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 June 30, 2000

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 June 30, 2000: 40,431,360

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The condensed financial statements and notes for the second quarter and first six months of 2000 are presented below, with comparative figures from the 1999 financial statements.

ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES

CONDENSED STATEMENTS OF INCOME
(In thousands except per share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	2000	1999	2000	1999
	(unaudited)		(unaudited)	
Revenue:				
Net sales, revenue from services and rentals	$270,657	$258,729	$485,124	$449,794
Interest, dividends and other	5,711	5,114	11,135	11,491
Total revenue	276,368	263,843	496,259	461,285
Costs and Expenses:				
Costs of goods sold, services and rentals	200,901	198,834	371,477	343,483
Selling, general and administrative	25,032	23,739	47,294	46,864
Interest	5,959	4,369	11,306	8,896
Income taxes	16,233	13,652	23,758	22,955
Total costs and expenses	248,125	240,594	453,835	422,198
Income before cumulative effect of change in accounting method	28,243	23,249	42,424	39,087
Cumulative effect of change in accounting method for drydocking costs (net of income taxes of $7,668) (note d)	--	--	12,250	--
Net Income	$ 28,243	$ 23,249	$ 54,674	$ 39,087
Basic and Diluted Earnings Per Share:				
Before cumulative effect of accounting change	$ 0.69	$ 0.54	$ 1.03	$ 0.90
Accounting change (note d)	--	--	0.29	--
Net income	$ 0.69	$ 0.54	$ 1.32	$ 0.90
Dividends Per Share	$ 0.225	$ 0.225	$ 0.450	$ 0.450
Average Numbers of Shares Outstanding Outstanding	40,722	43,318	41,427	43,438

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

	Three Months Ended June 30 2000	Three Months Ended June 30 1999	Six Months Ended June 30 2000	Six Months Ended June 30 1999
	(unaudited)		(unaudited)	
Revenue:				
Ocean Transportation	$ 204,670	$ 187,836	$ 395,183	$ 357,031
Property Development and Management:				
Leasing	12,409	10,833	24,305	22,420
Sales	24,987	27,179	28,039	35,111
Food Products	33,504	37,269	47,170	45,271
Other	798	726	1,562	1,452
Total Revenue	$ 276,368	$ 263,843	$ 496,259	$ 461,285
Operating Profit, Net Income:				
Ocean Transportation	$ 27,914	$ 25,318	$ 47,807	$ 43,583
Property Development and Management:				
Leasing	7,606	6,394	14,790	14,016
Sales	18,917	9,949	19,618	15,489
Food Products	(2,060)	2,019	8	3,490
Other	764	690	1,473	1,340
Total Operating Profit	53,141	44,370	83,696	77,918
Interest Expense	(5,959)	(4,369)	(11,306)	(8,896)
Corporate Expenses	(2,706)	(3,100)	(6,208)	(6,980)
Income Before Taxes & Accounting Change	44,476	36,901	66,182	62,042
Income Taxes	(16,233)	(13,652)	(23,758)	(22,955)
Income Before Accounting Change	28,243	23,249	42,424	39,087
Cumulative Effect of Accounting Change	--	--	12,250	--
Net Income	$ 28,243	$ 23,249	$ 54,674	$ 39,087

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

	June 30 2000 (unaudited)	December 31 1999 (audited)
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 5,000	$ 3,333
Accounts and notes receivable, net	136,046	136,637
Inventories	15,743	15,927
Real estate held for sale	9,140	12,706
Deferred income taxes	12,582	16,260
Prepaid expenses and other assets	9,278	20,739
Accrued deposits to Capital Construction Fund	(1,948)	(3,152)
Total current assets	185,841	202,450
Investments	143,703	158,726
Real Estate Developments	62,585	60,810
Property, at cost	1,782,077	1,748,586
Less accumulated depreciation and amortization	841,808	819,959
Property - net	940,269	928,627
Capital Construction Fund	142,380	145,391
Other Assets	98,595	65,456
Total	$1,573,373	$1,561,460
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Bank overdraft	$ 5,970	$ --
Notes payable and current portion of long-term debt	27,500	22,500
Accounts payable	54,837	55,655
Other	53,106	64,490
Total current liabilities	141,413	142,645
Long-term Liabilities:		
Long-term debt	329,249	277,570
Post-retirement benefit obligations	47,182	60,767
Other	45,466	51,161
Total long-term liabilities	421,897	389,498
Deferred Income Taxes	364,028	358,354
Shareholders' Equity:		
Capital stock	33,307	34,933
Additional capital	54,609	53,124
Unrealized holding gains on securities	39,167	49,461
Retained earnings	531,131	545,849
Cost of treasury stock	(12,179)	(12,404)
Total shareholders' equity	646,035	670,963
Total	$1,573,373	$1,561,460

