens IRR
Estimated risk-
adjusted returns

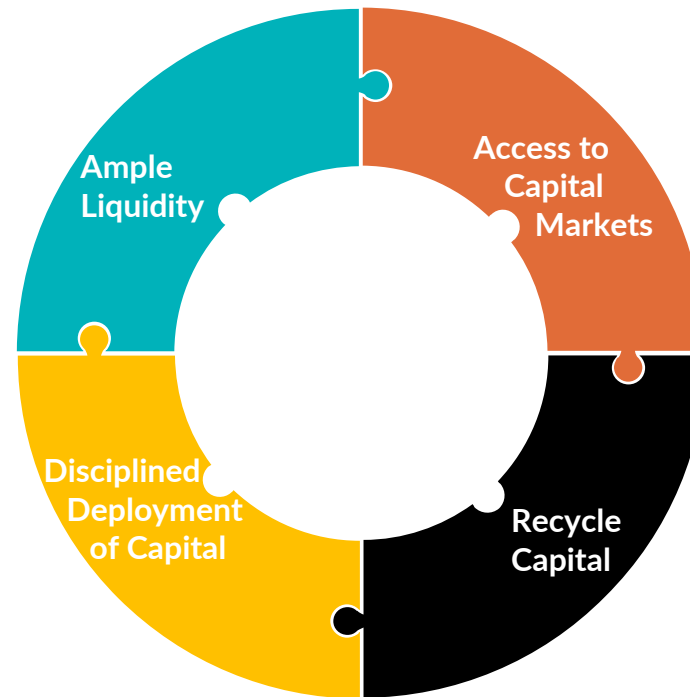


Capital Structure and Balance Sheet

Capital Strategy

- Cash and available revolver capacity totalling \$429.7 million
- 84% of outstanding debt is fixed rate
- \$150 million available for use through at-the-market program

- Maintain disciplined underwriting of acquisitions
- Seek appropriate risk-adjusted returns for ground-up development, GLA additions and photovoltaic projects.
- When appropriate, allocate capital to share repurchase program.



- Maintain existing relationships with local and national lenders
- Clearly communicate with investors, analysts and local community

- Since 2018, recycled more than \$440 million of cash proceeds related to non-core land sales into income producing properties
- Utilization of funds from Section 1031 exchanges to maximize efficiency of tax attributes

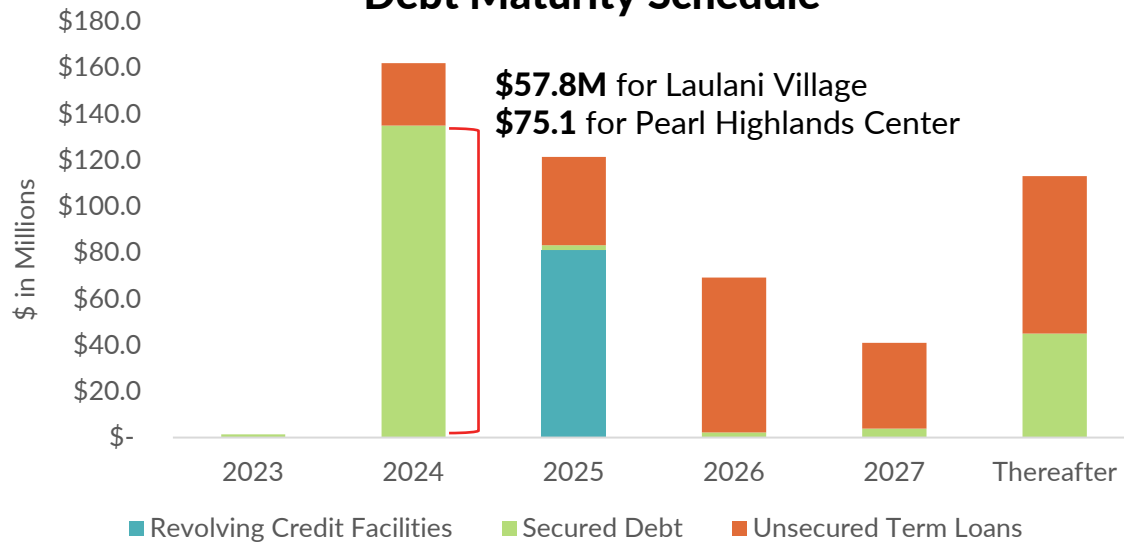
As of September 30, 2023

Flexible Balance Sheet

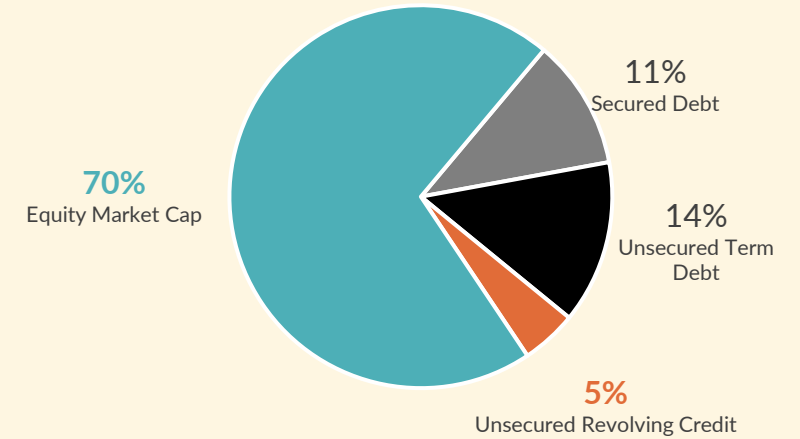
Balance Sheet Highlights

- Total liquidity of **\$429.7**, including cash of **\$11.8M** and remaining capacity on revolver of **\$417.9M**
- Weighted average interest rate: **4.58%**
- Net Debt / TTM Consolidated Adjusted EBITDA of **4.4x**

