FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended SEPTEMBER 30, 1999

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _______________ to _______________

Commission file number 0-565

ALEXANDER & BALDWIN, INC.

(Exact name of registrant as specified in its charter)

HAWAII	99-0032630
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
P. O. BOX 3440, HONOLULU, HAWAII	96801
822 BISHOP STREET, HONOLULU, HAWAII	96813
(Address of principal executive offices)	(Zip Code)

(808) 525-6611

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes /X/ No / /

Number of shares of common stock outstanding as of September 30, 1999: 43,123,536

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The condensed financial statements and notes for the third quarter and first nine months of 1999 are presented below with comparative figures from the 1998 financial statements.

ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES
CONDENSED STATEMENTS OF INCOME
(In thousands except per share amounts)

Three Months Ended   Nine Months Ended

	September 30 1999 (unaudited)	September 30 1998 (unaudited)	September 30 1999 (unaudited)	September 30 1998 (unaudited)
Revenue:				
Net sales, revenue from services and rentals	$ 240,690	$ 322,204	$ 690,484	$ 967,973
Interest, dividends and other	4,214	4,158	15,705	15,621
Total revenue	244,904	326,362	706,189	983,594
Costs and Expenses:				
Costs of goods sold, services and rentals	192,440	271,563	535,923	810,724
Selling, general and administrative	20,836	26,520	67,700	79,830
Interest	4,209	6,229	13,105	18,602
Income taxes	8,943	8,270	31,898	27,914
Total costs and expenses	226,428	312,582	648,626	937,070
Income before cumulative effective of change in accounting method	18,476	13,780	57,563	46,524
Cumulative effect of change in accounting method for insurance-related assessments (net of income taxes of $3,481	-	-	-	(5,801)
Net Income	$ 18,476	$ 13,780	$ 57,563	$ 40,723
Basic Earnings Per Share	$ 0.43	$ 0.31	$ 1.33	$ 0.91
Diluted Earnings Per Share	$ 0.43	$ 0.31	$ 1.33	$ 0.91
Dividends Per Share	$ 0.225	$ 0.225	$ 0.675	$ 0.675
Average Numbers of Shares Outstanding	43,223	44,842	43,366	44,851

ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES
INDUSTRY SEGMENT DATA
(In thousands)

	Three Months Ended September 30		Nine Months Ended September 30	
	1999	1998	1999	1998
	(unaudited)		(unaudited)	
Revenue:				
Ocean Transportation	$ 185,529	$ 180,202	$ 542,560	$ 541,126
Property Development and Management:				
Leasing	10,852	9,576	33,272	28,009
Sales	7,985	6,246	43,096	74,819
Food Products	39,812	129,620	85,083	337,488
Other	726	718	2,178	2,152
Total	$ 244,904	$ 326,362	$ 706,189	$ 983,594
Operating Profit:(1)				
Ocean Transportation	$ 21,896	$ 16,200	$ 65,479	$ 50,357
Property Development and Management:				
Leasing	6,562	5,786	20,578	17,274
Sales	1,590	1,633	17,079	20,269
Food Products	4,828	7,557	8,318	13,602
Other	693	642	2,033	2,005
Total	$ 35,569	$ 31,818	$ 113,487	$ 103,507

(1)Before interest expense, corporate expenses and income taxes

ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES
CONDENSED BALANCE SHEETS
(In thousands)

	SEPTEMBER 30 1999 (UNAUDITED)	December 31 1998 (audited)
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 3,787	$ 86,818
Accounts and notes receivable, net	127,072	129,808
Inventories	16,959	19,772
Real estate held for sale	13,556	8,535
Deferred income taxes	11,170	9,524
Prepaid expenses and other assets	13,023	9,407
Accrued deposits to Capital Construction Fund	(1,173)	(9,070)
Total current assets	184,394	254,794
Investments	163,742	159,068
Real Estate Developments	56,047	57,690
Property, at cost	1,746,015	1,787,424
Less accumulated depreciation and amortization	818,989	837,704
Property - net	927,026	949,720
Capital Construction Fund	145,664	143,303
Other Assets	60,399	41,065
Total	$1,537,272	$1,605,640
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Notes payable and current portion of long-term debt	$ 20,824	$ 45,533
Short-term commercial paper borrowing	-	42,000
Accounts payable	53,794	37,781
Other	80,551	62,367
Total current liabilities	155,169	187,681
Long-term Liabilities:		
Long-term debt	230,790	255,766
Post-retirement benefit obligations	61,711	61,929
Other	47,444	52,593
Total long-term liabilities	339,945	370,288
Deferred Income Taxes	349,488	353,029
Shareholders' Equity:		
Capital stock	35,382	36,098
Additional capital	53,075	51,946
Unrealized holding gains on securities	52,499	63,329
Retained earnings	564,119	555,820
Cost of treasury stock	(12,405)	(12,551)
Total shareholders' equity	692,670	694,642
Total	$1,537,272	$1,605,640

ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES
CONDENSED STATEMENTS OF CASH FLOWS
(In thousands)

	Nine Months Ended September 30 1999	1998
	(unaudited)	
Cash Flows from Operating Activities	$ 112,852	$ 60,198
Cash Flows from Investing Activities:		
Capital expenditures	(41,375)	(73,083)
Proceeds from disposal of property, investments and other assets	3,097	3,620
Deposits into Capital Construction Fund	(16,818)	(10,000)
Withdrawals from Capital Construction Fund	6,560	7,200
Increase in investments	(5,704)	(600)
Reduction in investments	-	136
Net cash used in investing activities	(54,240)	(72,727)
Cash Flows from Financing Activities:		
Proceeds from issuances of long-term debt	20,000	15,000
Payments of long-term debt	(54,709)	(43,750)
Proceeds (payments) from short-term borrowings, net	(57,000)	63,000
Proceeds from issuances of capital stock	54	1,575
Repurchases of capital stock	(20,724)	(6,662)
Dividends paid	(29,264)	(30,291)
Net cash used in financing activities	(141,643)	(1,128)
Net Decrease in Cash and Cash Equivalents	$ (83,031)	$ (13,657)
Other Cash Flow Information:		
Interest paid, net of amounts capitalized	$ 13,426	$ 20,052
Income taxes paid, net of refunds	22,926	24,006
Other Non-Cash Information:		
Net accrued deposits to (withdrawals from) Capital Construction Fund, net	(7,897)	(10,000)
Depreciation	56,647	67,077
Tax-deferred property sales	34,883	64,349
Tax-deferred property purchases	32,798	57,053
Change in unrealized holding gains	(10,829)	(12,532)

FINANCIAL NOTES
(Unaudited)

(a) The condensed balance sheet as of September 30, 1999, the condensed statements of income for the three months and nine months ended September 30, 1999 and 1998, and the condensed statements of cash flows for the nine months ended September 30, 1999 and 1998 are unaudited. Because of the nature of the Company's operations, the results for interim periods are not necessarily indicative of results to be expected for the year, but in the opinion of management, all material adjustments necessary for the fair presentation of interim period results have been included in the interim financial statements.

(b) Estimated effective annual income tax rates differ from statutory rates, primarily due to the dividends-received deduction, various tax credits and a reduction of income taxes due to the settlement of prior years' IRS audit issues.

(c) The Company's total non-owner changes in shareholders' equity consist of net income plus unrealized holding gains on securities (comprehensive income). On this basis, comprehensive income for the three months ended September 30, 1999 and 1998 was $21 million and $6 million, respectively. Comprehensive income for the nine months ended September 30, 1999 and 1998 was $47 million and $28 million, respectively.

(d) Certain amounts have been reclassified to conform with the current year's presentation.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

THIRD QUARTER EVENTS:

OPERATING RESULTS: Net income for the third quarter of 1999 was $18,476,000, or $0.43 per share. Net income for the comparable period of 1998 was $13,780,000, or $0.31 per share. Revenue for the third quarter of 1999 was $244,904,000, compared with revenue of $326,362,000 in the third quarter of 1998. The significant decrease in revenue resulted primarily from the December 1998 sale of the Company's majority interest in California and Hawaiian Sugar Company, Inc. (C&H).

Net income for the first nine months of 1999 was $57,563,000, or $1.33 per share, versus $40,723,000, or $0.91 per share, in the first nine months of 1998. Net income in 1998 included a charge of $5,801,000, or $0.13 per share, to reflect the cumulative effect of an accounting change. Revenue for the first nine months of 1999 was $706,189,000, compared with revenue of $983,594,000 in the first nine months of 1998. The significant decrease in revenue in the first nine months of 1999 also resulted primarily from the sale of the Company's majority interest in C&H.

