PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

See the condensed statements of income, balance sheets, statements of cash flows and financial notes included in the Alexander & Baldwin, Inc. (A&B) 1995 second quarter interim report. This report is included as Exhibit 20 and is incorporated herein by reference.

The financial information referred to in the preceding paragraph is to be read in conjunction with the following additional financial notes:

(g) The condensed balance sheet as of June 30, 1995 and the condensed statements of income and the condensed statements of cash flows for the three and six months ended June 30, 1995 and 1994 are unaudited. However, in the opinion of management, all material adjustments necessary for the fair presentation of interim period results have been included.

(h) On June 30, 1995, XTRA Corporation acquired all of the containers and certain other assets and assumed certain liabilities of Matson Leasing Company, Inc.(MLC) for $357,471,000, subject to completion of an independent audit. Accordingly, the container leasing segment is reported as a discontinued operation at June 30, 1995, and the consolidated financial statements report separately the net assets, operating results and cash flows of that business. The amounts presented for prior periods have been restated for comparability.

The condensed statements of income relating to the discontinued container leasing segment are presented below (in thousands):

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Revenue	$18,094	$15,534	$35,344	$30,215
Costs and expenses	(13,714)	(11,240)	(26,780)	(22,808)
Income before income taxes	4,380	4,294	8,564	7,407
Income tax expense	(1,650)	(1,626)	(3,228)	(2,789)
Net income	$ 2,730	$ 2,668	$ 5,336	$ 4,618

Net assets of the discontinued container leasing segment at December 31, 1994 were as follows (in thousands):

Accounts receivable	$ 13,802
Property, net	305,874
Other assets	1,027
Liabilities	(7,013)
Net assets	$313,690

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

FINANCIAL CONDITION AND LIQUIDITY:

A&B's principal liquid resources, comprising cash and cash equivalents, trade receivables, sugar inventories and unused lines of credit, less accrued deposits to the Capital Construction Fund (CCF), increased by $186,834,000 from December 31, 1994 to June 30, 1995. This resulted primarily from the receipt of proceeds from the sale of MLC, partially offset by higher accrued deposits to the CCF and increased borrowings from revolving credit facilities.

Working capital totaled $133,976,000 at June 30, 1995, an increase of $75,930,000 from that at 1994 year-end. The increase was primarily due to a higher cash and cash equivalents balance as a result of the sale of MLC, partially offset by increased accrued deposits to the CCF and the reclassification of certain long-term liabilities to current. A portion of the proceeds from the sale of MLC will be used to repay long-term debt.

RESULTS OF SEGMENT OPERATIONS - SECOND QUARTER 1995 COMPARED WITH THE SECOND QUARTER 1994:

The following analysis is based on a comparison of second quarter 1995 results with those for second quarter 1994, which have been restated to reflect the sale of MLC as of June 30, 1995.

Ocean Transportation

For the second quarter of 1995, ocean transportation revenue decreased six percent compared with the second quarter of 1994. Operating profit was 30 percent lower than in the second quarter of 1994. The decline was primarily attributable to lower container cargo volume in the Hawaii service and higher fuel prices. In the second quarter of 1994, a competitor's operations were disrupted by a strike, which boosted Matson's carriage during that quarter. Partly because of that additional volume in the prior year, comparison of Matson's total second-quarter 1995 Hawaii container volume with that of the 1994 second quarter reflects a decline of 10 percent. Matson's total Hawaii automobile volume declined five percent.

Property Development and Management - Leasing

For the second quarter of 1995, property leasing revenue and operating profit remained relatively stable, compared with 1994 second quarter levels.

Two shopping centers, one near Reno, Nevada and the other in Greely, Colorado, were acquired late in the second quarter using tax-deferred proceeds from the 1994 sale of a Denver shopping center. The combined annual contribution to operating profit of these two acquired properties is expected to exceed that of the Denver property.

Also, late in the second quarter, earnings commenced from a ground lease for a newly-opened Price-Costco Wholesale Warehouse facility located in Kahului, Maui.

Property Development and Management - Sales

For the second quarter of 1995, property sales revenue totaled $2,874,000, compared with $4,082,000 for the second quarter of 1994. Operating profit for the second quarter of 1995 of $1,524,000 was about half of the comparable 1994 amount. Sales in the second quarter of 1995 included several small, developed business lots, an unimproved parcel and four residential lots. Sales in the second quarter of 1994 included a two-acre parcel near the harbor at Kahului, Maui, one developed business lot and two small, undeveloped parcels.

During the second quarter, construction began on the first phase of the 76-acre Maui Business Park (a project formerly called Kahului Industrial Park). Sitework construction also began for the 92-lot, 21-acre Makana subdivision on the North Shore of Maui. Originally, a joint venture was formed with Gentry Pacific, Ltd. (Gentry) to develop this residential subdivision. During the second quarter of 1995, however, the parties agreed to terminate the joint venture. The Company will be developing the project without Gentry's on-going participation. Sales activities were initiated in the second quarter at the 102-unit Kahului Ikena residential condominium project.

In early May 1995, the State Land Use Commission approved a petition to grant State urban district classification on an incremental basis for the balance of the 1,045-acre Kukui'ula planned residential community on Kauai. A&B is now pursuing the next entitlement step of County zoning. Construction on the project remains suspended pending better economic conditions.

Food Products

For the second quarter of 1995, food products revenue increased five percent compared with 1994 second quarter levels. The second quarter operating loss was $11.4 million, which included an $8.1 million pre-tax charge for phasing out sugar operations at the McBryde Sugar Company, Ltd. (McBryde) plantation on Kauai. The segment broke even in the second quarter of 1994. Also, sugar refining and sugar growing margins at California and Hawaiian Sugar Company, Inc. (C&H) and the plantations, respectively, remained under pressure.

At McBryde, the phase-out of sugar operations which was announced on June 22 began with the immediate cessation of cane planting. Harvesting and processing of sugar cane, however, will continue until September 1996. To date, nine employees have taken early retirement and 36 employees have been laid off. Another 158 employees are expected to be laid off by September 1996. The Company's primary agricultural focus on Kauai now will be on the coffee-growing activities at its Island Coffee Company, Inc. subsidiary.

OTHER ANALYSIS:

Interest Expense

For the second quarter of 1995, interest expense of $7,711,000 was nine percent higher than for the second quarter of 1994. This increase was primarily due to a higher weighted average cost of debt.

Income Tax Expense

For the second quarter of 1995, income tax expense of $1.9 million was $7.9 million less than for the second quarter of 1994, primarily due to lower pre-tax income.

Repurchase of Stock

There were no repurchases of common stock during the second quarter of 1995. To date, the Company has repurchased a total of 972,500 shares for $23.1 million since the repurchase program was authorized by the Board of Directors in December 1993.

RESULTS OF SEGMENT OPERATIONS - FIRST SIX MONTHS OF 1995 COMPARED WITH THE FIRST SIX MONTHS OF 1994:

The following analysis is based on a comparison of first six months of 1995 results with those for first six months of 1994, which have been restated to reflect the sale of MLC as of June 30, 1995.

Ocean Transportation

For the first half of 1995, ocean transportation revenue remained virtually unchanged from the comparable 1994 period. For the first six months of 1995, operating profit declined by 27 percent, primarily due to lower cargo and higher fuel costs. During this period, Hawaii container and total automobile volumes were down eight and two percent, respectively, compared with volumes for the first half of 1994.