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

	Six Months Ended June 30 2000	1999
	(unaudited)	
Cash Flows from Operating Activities	$ 50,265	$ 49,235
Cash Flows from Investing Activities:		
Capital expenditures	(51,764)	(27,854)
Proceeds from disposal of property, investments and other assets	752	2,856
Deposits into Capital Construction Fund	(5,909)	(4,702)
Withdrawals from Capital Construction Fund	7,716	6,168
Change in investments, net	5	(808)
Net cash used in investing activities	(49,200)	(24,340)
Cash Flows from Financing Activities:		
Proceeds from issuances of long-term debt	64,000	5,000
Payments of long-term debt	(12,500)	(67,430)
Proceeds (payments) of short-term commercial paper borrowings, net	5,000	(5,000)
Proceeds from issuances of capital stock	51	54
Repurchases of capital stock	(43,294)	(15,792)
Dividends paid	(18,625)	(19,539)
Net cash used in financing activities	(5,368)	(102,707)
Net Decrease in Cash and Cash Equivalents	$ (4,303)	$ (77,812)
Other Cash Flow Information:		
Interest paid, net of amounts capitalized	$ 11,123	$ 8,824
Income taxes paid, net of refunds	17,098	14,832
Other Non-Cash Information:		
Accrued deposits to (withdrawals from) Capital Construction Fund, net	(1,204)	1,811
Depreciation	34,478	38,973
Tax-deferred property sales	23,056	30,813
Tax-deferred property purchases	3,139	5,308
Change in unrealized holding gains	(10,295)	(13,730)

FINANCIAL NOTES
(Unaudited)

(a) The condensed balance sheet as of June 30, 2000, the condensed statements of income for the three months and six months ended June 30, 2000 and 1999, and the condensed statements of cash flows for the six months ended June 30, 2000 and 1999, 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 the donation of appreciated stock.

(c) The Company's total non-owner changes in shareholders' equity consist of net income adjusted for unrealized holding gains (losses) on securities (other comprehensive income). On this basis, comprehensive income for the three months ended June 30, 2000 and 1999 was $17 million and $18 million, respectively. Comprehensive income for the six months ended June 30, 2000 and 1999 was $44 million and $25 million, respectively.

(d) The cumulative effect of an accounting change in 2000 related to the treatment of vessel drydocking costs. The Company changed its method of accounting for these costs from the accrual method to the deferral method. Drydocking costs had been accrued as a liability and an expense on an estimated basis, in advance of the next scheduled drydocking. Under the deferral method, actual drydocking costs are capitalized when incurred and amortized over the period to the next drydocking. The new method amortizes the costs over the period of benefit and eliminates the uncertainty in estimating these costs. This change was made to conform with prevailing industry accounting practices. The cumulative effect of this accounting change, as of January 1, 2000, is shown separately in the condensed statements of income for the six months ended June 30, 2000 and resulted in income of $12,250,000 (net of income tax expense of $7,668,000), or $0.29 per share.

The effect of this change in accounting method as of January 1, 2000, on the condensed balance sheets, was to increase other assets by $4,765,000, eliminate drydocking reserves of $15,153,000, increase deferred taxes by $7,668,000, and increase total shareholders' equity by $12,250,000.

The pro forma net income (assuming the new accounting method was applied retroactively) for the six months ended June 30, 2000 is $42,424,000 (or $1.03 per share). The pro forma effect of this accounting change to 1999 net income was not material.

(e) 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

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SECOND QUARTER EVENTS:

OPERATING RESULTS: Net income for the second quarter of 2000 was $28.2 million, or $0.69 per share. This represented a 21-percent increase over net income in the comparable period of 1999 of $23.2 million, or $0.54 per share. Revenue in the second quarter of 2000 was $276.4 million, compared with revenue of $263.8 million in the second quarter of 1999.