In the third quarter of 1999, A&B's consolidated operating profit was $35,569,000, about 12 percent above the $31,818,000 in the third quarter of 1998. For the first nine months of 1999, operating profit was $113,487,000, versus $103,507,000 in the first nine months of 1998, an increase of about ten percent.

The comparisons for the quarters and the nine-month period both benefited from improved results in ocean transportation and property leasing, partially offset by lower results in food products and property sales. In both time periods, interest expense was lower, reflecting lower debt and lower interest rates. Net proceeds from the year-end 1998 sale of C&H was the primary reason for the reduction in outstanding debt. A lower tax rate in the most recent quarter, which is projected to continue for the remainder of 1999, reflects a favorable resolution of prior years' tax obligations.

FINANCIAL CONDITION AND LIQUIDITY

The Company's principal liquid resources, comprising cash and cash equivalents, receivables, sugar and coffee inventories and unused lines of credit, less accrued deposits to the Capital Construction Fund (CCF), totaled $361,234,000 at September 30, 1999, a decrease of $4,159,000 from December 31, 1998. This net reduction was due primarily to a decrease in cash, receivables, and sugar and coffee inventories, partially offset by an increase in amounts available under lines of credit and a decrease in accrued deposits to the CCF. Cash and cash equivalents decreased by $83,031,000, due primarily to the use of proceeds from the 1998 sale of C&H to repay debt in 1999. Amounts available under lines of credit increased $74,998,000, due to the addition of a new credit facility and a reduction of outstanding debt.

Working capital was $29,225,000 at September 30, 1999, a decrease of $37,888,000 from the amount at the end of 1998. This net reduction was due primarily to a decrease in cash and an increase in accounts payable, partially offset by a decrease in notes payable and the current portion of debt.

RESULTS OF SEGMENT OPERATIONS -
THIRD QUARTER 1999 COMPARED WITH THE THIRD QUARTER 1998

OCEAN TRANSPORTATION revenue of $185,529,000 for the third quarter of 1999 was three-percent higher than the 1998 third-quarter revenue. Operating profit of $21,896,000 increased $5,696,000, or 35 percent, from the unusually low $16,200,000 operating profit recorded in the third quarter of 1998. The increase was due primarily to higher revenue in the Hawaii service, the result of competitive gains in the carriage of automobiles and the absence of a barge competitor that adversely affected Matson Navigation Company, Inc.'s (Matson) 1998 results. Third quarter 1999 Hawaii service container volume was seven-percent higher than in the 1998 third quarter, and automobile volume was 54-percent higher.

The labor agreements between the maritime industry employers and the International Longshore and Warehouse Union (ILWU) on the West Coast and in Hawaii expired on July 1, 1999. A new three-year agreement was concluded between the Pacific Maritime Association, representing the maritime industry employers on the West Coast, and the ILWU on July 15, 1999. In Hawaii, a tentative three-year agreement was reached with the ILWU on October 24, 1999 and is expected to be ratified by the union membership. The new agreements provide for increases in base wages, skill-rate differentials and pension and welfare benefits.

PROPERTY DEVELOPMENT AND MANAGEMENT - LEASING revenue of $10,852,000 and operating profit of $6,562,000 for the third quarter of 1999 were 13-percent higher than in the third quarter of 1998. These increases were due primarily to contributions from newly acquired properties and to improved occupancy rates.

PROPERTY DEVELOPMENT AND MANAGEMENT - SALES revenue of $7,985,000 for the third quarter of 1999 was 28-percent higher than the $6,246,000 recorded in the third quarter of 1998. However, operating profit from property sales this quarter was $1,590,000, three-percent lower than in the comparable period of 1998. Sales in the third quarter of 1999 included the sale of 1,800 acres of undeveloped land northeast of Sacramento, Calif., four lots for light industrial development and seven residential properties. Sales in the third quarter of 1998 included 30 residential properties in several developments on the island of Maui.