The process of due diligence continues on the proposed strategic operating alliance with American President Lines, Ltd. which was announced previously. If final approvals are received, the agreement would close in the fourth quarter and the new service would begin at the start of 1996.

Property Development and Management - Leasing

Property leasing revenue for the first six months of 1995 approximated revenue for the comparable 1994 period. Property leasing operating profit for the first six months of 1995 was seven percent lower than in the first half of 1994. A smaller portfolio of leasable property, due to the sale last year of a shopping center in Denver, Colorado, contributed to the decrease in operating profit in the first half of 1995.

The portfolio benefited from continuing high occupancy levels for Mainland properties, where year-to-date occupancy rates averaged 97 percent, versus 96 percent last year. Occupancy levels for Hawaii properties, however, averaged 89 percent, versus 94 percent last year, primarily due to the relocation of tenants from an older shopping center on Maui that is set to be renovated.

Property Development and Management - Sales

For the first six months of 1995, property sales revenue totaled $6,995,000, compared with $12,691,000 for the first six months of 1994. Operating profit of $3,220,000 for the first half of 1995 was about one-third of that in the first six months of 1994.

Food Products

For the first six months of 1995, food products revenue increased 4 percent compared with the first six months of 1994. The operating loss for the first half of 1995 was $15,230,000,a substantial decline from the break-even results experienced for the comparable 1994 period. The operating loss was attributable to the $8.1 million pre-tax charge for phasing out sugar operations on Kauai, as well as continued deterioration of sugar refining margins. C&H's sugar refining operations were hurt by unusually high raw cane sugar prices and relatively low refined product prices. As of June 30, 1995, refinery operations at C&H were continuing without contracts, as the contracts with two labor units expired on May 31, 1995. On July 29, 1995, the members of the smaller of the two unions ratified a three-year contract. Negotiations with the larger union are continuing.

Legislation that will affect many agricultural commodities, including sugar, presently is being considered by Congress. The Company continues to work with the sweetener industry and congressional representatives in an effort to include an effective and fair domestic sugar program in this legislation.

PART II. OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the Annual Meeting of Shareholders of the Company held on April 27, 1995, the Company's shareholders voted in favor of: (i) the election of ten directors to the Company's Board of Directors, and (ii) the election of Deloitte & Touche LLP as the Company's independent auditors. The number of votes for, against or withheld, as well as the number of abstentions and broker non-votes, as to each matter voted upon at the annual Meeting of Shareholders, were as follows:

(i) Election of Directors	For	Withheld
Michael J. Chun	41,631,579	288,460
John C. Couch	41,617,980	302,059
Leo E. Denlea, Jr.	41,628,591	291,448
Walter A. Dods, Jr.	41,635,124	284,915
Charles G. King	41,635,909	284,130
Carson R. McKissick	41,638,675	281,364
C. Bradley Mulholland	41,626,606	293,433
Robert G. Reed III	41,561,544	358,495
Maryanna G. Shaw	41,628,384	291,655
Charles M. Stockholm	41,629,891	290,148

(ii) Election of Auditors	For	Against	Abstain
	41,600,541	77,961	241,537

There were no broker non-votes at the Annual Meeting.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

10. Material contracts.

10.a.(xxvi) Commercial Paper Dealer Agreement among California and Hawaiian Sugar Company, Inc., Alexander & Baldwin, Inc., A&B-Hawaii, Inc. and Goldman Sachs Money Markets, L.P. dated June 20, 1995, with respect to California and Hawaiian Sugar Company, Inc.'s $100 million revolving credit facility.

10.a.(xxvii) Amendment dated as of June 30, 1995 to the Note Agreements, among Alexander & Baldwin, Inc., A&B-Hawaii, Inc. and The Prudential Insurance Company of America, dated as of December 20, 1990 and June 4, 1993.

10.a.(xxviii)(a) Assignment and Assumption Agreement dated as of June 30, 1995, among Matson Leasing Company, Inc., Matson Navigation Company, Inc. and The Prudential Insurance Company of America, with respect to the Note Agreements between Matson Leasing Company, Inc. and The Prudential Insurance Company of America, dated as of June 28, 1991 and March 11, 1992.

10.a.(xxviii)(b) Consent and Amendment Agreement dated as of June 30, 1995, among Matson Leasing Company, Inc., Matson Navigation Company, Inc. and The Prudential Insurance Company of America, with respect to the Note Agreements between Matson Leasing Company, Inc. and The Prudential Insurance Company of America, dated as of June 28, 1991 and March 11, 1992.

11. Statement re computation of per share earnings.

20. Report furnished to security holders.

(i) Condensed Balance Sheets, Condensed Statements of Income, Condensed Statements of Cash Flows and Financial Notes as appearing in the Alexander & Baldwin, Inc. Interim Report/Second Quarter 1995.

27. Financial Data Schedule.

(b) Reports on Form 8-K

A report on Form 8-K dated June 30, 1995 was filed on July 13, 1995 to report, under Item 2 thereof, the sale by Matson Leasing Company, Inc. ("Matson Leasing"), an indirect wholly-owned subsidiary of Alexander & Baldwin, Inc. ("A&B"), and Matson Navigation Company, Inc., a wholly-owned subsidiary of A&B and the parent corporation of Matson Leasing (collectively, the "Sellers"), of Matson Leasing's container leasing business, through the sale of certain assets and liabilities of the Sellers (primarily of Matson Leasing).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALEXANDER & BALDWIN, INC.
(Registrant)

Date: August 10, 1995 /s/ Glenn R. Rogers
Glenn R. Rogers
Vice President and Chief
Financial Officer

Date: August 10, 1995 /s/ G. Stephen Holaday
G. Stephen Holaday
Vice President and Controller

EXHIBIT INDEX

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27. Financial Data Schedule.

EXHIBIT 10.a.(xxvi)

COMMERCIAL PAPER DEALER AGREEMENT

This Commercial Paper Dealer Agreement dated as of June 20, 1995 confirms the agreement between Goldman Sachs Money Markets, L.P. ("GSMM LP"), on the one hand, and California and Hawaiian Sugar Company, Inc. (the "Company") and Alexander & Baldwin, Inc. and A&B-Hawaii, Inc. (each a "Guarantor" and together, the "Guarantors"), on the other, whereby GSMM LP will act as a dealer with respect to the promissory notes (the "Notes") to be issued by the Company and unconditionally and irrevocably guaranteed by the Guarantors. The Notes will be issued either in physical bearer form or book-entry form. Notes in book-entry form will be represented by master notes registered in the name of a nominee of The Depository Trust Company ("DTC") and recorded in the book-entry system maintained by DTC. The promissory notes shall (a) be issued in denominations of not less than $100,000; (b) have maturities not exceeding 270 days from the date of issue; and (c) not contain any condition of redemption or right to prepay. The Notes shall be unconditionally and irrevocably guaranteed by the Guarantors pursuant to the Guarantee dated February 6, 1995. Such notes, including the master notes, shall hereinafter be referred to as "Commercial Paper" or "Notes."