After an accounting change, net income for the first half of 2000 was $54.7 million, or $1.32 per share, versus $39.1 million, or $0.90 per share in the first half of 1999. The accounting change resulted in a one-time, non-cash increase to first-quarter 2000 earnings of $12.3 million. Revenue in the first half of 2000 was $496.3 million, compared with $461.3 million in the first half of 1999.

In the second quarter of 2000, operating profit was $53.1 million, which was $8.8 million, or 20-percent, higher than the $44.4 million operating profit in the second quarter of 1999. For the first half of 2000, operating profit was $83.7 million, an increase of $5.8 million, or seven percent, versus $77.9 million in the first half of 1999. In both the second quarter and first half of 2000, operating profit improved in ocean transportation and in property development and management, but operating results for the food products segment were lower.

Interest expense in both periods of 2000 was higher than in the corresponding periods in 1999, reflecting both higher rates and increased debt balances. Corporate expenses were lower in both periods.

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 $211.6 million at June 30, 2000, a decrease of $41.7 million from December 31, 1999. This net reduction was due primarily to an increase in outstanding debt to fund share repurchases totaling $43.3 million.

Working capital was $44.4 million at June 30, 2000, a decrease of $15.4 million from the amount at the end of 1999. This net decrease was due primarily to a decrease in other current assets, a decline in cash balances and an increase in short-term debt, partially offset by a decrease in short-term liabilities. The decrease in other current assets and in short-term liabilities was due primarily to the elimination of vessel drydocking accruals and related deferred income taxes (see Note d to the Company's condensed financial statements).

RESULTS OF SEGMENT OPERATIONS -
SECOND QUARTER 2000 COMPARED WITH THE SECOND QUARTER OF 1999

OCEAN TRANSPORTATION revenue of $204.7 million for the second quarter of 2000 was nine-percent higher than the 1999 second-quarter revenue. Operating profit of $27.9 million for the second quarter of 2000 was 10-percent higher than $25.3 million in the second quarter of 1999. The improvement was achieved in spite of a virtual doubling of bunker fuel prices from the second quarter of 1999, and it was due primarily to higher Hawaii auto volume, an improved mix of cargo and better results for non-Hawaii operations. Matson's second quarter 2000 Hawaii service container volume was about the same as in the 1999 second quarter, but automobile volume was 34-percent higher. The increase in automobile volume was due primarily to competitive gains.

PROPERTY DEVELOPMENT AND MANAGEMENT - LEASING revenue of $12.4 million for the second quarter of 2000 was 15-percent higher than the second quarter 1999 revenue, and operating profit of $7.6 million was 19-percent higher than in the comparable 1999 period. The increases were due primarily to additions to the property portfolio in the latter part of 1999 and higher rates of occupancy.

PROPERTY DEVELOPMENT AND MANAGEMENT - SALES revenue for the second quarter of 2000 was $25.0 million, compared with $27.2 million in sales recorded in the second quarter of 1999. In the second quarter of 2000, operating profit from property sales was $18.9 million, nearly twice the second quarter 1999 operating profit of $9.9 million. Sales in the second quarter of 2000 included the sale of a ground lease under a Costco store in Kahului, Maui. Other sales in the second quarter of 2000 included six business parcels and six residential properties. Sales in the second quarter of 1999 included the sale of a 109,000 square foot office and research facility, one business parcel and three residential properties.

FOOD PRODUCTS revenue of $33.5 million for the second quarter of 2000 compared with $37.3 million in revenue reported for the comparable period of 1999. In the second quarter of 2000, the food products segment had an operating loss of $2.1 million, compared with $2.0 million of operating profit in the second quarter of 1999. The primary reasons for the unfavorable comparison were low U.S. raw sugar prices and continuing drought conditions that have lowered sugar production. U. S. raw sugar prices are at the lowest level in 22 years and the outlook is uncertain.