The mix of property sales in any year can be diverse. Sales can include property sold under threat of condemnation, developed residential real estate, commercial properties, developable subdivision lots and undeveloped land. The sale of undeveloped land generally provides a greater contribution margin than does the sale of developed and commercial property, due to the low historical-cost basis of the Company's Hawaii land, which averages approximately $150 per acre. Consequently, property sales revenue trends and the amount of real estate held for sale on the condensed balance sheets are not necessarily indicative of future profitability for this segment.

FOOD PRODUCTS revenue of $39,812,000 for the third quarter of 1999 was significantly lower than the revenue reported for the comparable period of 1998. Operating profit of $4,828,000 for the third quarter of 1999 decreased 36 percent, from $7,557,000 in the same period in 1998. The decrease was due primarily to the sale of the Company's majority interest in C&H, and lower coffee results, offset, in part, by better results from raw sugar production. Because of currently depressed coffee prices, the Company continues to pursue cost reduction measures in the coffee business.

RESULTS OF SEGMENT OPERATIONS -
FIRST NINE MONTHS OF 1999 COMPARED WITH THE FIRST NINE MONTHS OF 1998

OCEAN TRANSPORTATION revenue of $542,560,000, for the first nine months of 1999, was virtually the same as in the comparable 1998 period; however, operating profit of $65,479,000 increased 30 percent. This increase was due to the same reasons cited for the third quarter increase. Matson's Hawaii service container volume in the first nine months of 1999 was four-percent higher than in the first nine months of 1998, and automobile volume was 23-percent higher.

PROPERTY DEVELOPMENT AND MANAGEMENT - LEASING revenue of $33,272,000, for the first nine months of 1999, was 19-percent higher than the $28,009,000 in the first nine months of 1998. Property leasing operating profit of $20,578,000 for the first nine months of 1999 was also 19-percent higher than in the first nine months of 1998. These increases were due to the same reasons cited for the third quarter increases. The 1999 nine-month results also benefited from a one-time buyout of a long-term ground lease in the first quarter. Year-to-date 1999 occupancy levels for Mainland properties averaged 94 percent, versus 92 percent in the first nine months of 1998. Year-to-date 1999 occupancy levels for Hawaii properties averaged 78 percent, versus 68 percent in the comparable period of 1998.

PROPERTY DEVELOPMENT AND MANAGEMENT - SALES revenue was $43,096,000 for the first nine months of 1999, compared with $74,819,000 in sales recorded in the first nine months of 1998. In the first nine months of 1999, operating profit from property sales was $17,079,000. This was $3,190,000 less than the $20,269,000 in the first nine months of 1998. The differences were due to the number and the mix of sales in each period. Sales in the first nine months of 1999 included a 109,000 square foot office and research facility, 1,800 acres of undeveloped land, four lots for light industrial development, five business parcels, and 18 residential properties. Sales in the first nine months of 1998 included a large R&D and office complex, the Company's remaining interest in a 14-acre parcel at Maui Business Park, one business parcel and 44 residential properties.

FOOD PRODUCTS revenue of $85,083,000, for the first nine months of 1999, was significantly lower than the revenue reported for the comparable period of 1998. For the first nine months of 1999, operating profit of $8,318,000 was 39-percent lower than the $13,602,000 earned in the same period last year. These decreases were due to the same reasons cited for the third quarter declines.

OTHER MATTERS

CORPORATE ORGANIZATION: The Company intends to merge its wholly-owned subsidiary, A&B-Hawaii, Inc., into the Company by December 31, 1999. This will have no adverse impacts on operations or consolidated assets and obligations.

C&H RECAPITALIZATION AND PARTIAL SALE: On December 24, 1998, the Company recapitalized and sold a majority of its equity in C&H. C&H was included in the consolidated results and in the Food Products Segment of the Company up to the date of sale. Effective December 24, 1998, the Company began accounting for its investment in C&H under the equity method.

TAX-DEFERRED REAL ESTATE EXCHANGES: In the first nine months of 1999, the Company sold five parcels of land for $34,883,000. The proceeds from these sales are reflected in the Statements of Cash Flows under the caption "Other Non-Cash Information." During the first nine months of 1999, the Company reinvested proceeds of $32,798,000 on a tax-deferred basis. The reinvested proceeds are also reported under Other Non-Cash Information in the Statements of Cash Flows.