1. (a) The Company represents and warrants to GSMM LP that: (i) the Company has been duly organized and is validly existing as a corporation in good standing under the laws of Hawaii; (ii) this Agreement and the depositary agreement dated as of April 6, 1989, and amended as of February 10, 1995, between the Company and The First National Bank of Chicago (the "Depositary"), a copy of which has been provided to GSMM LP, (the "Depositary Agreement") have been duly authorized, executed and delivered by the Company and each constitutes the valid and legally binding obligation of the Company enforceable in accordance with its respective terms subject to any applicable law relating to or affecting indemnification for liability under the securities laws; (iii) the Notes have been duly authorized and, when issued and duly delivered in accordance with the Depositary Agreement, will constitute the valid and legally binding obligations of the Company, enforceable in accordance with their terms; (iv) the Information Memorandum (including any documents incorporated by reference therein), attached hereto as Exhibit A and incorporated herein by reference, except insofar as any information therein relates to GSMM LP in its capacity as dealer hereunder, does not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; (v) the Notes and the Guarantee will be exempt from the registration requirements of the Securities Act of 1933, as amended, pursuant to Section 3(a)(3) thereunder; and (vi) the Company is not an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

(b) Each Guarantor represents and warrants to GSMM LP that (i) the representations and warranties of the Company in paragraph l(a) above are true and correct, (ii) it has taken all action and has full power to enter into this agreement and to issue and deliver the Guarantee, (iii) the Guarantee will constitute the legal, valid and binding obligation of such Guarantor enforceable in accordance with its terms, and (iv) such Guarantor is not an "investment company" or a company controlled by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

(c) Each sale of a Note by the Company under this Agreement shall constitute an affirmation that the foregoing representations and warranties remain true and correct at the time of sale, and will remain true and correct at the time of delivery, of such Note.

2. GSMM LP may, from time to time, but shall not be obligated to, purchase Commercial Paper from the Company.

3. With the delivery of this Agreement, each of the Company and the Guarantors shall furnish to GSMM LP, and from time to time thereafter may furnish to GSMM LP, a certificate (an "Incumbency Certificate") signed by the Secretary or an Assistant Secretary of the Company or by an appropriate officer of the Guarantor, as the case may be. The Company's Incumbency Certificate shall certify the incumbency and contain specimen signatures of the officers of the Company who are authorized to sign Commercial Paper and to give instructions and notices, or otherwise to act, on behalf of the Company hereunder ("Authorized Company Representatives"). Each Guarantor's Incumbency Certificate shall certify the incumbency and contain specimen signatures of the officers of the Guarantor who are authorized to sign the Guarantee and to give instructions and notices, or otherwise act, on behalf of the Guarantor hereunder ("Authorized Guarantor Representatives"). Until GSMM LP receives a subsequent Company Incumbency Certificate, or Guarantor Incumbency Certificate, GSMM LP shall be entitled to rely on the last such Incumbency Certificate delivered to GSMM LP for purpose of determining the proper Authorized Company Representatives and the Authorized Guarantor Representatives.

4. Prior to the initial issuance of Commercial Paper, the Company and the

Guarantors shall have supplied GSMM LP with an opinion of counsel addressing the matters set forth in paragraph 1 above, other than clause (iv) thereof, such other matters as GSMM LP shall reasonably request, such opinion to be in form and substance satisfactory to GSMM LP.

5. All transactions in Commercial Paper between GSMM LP and the Company shall be in accordance with the custom and practice in the commercial paper market. In accordance with such custom and practice, the purchase of Commercial Paper by GSMM LP shall be negotiated verbally between GSMM LP personnel and the authorized representative of the Company. Such negotiation shall determine the principal amount of Commercial Paper to be sold, the discount rate or interest rate applicable thereto, and the maturity thereof. GSMM LP's fee for such sales shall be included in the discount rate with respect to Commercial Paper issued at a discount, or stated separately as a fee, in the case of Commercial Paper bearing interest. GSMM LP shall confirm each transaction made with the Company in writing in GSMM LP's customary form. Delivery and payment of Commercial Paper shall be effected in accordance with the Issuing Agreement.

6. GSMM LP shall pay for the Notes purchased by GSMM LP in immediately available funds on the business day such Notes, executed in a manner satisfactory to GSMM LP, are delivered to GSMM LP in the case of physical bearer Notes, or in the case of book-entry Notes, on the business day such Notes are credited to GSMM LP's Participant Account at The Depository Trust Company. Payment shall be made in any manner permitted in the Depositary Agreement. The amount payable by GSMM LP to the Company shall be (i) in the case of discount Notes, the face value thereof less the original issue discount and less the compensation payable to GSMM LP and (ii) in the case of interest to follow Notes, the face value thereof less the compensation payable to GSMM LP.

7. The Company and the Guarantors will supply to GSMM LP on a continuing basis three copies of all audited annual reports and unaudited quarterly reports of the Company, three copies of all audited annual reports and unaudited reports filed by a Guarantor pursuant to Section 13 of the Securities Exchange Act of 1934, as amended, and three copies of all reports mailed by a Guarantor to its public shareholders, plus such other information as GSMM LP may reasonably request. The Company and the Guarantors understand that GSMM LP may use such annual and quarterly reports and shareholder reports to prepare the Information Memorandum concerning the Company and the Guarantors. The Company and the Guarantors expressly consent to the use of such publicly available information. The Company and the Guarantors further undertake to supply copies of any such reports when requested by any Commercial Paper customer of GSMM LP. The Company and the Guarantors further agree, as permitted by law, to notify GSMM LP promptly upon the occurrence of any event or other development, the result of which causes the Information Memorandum or the Company's or a Guarantor's annual or quarterly reports to include an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

8. (a) The Company and the Guarantors agree, jointly and severally, to indemnify and hold harmless GSMM LP and its affiliates and each of the partners, officers, directors, employees and agents of GSMM LP or its affiliates, and each person who controls GSMM LP or such affiliate within the meaning of the Act or the Exchange Act (collectively, the "Indemnitees"), against any and all losses, claims, damages, liabilities or expenses, joint or several, to which any Indemnitee may become subject, under the Act, the Exchange Act, or otherwise, insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of material fact contained in the Information Memorandum (including any documents incorporated by reference therein), or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading, or any breach of its agreements contained in this Agreement, and the Company and the Guarantors further agree, jointly and severally, to reimburse each Indemnitee for any legal or other expenses reasonably incurred by it in connection with investigating or defending any such loss, claim, damage, liability, expense or action; provided, however, that neither the Company nor a Guarantor will be liable in any such case to the extent that any such loss, claim, damage, liability or expense arises out of or is based upon any such untrue statement or omission contained in the Information Memorandum which relates to GSMM LP in its capacity as dealer hereunder.

(b) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in paragraph 8(a) is for any reason held unavailable (otherwise than in accordance with the provision stated therein), the Company and the Guarantors shall contribute to the aggregate costs of satisfying any loss, damage, liability or expense sought to be charged against or incurred by any Indemnitee in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and GSMM LP on the other from the offering of the Notes. For purposes of this paragraph 8(b), the "relative benefits" received by the Company shall be equal to the aggregate proceeds received by the Company from Notes sold pursuant to this Agreement and the "relative benefits" received by GSMM LP shall be equal to the aggregate commissions and fees earned by GSMM LP hereunder.

9. This Agreement may be terminated by either party upon one business

day's notice to the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

If the foregoing accurately reflects our agreement, please sign the enclosed copy of this letter in the space provided below and return it to the undersigned.

The parties hereto have caused the execution of this Agreement on the date first provided above.

California and Hawaiian Sugar Company, Inc.

By: /s/ Jerrold D. Dotson
Title: Vice President, Chief Financial
Officer and Treasurer

Alexander & Baldwin, Inc.

