



ALEXANDER & BALDWIN, INC.

822 Bishop Street
Honolulu, Hawaii 96813
P.O. Box 3440
Honolulu, HI 96801-3440
www.alexanderbaldwin.com
Tel (808) 525-6611
Fax (808) 525-6652

July 1, 2010

Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, HI 96804-2359

Re: State Land Use District Boundary Amendment
Waiale Community Project

Ladies and Gentlemen:

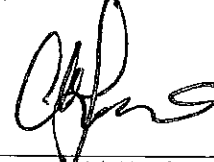
Alexander & Baldwin, Inc. is the owner in fee simple of those certain properties located at Wailuku and Waikapu, Maui, Hawaii, identified by Tax Map Key 3-8-05: 23 and 37 and 3-8-07: 71, 101 and 104. A&B Properties, Inc. intends to develop approximately 545 acres of said parcels for a master planned residential community known as the Waiale Community Project.

Alexander & Baldwin, Inc. hereby authorizes A&B Properties, Inc. and its agents to prepare, file, process and obtain all necessary permits and approvals relating to the development of the Waiale Community Project, including but not limited to, a State Land Use District Boundary Amendment.

Sincerely,

ALEXANDER & BALDWIN, INC.

By: 
Its SENIOR VICE PRESIDENT

By: 
Its ASST. SECRETARY

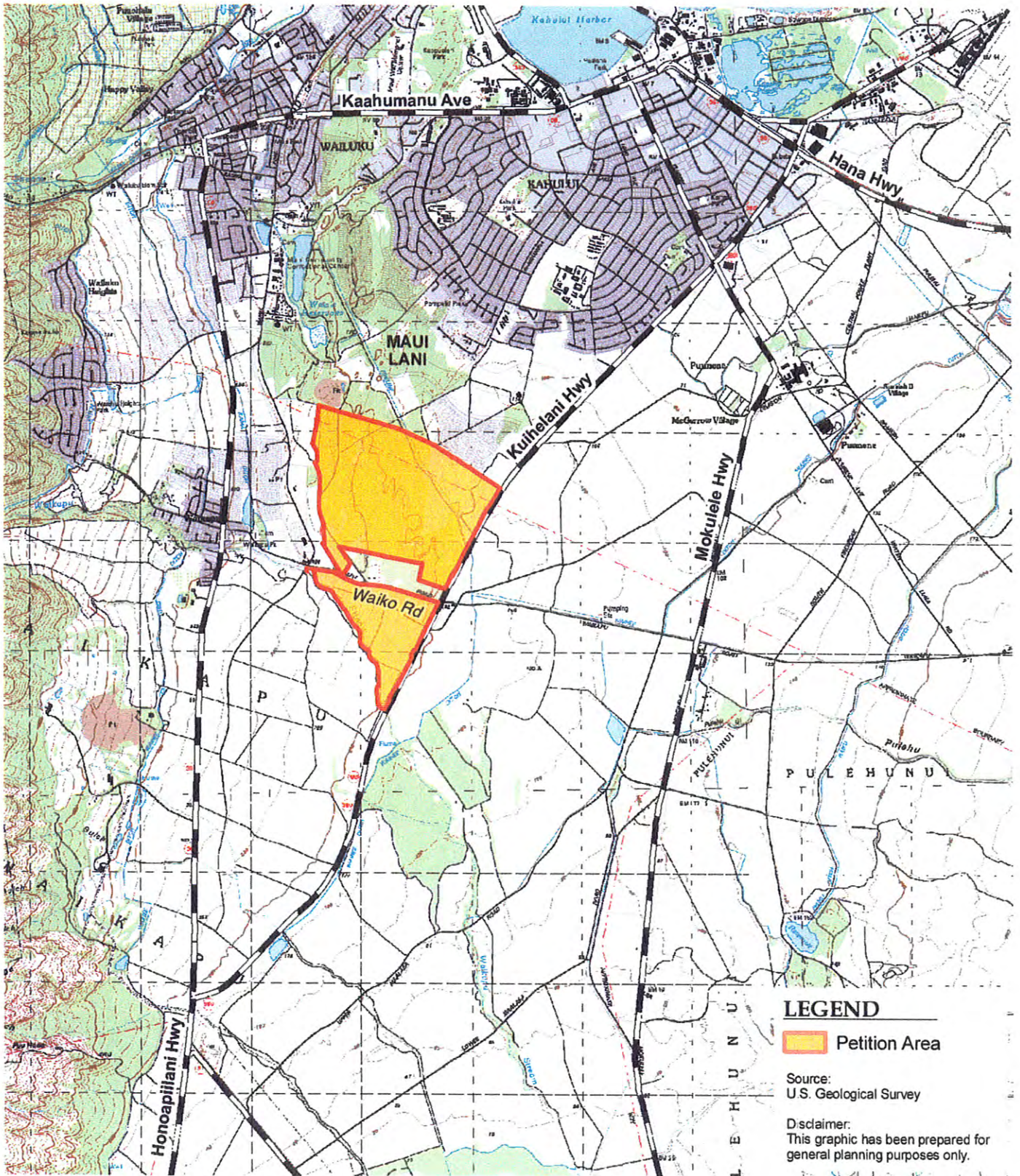
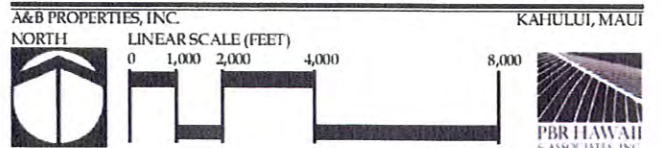


Exhibit 2
Location Map
WAI'ALE



DESCRIPTION

PETITION AREA "A"

TAX MAP KEY: (2) 3-8-007:071, 104
AND 101 (PORTION)

All of that certain parcel of land, being all of Lot 1-B of the Kopaa Subdivision, a portion of Lot 12-A of the Maui Lani Subdivision and portions of Grant 3152 to Henry Cornwell and Grant 3343 to Claus Spreckels situated at Wailuku and Waikapu, Waikapu, Island and County of Maui, State of Hawaii

Beginning at the northeasterly corner of this parcel of land, on the westerly side of Kuihelani Highway [F. A. S. P. No. S-0380 (4)], said point being also the southeasterly corner of Lot 11-C of the Maui Lani Development, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" 8,081.64 feet South and 5,711.01 feet East and running by azimuths measured clockwise True South:

1. Along the westerly side of Kuihelani Highway [F.A.S.P. No. 3-0380 (4)] on a curve to the left with a radius of 11,562.16 feet, the chord azimuth and distance being: 33° 53' 39.8" 576.30 feet;
2. 122° 27' 58.8" 12.00 feet along the westerly side of Kuihelani Highway [F.A.S.P. No. 3-0380(4)],
3. Thence along same on a curve to the left with a radius of 11,574.16 feet, the chord azimuth and distance being: 30° 08' 14.4" 940.69 feet;
4. 27° 48' 30" 367.40 feet along the westerly side of Kuihelani Highway [F.A.S.P. No. 3-0380 (4)];
5. 117° 48' 30" 20.00 feet along same;
6. 27° 48' 30" 200.00 feet along same;
7. 297° 48' 30" 5.00 feet along same;
8. 27° 48' 30" 800.00 feet along same;
9. 117° 48' 30" 35.00 feet along same;

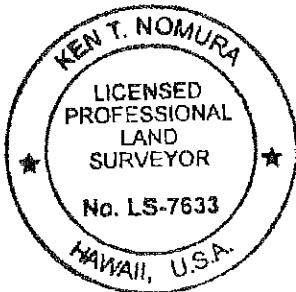
10.	27° 48' 30"	400.00 feet	along same;
11.	297° 48' 30"	15.00 feet	along same;
12.	27° 48' 30"	33.22 feet	along same;
13.	107° 45'	722.49 feet	along Lot 1-C of the Kopaa Subdivision;
14.	191° 45'	462.02 feet	along same;
15.	101° 45'	2,615.78 feet	along same;
16.	322° 07'	271.76 feet	along Lot 1-B of the Kopaa Subdivision;
17.	57° 14' 41"	4.58 feet	along same;
18.	327° 14' 41"	465.24 feet	along the remainder of Grant 3152 to Henry Cornwell (T.M.K: (2)3-8-007:071);
19.	28° 00'	346.45 feet	along same;
20.	118° 00'	199.99 feet	along the northerly side of Waiko Road;
21.	147° 14' 41"	1,104.41 feet	along same and along Lot 1-B of the Kopaa Subdivision;
22.	281° 45'	131.86 feet	along Lot 1-B of the Kopaa Subdivision;
23.	178° 00'	574.79 feet	along the remainder of Lot 12-C of the Maui Lani Subdivision;
24.	Thence along same on a curve to the right with a radius of 1,784.00 feet, the chord azimuth and distance being: 171° 04' 30" 746.40 feet;		
25.	183° 09'	450.00 feet	along the remainder of Lot 12-C of the Maui Lani Subdivision;
26.	Thence along same on a curve to the left with a radius of 1,210.00 feet, the chord azimuth and distance being: 167° 18' 32.5" 660.58 feet;		

27.	237° 20'	71.90 feet	along Lot 12-B of the Maui Lani Subdivision;
28.	184° 50'	250.00 feet	along same;
29.	152° 26'	309.00 feet	along same;
30.	191° 33'	704.00 feet	along same;
31.	185° 45'	445.47 feet	along same;
32.	284° 48' 20"	2,739.12 feet	along Lot 11-D-1-A-1-F, Lot 11- D-1-A-1-A-1 and Lot 11-D-1-A-2 of the Maui Lani Development;
33.	304° 00'	3,264.73 feet	along Lot 11-D-1-A-2, Lot 11-D- 1-A-4-B, Lot 11-D-1-A-4-A and Lot 11-C of the Maui Lani Development to the point of beginning and containing an Area of 422.594 Acres.

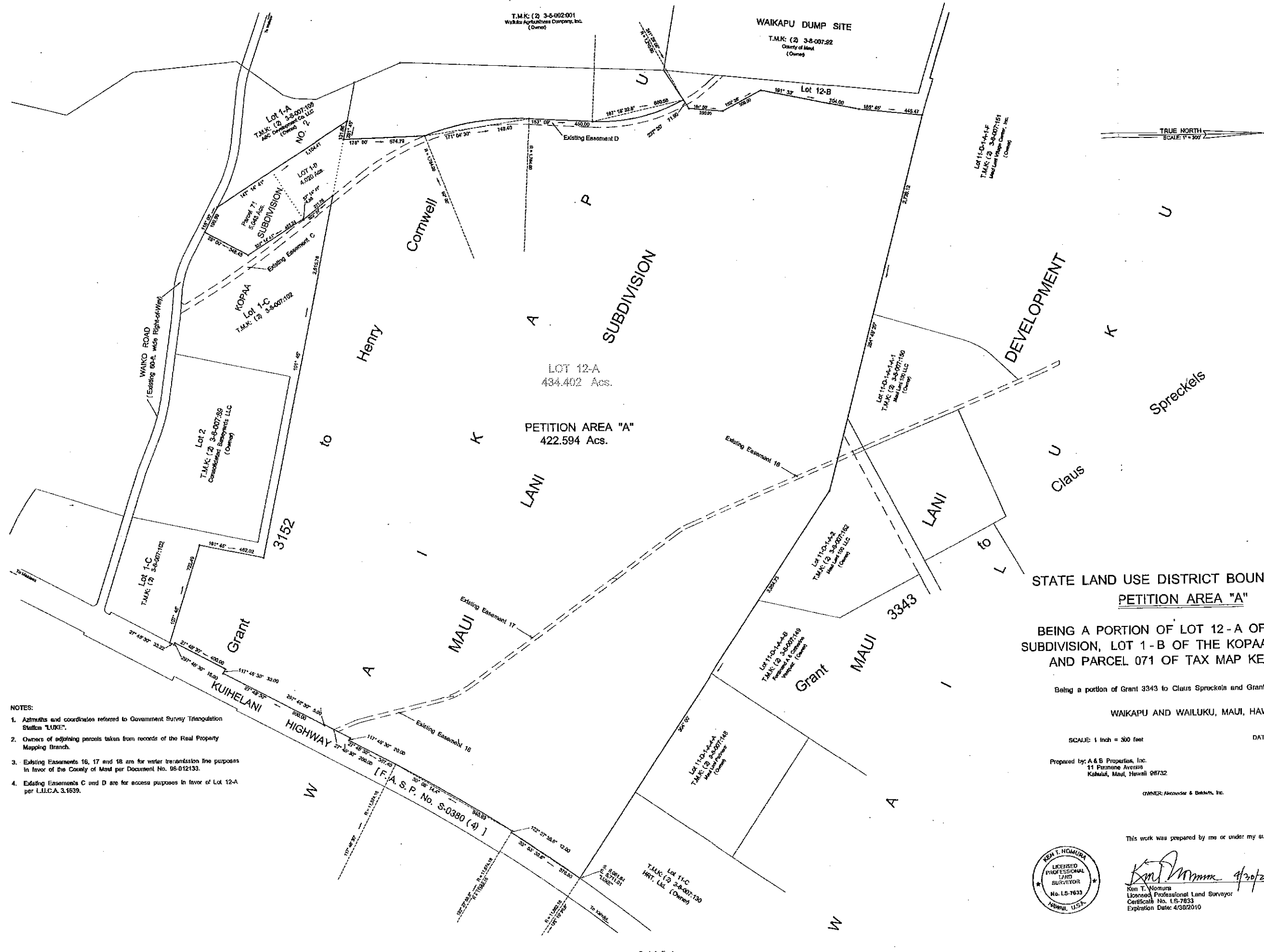
Prepared by: A&B Properties, Inc.
Kahului, Maui, Hawaii

July 10, 2009

This work was prepared by me or under my supervision.



Ken T. Nomura 4/30/2010
 Ken T. Nomura
 Licensed Professional Land Surveyor
 Certificate No. LS-7633
 Expiration Date: 4/30/2010



- NOTES:
1. Azimuths and coordinates referred to Government Survey Triangulation Station "LUKE".
 2. Owners of adjoining parcels taken from records of the Real Property Mapping Branch.
 3. Existing Easements 16, 17 and 18 are for water transmission line purposes in favor of the County of Maui per Document No. 96-012133.
 4. Existing Easements C and D are for access purposes in favor of Lot 12-A per L.L.C.A. 3.1639.

STATE LAND USE DISTRICT BOUNDARY AMENDMENT
PETITION AREA "A"

BEING A PORTION OF LOT 12-A OF THE MAUI LANII SUBDIVISION, LOT 1-B OF THE KOPAA SUBDIVISION NO. 2 AND PARCEL 071 OF TAX MAP KEY: (2) 3-8-007

Being a portion of Grant 3343 to Claurs Spreckels and Grant 3152 to Henry Coriwell

WAIKAPU AND WAILUKU, MAUI, HAWAII

SCALE: 1 Inch = 300 feet

DATE: July 8, 2008

Prepared by: A & S Properties, Inc.
 11 Farnham Avenue
 Kahului, Maui, Hawaii 96732

OWNER: Alexander & Bekkeff, Inc.

This work was prepared by me or under my supervision.



Ken T. Nomura 4/30/2010
 Ken T. Nomura
 Licensed Professional Land Surveyor
 Certificate No. LS-7633
 Expiration Date: 4/30/2010



DESCRIPTION

PETITION AREA "B"

TAX MAP KEY: (2)3-8-005:037 AND 023 (PORTION)

All of that certain parcel of land, being all of Lot 3 and a portion of Lot 4 of the Walter K. Shenk Subdivision, being also a portion of Grant 3152 to Henry Cornwell situated at Waikapu, Wailuku, Island and County of Maui, State of Hawaii

Beginning at the northwesterly corner of this parcel of land, on the southerly side of Waiko Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" being 10,411.85 feet South and 136.75 feet East and running by azimuths measured clockwise from True South:

1. 276° 30' 340.00 feet along the southerly side of Waiko Road;
2. Thence along same on a curve to the right with a radius of 1,020.00 feet, the chord azimuth and distance being:
287° 15' 380.51 feet;
3. 298° 00' 498.99 feet along the southerly side of Waiko Road;
4. Thence along same on a curve to the left with a radius of 730.00 feet, the chord azimuth and distance being:
285° 45' 309.78 feet to a point of reverse curvature;
5. Thence along same on a curve to the right with a radius of 2,720.00 feet, the chord azimuth and distance being:
276° 00' 237.29 feet;
6. 278° 30' 469.65 feet along the southerly side of Waiko Road;
7. Thence along same on a curve to the right with a radius of 1,350.00 feet, the chord azimuth and distance being:
285° 07' 30" 311.50 feet;
8. 291° 45' 253.29 feet along the southerly side of Waiko Road;
9. 287° 45' 966.90 feet along same;

10. Thence along same on a curve to the left with a radius of 950.00 feet, the chord azimuth and distance being:
287° 13' 16" 17.54 feet;
11. Thence along same on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:
337° 15' 01" 46.34 feet;
12. 27° 48' 30" 1,355.35 feet along the westerly side of Kuihelani Highway [F.A.S.P. No. S-0380(4)];
13. 117° 48' 30" 5.00 feet along same;
14. 27° 48' 30" 200.00 feet along same;
15. 297° 48' 30" 5.00 feet along same;
16. 27° 48' 30" 1,100.00 feet along same;
17. 117° 48' 30" 10.00 feet along same;
18. 27° 48' 30" 300.00 feet along same;
19. 297° 48' 30" 5.00 feet along same;
20. 27° 48' 30" 412.45 feet along same;
21. 107° 07' 77.52 feet along the remainder of Lot 4 of the Walter K. Shenk Subdivision (being the remainder of Grant 3152 to Henry Cornwell);
22. 118° 45' 55.17 feet along same;
23. 142° 21' 42.56 feet along same;
24. 185° 32' 67.95 feet along same;
25. 189° 02' 200.44 feet along same;
26. 163° 25' 89.55 feet along same;
27. 190° 55' 148.50 feet along same;
28. 173° 16' 183.73 feet along same;
29. 179° 36' 223.95 feet along same;
30. 167° 13' 199.83 feet along same;

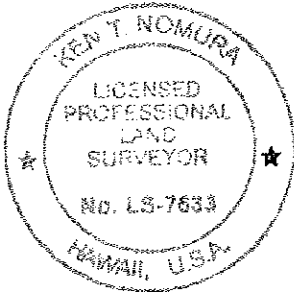
31.	157° 11'	146.91 feet	along same;
32.	124° 26'	112.05 feet	along same;
33.	154° 10'	85.83 feet	along same;
34.	173° 20'	197.01 feet	along same;
35.	142° 44'	23.99 feet	along same;
36.	113° 52'	71.52 feet	along same;
37.	116° 58'	112.02 feet	along same;
38.	174° 38'	198.93 feet	along same;
39.	163° 17'	251.92 feet	along same;
40.	148° 50'	185.28 feet	along same;
41.	153° 15'	119.97 feet	along same;
42.	141° 10'	140.68 feet	along same;
43.	129° 37'	127.19 feet	along same;
44.	150° 48'	144.58 feet	along same;
45.	140° 37'	141.05 feet	along same;
46.	152° 01'	63.16 feet	along same;
47.	162° 10'	138.88 feet	along same;
48.	149° 24'	78.67 feet	along same;
49.	137° 48'	52.02 feet	along same;
50.	125° 46'	119.73 feet	along same;
51.	133° 58'	105.22 feet	along same;
52.	163° 28'	108.03 feet	along same;
53.	133° 29'	114.74 feet	along same;
54.	104° 06'	83.47 feet	along same;
55.	102° 35'	145.60 feet	along same;

56.	122° 54'	88.55 feet	along same;
57.	128° 25'	50.07 feet	along same;
58.	145° 08'	50.48 feet	along same;
59.	155° 18'	38.31 feet	along same;
60.	171° 30'	32.31 feet	along same;
61.	175° 51'	235.74 feet	along same;
62.	140° 17'	105.18 feet	along same to the point of beginning and containing an Area of 122.635 Acres.

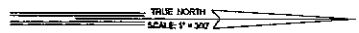
Prepared by: A&B Properties, Inc.
Kahului, Maui, Hawaii

July 10, 2009

This work was prepared by me or under my supervision.



Ken T. Nomura 4/30/2010
 Ken T. Nomura
 Licensed Professional Land Surveyor
 Certificate No. LS-7633
 Expiration Date: 4/30/2010

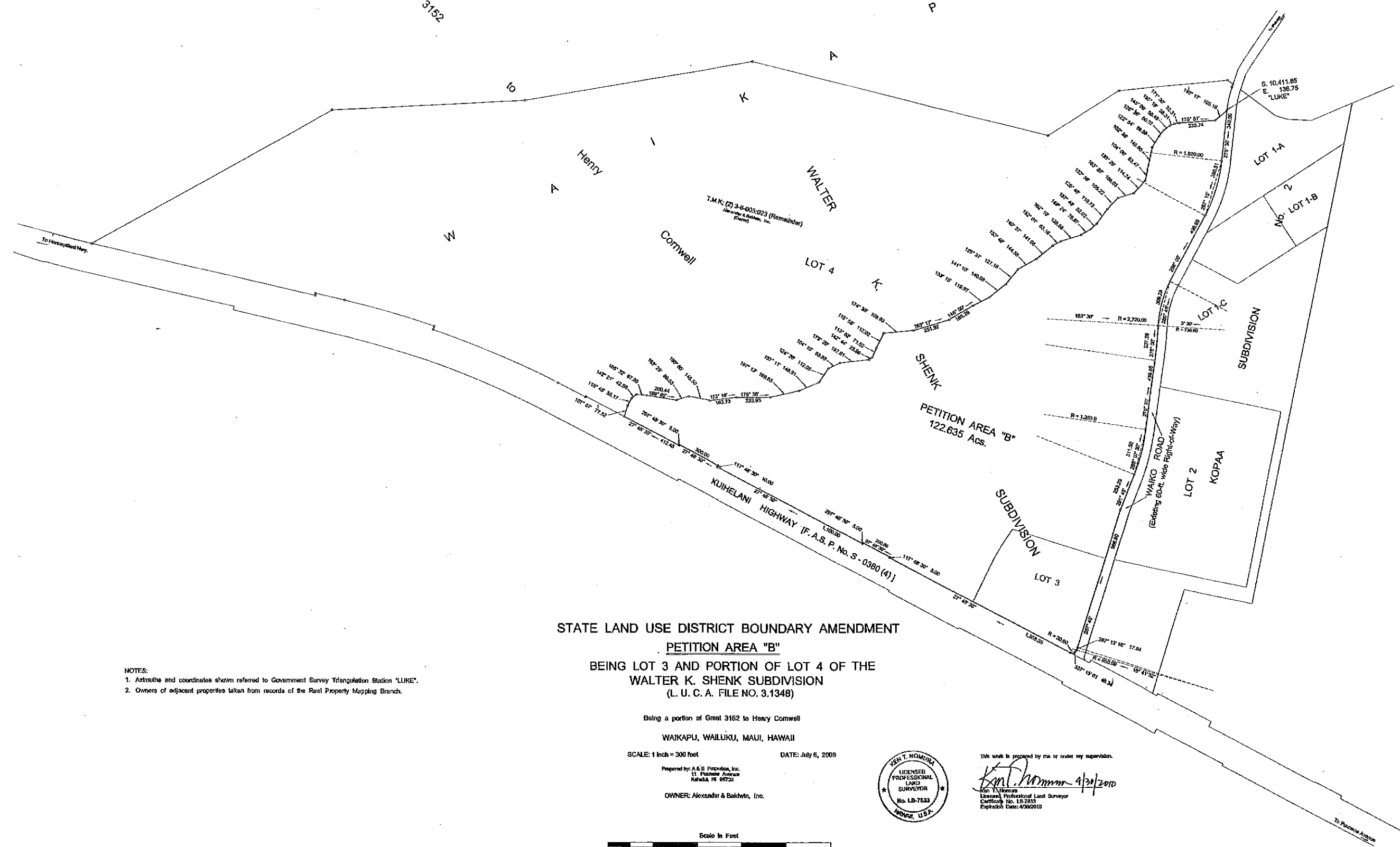


Grant

T.M.K. (2) 3-8-023
Waikuku Agribusiness Company, Inc.
(Owner)

3152

U



STATE LAND USE DISTRICT BOUNDARY AMENDMENT
PETITION AREA "B"
BEING LOT 3 AND PORTION OF LOT 4 OF THE
WALTER K. SHENK SUBDIVISION
(L. U. C. A. FILE NO. 3.1348)

Being a portion of Great 3152 to Henry Corwell

WAIKAPU, WAILUKU, MAUI, HAWAII

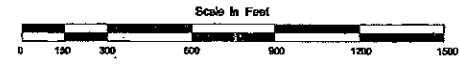
SCALE: 1 inch = 300 feet DATE: July 6, 2009

Prepared by: A & B Properties, Inc.
11 Puuame Avenue
Haleakala, HI 96722

OWNER: Aleksandar & Bakhtin, Inc.



This work is prepared by me or under my supervision.
Ken T. Nomura 4/24/2010
Ken T. Nomura
Licensed Professional Land Surveyor
Certificate No. LB-7533
Expiration Date: 4/30/2013



- NOTES:
1. Azimuths and coordinates shown referred to Government Survey Triangulation Station "LUKE".
 2. Owners of adjacent properties taken from records of the Real Property Mapping Branch.

STATUS REPORT

Maximum liability limited to
\$3,500.00

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of March 19, 2010 at 8:00 a.m.

Inquiries concerning this report should be directed to
MONIQUE AGARPAO.
Email magarpao@tghawaii.com
Fax (808) 521-0210
Telephone (808) 533-5610.
Refer to Order No. 201012558.

EXHIBIT "4"

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (2) 3-8-005-023 Area Assessed: 342.400 acres

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Free flowage of Waikapu Stream as shown on Tax Map.

4. The terms and provisions contained in the following:

INSTRUMENT : ROYAL PATENT GRANT NUMBER 3152

DATED : November 18, 1945

The foregoing includes, but is not limited to, matters relating to reservation of native rights.

5. LICENSE

TO : MAUI ELECTRIC COMPANY, LIMITED

DATED : December 1, 1921

RECORDED : Liber 621 Page 428

GRANTING : rights of way over, across and along any and all of the permanent railway lines and/or roads for utility purposes

SCHEDULE B CONTINUED

6. LEASE

TO : MAUI ELECTRIC COMPANY, LIMITED and HAWAIIAN
TELEPHONE COMPANY, now known as HAWAIIAN TELCOM,
INC.

DATED : August 5, 1960

RECORDED : Liber 3906 Page 64

LEASING : rights-of-way for utility purposes for a term of 35
years from the date hereof, and thereafter from year
to year until terminated

7. GRANT

TO : COUNTY OF MAUI

DATED : September 19, 1961

RECORDED : Liber 4159 Page 172

GRANTING : a non-exclusive easement for water pipeline
purposes over Easement "G" (15 feet wide), more
particulary described therein

8. Vehicle access into and from Kahului Airport-Maalae Highway,
Federal Aid Secondary Project No. S-0380 (4), shall be permitted
for agricultural purposes only, as contained in Deed dated August
16, 1971, recorded in Liber 7762 at Page 50 and as shown on Tax
Map.

9. Field L Pasture as shown on Tax Map.

10. 50 feet vehicle access premitted as shown on Subdivison Map dated
September 9, 1987.

11. Any unrecorded leases and matters arising from or affecting the
same.

SCHEDULE B CONTINUED

12. Claims arising out of customary and traditional rights and practices, including without limitation those exercised for subsistence, cultural, religious, access or gathering purposes, as provided for in the Hawaii Constitution or the Hawaii Revised Statutes.

13. Matters arising out of, including any access and utility rights in favor of the parcel (unlocated kuleana) excluded in Schedule C.

14. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

-Note:- A current survey, with metes and bounds description, should be made of said premises.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 3152 to H. Cornwell and Royal Patent Number 4122, Land Commission Award Number 3397, Apana 3 to Puhi) situate, lying and being at Waikapu, Wailuku, County of Maui, State of Hawaii, bearing Tax Key designation (2) 3-8-005-023, and containing an area of 342.400 acres, more or less.

EXCEPTING AND EXCLUDING that portion of the above described parcel of land, being an unlocated kuleana, affected by Royal Patent Number 4122, Land Commission Award Number 3397, Apana 3 to Puhi, containing an area of 1.65 acres, more or less.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : ALEXANDER & BALDWIN, INC., a Hawaii corporation
GRANTEE : A&B-HAWAII, INC., a Hawaii corporation
DATED : March 30, 1989, but effective as of April 1, 1989
RECORDED : Liber 23006 Page 583

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
2. Filed with the Department of Commerce and Consumer Affairs of the State of Hawaii (Business Registration), is the merger of A&B-HAWAII, INC., a Hawaii corporation with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, by CERTIFICATE OF MERGER dated January 3, 2000, recorded as Document No. 2000-003694.

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
 - B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
 - C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
 - D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
 - F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
 - G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 3/25/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 005 023 0000

CLASS: 5 AREA ASSESSED: 342.400 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2009

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

BUILDING	\$	0	
EXEMPTION	\$	0	
NET VALUE	\$	0	
LAND	\$	143,400	AGRICULTURAL USE VALUE
EXEMPTION	\$	0	
NET VALUE	\$	143,400	
TOTAL NET VALUE	\$	143,400	

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 9/30/2009

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2009	2	322.65				322.65	PENDING
2009	1	322.65				322.65	PAID
2008	2	322.65				322.65	PAID
2008	1	322.65				322.65	PAID

Total Amount Due: 322.65

Penalty and Interest Computed to: 9/30/2009

STATUS REPORT

Maximum liability limited to
\$3,500.00

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of March 18, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
MONIQUE AGARPAO.
Email magarpao@tghawaii.com
Fax (808) 521-0210
Telephone (808) 533-5610.
Refer to Order No. 201012563.

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (2) 3-8-005-037 Area Assessed: 10.000 acres

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. The terms and provisions contained in the following:

INSTRUMENT : ROYAL PATENT GRANT NUMBER 3152

DATED : November 18, 1945

The foregoing includes, but is not limited to, matters relating to reservation of native rights.

4. Any unrecorded leases and matters arising from or affecting the same.
5. Claims arising out of customary and traditional rights and practices, including without limitation those exercised for subsistence, cultural, religious, access or gathering purposes, as provided for in the Hawaii Constitution or the Hawaii Revised Statutes.
6. Matters arising out of, including any access and utility rights in favor of the parcel (unlocated kuleana) excluded in Schedule C.

SCHEDULE B CONTINUED

7. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

-Note:- A current survey, with metes and bounds description, should be made of said premises.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 3152 to H. Cornwell and Royal Patent Number 4122, Land Commission Award Number 3397, Apana 3 to Puhi) situate, lying and being at Waikapu, Wailuku, County of Maui, State of Hawaii, bearing Tax Key designation (2) 3-8-005-037, and containing an area of 10.000 acres, more or less.

EXCEPTING AND EXCLUDING that portion of the above described parcel of land, being an unlocated kuleana, affected by Royal Patent Number 4122, Land Commission Award Number 3397, Apana 3 to Puhi, containing an area of 1.65 acres, more or less.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : ALEXANDER & BALDWIN, INC., a Hawaii corporation

GRANTEE : A&B-HAWAII, INC., a Hawaii corporation

DATED : March 30, 1989, but effective as of April 1, 1989

RECORDED : Liber 23006 Page 583

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
2. Filed with the Department of Commerce and Consumer Affairs of the State of Hawaii (Business Registration), is the merger of A&B-HAWAII, INC., a Hawaii corporation with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, by CERTIFICATE OF MERGER dated January 3, 2000, recorded as Document No. 2000-003694.

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
 - B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
 - C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
 - D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
 - F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
 - G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 3/25/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 005 037 0000

CLASS: 5 AREA ASSESSED: 10.000 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2009

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

BUILDING	\$	0
EXEMPTION	\$	0
NET VALUE	\$	0
LAND	\$	5,000 AGRICULTURAL USE VALUE
EXEMPTION	\$	0
NET VALUE	\$	5,000
TOTAL NET VALUE	\$	5,000

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 9/30/2009

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2009	2	75.00				75.00	PENDING
2009	1	75.00				75.00	PAID
2008	2	30.00				30.00	PAID
2008	1	30.00				30.00	PAID

Total Amount Due: 75.00

Penalty and Interest Computed to: 9/30/2009

STATUS REPORT

Maximum liability limited to
\$3,500.00

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of March 22, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
MONIQUE AGARPAO.
Email magarpao@tghawaii.com
Fax (808) 521-0210
Telephone (808) 533-5610.
Refer to Order No. 201012570.

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (2) 3-8-007-071 Area Assessed: 5.043 acres

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. The terms and provisions contained in the following:

INSTRUMENT : ROYAL PATENT GRANT NUMBER 3152

DATED : November 18, 1945

The foregoing includes, but is not limited to, matters relating to reservation of native rights.

4. Any unrecorded leases and matters arising from or affecting the same.
5. Claims arising out of customary and traditional rights and practices, including without limitation those exercised for subsistence, cultural, religious, access or gathering purposes, as provided for in the Hawaii Constitution or the Hawaii Revised Statutes.
6. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 3152 to H. Cornwell) situate, lying and being Waikapu, Wailuku, County of Maui, State of Hawaii, and thus bounded and described:

Beginning at a pipe at the southeasterly corner of this parcel of land, on the northerly side of Waikapu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" being 10,652.35 feet south and 1,133.48 feet east and running thence by azimuths measured clockwise from true South:

- | | | | |
|----|--------------|--------|---|
| 1. | 118° 00' | 200.00 | feet along the northerly side of Waikapu Road to a pipe; |
| 2. | 147° 14' 14" | 460.00 | feet along the remaining portion of Grant 3152 to H. Cornwell land owned by Alexander and Baldwin, In. to a pipe; |
| 3. | 237° 14' 41" | 400.00 | feet along same to a pipe; |
| 4. | 327° 14' 41" | 465.24 | feet along same to a pipe; |
| 5. | 28° 00' | 346.45 | feet along same to the point of beginning and containing an area of 5.043 acres, more or less. |

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : ALEXANDER & BALDWIN, INC., a Hawaii corporation

GRANTEE : A&B-HAWAII, INC., a Hawaii corporation

DATED : March 30, 1989, but effective as of April 1, 1989

RECORDED : Liber 23006 Page 583

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
2. Filed with the Department of Commerce and Consumer Affairs of the State of Hawaii (Business Registration), is the merger of A&B-HAWAII, INC., a Hawaii corporation with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, by CERTIFICATE OF MERGER dated January 3, 2000, recorded as Document No. 2000-003694.

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
 - B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
 - C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
 - D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
 - F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
 - G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 3/25/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 007 071 0000

CLASS: 5 AREA ASSESSED: 5.043 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2009

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

BUILDING	\$	0
EXEMPTION	\$	0
NET VALUE	\$	0
LAND	\$	100 AGRICULTURAL USE VALUE
EXEMPTION	\$	0
NET VALUE	\$	100
TOTAL NET VALUE	\$	100

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 9/30/2009

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2009	2	75.00				75.00	PENDING
2009	1	75.00				75.00	PAID
2008	2	30.00				30.00	PAID
2008	1	30.00				30.00	PAID
						Total Amount Due:	75.00

Penalty and Interest Computed to:

STATUS REPORT

Maximum liability limited to
\$3,500.00

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of March 31, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
LESLIE BALMILERO.
Email lbalmilero@tghawaii.com
Fax (808) 521-0287
Telephone (808) 533-5869.
Refer to Order No. 201012565.

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (2) 3-8-007-101 Area Assessed: 434.402 acres

Land Classification: AGRICULTURAL

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Lease of right-of-way, in favor of MAUI ELECTRIC COMPANY, LIMITED and GTE HAWAIIAN TELEPHONE COMPANY, INCORPORATED, now known as HAWAIIAN TELCOM, INC., dated August 5, 1960, recorded in Liber 3906 at Page 64; granting rights-of-way, each twenty-five (25) feet in width, over, across and under over the land described herein, for a term of thirty-five (35) years from the date hereof, and thereafter from year to year until terminated.

4. GRANT

TO : COUNTY OF MAUI

DATED : September 19, 1961

RECORDED : Liber 4159 Page 172

GRANTING : an easement over Easement "B" being more particularly described therein

SCHEDULE B CONTINUED

5. GRANT

TO : COUNTY OF MAUI
DATED : December 11, 1979
RECORDED : Liber 14533 Page 192
GRANTING : an easement over Easement "17" being more particularly described therein

6. CERTIFICATE dated June 2, 1983, recorded in Liber 17086 at Page 382 by A&B PROPERTIES, INC., a Hawaii corporation, re: reclassification of approximately 680 acres.

7. The terms and provisions contained in the following:

INSTRUMENT : SECOND 14.04.010 (E) AGREEMENT RELATING TO FIRE PROTECTION
DATED : August 25, 1987
RECORDED : Liber 21387 Page 752
PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation, CERIZO BROTHERS, INC., a Hawaii corporation, and the COUNTY OF MAUI and its DEPARTMENT OF WATER SUPPLY

8. The terms and provisions contained in the following:

INSTRUMENT : AGREEMENT TO DEFER SUBDIVISION REQUIREMENTS
DATED : September 27, 1989
RECORDED : Liber 23854 Page 9
PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation, and the DEPARTMENT OF WATER SUPPLY of the County of Maui

SCHEDULE B CONTINUED

9. Unrecorded Purchase and Exchange Agreement dated February 20, 1989, made by and between ALEXANDER & BALDWIN, INC., a Hawaii corporation and BILL MILLS, which agreement is now held by MAUI LANI PARTNERS, a Hawaii general partnership.

10. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (AGRICULTURAL USE)

DATED : August 29, 1989

RECORDED : Liber 23899 Page 679

PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation,
and the COUNTY OF MAUI, through its Department of
Public Works

11. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)

DATED : August 29, 1989

RECORDED : Liber 23899 Page 689

PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation,
and the COUNTY OF MAUI

12. The terms and provisions contained in the following:

INSTRUMENT : AGREEMENT RELATING TO FIRE PROTECTION

DATED : July 18, 1990

RECORDED : Document No. 90-139708

PARTIES : FRANK WEATHERFORD, doing business as MAUI SOD FARM,
and the DEPARTMENT OF WATER SUPPLY of the County of
Maui

SCHEDULE B CONTINUED

13. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)
DATED : March 22, 1991
RECORDED : Document No. 91-051286
PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation and
MAUI LAND PARTNERS, a Hawaii general partnership
and the COUNTY OF MAUI

14. GRANT

TO : COUNTY OF MAUI, a political subdivision of the
State of Hawaii
DATED : April 30, 1991
RECORDED : Document No. 92-134141
GRANTING : a perpetual nonexclusive easement from Waikapu
Road, also known as Waiko Road to property owned by
the County of Maui known as the Waikapu Landfill
side, over and across "Easement Area" (being
Easement "D"), for ingress and egress purposes,
said Easement Area being more particularly
described therein

15. RESTRICTION OF VEHICLE ACCESS RIGHTS

ALONG : Kuihelani Highway
SHOWN : on Subdivision Map by Allen K. Watanabe, Land
Surveyor, dated March 2, 1992, revised May 15, 1992
and approved by the County of Maui, Department of
Public Works on May 22, 1992 (LUCA File No. 3.1539)

16. DESIGNATION OF EASEMENT "D"

PURPOSE : for access purposes
SHOWN : on Subdivision Map by Allen K. Watanabe, Land
Surveyor, dated March 2, 1992, revised May 15, 1992
and approved by the County of Maui, Department of
Public Works on May 22, 1992 (LUCA File No. 3.1539)

SCHEDULE B CONTINUED

17. DESIGNATION OF EASEMENT "B"

PURPOSE : for water line purposes
SHOWN : on Subdivision Map by Allen K. Watanabe, Land Surveyor, dated March 2, 1992, revised May 15, 1992 and approved by the County of Maui, Department of Public Works on May 22, 1992 (LUCA File No. 3.1539)

18. DESIGNATION OF EASEMENT "17"

PURPOSE : for water line purposes
SHOWN : on Subdivision Map by Allen K. Watanabe, Land Surveyor, dated March 2, 1992, revised May 15, 1992 and approved by the County of Maui, Department of Public Works on May 22, 1992 (LUCA File No. 3.1539)

19. DESIGNATION OF EASEMENT "18"

PURPOSE : for water line purposes
SHOWN : on Subdivision Map by Allen K. Watanabe, Land Surveyor, dated March 2, 1992, revised May 15, 1992 and approved by the County of Maui, Department of Public Works on May 22, 1992 (LUCA File No. 3.1539)

20. GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED and HAWAIIAN TELCOM, INC.

DATED : December 15, 2003

RECORDED : Document No. 2006-147438

GRANTING : a perpetual right and easement for utility purposes

21. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

SCHEDULE B CONTINUED

22. Any unrecorded leases and matters arising from or affecting the same.

23. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described in Schedule C herein.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 3152 to Henry Cornwell and Royal Patent Grant Number 3343 to Claus Spreckels) situate, lying and being at Wailuku Commons, District of Wailuku, Island and County of Maui, State of Hawaii, being LOT 12-A of the "MAUI LANI SUBDIVISION" bearing Tax Key designation (2) 3-8-007-101, and containing an area of 434.402 acres, more or less.

Said above described parcel of land having been acquired by ALEXANDER & BALDWIN, INC., a Hawaii corporation by the following Deeds:

1. By DEED of HAWAIIAN COMMERCIAL AND SUGAR COMPANY, a California corporation, dated December 31, 1926, recorded in Liber 865 Page 8; and
2. By DEED of ALEXANDER & BALDWIN, INC., a Hawaii corporation, dated March 30, 1989, recorded in Liber 23006 at Page 583.

END OF SCHEDULE C

GENERAL NOTES

1. The name of HAWAIIAN COMMERCIAL AND SUGAR COMPANY, LTD. was changed to ALEXANDER & BALDWIN, LTD. by instrument dated January 3, 1962, recorded in Liber 4199 at Page 105.
2. The name of ALEXANDER & BALDWIN, LTD. was changed to ALEXANDER & BALDWIN, INC. by instrument dated January 2, 1962, recorded in Liber 4191 at Page 481.
3. The name of A&B HAWAII, INC. merged with and in to ALEXANDER & BALDWIN, INC., by instrument dated December 31, 1999, recorded as Document No. 2000-003694.

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
 - B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
 - C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
 - D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
 - F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
 - G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 7/14/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 007 101 0000

CLASS: AGRICULTURAL AREA ASSESSED: 434.402 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2010

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

BUILDING	\$	59,500	
EXEMPTION	\$	0	
NET VALUE	\$	59,500	
LAND	\$	1,684,900	AGRICULTURAL USE VALUE
EXEMPTION	\$	0	
NET VALUE	\$	1,684,900	
TOTAL NET VALUE	\$	1,744,400	

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 3/31/2010

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2009	2	4,299.30				4,299.30	PAID
2009	1	4,299.30				4,299.30	PAID
2008	2	3,912.30				3,912.30	PAID
2008	1	3,912.30				3,912.30	PAID

STATUS REPORT

Maximum liability limited to
\$3,500.00

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of August 11, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
MONIQUE AGARPAO.
Email magarpao@tghawaii.com
Fax (808) 521-0210
Telephone (808) 533-5610.
Refer to Order No. 201012566.

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (2) 3-8-007-104 Area Assessed: 4.070 acres

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. The terms and provisions contained in the following:

INSTRUMENT : ROYAL PATENT GRANT NUMBER 3152

DATED : November 18, 1945

The foregoing includes, but is not limited to, matters relating to reservation of native rights.

4. Any unrecorded leases and matters arising from or affecting the same.
5. Claims arising out of customary and traditional rights and practices, including without limitation those exercised for subsistence, cultural, religious, access or gathering purposes, as provided for in the Hawaii Constitution or the Hawaii Revised Statutes.

SCHEDULE B CONTINUED

6. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

-Note:- A current survey, with metes and bounds description, should be made of said premises.

7. Claims arising out of the failure to convey the land described herein together with an easement or right of access.

-Note:- This will be deleted from the policy if such conveyance occurs prior to the policy date.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant 3152 to Henry Cornwell) situate, lying and being at Waikapu, Wailuku, County of Maui, State of Hawaii, being LOT 1-B of the "KOPAA SUBDIVISION NO. 2", bearing Tax Key designation (2) 3-8-007-104 and containing an area of 4.070 acres, more or less.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : ALEXANDER & BALDWIN, INC., a Hawaii corporation

GRANTEE : A&B-HAWAII, INC., a Hawaii corporation

DATED : March 30, 1989, but effective as of April 1, 1989

RECORDED : Liber 23006 Page 583

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

2. Filed with the Department of Commerce and Consumer Affairs of the State of Hawaii (Business Registration), is the merger of A&B-HAWAII, INC., a Hawaii corporation with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, by CERTIFICATE OF MERGER dated January 3, 2000, recorded as Document No. 2000-003694.

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
 - B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
 - C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
 - D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
 - F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
 - G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 8/16/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO : SCHENK,GREG

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 007 104 0000

CLASS: AGRICULTURAL AREA ASSESSED: 4.070 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2010

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

BUILDING	\$	0
EXEMPTION	\$	0
NET VALUE	\$	0
LAND	\$	100 AGRICULTURAL USE VALUE
EXEMPTION	\$	0
NET VALUE	\$	100
TOTAL NET VALUE	\$	100

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 7/01/2010

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2010	2	75.00				75.00	PENDING
2010	1	75.00				75.00	PENDING
2009	2	75.00				75.00	PAID
2009	1	75.00				75.00	PAID
2008	2	30.00				30.00	PAID
2008	1	30.00				30.00	PAID

Total Amount Due: 150.00

Hawaiian
Commercial
& Sugar
Co.

To

Hawaiian
Commercial
& Sugar
Co., Ltd.

Lead

This Indenture, dated and to become effective the 31st day of December, 1926, made by and between the Hawaiian Commercial and Sugar Company, a corporation duly organized and existing under and by virtue of the laws of the State of California, party of the first part, herein sometimes called the "Grantor", whose principal place of business and post office address is Paunaea, Island of Maui, Territory of Hawaii, and the Hawaiian Commercial and Sugar Company, Limited, a corporation duly organized and existing under and by virtue of the laws of the Territory of Hawaii, party of the second part, herein sometimes called the "Grantee", whose principal office and post office address is in the Stangenwald Building on Merchant Street in Honolulu, City and County of Honolulu, in said Territory;

Witnesseth: Whereas, the Grantor, as a corporation foreign to the Territory of Hawaii, has for many years been engaged in carrying on its sugar plantation and business on said Island of Maui, and for economic and administrative reasons its stockholders have determined to transfer its corporate situs to said Territory of Hawaii; and to that end have caused said Hawaiian Commercial and Sugar Company, Limited, the Grantee hereunder, to be incorporated in Hawaii to take over and carry on the said business and property and assume, perform and discharge all debts, liabilities, contracts and other obligations in connection therewith; and

Whereas, said Grantor now has a capital stock of ten million dollars represented by four hundred thousand paid up shares of stock of the par value of twenty-five dollars per share; and said Grantee was incorporated with an initial capital stock of one thousand dollars, fully paid up with funds furnished for the purpose by the Grantor, represented by forty shares of capital stock of the par value of twenty-five dollars per share, and which forty shares will be transferred to the Grantor by the holders thereof concurrently with the execution of this instrument; and the Grantee, being thereunto authorized for the purposes herein expressed, has increased its capital stock, on the date hereof, to ten million dollars in order to issue to the Grantor three hundred ninety-nine thousand nine hundred sixty additional shares of stock of said par value, fully paid and non-assessable, by way of payment or exchange for the conveyance to it herein made by the Grantor of said business and property; it being intended that the Grantor, in hereafter effecting its own disincorporation in the State of California, will

distribute said four hundred thousand shares of the capital stock of the Grantee among its own stockholders, share for share, according to their respective holdings of stock of said California corporation:

Now therefore: The Grantor, acting pursuant to and in execution of the terms of the resolution in this behalf passed and adopted by its stockholders on December 8, 1926, at a special meeting regularly called and noticed to be held for the purpose on November 17, 1926, and on that day regularly adjourned to said 8th day of December, 1926, and in consideration of the transfer to it now made of said forty paid up shares of the capital stock of the Grantee, the receipt thereof being by it hereby acknowledged, and the issue and delivery to it now made by the Grantee of said three hundred ninety-nine thousand nine hundred sixty additional paid up and non-assessable shares of the capital stock of the Grantee, the receipt thereof being by the Grantor also hereby acknowledged, and also in consideration of the covenants hereinafter contained on the part of the Grantee with respect to the liabilities and obligations of the Grantor, does hereby grant, convey, assign, transfer, set over and deliver unto the Grantee, its successors and assigns, all of the business properties, assets and interests of every kind and character of said Grantor, wherever situate, as the same stand on the date hereof, as a going concern, (other than said forty shares of stock of said Hawaiian Commercial and Sugar Company, Limited, concurrently assigned by the holders thereof to said Grantor as aforesaid), and including, without prejudice to the generality of the foregoing terms, all of the lands and properties mentioned in the schedules thereof hereunder written, and all other properties whether mentioned in said schedules or not, including, in general terms; all lands, tenements, hereditaments, estates, reversions, remainders, easements, rights, privileges and appurtenances, chattels real and personal, options, leaseholds, licenses, and franchises; all sugar cane and growing crops, all sugar and other products of any of its factories or works; all railways and their equipment including engines, cars, tracks, and other rolling stock and equipment; all water and water rights, licenses, agreements, privileges and other interests relating to water or the use thereof, and all pumps and pumping plants and irrigation works relating to the development, conservation, carriage or utilization of water, including wells, shafts, tunnels, ditches, pipe-lines, flumes, gates, dams, reservoirs, tanks and other works and facilities; all buildings and other improvements including

mills, factories, warehouses, shops, stores, hospitals, barns, garages, houses, laborers' and other quarters and camps, fences, bridges and other improvements and fixtures of every kind; all agricultural, manufacturing and other machinery, tools, implements, appliances and equipment or accessories, plows, harrows, tractors, trucks, autos, wagons, carts, and other vehicles and their accessories; all horses, mules, cattle and other animals, and poultry, and all harnesses, saddles, packs, and other paraphernalia incident to the use of animals; all hydro-electric and other plants and light and power lines and electrical machinery, apparatus and supplies; all store, house, office, hospital and other furniture, furnishings and equipment; all goods, wares, merchandise, materials and supplies; all property in the nature of or representing investments, including shares of stock in other corporations (except said forty shares of stock of the Grantee corporation), bonds, debentures, notes, certificates of indebtedness or deposit, and other forms of securities or evidences of property and indebtedness; all cash on hand and in banks, reserves, surplus, rents, credits, accounts, debts, dues, claims and demands whatsoever; and all contracts, agreements, choses in action and other forms or kinds of property or interests in any manner appurtenant to or connected with any of the said property or the business of the Grantor; and including also the good will of said business; and whether any of the said property, rights or interests are now vested or contingent, tangible or intangible, in possession or in action;

To have and to hold all and singular the properties, business and interests aforesaid, with the rents, issues and profits thereof, unto the Grantee, its successors and assigns, absolutely, according to the same title, tenure and interest therein as owned or claimable by the Grantor;

But subject, nevertheless, to all outstanding leases, contracts, licenses, agency and other agreements, and all other obligations of the Grantor affecting or in any manner connected with any of the said property or business, and subject also to all just claims for unpaid taxes, rents, or other debts, claims, demands or liabilities of every kind now existing and which may in any manner hereafter arise or accrue or become chargeable respecting or affecting any of the said property or said business; and provided that all rights of creditors of the Grantor and all liens upon any of the property hereby conveyed shall be

preserved unimpaired.