SHARE REPURCHASES: Through November 5, 1999, the Company repurchased 1,264,500 shares of its common stock this year for an aggregate of about $27,774,000 (average of $21.96 per share). The Company is authorized to repurchase about 2,142,000 additional shares through December 31, 2000.

ENVIRONMENTAL MATTERS: As with most industrial and land-development companies of its size, the Company's operations have certain risks which could result in expenditures for environmental remediation. The Company believes that it is in compliance, in all material respects, with applicable environmental laws and regulations, and works proactively to identify potential environmental concerns. Management believes that appropriate liabilities have been accrued for environmental matters.

ECONOMIC CONDITIONS: In the fall of 1999, the economic outlook for the State of Hawaii is improving, but the anticipated rate of growth remains modest, nonetheless. The State of Hawaii's Department of Business, Economic Development & Tourism (DBEDT) recently published a new index of leading economic indicators, a measure intended to anticipate economic change five to 10 months ahead. Through July, the most up-to-date figure available, this index was higher for the fourth consecutive month; it was at an absolute high for the last seven years; and it has risen in eight of the past 10 months. Taking this and other measures into account, DBEDT raised its projections for growth in real gross state product (RGSP) for the years 1999 to 2002 by 0.5%, 0.6%, 0.9% and 1.0%, respectively. Even so, the outlook for RGSP growth remains at about two percent annually in all four of those years. The external factors cited in raising the projections were the strength of the U.S. Mainland economy, and improvement in the Asian economies and the value of the yen. Rising growth in visitor arrivals is anticipated, with the projection for growth in 2000 now at two percent. This is the net result of continued growth in the number of arrivals from the U.S. Mainland, offset, in part, by a diminishing rate of decrease in eastbound arrivals.

YEAR 2000

State of Year 2000 Readiness
- ----------------------------

Five years ago, the Company and its subsidiaries (collectively, the "Company") commenced an evaluation of their computer systems and applications to prepare for the year 2000 ("Y2K"). Following this evaluation, implementation plans for all business segments were prepared and currently are being executed. The Y2K initiative is proceeding with the direction of the Board of Directors, which receives regular progress reports.

The Company's Y2K readiness project addresses risks in the following three primary areas:

1. the Company's information systems, including hardware and software;
2. the Company's embedded systems, including computers and software that control machinery, telephone systems, and environmental systems; and
3. third parties with whom the Company does business or otherwise has an association.

The approach to making the information and embedded systems Y2K ready consists of five phases: awareness, assessment, remediation, testing and installation. The awareness phase consists of investigating the nature of the Y2K problem and educating the Company about the risk. The assessment phase consists of taking an inventory of the Company's computers and software, and determining which are Y2K ready and which require remediation or replacement. The remediation phase consists of fixing or replacing computer software and hardware identified as not Y2K ready during the assessment phase. The testing phase involves testing whether the software and hardware will work properly before, on and after December 31, 1999. The installation phase involves placing the Y2K-ready replacement components into production.

Company information systems: Company personnel and outside consultants have assessed the Y2K readiness of the Company's information systems. Certain information systems that were not Y2K ready and which had a significant impact on the Company's operations were identified as mission critical and were addressed first. All five phases are complete for all of the Company's systems.

Company embedded systems: Company personnel were assisted by outside consultants in assessing the embedded systems in our factories, buildings, ships, shoreside facilities, heavy equipment, etc. The embedded systems with Y2K problems were evaluated in terms of their impact on operations and safety. The remediation, testing and replacement (where required) of all known embedded systems are complete.

Third parties: In 1998, the Company identified and prioritized the third party vendors, customers and associates that could impact Company operations. Those third parties were contacted to assess their Y2K readiness. In particular, Company employees conducted in-depth assessments, including face-to-face meetings, with third parties having the potential to affect the Company materially. Follow-up contacts continue to be made during the fourth quarter of 1999. To date, based on these contacts, it appears there are no known Y2K issues with these third parties that would affect the Company materially.

Costs

The implementation plans, which consist of upgrading, modifying, or replacing various systems, are expected to cost approximately $6,000,000 to $8,000,000, including a contingency of $2,000,000. At the end of September 1999, the Company had expended approximately $5,423,000 for this work, of which $3,400,000 was expended in 1998. Y2K costs for 1998 represented about eighteen percent of the Company's total information technology budget. The 1999 costs are expected to be about seven percent of the budget. The internal and external costs of the Y2K work are being expensed as incurred, unless a computer system is being replaced for operating reasons as well as Y2K compliance, in which case the costs are being capitalized. Cash generated from operations is funding all of the Y2K costs; however, the Company has ample resources from unused credit facilities, if needed. No major internal systems projects have been delayed as a result of the Y2K work.

