



ALEXANDER & BALDWIN

A&B Accelerates Kukui'Ula Development, Secures JV Partner; DMB Associates Brings Capital, Experience to This Kauai Project

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HONOLULU, Apr 25, 2002 (BUSINESS WIRE) -- Alexander & Baldwin, Inc. (Nasdaq:ALEX) announced today that it will accelerate the development of Kukui'Ula, its 1,045-acre project in the Poipu Resort area on the southern coast of Kauai, and has entered into a joint venture agreement with DMB Associates, Inc. -- a privately-held real estate development company based in Scottsdale, Ariz. The joint venture (JV), called Kukui'Ula Development Company (Hawaii), LLC, will be tasked with all future planning, development and sales of the Kukui'Ula project, and will begin immediately to refine the project master plan, update infrastructure master plans, prepare construction drawings, secure necessary approvals, and commence development. The development offices will be headquartered at the project site on Kauai.

A&B President & CEO Allen Doane remarked, "We are very excited about setting a quicker pace on this project and are particularly pleased to be moving forward with such an experienced, high-caliber partner as DMB. Kukui'Ula is one of the few remaining entitled, large resort projects in Hawaii and it holds tremendous opportunity for us. DMB brings capital, master-planned community experience and a proven track record of success to this project, and they conduct business with a high degree of integrity, which is important to us.

"This is an excellent match in all key respects," Doane continued. "DMB shares our vision for this project -- to build a community that is sensitive to the surrounding community, to the natural beauty of Kukui'Ula and to the surrounding ocean and lands. DMB shares A&B's strong commitment to Kauai and to this project's success. Together, we will create a residential resort development unlike any other in Hawaii, and one of which Kauai will be proud."

DMB Associates President and Managing Partner Drew Brown said, "Kukui'Ula presents a one-of-a-kind opportunity for us. We have long wanted to establish a presence in Hawaii. We enjoy developing large master-planned communities, with an emphasis on golf and recreational resort properties, like Kukui'Ula. The property itself has tremendous physical attributes -- it is simply beautiful. And, to be able to partner with a company like A&B -- clearly a well-regarded corporate citizen and one of the premier real estate companies in Hawaii -- we couldn't ask for a better entree to this community."

"This is an exciting transition for us," concluded Doane. "We like what we see in DMB; we've worked closely with them during an extensive planning process, and we have formed an extremely high opinion of their expertise and character. They know how to work with joint venture partners and with the community. We are confident that Kukui'Ula and Kauai will see long-term benefits from the formation of this joint venture."

Kauai Mayor Maryanne Kusaka said, "This is wonderful news for Kauai, and I am delighted to see the project move forward. We have worked closely with A&B to address many challenges over the years and were always confident that they would find the right vision for this property. This project brings new capital and responsible development momentum to Kauai and it's a very positive statement about our future. We welcome DMB Associates as A&B's new joint venture partner to our island community."

Kauai County Council Chair Ron Kouchi said, "I have no doubt that this project will be something that we can all be proud of. With these two companies leading its development, Kukui'Ula will become a premier Hawaiian resort community and an integral part of Kauai. A&B has joined forces with a first-class partner -- I have seen the type of projects that DMB has done on the Mainland, and I can assure you that they excel in exactly this type of master planned resort community, producing developments that are respectful of their environment and family-oriented."

Kauai Business & Real Estate Report's April issue cites total 2001 real estate sales on Kauai of \$495.96 million were up a strong ten percent from record-breaking year 2000 sales of \$339.27 million. That trend appears to be continuing into 2002 with the dollar volume of real estate sales in the first two months of 2002 improved over the last two months of 2001. Kauai Board of Realtors' President Jim O'Connor added, "Kauai is currently experiencing a very active real estate market. The combination of low interest rate mortgage loans, a pent-up demand, and a relatively small inventory has resulted in brisk sales and escalating prices throughout the Island. The demand is equally strong from both local residents and returning visitors."

Kauai County's Office of Economic Development Director Virginia Kapali said, "I believe Kauai's economy has stabilized following the events of last year and even greater improvement is on the horizon, with additional direct flights from the mainland beginning this summer."

About Kukui'Ula

The Kukui'Ula project comprises 1,045 acres on the southern coast of Kauai, adjacent to the Poipu Resort. The project consists of 837 acres fully entitled for a resort, an 18-hole golf course, and for residential and commercial use. The remaining 208 acres are partially entitled. Land use entitlements were obtained in 1999; since then, A&B has actively pursued necessary pre-development activities, including archaeological preservation, water source development, surveying, beach enhancement and other land planning. Kukui'Ula's initial residential development project, the 32-lot Koloa Estates, began sales in 1999 and has sold out.

About A&B

A&B's current landholdings include roughly 22,000 acres on Kauai, with a total of about 91,000 acres in Hawaii. These landholdings make A&B the fifth largest private landowner in the state. A&B was the developer of the world-reknowned Wailea Resort, a 1500-acre master-planned resort community on Maui's sunny southern coast, which A&B nurtured and grew for 19 years before selling it in 1989.

The Company also has an asset and property management portfolio composed of 4.5 million square feet of leasable space in 18 Mainland and 27 Hawaii properties. In the past three years alone, A&B has made 13 acquisitions of Hawaii real estate, with a total investment of nearly \$200 million. A&B Properties currently has active development projects on four islands -- Oahu and the Big Island of Hawaii, in addition to Maui and Kauai. With more than a half-century of property development experience, numerous individual commercial projects and two master-planned communities, A&B Properties has both depth and breadth of development expertise. Additional information may be found at its website: www.abprop.com.

About DMB Associates, Inc.

DMB is a privately-held company, based in Scottsdale, Ariz., established in 1984 by three principals: Drew Brown, Mark Sklar and Bennett Dorrance. DMB has developed a number of large, high-quality, complex master-planned communities in Arizona, California and Utah, with an emphasis on golf and recreational resort properties. It currently has 12 ongoing or recently completed development projects which encompass a total of 34,000 acres, including 40,000 residential units and ten golf courses. Most of DMB's development projects have been undertaken as joint ventures with landowners such as the Rancho Mission Viejo Company in Mission Viejo, California; Highlands Management, Inc. in North Lake Tahoe, Calif.; Grayhawk Development in Park City, Utah; the Marley/Corrigan Family in Phoenix; and the Caterpillar Foundation in Buckeye, Ariz.

Statements in this press release that are not historical facts are "forward-looking" statements 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, failure to satisfy the closing conditions set forth in the definitive agreement and other risks associated generally with acquisitions.

A&B'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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