And the Grantor agrees that if at any time or times hereafter the Grantee shall deem or be advised that any other or further deeds, assignments, transfers or assurances in the law are necessary or desirable to vest or perfect title in the Grantee as to any of the property hereby intended to be conveyed or assigned, then upon the written demand of the Grantor (while existing as a legal entity) or its trustees in dissolution while exercising their office shall and will, without any other or further consideration, make, execute and deliver to the Grantee all such other or further deeds, assignments or other instruments and assurances in the law, or do such other things, as may be necessary or appropriate to vest title to such property completely in the Grantee as herein contemplated and intended.

And this Indenture further witnesseth: That the Grantee, in consideration of the premises, for itself and its successors and assigns, does hereby assume, and covenant with the Grantor and its legal representatives and stockholders that it will pay, satisfy and discharge all taxes, debts, and other liabilities and obligations of every character for which the Grantor is now or may become liable in connection with or relating to said business or property, and also all expenses in connection with the disincorporation of the Grantor, and also that it will fulfill, in the place and stead of the Grantor, all contracts, leases, guarantys, agency and other agreements, and other undertakings, obligations and responsibilities, of every character and in whatever form which the Grantor has entered into or undertaken or with respect to which the Grantor has or may become obligated, in any manner incidental to or connected with said business or property taken over by the Grantee as aforesaid; and, also, that it will and its successors or assigns shall at all times hold harmless and indemnify the Grantor and its directors, officers, trustees or other legal representatives in dissolution, and its stockholders, from any and all liability or obligation with respect to any of the matters aforesaid; and that for any such purpose and as often as may be necessary it will make and enter into any separate and specific agreement, contract, bond, guaranty or agreement of indemnity, with respect to any particular obligation or liability; provided that the Grantee may in its own discretion put in issue, defend against, compromise, liquidate and settle any such claim, demand or matter of liability.

The schedules of property hereinbefore mentioned are the following:

Schedules

- A. Main Plantation Properties. (One Page)
- B. West Maui Water System. (Two Pages)
- I. Rights under Wailuku Exchange Deed.
- II. Perpetual Rights of Way (other than as in I).
- III. Water Rights (other than as in I).
- C. H. C. & S. Co. rights of way across H. A. Co., Ltd's Plantation (One Page)
- D. Miscellaneous Lands and Rights. (Two Pages)
- I. Central Maui.
- II. East Maui.
- III. Lahaina and Keanapali.
- E. Properties not included in A, B, C, or D (general). (One Page)
- F. Miscellaneous deeds given by H. C. & S. Co. et al (Two Pages)
- G. Leases given by H. C. & S. Co. (lessor). (One Page)
- H. Licenses and rights of way granted by H. C. & S. Co. to others. (One Page)
- I. Agreements under which H. C. & S. Co. has certain rights and obligations. (One Page)

Schedule A.

Main Plantation Properties

1. The Ahupuaa of Wailuku as granted by the Hawaiian Government to Claus Spreckels by Gt. 3543.
2. The Ahupuaa of Waikapu (Gt. 3152 to Henry Cornwell), as conveyed, in part, to Claus Spreckels by deeds recorded in 56/68 and 68/497, and, as to the remaining part, to Hawaiian Commercial and Sugar Co. by deed 152/90.
3. The Portion of the Ahupuaa of Pulehunui, (L.C.A. 5230, L.P. 6140 to Keaweanahi), as conveyed, in part, to Claus Spreckels by deeds recorded in 56/68 and 68/497, and, as to the remaining part, to Hawaiian Commercial and Sugar Co. by deed 152/90.
4. The Portions of the Ilis of Owa and Kalua, (L.C.A. 420; R.P. 1996 to Euihelani and L.C.A. 7713; 23 to V. Kammalu), as conveyed to H.C. & S. Co. by 194/198 and 310/200, and being comprised in part of the lands described in Boundary Certificate issued covering the Ili of Kalua.
5. The Portions of the Ahupuaas of Kalialinui and Pulehunui, (L.C.A.

7124:L.P.8167 to Kamaikaalca and L.C.A.5230:L.P.8140 to Keaweanahi), as conveyed to H.C. & S. Co. by 620/395.

6. The following lands as conveyed to H.C. & S. Co. by Exchange Deed with Maui Agricultural Company Limited by 730/95 and by deed filed in Land Court:-

(a) 7.83 acres of Gt. 3565 to Haleakala Ranch Company at Hokuula, Kula (Lot "B" in said deed).

(b) 170.45 acres of said Gt. 3565 (Lot "D" in said deed).

(c) 0.98 acre of Gt.5167 to H.P.Baldwin at Omaopio (Lot "J" in said deed).

(d) Land as described in Owner's Transfer Certificate of Title 2937 to H.C.& S.Co., which said land is to be conveyed to H.C.& S.Co. Ltd., by deed intended to be recorded concurrently herewith.

Excepting from the lands as above described the portions thereof conveyed to:

(1) Wailuku Sugar Company by Exchange Deed 740/134 (All such portions of lands as described under "1" to "6" above as are West of a described line running from Kahului Bay to Maalaea Bay).

(2) Maui Agricultural Company, Limited, by deed 730/100 (Lots A,C, F,H,I,K,L and M as shown on M.A.Co.Ltd.-H.C.& S.Co. Boundary Map of 1923).

(3) Various parties by deeds as listed in Schedule F.

Certain portions of the above lands are subject to the leases as listed in Schedule G and to the rights of way and licenses as listed in Schedule H.

(4) Old roadway at Kahului from U.S.Custom House lot to Wharf St. as conveyed by Territory of Hawaii to Kahului Railroad Co. October 14, 1910. 342/190. 0.49 acre.

(5) Custom House lot-Kahului. Property of U.S.A. Approximately 0.17 acre.

(6) Muleanas not owned by H.C.& S. Co. (if any).

Schedule B.

West Maui Water System (and rights incidental thereto).

I. Rights under "Wailuku Exchange Deed".

All rights of every nature of Hawaiian Commercial and Sugar Co. under the terms and provisions of that certain Exchange Deed and Agreement between H.C.& S. Co. and Wailuku Sugar Company of June 23, 1924 (740/134), including particularly:

1. 5/12 of waters of Waihee Stream (up to capacity of New Waihee Ditch).
2. 1/2 of the remaining waters of Waihee Stream.
3. All waters of South Waiehu Stream above a certain point.
4. Certain surplus waters.
5. Certain power rights in Iao Valley and easements therefor.
6. Perpetual rights of way for all aqueducts and works of H.C. & S. Co.'s West Maui Water System.
7. Certain waters developed by the Wailuku River tunnels and perpetual rights of way for said tunnels.
8. Certain house lots at Wailuku and Waiehu.
9. Other rights of H.C. & S. Co. as set forth in the general agreement regarding maintenance, operation and control of ditches, water development projects, acquisition of additional water rights and rights of way, water power rights and sundry matters.

(This deed and agreement is effective to the full extent of the interests of H.C. & S. Co. and W.S.Co. in all properties and rights referred to in the above list).

II. Perpetual Rights of Way (other than as in I).

A. Rights of way, originally fee simple strips, but now perpetual rights of way by the terms of "Wailuku Exchange Deed" 740/134.

(1) From A.E.Kepeikai and fourteen others, 81/393, as to strips of land in Wailuku and Waiehu, totalling 8.03 acres as occupied by Spreckel's Waihee Ditch.

(2) From Mary Kallieha and three others, 191/349, as to strips of land in Wailuku totalling 3.51 acre as occupied by said ditch.

(3) From Kaauwai and two others, 191/350, as to a strip of land in Wailuku, 1/8 acre in area, as occupied by said ditch.

B. Perpetual Rights of Way across or under.

(1) L.C.A.436:R.P.4588 so Kapau, at Wailuku, from Akana Akoloha, 193/343 ("Wailuku Ditch").

(2) L.C.A.409 to Kanakole, at Wailuku, from J.K.Kalua, 210/355, ("Wailuku Ditch").

(3) L.C.A.3220:R.P.4167 to Ahulu, at Wailuku, from Aulia Ah Ieong, 217/64, and J.Paikaka, 210/369, and as to the 2.06 acres of L.C.A.3220 from A.E.Kepeikai 223/101, the fee of which is now vested in W.S.Co. ("Wailuku Ditch").

(4) L.C.A.2629:R.P.398 to Haleipuleho, at Wailuku, from Moses Haeaililili, et al. 225/483.

(Wailuku River Tunnels - No surface privileges).

Schedule B.
Page 1.

(5) L.C.A.457:R.P.4149 to Kawailiiliili, at Wailuku, from M.H.Keohekalolo 229/136.

(Wailuku River Tunnels - No surface privileges).

(6) Lot at Waiehu as described in deed of Wailuku Sugar Company to Kapohuli, April 8, 1897. From Kapohuli 292/165. From Kapohuli 292/165. (For Ditch).

(7) Land at Ohiamui and Ohialeki, Waiehu.

From P. Goodness 291/377. (For Ditch).

(8) Level land at Wailuku. From M.S.Level 521/289.

(Spreckel's Waihee Tunnel under 0.24 acre in Wailuku Town).

III. Water Rights (other than as in I above).

(1) 5/12 of the water rights of L.C.A.2655:R.P.6721 at Waihee as reserved from 350/28 (H.C.& S. Co. to C. Brewer & Co. Ltd.).

(2) 5/12 of the water rights of 0.23 acre at Waihee, from W.Naehu. 746/466.

(3) The water rights of certain lands in South Waiehu and 5/12 of the water rights of certain lands at Waihee, from Wailuku Sugar Co. 765/12.

(4) 5/12 of the water rights of certain lands at Waihee, from Wailuku Sugar Company 780/49.

Schedule B.
Page 2.

Schedule C.

H.C.& S.Co. Rights of Way across M.A.Co's Plantation

1. Lowrie, New Haiku and Kahaka Ditches.

Perpetual rights of way for the H.C.& S. Co's Lowrie, New Haiku and Kahaka Ditches, or aqueducts, across lands of Maui Agricultural Co.Ltd., and perpetual easements over roads and trails in connection therewith. From M.A.Co. Ltd. Dec. 31, 1926.

2. Kahaka Panstock.

Perpetual right of way from M. A. Co. Ltd. by 729/50 and 829/193.

3. Kahaka Tail-Race Ditch.

Perpetual right of way from M. A. Co. Ltd. by 729/50.

Schedule C.
Page 1.

Schedule D.

Miscellaneous Lands and Rights

I. Central Maui

1. L.C.A.8365:R.P. 6148 to Kalua in Ili Makaaka, Waihee, area 1.84 acres.

From J. H. Trask and Pauahi Trask, 97/65.

2. Lots 29, 30, 31, and 32 of Cemetery of Wailuku Cemetery Association. By deed of April 26, 1886.

3. Kaheka Power House Lot. 2.37 acres at Kaheka (portion of Ahupuaa of Hamakua). By deed 729/30.

4. Kaheka Power House Superintendent's Lot. 0.92 acre at Kaheka (portion of Ahupuaa of Haliimaile. By deed 829/173.

5. Old Kahului School Lot. 0.75 acre. By deed 225/214.

6. "Alexander & Baldwin, Lot". 0.73 acre in Kahului (portion of Ili of Kalua as conveyed by Samuel Parker to Alexander and Baldwin 176/73). By deed 201/43.

7. All interest of H.C. & S.Co. in such lands West of the division line described in "Wailuku Exchange Deed" (740/134) as were occupied by the railway of Kahului Railroad Company on June 23, 1924. (as reserved by H.C. & S. Co. in said deed.)

8. All sea fisheries of which H.C. & S. Co. was declared to be the owner by judgment dated May 24, 1909; in the case of H.C. & S.Co. vs. Territory of Hawaii:

1. The sea fisheries described in L.C.A.420 to Kiihelani (Ili of Owa) and covering 73 acres and 1 square chain in area.

2. All sea fisheries adjoining the Ahupuaa of Wailuku and extending along the entire northerly boundary thereof from low water mark to a line one geographical mile seaward therefrom.

Schedule D.
Page 1.

9. Permission to maintain electric power transmission lines across certain highways (by resolution of Board of Supervisors, June 7, 1917.)

II. East Maui.

1. Option to purchase railway rights of way across lands owned by M.S.Santos within the Ahupuaa of Keesala. By grant from M.S.Santos March 31, 1926.

2. The following interests in the Ulumalu Hui lands (Qt. 2974 to E.H.Allen, L.C.A.311 to F.Caswell and L.C.A.10474 to Hamaun) as conveyed by Moses Kahiapo to J. Mahoe, et al, Dec. 3, 1883.

(a) The share of Kupuale (by 623/248).

(b) 10 acres of share of Papoko (by 623/248).

(c) 15 acres of share of S. Kapaki (by 623/248).

(d) The share of K. Kalia (by 194/143).

(e) The share of Kanahuna (by 200/113).

(f) 1/6 share of J. Mahoe (by 216/323).

(g) The share of B. Kahopuoku (by 210/361).

Total 4-1/6 shares and 25 acres, or approximately 180 acres.

3. All interest of H.C. & S. Co. in the Ahupuaa of East Kaupakulua (Gt. 771 to Hikiou), said interest consisting of:

Reversionary interest in Lot 40 (area 56.53 acres) of the lands conveyed to Territory of Hawaii for homesteading purposes only by Maui Railroad and Steamship Company, Dec. 20, 1912 (said Lot 40 not having been homesteaded).

The right to grant to Kahului Railroad Company within a certain term rights of way across any portions of the lands conveyed by said deed.

III. Iahaina and Kaanapali.

1/6 undivided interest and 1/48 undivided interest in:

1. 1/3 undivided interest in L.C. 61451 to Kamakahiku at Honokohau, Kaanapali.

Schedule D.
Page 2.

2. 11/100 acre of L.C.A. 525 to Kahiamee at Iahaina.

The said interests having been acquired by deeds from Mary Pulehu Smythe and James K. Smythe, respectively, of Oct. 27, 1926.

Schedule E.

Properties not included in A, B, C or D. (General)

All other properties of every nature owned by H.C. & S. Co. or that may hereafter accrue to the benefit of H.C. & S. Co. and particularly the properties acquired by or under the following deeds:

From Claus Spreckels, 76/206, 93/235, 188/250, 198/234 and 201/155.

From Waikapu Sugar Company 152/90.

From H.A. Baldwin, et al, Trustees 620/395 (Properties of Kihel Plantation Company, Limited).

From Maui Railroad and Steamship Company 623/248.

Excepting from the said properties such portions thereof as have been conveyed by deeds listed or noted herein.

And excepting particularly all portions of the said properties as conveyed by H.C. & S. Co. to East Maui Irrigation Company, Limited, by deed dated December 31, 1926 and recorded just prior to this instrument.

Schedule E.
Page 1.

Schedule F.

Miscellaneous Deeds Given by H. C. & S. Co.

(In certain of these deeds, H.C. & S. Co. has reversionary interests or options to purchase).

Grantee	Instrument of	Land conveyed	Area
T. of H.	June 21, 1905 269/431	Puunene School Lot	1.98

Grantee	Instrument of	Land conveyed	Area
Trustees, Lodge Maui #984.	July 11, 1906 282/408	Masonic Lot-Kahului	0.38
Dept. of Public Instruction	Sept. 17, 1908 225/214 311/7	Kahului School Lot	1.35
County of Maui	July 2, 1909 (Reserving rights of way across Puunene Avenue.)	Puunene Avenue	14.10
T. of H.	Oct. 14, 1910 342/190 (Reserving rights of way for Kahului Railroad Company)	Wharf Street	1.10
T. of H.	Oct. 14, 1910 342/208	Main Street	8.12
U.S.A.	Oct. 14, 1910 337/332	At East Breakwater	1.50
Catholic Mission	Dec. 14, 1910 337/403	Puunene Cemetery	0.58
Catholic Mission	Dec. 14, 1910 337/406	Puunene Church	0.38
J. de Andrade	July 1, 1910 350/316	Portuguese Camp Lot	1.00
G. J. Nobrega	July 1, 1910 350/320	Portuguese Camp Lot	1.00
P. Fernandez	Dec. 1, 1910 252/207	Portuguese Camp Lot	1.00
M. Mendosa	Dec. 1, 1910 352/217	Portuguese Camp Lot	1.00
T. of H.	May 31, 1912	Kihel Wharf Lot	1.31
Trustees, Kahului Union Church	Mar. 12, 1913	(Church Lot (as changed by {771/423}). {Church Parish Lot	0.70 0.40
T. of H.	Dec. 24, 1915 448/107	Kihel-Kamole Road	0.84
T. of H.	Dec. 20, 1916 462/284	Tank Site-Kalua	0.09
County of Maui	Feb. 13, 1919 508/246	Spreckelsville School Lot	0.57
M. H. Bacallau	Sept. 20, 1914 508/249	Portuguese Camp Lot	0.67
T. of H.	July 24, 1919 523/237	Fair Building Lot	0.48
L. T. Fleming, et al	Sept. 8, 1920 576/331	Land in "sand Hills"	28.74
F. F. Baldwin	April 14, 1920	Beach Lot-Spreckelsville	5.20
S. A. Baldwin	April 14, 1920 593/451	Beach Lot-Spreckelsville	4.80
E. W. Rice	April 14, 1920 598/52	Beach Lot-Spreckelsville	5.80
C. C. Campbell	April 14, 1920	Beach Lot-Spreckelsville	2.91
County of Maui	June 16, 1921 605/361	Lot at Piikaha-Wailuku	0.82
T. of H.	May 17, 1922 640/145	New Puunene School Lot	10.00
U.S.A.	June 20, 1922 (Reserving certain rights of way)	Seaplane Base-Kahului	1.89
D. T. Fleming	Nov. 9, 1922	Land in "Sand Hills"	17.10
C. Savage	Mar. 14, 1923	Beach Lot-Spreckelsville	1.60
U.S.A.	June 13, 1923	Range Light Lot-Kahului	0.18
Trustees, Maui Funeral Parlors	Nov. 6, 1924	Funeral Parlot Lot	0.28
T. of H.	Feb. 19, 1925	Land for Harbor-Kahului	0.06
M. H. Kunewa	April 13, 1925	On Kahului-Wailuku Road	0.56

Grantee	Instrument of	Land conveyed	Area	
Pacific Trust Co., Ltd.	May 13, 1925	Kahului Lot	0.32	
J. H. Foss	Feb. 19, 1926	Beach Lot-Spreckelsville	2.59	
J. H. Foss	March 1, 1926	Beach Lot-Spreckelsville	0.50	Schedule F. Page 1.
S. A. Baldwin	March 22, 1926	Beach Lot-Spreckelsville	1.12	
T. of H.	Dec. 21, 1925	Kahului School Lot	4.63	
T. of H.	Dec. 22, 1925	"Standard School" Lot, Spreckelsville	4.00	
California Packing Corporation	April 22, 1926	Land at Kahului	37.40	
T. of H.	April 22, 1926	Main Street Extension	0.27	
G. R. and H. S. Carter	Aug. 11, 1926	Beach Lot-Spreckelsville	2.50	

Miscellaneous Deeds Given by Certain Predecessors of H. C. & S. Co.

Claus Spreckels to Estate of J. Boardman. October 13, 1883. 86/64.

0.43 acre lot at Kahului (now owned by Kahului Railroad Co.).

S. Parker to Kahului Railroad Co. July 27, 1897. 172/160.

10.00 acres of Ill of Kalua at Kahului (now owned by Kahului Railroad Co.).

S. Parker to Minister of Interior. December 30, 1885. 19/474.

Schedule F.
Page 2.

2.00 acres of Ill of Owa (near Catholic Cemetery).

Schedule G.

Leases given by H.C. & S. Co. (Lessor)

I. Kahului Townsite Lease.

To Kahului Railroad Company, August 10, 1907. 293/139.

Kahului Townsite (Gross area, 219.4 acres) excepting therefrom all lands owned by third parties, lands reserved by H.C. & S. Co. and lands surrendered from the lease, the net area under this lease now being 170.26 acres. (See Title Report Dec. 17, 1924).

Term: To July 15, 1937.

II. Kahului "Beach Property" Lease.

To Kahului Railroad Company. April 30, 1918.

38.00 acres west of Kahului Townsite.

Term: To July 15, 1937.

III. Sundry Leases.

Lessee	Land	To Expire	Annual Rental
1. Bureau of Agriculture & Forestry	2.70 acres at Kahului	Dec. 31, 1932	\$10
2. Trustees, Alexander Settlement	3.00 acres at Spreckelsville Beach	Dec. 31, 1928	\$20 & taxes

Lessee	Land	To Expire	Annual Rental
3. C.D. Iufkin	0.92 acres at Spreckelsville Beach	Dec. 31, 1929	\$10 & taxes
4. Trustees, Maunaloa Seminary	2.36 acres at Spreckelsville Beach	Dec. 31, 1928	\$30 & taxes
5. D. H. Case	0.20 acres at Spreckelsville Beach	Dec. 31, 1929	\$10 & taxes
6. W. A. Clark	2.50 acres at Spreckelsville Beach	Dec. 31, 1928	\$30 & taxes
7. H. B. Weller	Spreckelsville Theater	June 30, 1929	\$240
8. H. B. Weller	Punene Theater	June 30, 1929	\$360
9. Mrs. E. Leinert	1.00 acre at Maalaea Bay	Feb. 28, 1929	\$5 & taxes
10. Standard Oil Co. of California	3.43 acres at Kahului	Nov. 22, 1945	\$1 & taxes
11. H. J. Grant, Trustee	0.18 acre at Kahului	May 31, 1940	\$1 & taxes
12. Maui Electric Co., Ltd.	1.75 acres on Beach Road	Nov. 30, 1936	\$175 & taxes
13. Maui County Fair & Racing Ass'n.	22.57 acres near Kahului	Dec. 31, 1970	\$1
14. Maui Country Club, Ltd.	121.9 acres near Spreckelsville	June 30, 1950	\$1 & taxes
15. S.E. Taylor	2.00 acres Spreckelsville Beach		\$20 & taxes

Schedule G, Part 1.

Schedule H.

Licenses and Rights of Way granted by H.C. & S. Co. to others.

1. Kahului-Wailuku Waterworks and Territory of Hawaii.

Rights of way for water main across sand hills (Dec. 11, 1900) and for 4" pipe line from tank in Owa to Kahului, Oct. 10, 1916, 462/284.

2. Kahului Railroad Company.

Perpetual right of way for railway purposes from Spreckelsville to M.A. Co. Ita's boundary, July 31, 1915, 422/281.

3. Maui Telephone Company License.

License covering telephone lines on H.C. & S. Co. property, April 11, 1918.

4. Maui Electric Company, Ltd. License.

License covering electric power lines on H.C. & S. Co. property, Dec. 1, 1921.

Schedule I.

Agreements under which H.C. & S. Co. has certain Rights and Obligations.

1. East Maui Water System Agreement between H.C. & S. Co., M.A. Co. Ltd., and E.M.I. Co. Ltd., dated Dec. 31, 1926. (Appertaining to all matters in

- connection with the water system of the East Maui Irrigation Co. Ltd.)
- ✓ 2. West Maui Water System Agreement between H.C.& S. Co. and Wailuku Sugar Co. of June 23, 1924, 740/134 (Appertaining to all matters in connection with the water system of the H.C.& S. Co. and of the H.C.& S.Co. and W.S.Co. in common).
- ✓ 3. Agreement regarding sales of water by H.C.& S.Co. to County of Maui. Aug. 11, 1926. Term: To Aug. 31, 1931.
- ✓ 4. General Agency Agreement with Alexander & Baldwin, Ltd. April 8, 1903. (As revised Sept. 29, 1920, and Aug. 21, 1923). Term: Until one year after notice of termination.
- 5. Stock Pooling Agreement between H.C.& S. Co., et al, and E.F.Bishop, et al, Trustees, March 15, 1921. (Pooling of stock in C. & H. S. R. Corp.) Term: To March 15, 1941, but terminable at any time under certain conditions.
- ✓ 6. Agreement between H.C.& S. Co. et al, and The Bank of California, L. A., Feb. 1, 1922.
- 7. Sugar Marketing Agreement and Contract between H.C. & S. Co. and Sugar Factors Co. Ltd., Sept. 30, 1925. Term: To date of termination of Oct. 5, 1932, agreement between S.F.Co.,Ltd. and C. & H.S.R.Corp., or of the stock pooling agreement as above noted.
- 8. Molasses Marketing Agreement and Contract between H.C.& S. Co. and Sugar Factors Co.. Ltd., Aug. 16, 1923. Term: To Dec. 31, 1928.
- 9. Fuel Oil Handling Agreement between Alexander & Baldwin Ltd., and H.C.& S. Co., et al, Oct. 20, 1921..
- 10. Surplus Power Agreements with Kahului Railroad Co. (Jan. 1, 1923) and Maui Electric Co.,Ltd. (May 17, 1926), respectively, regarding sale of power by H.C.& S.Co. (Each of said agreements being subject to year to year renewal by letter).

Schedule I
Page 1.

In witness whereof said parties hereto have duly executed this instrument in duplicate as of the day and year first above written.

(Corporate Seal) Hawaiian Commercial and Sugar Company
 By F.F.Baldwin, President
 By C.R.Hemenway, Assistant Secretary

(Corporate Seal) Hawaiian Commercial and Sugar Company,
 Limited
 By J.Waterhouse, Vice President
 By J.P.Cooks, Treasurer

Territory of Hawaii, County of Maui, : ss. On this 23rd day of December

A.D.1926, before me appeared F.F.Baldwin to me personally known, who being by me duly sworn did say that ^{he is} ~~the~~ the President respectively of Hawaiian Commercial and Sugar Company and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said F.F.Baldwin acknowledged said instrument to be the free act and deed of said corporation.

(Notarial Seal)

R. B. Braue, Notary Public,

Second Judicial Circuit, Territory of Hawaii.

Territory of Hawaii)
 City and County of Honolulu) ^{ss.} On this 31st day of December, 1926, before me appeared C. F. Hemenway, to me personally known, who, being by me duly sworn, did say that he is the Assistant Secretary of the Hawaiian Commercial & Sugar Company, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said C.R.Hemenway acknowledged said instrument to be the free act and deed of said corporation.

(Notarial Seal)

James F. Morgan, Notary Public,

First Judicial Circuit, Territory of Hawaii.

Territory of Hawaii)
 City and County of Honolulu) ^{ss.} On this 31st day of December 1926, before me appeared J. Waterhouse and J.P.Cooke both to me personally known, who, being by me duly sworn, did say that they are respectively the Vice President and Treasurer of the Hawaiian Commercial & Sugar Co. Ltd., and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said J. Waterhouse and J.P.Cooke acknowledged said instrument to be the free act and deed of said corporation.

(Notarial Seal)

James F. Morgan, Notary Public,

1st Judicial Circuit, Territory of Hawaii.

Entered of record this 3rd day of January A.D.1927, at 10:16 o'clock A.M. and compared. *Carroll* Registrar of Conveyances.

99

89 43371

HAWAII
RECORDS & DEEDS
DIVISION

RECORDATION REQUESTED BY:

Alexander & Baldwin, Inc.

MAR 30 PM 1:47
23006 583

AFTER RECORDATION: Addressee

Alexander & Baldwin, Inc.

When Completed: Mail
Pick Up (✓) Phone: 525-6668

W. W. WELLS, REGISTRAR

DEED

KNOW ALL MEN BY THESE PRESENTS:

That ALEXANDER & BALDWIN, INC., a Hawaii corporation, with its principal place of business in Honolulu, Hawaii, hereinafter called the "Grantor", in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration to it paid by A&B-HAWAII, INC., a Hawaii corporation, with its principal place of business at 822 Bishop Street, Honolulu, Hawaii, and mailing address at P. O. Box 3440, Honolulu, Hawaii 96801, hereinafter called the "Grantee", the receipt of which is hereby acknowledged, does hereby grant, bargain, sell and convey unto the Grantee, its successors and assigns:

ALL of those certain parcels of land described in Exhibit A attached hereto and made a part hereof, subject, however, to the encumbrances mentioned in said Exhibit A;

AND the reversions, remainders, rents, issues and profits thereof, together with all buildings, improvements, tenements, rights, easements, privileges and appurtenances to the same belonging or appertaining or held and enjoyed therewith, and all of the estate, right, title and interest of the Grantor both at law and in equity therein and thereto;

TO HAVE AND TO HOLD the same unto the Grantee, its successors and assigns, forever, subject to the encumbrances mentioned in said Exhibit A;

AND the Grantor, for itself, its successors and assigns, hereby covenants with the Grantee, its successors and assigns: THAT the Grantor has good right to grant and convey said land and premises unto the Grantee as aforesaid and that the same are free and clear of and from all encumbrances made or suffered by the Grantor, except the encumbrances mentioned in said Exhibit A.

ENCUMBRANCE TAX... 00.00
HAWAII
P.B. MAR 30 1987
CERTIFICATE

23006 584

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed by its duly authorized officers this 30th day of March, 1989, but effective as of the 1st day of April, 1989.

ALEXANDER & BALDWIN, INC.

BY [Signature]
Its SENIOR VICE-PRESIDENT

BY [Signature]
Its ASST. SECRETARY

31638

23006 585

STATE OF HAWAII)
CITY AND COUNTY OF HONOLULU) SS:

On this 20th day of March, 1989, before me appeared R. K. SASAKI and BEVERLY J. GREEN, to me personally known, who, being by me duly sworn, did say that they are SENIOR VICE PRESIDENT and ASST. SECRETARY, respectively, of ALEXANDER & BALDWIN, INC., a Hawaii corporation; that the seal affixed to the foregoing instrument is the corporate seal of such corporation and that such instrument was signed and sealed on behalf of such corporation by authority of its Board of Directors; and said R. K. SASAKI and BEVERLY J. GREEN acknowledged such instrument to be the free act and deed of such corporation.

Concetta A. Vague
Notary Public, State of Hawaii
My commission expires: 6-7-87

23006 586

EXHIBIT A

FIRST:

All that certain parcel of land situate in the City and County of Honolulu, State of Hawaii, designated as Tax Map Key 2-1-013-001, containing an area of .4349 acre, (a copy which is attached hereto and made a part hereof).

23006 587

ALA MOANA

BISHOP

NIMITZ HIGHWAY

FORT

QUEEN

STREET

HALL

MERCHANT

STREET

Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
This document when received.

SECOND:

All of those certain parcels of land situate in the County of Maui, State of Hawaii, designated upon the Tax Maps for the Second Division, State of Hawaii (copies of which are attached hereto and made a part hereof) as follows:

<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>	<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>
2-3-008-009	0.7500	2-5-004-038	36.0000
2-4-001-004	50.2460	2-5-004-039	2,524.5860
2-4-001-006	5.5000	2-5-004-043	0.5000
2-4-001-010	1.9190	2-5-004-045	4.6700
2-4-001-019	6.4300	2-5-004-046	4.6700
2-4-002-007	129.7400	2-5-004-047	0.9800
2-4-002-010	9.0000	2-5-004-055	0.9200
2-4-016-003	1,068.0000	2-5-004-068	0.4620
2-5-001-001	1,983.4300	2-5-004-069	0.8100
2-5-001-002	264.4900	2-5-004-070	1.9200
2-5-001-008	1,815.5000	2-5-004-073	1.5800
2-5-001-009	138.6000	2-5-004-074	1.3500
2-5-002-001	1,942.9200	2-5-004-079	4.1700
2-5-002-002	2,486.7860	2-5-005-002	2.6100
2-5-002-004	10.3000	2-5-005-005	2.2900
2-5-002-005	142.3300	2-5-005-006	5.5100
2-5-002-006	2.6700	2-5-005-007	0.2000
2-5-002-010	136.0300	2-5-005-009	1.6700
2-5-002-011	1.2900	2-5-005-011	0.3100
2-5-003-001	316.5960	2-5-005-012	9.3100
2-5-003-006	0.9200	2-5-005-013	2.9400
2-5-003-007	4.8000	2-5-005-014	1.0300
2-5-003-008	9.0000	2-5-005-016	9.3600
2-5-003-009	538.9200	2-5-005-017	32.1860
2-5-003-010	2,380.8840	2-5-005-018	362.9500
2-5-003-012	0.4800	2-5-005-019	816.9130
2-5-003-017	0.0670	2-5-005-020	1,098.8550
2-5-003-020	0.1030	2-5-005-021	764.6980
2-5-004-013	0.8000	2-5-005-026	0.8600
2-5-004-024	5.7000	2-5-005-027	0.9000
2-5-004-026	21.1580	2-5-005-028	0.4000
2-5-004-035	1.0000	2-5-005-030	1.1400
2-5-004-036	683.4520	2-5-005-033	1.0200
2-5-004-037	118.7890	2-5-005-038	2.6100

23006 589

<u>TAX KEY</u>	<u>AREA SHOWN</u>	<u>TAX KEY</u>	<u>AREA SHOWN</u>
<u>SECOND DIVISION</u>	<u>ON TAX MAP</u>	<u>SECOND DIVISION</u>	<u>ON TAX MAP</u>
2-5-005-044	0.7500	2-8-004-034	7.6000
2-5-005-046	12.5300	2-8-004-057	38.2000
2-5-005-047	4.6400	2-8-004-058	25.6510
2-5-005-052	0.2700	2-8-004-059	2.000
2-5-005-053	0.8400	2-8-004-062	11.4200
2-5-005-057	23.4010	2-8-004-063	24.4090
2-5-006-019	0.6800	2-8-004-064	0.1900
2-6-001-001	3.5170	2-8-004-065	0.7500
2-6-001-004	1.0830	2-8-004-066	8.9500
2-6-003-027	0.2220	2-8-006-023	1.2000
2-6-005-014	0.1300	2-8-006-027	1.1500
2-6-009-002	12.4220	2-8-006-054	4.7500
2-6-009-018	0.5500	2-8-006-055	0.6800
2-6-009-019	0.6500	2-8-006-056	0.4500
2-6-009-023	0.4660	2-8-006-057	0.5000
2-6-010-013	0.0830	2-8-006-058	6.9900
2-6-010-016	0.1320	2-8-008-001	163.9000
2-6-012-033	0.5000	2-8-008-008	187.1000
2-7-001-028	0.4440	2-8-008-009	38.5000
2-7-001-046	0.0800	2-8-008-010	1.9000
2-7-001-058	0.8500	3-3-001-033	1.6700
2-7-002-004	225.2100	3-3-002-011	0.3600
2-7-002-058	35.2000	3-3-002-019	0.2400
2-7-003-001	159.8100	3-3-002-020	4.0700
2-7-003-005	0.4400	3-4-002-045	0.0400
2-7-003-011	3.1500	3-4-003-020	1.0800
2-7-003-013	29.6500	3-4-009-002	0.5100
2-7-003-019	4.3200	3-4-010-001	2.6410
2-7-003-030	0.1400	3-4-010-004	0.2000
2-7-003-033	19.9100	3-4-011-001	0.8500
2-7-003-052	1.8400	3-4-017-052	0.3230
2-7-003-055	24.8000	3-4-018-003	0.9400
2-7-003-056	10.2020	3-4-021-061	0.0460
2-7-003-059	1.9500	3-4-033-024	0.7060
2-7-003-081	112.3000	3-4-033-029	0.1000
2-7-003-082	6.9800	3-4-038-003	0.9960
2-7-003-083	18.2000	3-4-038-005	0.2060
2-7-003-084	33.0000	3-7-001-005	1.9800
2-7-003-085	2.2100	3-7-001-007	1.3760
2-7-004-001	153.5700	3-7-001-010	0.0970
2-7-015-032	0.4700	3-7-001-015	0.0790
2-7-015-033	16.0000	3-7-001-016	1.2830
2-7-015-034	516.4000	3-7-001-018	0.0050
2-7-033-014	92.4790	3-7-002-006	0.2900
2-8-003-005	0.6600	3-7-002-016	0.0390
2-8-003-027	0.0700	3-7-003-002	1.4230
2-8-004-014	4.6200	3-7-003-003	0.4480
2-8-004-028	6.3200	3-7-003-026	0.4020

23006 590

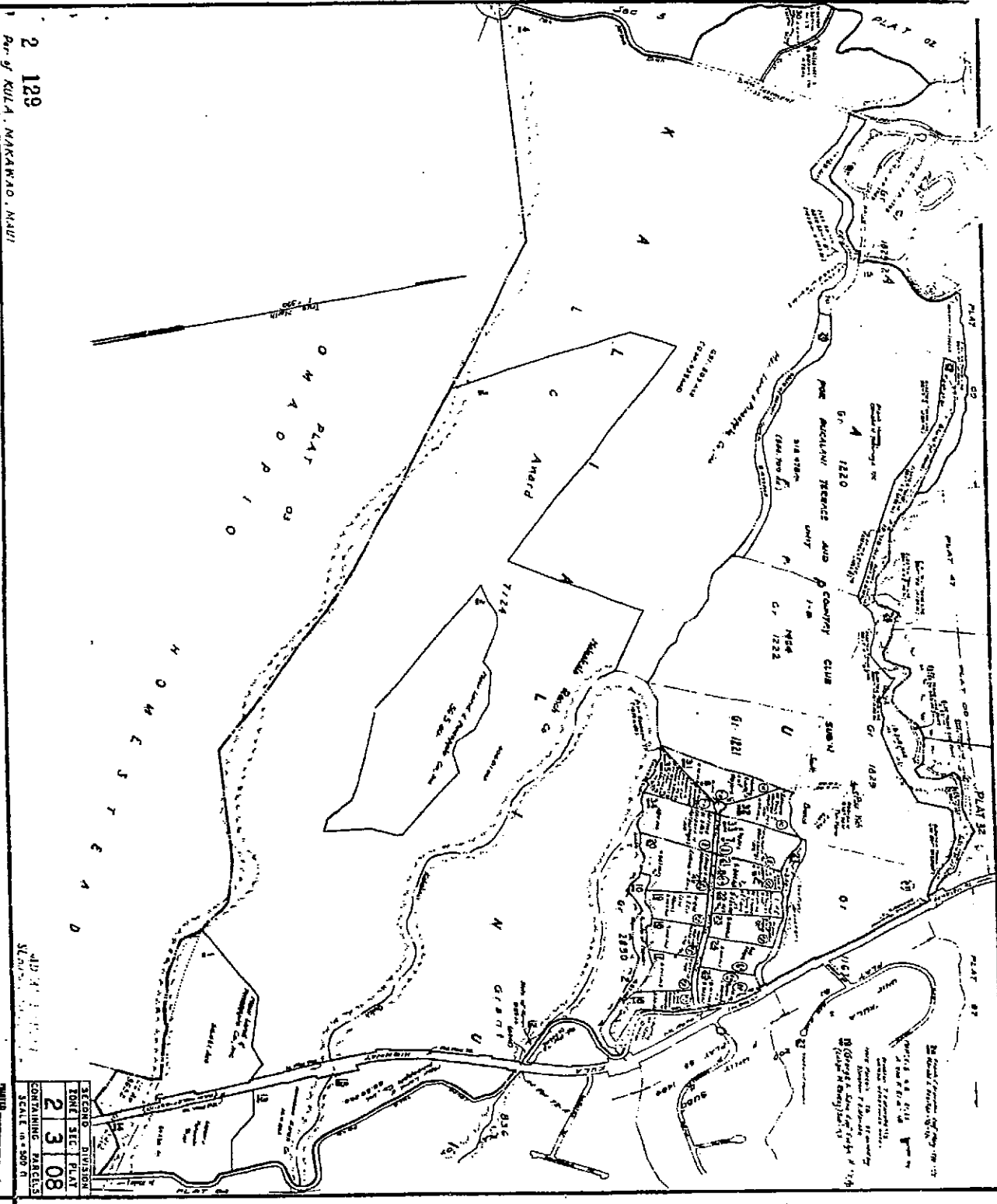
<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>	<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>
3-7-003-027	0.0990	3-8-003-007	324.2600
3-7-003-028	0.2850	3-8-003-020	0.3140
3-7-004-001	3.5900	3-8-003-021	28.1900
3-7-005-003	2.4380	3-8-004-001	2,008.6900
3-7-005-011	1.2300	3-8-004-002	1,598.3350
3-7-005-023	0.0830	3-8-004-020	60.2370
3-7-008-006	5.4383	3-8-004-022	1,489.2000
3-7-008-008	1.4752	3-8-004-023	2.0020
3-7-008-017	2.1109	3-8-004-024	83.8270
3-7-011-001	8.4600	3-8-005-001	489.9700
3-7-011-006	3.9230	3-8-005-002	4,409.0770
3-7-011-011	0.6071	3-8-005-003	432.2870
3-7-011-013	8.6270	3-8-005-015	0.1100
3-7-011-019	4.4640	3-8-005-017	22.2100
3-7-013-001	6.2520	3-8-005-018	0.0700
3-8-001-001	1,155.5050	3-8-005-023	352.4000
3-8-001-003	65.8719	3-8-006-001	798.8440
3-8-001-004	52.3200	3-8-006-002	748.273
3-8-001-005	84.0000	3-8-006-003	1,255.2510
3-8-001-006	1,209.8000	3-8-006-007	1.2050
3-8-001-007	906.0270	3-8-006-011	0.4273
3-8-001-009	1.0000	3-8-006-012	0.0900
3-8-001-010	0.2950	3-8-006-013	0.1340
3-8-001-011	0.2300	3-8-006-015	0.5400
3-8-001-012	0.5700	3-8-006-016	0.7500
3-8-001-014	141.2460	3-8-006-017	0.3700
3-8-001-014	49.6800	3-8-006-018	0.5900
3-8-001-015	4.0240	3-8-006-020	2.0700
3-8-001-017	0.1700	3-8-006-021	0.1000
3-8-001-023	0.5200	3-8-006-022	0.1400
3-8-001-024	5.6000	3-8-006-025	0.3500
3-8-001-033	172.4000	3-8-006-029	11.5200
3-8-001-135	3.6530	3-8-006-037	0.0430
3-8-001-197	0.3520	3-8-006-041	0.6000
3-8-001-198	1.0778	3-8-006-050	0.6880
3-8-001-192	0.8410	3-8-006-051	0.2640
3-8-002-008	1.4900	3-8-006-066	0.4120
3-8-002-009	1.5000	3-8-006-069	14.0000
3-8-002-010	0.1220	3-8-007-015	0.3000
3-8-002-070	0.4160	3-8-007-016	1.9200
3-8-002-084	0.0350	3-8-007-017	8.5100
3-8-002-085	2.4200	3-8-007-030	3.2970
3-8-002-087	1,070.9300	3-8-007-038	4.0430
3-8-003-001	1,538.7400	3-8-007-071	5.0430
3-8-003-002	23.5200	3-8-007-101	80.5080
3-8-003-003	2,606.0000	3-8-007-102	31.2220
3-8-003-004	1,088.2200	3-8-007-104	4.0700
3-8-003-005	5.5100	3-8-008-005	161.4470
3-8-003-006			

23006 591

<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>
3-8-008-006	101.5480
3-8-008-007	81.6080
3-8-008-019	86.0290
3-8-008-030	4.6250
3-8-046-009	0.9540
3-8-046-010	4.3090
3-8-071-082	1.5871

23006 592

Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
Resident when received.



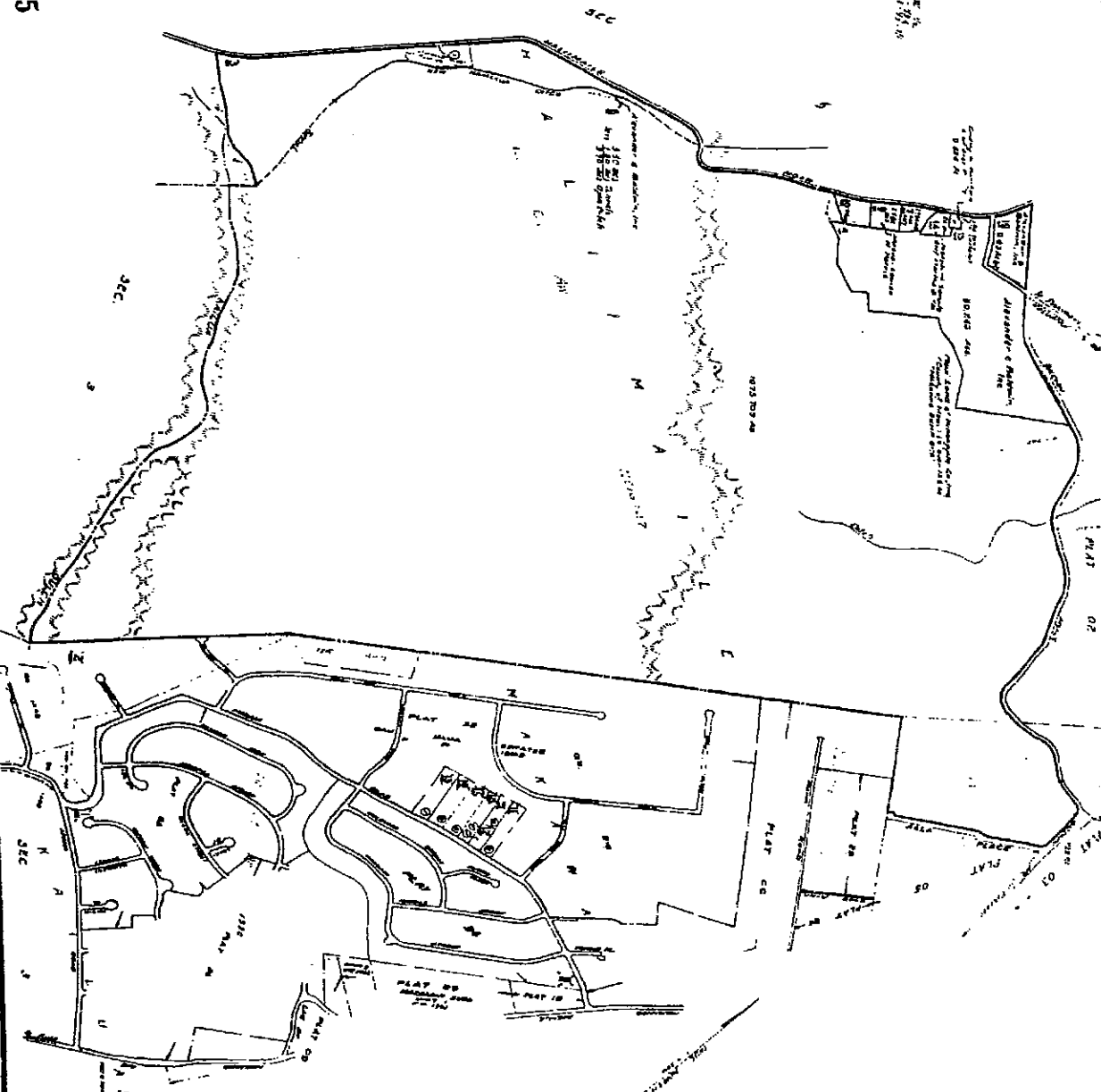
2 129
P.O. of KULA, MAUI

2 3 08
SCALE 1" = 500 FT
MAUI

SOURCE: LAND RECORDS, HONOLULU

PLAT 185

2 185



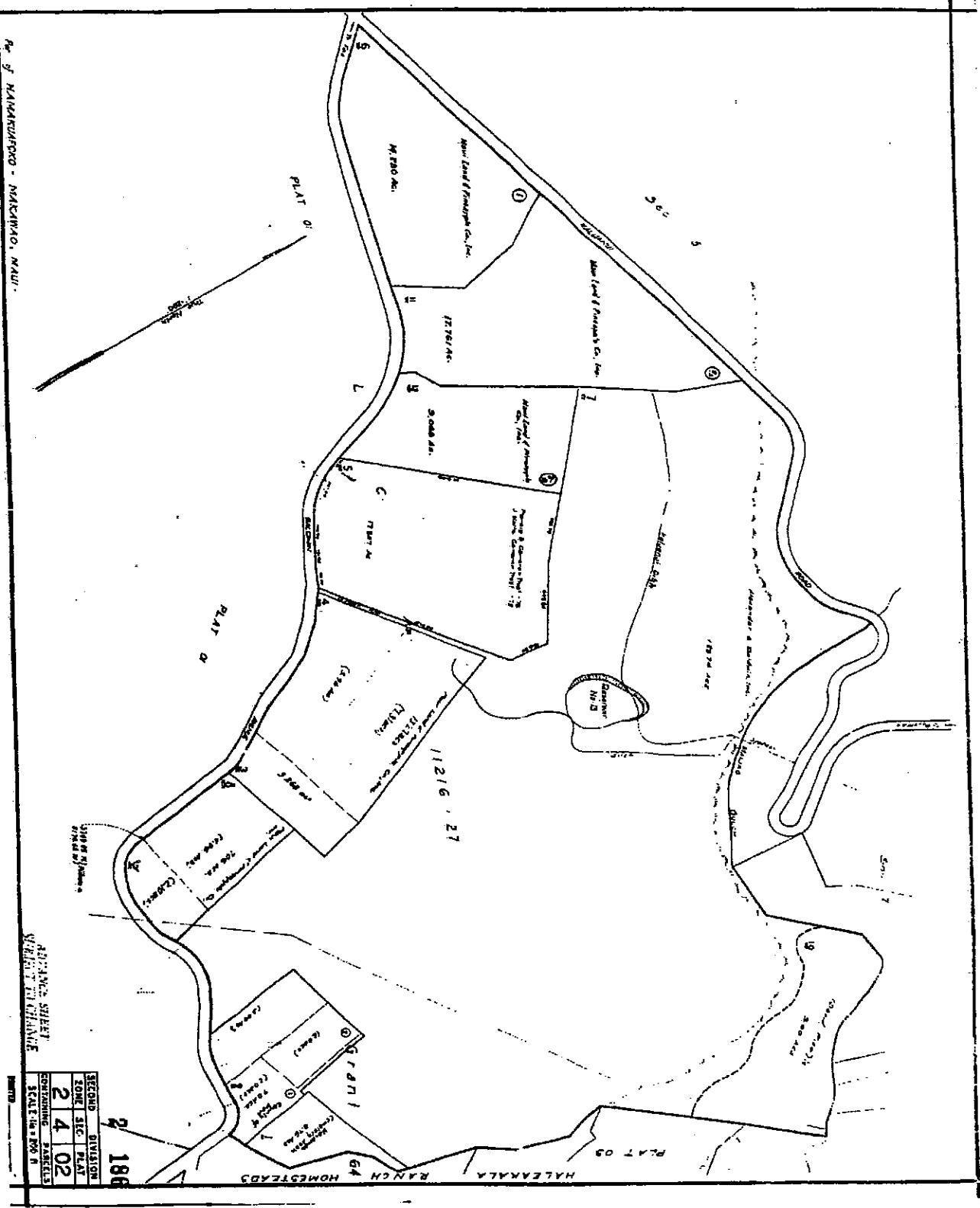
Recorder's Name: _____
 Date of Filing, Typing or Printing UNSATISFACTORY
 when received.