Risks

Company information and embedded systems: The Company believes that the Y2K risks associated with the failure of its information and embedded systems will be low, due to its Y2K readiness preparations. However, despite the preparations being taken by the Company to ensure that its information and embedded systems are Y2K ready, there may be risks due to unforeseen circumstances.

Third parties: Failure of third parties to be Y2K ready may affect the Company's operations materially; however, the seriousness of this risk depends on the nature and duration of the failure. The most serious impact on the Company's operations from third parties would result if basic services, such as telecommunications, electric power, and other basic infrastructure services, were disrupted. Despite some public disclosures from third-party suppliers about their readiness preparation, and despite the Company's own assessments and inquiries, the Company cannot accurately estimate the likelihood of significant third-party disruptions. The only risk largely under the Company's control is preparing its internal operations for the Y2K.

As such, the most reasonably likely worst case scenario could result from third-party failures, such as temporary short-term disruptions in customer services and product deliveries, temporary billing and collection delays, and temporary delays in payrolls and vendor payments. If the most reasonably likely worst case scenario occurred, it could have a material adverse impact on the Company's results of operations, liquidity and financial condition.

Contingency Plans

The Company's approach to Y2K contingency planning is to complement disaster plans that already are in effect for the Company. The disaster plans provide operating procedures for unanticipated outages of electricity, communications or other essential services, such as those disruptions which might occur due to a hurricane or tsunami. The Y2K contingency plans also address Y2K-specific issues that are not covered in the existing disaster plans.

The contingency plans detail procedures and strategies for each business unit for dealing with potential problems before, on and after December 31, 1999. These preparations include ensuring that adequate levels of essential fuel, materials and supplies are available, completing certain critical administrative procedures before the end of 1999, and establishing command and control centers at strategic locations.

Contingency plans principally focus on mission critical operations and support services aimed at maintaining the safety of employees and minimizing the impact of service interruptions to customers. The Y2K contingency plans are complete, but they will continue to be refined and tested through the end of 1999.

Summary
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Although there can be no absolute assurance that the Company will be successful in identifying and avoiding all possible problems, the Company believes that its systems are currently Y2K ready. However, there can be no assurance that the Company will not be affected adversely by the failure of a vendor, customer, or other third party to address the Y2K issue adequately.
In the context of the uncertainties inherent in dealing with the Y2K issue, the Company believes, based on available information, that the impact of the Y2K issue and its associated costs will not have a material impact on the results of operations, liquidity and financial condition. This disclosure is a Year 2000 Readiness Disclosure, pursuant to the Year 2000 Information and Readiness Disclosure Act.

PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

The Company, from time to time, may make or may have made certain forward-looking statements, whether orally or in writing, such as forecasts and projections of the Company's future performance or statements of management's plans and objectives. Such forward-looking statements may be contained in, among other things, Securities and Exchange Commission (SEC) filings, such as the Forms 10-K, press releases made by the Company and oral statements made by the officers of the Company. Except for historical information contained in these written or oral communications, such communications contain forward-looking statements. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those projected in the statements, including, but not limited to: (1) economic conditions in Hawaii and elsewhere; (2) market demand; (3) competitive factors and pricing pressures in the Company's primary markets; (4) legislative and regulatory environments at the federal, state and local levels, such as government rate regulations, land-use regulations, government administration of the U.S. sugar program, and modifications to or retention of cabotage laws; (5) dependence on third-party suppliers; (6) fuel prices; (7) labor relations; (8) environmental matters; (9) the ability to locate and correct or replace, on a timely basis, all relevant computer codes prior to the year 2000; and (10) other risk factors described elsewhere in these communications and from time to time in the Company's filings with the SEC.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK
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Information concerning market risk is incorporated herein by reference to Item 7A of the Company's Form 10-K for the fiscal year ended December 31, 1998. There has been no material change in the quantitative and qualitative disclosures about market risk since December 31, 1998.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

10. Material contracts.

    10.b.1.(xxxviii) Agreement between Alexander & Baldwin, Inc. and John C. Couch, dated August 10, 1999.

