

A&B Properties Sells Southern California Shopping Center

September 10, 2008 4:01 PM ET

Retail Center Attracts Favorable Offer that Captures Underlying Value

HONOLULU--(BUSINESS WIRE)--Sept. 10, 2008--A&B Properties, Inc., the real estate subsidiary of Alexander & Baldwin, Inc. (NASDAQ:ALEX), has sold Marina Shores Shopping Center -- a 67,730 square-foot retail center on 6.7 acres in Long Beach, California -- following an unsolicited offer from Regency Centers L.P.; the transaction closed yesterday. A&B Properties intends to re-invest the proceeds in replacement properties via tax-deferred Section 1031 exchanges.

"This retail center has performed well for A&B's portfolio and attracted a very favorable unsolicited offer that captures the embedded value of the significant enhancements we made, in tenancy and in the physical property, during our six year ownership," said Norb Buelsing, executive vice president of A&B Properties, Inc. "The sales price also reflects the underlying appreciation of real estate values in the Long Beach area since 2002. With this sale, retail will comprise nearly 30 percent of A&B's commercial portfolio gross margin, and as such, we will continue to derive the benefits of a well-diversified portfolio. Consistent with our proven strategy, we plan to reinvest the proceeds from this sale on a tax-deferred basis in replacement properties that have a higher potential for appreciation."

Marina Shores is comprised of three buildings, conveniently situated in Long Beach on the Pacific Coast Highway adjacent to the Long Beach Marketplace. Major anchor tenants include Whole Foods, Petco and Boater's World.

After this sale, A&B Properties' commercial property/investment portfolio will comprise 6.9 million square feet of retail, office and industrial space located in Hawaii (22 properties) and eight mainland states (22 properties), including a total of six office, industrial and retail properties in both Southern and Northern California.

Alexander & Baldwin, Inc. is Hawaii's fourth largest private landowner, with a diverse pipeline of projects located on some of the 89,000 acres it owns in Hawaii, or on lands more recently acquired or being developed in joint ventures with third parties; these include projects on Oahu, Maui, Kauai, the Big Island and in California. Additional information may be found at web site: www.abprop.com.

Alexander & Baldwin, Inc., headquartered in Honolulu, Hawaii, is engaged in ocean transportation and logistics services through its subsidiaries, Matson Navigation Company, Inc. and Matson Integrated Logistics, Inc.; in real estate, through A&B Properties, Inc.; and in agribusiness, 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. Factors that could cause actual results to differ materially from those contemplated in the statements include, without limitation, overall economic conditions, failure to satisfy the closing conditions set forth in the definitive agreement and other risks associated generally with acquisitions and developments. 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.

CONTACT: A&B Properties, Inc.
Meredith J. Ching, 808-525-6669
mching@abinc.com

SOURCE: A&B Properties, Inc.