RESULTS OF SEGMENT OPERATIONS -
FIRST SIX MONTHS 2000 COMPARED WITH THE FIRST SIX MONTHS OF 1999

OCEAN TRANSPORTATION revenue of $395.2 million for the first half of 2000 was 11-percent higher than in the first half of 1999 and operating profit of $47.8 million increased $4.2 million, or 10 percent, from $43.6 million in the first half of 1999. The year-to-date improvement was due to the same reasons cited for the second-quarter improvement, primarily higher Hawaii auto volume, an improved mix of cargo and better results for non-Hawaii operations. For the first half of 2000, Matson's Hawaii service container volume was two-percent higher than in the 1999 first half, but automobile volume was 49-percent higher. The increase in automobile volume was due primarily to competitive gains.

PROPERTY DEVELOPMENT AND MANAGEMENT - LEASING revenue of $24.3 million for the first half of 2000 was eight-percent higher than the results in the comparable 1999 period. First-half 2000 operating profit of $14.8 million was six-percent higher than in the first half of 1999. The increases were due primarily to additions to the property portfolio in the latter part of 1999 and higher occupancies. Year-to-date 2000 occupancy levels for Mainland properties averaged 96 percent, versus 93 percent in the first half of 1999. Average occupancy levels for Hawaii properties improved to 85 percent, versus 73 percent in the comparable period of 1999. The increase in Hawaii occupancy was experienced in retail and warehouse properties.

PROPERTY DEVELOPMENT AND MANAGEMENT - SALES revenue of $28.0 million in the first half of 2000 compared with $35.1 million recorded in the first half of 1999. Operating profit of $19.6 million from property sales in the first half of 2000 was $4.1 million, or 27 percent, higher than $15.5 million in the first half of 1999. Sales in the first half of 2000 included the Costco ground lease, eight business parcels and 17 residential properties. Among the first half 1999 sales were the office and research facility, plus five business parcels and 11 residential properties.

FOOD PRODUCTS revenue of $47.2 million in the first half of 2000 compared with $45.3 million in revenue for the comparable period of 1999. However, in the first half of 2000, food products broke even on an operating profit basis, compared with operating profit of $3.5 million in the first half of 1999. Again, the reduction in operating profit was primarily the result of low U.S. raw sugar prices and continuing drought conditions that have lowered sugar production. Furthermore, U. S. raw sugar prices are at the lowest level in 22 years and the outlook is uncertain.

OTHER MATTERS

PROPERTY SALES: The mix of property sales in any year or quarter 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 and subdivision lots 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. Consequently, property sales revenue trends and the amount of real estate held for sale on the balance sheets do not necessarily indicate future profitability trends for this segment.

ACCOUNTING CHANGE: The Company recorded an accounting change of $12.3 million (after-tax) in the first half of 2000, relating to the treatment of vessel drydocking costs. The Company changed its method of accounting for these costs from the accrual method to the deferral method. This change was made to conform to prevailing industry accounting practices (see Note d to the Company's condensed financial statements).

CORPORATE ORGANIZATION: The Company merged its wholly owned subsidiary, A&B-Hawaii, Inc., into the Company on December 31, 1999. This merger had no adverse impact on operations or consolidated assets and obligations.

TAX-DEFERRED REAL ESTATE EXCHANGES: In the first half of 2000, the Company sold six parcels of land for $23.1 million. The proceeds from these sales are reflected in the Statements of Cash Flows under the caption "Other Non-Cash Information." During the first half of 2000, the Company reinvested proceeds of $3.1 million on a tax-deferred basis. The reinvested proceeds are also reported under Other Non-Cash Information in the Statements of Cash Flows.

SHARE REPURCHASES: In the first half of 2000, the Company repurchased 2,173,395 shares of its common stock for an aggregate of $43.3 million (average of $19.92 per share).

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: The economic performance for the state of Hawaii continues to improve. The index of leading economic indicators published by the State of Hawaii's Department of Business, Economic Development & Tourism (DBEDT) has leveled off in recent months, however is near its high point. Some economic measures already are improving nonetheless, such as unemployment, jobs and personal income growth. Construction jobs grew by a rapid 8.8% in the first quarter of 2000, the fastest rate of first-quarter growth since 1991. The contracting tax base, a measure of actual construction activity, expanded by a sharp 19.9% in the first quarter of 2000, relative to the year-earlier quarter.