11. Statement re computation of per share earnings.

27. Financial Data Schedule.

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of l934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALEXANDER & BALDWIN, INC.
(Registrant)

Date: November 11, 1999

/s/ Glenn R. Rogers

Glenn R. Rogers
Executive Vice President and
Chief Financial Officer

Date: November 11, 1999

/s/ Thomas A. Wellman

Thomas A. Wellman
Controller

EXHIBIT INDEX

10. Material contracts.

    10.b.1.(xxxviii) Agreement between Alexander & Baldwin, Inc. and John C. Couch, dated August 10, 1999.

11. Statement re computation of per share earnings.

27. Financial Data Schedule.

August 10, 1999

Mr. John C. Couch

Dear John:

This letter will confirm our understandings with respect to your retirement from Alexander & Baldwin, Inc. and all of its subsidiaries (the "Company"), effective October 1, 1999.

1. You will remain on the payroll through September 30, 1999, and then will retire, consistent with the provisions of the A&B Retirement Plan for Salaried Employees.

2. You will receive, under the A&B Retirement Plan for Salaried Employees, as a monthly benefit, such amount as is calculated by our actuaries, payable on a life annuity basis, commencing October 1, 1999 (see Attachment 1, Item I).

3. You will receive, under the defined benefit portion of the A&B Excess Benefits Plan, THE LUMP-SUM PAYMENT, AS CALCULATED BY OUR ACTUARIES, in the amount of $5,516,882 (see Attachment 1, Item II).

4. You will receive, under the defined contribution portion of the A&B Excess Benefits Plan, the balance of your deferred profit-sharing account (such balance was $269,364.33 as of December 31, 1998), with interest credited to the date of distribution (see Attachment 2), and with an additional amount, if any, payable in 2000, representing the excess defined contribution portion, in respect of any profit sharing distribution declared for the 1999 fiscal year (see Paragraph 5, immediately below).

5. You will be eligible to receive a prorata share of any distribution to be made under the Alexander & Baldwin, Inc. Profit Sharing Retirement Plan, if any such distribution is declared by the Board of Directors of Alexander & Baldwin, Inc. for the 1999 fiscal year. Such prorata distribution would be paid to you at the time distributions are paid to other participants, in the year 2000.

6. You will be entitled to receive, under the A&B Executive Survivor/ Retirement Benefit Plan, a benefit, payable for ten years, in the amount of $14,079 per month. A request will be made to the Alexander & Baldwin, Inc. Compensation and Stock Option Committee ("CSOC") to pay you THE LUMP-SUM ACTUARIAL EQUIVALENT OF SUCH BENEFIT, as calculated by our actuaries (see Attachment 1, Item III).

7. You will be entitled to receive payments, at the rate of your current monthly salary, from October 1, 1999 through May 10, 2001 (these payments represent 5 months of accrued vacation at the rate of $57,000 per month, and 14-1/2 months of salary, at the rate of $57,000 per month). A request will be made to the CSOC to pay to you a LUMP-SUM PAYMENT, as of October 1, 1999, representing the aggregate of such monthly payments to be made through May 10, 2001.

8. Attachment 3 sets forth the relevant information with respect to your stock options under the Alexander & Baldwin, Inc. 1989 Stock Option/Stock Incentive Plan and under the Alexander & Baldwin, Inc. 1998 Stock Option/Stock Incentive Plan. With respect to the listed outstanding options under the Alexander & Baldwin, Inc. 1989 Stock Option/Stock Incentive Plan, under the terms of that plan, you will have six months from October 1, 1999 to exercise such options. With respect to options granted under the Alexander & Baldwin, Inc. 1998 Stock Option/Stock Incentive Plan, pursuant to the terms of the plan, in light of your retirement, the vesting and exercisability of such options will be as indicated on Attachment 3. A REQUEST WILL BE MADE TO THE CSOC TO AMEND, EFFECTIVE AS OF OCTOBER 1, 1999, ALL OUTSTANDING STOCK OPTION AGREEMENTS BETWEEN YOU AND THE COMPANY PURSUANT TO THE ALEXANDER & BALDWIN, INC. 1989 STOCK OPTION/STOCK INCENTIVE PLAN (COLLECTIVELY THE "STOCK AGREEMENTS"), TO PROVIDE FOR THE CONTINUED EXERCISABILITY OF ALL OPTION SHARES (AS THAT TERM IS DEFINED IN THE STOCK AGREEMENTS) FOR THE PERIOD UP TO SEPTEMBER 30, 2002, PROVIDED THAT NO OPTION EXERCISE SHALL BE EXTENDED TO A DATE BEYOND THE EXPIRATION OF