ADVANCE SHEET
 SUBJECT TO CHANGE
 CONTAINING PARCELS
 SCALE 1/4" = 50' FT.

ZONE	SEC.	DIVISION
2	4	01

23006 594

Recorder's Record of this instrument is correct in writing, Typing or Printing UNSATISFACTORY
 when received.



Map of HAWAIIAN ISLANDS - HONOLULU, HAWAII.

ADVANCE SHEET
 SUBJECT TO CHANGE

SECOND DIVISION	ZONE SIC	PLAT
2	4	02

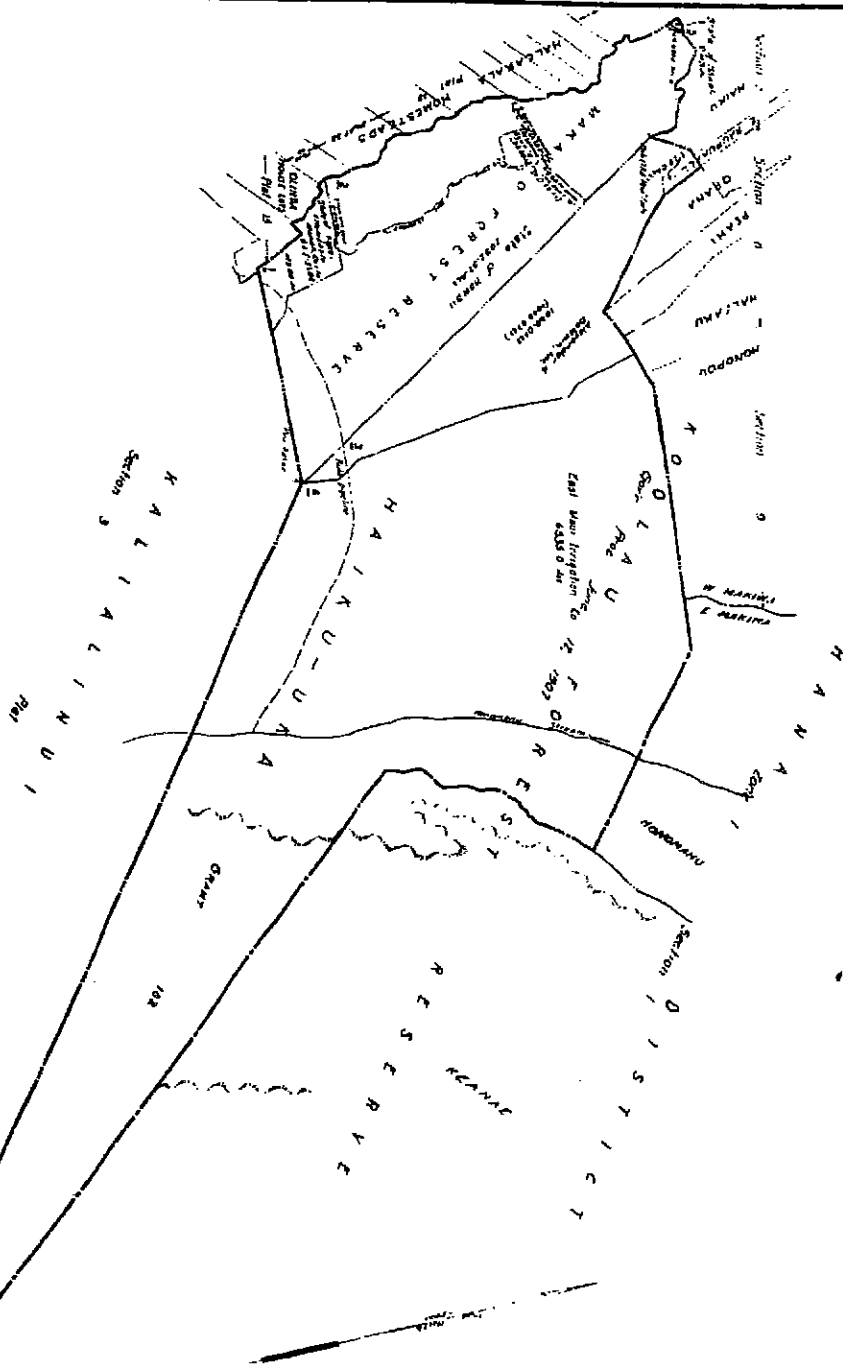
SCALE 1" = 100' N

186

2 4 02

Source: De Map Bureau

HANU-UNA & POA MAKANHO, MAKANHO NAUT



Recorder's Name: _____
 Date: _____
 Office: _____
 Printing, Typing or Printing UNSATISFACTORY
 when received.

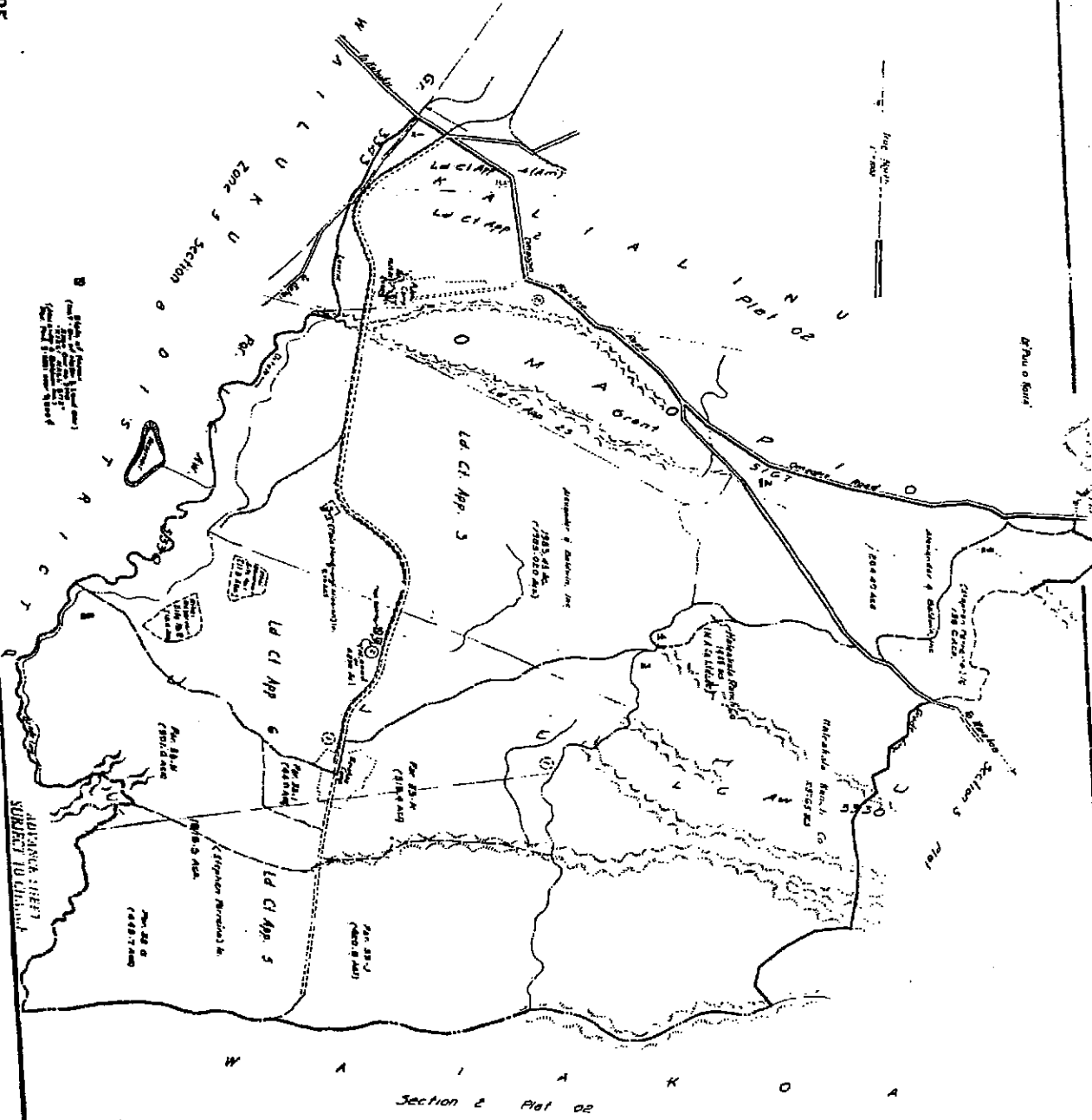
APPROVED FOR
 RECORDING

2 200

SECTION	DIVISION
2	4
16	16
CONTAINING PARTS	
SCALE IN FEET	

Source: Top. Map. Bureau

2 225
 POR. KULA, MAHAKOHOLO, MAUI

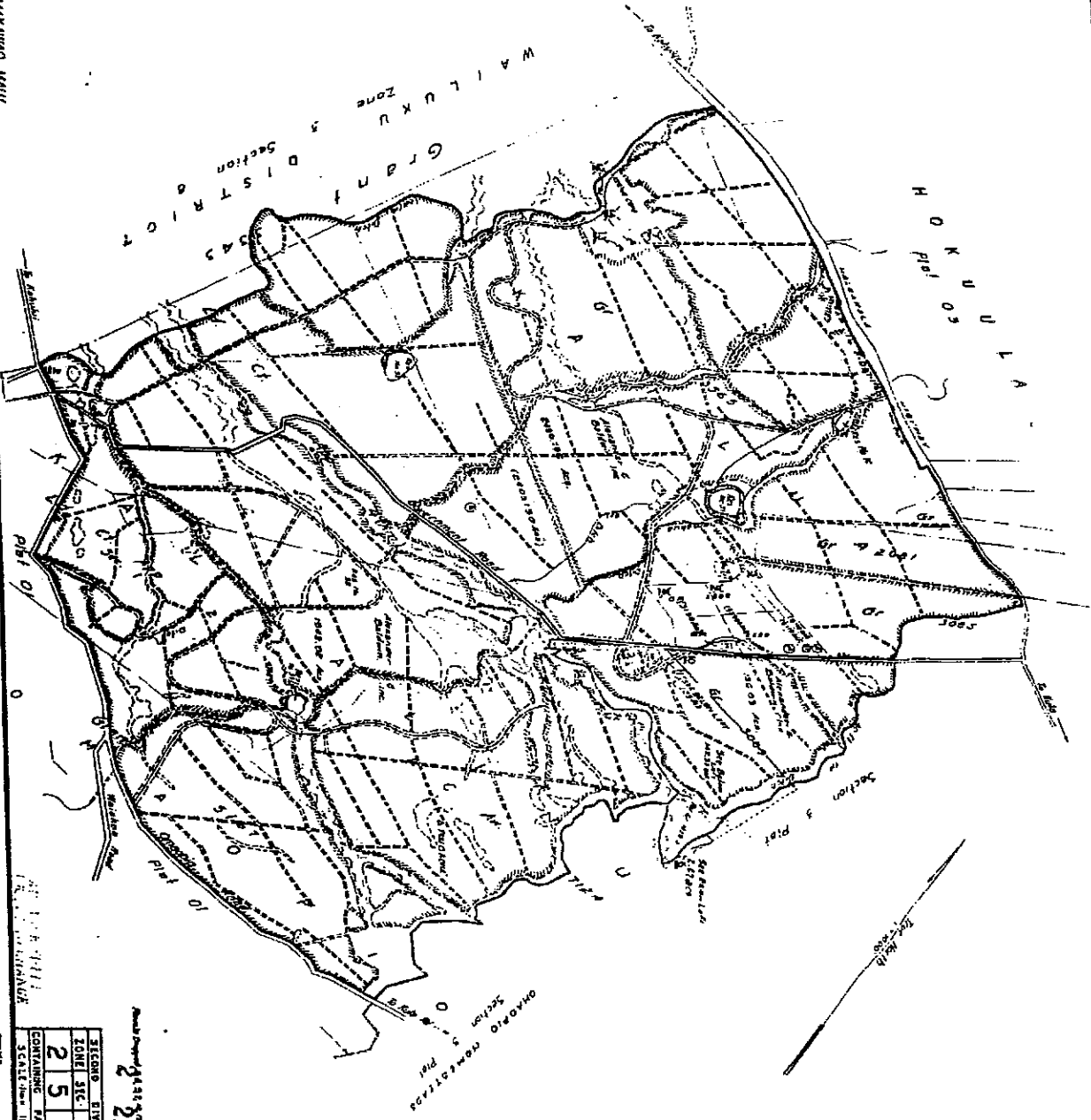


Recorder's Notice of Unlawful Filing, Typing or Printing UNSATISFACTORY
 when received.

SECTION	5
PLAT	02
CONTAINING PARCELS	
SCALE: 1" = 100' ±	

WORKS OF
 HENRY J. HALL
 Surveyor General, Hawaii

POOR KUI A. MAMAKAHO, MAUI



2226

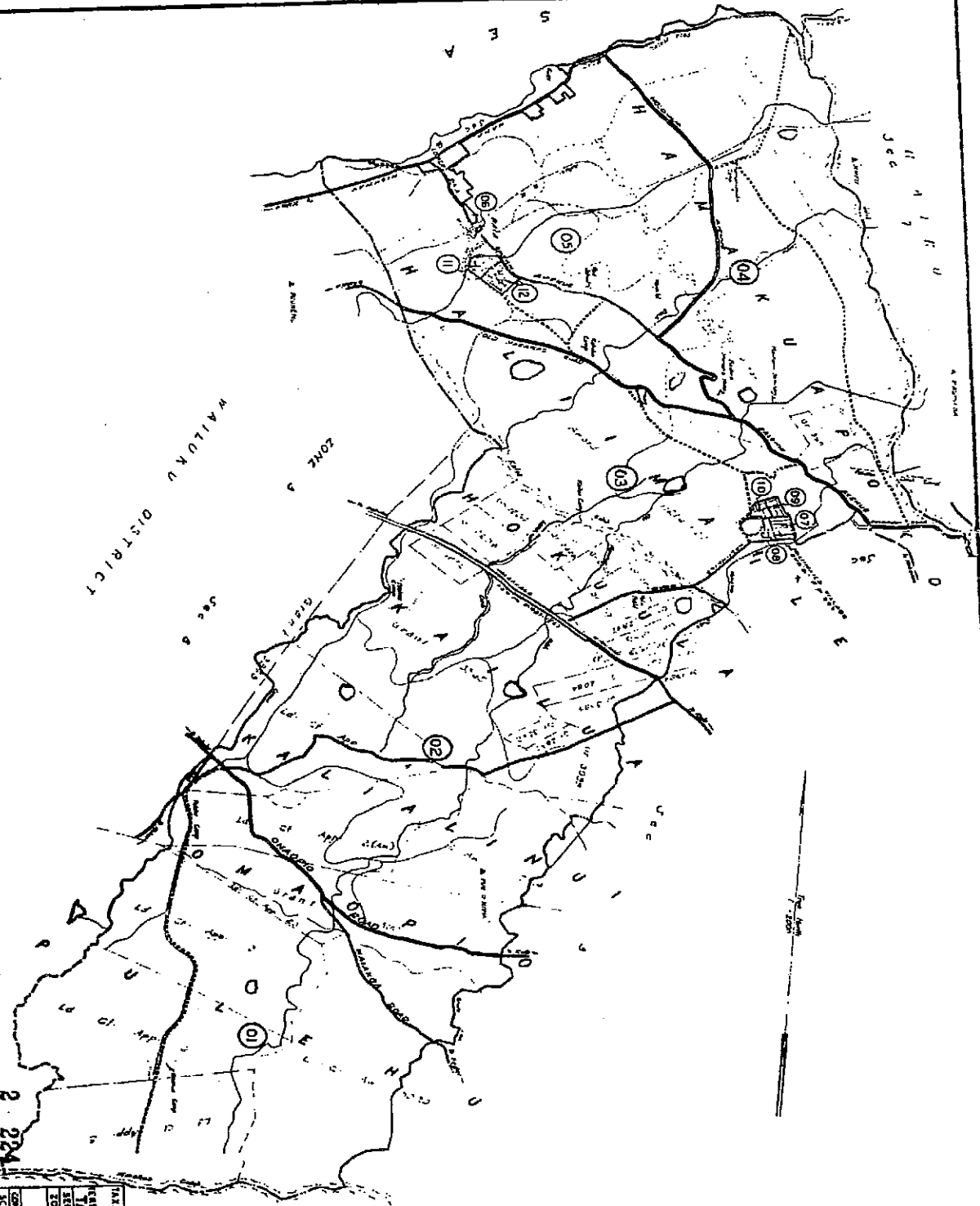
SECOND DIVISION	2
ZONE SEC. PLAT	5 02
CONTAINING PARCELS	
SCALE	1000 FT.

Recorder's Memo: Legibility of Writing, Typing or Printing UNSATISFACTORY
 Original document when received.

23006 598

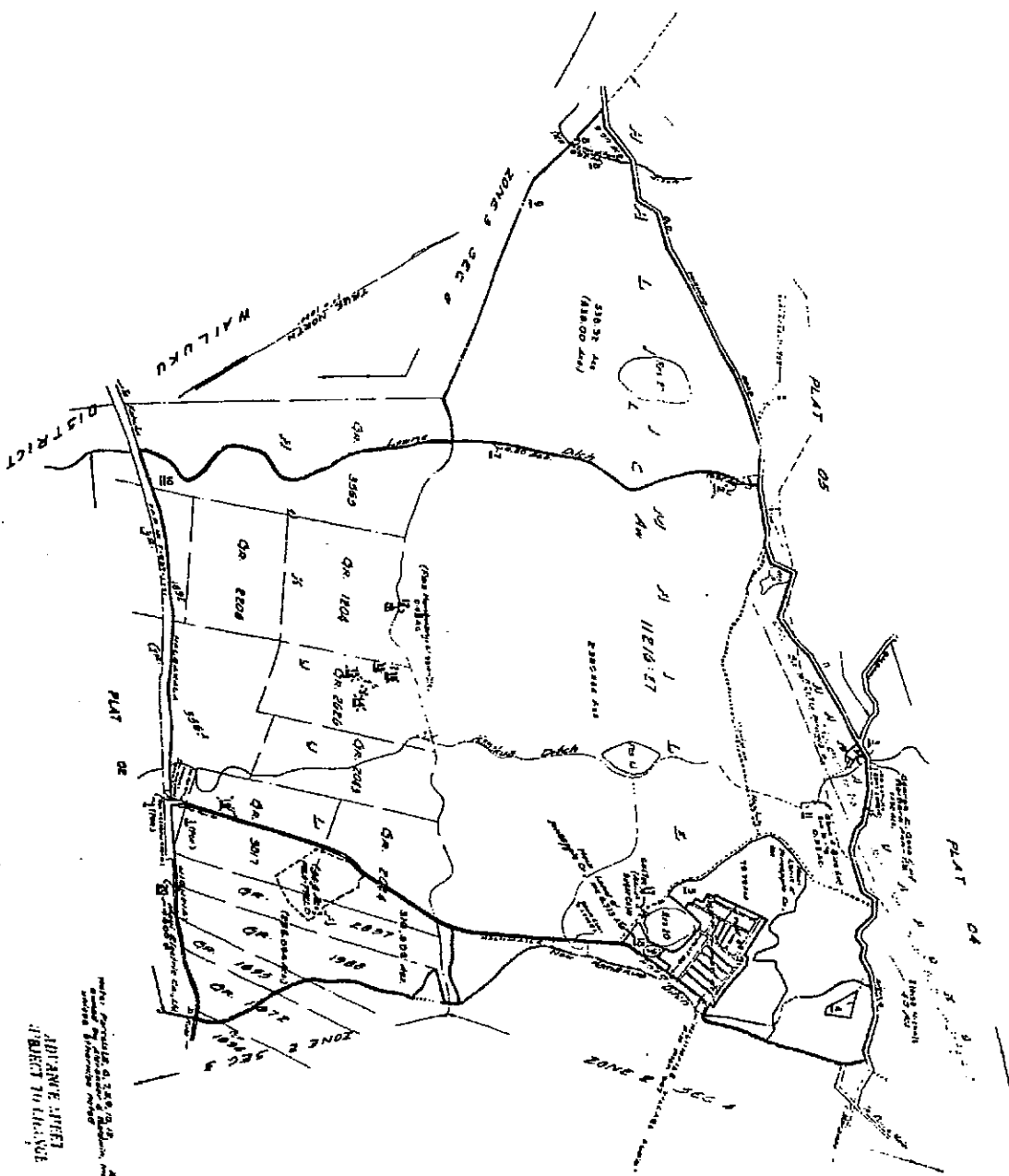
No. 97 N.Y. Co. LD, MAHAKO, MAUI

WAILUKU DISTRICT



TAXATION MAPS	
BUREAU OF LANDS	
TAX MAP	
RECORD SECTION	2
ZONE	5
SECTION	5
SCALE 1" = 200'	

Recorder's Map
 Writing, Typing or Printing UNSATISFACTORY
 when received.

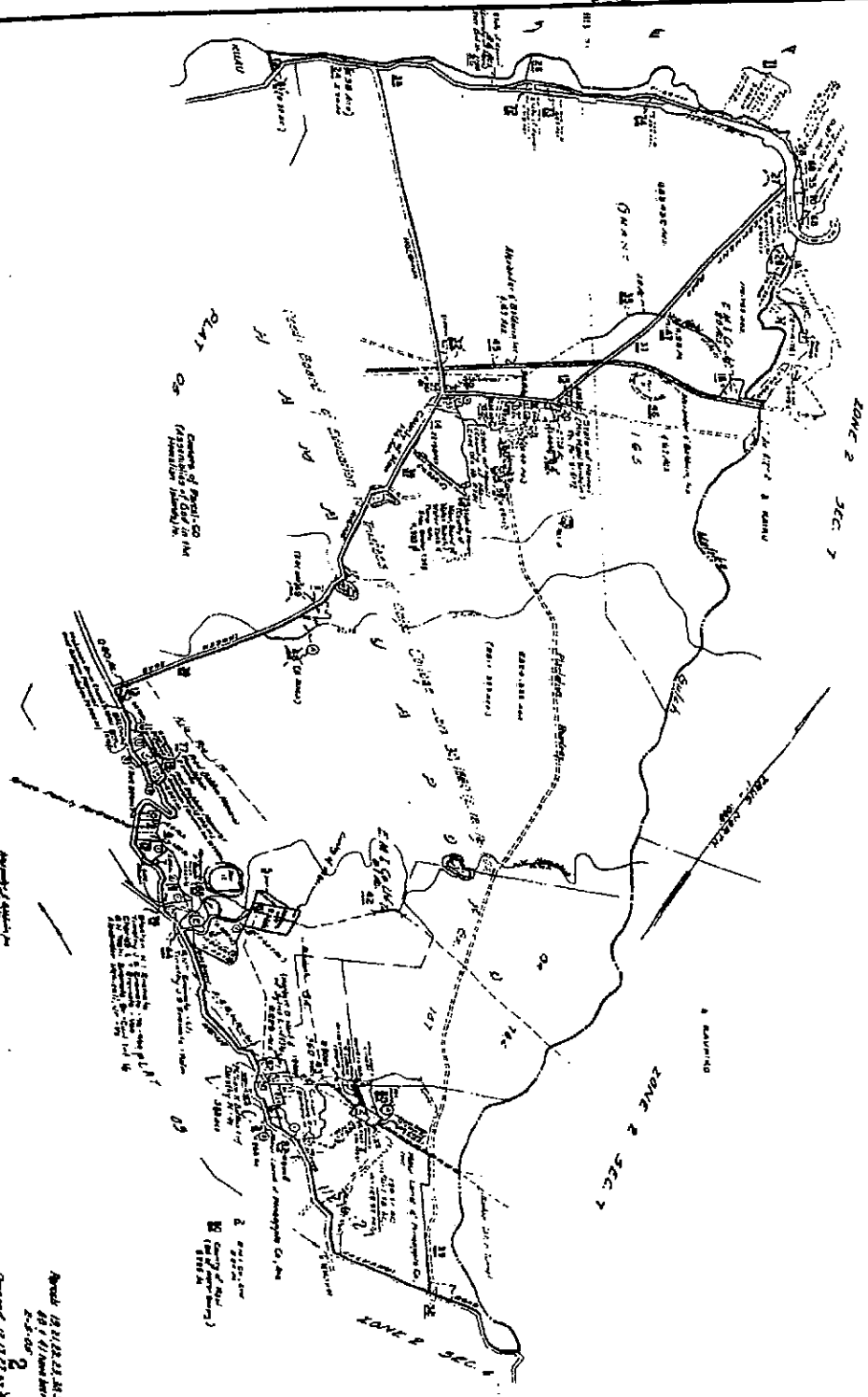


ADVANCE SHEET
 SUBJECT TO CHANGE

TERRITORY MAPS BUREAU TERRITORY OF HAWAII TAX MAP
SECOND DIVISION
ZONE 1 SEC 8 PLAT
2 5 03
CONTAINING PARCELS SCALE 1/4" = 100 FT

Recorder's Office
 Printing, Typing or Printing UNSATISFACTORY
 when received.

23006 600



Recorder's Map of the City of Canton, Ohio, showing the location of the land described in the foregoing instrument when received.

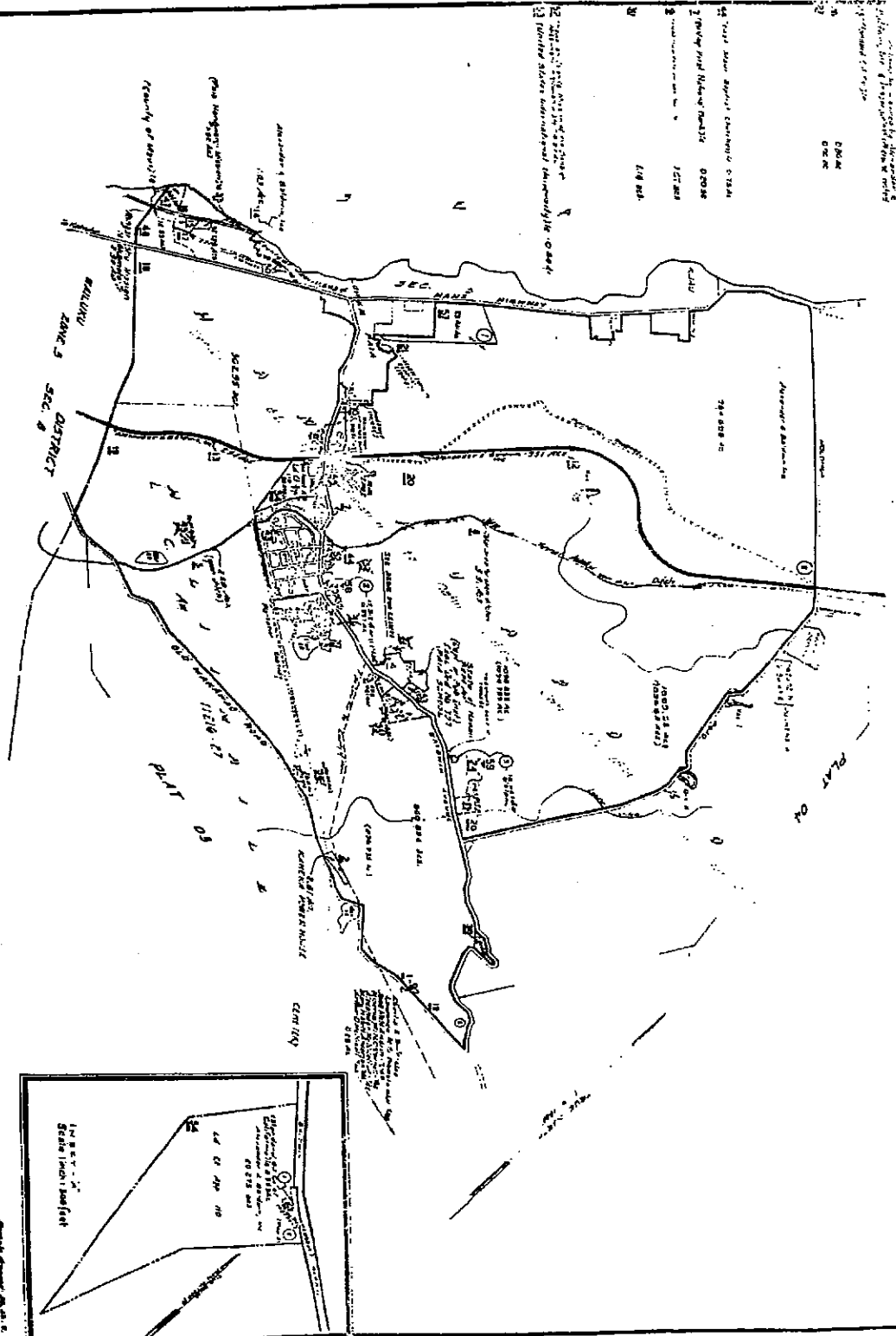
- 1. Original owner
- 2. Present owner
- 3. Other land designated on this map
- 4. Unimproved land

APPROVED AND
SENT TO CHIEF

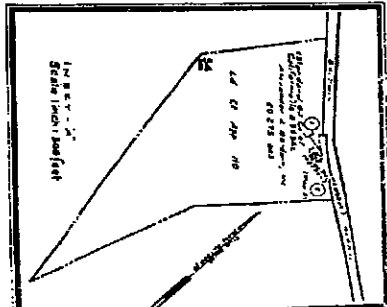
Record 12 12 22 22 22 22
 2 228
 2 5 04

QUANTIFIERS BUREAU
TAX MAP
2 5 04
CONTAINING PARCELS
SCALE: 1" = 1000'

Recorder's Name: _____
 Date: _____
 Writing, Typing or Printing UNSATISFACTORY
 when received.



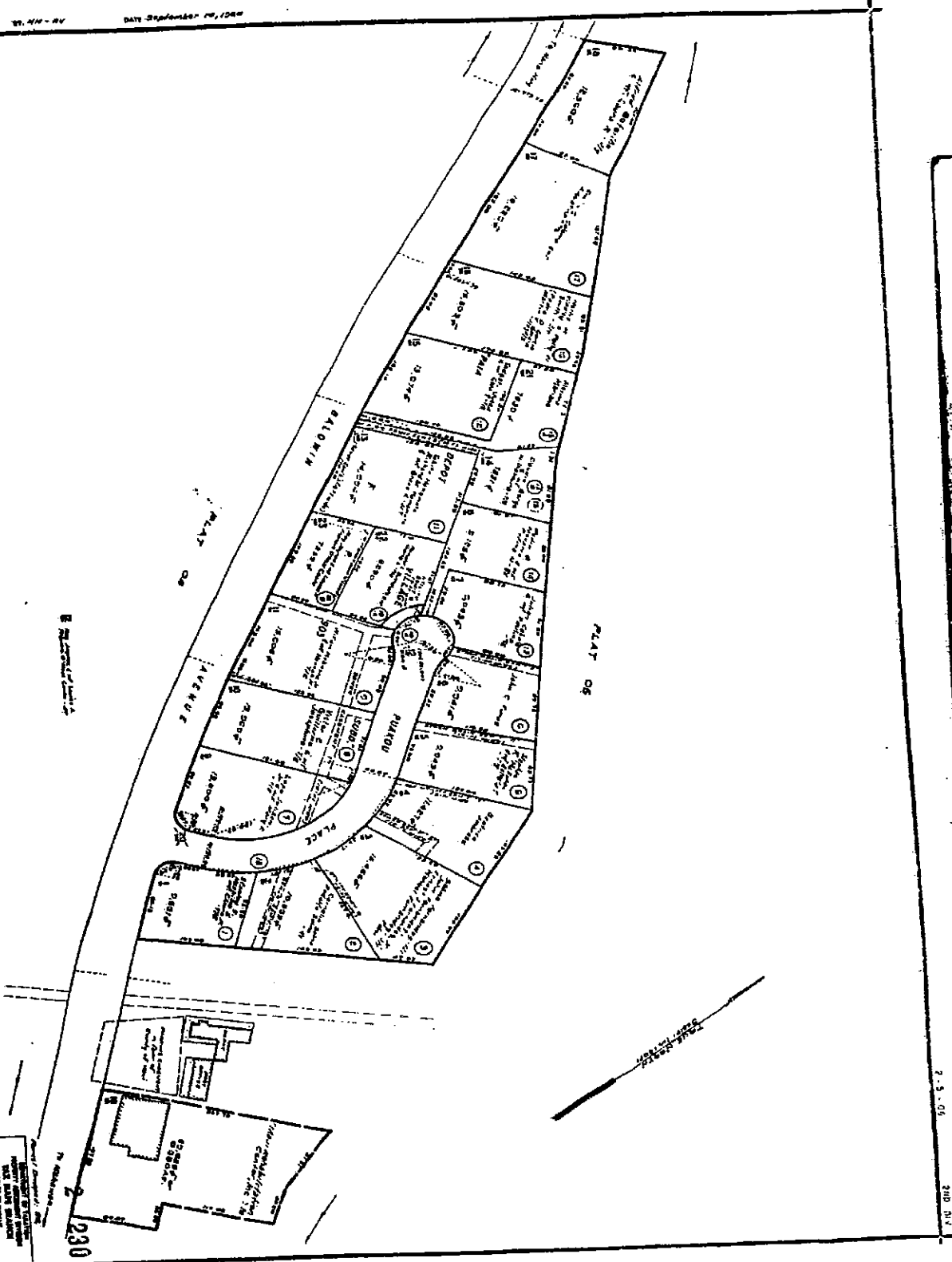
Scale: 1 inch = 100 feet
 Date of Issue: _____
 Authority: _____



SECTION	1
RANGE	5
TOWNSHIP	05
COUNTY	PARKE
SCALE	1" = 100'

23006 602

FOR PAID, HAWAIIAN ISLANDS, HAWAII (Form No. 2-3-53)



Recorder's Record of this instrument is unsatisfactory. The original instrument when received.

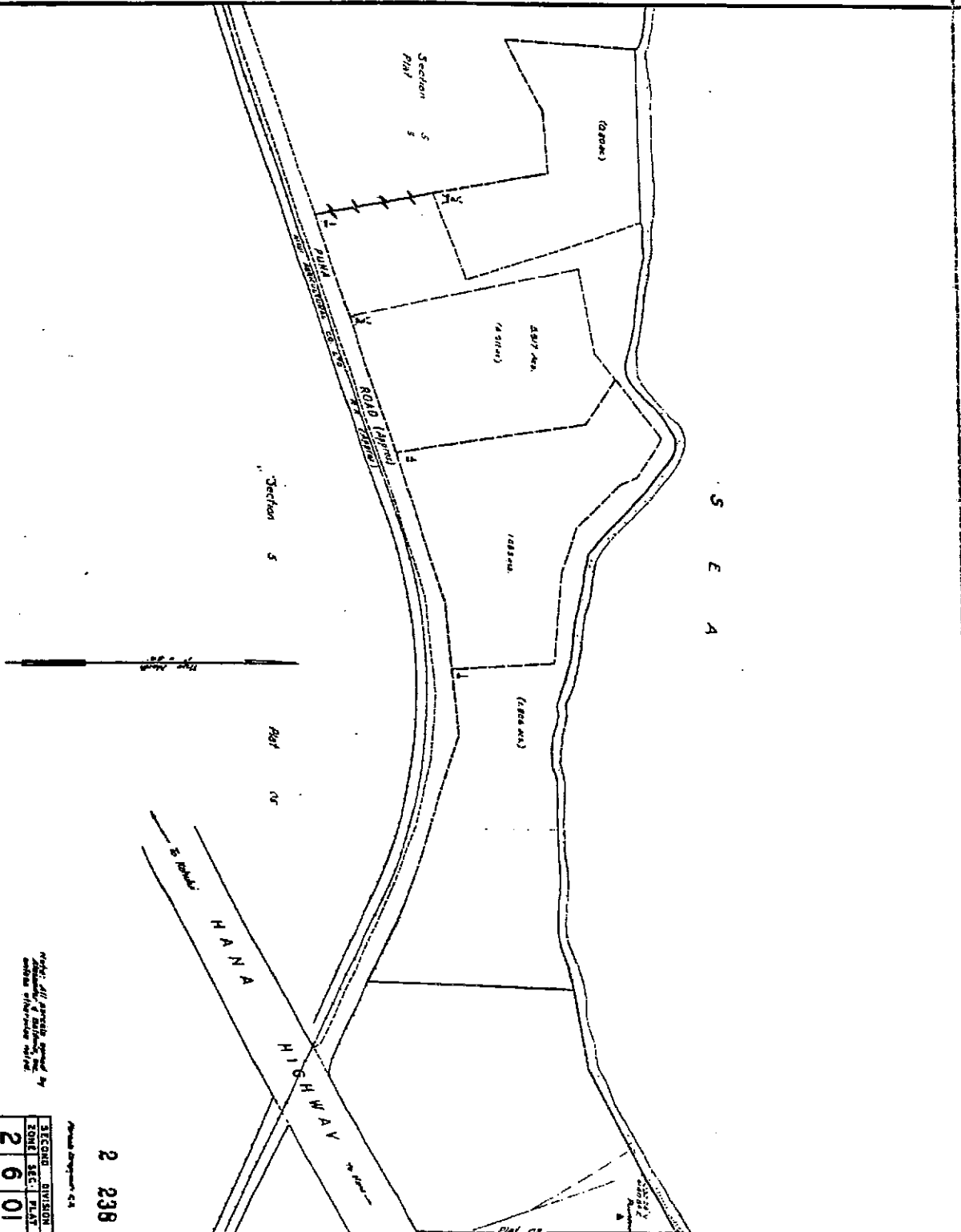
2-5-53

2ND DIV

2	5	06
---	---	----

23006 603

LOWER PALM, MAKAHOU, MAUI



Recorder's Report
 Printing, Typing or Printing UNSATISFACTORY
 When Received

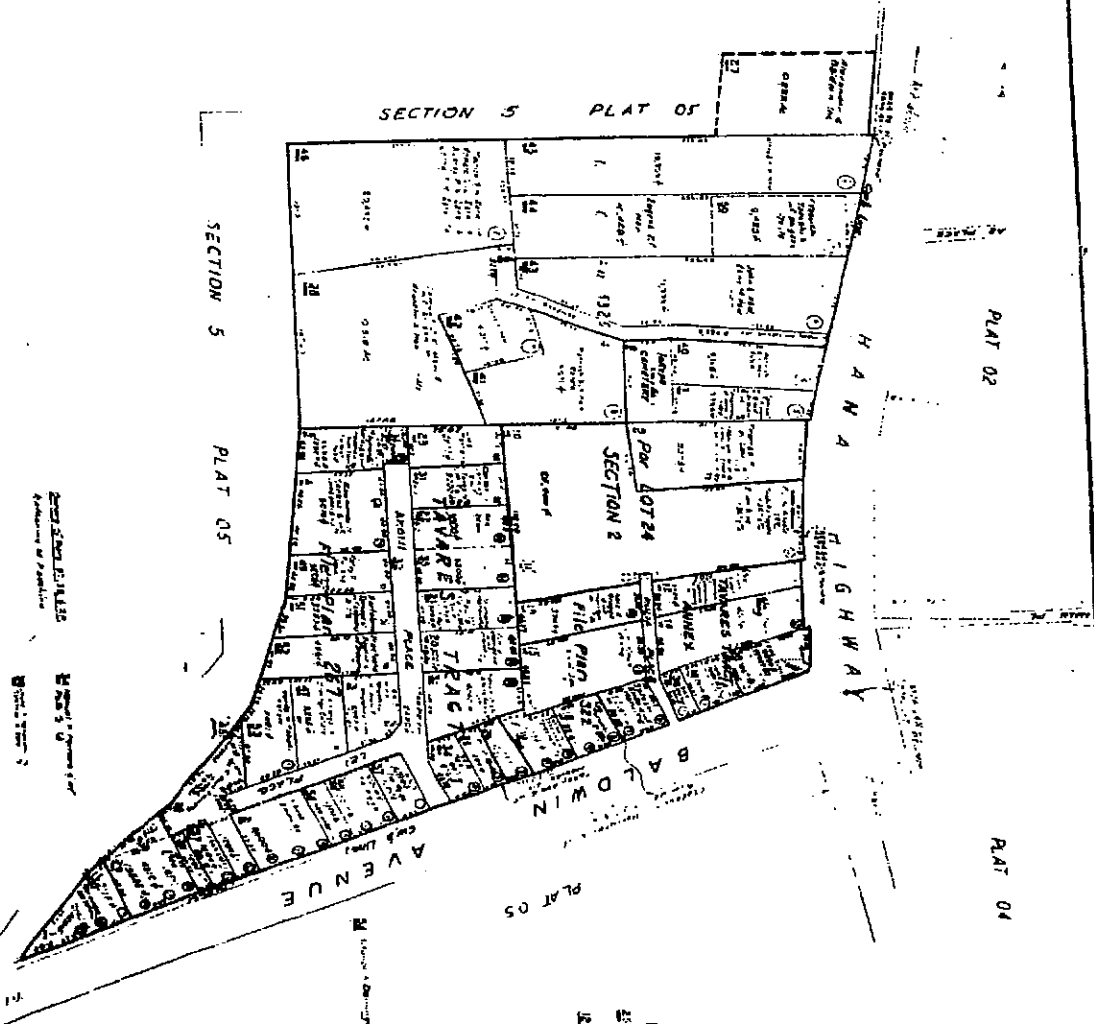
Note: All areas shown by
 this plat are subject to
 the provisions of the
 Hawaiian Land Commission
 Act of 1921, Chapter 100,
 Section 100-10, and
 the Hawaiian Land Commission
 Act of 1927, Chapter 100,
 Section 100-10.

HAWAIIAN LAND
 COMMISSION
 HONOLULU, HAWAII

SECOND DIVISION
 PLAT NO. 2601
 CONTAINING 2 PARCELS
 SCALE: 1" = 200'

2 238

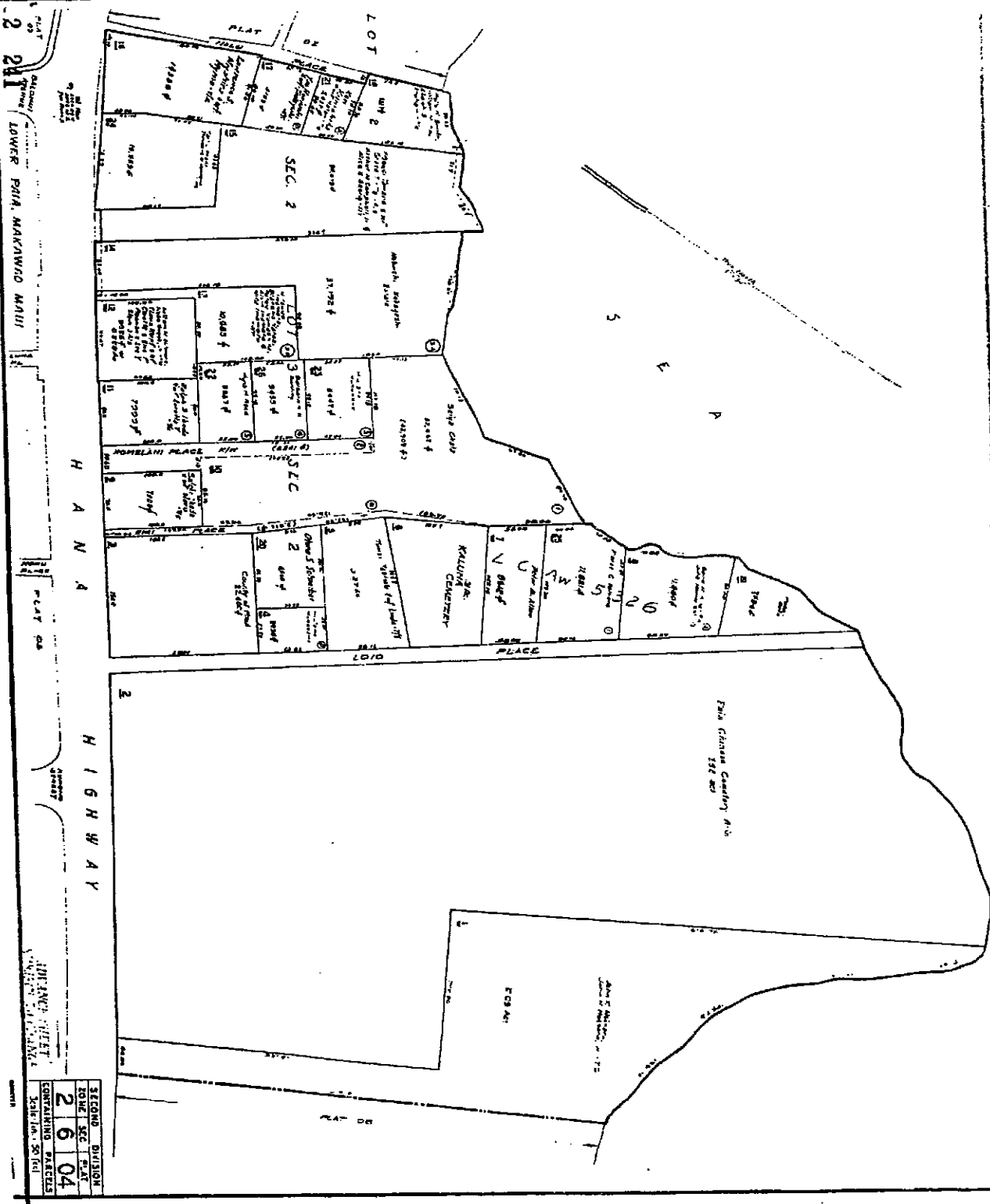
LOWER PAIA, MAHAKOHO, MAUI.



Recorder's Memo
 of Printing, Typing or Printing UNSATISFACTORY
 when received.

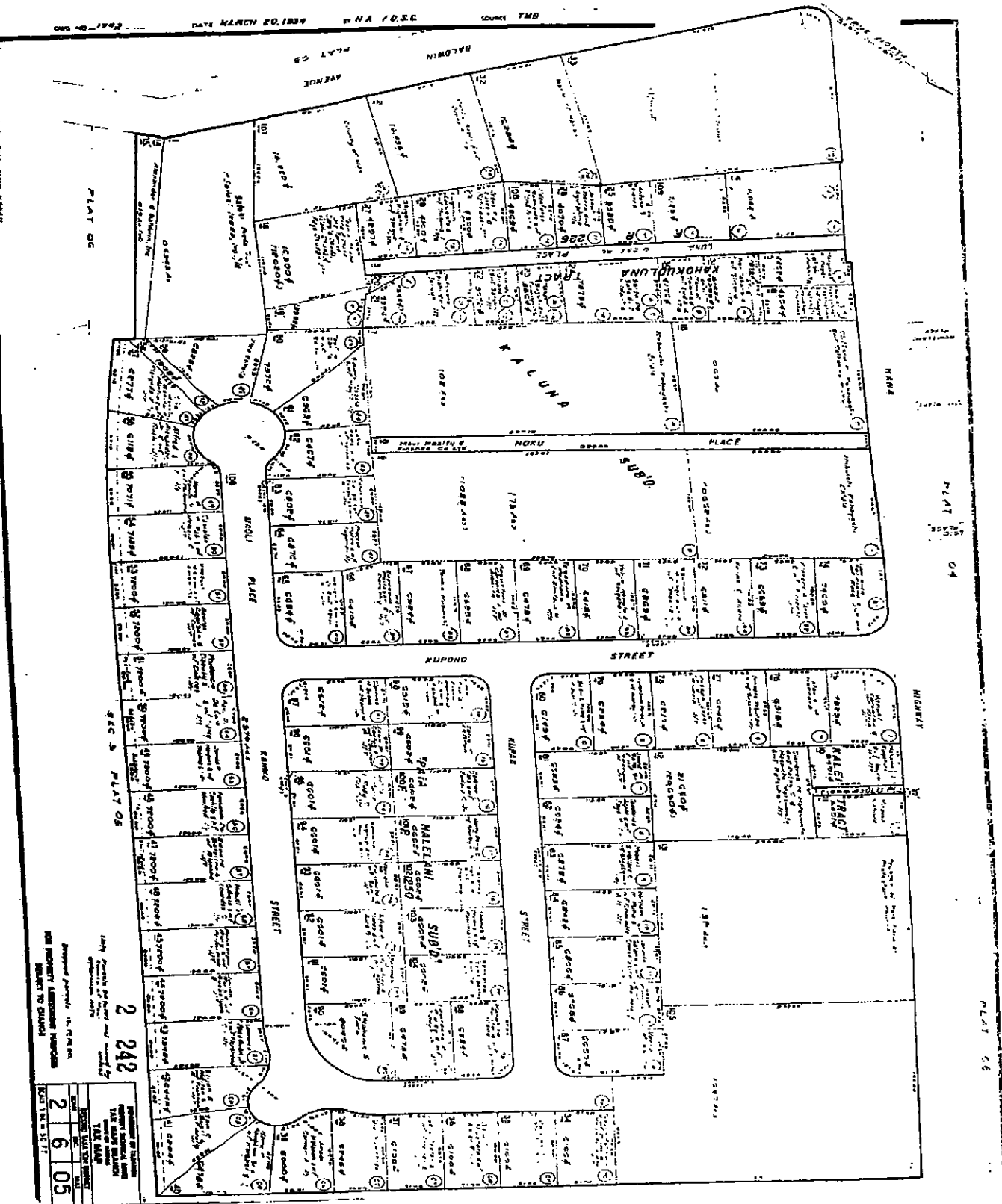
ADVANCE SHEET
 SUBJECT TO CHANGE

2	240
2	6 03



Recording, Typing or Printing UNSATISFACTORY
 when received.