In its June 2000 outlook, DBEDT raised its projections for growth in real gross state product for the year 2000 to 3.5% (from 2.5% in its March 2000 outlook), for 2001 to 3.0% (from 2.7%), and for 2002, it remained the same at 2.6%. The external factors cited for raising the projections were the continuing strength of the U.S. mainland economy and improvement in the Asian economies. Rising growth in visitor arrivals is anticipated, with the projection for growth in 2000 now at 3.8% percent (up from 2.3%). This increase 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 visitor arrivals from Japan.

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-Q, 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) raw sugar prices; (8) labor relations; (9) risks associated with current or future litigation; and (10) other risk factors described elsewhere in such communications and from time to time in the Company's filings with the SEC.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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, 1999. There has been no material change in the quantitative and qualitative disclosure about market risk since December 31, 1999.

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, 2000, 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	38,436,664	706,301
Leo E. Denlea, Jr.	38,415,634	727,331
W. Allen Doane	38,432,720	710,245
Walter A. Dods, Jr.	38,251,213	891,752
Charles G. King	38,423,840	719,125
Carson R. McKissick	38,432,365	710,600
C. Bradley Mulholland	38,797,371	345,594
Lynn M. Sedway	38,438,423	704,542
Maryanna G. Shaw	38,422,680	720,285
Charles M. Stockholm	38,432,617	710,348

(ii) Election of Auditors	For	Against	Abstain
	38,978,648	53,437	110,880

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.(xxvii) Eighth Amendment dated May 3, 2000 to the Revolving Credit Agreement ("Agreement") between Alexander & Baldwin, Inc. and First Hawaiian Bank, dated December 30, 1993 (A&B-Hawaii, Inc., an original party to the Agreement, was merged into Alexander & Baldwin, Inc. effective December 31, 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 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 11, 2000

/s/ James S. Andrasick

James S. Andrasick
Sr. Vice President, Chief
Financial Officer and Treasurer

Date: August 11, 2000

/s/ Thomas A. Wellman

Thomas A. Wellman
Controller

EXHIBIT INDEX

10. Material contracts.

    10.a.(xxvii) Eighth Amendment dated May 3, 2000 to the Revolving Credit Agreement ("Agreement") between Alexander & Baldwin, Inc. and First Hawaiian Bank, dated December 30, 1993 (A&B-Hawaii, Inc., an original party to the Agreement, was merged into Alexander & Baldwin, Inc. effective December 31, 1999).

11. Statement re Computation of Per Share Earnings.

27. Financial Data Schedule.

EIGHTH AMENDMENT TO GRID NOTE

THIS AMENDMENT TO GRID NOTE executed this 3rd day of May, 2000, and effective as of the first day of May 2000, by and between ALEXANDER & BALDWIN, INC., a Hawaii corporation, hereinafter called the "Maker", and FIRST HAWAIIAN BANK, a Hawaii corporation, hereinafter called the "Bank";

WITNESSETH THAT:

WHEREAS, the Bank has extended to the Maker that certain uncommitted line of credit facility in the principal amount not to exceed FORTY MILLION AND NO/100 DOLLARS ($40,000.000.00) which line of credit is evidenced by that certain Grid Note (the "Note") dated December 30, 1993, with a final maturity of said Note being November 30, 1994; and

WHEREAS, the Maker and the Bank subsequently entered into that certain Amendment to Grid Note dated August 31, 1994, whereby the Note was increased to SIXTY-FIVE MILLION AND NO/100 DOLLARS ($65,000,000.00), Section 4 of the Note, entitled "Limitation" was deleted in its entirety and replaced, and the Note was extended to November 30, 1995; and

WHEREAS, the Maker and the Bank subsequently entered into that Second Amendment to Grid Note dated March 29, 1995, whereby the Note was decreased to FORTY-FIVE MILLION AND NO/100 DOLLARS ($45,000,000.00), and Section 4 of the Note, entitled "Limitation" was deleted in its entirety and replaced; and

WHEREAS, the Maker and the Bank subsequently entered into that Third Amendment to Grid Note dated November 17, 1995, whereby the Note was extended to November 30, 1996; and

WHEREAS, the Maker and the Bank subsequently entered into that Fourth Amendment to Grid Note dated November 25, 1996, whereby the Note was extended to November 30, 1997; and

WHEREAS, the Maker and the Bank subsequently entered into that Fifth Amendment to Grid Note dated November 28, 1997, whereby the Note was extended to November 30, 1998; and