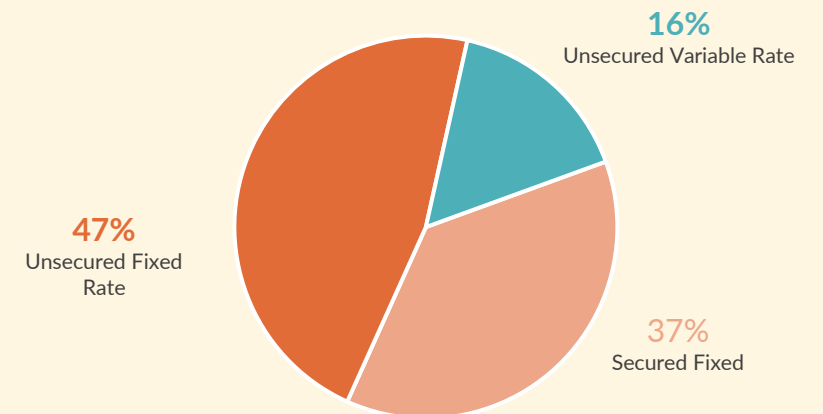
Debt Maturity Schedule



Total Market Capitalization



Outstanding Debt



Environmental, Social and Governance

For more than 150 years, Alexander & Baldwin has placed a high priority on corporate responsibility to the community.





This commitment has never been stronger, nor more essential. Scan the QR code to view our latest Corporate Responsibility Report.

2022 Corporate Responsibility Report






Appendix

Q3 2023 Financial Highlights

 CRE Revenue	\$48.2 million +370 basis points from 12 months earlier
 NOI	\$31.0 million +690 basis points from 12 months earlier
 Same-store NOI growth percentage / Same-store NOI growth excluding collections of amounts reserved in prior years	6.3%
 Spreads for new and renewal leases	11.2%

Q3 2023 CRE Leasing Highlights

	Q2 2023	Q1 2023
 Leased Occupancy	94.6%	94.4%
 Same-Store Leased Occupancy	94.5%	94.3%
 Signed But Not Opened	\$3.1 million	\$3.1 million

Full-Year 2023 Guidance

	2023 Guidance		
	Revised	Prior	Initial
Core FFO per diluted share	\$1.13 to \$1.16	\$1.10 to \$1.14	\$1.08 to \$1.13
CRE Same-Store NOI	2.75% to 4.25%	2.5% to 4.25%	2.0% to 4.0%
CRE Same-Store NOI, excluding prior year reserve reversals	5.75% to 6.75%	5.5% to 6.75%	5.0% to 6.0%

Dollars in Millions

CRE Net Operating Income

NOI is a non-GAAP measure used internally in evaluating the unlevered performance of the Company's Commercial Real Estate portfolio. The Company believes NOI provides useful information to investors regarding the Company's financial condition and results of operations because it reflects only the contract-based income and cash-based expense items that are incurred at the property level.

	QTD September 30,		TTM September 30,
	2023	2022	2023
CRE Operating Profit (Loss)	\$ 20.6	\$ 20.3	\$ 85.4
Plus: Depreciation and amortization	9.1	9.0	36.4
Less: Straight-line lease adjustments	(0.8)	(1.2)	(6.8)
Less: Favorable/(unfavorable) lease amortization	(0.3)	(0.2)	(1.1)
Less: Termination income	(0.1)	(0.1)	(0.1)
Plus: Other (income)/expense, net	0.2	(0.6)	(0.3)
Plus: Impairment of assets	0.6	—	0.6
Plus: Selling, general, administrative and other expenses	1.7	1.8	7.2
NOI	\$ 31.0	\$ 29.0	\$ 121.9
Less: NOI from acquisitions, dispositions, and other adjustments	(0.2)	—	
Same-Store NOI	\$ 30.8	\$ 29.0	
Less: Collections of amounts reserved in previous years	(0.5)	(0.4)	
Same-Store NOI excluding collections of amounts reserved in prior years	\$ 30.3	\$ 28.6	

Dollars in Millions

Net Debt and TTM Consolidated Adjusted EBITDA

Components of Net Debt to Adjusted EBITDA are below.

Net Debt

	September 30, 2023
Secured debt	\$ 189.3
Unsecured term debt	237.3
Unsecured revolving credit facility	81.0
Total Debt	507.6
Add: Net unamortized deferred financing cost / discount (premium)	0.1
Less: Cash and cash equivalents	(11.8)
Net Debt	\$ 495.9

Consolidated Adjusted EBITDA

	TTM September 30, 2023
Net Income (Loss)	\$ (35.5)
Adjustments:	
Depreciation and amortization	36.8
Interest expense	22.3
Income tax expense (benefit)	(0.2)
Depreciation and amortization related to discontinued operations	1.5
Interest expense related to discontinued operations	0.6
Consolidated EBITDA	\$ 25.5
Asset impairments related to the Land Operations Segment	5.6
Pension termination	—
(Income) loss from discontinued operations, net of income taxes and excluding depreciation, amortization and interest expense	81.9
Consolidated Adjusted EBITDA	\$ 113.0