By: /s/ Thomas A. Wellman
Title: Assistant Controller

A & B-Hawaii, Inc.

By: /s/ Thomas A. Wellman
Title: Controller

Goldman Sachs Money Markets, L.P.
a Delaware limited partnership

By: GSMM Corp.,
as sole general partner

By: /s/ J. P. Heanue
GSMM Corp. Officer

Exhibit 10.a. (xxvii)

June 30, 1995

Alexander & Baldwin, Inc.
A&B-Hawaii, Inc.
822 Bishop Street
Honolulu, Hawaii 96801

Ladies and Gentlemen:

Reference is made to the note agreements dated as of (i) December 20, 1990, (the "1990 Agreement") among Alexander & Baldwin, Inc., A&B-Hawaii, Inc. (together, the "Issuers") and The Prudential Insurance Company of America ("Prudential"), pursuant to which the Issuers issued and sold, and Prudential purchased, the Issuers' 9.05% Senior Notes due December 15, 1999 in original principal amount of $50,000,000 and (ii) June 4, 1993 (the "1993 Agreement;" the 1990 Agreement and the 1993 Agreement are together referred to as the "Agreements") among the Issuers and Prudential, pursuant to which the Issuers issued and sold, and Prudential purchased, the Issuers' 6.23% Senior Notes due December 15, 1997 and Serial Senior Notes due June 30, 1999-2007 in the aggregate original principal amount of $75,000,000. All capitalized terms not otherwise defined herein shall have the respective meanings ascribed to them in the applicable Agreement.

At the request of the Issuers and pursuant to paragraph 11C of each Agreement, Prudential agrees that, the provisions of Section 6B(3) of each Agreement notwithstanding, the Issuers may permit their indirect wholly owned Subsidiary, Matson Leasing Company, Inc. ("Leasing") to sell substantially all of its assets to XTRA Corporation (the "Transaction") on the terms and conditions set forth in that certain letter of intent dated May 2, 1995, a copy of which has previously been provided to Prudential, and the aggregate purchase price for the Leasing assets being sold in the Transaction shall not count for purposes of computing the Issuers' usage of the basket limitation set forth in clause (v) of Section 6B(3).

The Issuers represent and warrant that (i) after giving effect hereto, no Default or Event of Default shall exist and (ii) all consents, notices, waivers and other actions by, to or of the Issuers' other lenders that are necessary in connection with the foregoing matter have been made or obtained.

Please sign a counterpart hereof and return it to the undersigned. This consent shall become effective concurrently with the effectiveness of similar consents being issued by
Prudential to Leasing in connection with the Transaction, in the manner and to the extent set forth herein.

Very truly yours,

The Prudential Insurance
Company of America

By /s/ Raymond G. Kennedy
Second Vice President

Acknowledged and Agreed to:

Alexander & Baldwin, Inc.

By /s/ G. Stephen Holaday
Its Vice President

A&B-Hawaii, Inc.

By /s/ G. Stephen Holaday
Its Senior Vice President

Exhibit 10.a.(xxviii)(a)

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement is dated as of June 30, 1995 and is among Matson Leasing Company, Inc. ("Leasing"), Matson Navigation Company, Inc. ("Matson") and The Prudential Insurance Company of America ("Prudential" or the "Noteholder"), as the holder of the $50,000,000 9.00% Notes due October 2, 1999 (the "9.00% Notes"), the $10,000,000 7.65% Note due August 2, 2001 (the "7.65% Note") and the $50,000,000 8.00% Notes due August 2, 2000 (the "8.00% Notes") (the 9.00% Notes, the 8.00% Notes and the 7.65% Notes are collectively referred to as the "Notes"), in each case issued by Leasing. Capitalized terms not otherwise defined herein shall have the respective meanings assigned to them in the Consent and Amendment Agreement of even date herewith (the "Consent").

WHEREAS, Leasing issued the Notes as follows: (a) the 9.00% Notes were issued pursuant to the note agreement among Leasing, Prudential Reinsurance Company, a Delaware corporation ("PruRe"), and Noteholder, dated as of June 28, 1991 (as amended, the "1991 Agreement"); (b) the 8.00% Notes were issued pursuant to the note agreement dated March 11, 1992 (as amended, the "March 1992 Agreement") among Leasing, Prudential and Prudential Property and Casualty Company ("PruPac") and Prudential; and (c) the 7.65% Notes were issued pursuant to the note agreement between Leasing and Prudential dated as of July 17, 1992 (as amended, the "July 1992 Agreement;" the 1991 Agreement, the March 1992 Agreement and the July 1992 Agreement are collectively referred to as the "Agreements"). Since the respective dates of issuance of the Notes, PruPac and PruRe have transferred the Notes purchased by them to Prudential, so that Prudential is the only Noteholder.

WHEREAS, each of the Notes is fully and unconditionally guarantied by Matson, as parent of Leasing, pursuant to guaranty agreements of even date therewith (the "Guaranties").

WHEREAS, Matson and Leasing have agreed to the sale of substantially all of Leasing's assets to XTRA Corporation on or about June 30, 1995 (the "Transaction"), and Leasing has requested that the Noteholder consent to the Transaction.

WHEREAS, the Noteholder has indicated that it is willing to so consent, provided that the conditions set forth in the Consent have been satisfied, and one of such conditions is the full, unconditional and irrevocable assumption by Matson of all of Leasing's obligations and liabilities under and in respect of the Notes and the related note agreements pursuant to this Assignment and Assumption Agreement.

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Matson and Leasing hereby agree, for the benefit of the Noteholder and its successors, assigns and transferees:

1. Upon the terms and subject to the conditions set forth in the Consent, simultaneously with the consummation of the Transaction, Leasing shall delegate, assign and transfer to Matson all of its duties, liabilities, obligations and undertakings under or in respect of the 9.00% Notes, the 8.00% Notes, the 7.65% Note, the 1991 Agreement, the March 1992 Agreement and the July 1992 Agreement (collectively, "Obligations"), and simultaneously with such transfer, Matson shall accept and assume each and every Obligation as its own direct Obligation, as principal and not as guarantor or surety. Without limiting the generality of the foregoing, the Obligations include (a) punctually paying the principal of, and interest and Yield Maintenance Premium on, each Note, and all other amounts due and payable under the Documents, to the extent not theretofore paid, all as the same shall in each case become due and payable in accordance with their respective terms; and (b) punctually performing and complying with all the terms, covenants, and conditions of each Agreement and each Note (collectively, the "Documents") to the same extent as if Matson had been the original obligor thereunder.

2. Matson, Leasing and the Noteholder agree that (a) the term "the Company" in the Documents shall mean Matson Navigation Company, Inc., a Hawaii corporation and successor in interest to Leasing, from and after the date this assignment and assumption becomes effective (the "Effective Date"); (b) the provisions of each Document are ratified and confirmed in all respects by Matson; and (c) except as otherwise expressly set forth herein and in the Consent, all provisions of each Document shall be and remain in full force and effect.

3. On the Effective Date, all liability and obligations of (a) Leasing under the Documents and (b) Matson under the Guaranties shall cease and be of no further force or effect, unless this Assignment and Assumption Agreement (i) is successfully challenged in court or by other legal or administrative action or proceeding; (ii) hereafter becomes null and void or otherwise ineffective in any respect whatsoever; or (iii) Matson repudiates, or denies it has, any liability, responsibility or obligation in respect of the Obligations.