WHEREAS, the Maker and the Bank subsequently entered into that Sixth Amendment to Grid Note dated November 30, 1998, whereby the Note was extended to November 30, 1999; and

WHEREAS, the Maker and the Bank subsequently entered into that Seventh Amendment to Grid Note dated November 23, 1999, whereby the Note was extended to November 30, 2000 and with the merger of A&B-Hawaii, Inc. into Alexander & Baldwin, Inc. with Alexander & Baldwin, Inc. being the surviving corporation, the obligations of A&B-Hawaii, Inc. under the Note were terminated with all references in the Note to the Maker to be deemed to be references to Alexander & Baldwin, Inc.; and

WHEREAS, the Maker and the Bank desire to further amend the Note as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Maker and the Bank agree as follows:

1. In the first full paragraph of the Note, the Maximum Commitment shall be changed from $40,000,000.00 to $70,000,000.00. In the top left corner of the first page of the Note, the reference to $40,000,000.00 shall be deleted and replaced by $70,000,000.00. For the valued received, pursuant and subject to the terms of the Note, the Maker promises to pay to the order of the Bank the principal sum of SEVENTY MILLION AND NO/100 DOLLARS ($70,000,000.00) (the "Maximum Commitment"), or so much thereof as may be advanced, with interest on the unpaid principal amount from time to time outstanding at the rates specified in the Note.

2. Section 4 of the Note, entitled "Limitation.", shall be deleted in its entirety and replaced by the following:

   4. Limitation. Notwithstanding any contrary provision hereunder, the unpaid principal balance outstanding under this Note shall not at any time be greater than an amount which, when added to the unpaid principal balance or balances owing

under the $140,000,000.00 Second Amended and Restated Credit and Term Loan Agreement dated as of December 31, 1996, as amended from time to time, among the Maker, the Bank and banks that are parties thereto, exceeds the aggregate principal sum of $140,000,000.00.

In all other respects, the Note, as amended, shall remain unmodified and in full force and effect, and the Maker hereby reaffirms all of its obligations under the Note, as previously amended, and as amended hereby. Without limiting the generality of the foregoing, the Maker hereby expressly acknowledges and agrees that, as of the date of this EIGHTH AMENDMENT TO GRID NOTE, the Maker has no offsets, claims or defenses whatsoever against the Bank or against any of the Maker's obligations under the Note, as previously amended, and as amended hereby.

IN WITNESS WHEREOF, this Eighth Amendment to Grid Note is executed by the undersigned parties as of this 3rd day of May, 2000.

ALEXANDER & BALDWIN, INC.
a Hawaii Corporation

By: /s/ Thomas A. Wellman
Its: Controller & Treasurer

By: /s/ John B. Kelley
Its: Vice President

FIRST HAWAIIAN BANK
a Hawaii Corporation

By: /s/ Adolph F. Chang
Its: Vice President

EXHIBIT 11

ALEXANDER & BALDWIN, INC.
COMPUTATION OF EARNINGS PER SHARE
(In thousands, except per share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	2000	1999	2000	1999
Basic Earnings Per Share				
Net income	$ 28,243	$ 23,249	$ 54,674	$ 39,087
Average number of shares outstanding	40,722	43,318	41,427	43,438
Basic earnings per share	$ 0.69	$ 0.54	$ 1.32	$ 0.90
Diluted Earnings Per Share				
Net income	$ 28,243	$ 23,249	$ 54,674	$ 39,087
Average number of shares outstanding	40,722	43,318	41,427	43,438
Effect of assumed exercise of outstanding stock options	37	12	12	2
Average number of shares outstanding after assumed exercise of outstanding stock options	40,759	43,330	41,439	43,440
Diluted earnings per share	$ 0.69	$ 0.54	$ 1.32	$ 0.90

The schedule contains summary financial information extracted from the condensed balance sheet as of June 30, 2000 and the condensed statement of income for the six months ended June 30, 2000 and is qualified in its entirety by reference to such financial statements.

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6-MOS
DEC-31-2000
JUN-30-2000
(5,970)
5,000
144,421
8,375
15,743
185,841
1,782,077
841,808
1,573,373
141,413
329,249
0
0
33,307
612,728
1,573,373
485,124
496,259
371,477
371,477
0
0
11,306
86,100
23,758
54,674
0
0
0
54,674
1.32
1.32