



ALEXANDER & BALDWIN

A&B Properties Buys Retail Center Near Dallas, Texas

March 5, 2007

\$14 Million Acquisition Part of Continuing 1031 Growth Program

HONOLULU--(BUSINESS WIRE)--March 5, 2007--A&B Properties, Inc., the real estate subsidiary of Alexander & Baldwin, Inc. (NASDAQ:ALEX), and related companies have purchased for \$13.6 million the newly constructed Royal MacArthur Center, a retail shopping center located approximately 11 miles from downtown Dallas, TX. The acquisition, funded with Section 1031 tax-deferred proceeds, represents a continuation of A&B Properties' successful commercial portfolio expansion efforts. Royal MacArthur Center presently contains 43,600 square-feet of retail and restaurant space, situated on an 8.4 acre parcel. The transaction closed March 1.

"A&B Properties is pleased to acquire this very well-located, newly constructed retail center in one of Dallas' premier markets," explained Norbert M. Buelsing, executive vice president of A&B Properties, Inc. "Royal MacArthur Center adds an upscale component to our Dallas portfolio, which currently includes Preston Park, an office complex in Plano. This furthers our efforts to expand the earnings of our portfolio."

"This acquisition is part of our core business strategy of selling fully appreciated assets at maximum values and reinvesting the tax-deferred proceeds into quality properties that have favorable prospects for rent growth and appreciation," noted Stanley M. Kuriyama, A&B Properties' chief executive officer. "We are confident that we have once again identified an attractive property in a growing market."

Royal MacArthur Center is located in Las Colinas, a 12,000-acre master planned community located ten miles from Dallas/Fort Worth airport, within the City of Irving, Texas; Las Colinas is home to headquarter offices for ExxonMobil, Kimberly-Clark, Flour Corporation and Commercial Metals, and to regional offices for numerous other national corporations.

The property was acquired from MacArthurRoyal, L.P., a Dallas-based entity. The improvements consist of three multi-tenant buildings and two free-standing single tenant buildings occupied by La Madeleine restaurant and Citibank. There also is one undeveloped pad site.

Royal MacArthur Center is situated at the intersection of Royal Lane and MacArthur Boulevard, two primary arterials in Las Colinas. Two freeways are accessible within two miles of the property and, by year 2011, Las Colinas will be serviced by a light rail commuter train being developed by the Dallas Area Rapid Transit System.

Construction of the center was completed in 2006, and 12 tenants have opened for business to date, including a La Madeleine restaurant, Jamba Juice, Scottrade and Merle Norman. The center provides an exceptional parking ratio of nine stalls per 1,000 square feet of developed space, making the property attractive to tenants such as restaurants and medical offices.

Including the Royal MacArthur Center, A&B's income portfolio of commercial properties in Hawaii and on the U. S. mainland consists of approximately 5.4 million square feet of leasable retail, office and industrial space. A&B owns over 89,000 acres in Hawaii, making it the state's fourth largest private landowner. The majority of A&B's recent acquisition and investment activity has been focused on Hawaii, where various A&B development projects are ongoing on Oahu, Maui, Kauai and the Big Island.

Alexander & Baldwin, Inc., headquartered in Honolulu, Hawaii is engaged in ocean transportation and intermodal services, through its subsidiaries, Matson Navigation Company, Inc. and Matson Integrated Logistics, Inc.; 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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