4. Matson agrees to execute and deliver such further instruments,

agreements and documents, including without limitation, allonges to the Notes or new Notes in replacement therefor, in either case reflecting Matson's assumption thereof, and to take such further actions as the Noteholder may reasonably request for the purpose of more fully evidencing the assumption by Matson of the Obligations and otherwise to effect the terms of this Assignment and Assumption Agreement.

5. Notices to Matson under the Documents shall continue to be given in the manner and to its address set forth for notices in the applicable Guaranty. This Assignment and Assumption Agreement shall be governed by the laws of the State of California, without giving effect to principles of conflicts of law thereof.

6. This Assignment and Assumption Agreement may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

7. Any provision of this Assignment and Assumption Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without affecting the validity or enforceability of the remaining provisions hereof. Any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. If any provision of this Assignment and Assumption Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable.

IN WITNESS WHEREOF, each of the parties hereto has caused this Assignment and Assumption Agreement to be executed on its behalf by its officer thereunto duly authorized, all as of the day and year first above written.

Matson Navigation Company, Inc.
a Hawaii corporation

By /s/ R. J. Donohue
Name:
Title: Senior Vice President

Matson Leasing Company, Inc.
a Hawaii corporation

By /s/ K. C. O'Rourke
Name:
Title: Vice President

The Prudential Insurance Company of America
a New Jersey corporation

By /s/ Raymond G. Kennedy
Name:
Title: Second Vice President

Exhibit 10.a.(xxviii)(b)

CONSENT AND AMENDMENT AGREEMENT

Reference is made to: (i) the note agreement among Matson Leasing Company, Inc., a Hawaii corporation ("Leasing"), Prudential Reinsurance Company, a Delaware corporation ("PruRe"), and The Prudential Insurance Company of America, a New Jersey corporation ("Prudential"), dated as of June 28, 1991 (as amended, the "1991 Agreement") pursuant to which Leasing issued and sold and Prudential and PruRe purchased Leasing's $50,000,000 9.00% Notes due October 2, 1999 (the "9.00% Notes"); (ii) the note agreement between Leasing and Prudential dated as of July 17, 1992 (as amended, the "July 1992 Agreement"), pursuant to which Leasing issued and sold and Prudential purchased Leasing's $10,000,000 7.65% Note due August 2, 2001 (the "7.65% Note"); and (iii) the note agreement dated March 11, 1992 (as amended, the "March 1992 Agreement") among Leasing, Prudential and Prudential Property and Casualty Company ("PruPac"), pursuant to which Leasing issued and sold and Prudential and PruPac purchased Leasing's $50,000,000 8.00% Notes due August 2, 2000 (the "8.00% Notes"). The 9.00% Notes, the 8.00% Notes and 7.65% Note are collectively referred to as the "Leasing Notes."

Subsequent to the respective dates of issuance of the Leasing Notes, PruPac and PruRe transferred all of their right, title and interest in and to the Leasing Notes to Prudential, with the result that Prudential is now the only holder of the Leasing Notes (the "Noteholder").

The Leasing Notes are guarantied by Matson Navigation Company, Inc., the parent of Leasing ("Parent") pursuant to guaranty agreements dated the date of such notes (collectively, the "Parent Guaranties"). The 1991 Agreement, the March 1992 Agreement and the July 1992 Agreement are referred to together as the "Agreements." The Company and Parent are together referred to as "Matson." Other capitalized terms not otherwise defined herein shall have the respective meanings assigned to them in the applicable Agreement or Parent Guaranty.

Matson has advised the Noteholder that Leasing's assets will be sold to XTRA Corporation ("XTRA") or an affiliate on or about June 30, 1995, on substantially the terms and conditions set forth in the attached letter of intent (the "Letter of Intent") between Parent and XTRA dated May 2, 1995 (the "Transaction"). Matson proposes to use a portion of the net cash proceeds from the Transaction to prepay up to $10,000,000 principal amount of the 9.00% Notes at par and up to another $10,000,000 principal amount of the 9.00% Notes at a spread of 0.50% over the Reinvestment Yield (the "9.00% Notes Prepayment"). The Transaction may require the consent of the Required Holders under each Agreement and Parent Guaranty and the 9.00% Notes Prepayment requires the consent of each holder of the 9.00% Notes. Matson has also requested certain amendments to the Agreements to reflect the Transaction. The Noteholder is willing to consent to the foregoing requests, but only on the terms and conditions set forth herein.

A. Consents and Amendments to the Agreements

Subject to the satisfaction of the conditions to effectiveness set forth in Section C below, Parent, Leasing and the Noteholder hereby agree to the following consents and amendments to each Agreement:

1. The Noteholder agrees to the consummation of the Transaction on substantially the terms and conditions of the Letter of Intent and to the 9.00% Notes Prepayment on the terms set forth in the second paragraph of this Consent and Amendment, provided that the 9.00% Notes Prepayment shall not occur later than (July 5), 1995 and any prepayment of the 9.00% Notes at any time thereafter shall be with the full Yield-Maintenance Premium, as defined in the applicable Agreement.

2. Amend paragraphs 5 and 6 of each Agreement by deleting said paragraphs in their entirety and substituting therefor new paragraphs 5 and 6, as set forth in Exhibit A hereto.

3. Amend paragraph 10B by adding the following at the end thereof:

> "Upon the effectiveness of both the Assignment and Assumption Agreement and the Consent and Amendment, each dated June 30, 1995 (the "Effective Date") among Matson Leasing Company, Inc., Matson Navigation Company, Inc. and the holders of the Notes parties thereto, the definitions set forth in this paragraph 10B that correspond to defined terms used in paragraphs 5 and 6 of this Agreement, as amended as of the Effective Date (including, without limitation, "Affiliate," "B of A Agreement," "Capital Assets," "Capital Construction Fund," "Consolidated Net Earnings," "Consolidated Net Worth," "Consolidated Total Capital," "Consolidated Working Capital," "Debt," "Funded Debt," "Lien," "Material Subsidiary," "Principal Assets," "Restricted Investments," "Restricted Payments," and "Secured Debt Basket"), shall be amended, automatically and without the necessity of any further written agreement, to incorporate the defined terms set forth in Section 11 of the Guaranty Agreement, (the "Incorporated Definitions"), and such definitions are incorporated herein by this reference; provided that:

(i) all references in the Incorporated Definitions to (A) "the Company" shall be deemed to refer to Matson Navigation Company, Inc., not Matson Leasing Company, Inc.; (B) "the Guarantor" shall be deemed to refer to the Company (as modified in the immediately preceding subclause (A)); (C) Section 8 of the Guaranty shall be deemed to refer to paragraph 5 of this Agreement; and (D) Section 9 of the Guaranty shall be deemed to refer to paragraph 6 of this Agreement; and

(ii) upon the written request of any holder of the Notes or the Company, this Agreement shall be amended to restate said paragraph 10B to reflect the incorporation of the Incorporated Definitions. All holders of the Notes and the Company hereby agree that the termination of the Guaranty Agreement, as contemplated by the aforementioned Assignment and Assumption Agreement, shall not affect the continued application to this Agreement of the Incorporated Definitions. A copy of the Incorporated Definitions is attached hereto for convenience of reference."

4. Amend each Agreement by incorporating all Exhibits in the Guaranty Agreement referred to in paragraphs 5, 6 or 10B of each Agreement, as amended as of the Effective Date.