SECOND DIVISION	2
CONTAINING SHEETS	6 04



Recorder's Record of this document when received.

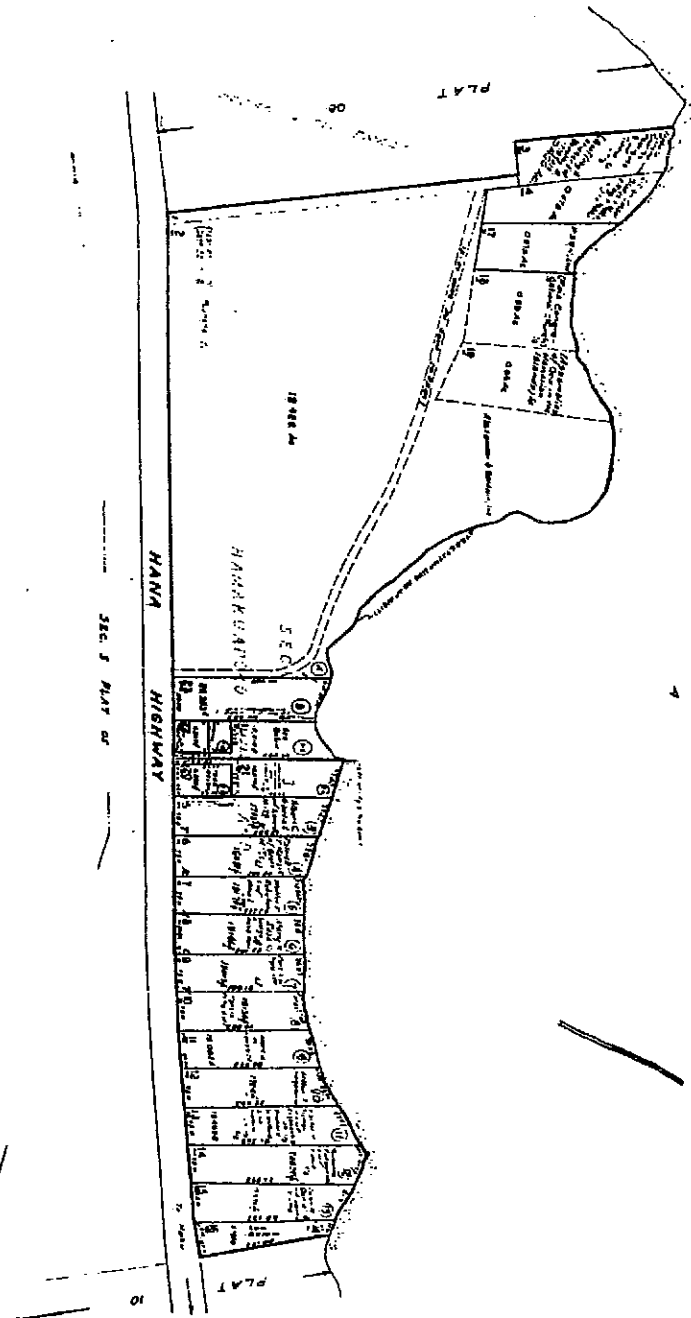
of Writing, Typing or Printing UNSATISFACTORY

2 242

Approved January 15, 1917
 NEW PROPERTY ASSIGNMENT NUMBER
 SUBJECT TO CHANGE
 2 6 05

23006 607

Recorder's Office
Noting, Typing or Printing UNSATISFACTORY
when received.

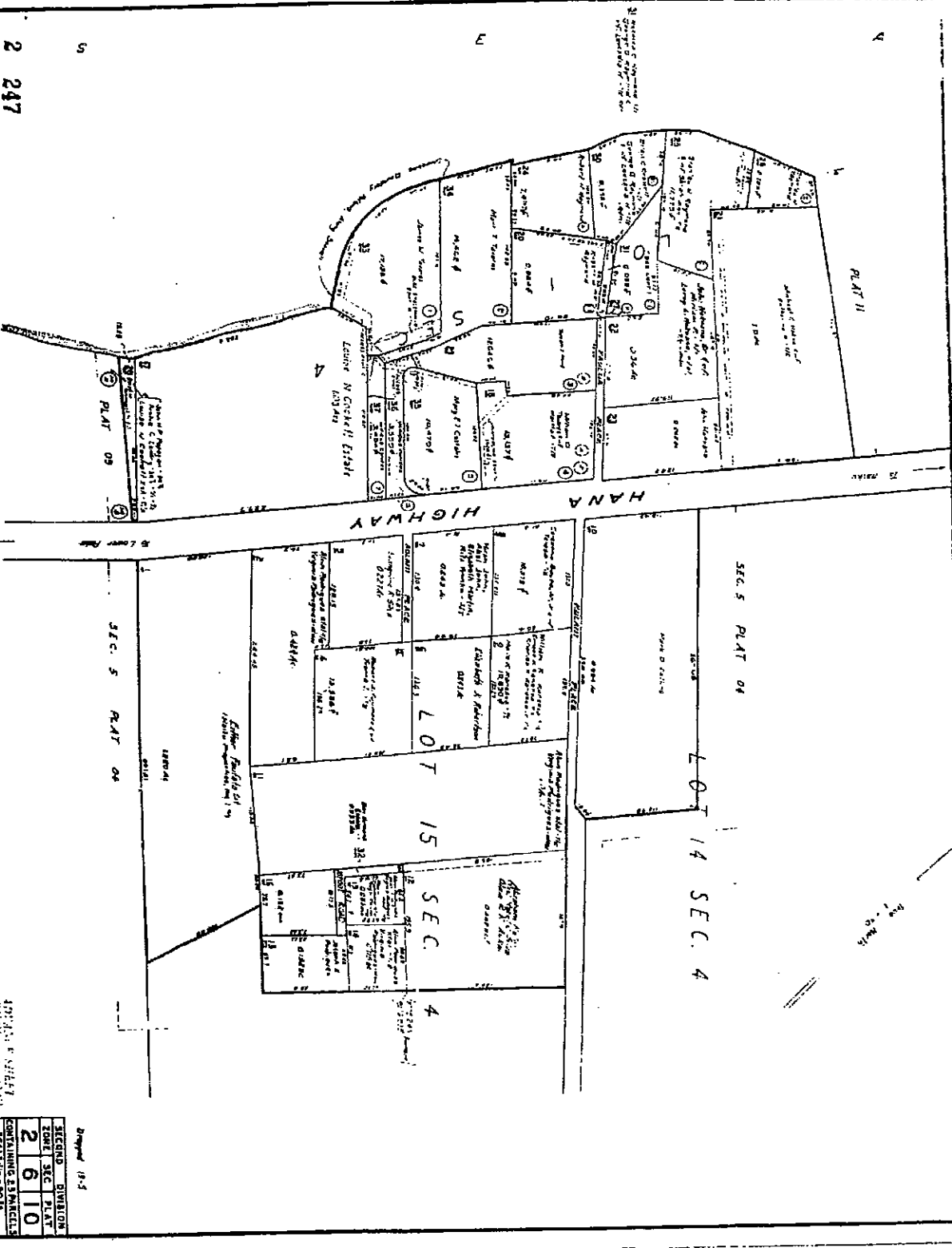


No. 9 LOWER P.M. MAKAHUA, MAUI.

1. See of [unclear]
 2. See of [unclear]

2	246
2	6 09
CONTAINING PARCELS	
SCALE 1/4" = 100 FT.	

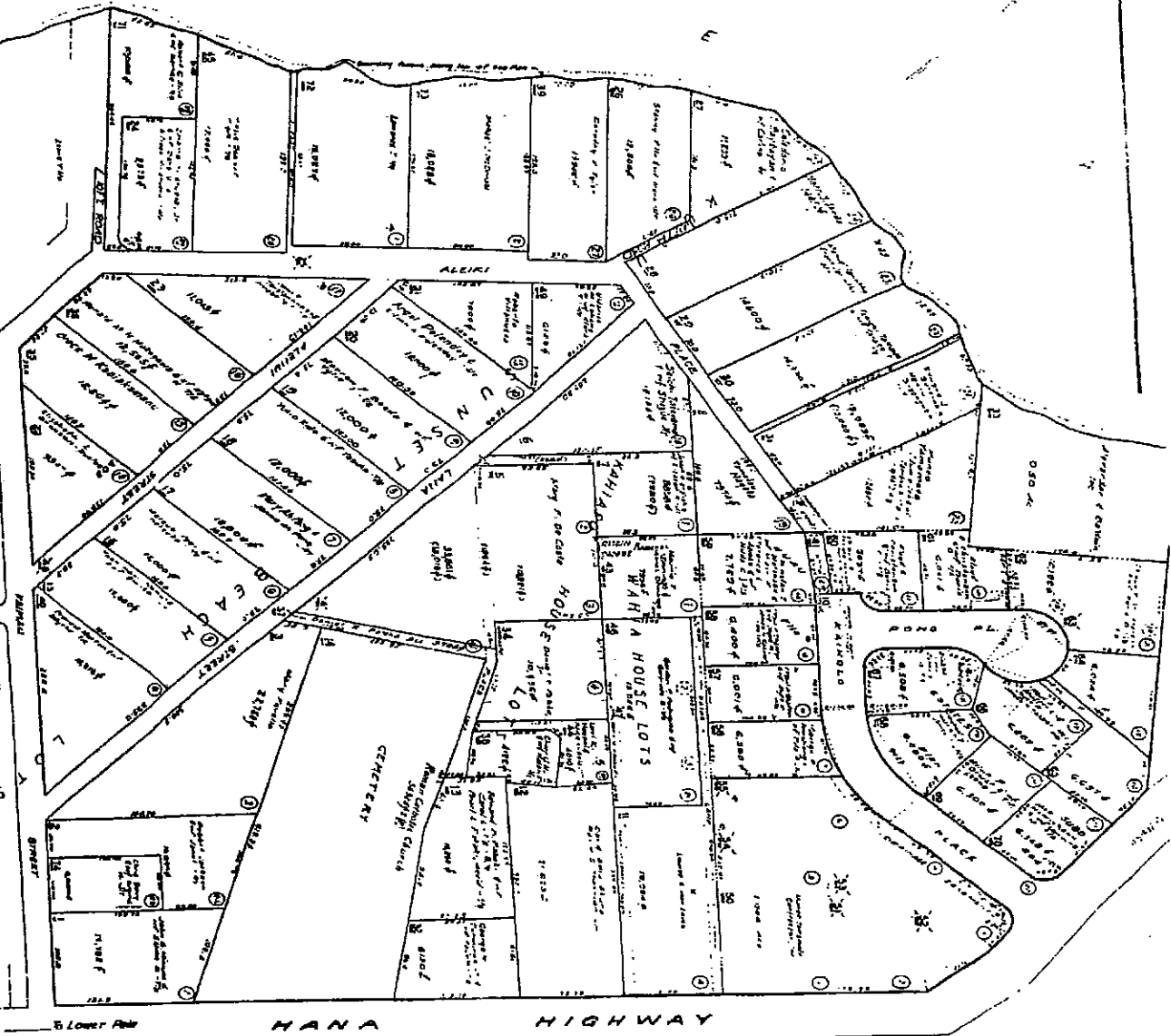
2 247
 PORT OF HANAKUPOKO HUI LAND, KULU, HAWAII, MAUI.



Recorder's Map
 This is a true and correct copy of the original map as filed in the Office of the Recorder of Deeds, Maui, Hawaii, on the date when received.

Designed 12-5

RECORD DIVISION	2
FILE NO.	610
CONTAINING 13 PARCELS	0
SCALE 1" = 200'	



HANA HIGHWAY

SEC. 5 PART 25

PLAT

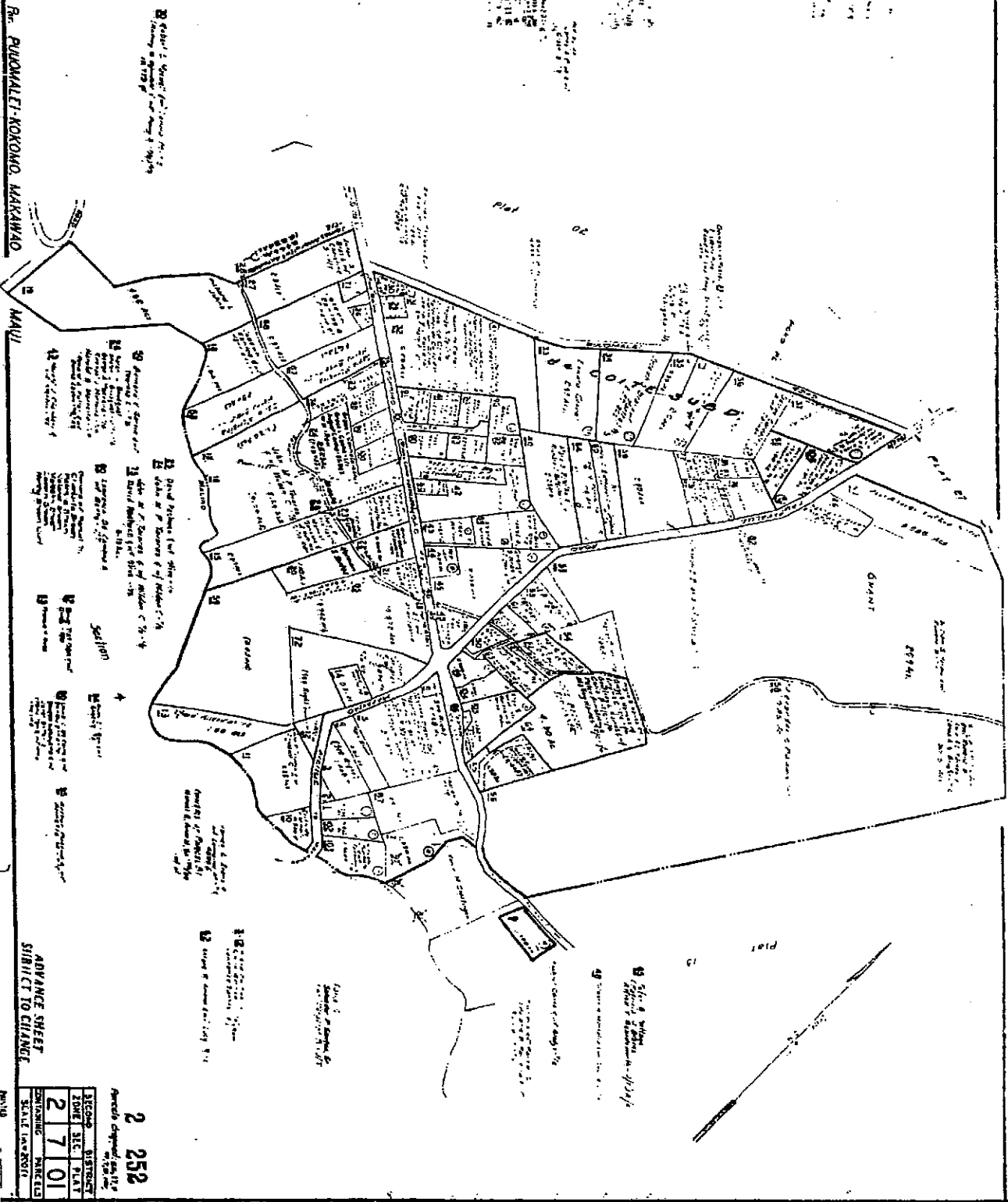
APPROVED FOR RECORDING BY THE COUNTY CLERK
 THIS 15th DAY OF MARCH 1925

PAUL D. BROWN, CLERK

ADVANCE COPY
 SUBJECT TO LAWYER

BOOK	PAGE
2	612
CONTAINING 31 PARCELS	
SCALE 1/4" = 100'	

Recorder's Memo
 Writing, Typing or Printing UNSATISFACTORY
 when received.



Rt. PUKUMALEI-KOKOMO, MAKAWAO

MAUI

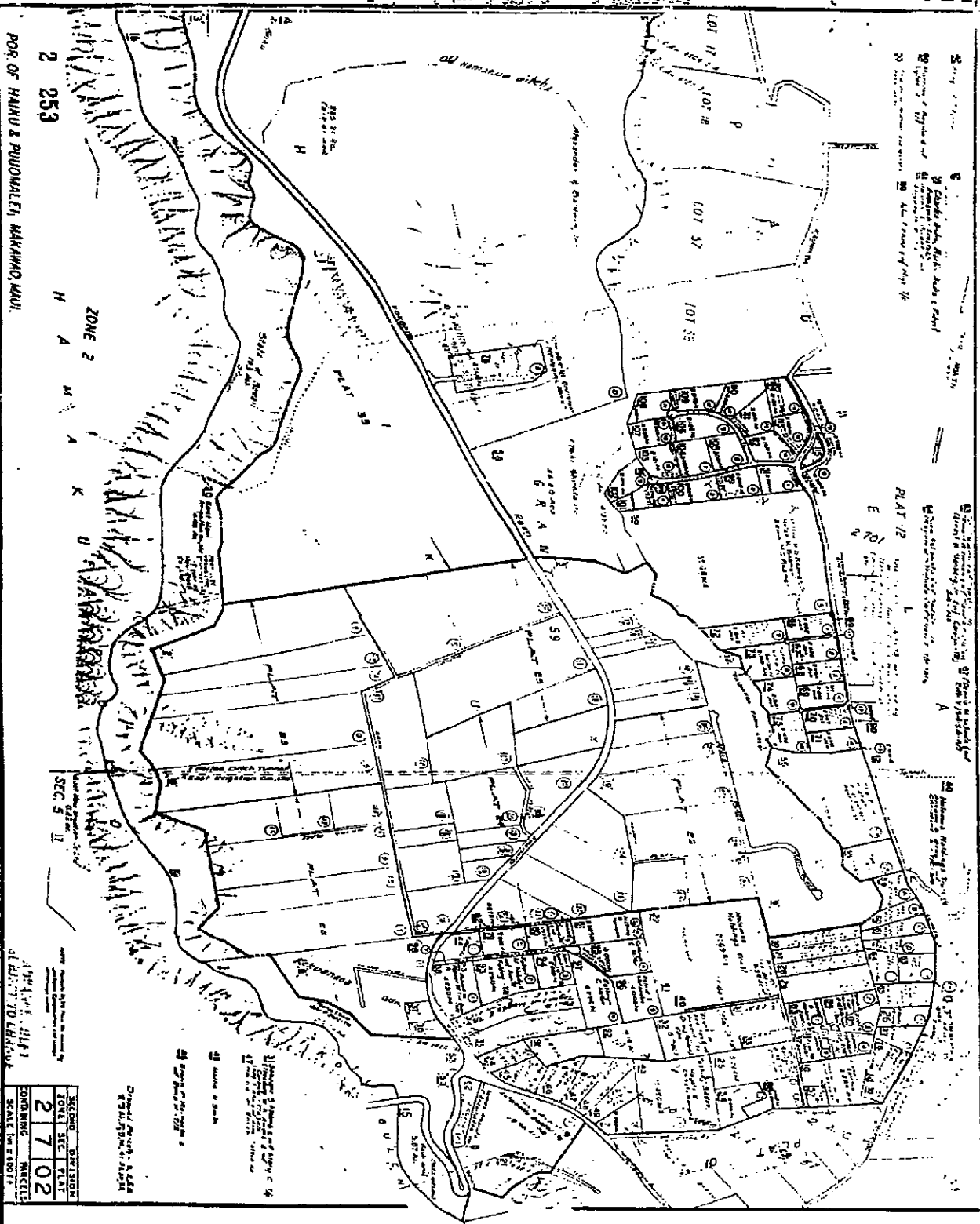
ADVANCE SHEET
SUBJECT TO CHANGE

2 252

SECTION	2
TOWNSHIP	27
RANGE	01
STATE	HAWAII

Recorder's Record of this map is subject to being, Typing or Printing UNSATISFACTORY when received.

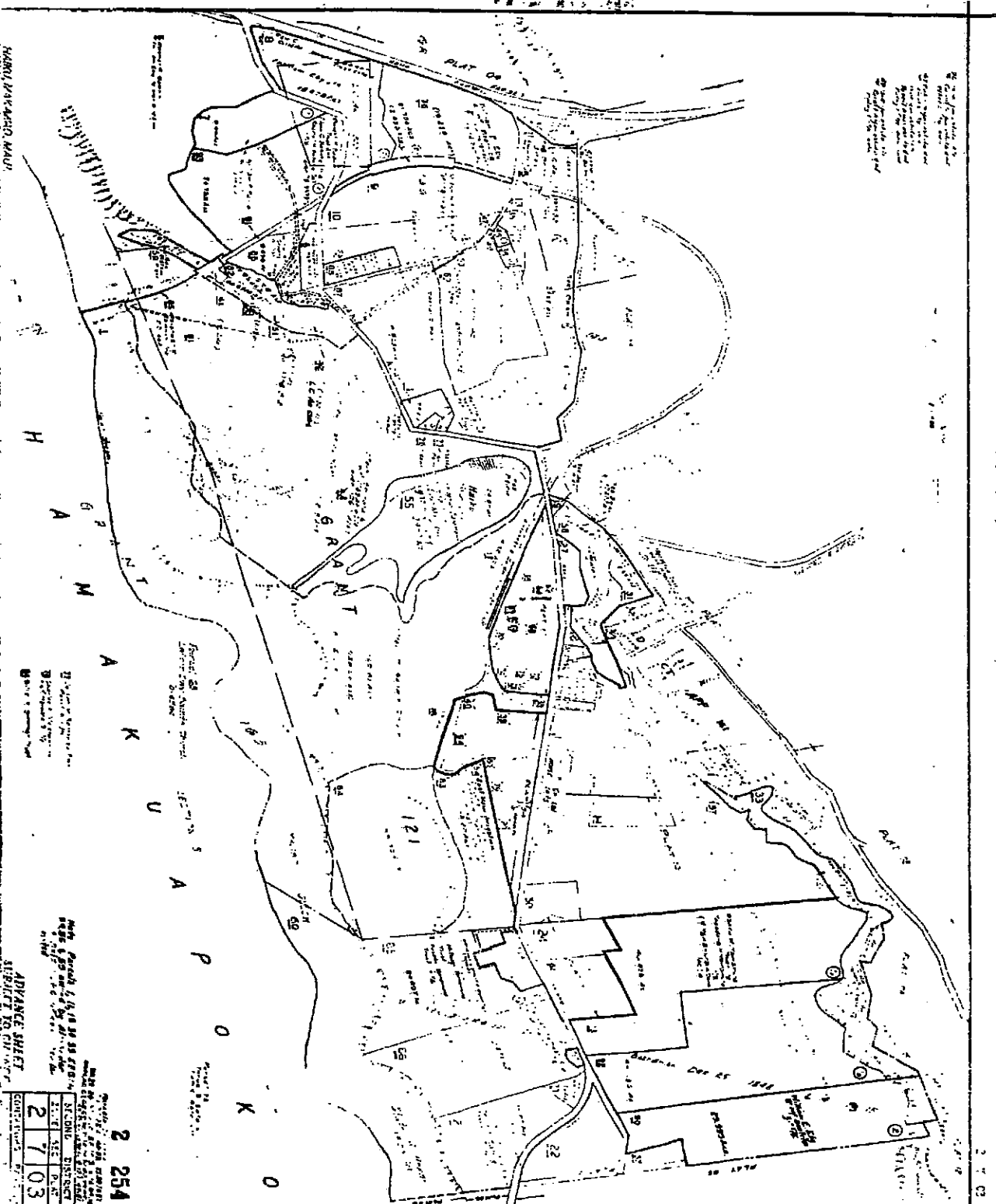
Recorder's Memorandum of Writing, Typing or Printing UNSATISFACTORY
Document when received.



2 253
POR OF HANU & PUOMALEI, MAKAWAO, MAUI

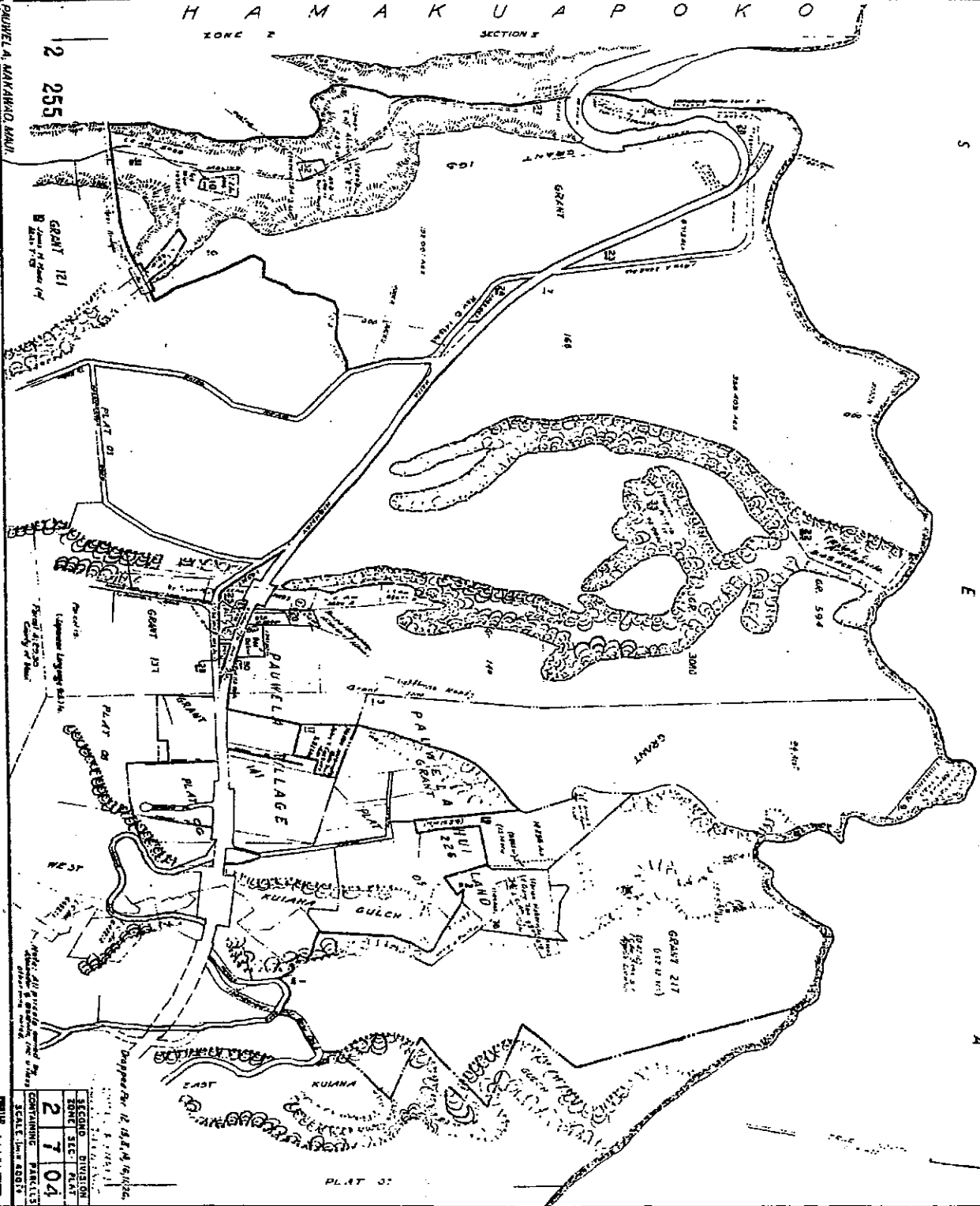
SECTION	QUAD
FOOT SEC	TAKE
27	02
CORNER	
SCALE 1" = 100'	

Original Plat No. A 224
K 107 18 107 37 107 35



Recorder's Record of this document is not being, Typing or Printing UNSATISFACTORY
 document when received.

H A M A K U A P O K O
ZONE 2 SECTION 2



PUNHELA, NAHAIHO, MAUI

2 255

S

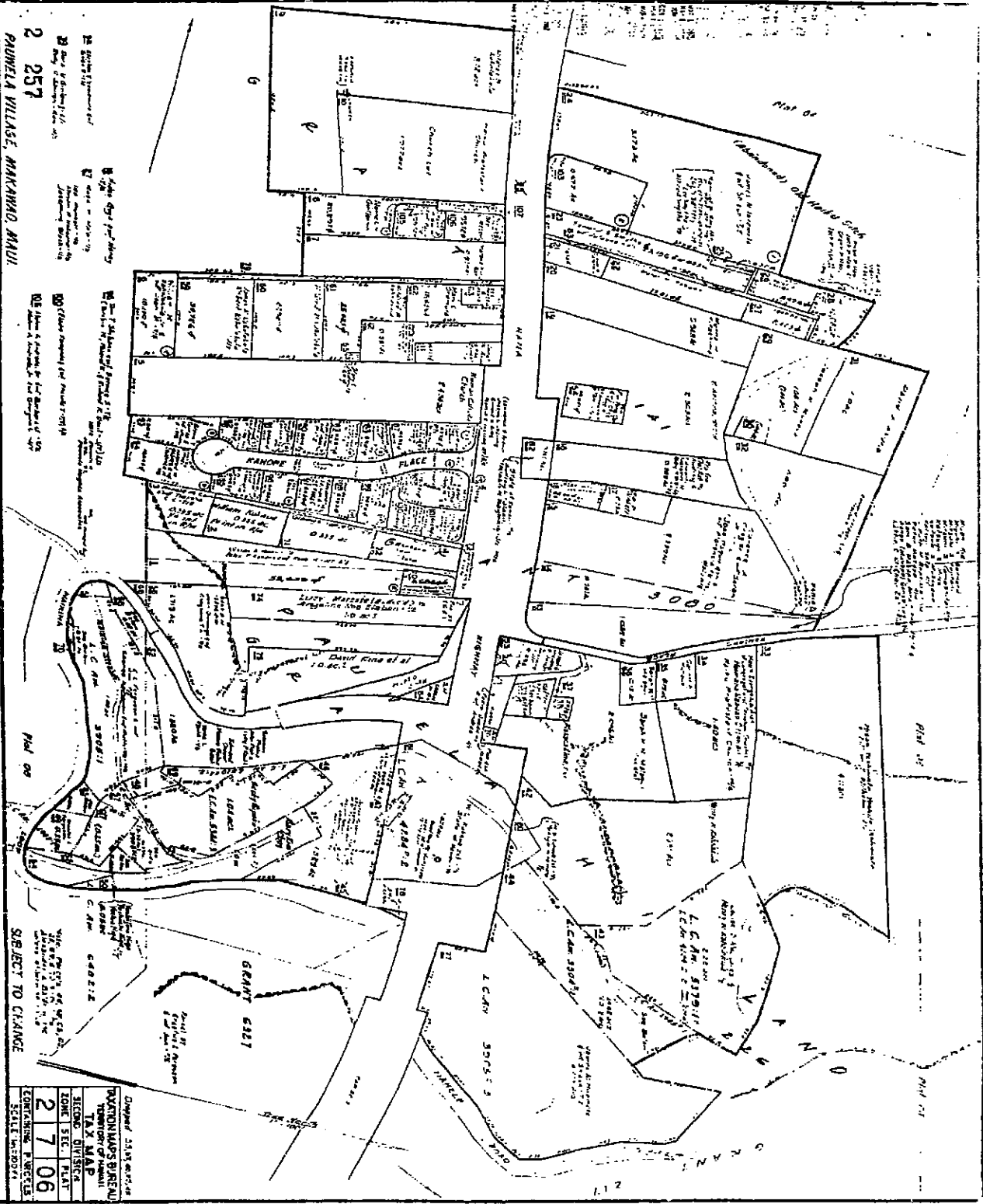
E

A

CONTAINING	PARCELS
2	704
SECOND DIVISION	
ZONE SEC PLAT	
2 7 04	
SCALE: 1 in. = 400'	

Recorder's Office
 No Writing, Typing or Printing UNSATISFACTORY
 Receipt when received.

Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
Document when received.

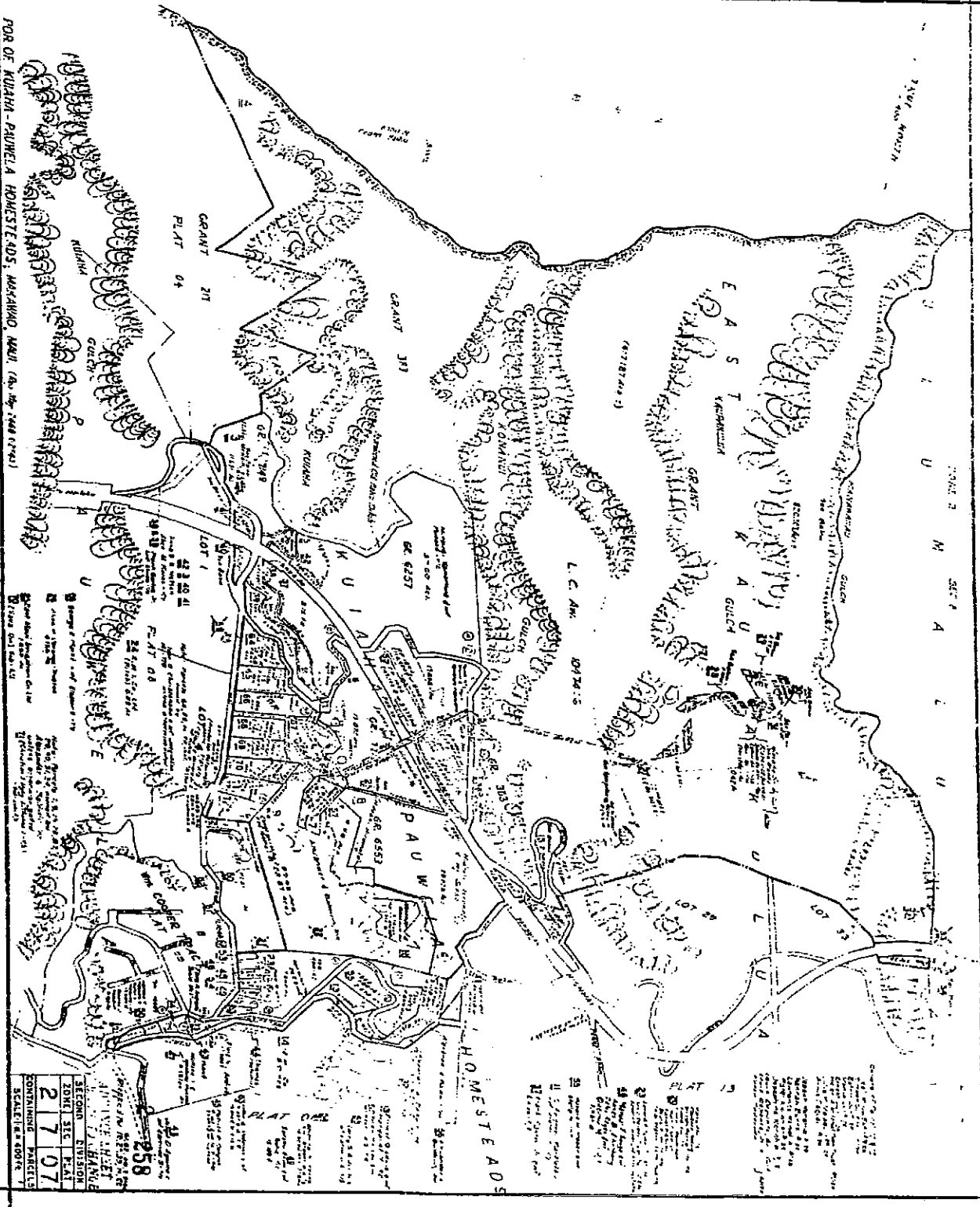


2 257
 RAHWELA VILLAGE, MAKANIHI MAUI

2 257
 RAHWELA VILLAGE, MAKANIHI MAUI

SUBJECT TO CHANGE

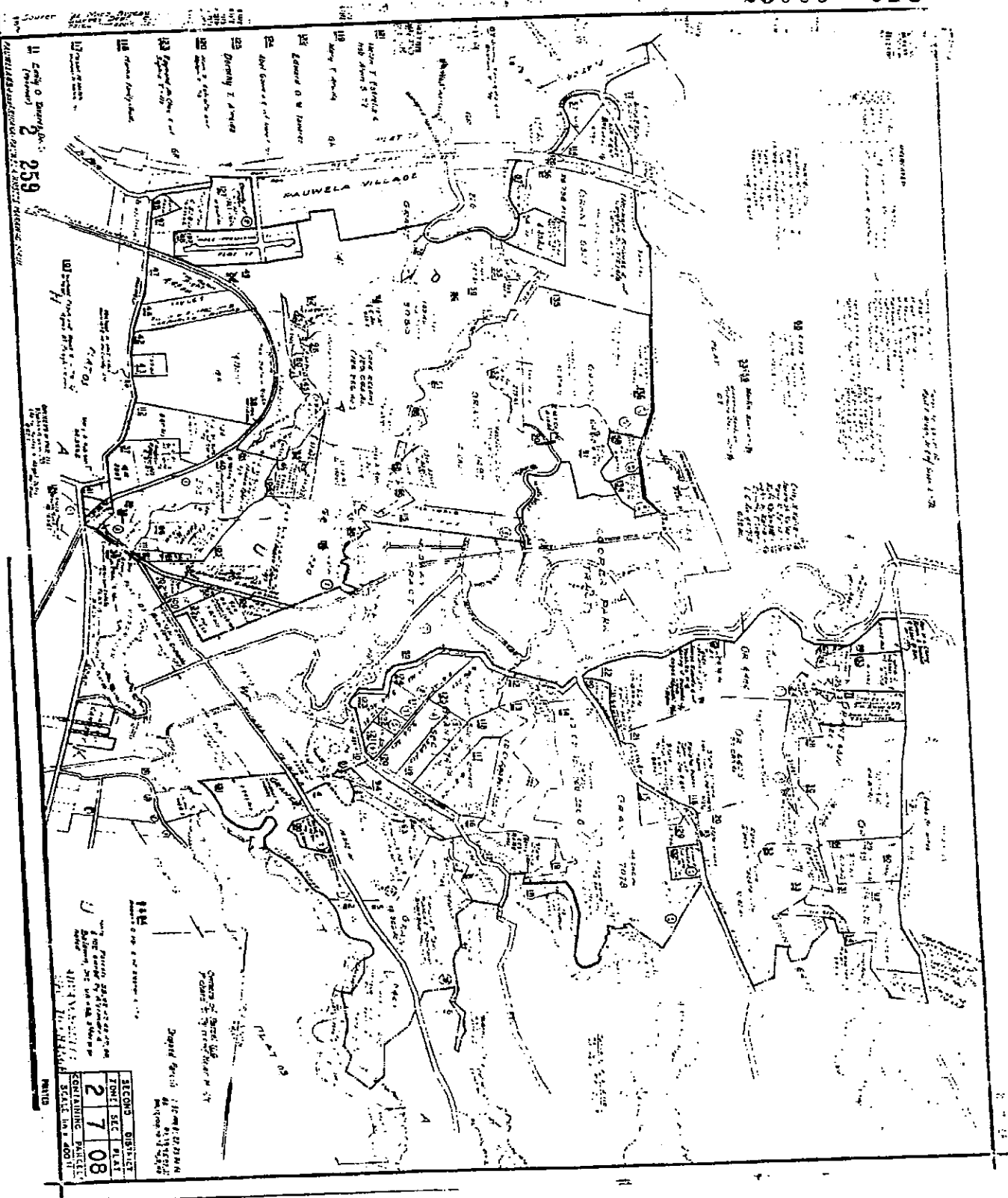
OWNER	DAVID KING
PLAT	2 257
SECTION	06
CONTAINING PARCELS	1
SCALE	1" = 100'



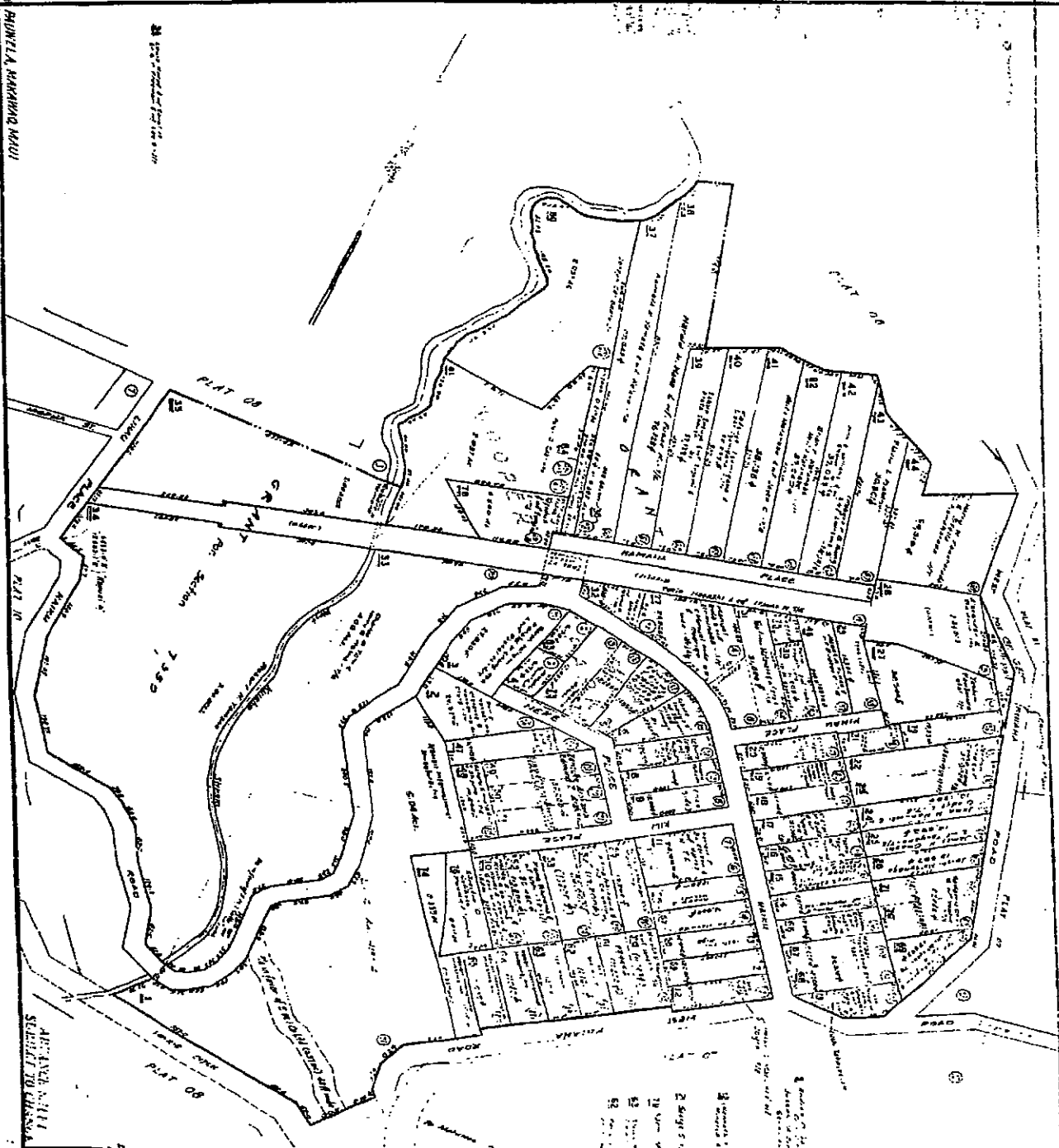
Recorder's Memo: **RECORDING OF WRITING, TYPING OR PRINTING UNSATISFACTORY**
 This document when received.

258

DATE	27
TIME	07
CONTAINING	PAGES
SCALE	1" = 400'



Recorder's Memo: This document is a copy of the original document when received. Writing, Typing or Printing UNSATISFACTORY



HONOLULU, HAWAII

23006 617

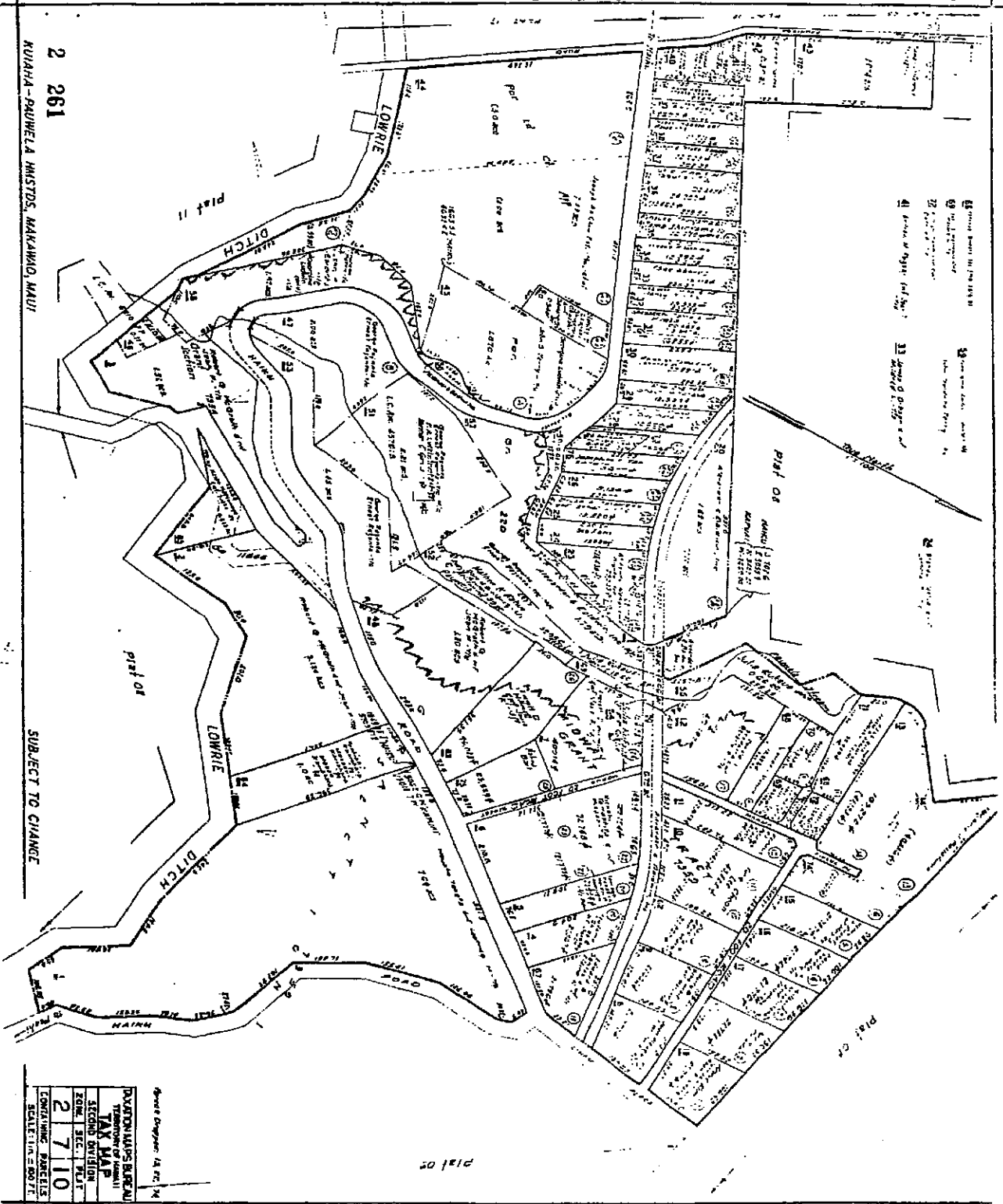
2 260

PLAT	2	260
SECTION	1333	
ZONE	SEC. PLAT	2709
CONTAINING	PARCELS	

SCALE 1/4" = 100'

Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
 Document when received.

Recorder's Name
of Writing, Typing or Printing UNSATISFACTORY
document when received.



