



ALEXANDER & BALDWIN

A&B Sells Reno Shopping Center; Airport Square Shopping Center Sold for \$23.5 Million

June 17, 2003

HONOLULU--(BUSINESS WIRE)--June 16, 2003--A subsidiary of Alexander & Baldwin, Inc. (A&B) (Nasdaq:ALEX) today completed the sale of Airport Square, a Reno, Nev. shopping center, for \$23.5 million. The 170,800 square-foot center was sold by A&B subsidiary WDCI, Inc. to Eureka Development Company.

A&B had purchased the center in 1995; it is 98 percent occupied. Airport Square is located on 18.6 acres of land immediately adjacent to I-395 and near the Reno International Airport, which serves the Reno, Sparks and Lake Tahoe communities. Key tenants include Office Depot, PetsMart, and Mor Furniture. A Costco store, on a portion of the site owned by Costco, is Airport Square's anchor tenant.

"A&B's active management of this property had successfully positioned it for sale. In addition to maintaining high occupancy rates, we worked successfully with Costco to secure land that allowed them to expand their store and add a gasoline station," explained Allen Doane, A&B's president and chief executive officer. "We have maximized the center's value at an ideal point in time, when lending rates are at a historical low and demand for quality income-producing assets is high. The pre-tax gain from the sale was substantial, approximately \$6.6 million, and we will reinvest these proceeds either in Hawaii or on the Mainland, as part of our ongoing strategy to grow our real estate business."

The majority of A&B's recent acquisition and investment activity has been focused on Hawaii where, over the last four years, A&B Properties has acquired or invested in 16 properties outside its core land holdings on Maui and Kauai. These transactions represent a total capital commitment of nearly \$300 million.

Some of A&B's most recent investments in Hawaii include the development of Lanikea, a 98-unit fee simple residential high-rise condominium in Waikiki. Prices range from \$420,000 to \$700,000 for a typical 1,100 square-foot unit. Sales began in May, and 85% of the units already have been reserved. In April, the company announced a \$40 million investment in the luxury high-rise residential and commercial project, Hokua, located across the street from Ala Moana Beach Park. And, in March, A&B Properties completed the acquisition of 1100 Alakea, a 31-story office building in downtown Honolulu, which A&B intends to convert into fee simple Class A office condominium units.

The company has 12 separate commercial and residential projects in various stages of development on Oahu, Maui, Kauai and the Big Island, with the largest being the Kukui'Ula project, a resort residential development planned for 1,045 acres, adjacent to the Poipu resort on Kauai. Additional information may be found at its website: www.abprop.com.

A&B Properties, Inc. is the real estate development and property management subsidiary of Alexander & Baldwin, Inc., which owns and manages over 91,000 acres in Hawaii, and a portfolio of commercial income properties of more than five million square feet in Hawaii and the western United States. These extensive land holdings include 69,000 acres on Maui and 22,000 acres on Kauai. Alexander & Baldwin, Inc.'s major lines of business are ocean transportation (Matson Navigation Company, Inc.); property development and management (A&B Properties, Inc.); and food products (Hawaiian Commercial & Sugar Company, Kauai Coffee Company). Additional information about A&B may be found at its web site: www.alexanderbaldwin.com.

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SOURCE: Alexander & Baldwin