5. Amend paragraph 7A of each Agreement by deleting said paragraph in its entirety and substituting therefor new paragraph 7A, as set forth in Exhibit B hereto.

B. Representations and Warranties

As material consideration for the Noteholder's execution and delivery of this Consent and Amendment Agreement, Parent makes the representations and warranties set forth in Exhibit C, which representations and warranties will be reaffirmed on and as of the Closing Date pursuant to Section C below.

As material consideration for Parent and Leasing's execution and delivery of this Consent and Amendment Agreement, Prudential makes the representations and warranties set forth in paragraph 9 of each Agreement, and by its execution and delivery of this Consent and Amendment Agreement, reaffirms such representations and warranties on and as of the Closing Date.

C. Conditions to Consent

The consent and amendments to the Agreements contained herein shall become effective on the date (the "Effective Date") on which all of the following conditions shall have been satisfied or waived:

1. Four (4) copies of this Consent and Amendment Agreement shall have been duly executed and delivered by the parties hereto.

2. After giving effect to the consents and transactions contained herein or contemplated hereby, there shall exist no Default or Event of Default under any Agreement, and the representations and warranties set forth in Exhibit C shall be true and correct as of the Effective Date, and each of Leasing and Parent shall have delivered to the Noteholder duly executed Officers' Certificates to such effect.

3. An original set of good standing certificates with respect to Parent from the States of Hawaii and California and any other state in which its failure to qualify to do business as a foreign corporation would have a material adverse effect on its business, operations, assets, liabilities, prospects or condition (financial or otherwise) shall have been delivered to the Noteholder.

4. The Noteholder shall have received from Parent a $10,000 structuring fee, payable by wire transfer in the manner and to the account set forth in the Purchaser Schedule to the July 1992 Agreement.

5. The Noteholder shall have received an opinion addressed to it in substantially the form of Exhibit D hereto from Parent's counsel, which may be Parent's in-house counsel.

6. A letter agreement among Alexander & Baldwin, Inc., A&B-Hawaii, Inc. (together, "A&B"), and the holders of each series of senior notes issued by A&B consenting to the Transaction in substantially the form of Exhibit E hereto (the "A&B Consent") shall have been executed and delivered, and all conditions to its effectiveness shall have been satisfied or waived.

7. The Noteholder shall have received evidence satisfactory to it that all conditions to closing of the Transaction (other than the A&B Consent and this consent) shall have occurred on substantially the terms and conditions previously disclosed to it, and that the Transaction will be consummated no later than simultaneously with the effectiveness of the Assumption Agreement (as defined below).

8. An assignment and assumption agreement in substantially the form of Exhibit F hereto (the "Assumption Agreement") whereby Parent shall unconditionally and irrevocably assume all obligations and liabilities of Leasing under the Leasing Notes and the Agreements shall have been executed and

delivered and become effective.

9. The Noteholder shall have received

(a) an incumbency certificate as to officers signing on behalf of Parent and Leasing;

(b) a certificate of the Secretary or Assistant Secretary to Parent (i) as to the absence of any proceedings to dissolve or liquidate Parent, (ii) attaching the resolutions of the Board of Directors of Parent authorizing the transactions contemplated by this Consent and Amendment Agreement, including this consent; the Transaction; the 9.00% Notes Prepayment and the Assumption, and the execution and delivery of the Assumption Agreement and other related instruments, agreements and other documents, and stating that such resolutions have not been revoked, modified or rescinded since their original adoption, and (iii) attaching copies of Parent's articles of incorporation and bylaws, certified by the Director of Commerce and Consumer Affairs of the State of Hawaii and Parent's Assistant Secretary, respectively; and

(c) copies of any duly executed consents, approvals or waivers necessary to avert a default, event of default or similar event under any of Parent's material debt or other agreements, including under any revolving credit, loan or similar agreement with Bank of America.

10. The Noteholder shall have received such other certificates and other documents, and all other proceedings to be taken in connection with the transactions contemplated hereby shall be satisfactory to it.

D. Miscellaneous.

1. Each party hereto agrees to execute and deliver any and all such consents, instruments and other documents and to take any other action as any other party hereto may reasonably request to confirm and give effect to the provisions and intent of this Consent and Amendment Agreement.

2. This Consent and Amendment Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

3. This Consent and Amendment Agreement shall be governed by and construed in accordance with the laws of the State of California.

4. Except as otherwise expressly provided herein, each party hereto shall pay for and be responsible for its own fees and expenses in connection with the transactions contemplated hereby.

If you are in agreement with the foregoing, please sign and return the enclosed copies of this Consent and Amendment Agreement, and upon the satisfac tion of the closing conditions above, this shall become a binding agreement among Leasing, Parent and the Noteholder.

IN WITNESS WHEREOF, this Consent and Assignment Agreement has been executed by the parties hereto as of June 30, 1995.

The Prudential Insurance Company of America

By /s/ Raymond G. Kennedy
Its Second Vice President

Matson Leasing Company, Inc.
a Hawaii corporation

By /s/ K. C. O'Rourke
Title: Vice President

Matson Navigation Company, Inc.
a Hawaii corporation

By /s/ R. J. Donohue
Title: Senior Vice President

EXHIBIT 11

ALEXANDER & BALDWIN, INC.
COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 1995 AND 1994
(In thousands, except per share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Primary Earnings Per Share (a)				
Net income from continuing operations	$3,540	$18,266	$9,494	$33,227
Net income from discontinued operations	19,936	2,668	22,542	4,618
Net income	$23,476	$20,934	$32,036	$37,845
Average number of shares outstanding	45,513	46,091	45,578	46,199
Primary earnings per share from continuing operations	0.08	0.39	0.21	0.72
Primary earnings per share from discontinued operations	0.43	0.06	0.49	0.10
Primary earnings per share	$0.51	$0.45	$0.70	$0.82
Fully Diluted Earnings Per Share				
Net income from continuing operations	$3,540	$18,266	$9,494	$33,227
Net income from discontinued operations	19,936	2,668	22,542	4,618
Net income	$23,476	$20,934	$32,036	$37,845
Average number of shares outstanding	45,513	46,091	45,578	46,199
Effect of assumed exercise of outstanding stock options	9	61	9	95
Average number of shares outstanding after assumed exercise of outstanding stock options	45,522	46,152	45,587	46,294
Fully diluted earnings per share from continuing operations	0.08	0.39	0.21	0.72
Fully diluted earnings per share from discontinued operations	0.43	0.06	0.49	0.10
Fully diluted earnings per share	$0.51	$0.45	$0.70	$0.82

(a) The computations of primary earnings per share do not include the effects of assumed exercises of employee stock options because such effects were immaterial for both years.

Exhibit 20

Cover Photo: The world-famous windsurfing spot, Ho'okipa Beach Park, is the point of this aerial view of Maui's North Shore. The photo also shows many acres of sugar cane undeer cultivation by Hawaiian Commercial & Sugar Company (HC&S), a division of A&B-Hawaii, Inc. The town of Kahului is far in the background.

July 28, 1995

TO OUR SHAREHOLDERS

The net income of Alexander & Baldwin, Inc. (A&B) for the second quarter of 1995 was $23,476,000, or $0.51 per share. Net income for the comparable period of 1994 was $20,934,000, or $0.45 per share. Net income for the first half of 1995 was $32,036,000, or $0.70 per share, versus $37,845,000, or $0.82 per share, in 1994.