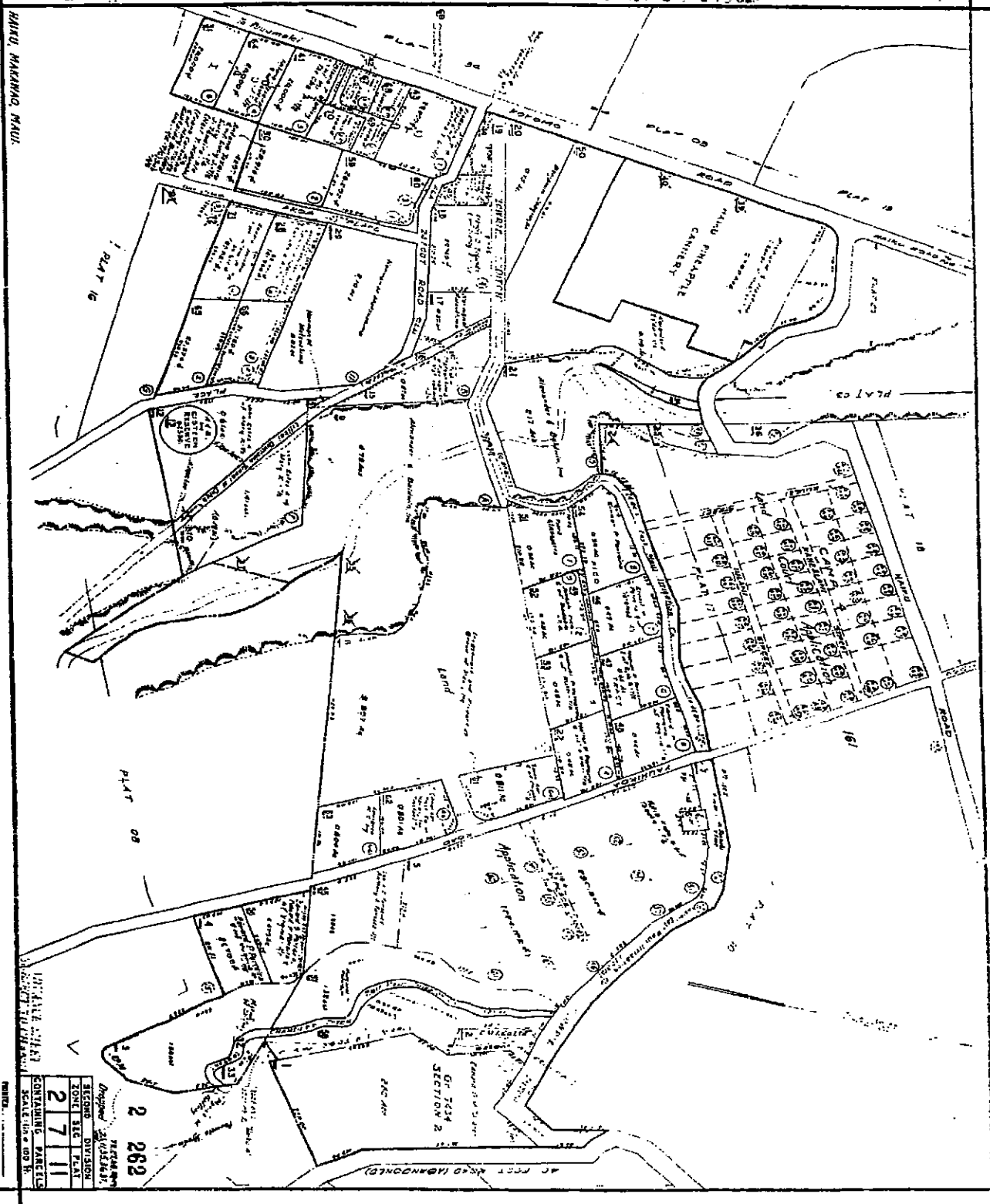
2 261

KUIAHA-PAUIWELA MASTOS, MAKAMAO, MAUI

SUBJECT TO CHANGE

Sheet Number 14 of 24

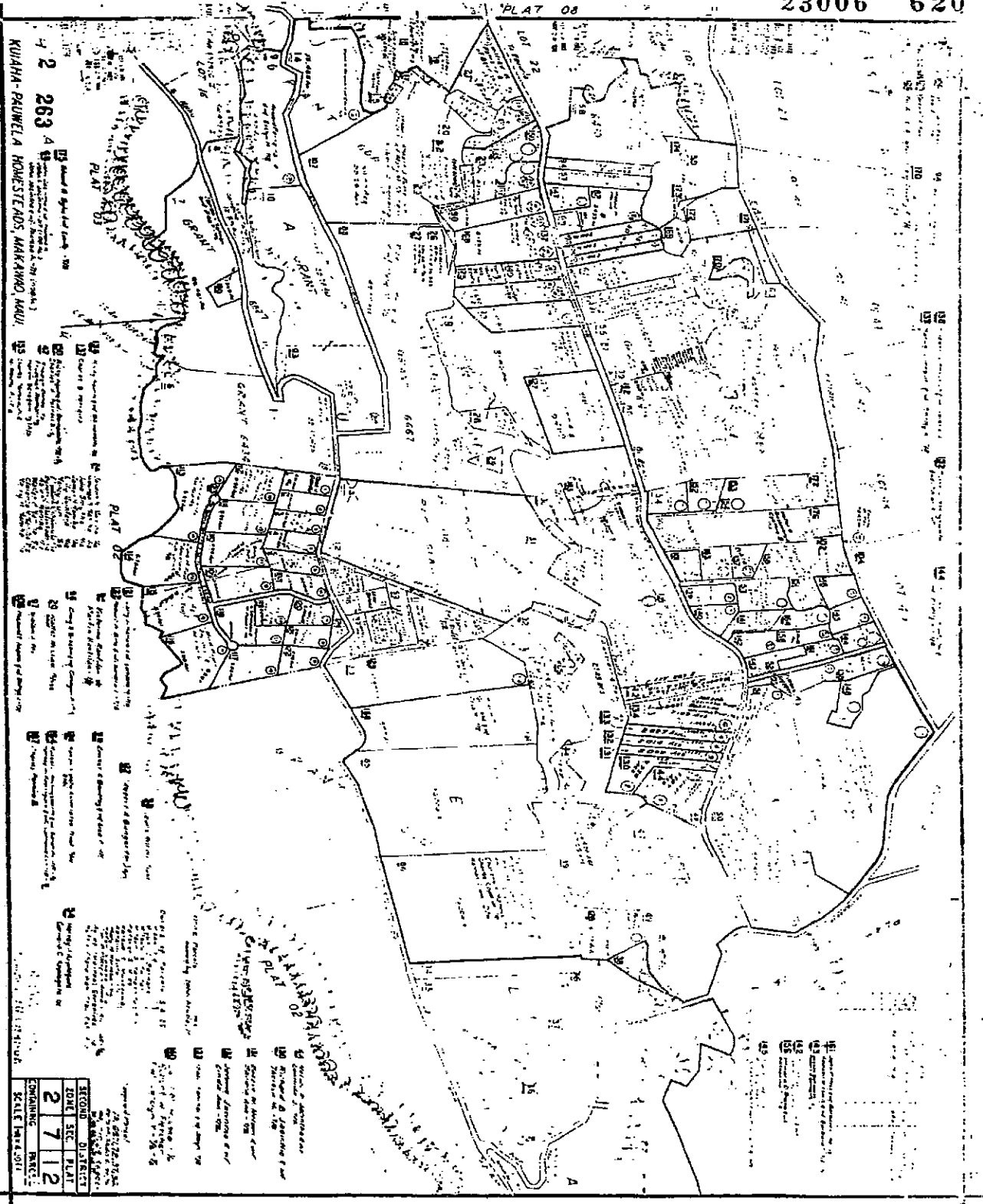
DIVISION MAPS BUREAU	
TERRITORY OF HAWAII	
TAX MAP	
SECOND DIVISION	
ZONE	SEC. PLAT
2	7 10
CONTAINING PARCELS	
SCALE 1 IN. = 300 FT.	



Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
 of amount when received.

PLAT 08

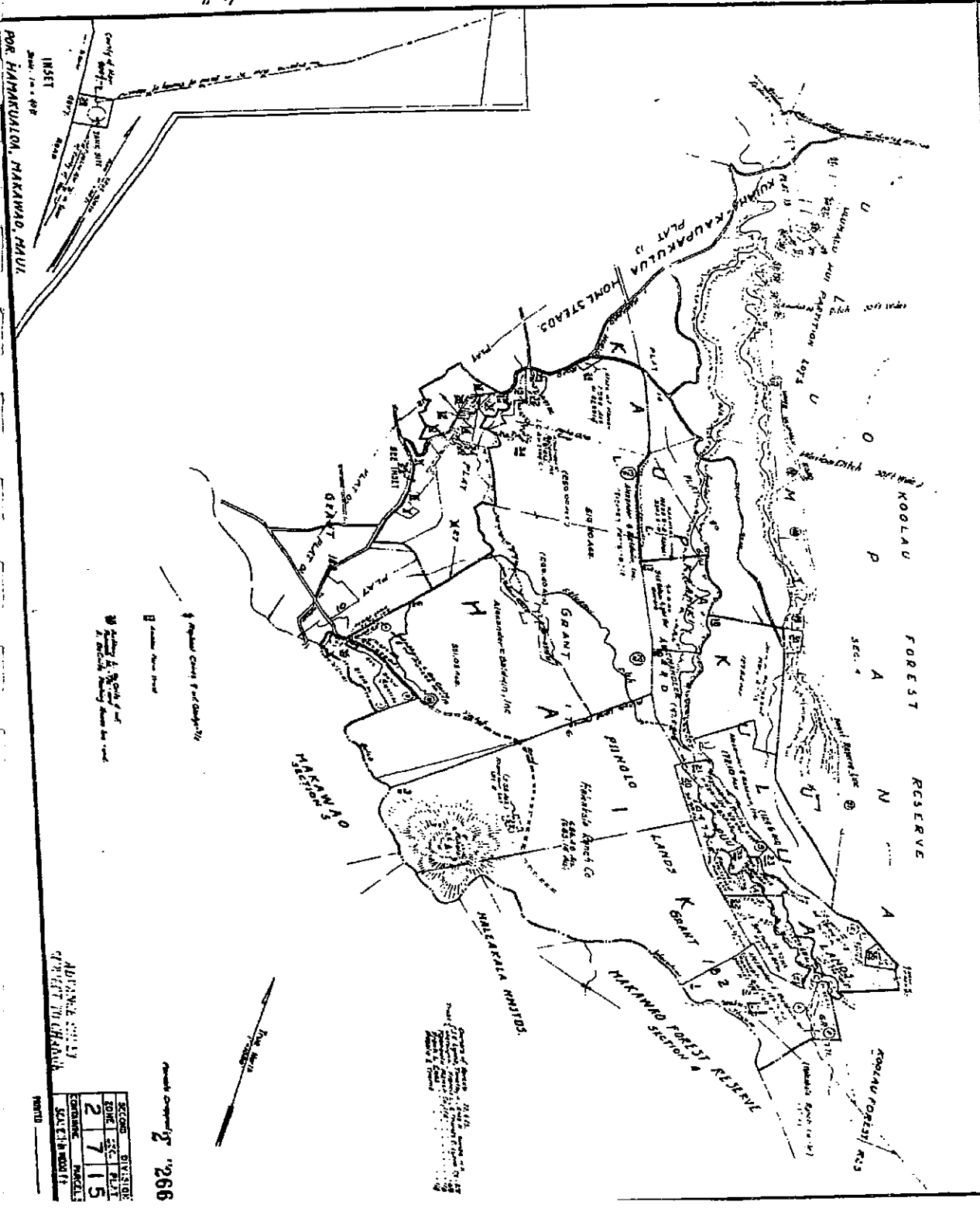
2 263 A
KUIAHA-PAUWELA HOMESTEADS, MAKAWAO, MAUI



Recorder's Memo
 of Printing, Typing or Printing UNSATISFACTORY
 when received.

RECORD	2
SEC	7
PLAT	12
COMPARING	
DATE	

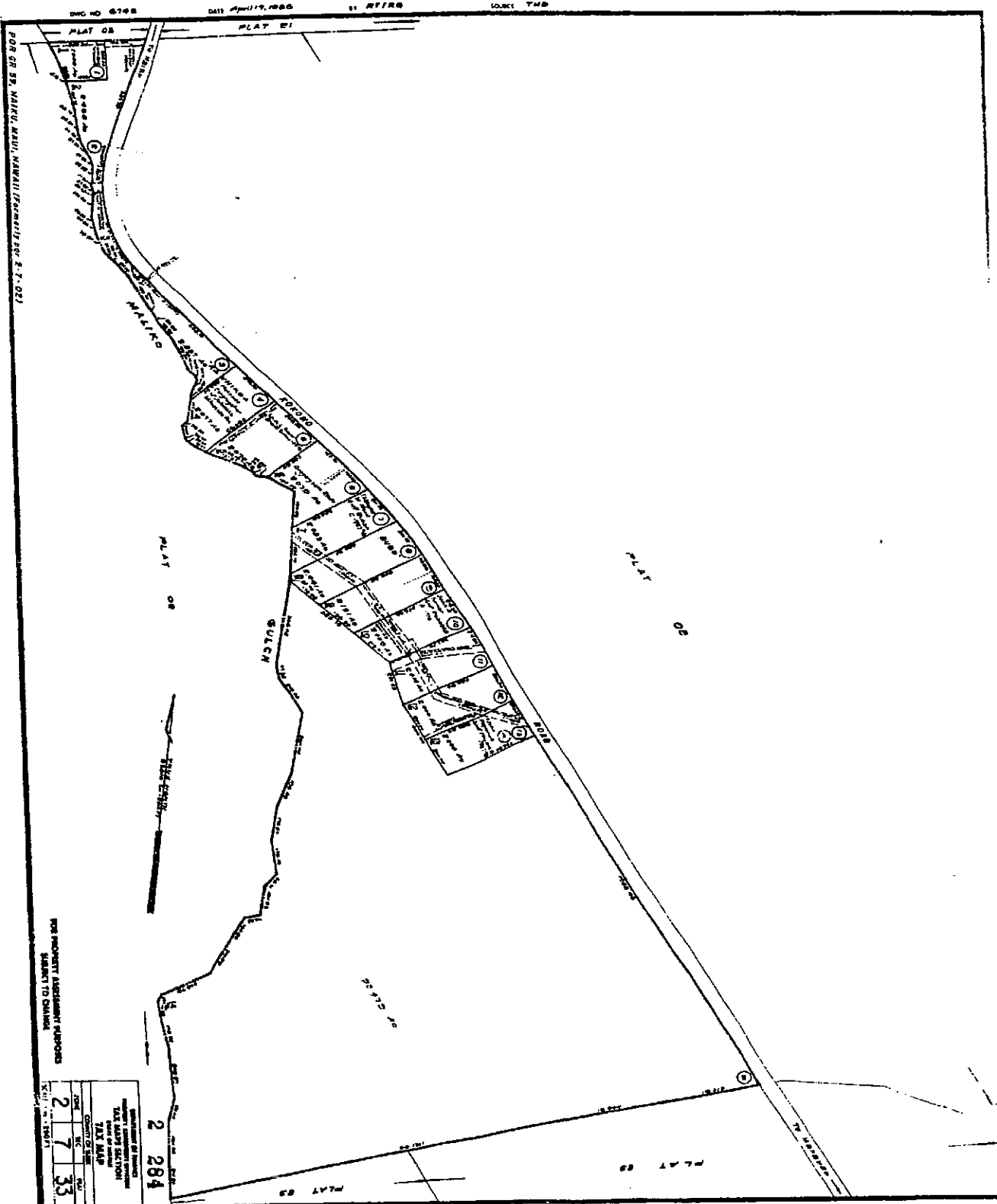
Recorder's Memo: [Illegible] of Printing, Typing or Printing UNSATISFACTORY
 [Illegible] document when received.



266

SECTION	DIVISION
2715	MAKAWAO
2715	MAKAWAO
2715	MAKAWAO

23006 622



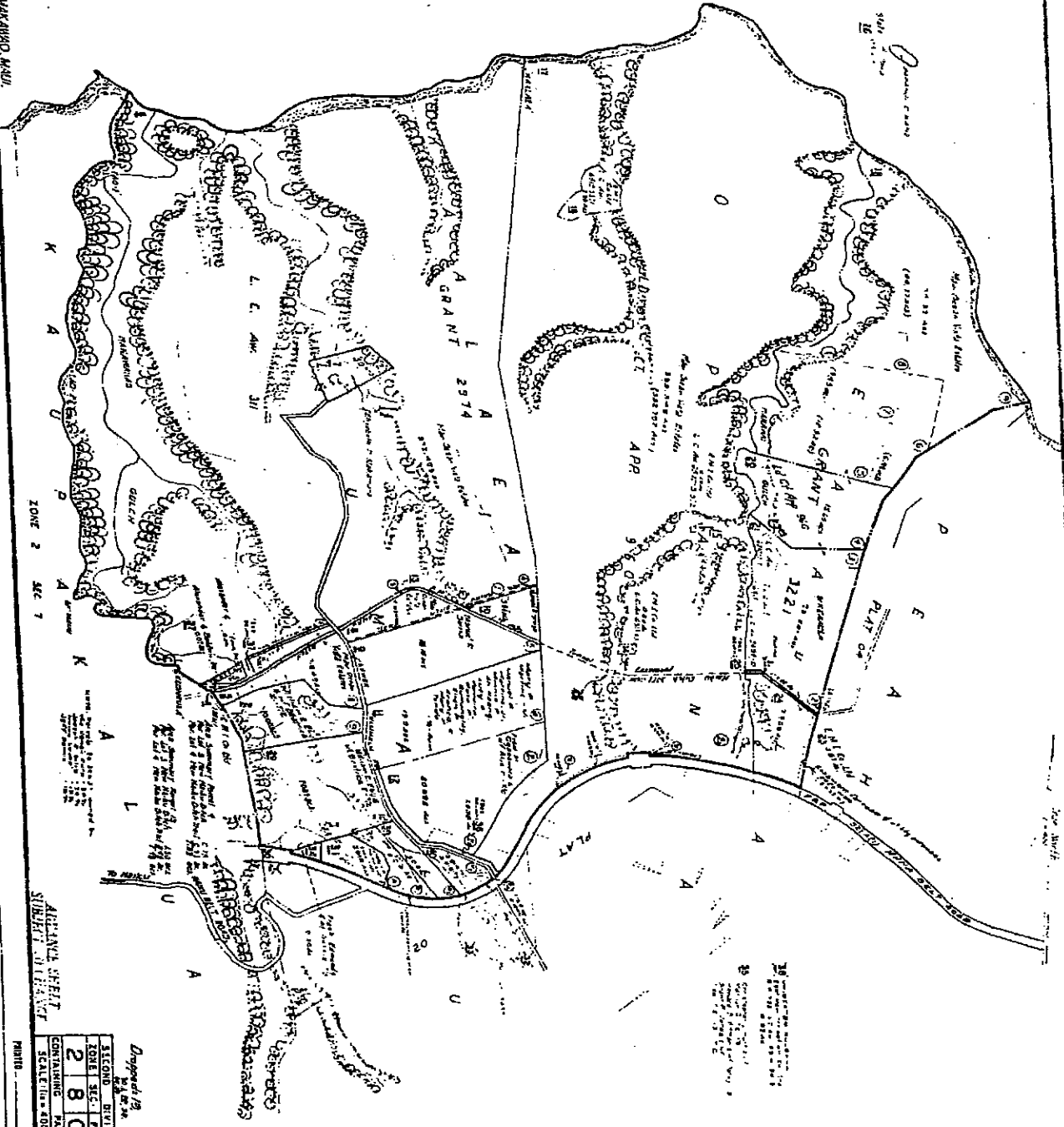
Recorder's Record
 Showing Typing or Printing UNSATISFACTORY
 when received.

FOR PROPERTY ASSIGNMENT PURPOSES
 SUBJECT TO CHARGE

2	7	33
2	7	33
2	7	33

HAWAIIAN ISLANDS, MAKAHOU MAUI

2 289



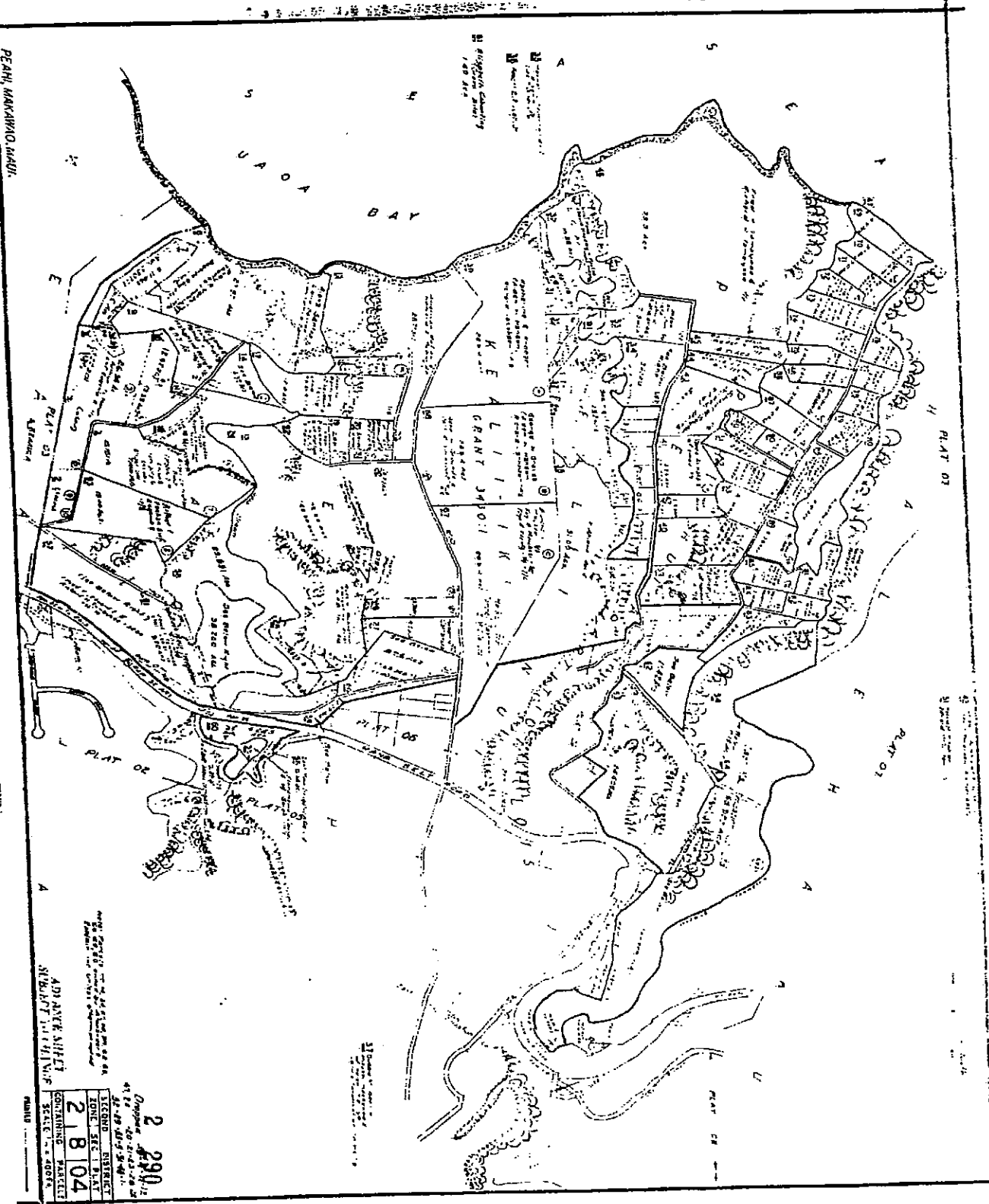
Recorder's Memo
 at Writing, Typing or Printing UNSATISFACTORY
 document when received.

ALPHABETIC SHEET
SUBMIT TO PLANNING

Deposited 5
 19 19 19

SECOND DIVISION	
ZONE SEC. PLAT	
2 8 03	
CONTAINING PARCELS	
SCALE 1/4" = 400'	

PRINTED



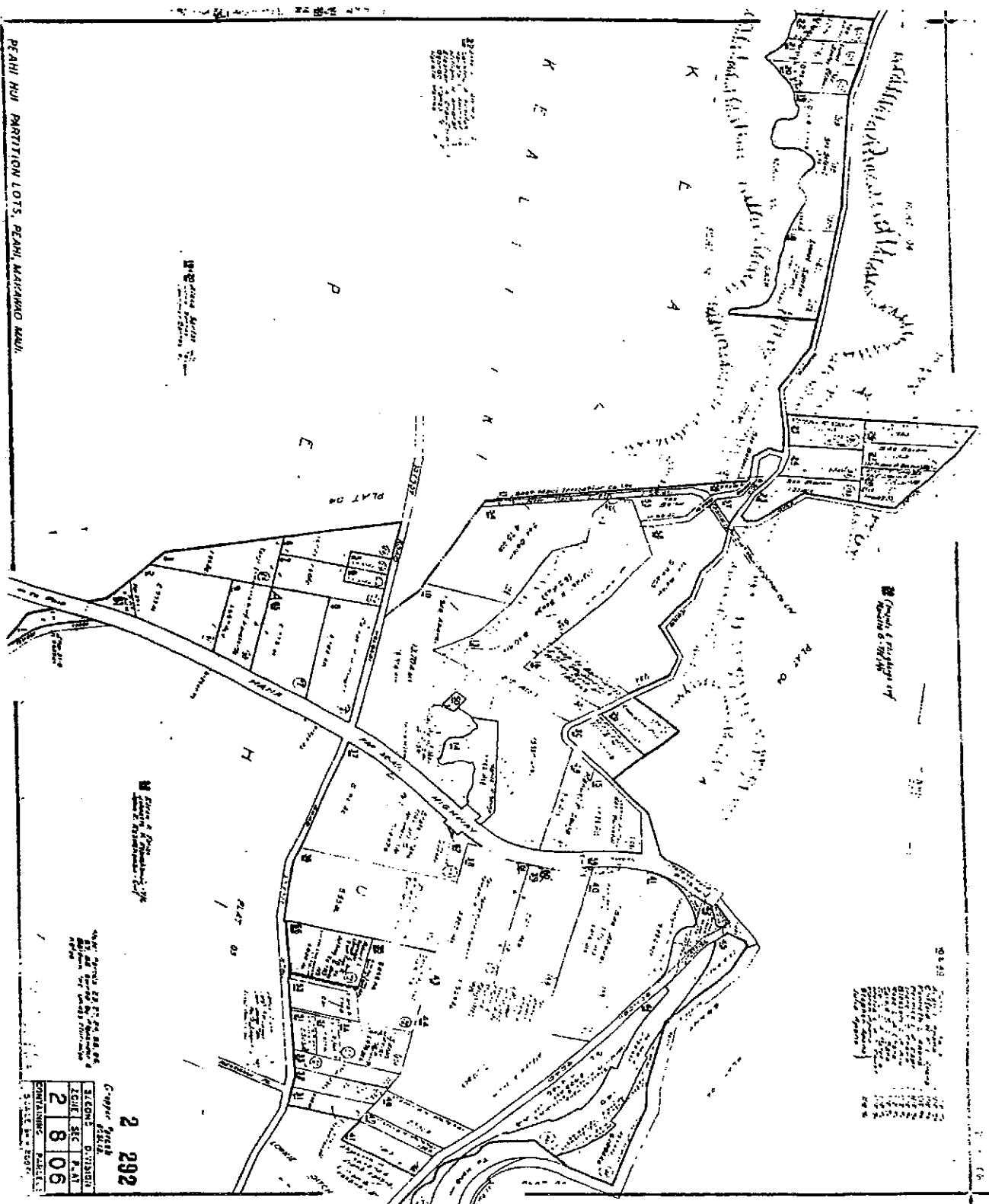
Recorder's Memo: [Illegible] of Writing, Typing or Printing UNSATISFACTORY
 [Illegible] document when received.

PEARL, MAKAWAO, MAUI.

ADVANCE SHEET
 NEWBOLT TYPEWRITER

2	290
1	290
2	1804
2	1804

23006 625



PEAHU HUI PARTITION LOTS, PEAHU, MAUI, HAWAII

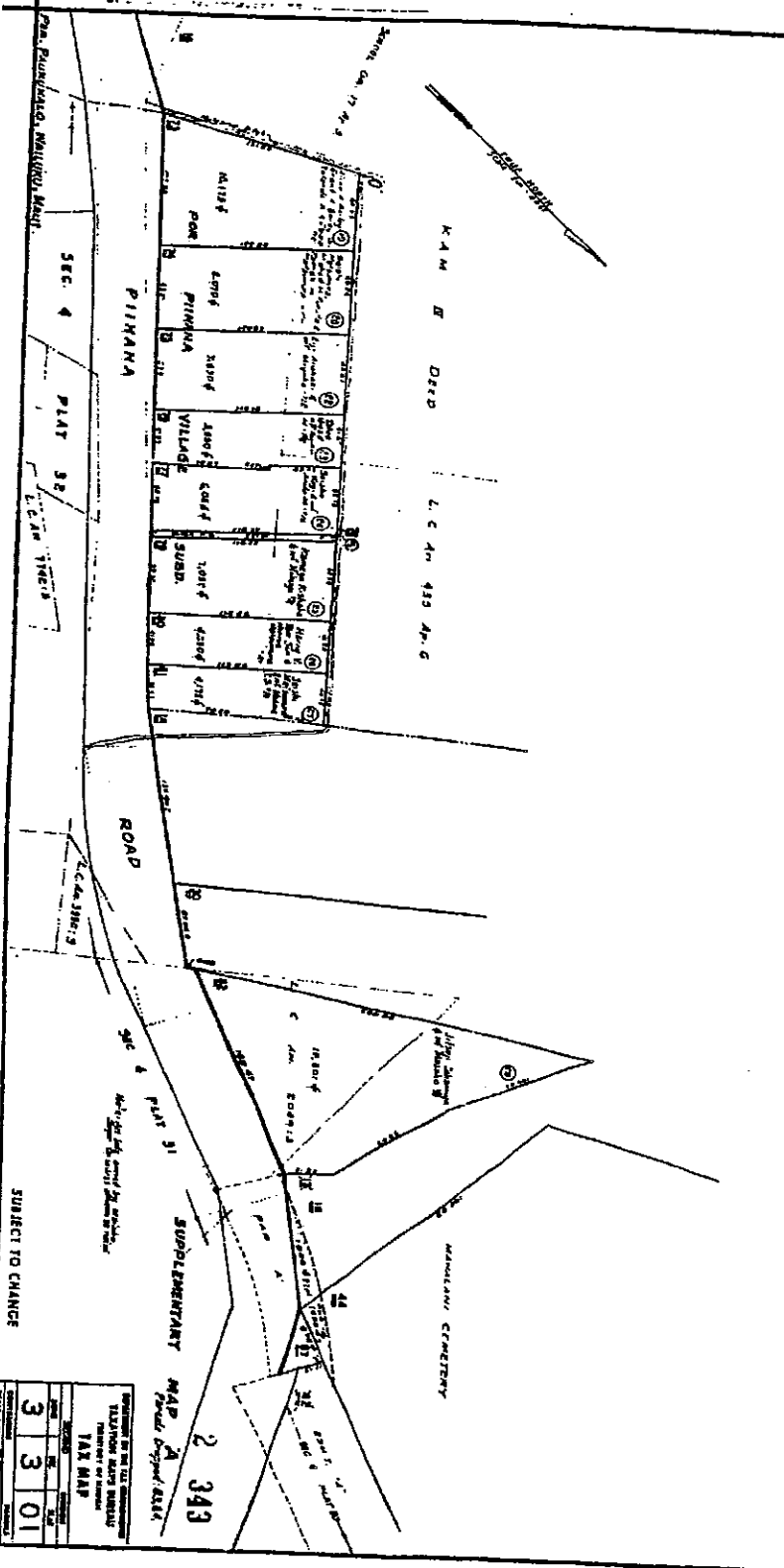
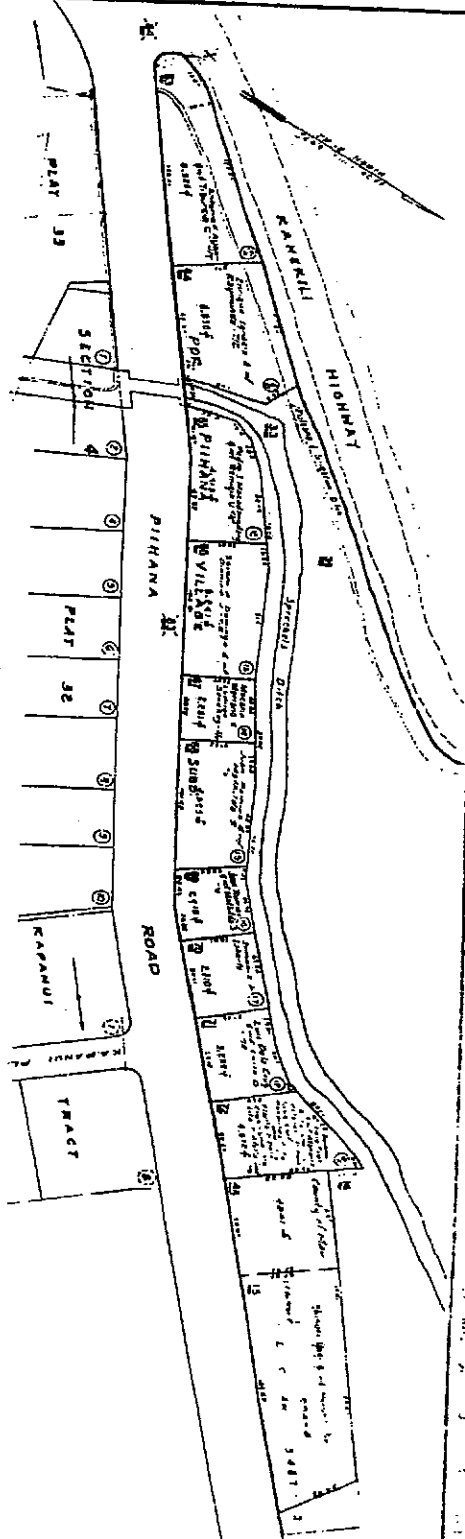
Recorder's Memo...
 Writing, Typing or Printing UNSATISFACTORY
 when received.

2 292

SECTION	2
FEET	8
INCHES	06

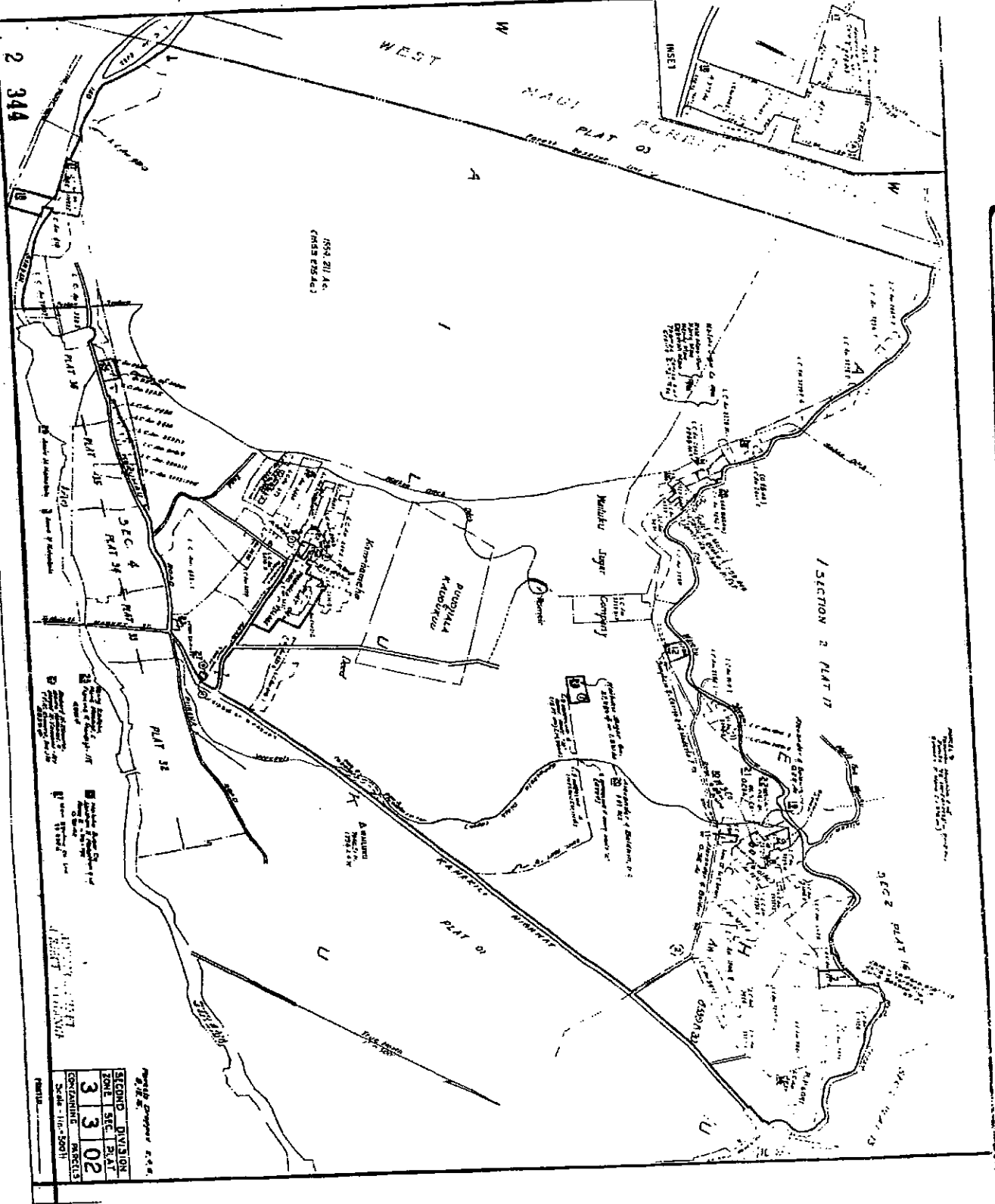
CONTAINING...
 2 292

Recorder's Map
 Printing, Typing or Printing UNSATISFACTORY
 when received.



2 343
 MAP A
 SUBJECT TO CHANGE

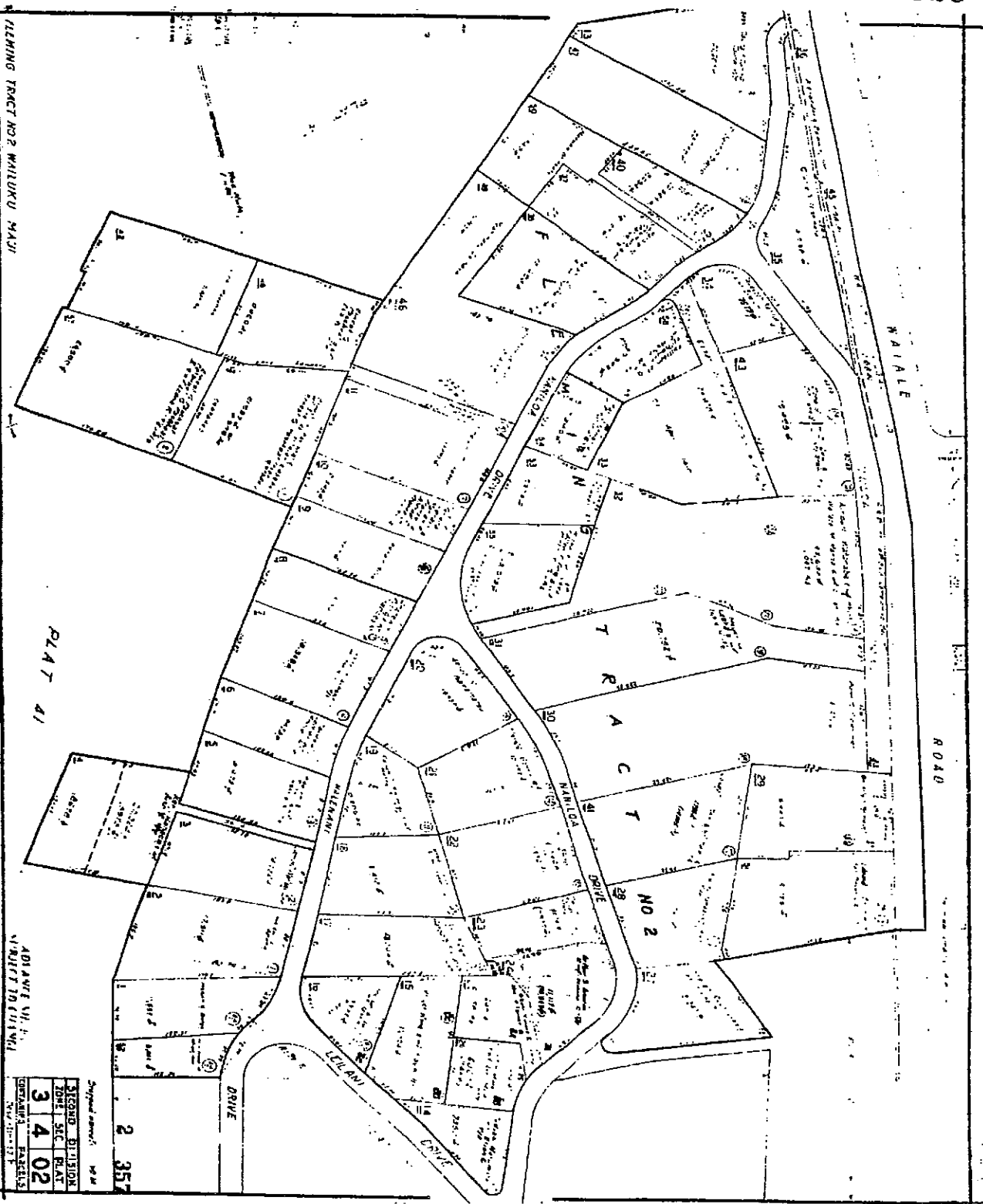
3	3	01
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Recorder's Memo
 of
 Printing, Typing or Printing UNSATISFACTORY
 when received.

23006 629

Recorder's Receipt
Printing, Typing or Printing UNSATISFACTORY
When received.



FLEMING TRACT NO 2 WHILURU MAHI

PLAT 41

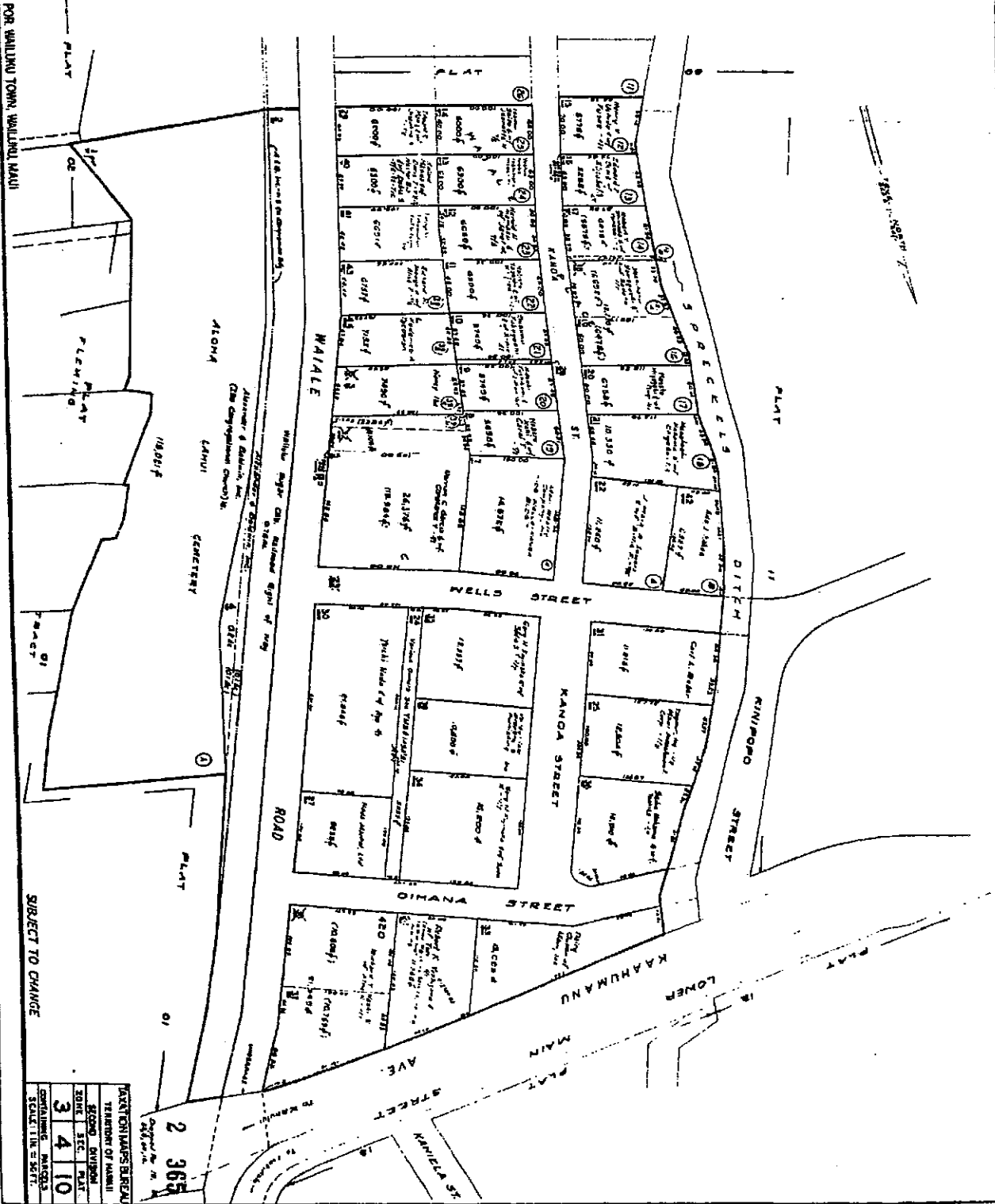
NO 2

ADVANCE VOL. 4,
SERIES 10 (1/1/1914)

Original amount	2	357
SECOND DIVISION		
DATE SEC PLAT	3	4 02
RECORDS		

REVISED

BY: J.M.H. & C. DIVISION, REV. 6-1960



SUBJECT TO CHANGE

KAWAII LANDS DEPARTMENT	
TERRITORY OF HAWAII	
SECOND DIVISION	PLAT
BOOK 3	410
CONTAINING PARTS OF	
SECTION 16 & 20 T. 20 N., W. 23 E.	

2 365

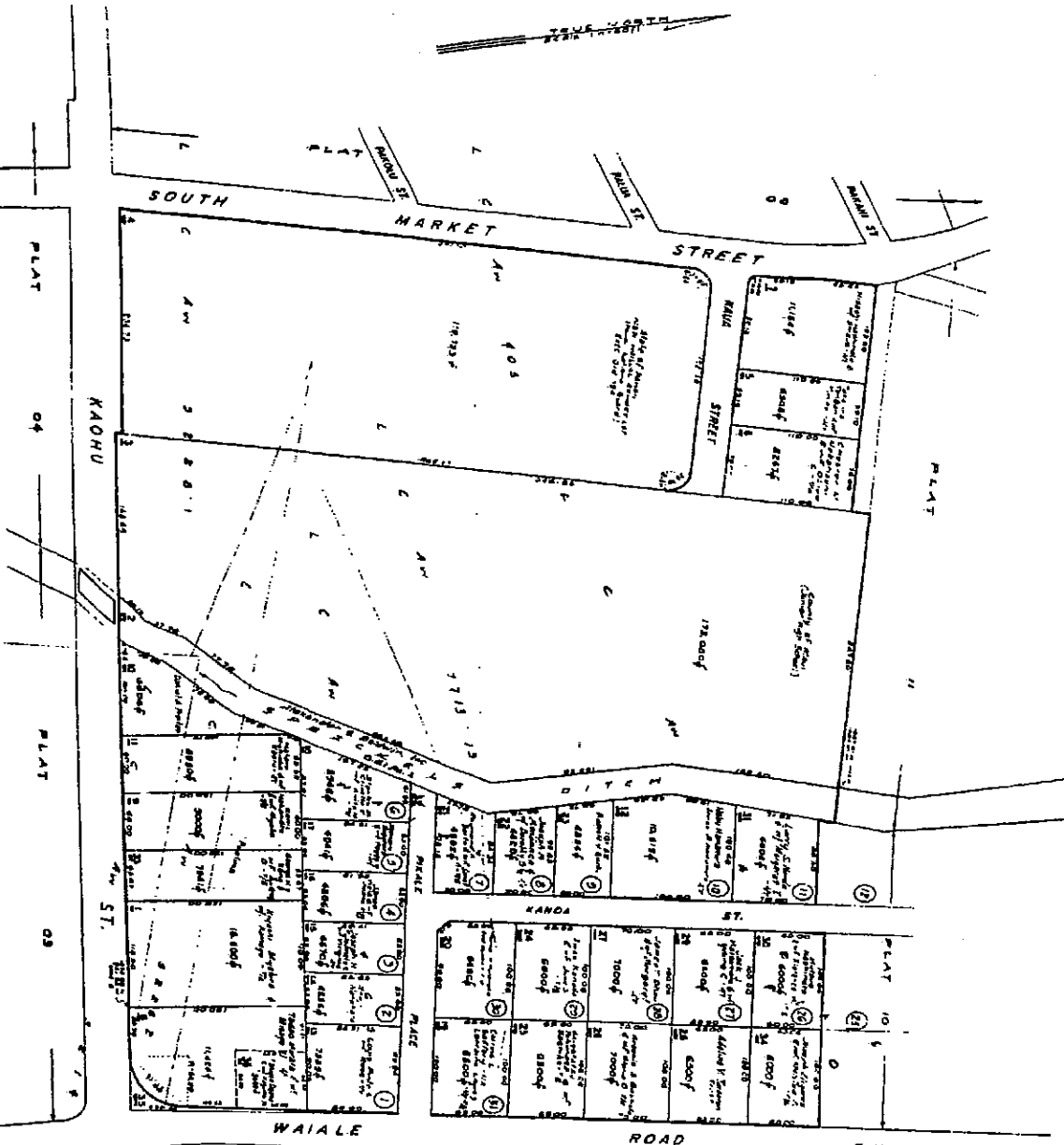
Recorder's Memo
 of Writing, Typing or Printing UNSATISFACTORY
 when received.

23006 632

BY J. H. & C. W. BISHOP, MAY 2, 1890.

2 364

FOR WAIALUA TOWN, WAIALUA MAUI



Recorder's Receipt
 This receipt is given in acknowledgment of the filing, typing or printing of the above plat when received.

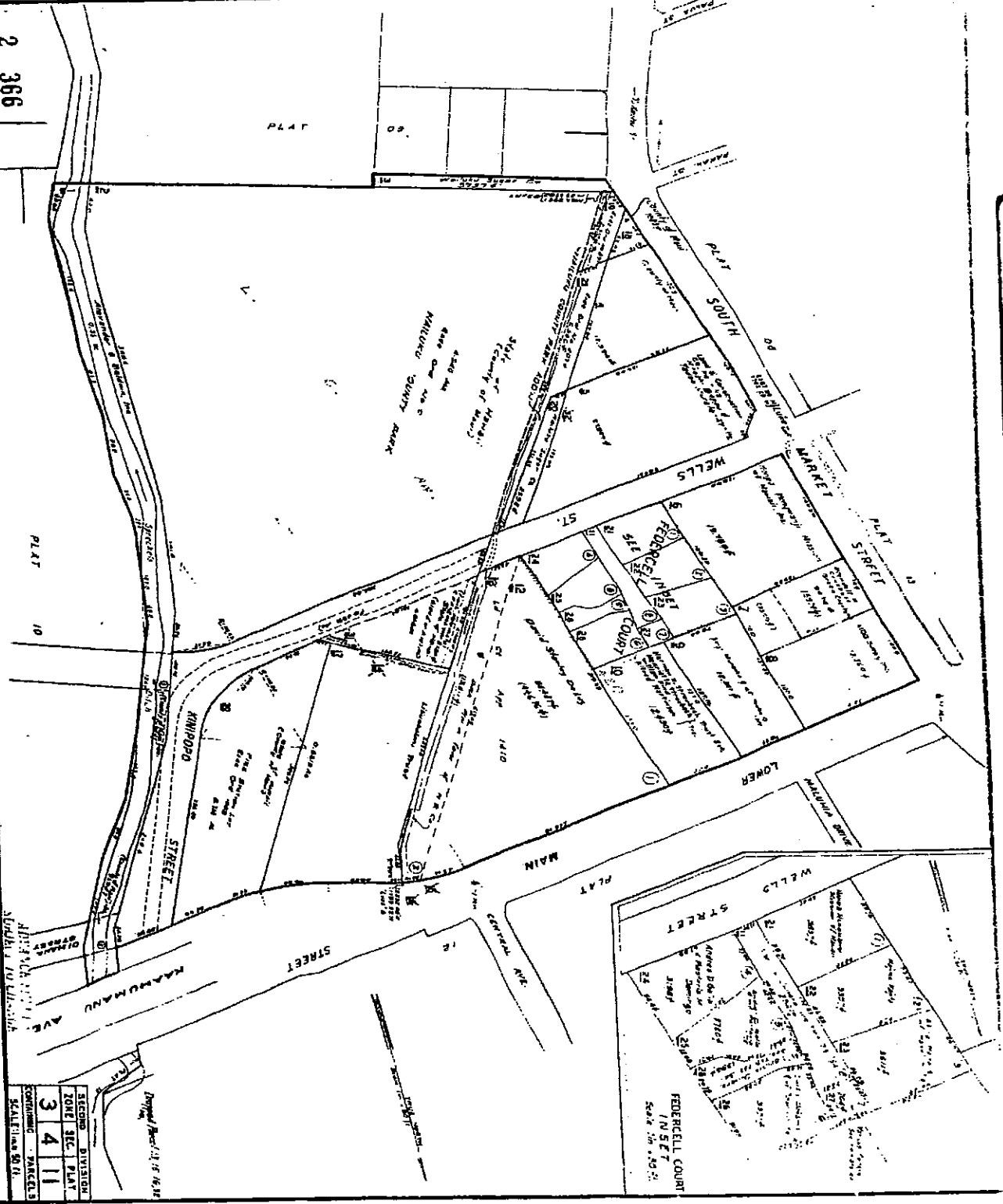
SELECT TO CHANGE

Original Record No.