THE OPTION TERM (I.E., ITS ORIGINALLY-ESTABLISHED EXPIRATION DATE).

9. You will be entitled to receive a prorata portion of all amounts payable to you under the 1997-1999 and 1998-2000 cycles of the Alexander & Baldwin, Inc. Three-Year Performance Improvement Incentive Plan, computed at the Target level. These prorata payments will amount to a one year and seven months', and a seven months', portion of the amounts otherwise owing (computed at the Target level) under the aforementioned cycles, respectively.

10. In order to assist you with finalizing your personal business affairs, the Company will provide you with an office and with secretarial support at the Company's headquarters in both San Francisco and Honolulu, through March 31, 2000.

11. During the period from October 1, 1999 through March 31, 2000, the Company will provide you with three (3) first-class, round-trip airline tickets from San Francisco to Honolulu, for which you will account, through the normal Alexander & Baldwin, Inc. expense account process.

12. As a retiree, you will be eligible for retiree medical coverage, as provided under the Alexander & Baldwin, Inc. Retiree Health and Welfare Benefit Plan.

13. The Alexander & Baldwin, Inc. Human Resources Department will continue to provide administrative assistance to you in connection with your medical claims.

14. You will, of course, be eligible for any and all other benefits not mentioned above which are normally provided to retirees of Alexander & Baldwin, Inc.

15. The Severance Agreement/Change of Control Agreement with you dated August 22, 1991, as may have been amended and restated from time to time, shall be deemed terminated as of October 1, 1999.

16. You agree that the above sets forth all of the understandings we have with respect to the benefits which you shall receive upon your retirement.

17. Prior to August 26, 1999, you will resign as a member of the Boards of Directors of the Company, Matson Navigation Company, Inc., A&B-Hawaii, Inc. and all of their subsidiaries.

If you are in agreement with the above, please acknowledge your acceptance by signing and returning to me the duplicate copy of this letter.

Very truly yours,

ALEXANDER & BALDWIN, INC.

/s/ R. J. Pfeiffer

R. J. Pfeiffer
Chairman of the Board and
Authorized Signatory

ACKNOWLEDGED:

/s/ John C. Couch
- ----------------------
John C. Couch

Date: 8/10/99

EXHIBIT 11

ALEXANDER & BALDWIN, INC.
COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 1999 AND 1998
(In thousands, except per share amounts)

	Three Months Ended September 30		Nine Months Ended September 30	
	1999	1998	1999	1998
Basic Earnings Per Share				
Net income	$ 18,476	$ 13,780	$ 57,563	$ 40,723
Average number of shares outstanding	43,223	44,842	43,366	44,851
Basic earnings per share	$ 0.43	$ 0.31	$ 1.33	$ 0.91
Diluted Earnings Per Share				
Net income	$ 18,476	$ 13,780	$ 57,563	$ 40,723
Average number of shares outstanding	43,223	44,842	43,366	44,851
Effect of assumed exercise of outstanding stop options	104	37	24	132
Average number of shares outstanding after assumed exercise of outstanding stock options	43,327	44,879	43,390	44,983
Diluted earnings per share	$ 0.43	$ 0.31	$ 1.33	$ 0.91

The schedule contains summary financial information extracted from the condensed balance sheet as of September 30, 1999 and the condensed statement of income for the nine months ended September 30, 1999 and is qualified in its entirety by reference to such financial statements.

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9-MOS
DEC-31-1999
SEP-30-1999
(3,713)
7,500
136,116
9,044
16,959
184,394
1,746,015
818,989
1,537,272
155,169
230,790
0
0
35,382
657,288
1,537,272
690,484
706,189
535,923
535,923
0
0
13,105
89,461
31,898
57,563
0
0
0
57,563
1.33
1.33