The 1995 results benefited from an after-tax gain on the sale of the container-leasing business of Matson Leasing Company, Inc., of $17,206,000, or $0.38 per share, partially offset by an after-tax charge of $5,050,000, or $0.11 per share, for phasing out sugar-growing operations at the Company's McBryde plantation on the island of Kauai.

THIRD-QUARTER DIVIDEND

On June 22, 1995, the Board of Directors authorized a third-quarter dividend of $0.22 per share, payable on September 7, 1995 to shareholders of record as of the close of business on August 3, 1995.

OPERATING PROFIT, SEGMENT SUMMARIES

Consolidated operating profit for both the second quarter and the first half of 1995 was substantially lower than in the same periods of 1994. Comparisons between the periods for each business segment are explained in the following sections.

Lower Cargo Hampers Matson's Results

Ocean transportation operating profit in the second quarter of 1995 declined by 30 percent, primarily the result of lower cargo volume in the Hawaii service of Matson Navigation Company, Inc. (Matson) and higher fuel costs. In the second quarter of 1994, a competitor's operations were disrupted by a strike, which boosted Matson's carriage during that quarter. Partly because of that additional volume in the prior year, comparison of Matson's total second-quarter 1995 Hawaii container volume with that of the 1994 second quarter reflects a decline of 10 percent. Matson's total Hawaii automobile volume declined five percent.

For the first half of 1995, ocean transportation operating profit declined by 27 percent, also primarily due to lower cargo and higher fuel costs. For that period, Matson's total Hawaii container volume was down eight percent and its total automobile volume was down two percent.

In spite of a small operating loss in the second quarter, results for Matson's Pacific Coast Shuttle service, now nearing its first anniversary of service, are continuing to improve. In addition, the process of due diligence continues on the previously announced proposed strategic operating alliance with American President Lines, Ltd. If final approvals are received, the agreement would close in the fourth quarter and the new service would begin at the start of 1996.

XTRA PURCHASES MATSON LEASING FOR $360 MILLION

As previously announced, the sale of Matson Leasing closed on June 30, 1995. The buyer, XTRA Corporation (XTRA), acquired all the containers and certain other assets and assumed certain liabilities of Matson Leasing as of that date for approximately $360 million. The container leasing segment results now are classified as "discontinued operations." As a result, both revenue and operating profit for prior periods have been restated.

Since its founding in 1989, Matson Leasing set a fast pace, rising from a start-up to the seventh-largest international marine container leasing company. A primary reason for that success was Matson Leasing's strong management team. That team now will continue, intact, as part of the XTRA organization.

With this sale, A&B will strengthen its balance sheet and have a greater ability to pursue capital investment opportunities in its remaining core businesses, especially in ocean transportation and property development.

Income Property Portfolio Increases

Second-quarter 1995 property leasing operating profit was three-percent less than that in the comparable period in 1994. Property leasing operating profit for the first six months of 1995 was seven-percent lower than in the first half of 1994. The portfolio benefited from continuing high occupancy levels for Mainland properties, where year-to-date occupancy rates averaged 97 percent, versus 96 percent last year. Occupancy levels for Hawaii properties averaged 89 percent, versus 94 percent last year. A smaller portfolio of leasable property, due to the sale last year of a shopping center in Denver, Colorado, contributed to the decreases in operating profit in the second quarter and the first half.

Two properties ---- shopping centers near Reno, Nevada and Greeley, Colorado -- --- were acquired late in the second quarter, using tax-deferred proceeds from the Denver sale. Their combined contribution to operating profit should exceed that of the Denver property.

Earnings also commenced late in the second quarter from a ground lease for a newly-opened Costco Wholesale Warehouse facility located in Kahului, Maui.

1995 Property Sales Lower

Total second-quarter 1995 property sales revenue was $2.9 million, versus $4.1 million recorded in the second quarter of 1994. Operating profit this quarter was about half the 1994 figure. Sales in the second quarter of 1995 included several small, developed business lots, an unimproved parcel and four residential lots. Sales in the second quarter of 1994 included a two-acre parcel near the harbor at Kahului, Maui, one developed business lot and two small, undeveloped parcels.

Property sales revenue of $7.0 million in the first half of 1995 was lower than the $12.7 million recorded in the first half of 1994. Operating profit from property sales for the first half was about one-third of that in the first six months of 1994.

During the second quarter, construction began on the first phase of the 76-acre Maui Business Park (a project formerly called Kahului Industrial Park). A final agreement involving 19.5 acres in the Park to be developed into a retail center is expected to be executed by year-end with a prominent Hawaii developer. Construction of project infrastructure also began for the 92-home, 21-acre Makana subdivision on the North Shore of Maui. If market conditions are promising, a marketing and sales program will commence in late 1995 or early 1996. Sales activities also were initiated in the second quarter at the 102-unit Kahului Ikena residential condominium project.

In early May, the State Land Use Commission approved a petition to grant State urban district classification on an incremental basis for the balance of the 1,045-acre Kukui'ula planned residential community on Kauai. Construction on the project remains suspended pending better economic conditions on that island. A&B now is pursuing the next entitlement step, which is County zoning to create a 727-acre first phase, so as to be prepared to move ahead when conditions warrant.

Kauai Sugar to Phase Out; Sugar Refining Losses Persist

Food products operating results declined substantially in the second quarter of 1995 versus the same period in 1994. The segment broke even in the second quarter of 1994, but there was a loss of $11.4 million in the second quarter this year, which included an $8.1 million pre-tax charge for phasing out sugar operations at the McBryde plantation on Kauai. Results in the second quarter of 1995 also reflect a larger operating loss at California and Hawaiian Sugar Company, Inc. (C&H) and lower operating profit for sugar growing.

At McBryde, the phase-out announced on June 22 began with the immediate cessation of cane planting. Harvesting of sugar cane will, however, continue until September 1996. The Company's primary agricultural focus on Kauai now will be on the coffee-growing activities at its Island Coffee Company, Inc. subsidiary. Island Coffee is one of the largest drip-irrigated coffee plantations in the world, with nearly 4,000 acres under cultivation. A&B's sugar-growing activities henceforth will be concentrated at HC&S, the Company's substantially larger and more efficient plantation on Maui.

Sugar refining operations of C&H were hurt by unusually high raw cane sugar prices and continuing relatively low refined product prices. Although the contracts with two labor units expired on May 31, 1995, refinery operations at C&H are continuing without a contract at this time.

Legislation that will affect many agricultural commodities, including sugar, presently is being considered by the Congress. A&B continues to work with the sweetener industry and congressional representatives in an effort to include an effective and fair domestic sugar program in this legislation.

1995 ---- INITIATIVES LEAD TO A TRANSITION

After growing rapidly for the past 30 years, Hawaii's economy has experienced declines or no growth in the last four years, and prospects for a near-term recovery remain uncertain. Faced with such uncertainty, businesses like ours cannot afford simply to wait for the economic environment to improve.

That is why we initiated the projects announced recently, including the sale of Matson Leasing, the agreement for development of a substantial retail facility at our new Maui Business Park, the decision to phase out sugar at McBryde, the acquisition of additional income-producing properties on the Mainland and the proposed alliance between Matson and American President Lines, as well as last year's start-up of Matson's new Pacific Coast Shuttle service. These, and other initiatives being planned, are essential to ensure the Company's continued growth and profitability.

