



January 22, 2007

Matson Decreases Fuel Surcharge by 1.25 Percentage Points

OAKLAND, CA -- January 22, 2007 -- As a result of recent declines in bunker fuel prices, Matson Navigation Company announced today that it is lowering its fuel surcharge in its Hawaii, Guam/CNMI and Micronesia services by 1.25 percentage points, from 18.75 percent to 17.5 percent, effective January 28, 2007.

"Bunker fuel prices continue to decrease, allowing us to make this third consecutive reduction to our fuel surcharge," said Dave Hoppes, senior vice president, ocean services. "Following an extended period of rapidly escalating fuel costs, we've been encouraged by this recent ongoing downward trend. For customers, this represents another decrease in shipping costs ranging from \$25 to \$80 per container. We will continue to monitor fuel costs and adjust the fuel surcharge accordingly. While fuel prices remain volatile, we are hopeful this current trend will continue."

Matson provides ocean transportation, intermodal and logistics services. Matson is a wholly owned subsidiary of Alexander & Baldwin, Inc. of Honolulu (NASDAQ: ALEX).

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