PLATONARY BUREAU	
TERRITORY OF HAWAII	
SECOND DIVISION	PLAT
BOOK 1	3409
CONTAINING 100 LOTS	
SCALE 1 IN = 50 FT.	

2 366

Division of MAIL ORDER TOWN, WAQUILA, MAJILI

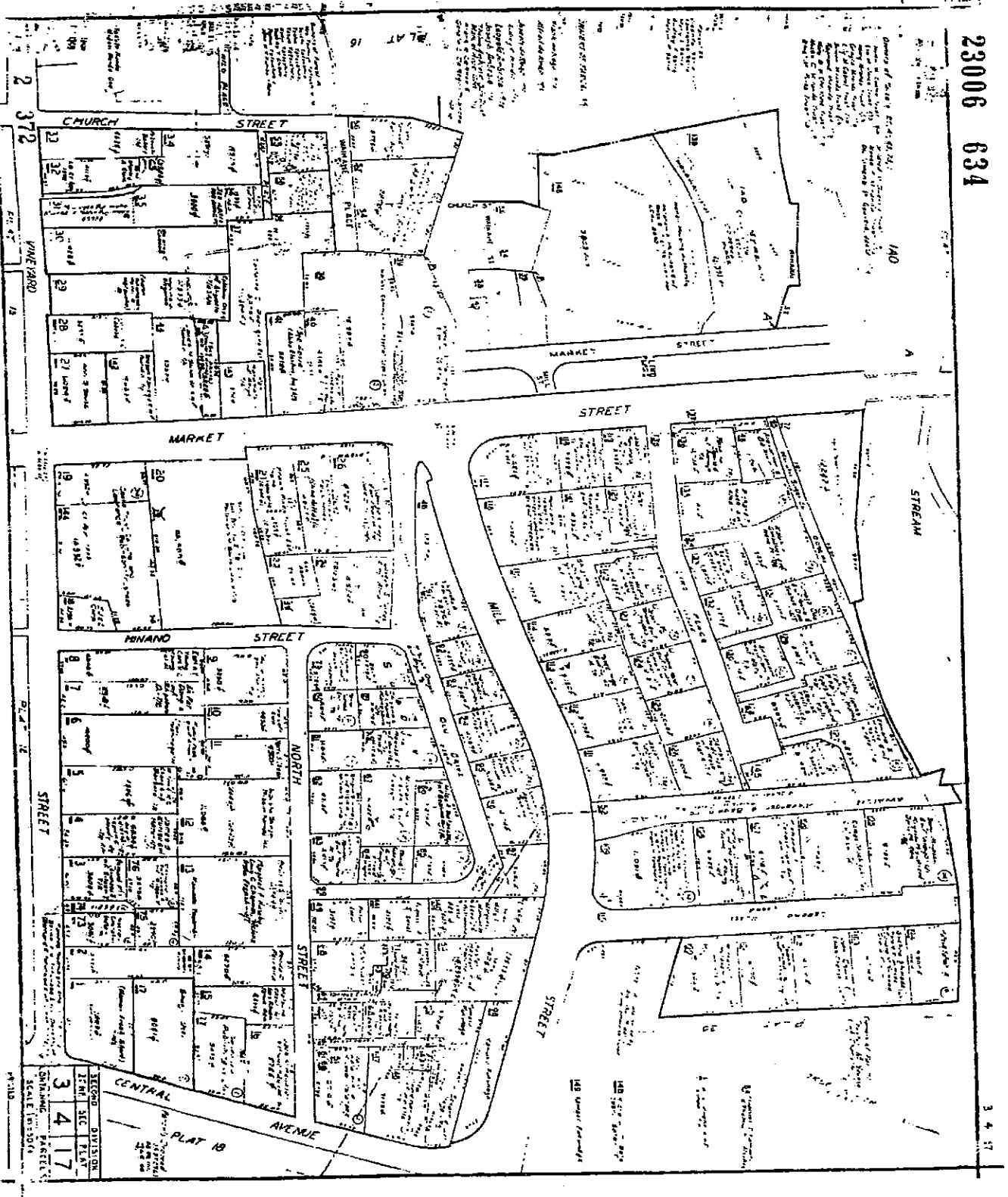


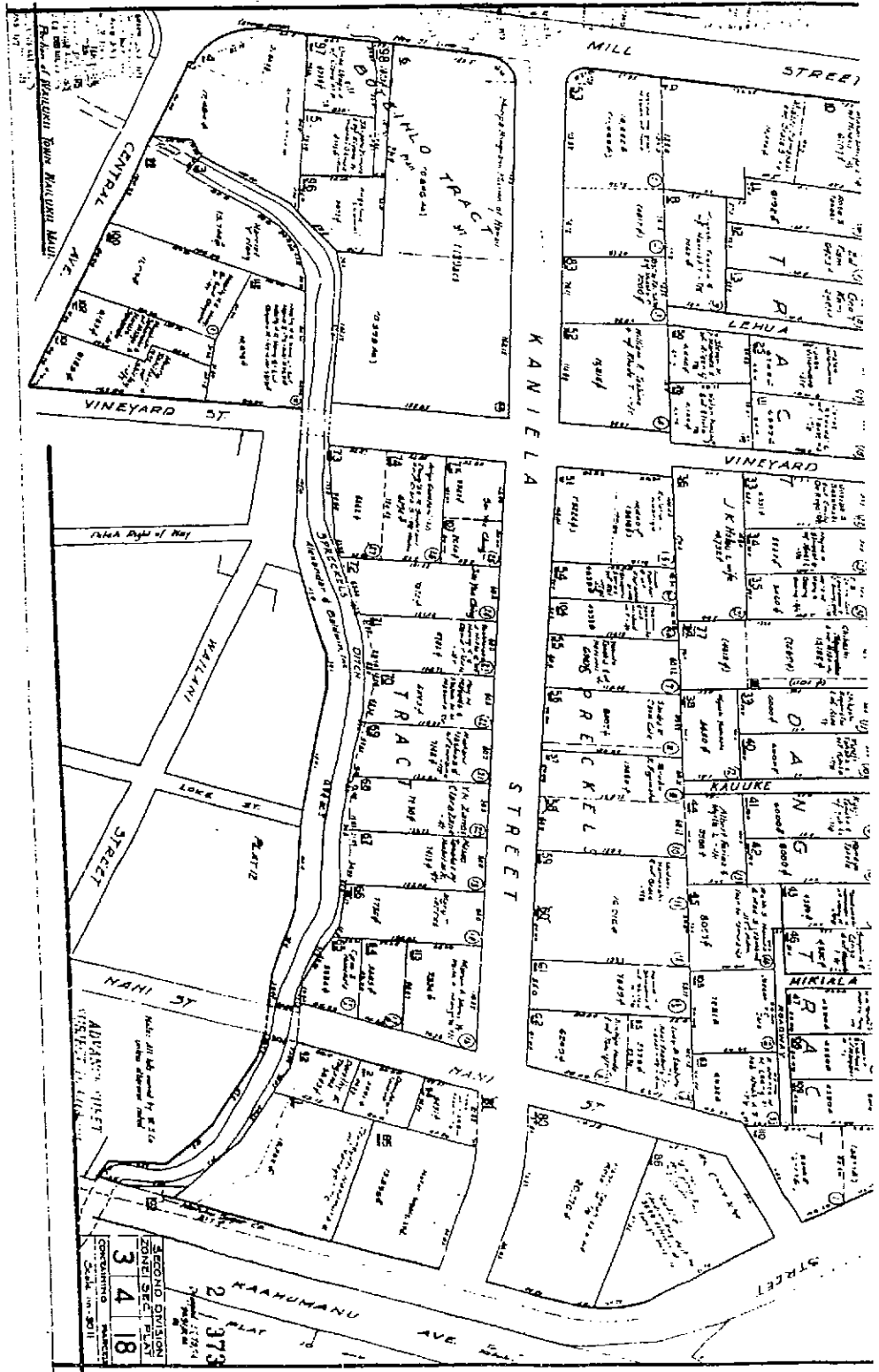
SECOND DIVISION	3
TOWN SEC. 1 PLAT	4
CONTAINING PARCELS	11
SCALE 1" = 50 FT.	

Recorder's Office
 Printing, Typing or Printing UNSATISFACTORY
 Statement when received.

Recorder's Memo: [Illegible] of Printing, Typing or Printing UNSATISFACTORY
[Illegible] document when received.

23006 634





T R A C T

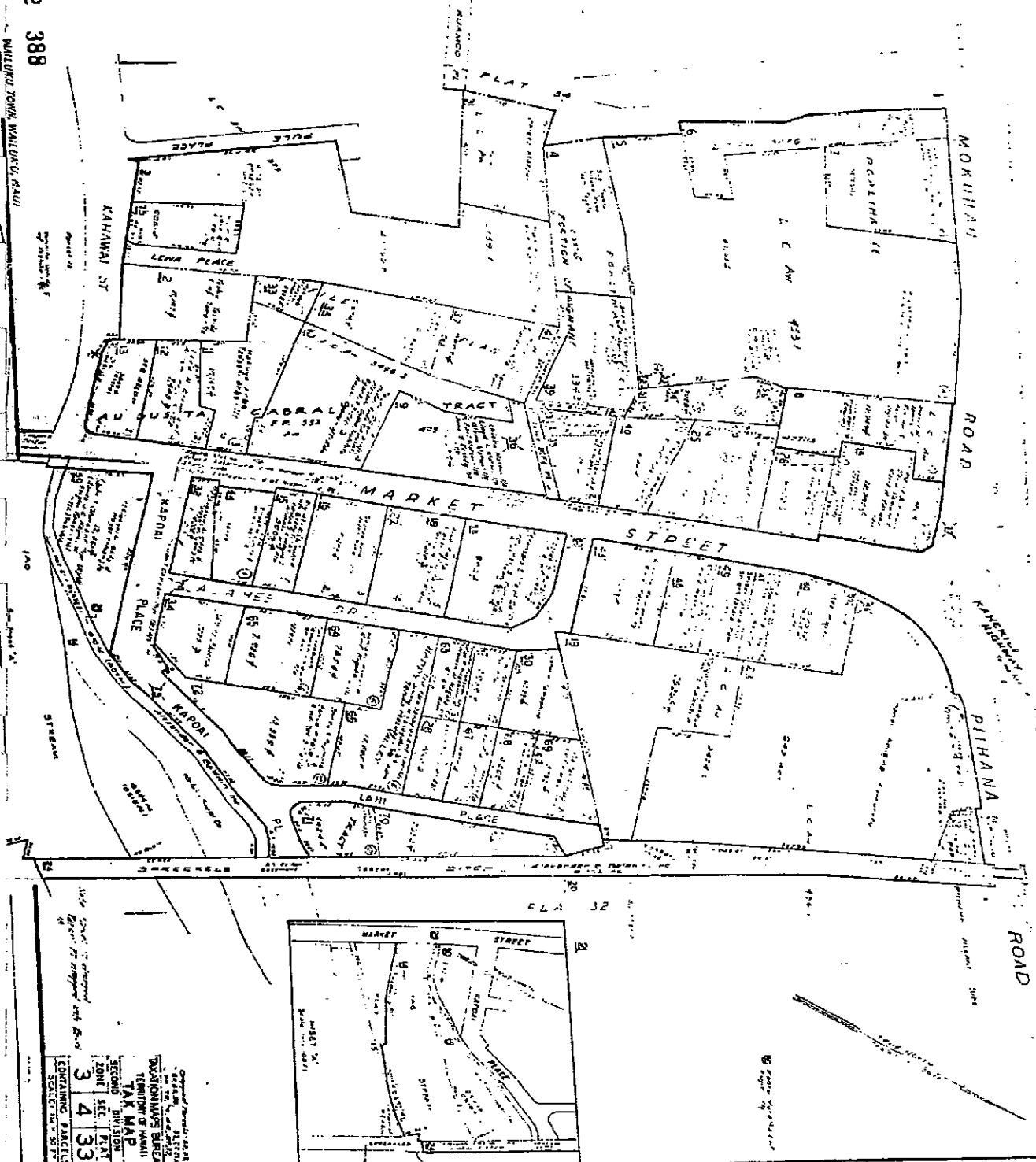
2 3761

FOR HAWAII TOUR WAILUKU MAUI



MAUI COUNTY BOARD OF TAX APPEALS
 SECOND DISTRICT
 TAX MAP
 3 4 21
 CONTINUED ON
 SHEET 1

Recorder's Memorandum of Filing, Typing or Printing UNSATISFACTORY
 Document when received.

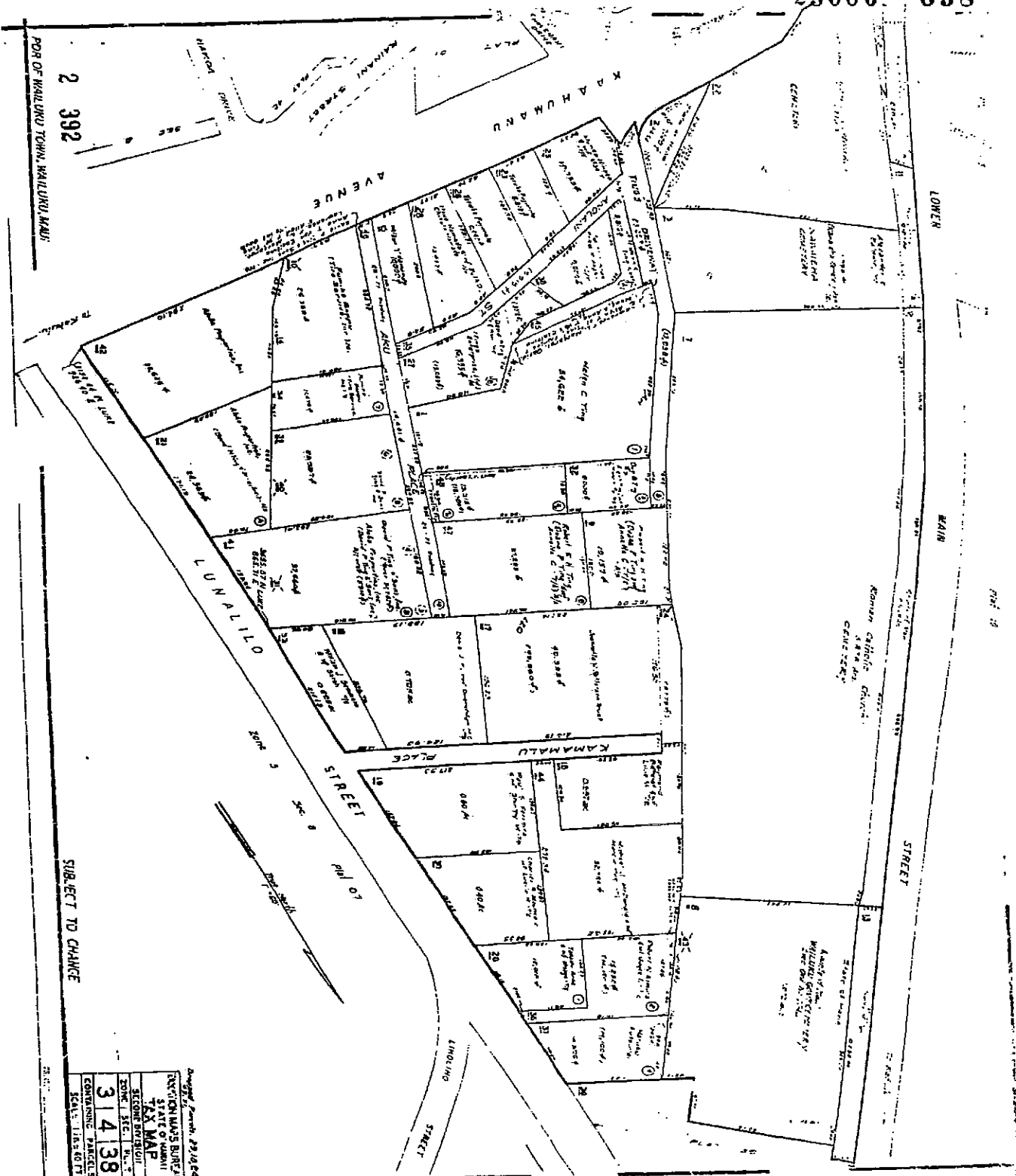


Recorder's Maps and Plans
 Not for Printing, Typing or Plotting UNSATISFACTORY
 when received.

Official Publication
 of the
 TERRITORY OF HAWAII
 DEPARTMENT OF LAND AND NATURAL RESOURCES
 TAX MAP
 SECOND DIVISION
 3 4 33
 CONTAINING PARCELS
 SECTION 32

23006. 638

Recorder's Memo
Writing, Typing or Printing UNSATISFACTORY
Assessment when received.



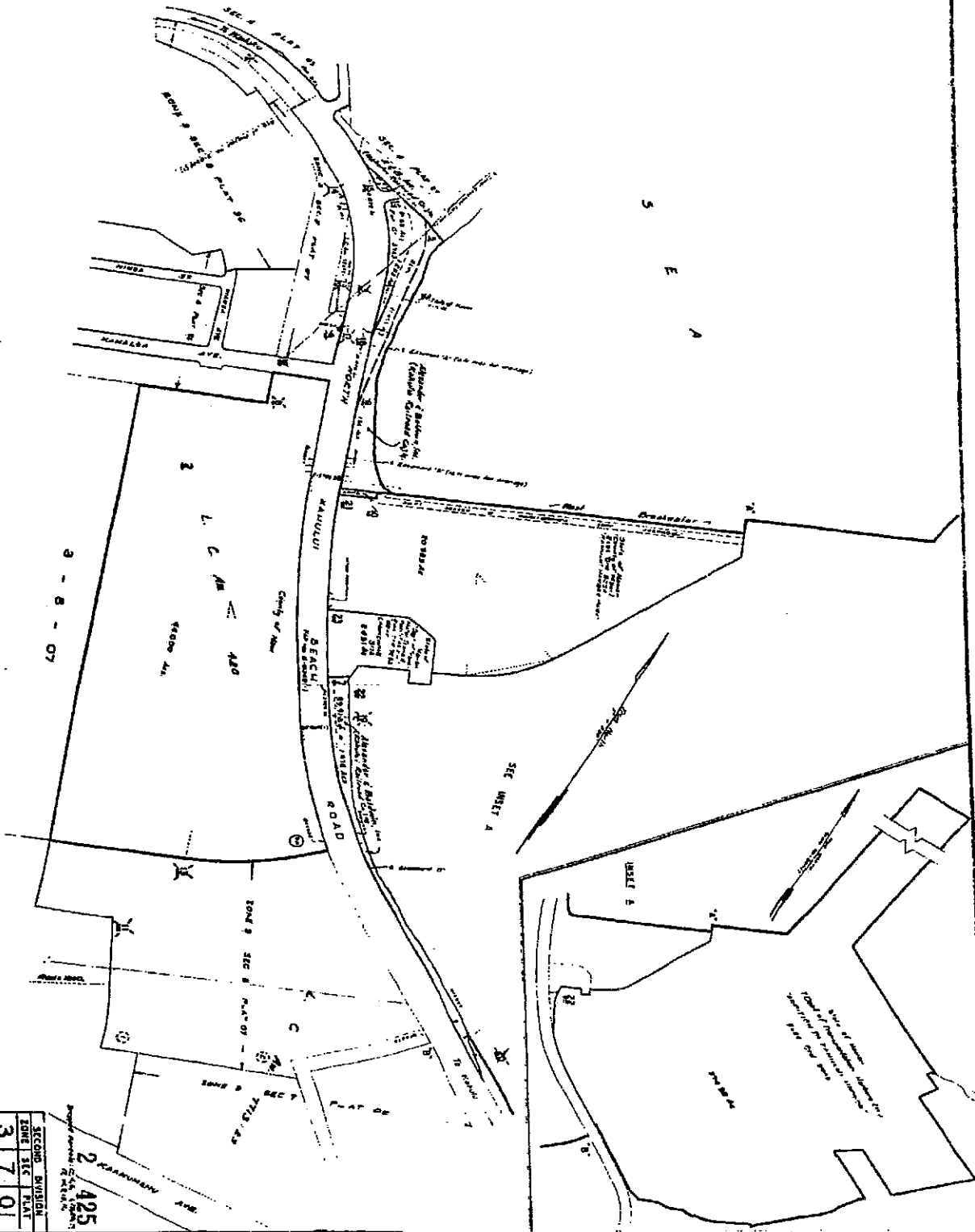
2 392

SUBJECT TO CHANGE

Engineering License No. 2916866

REVISION MAPS BUREAU
STATE OF HAWAII
FAX MAP
SECOND DIVISION
ZONE 1 SEC. 16
3 4 38
CONTAINING PARCELS
SCALE: 1 IN. = 100 FT.

Part of KAHULUI, MAUI.



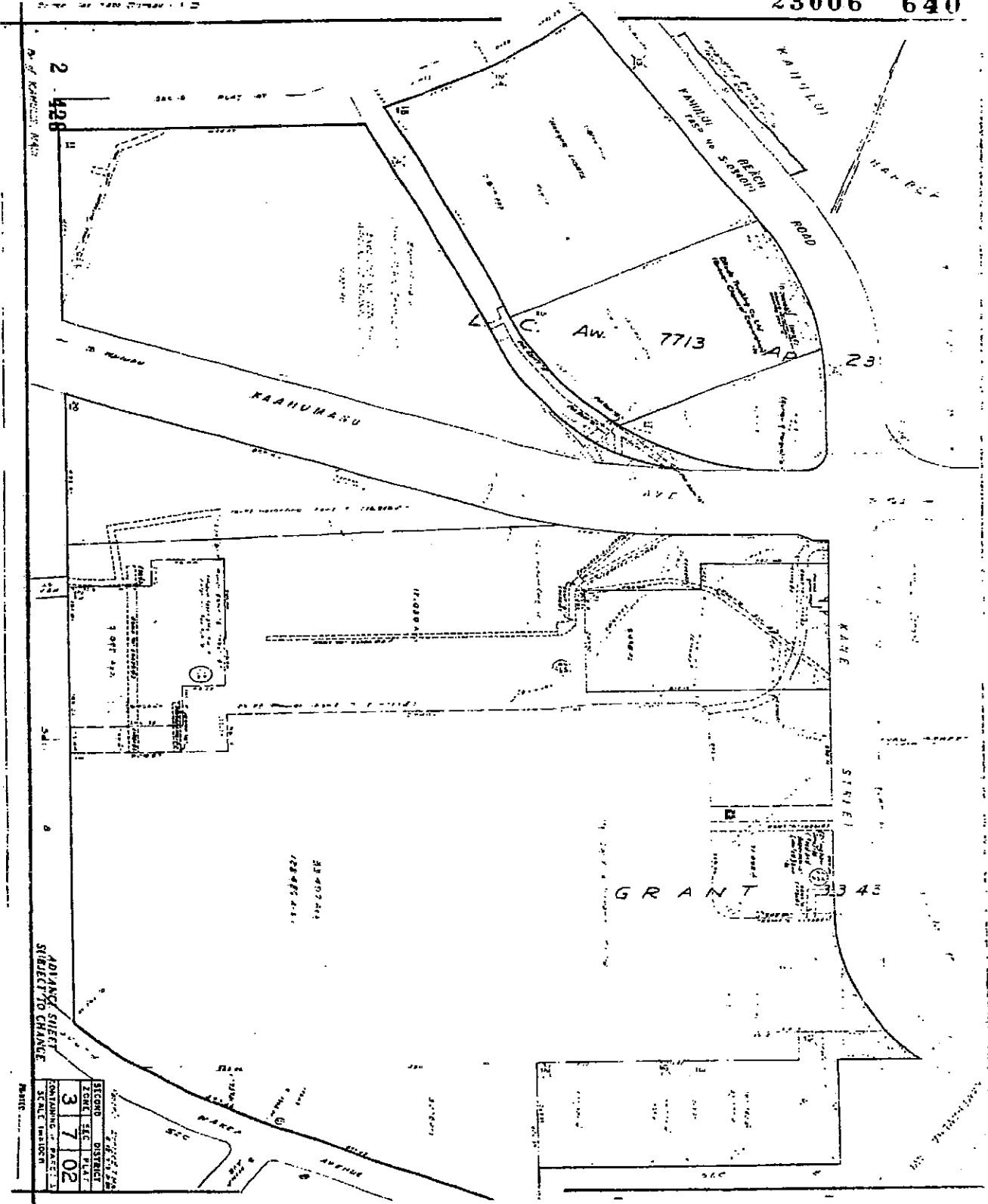
3 - 8 - 07

2 425

SECOND DIVISION	
ZONE SEC PLAT	
3 7 01	
CONTAINING PARTS	
SCALE 1/8" = 200'	
DATE	

Recorder's Record
 Writing, Typing or Printing UNSATISFACTORY
 when received.

23006 640



2 428

Aw. 7713

GRANT

KANE STREET

KAAHUMANU AVE

ADVANCE SHEET SUBJECT TO CHANGE

SECOND DISTRICT	3
CONTRACT NO.	7102
DATE	
SCALE	

Recorder's Office
 Writing, Typing or Printing UNSATISFACTORY
 when received.

23006 641

2 428

PLAT 02

KANE STREET

KAAHULANI BEACH ROAD

KAAHULANI AVENUE

VEVAU PLAT

KAAHULANI SCHOOL
5,372 SQ. FT.

PLAT 03

SCHOOL AVENUE

PLAT

05

STREET

THIRD STREET

LONO AVE.

PLAT 07

TRUE NORTH

Recorder's Office
of Printing, Typing or Printing UNSATISFACTORY
document when received.

NOTE: ALL PARCELS OWNED BY ALFRED W. B. SALDWIN, INC.

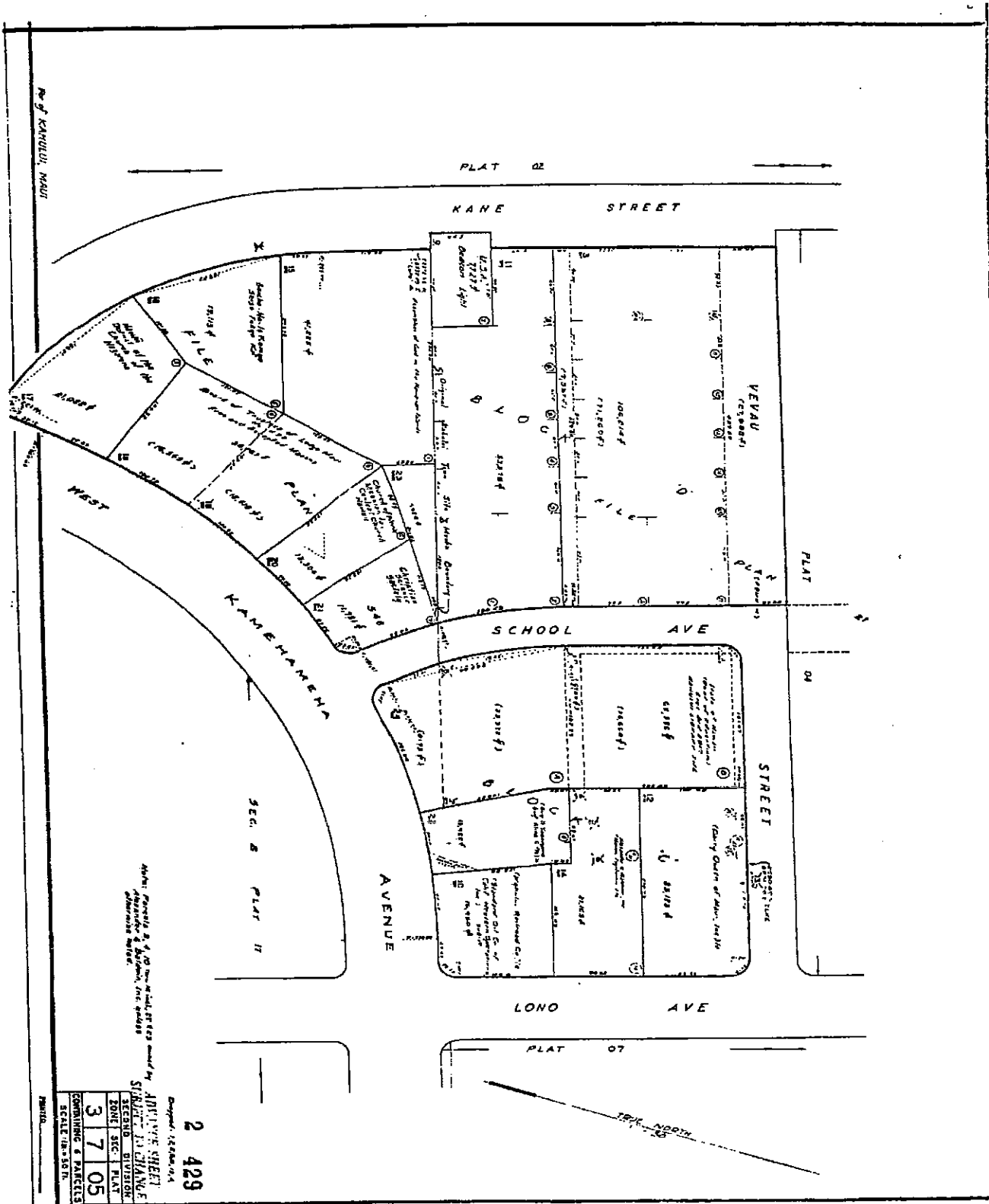
UNLESS OTHERWISE NOTED

Scale: 1" = 20'

ADVANCE CITY
SURVEY DIVISION
FORM 3704

3 7 04

PRINTED



Recorder's Office
 Recording of Writing, Typing or Printing UNSATISFACTORY
 This document when received.

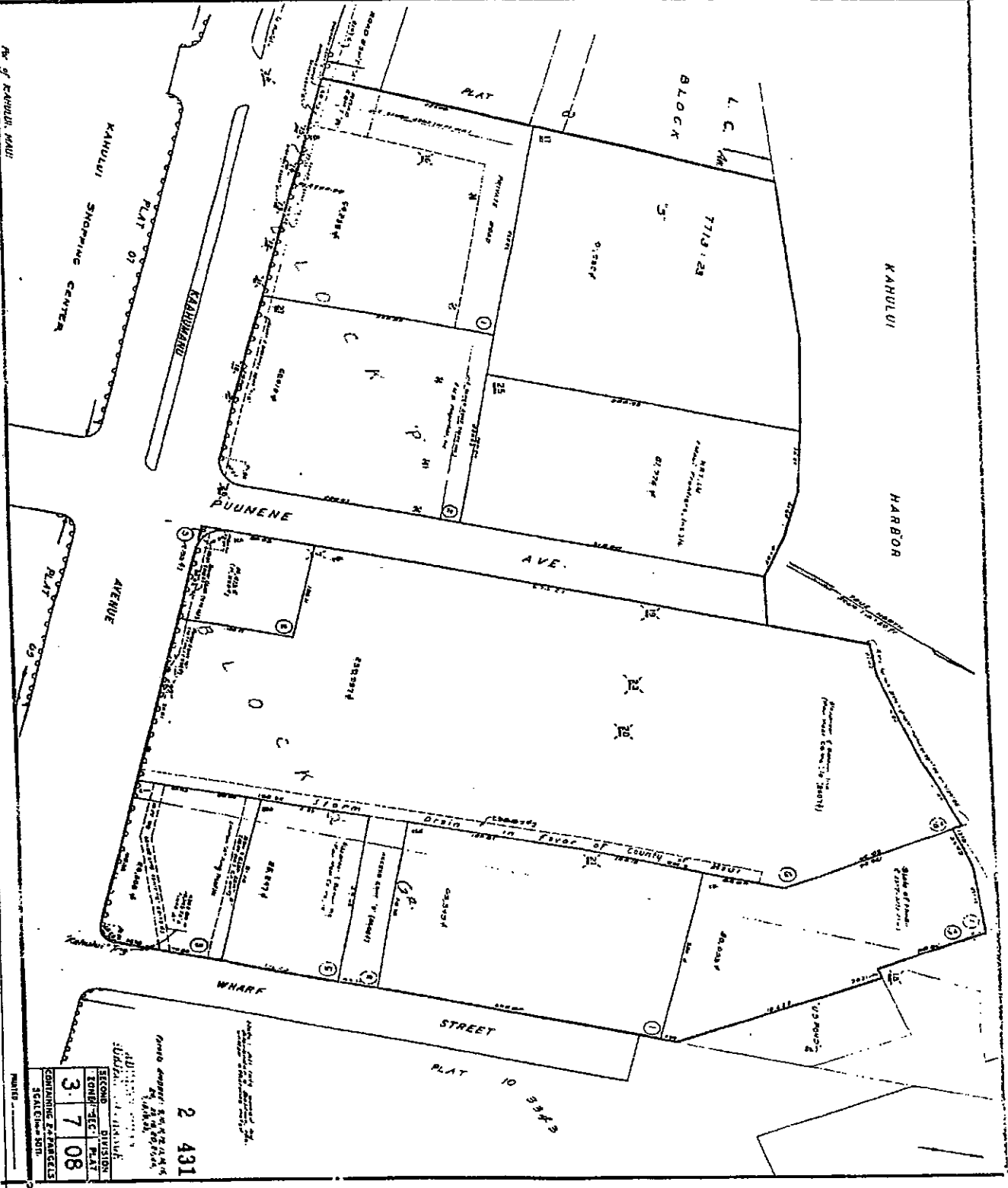
2 429

ADDITIONAL SHEET
 SUBJECT TO CHANGE
 SECOND DIVISION
 ZONE SEC 1 PLAT
 3 7 05
 CONTAINING 6 PARCELS
 SCALE 1/8" = 30 FT.

No. of KANEOHE, MAUI

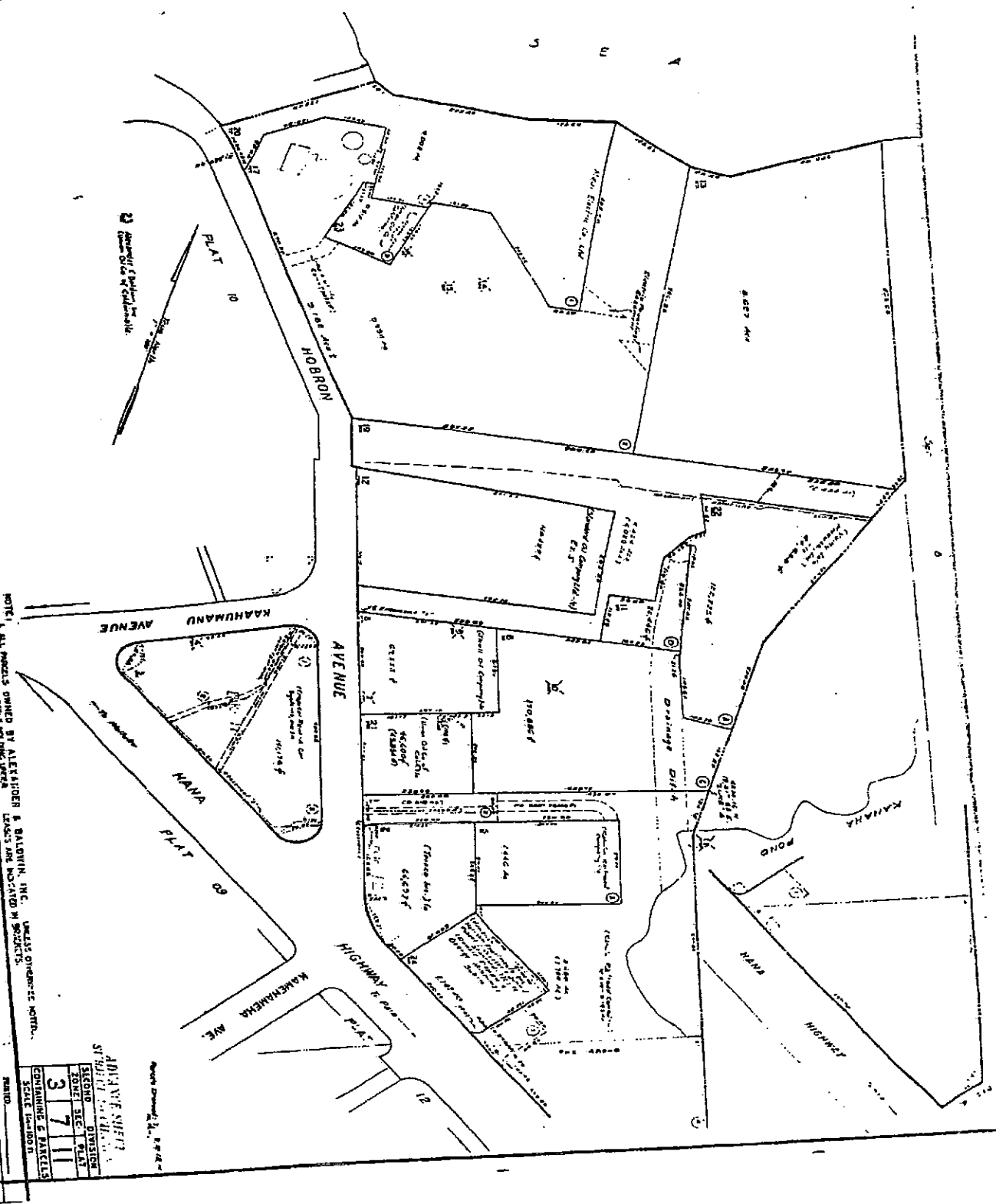
23006 643

Recorder's Memo: This document is a true and correct copy of the original as filed for recording. It is not a substitute for the original. If you are not the owner of the property, you should not rely on this document. If you are the owner, you should verify the accuracy of this document when received.



3 1 08

2 434
No. of KAHULUI PLATS



NOTE: ALL PARCELS OWNED BY ALEXANDER S. BALDWIN, INC. ARE IN THE NORTHWEST QUARTER NORTH.
 1. ALL PARCELS OF THIS PLAT ARE TO BE USED AS RESIDENTIAL.
 2. ALL PARCELS OF THIS PLAT ARE TO BE USED AS RESIDENTIAL.

ADJUTANT GENERAL'S OFFICE
 ST. PETERSBURG, FLORIDA

SECTION	DIVISION
3	7
PLAT	PLAT
3	7

CONTINUED ON REVERSE SIDE
 SCALE 1" = 100'

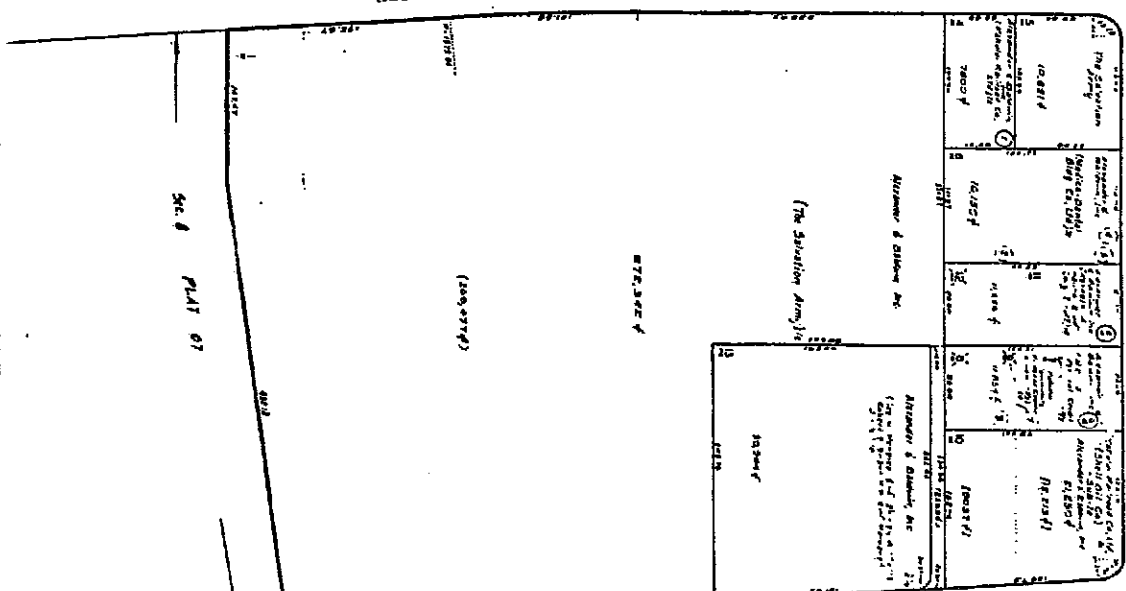
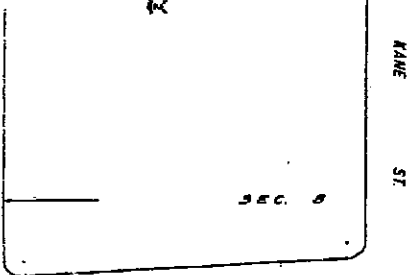
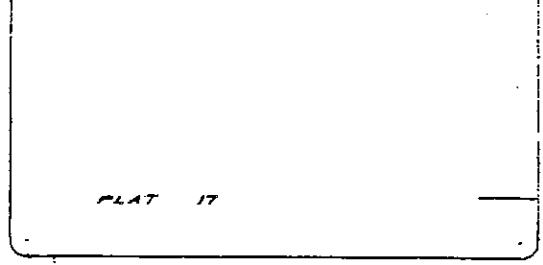
Recorder's Memo: [Illegible] of Writing, Typing or Printing UNSATISFACTORY
 [Illegible] present when received.

Part of KAHULUI TOWN SITE, WAILUKU, MAUI

2 436

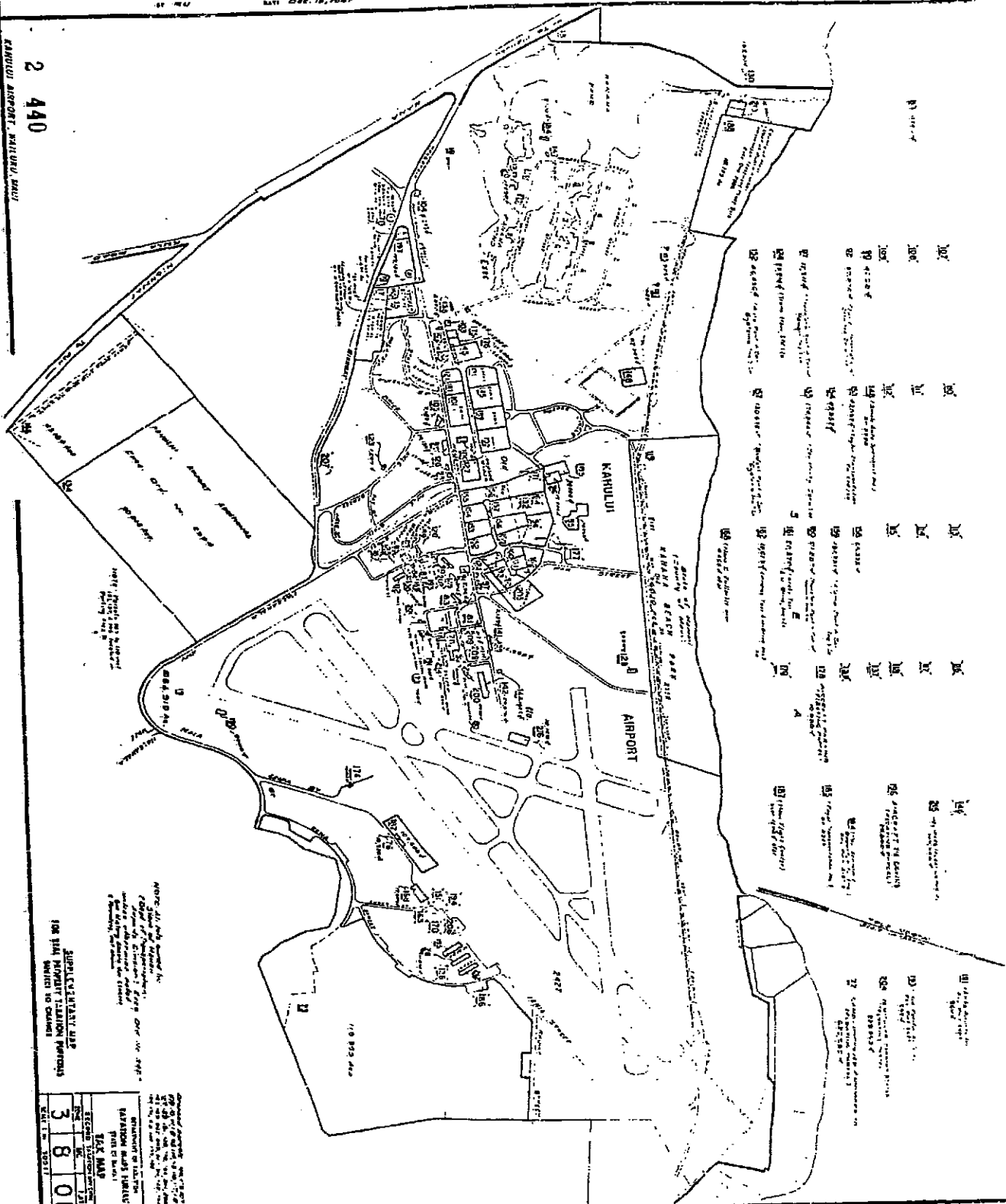
23006 645

KAMEHAMEHA AVENUE



Recorder's Memo... Printing, Typing or Printing UNSATISFACTORY... Statement when received.

DUPYED CARDS.		
SECOND DIVISION		
ZONE	SEC.	PLAT
3	7	13
REVALUATION	PARCELS	
Scale (1" = 120 ft.)		
PART B		



- 1. Runway
- 2. Taxiway
- 3. Taxiway
- 4. Taxiway
- 5. Taxiway
- 6. Taxiway
- 7. Taxiway
- 8. Taxiway
- 9. Taxiway
- 10. Taxiway
- 11. Taxiway
- 12. Taxiway
- 13. Taxiway
- 14. Taxiway
- 15. Taxiway
- 16. Taxiway
- 17. Taxiway
- 18. Taxiway
- 19. Taxiway
- 20. Taxiway
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- 99. Taxiway
- 100. Taxiway

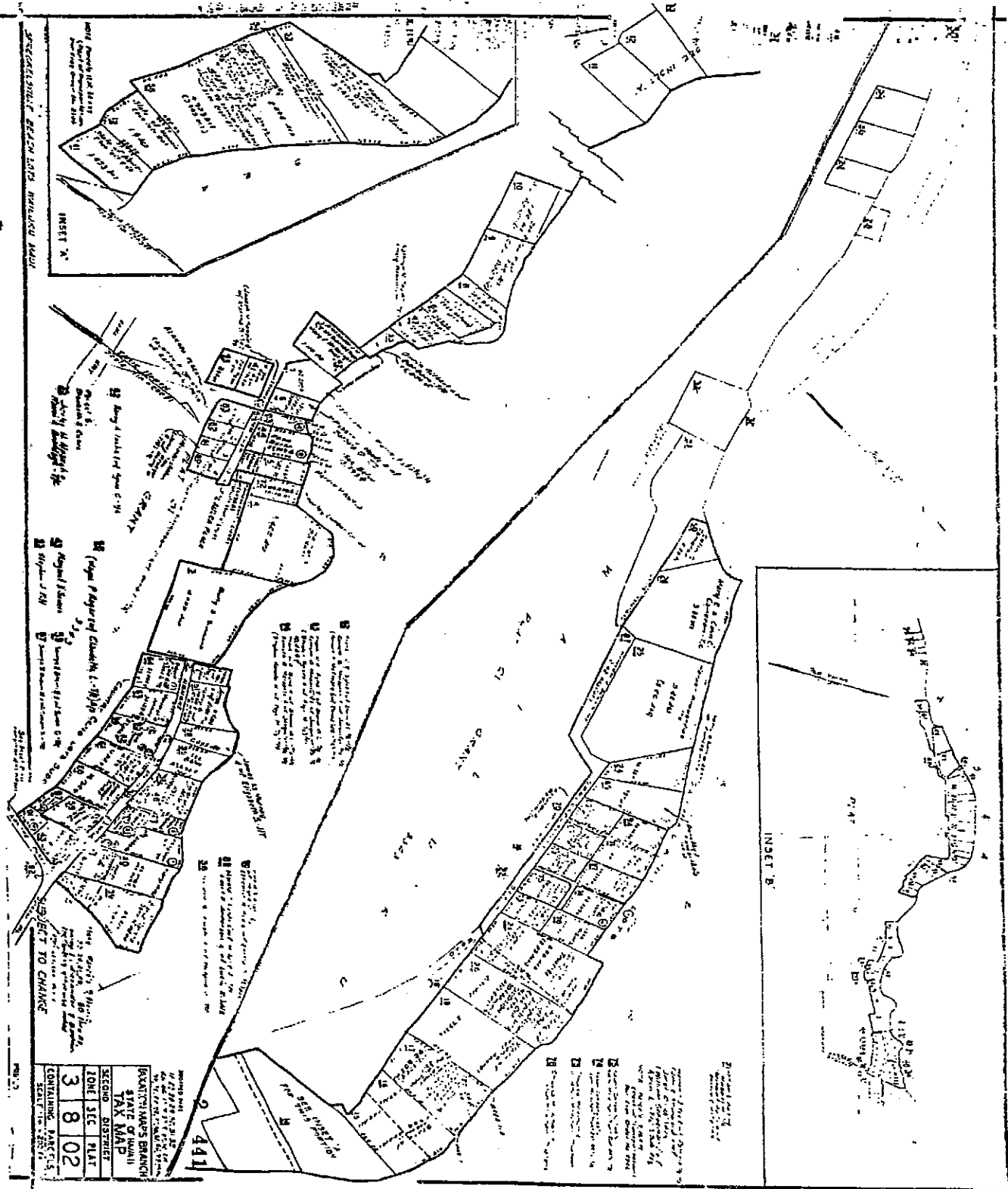
Recorder's Memo
 This is a list of Writing, Typing or Printing UNSATISFACTORY
 documents received when received.