/s/ John C. Couch
John C. Couch
Chairman, President and
Chief Executive Officer

Condensed Balance Sheets
(In thousands)
ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES

	June 30 1995 (unaudited)	December 31 1994
ASSETS		
Current Assets:		
Cash and cash equivalents	$367,452	$8,987
Accounts and notes receivable, net	147,630	129,156
Inventories	98,793	90,677
Property held for sale	3,200	4,014
Deferred income taxes	13,982	21,347
Prepaid expenses and other	9,724	14,127
Accrued deposits to Capital Construction Fund	(146,511)	(550)
Total current assets	494,270	267,758
Investments	74,059	64,913
Real Estate Developments	66,523	66,371
Property, at cost	1,730,283	1,720,390
Less accumulated depreciation and amortization	753,855	744,718
Property - net	976,428	975,672
Capital Construction Fund	327,033	176,044
Net Assets of Discontinued Operations (Note f)	-	313,690
Other Assets	48,742	67,713
Total	$1,987,055	$1,932,161
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term liabilities	$144,210	$35,177
Short-term commercial paper borrowing	76,000	58,000
Accounts payable	40,409	51,757
Other	99,675	64,778
Total current liabilities	360,294	209,712
Long-term Liabilities:		
Long-term debt	437,829	526,231
Capital lease obligations	30,305	35,274
Post-retirement benefit obligations	118,988	116,610
Other	55,955	61,759
Total long-term liabilities	643,077	739,874
Deferred Income Taxes	347,920	349,961
Shareholders' Equity:		
Capital stock	37,307	37,493
Additional capital	39,541	38,862
Unrealized holding gains on securities	34,049	29,073
Retained earnings	538,684	541,910
Cost of treasury stock	(13,817)	(14,724)
Total shareholders' equity	635,764	632,614
Total	$1,987,055	$1,932,161

See financial notes.

Condensed Statements of Income
(In thousands except per share amounts)
ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994 (1)	1995	1994 (1)
	(unaudited)		(unaudited)	
Revenue:				
Net sales, revenue from services and rentals	$264,581	$271,181	$504,122	$504,989
Interest, dividends and other	5,686	4,494	11,867	10,491
Total revenue	270,267	275,675	515,989	515,480
Costs and Expenses:				
Costs of goods sold, services and rentals	221,864	213,110	422,097	395,494
Selling, general and administrative	27,151	27,350	55,963	54,863
Plantation closure (Note e)	8,100	-	8,100	-
Interest	7,711	7,102	15,163	13,945
Income taxes	1,901	9,847	5,172	17,951
Total costs and expenses	266,727	257,409	506,495	482,253
Income from continuing operations	3,540	18,266	9,494	33,227
Discontinued Operations (Note f):				
Income from operations of Matson Leasing Co. (less applicable income taxes)	2,730	2,668	5,336	4,618
Gain on sale of Matson Leasing Co. (less applicable income taxes of $9,100)	17,206	-	17,206	-
Net Income	$23,476	$20,934	$32,036	$37,845
Earnings Per Share:				
Continuing Operations	$0.08	$0.39	$0.21	$0.72
Discontinued Operations	$0.43	$0.06	$0.49	$0.10
Total	$0.51	$0.45	$0.70	$0.82
Dividends Per Share	$0.22	$0.22	$0.44	$0.44
Average Number of Shares Outstanding	45,513	46,091	45,578	46,199

Industry Segment Data (In thousands)

Revenue:				
Ocean Transportation	$149,663	$159,403	$294,705	$295,894
Property Development and Management:				
Leasing	8,441	8,315	16,522	16,767
Sales	2,874	4,082	6,995	12,691
Food Products	108,588	103,209	196,385	188,657
Other	701	666	1,382	1,471
Total	$270,267	$275,675	$515,989	$515,480
Operating Profit: (2)				
Ocean Transportation	$20,855	$29,591	$37,957	$51,883
Property Development and Management:				
Leasing	5,729	5,896	11,203	12,072
Sales	1,524	3,124	3,220	8,659
Food Products :				
Before Plantation Closure	(3,288)	14	(7,130)	(50)
Plantation Closure	(8,100)	-	(8,100)	-
Other	656	733	1,269	1,361
Total	$17,376	$39,358	$38,419	$73,925

(1) Restated to exclude discontinued operations

(2) Before interest expense, corporate expense and income taxes

See financial notes.

Condensed Statements of Cash Flows
(In thousands)
ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES

Six Months Ended June 30	1995	1994
	(unaudited)	
Cash Flows from Continuing Operating Activities	$48,342	$50,681
Cash Flows from Continuing Investing Activities:		
Capital expenditures	(27,681)	(30,986)
Proceeds from sale of subsidiary	357,471	-
Proceeds from disposal of property, investments and other assets	185	617
Deposits into Capital Construction Fund	(5,173)	(4,764)
Withdrawals from Capital Construction Fund	145	9,711
Increase in investments	(1,616)	(15)
Net cash provided by (used in) continuing investing activities	323,331	(25,437)
Cash Flows from Continuing Financing Activities:		
Proceeds from issuances of long-term debt	40,000	25,500
Payment of long-term liabilities	(24,597)	(22,135)
Proceeds from issuances of short-term commercial paper	18,000	3,000
Proceeds from issuances of capital stock	-	73
Repurchase of capital stock	(5,337)	(10,278)
Dividends paid	(20,059)	(20,353)
Net cash provided by (used in) continuing financing activities	8,007	(24,193)
Net Increase in Cash and Cash Equivalents From Continuing Operations	$379,680	$1,051
Net Increase (Decrease) in Cash and Cash Equivalents From Discontinued Operations (Note f)	($21,785)	$3,645
Other Cash Flow Information:		
Interest paid, net of amounts capitalized	$21,843	$20,144
Income taxes paid, net of refunds	1,191	12,875
Other Non-Cash Information:		
Accrued deposits to Capital Construction Fund, net of accrued withdrawals	145,961	2,006
Depreciation	53,797	52,167
Cash dividends accrued	10,013	10,120

See financial notes.

FINANCIAL NOTES
(Unaudited)

(a) 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 this interim financial report.

(b) Estimated effective annual income tax rates differ from statutory rates, primarily due to the dividends-received deductions and various tax credits.

(c) Certain amounts have been reclassified to conform with current year presentation.

(d) Dividends payable in September 1995 and 1994 ($0.22 per share) were declared and accrued as liabilities in June of the respective years.

(e) In June 1995, the Company announced the restructuring of its agricultural operations in Hawaii with the phase out of sugar production at its McBryde Sugar Company, Limited subsidiary on Kauai. The restructuring costs of $8.1 million are shown as a separate item in the accompanying income statements.

(f) On June 30, 1995, the Company sold the containers and certain other assets and liabilities of Matson Leasing Company, Inc. to XTRA Corporation for approximately $360 million. Accordingly, the container leasing segment is reported as a discontinued operation at June 30, 1995, and the consolidated financial statements separately report the net assets, operating results and cash flows of the business. The amounts presented for prior periods have been restated for comparability.

The sale resulted in a pre-tax gain of $26.3 million, which included the gain on the sale of assets less estimated costs to be incurred in connection with the sale. The Company plans to use the proceeds from the sale to repay debt and to meet the capital needs of the remaining segments.

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The schedule contains summary financial information extracted from the condensed balance sheet as of June 30, 1995 and the condensed statement of income for the six months ended June 30, 1995 and is qualified in its entirety by reference to such financial statements.

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32036
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