APPROX. 100% COPY MADE BY:
 NAME: []
 ADDRESS: []
 PHONE: []
 DATE: []

RECORDS SECTION MAP
 FOR THE AIRPORT TERMINAL PERIOD
 (SEE THIS MAP FOR DETAILS)

RECORDS SECTION MAP	3	8	01
TAXI MAP			

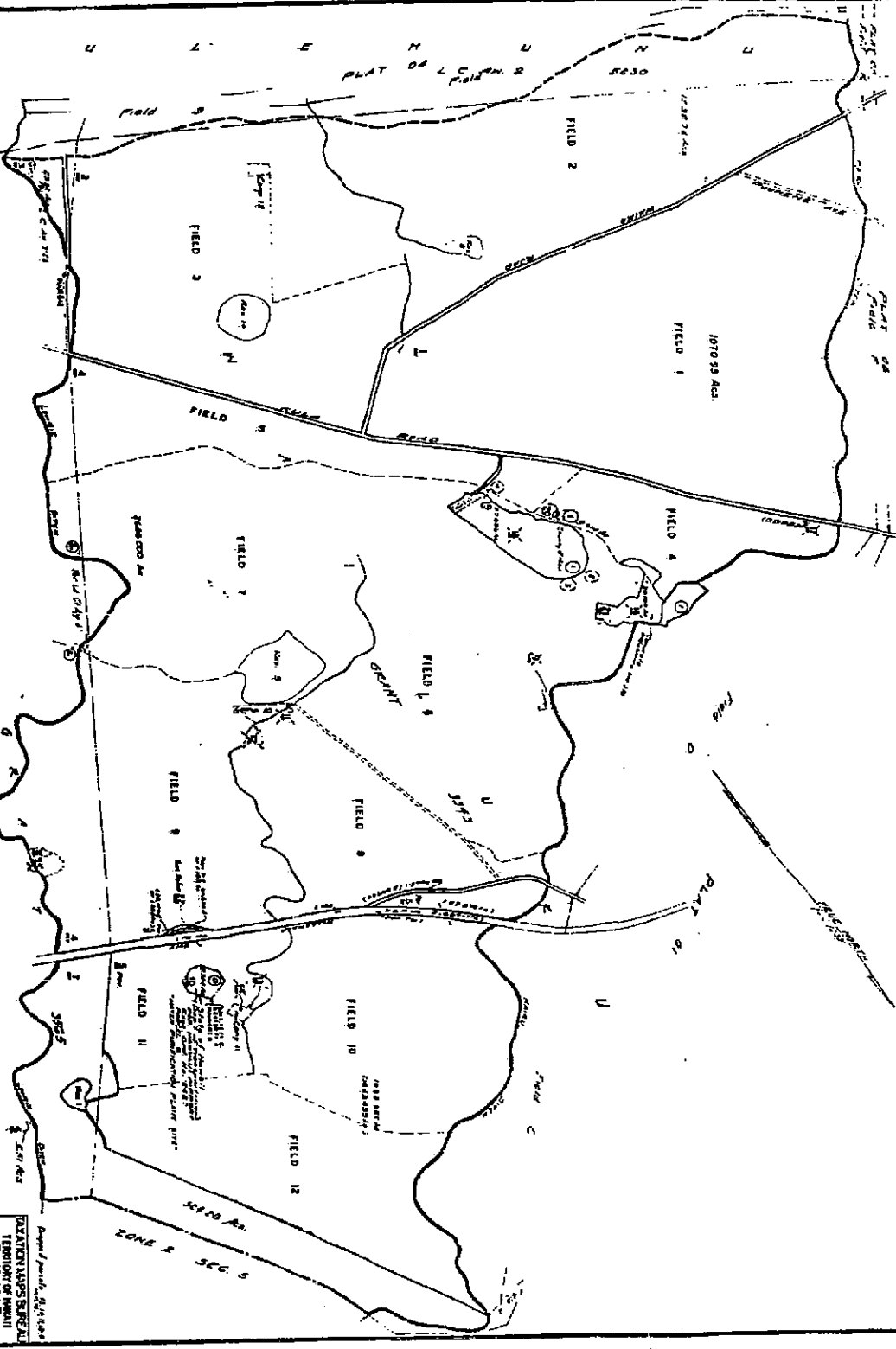
REVISIONS MADE: []
 DATE: []



MAP NO. 1
 CONTAINING PARCELS
 3 8 02
 SECOND DISTRICT
 STATE OF INDIANA
 INDIANAPOLIS BRANCH
 TAX MAP

Recorder's Memo
 of Writing, Typing or Printing UNSATISFACTORY
 when received.

2 442



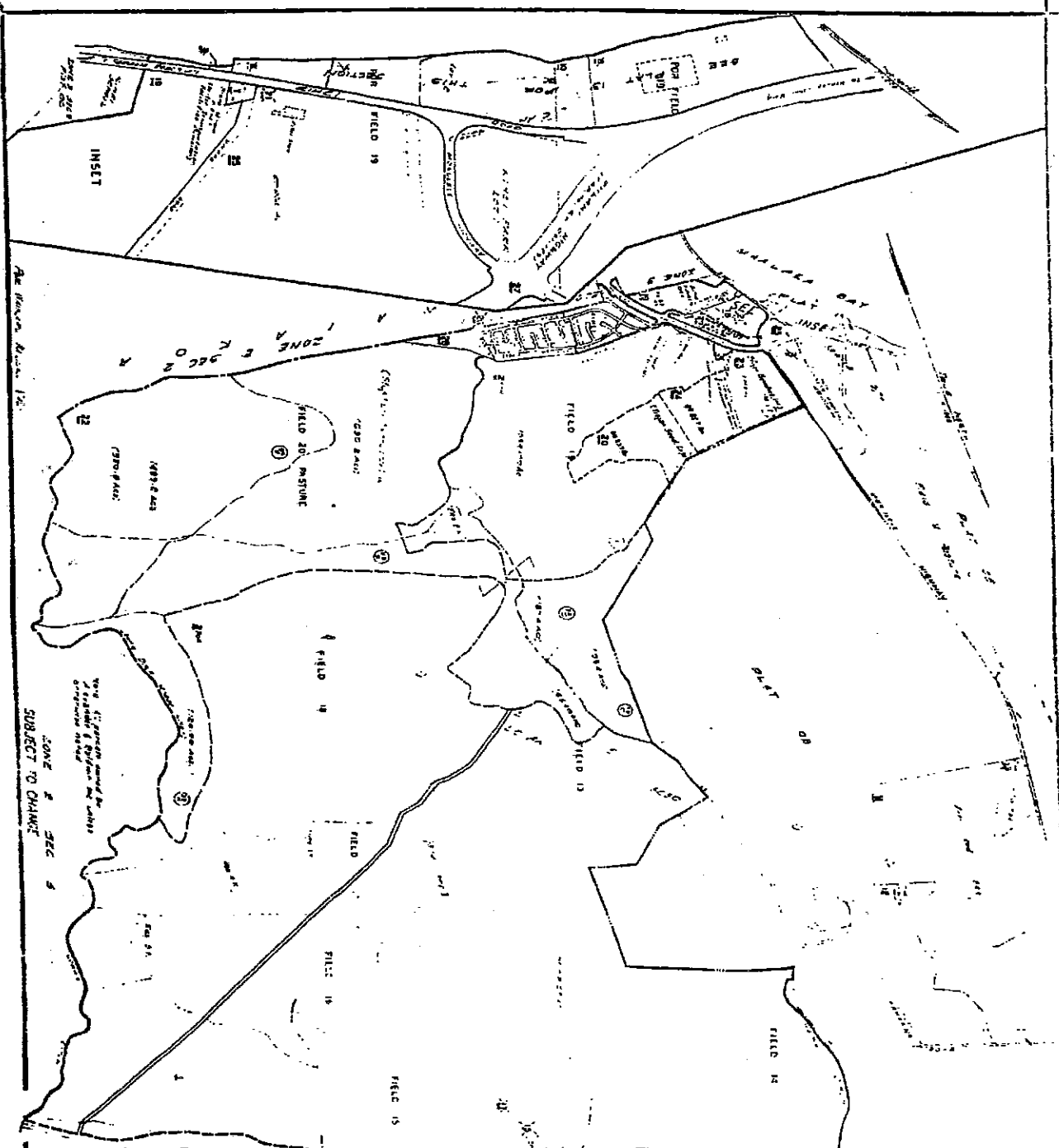
ZONE 2 SEC. 5

SUBJECT TO CHANGE

DEPARTMENT OF LAND AND NATURAL RESOURCES
TERRITORY OF HAWAII
TAX MAP
SECOND DIVISION
ZONE 2 SEC. 5
3 8 03
SCALE: 1 INCH = 100 FT.

Recorder's Office
 If filing, Typing or Printing UNSATISFACTORY
 Return when received.

23006 649



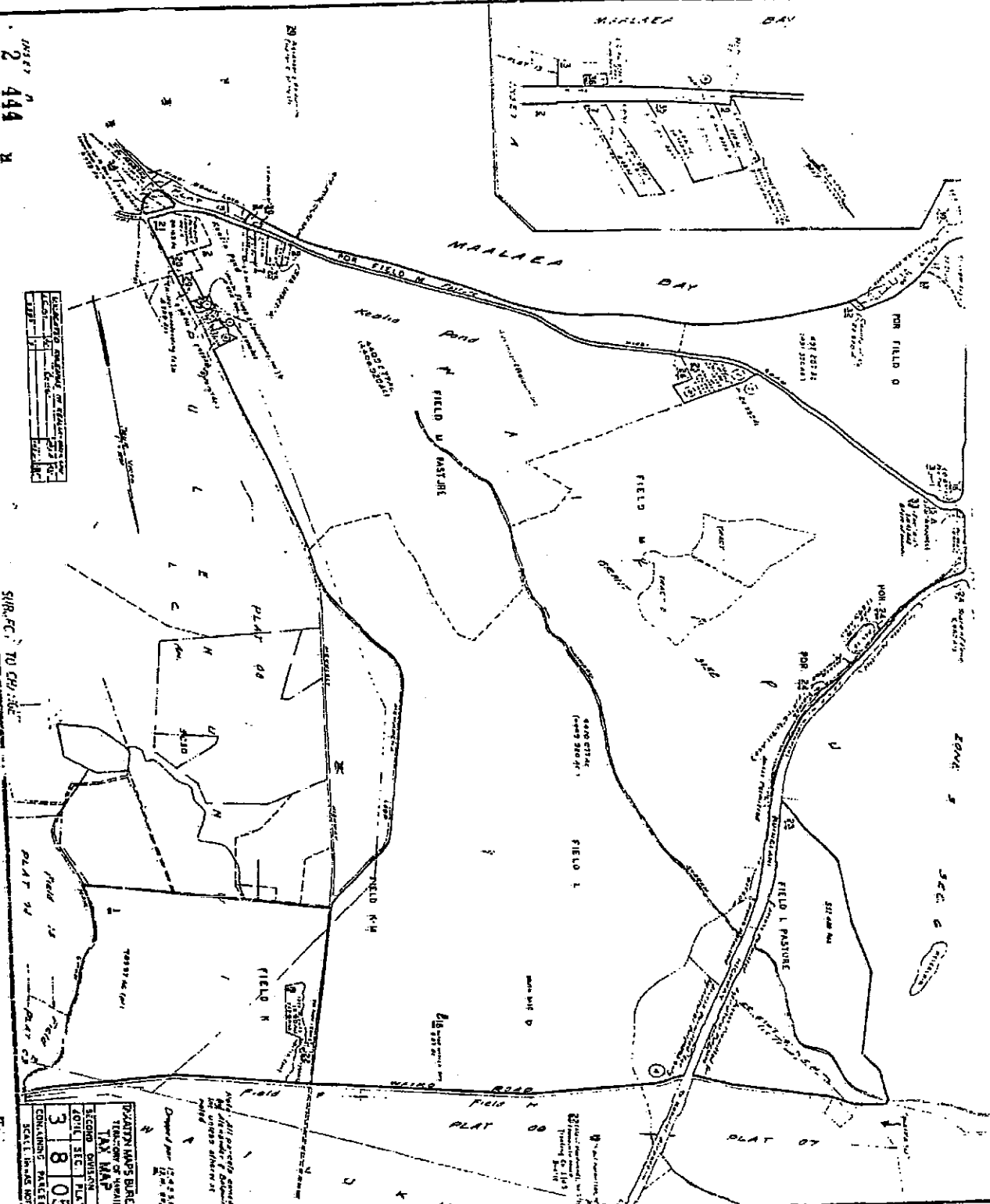
Received in duplicate. Original, Typing or Printing UNSATISFACTORY
 when received.

2 443
 DIVISION OF REVENUE
 TAX MAP
 SECOND DIVISION
 TOWN SEC. 2, T. 11
 3 8 04
 CONTAINING PARCELS
 SCALE 1"=40' AS NOTED

23006 650

2 444

THE HAWAIIAN BUREAU, HONOLULU

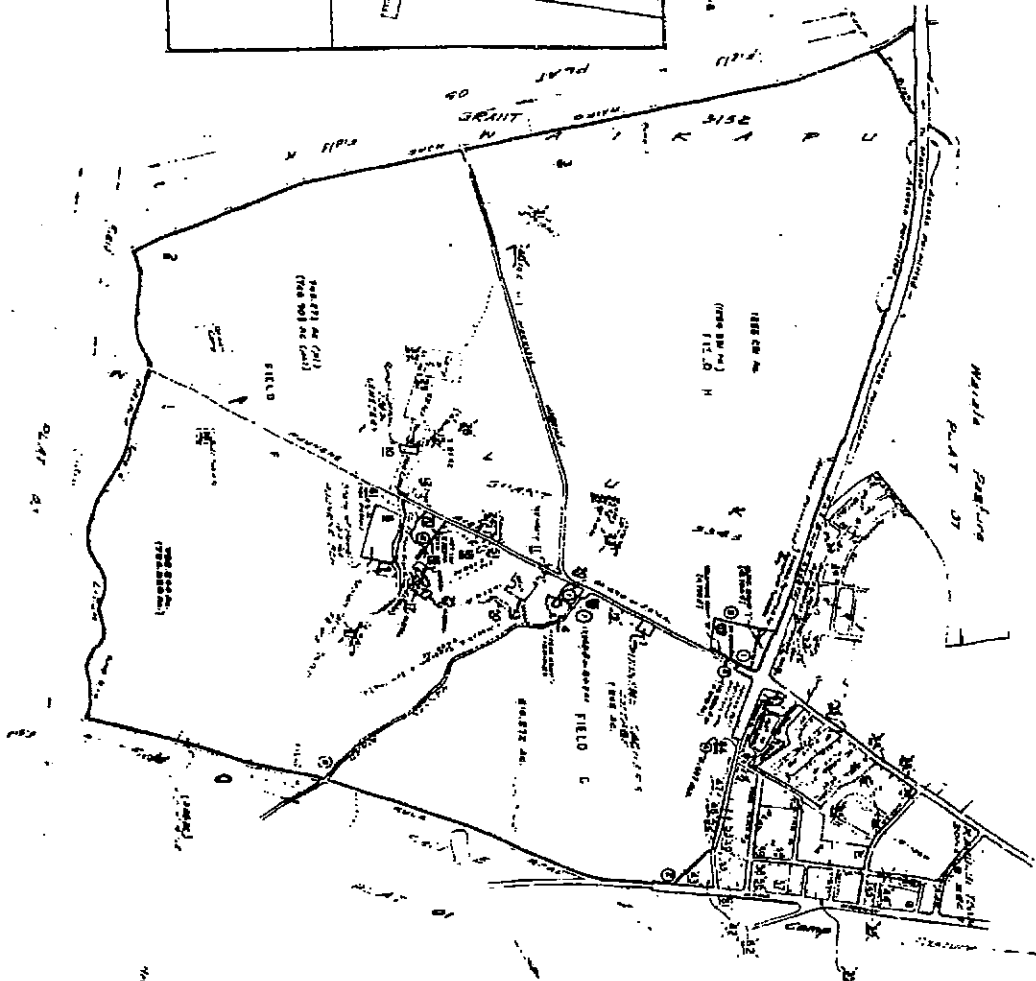
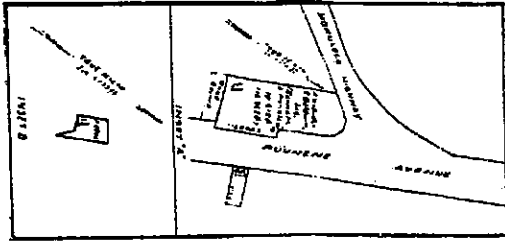


SECTION	1	2	3	4
PLAT	1	2	3	4
ACREAGE				

SUR. FC. TO CH. SEC.

HAWAIIAN BUREAU OF LANDS			
DIVISION OF LANDS			
LAND MAP			
SECTION	1	2	3
PLAT	1	2	3
ACREAGE			
DATE			
SCALE			

Recorder's Memo of the original of this map, Typing or Printing UNSATISFACTORY
 subject when received.



Recorder's Name: _____
 Date of Printing, Typing or Printing UNSATISFACTORY
 Amount when received: _____

48 (General) - 21 (48) -

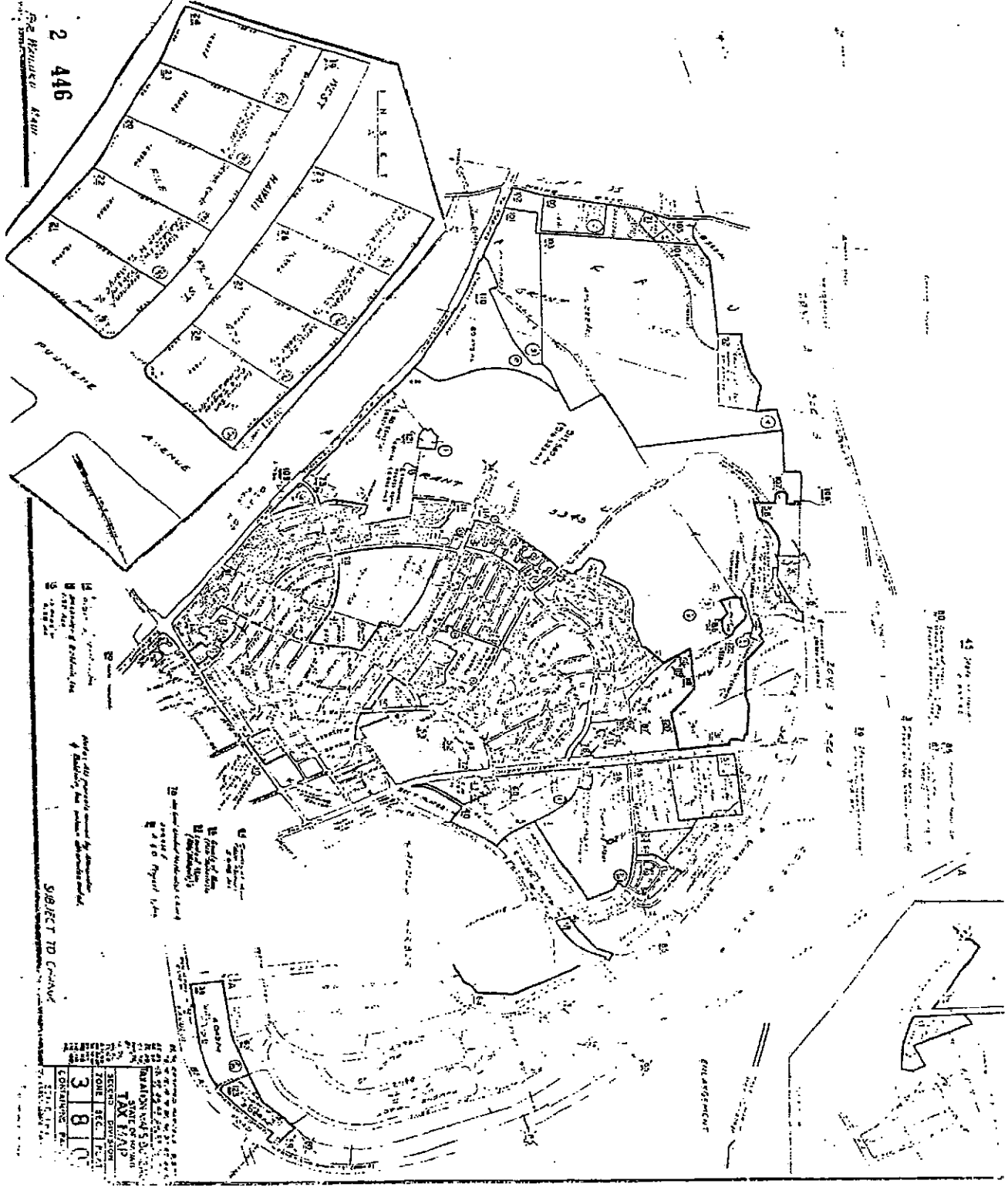
SUBJECT TO CHANGE

2 445
 DIVISION OF REVENUE
 TAX MAP
 3 8 01
 CONTAINING MAPS
 SCALE 1/4" = 1'

1. The map is a plan of the land shown on the map and is not to be construed as a warranty of title or as a guarantee of the accuracy of the map.

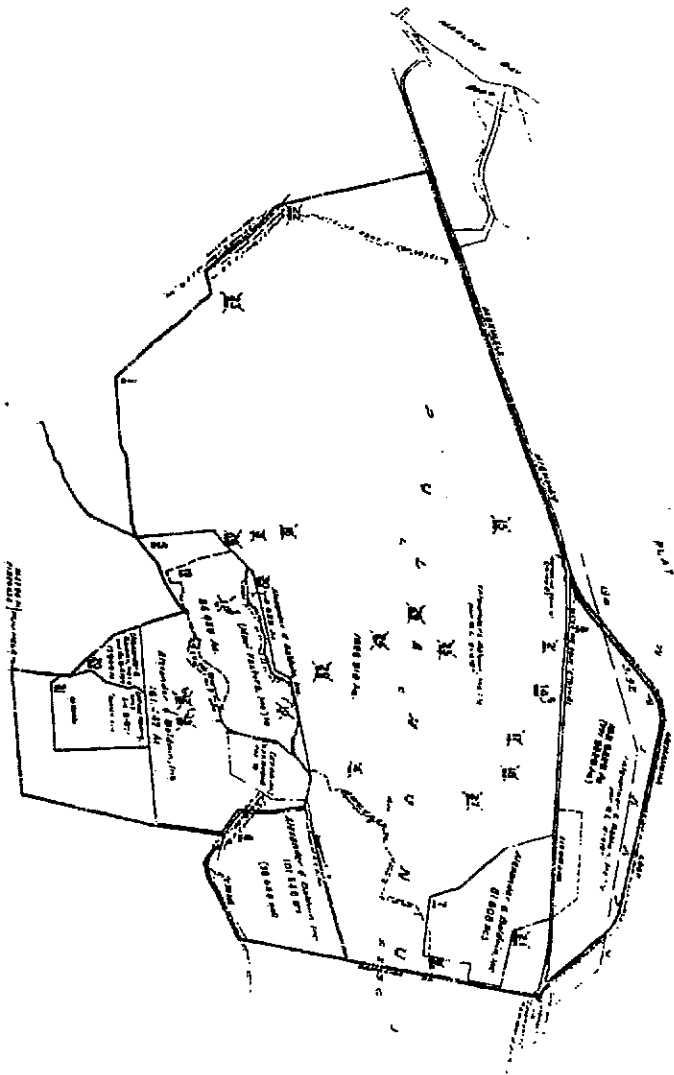
Note: All lots are subject to the provisions of the Tax Map Act.

2 446



Recorder's Record of this map is in the office of the Recorder of Deeds, Washington, D.C. The original map is on file in the office of the Recorder of Deeds, Washington, D.C. The original map is on file in the office of the Recorder of Deeds, Washington, D.C.

Recorder's Office
 If listing, typing or printing UNSATISFACTORY
 please return when received.



PLAT 00

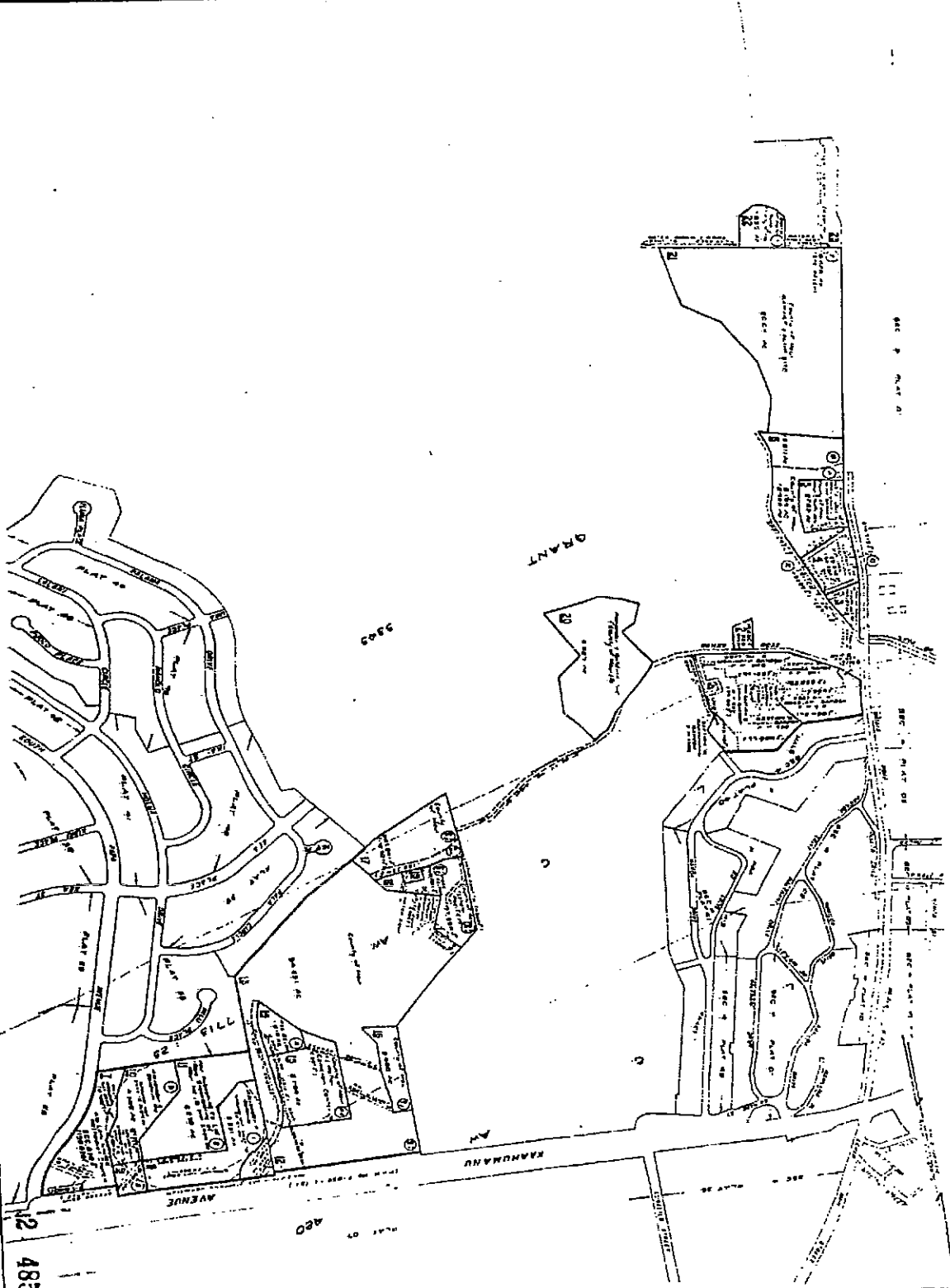
Map of All Lots and Subdivisions

SUBJECT TO CHANGE

2 447
 DIVISION OF REVENUE
 TAX MAP
 SECOND DIVISION
 ZONE SEC. 1 & 2
 3 8 08
 CONTAINING PARCELS
 SCALE: 1" = 100 FT.

Map of Pastors & Ministers, Kailua, Hawaii

Recorder's Mason's Office of Writing, Typing or Printing UNSATISFACTORY
Document when received.



- 1. New proposed road line
- 2. New existing road line
- 3. New proposed utility line
- 4. New proposed water line
- 5. State of Hawaii
- 6. Federal Government
- 7. County of Maui

NON PROPERTY ASSISTANT PURPOSES
SHOULD BE PRINTED

COUNTY OF MAUI	
TAX MAPS SECTION	
TAX MAP	
3	8
4	6

485

THIRD:

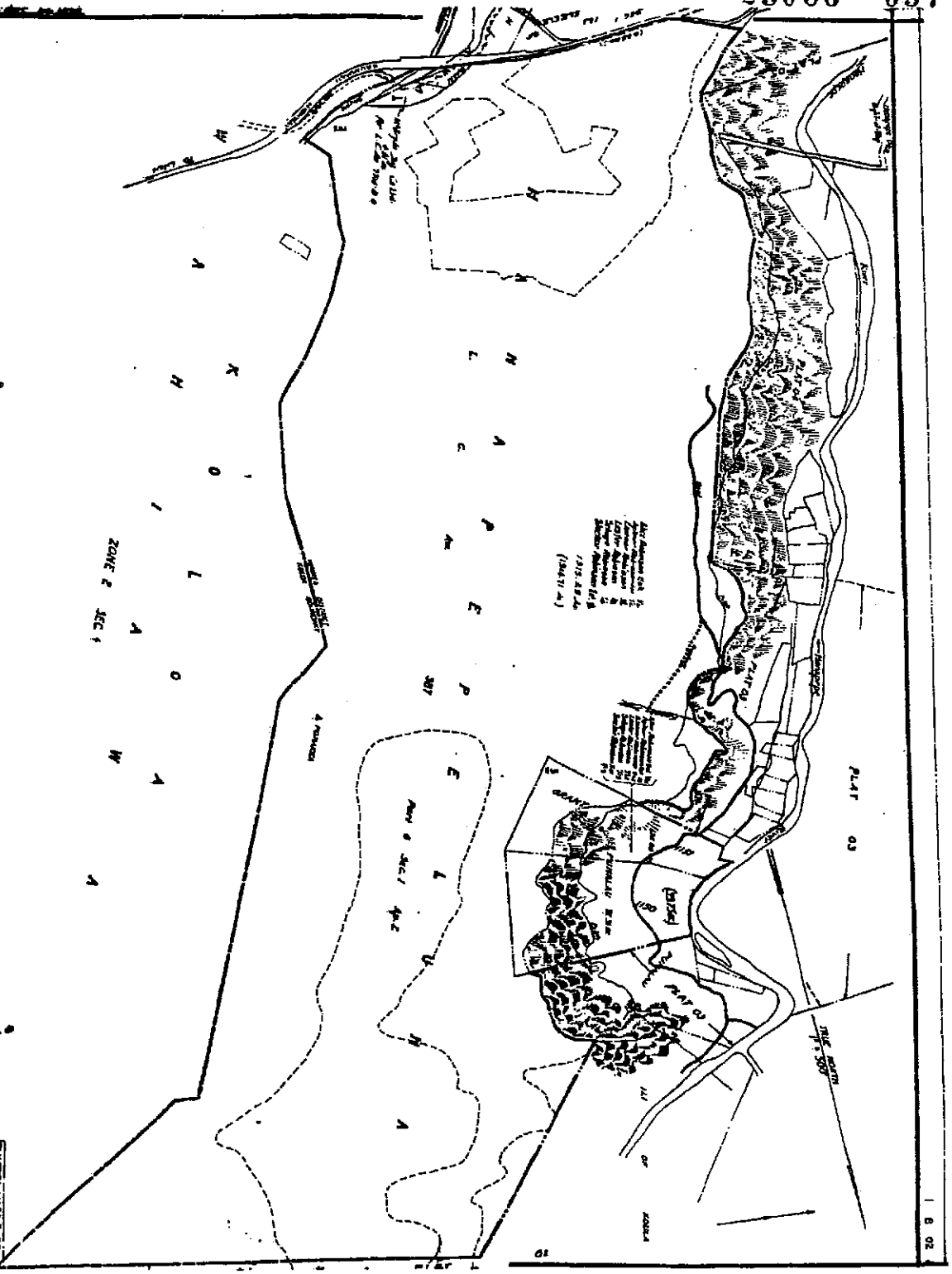
23006 656

All of those certain parcels of land situate in the County of Kauai, State of Hawaii, designated upon the Tax Maps for the Fourth Division, State of Hawaii (copies of which are attached hereto and made a part hereof) as follows:

<u>TAX KEY</u> <u>FOURTH DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>	<u>TAX KEY</u> <u>FOURTH DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>
1-8-002-001	4.5100	2-4-007-025	227.5300
1-8-005-011	0.9100	2-4-007-026	2.1200
1-8-005-014	2.6800	2-4-010-008	0.1140
1-9-001-005	0.5300	2-5-006-001	0.3460
1-9-001-016	2.9660	2-5-006-005	2.3000
1-9-002-015	3.3320	2-5-006-017	0.0450
1-9-002-016	0.1100	2-6-003-003	5.3000
1-9-004-023	5.9210	2-6-003-004	0.0790
1-9-007-001	19.5030	2-6-003-019	2.0100
1-9-012-024	1.4370	2-6-003-021	0.2430
2-1-001-002	0.7900	2-6-003-023	0.1160
2-1-001-015	3.7500	2-6-003-031	309.9400
2-1-001-038	8.9230	2-6-003-033	10.6000
2-1-002-001	25.9890	2-6-003-034	34.1400
2-1-003-011	0.2300	2-6-003-035	47.5700
2-1-003-024	0.3200	2-6-003-044	0.3556
2-1-003-025	0.6614	2-6-003-054	10.8800
2-1-003-026	1.2620	2-6-004-010	0.7510
2-1-003-027	0.0680	2-6-004-011	1.4790
2-3-002-021	6.7000	2-6-004-016	26.4600
2-3-002-024	0.1700	2-6-004-017	0.2350
2-3-002-045	1.5000	2-6-004-018	3.2380
2-3-006-004	0.8600	2-6-004-038	310.6040
2-3-007-007	0.0900	2-6-004-044	7.8970
2-3-007-014	0.2892	2-6-004-045	10.6520
2-3-009-017	2.5500	2-6-011-016	0.4710
2-4-001-010	1.0000	2-7-007-001	2.1140
2-4-001-015	0.6800		
2-4-006-007	0.0070		
2-4-006-019	0.1800		
2-4-006-021	0.1100		
2-4-007-004	44.8900		
2-4-007-024	21.7400		

Recorder's Memo
 Writing, Typing or Printing UNSATISFACTORY
 when received.

23006 657



4 59

PORTION OF HAWAII, KAUAI

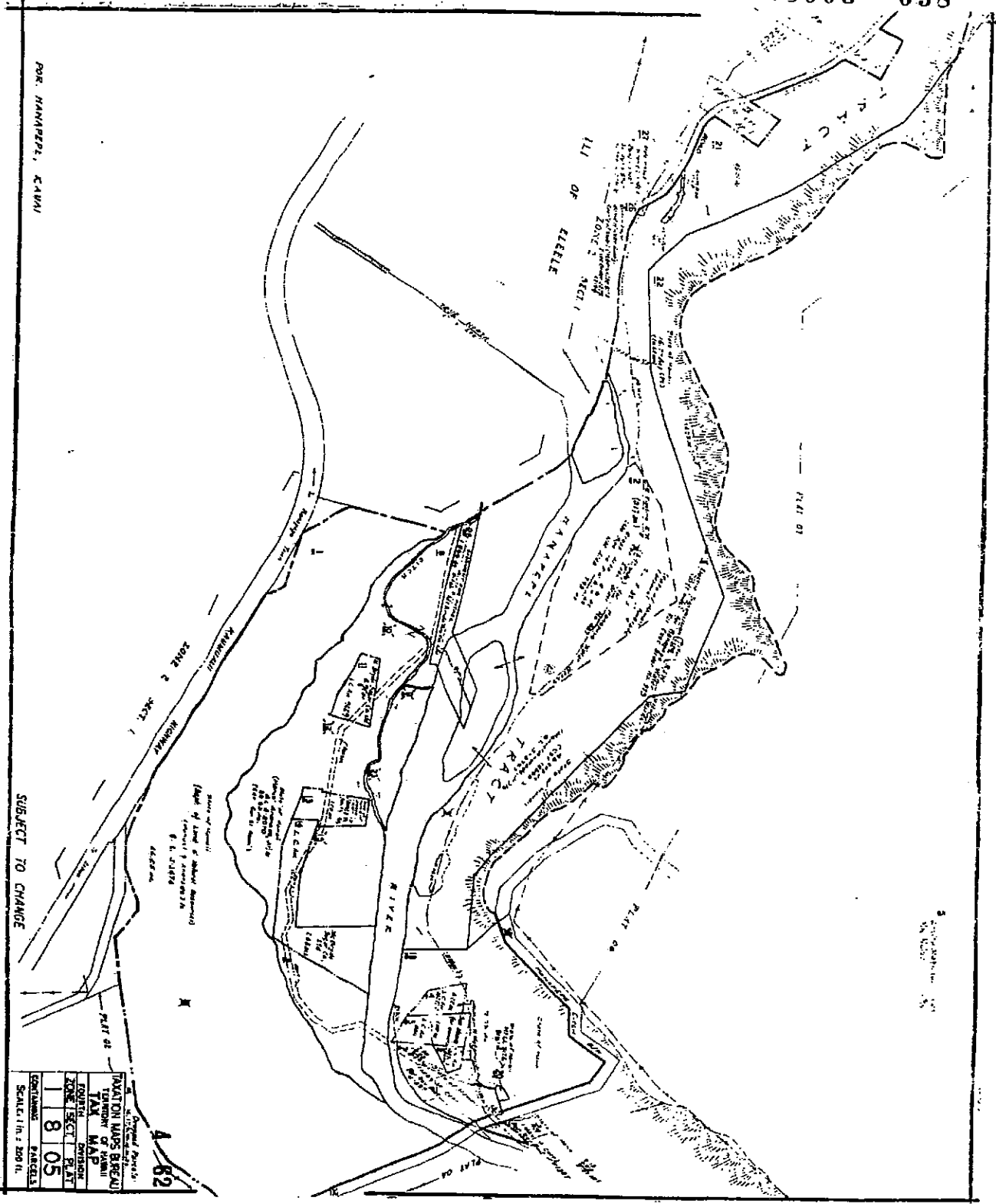
SUBJECT TO CHANGE

PLANTING BUREAU	
TERRITORY OF HAWAII	
TAX MAP	
SCALE	SEE DIVISION
1	8 02
CONTAINING 8 PAGES	
SCALE 1/4" = 500'	

1 8 02

23006 658

Recorder's Memo: [Illegible] Writing, Typing or Printing UNSATISFACTORY
[Illegible] when received.



POR. HANAHELE, KAWAI

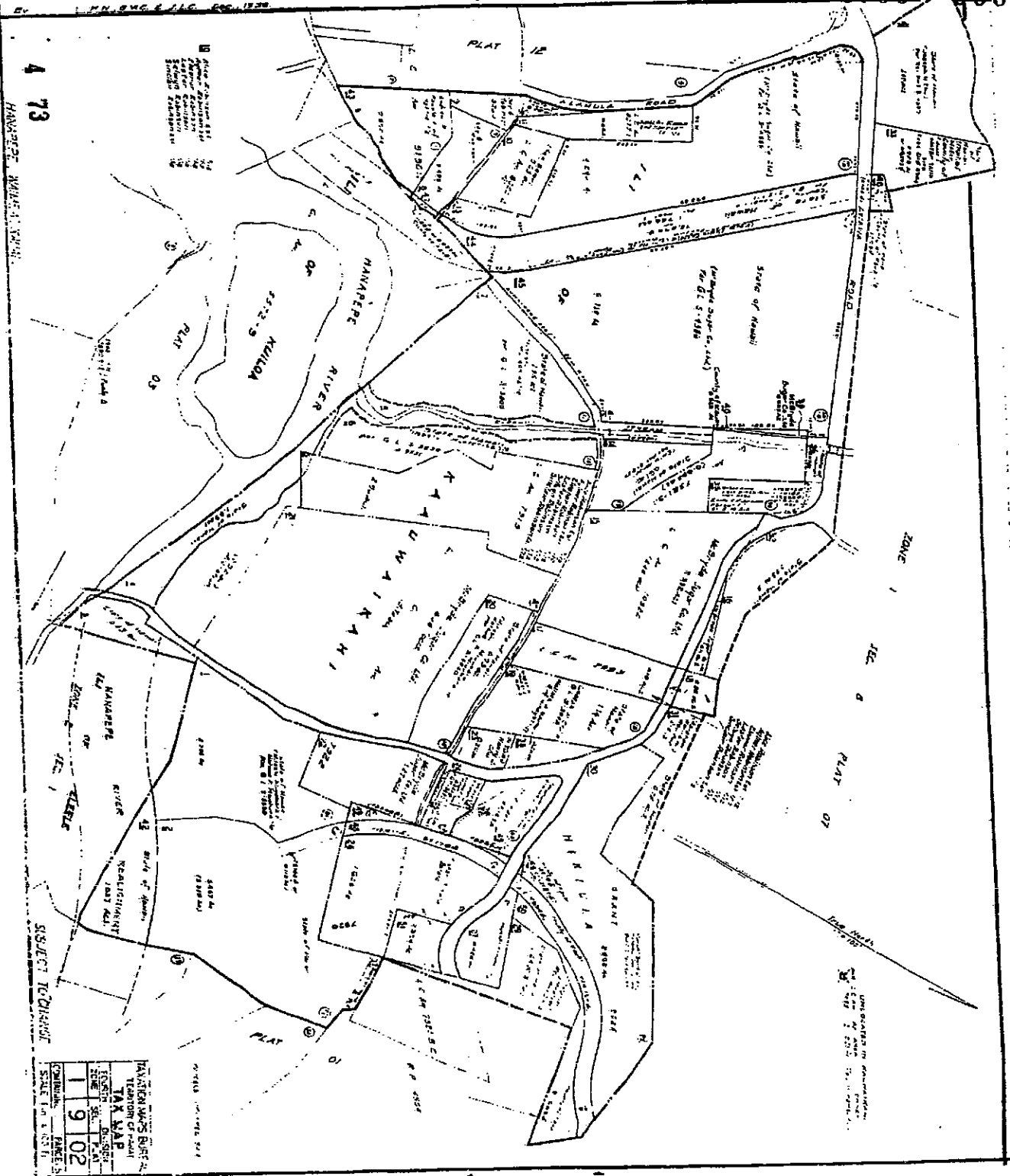
SUBJECT TO CHANGE

SECTION	8
PLAT	05
SCALE	1 in. = 200 ft.
DIVISION OF LANDS BUREAU HONOLULU, HAWAII	

A 62

23006 660

4 73



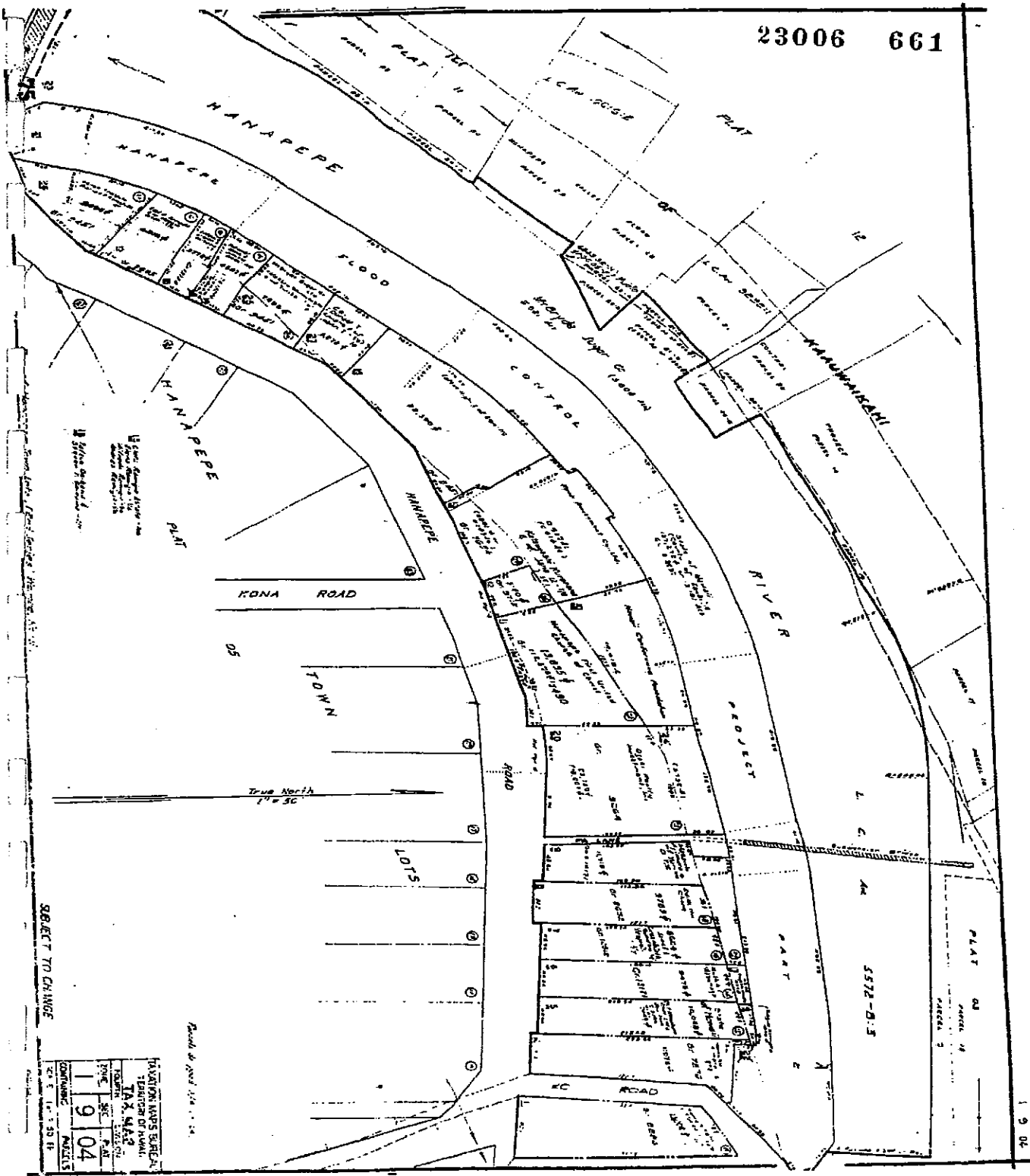
Recorder's Office
 Noting, Typing or Printing UNSATISFACTORY
 when received.

NAVIGATION MAPS BOARD
 TERRITORY OF HAWAII
 T.A. MAP

NO.	1
DATE	9 02
SCALE	1" = 100'

5 02

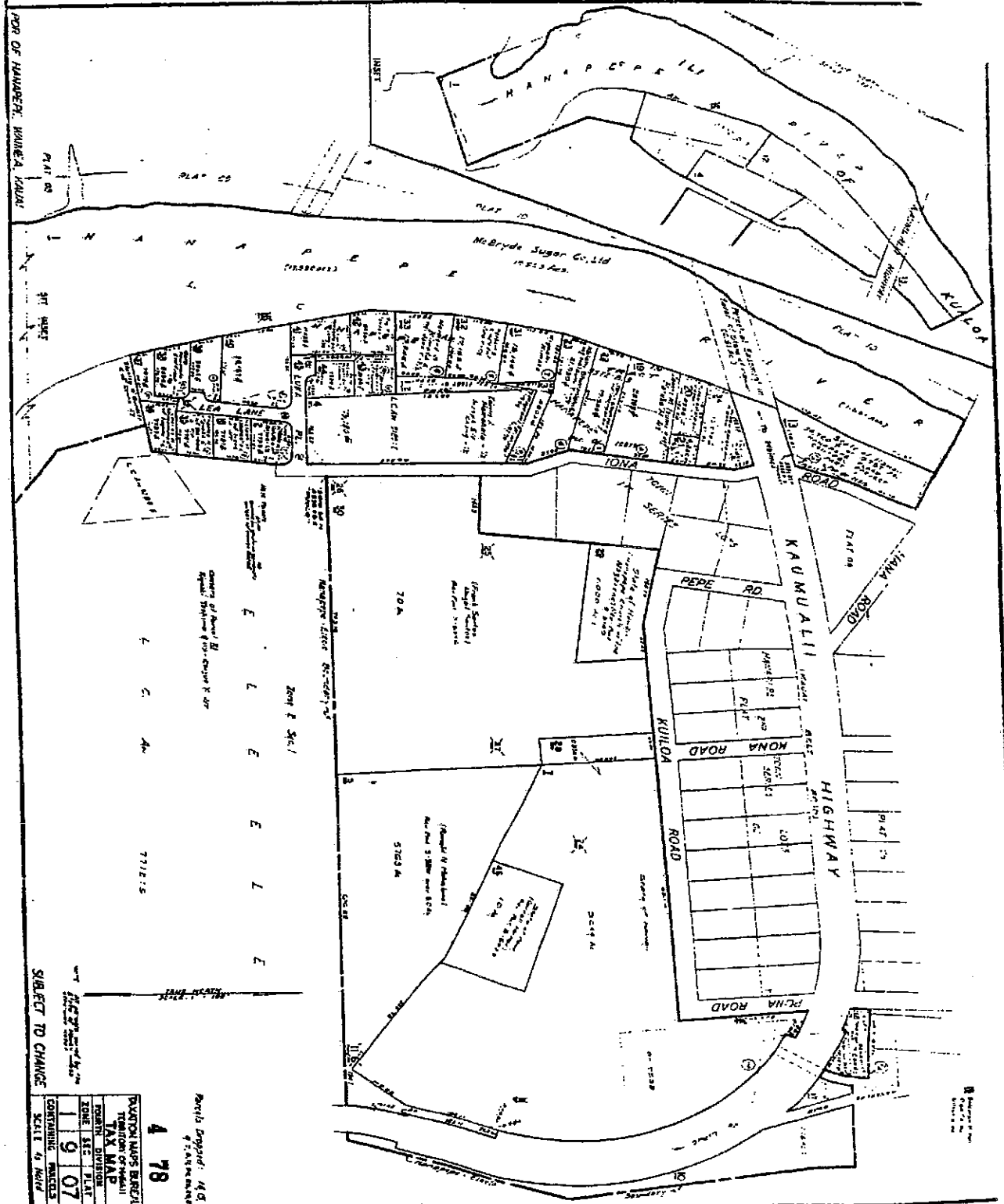
23006 661



HAWAIIAN LANDS BUREAU
 DEPARTMENT OF LAND AND NATURAL RESOURCES
 TAX # 44-3
 1904

SUBJECT TO CHANGE

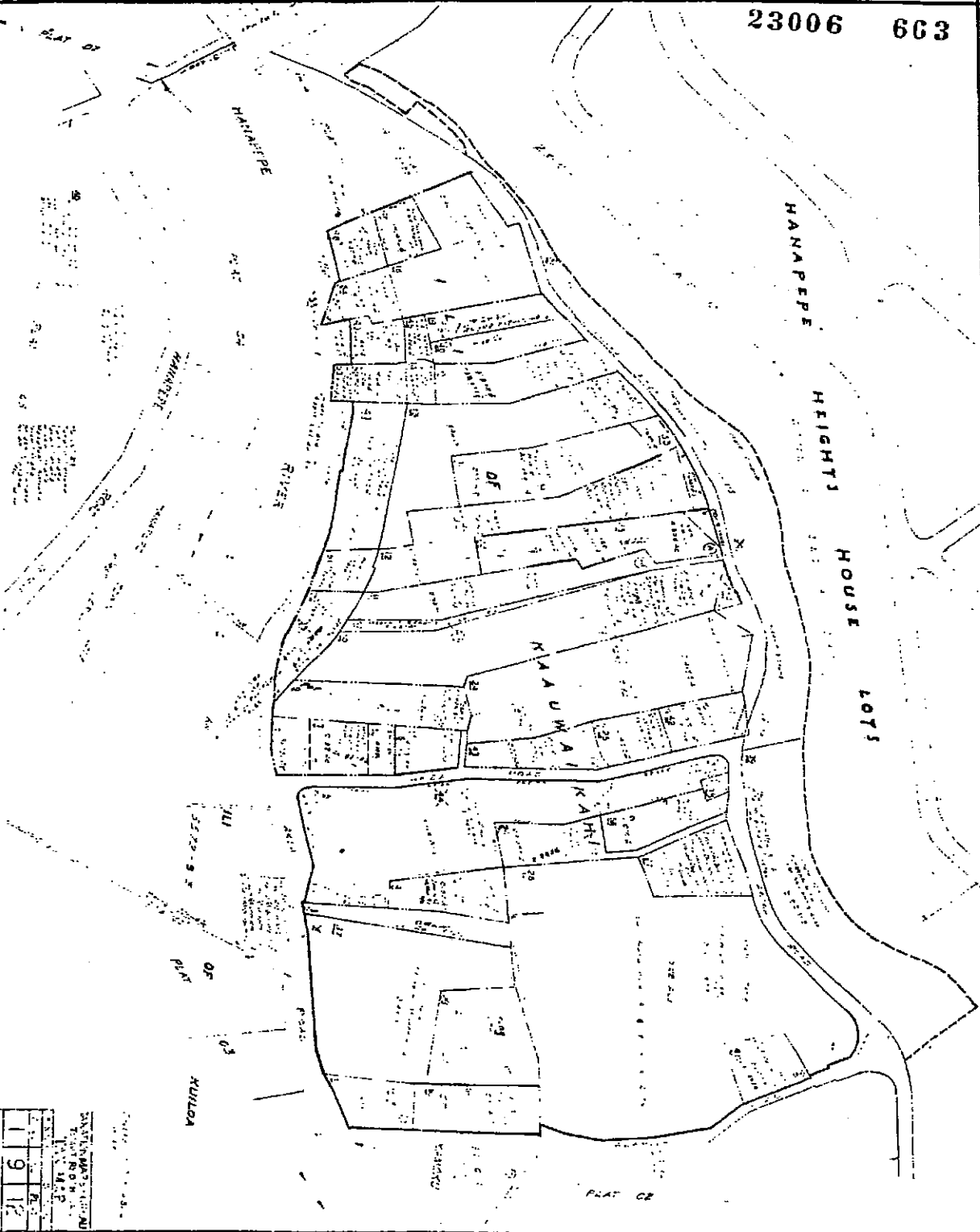
Recorder's Record of this document when received.



Recorder's Memo: This map is being filed, Typing or Printing UNSATISFACTORY when received.

SUBJECT TO CHANGE
 RECEIVED
 4 78
 NORTH DEPARTMENT OF LANDS
 & SURVEY
 HONOLULU
 TERRITORY OF HAWAII
 TAX MAP
 FRONT DIVISION
 ZONE SEC. PLAT
 1 9 07
 CONTAINING PARCELS
 SCALE 4 INCHES TO AN ACRE

23006 663

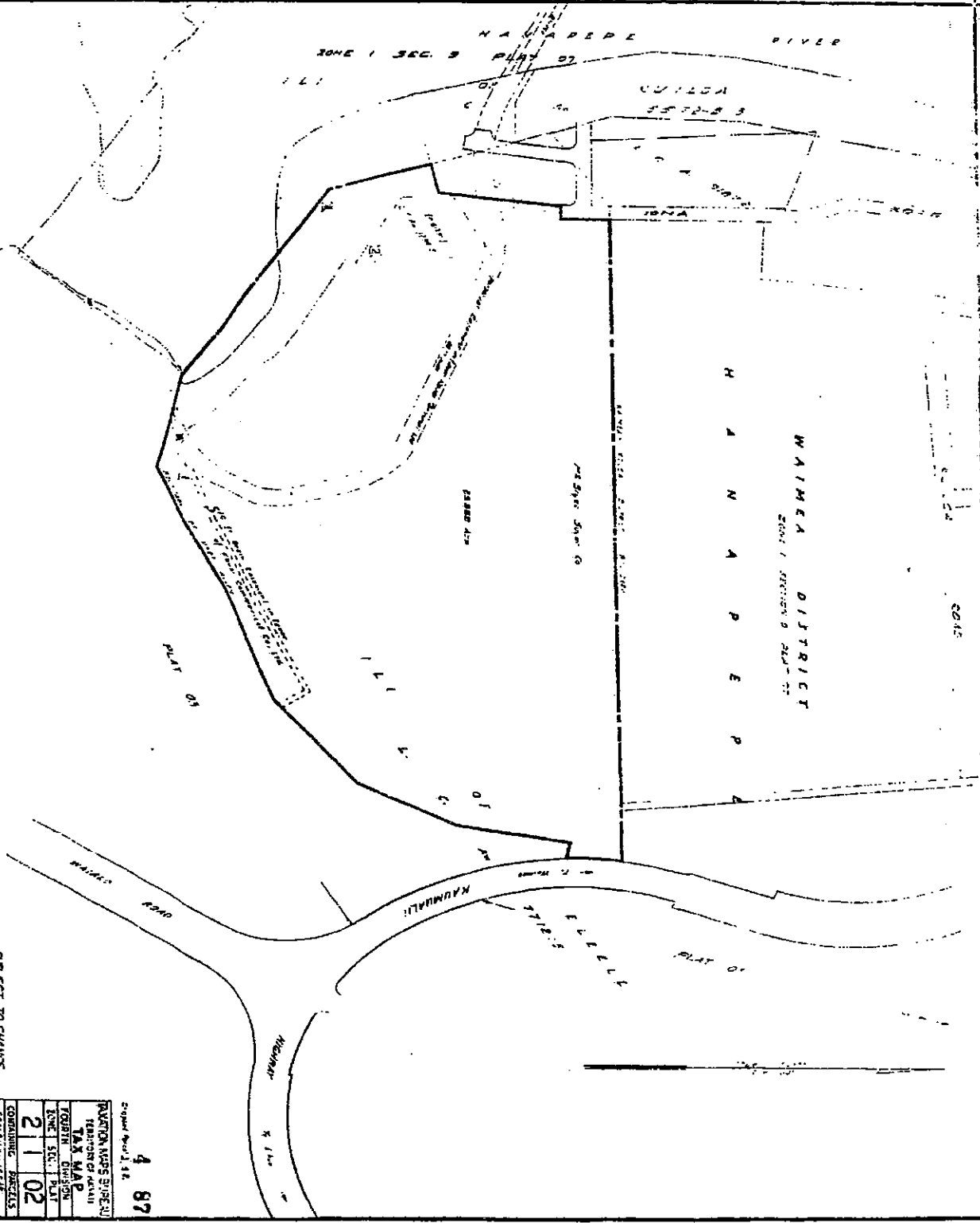


Recorder's Office
 Writing, Typing or Printing UNSATISFACTORY
 when received.

1	9	12
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23006 665

PORTION OF ILL OF ESELE, KOLA, KAUAI.

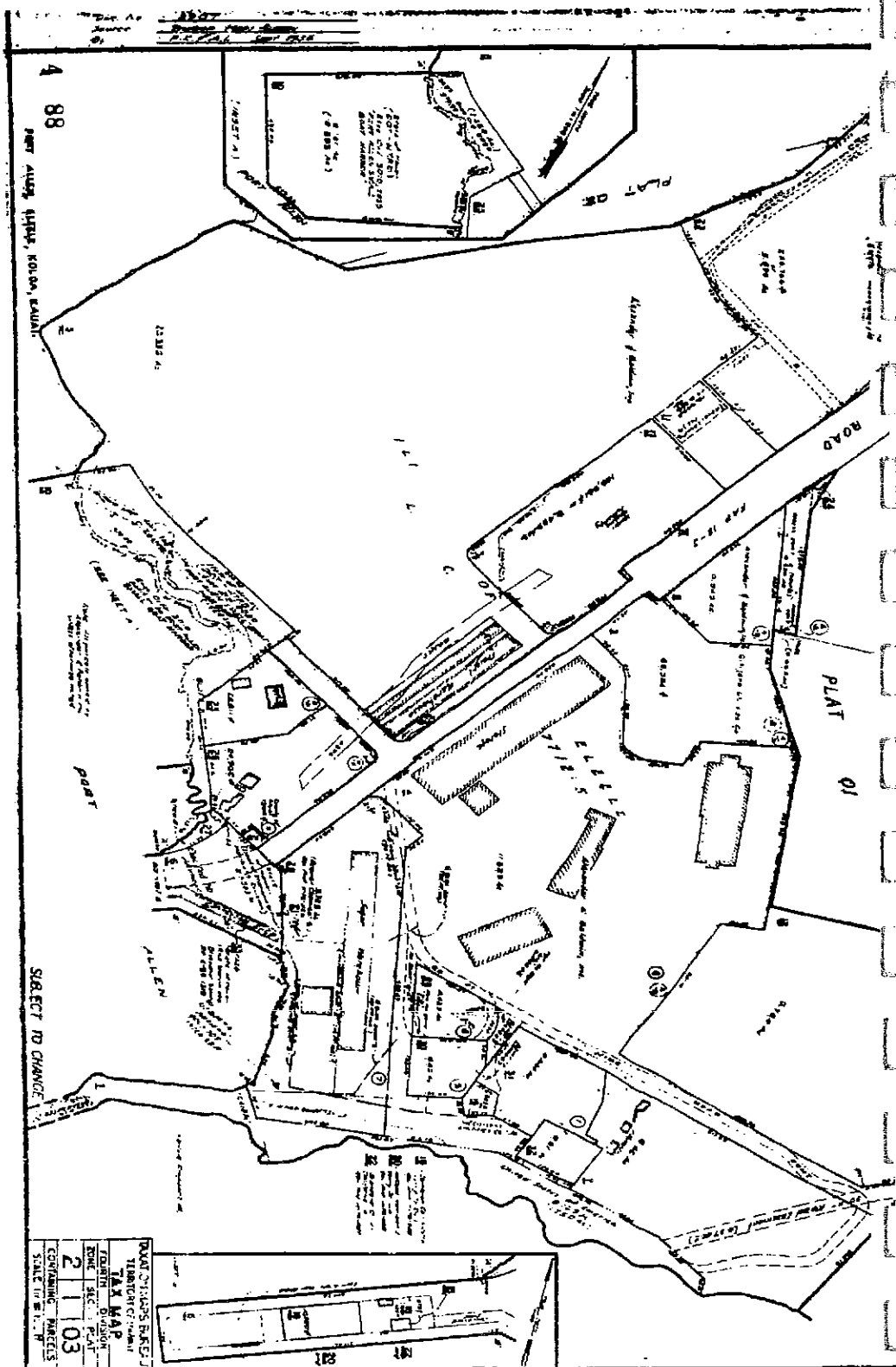


Recorder's Office
Recording, Typing or Printing UNSATISFACTORY
when received.

SUBJECT TO CHANGE

4 87

PORTION MAPS SHOWN	
TERRITORY OF KAUAI	
T.M. & M.A.P.	
FOURTH DIVISION	
ZONE	SEC. 7
2	1
02	
CONTAINING	
SQUARE FEET	



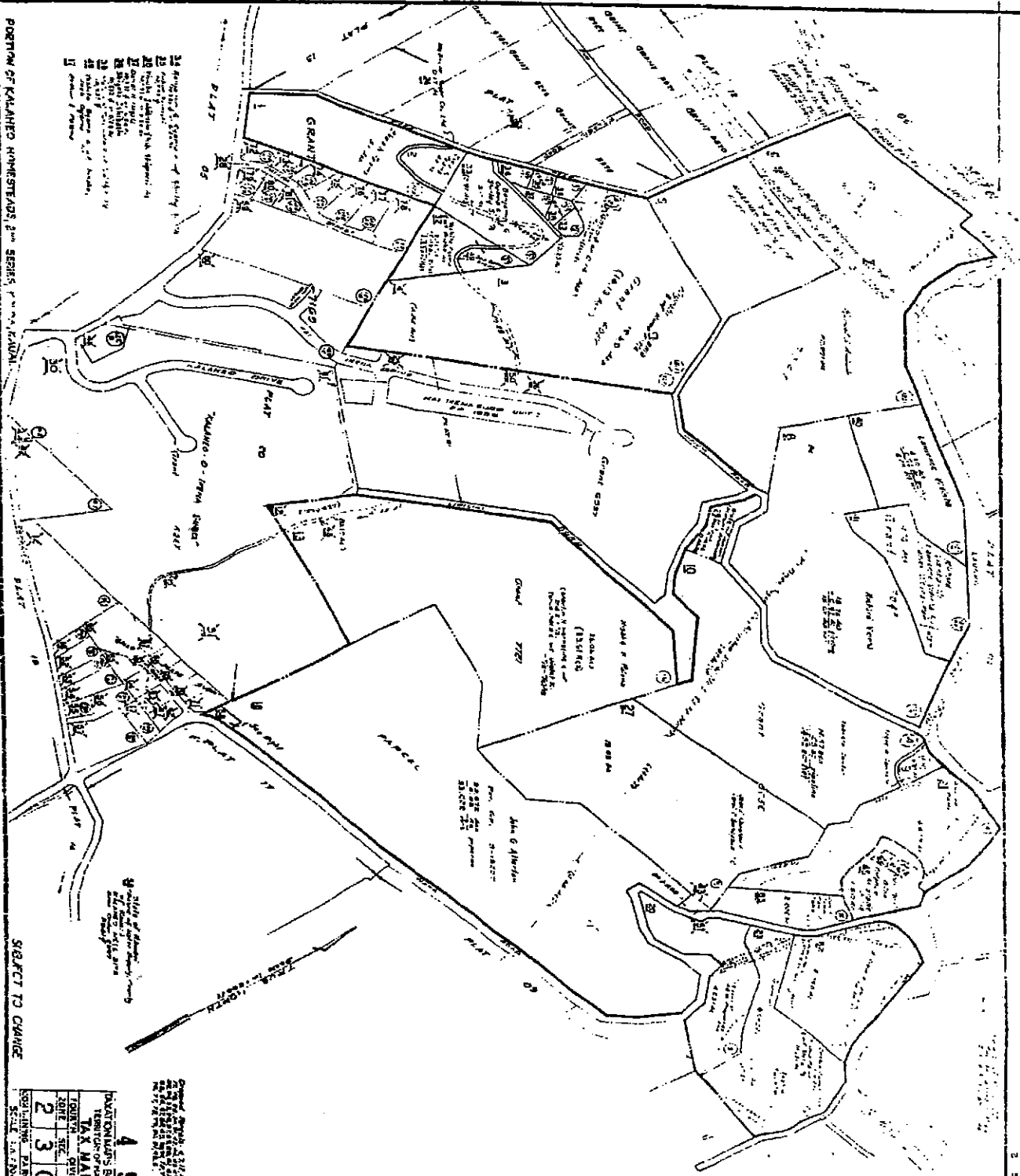
POST ALLEN, 141st, KOLON, KAWAI

SUBJECT TO CHANGE

POINT OF INTEREST	141st
GRID REFERENCE	141st
COORDINATING OFFICER	141st
DATE	141st
SCALE	141st
MAP	141st
SECTION	141st
PLANT	141st
03	141st

T 141st

Recorder's Office, Recording, Typing or Printing UNSATISFACTORY when received.

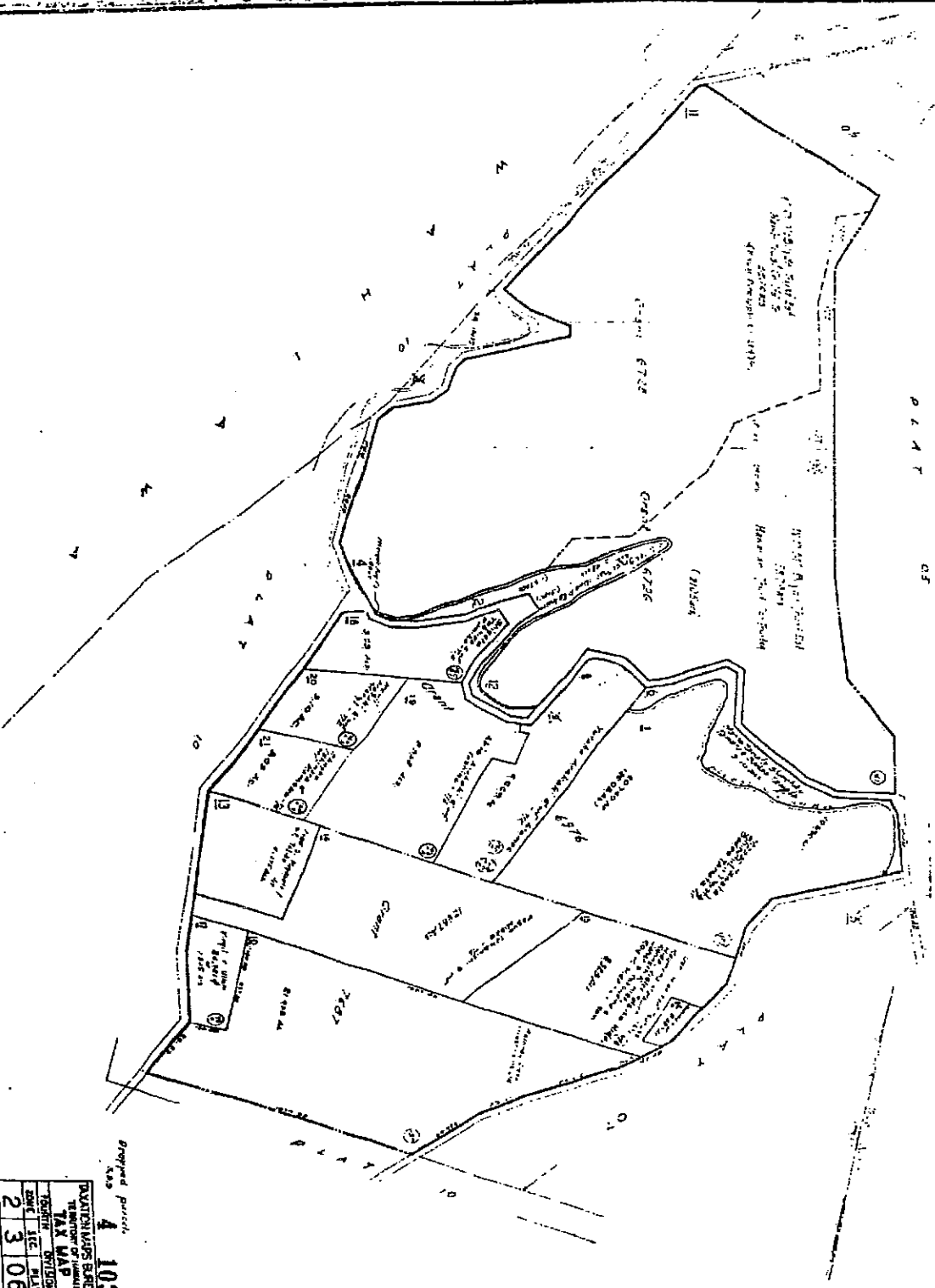


PORTMAN OF KALAHED HOMESTEAD, 2nd SERIES, PLAT 1000

SUBJECT TO CHANGE

4 99
 PORTMAN OF KALAHED
 2ND SERIES
 PLAT 1000
 TAX MAP
 TOWN OF PORTMAN
 COUNTY OF PORTMAN
 STATE OF ALABAMA
 2 3 0 2
 2000

PORTION OF KALANEO HOMESTEAD, 2ND SERIES, KONA, KAUAI.



Recorder's Office
 All filings, Typing or Printing UNSATISFACTORY
 will be returned when received.

SUBJECT TO CHANGE

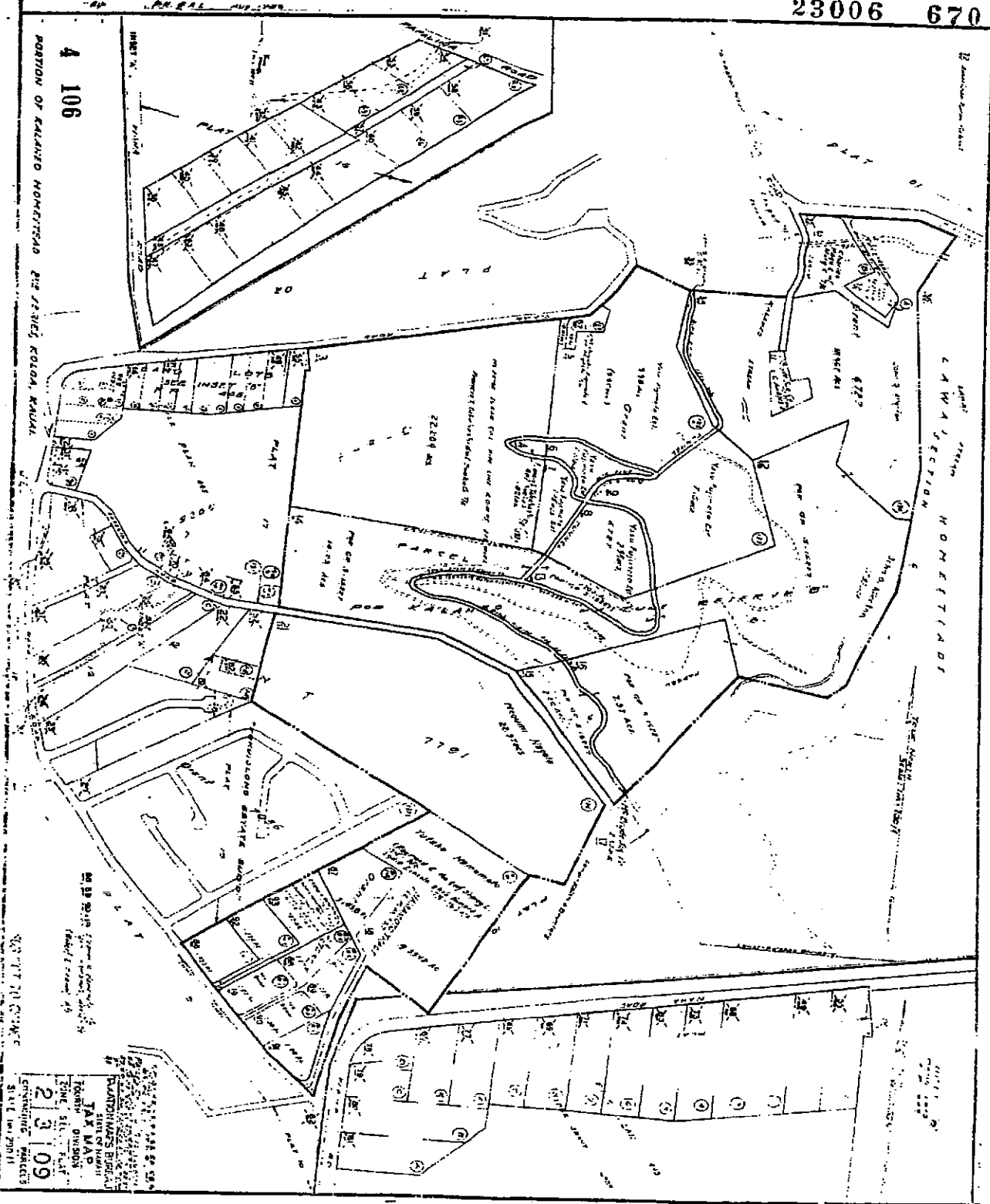
Proposed parcel
 size
 4 103

DISTRIBUTION SHEET	
TAX MAP	
NO. OF LOTS	2
NO. OF ACRES	3.06
CONTAINING PARCELS	
SCALE: 1" = 200'	

23006 670

4 106

BOSTON OF KALANEO HOMETIADIS BUS STATION, KALIA



Recorder's Review of Printing, Typing or Printing UNSATISFACTORY
 Applicant when received.

PLANTING AND BUREAU
 TAX MAP
 TOWN OF KALIA
 DIVISION
 2 3 09
 STATE OF HAWAII

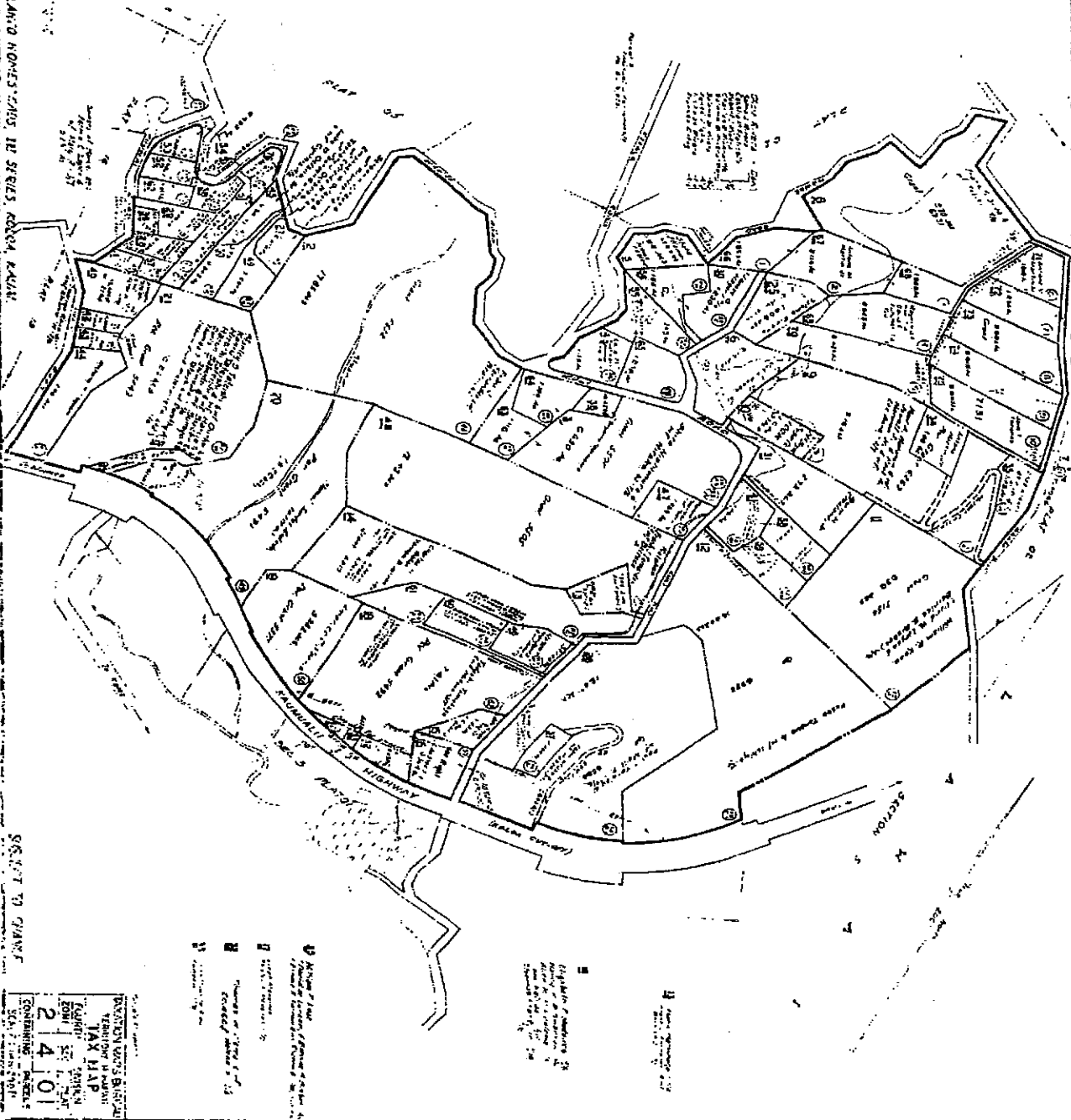
23006 671

4 120

PORTION OF KALANIO HOMESTEADS IN SECTORS KALANIO

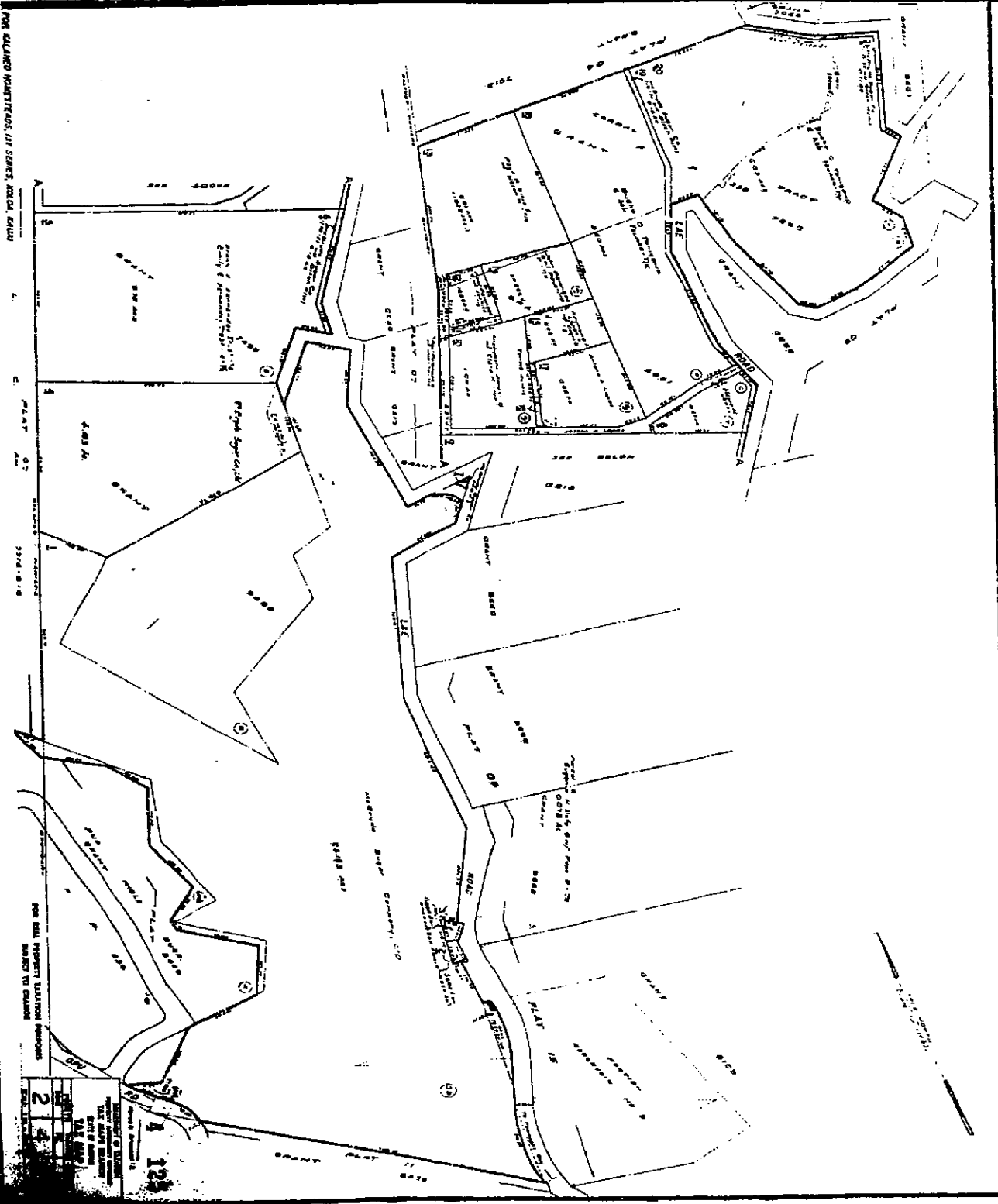
SECTION 10

DISTRICT OF COLUMBIA
 TAX MAP
 2401
 CONTAINING
 SECTION 10



Recorder's Office
 of Printing, Typing or Printing UNSATISFACTORY
 Statement when received.

23006 672



FOR BALANCED HOISTING, SEE SERIES, BOUNDARY

4

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14

15

Recorder's Office
Noting, Typing or Printing UNSATISFACTORY
at when received.

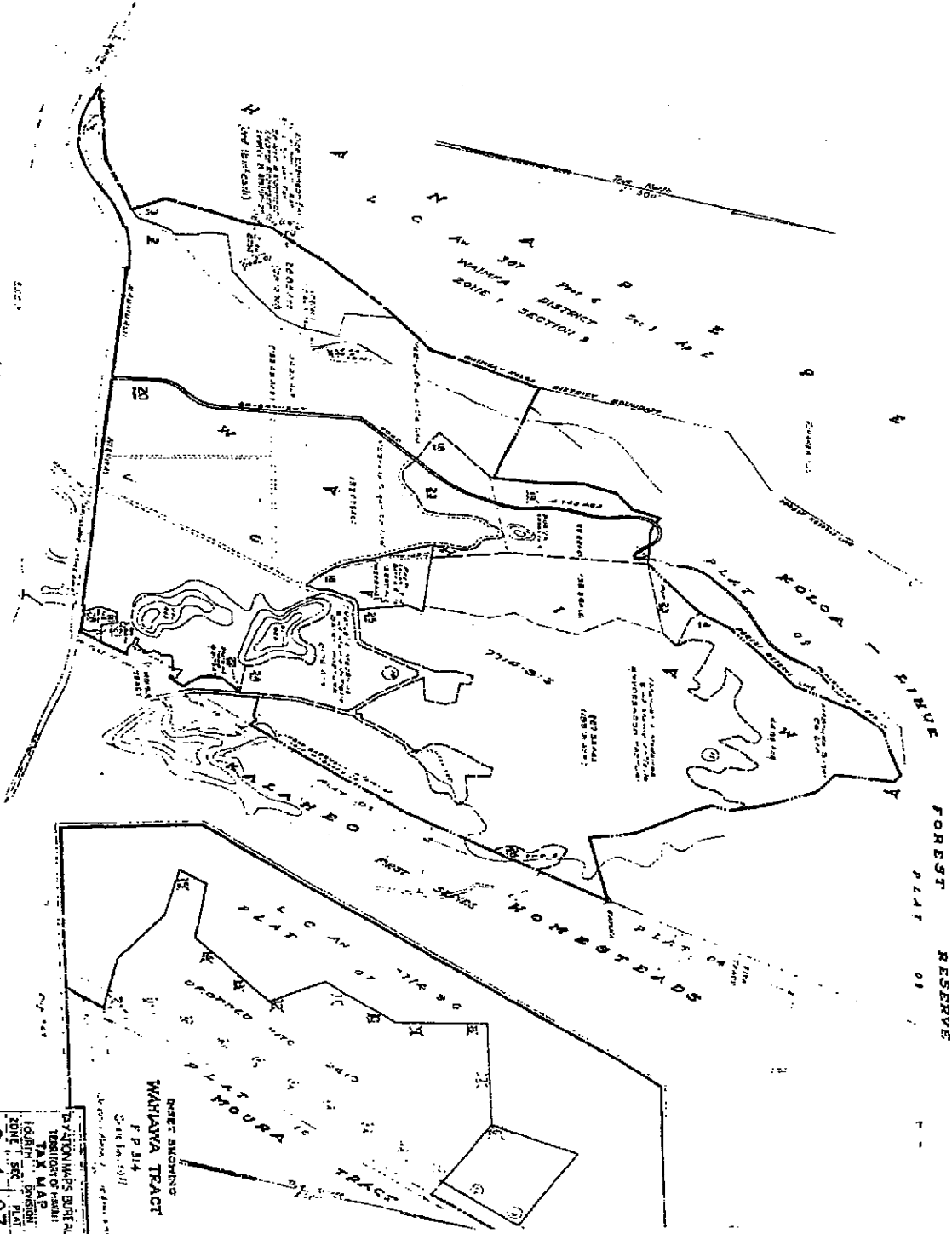
2-A-05 4TH DW

1	2	3	4
5	6	7	8
9	10	11	12
13	14	15	16

23006 673

4 126

N. W. TOWN OF WAIHAWA, KONA, HAWAII.

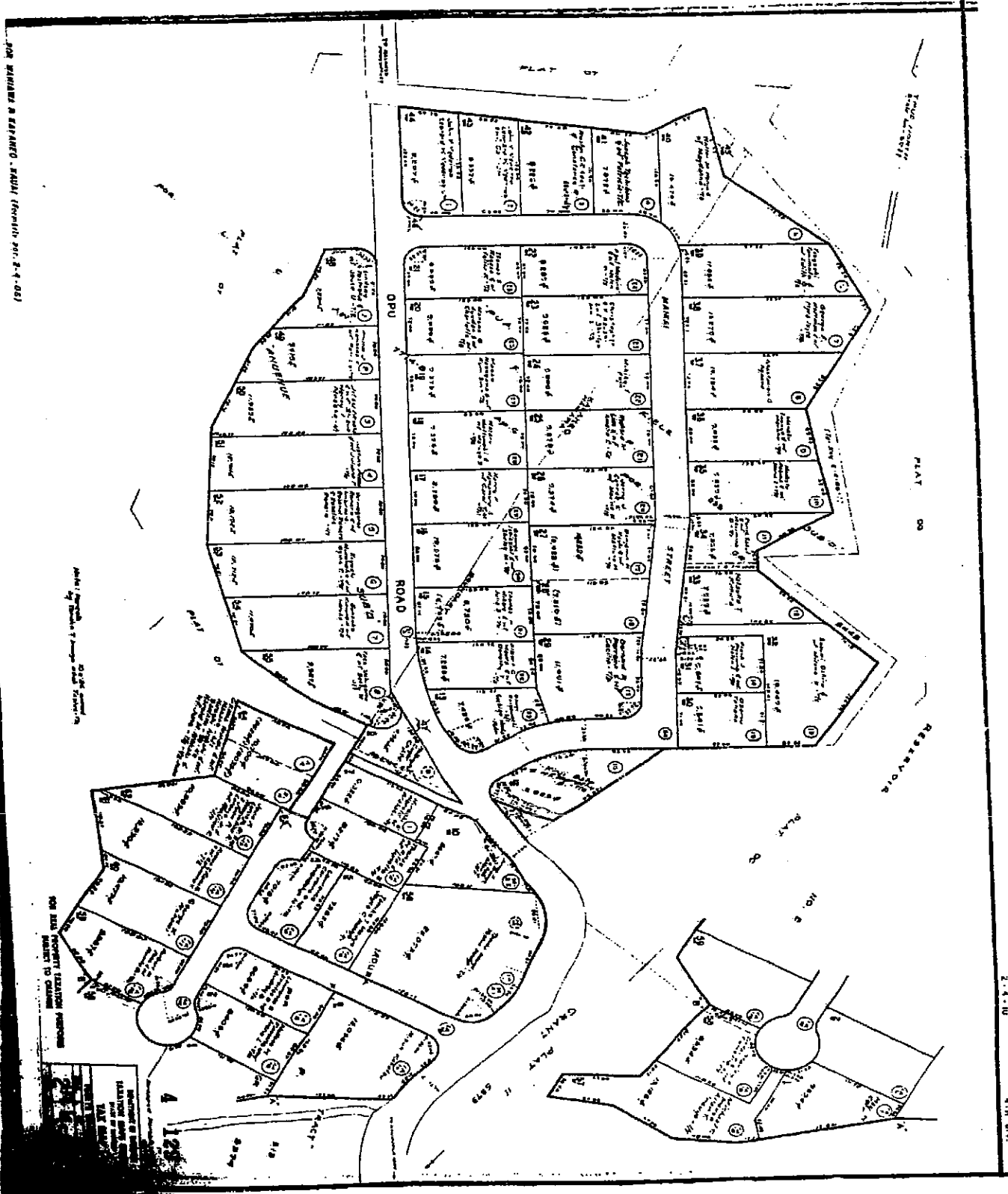


Recorder's Office
 The original of this map, showing, Typing or Printing UNSATISFACTORY
 when received.

21 1/2 Acres
 E. 1/2 Sec. 10
 T. 42 N., R. 12 W., S. 10 E.

SUBJECT TO CHANGE

DEPT. SHOWING
 WAIHAWA TRACT
 P. P. 314
 Scale 1/2" = 100'
 T. 42 N., R. 12 W., S. 10 E.
 DEPARTMENT OF LAND AND NATURAL RESOURCES
 HONOLULU, HAWAII

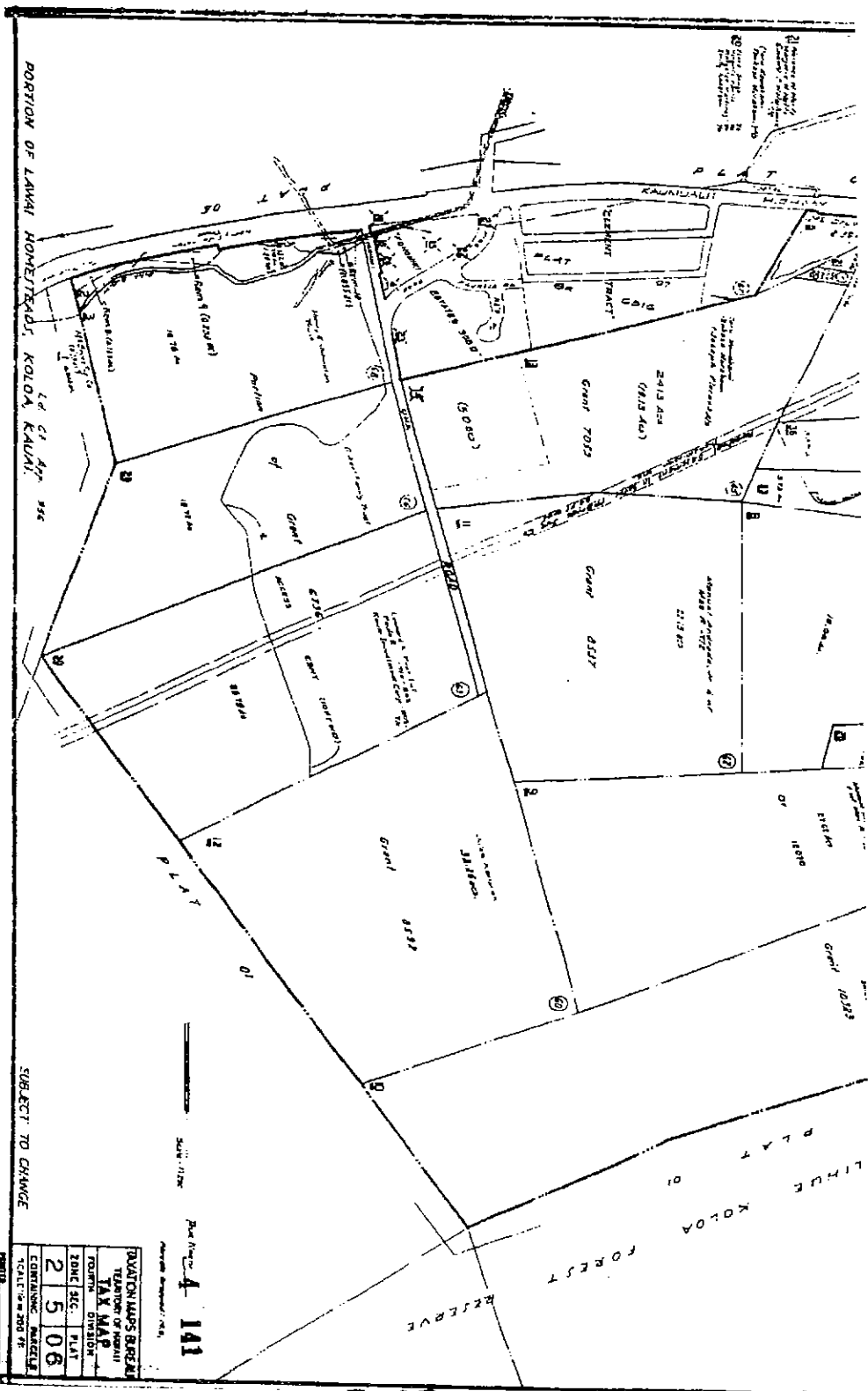


Recorder's Memo: **Legibility of Writing, Typing or Printing UNSATISFACTORY**
 Document when received.

FOR RANSOME & SARGENT - SQUAD (Specialty) - 3-4-65

ON ALL PROPERTY TAXATION MATTERS TO CHIEF

THE STATE OF TEXAS
 COUNTY OF TARRANT
 PLAT 00
 PLAT 01



PORTION OF LAHAI HOMETEADS, KOLOA KAUAI

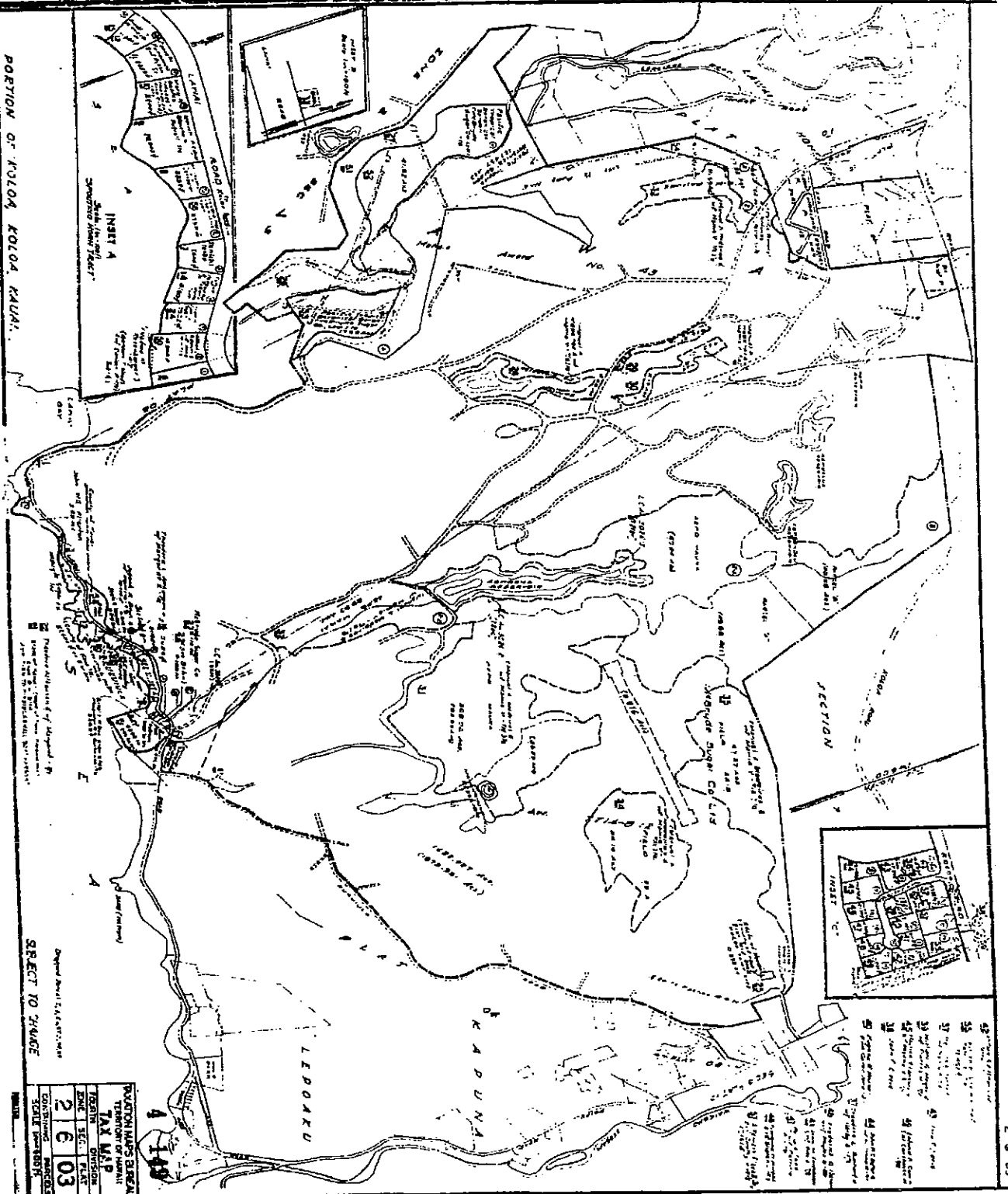
SUBJECT TO CHANGE

DIVISION MAPS BUREAU	
TELEPHONE OF HONOLULU	
TAX MAP	
FORM NO.	DIVISION
ZONE SEC.	PLAT
2	5 0 6
CONTINUING MAPS	
TELEPHONE 200 75	

Map No. 4 141

1 5 0 5 1

Recorder's Memo: [Illegible] on Writing, Typing or Printing UNSATISFACTORY
[Illegible] present when received.

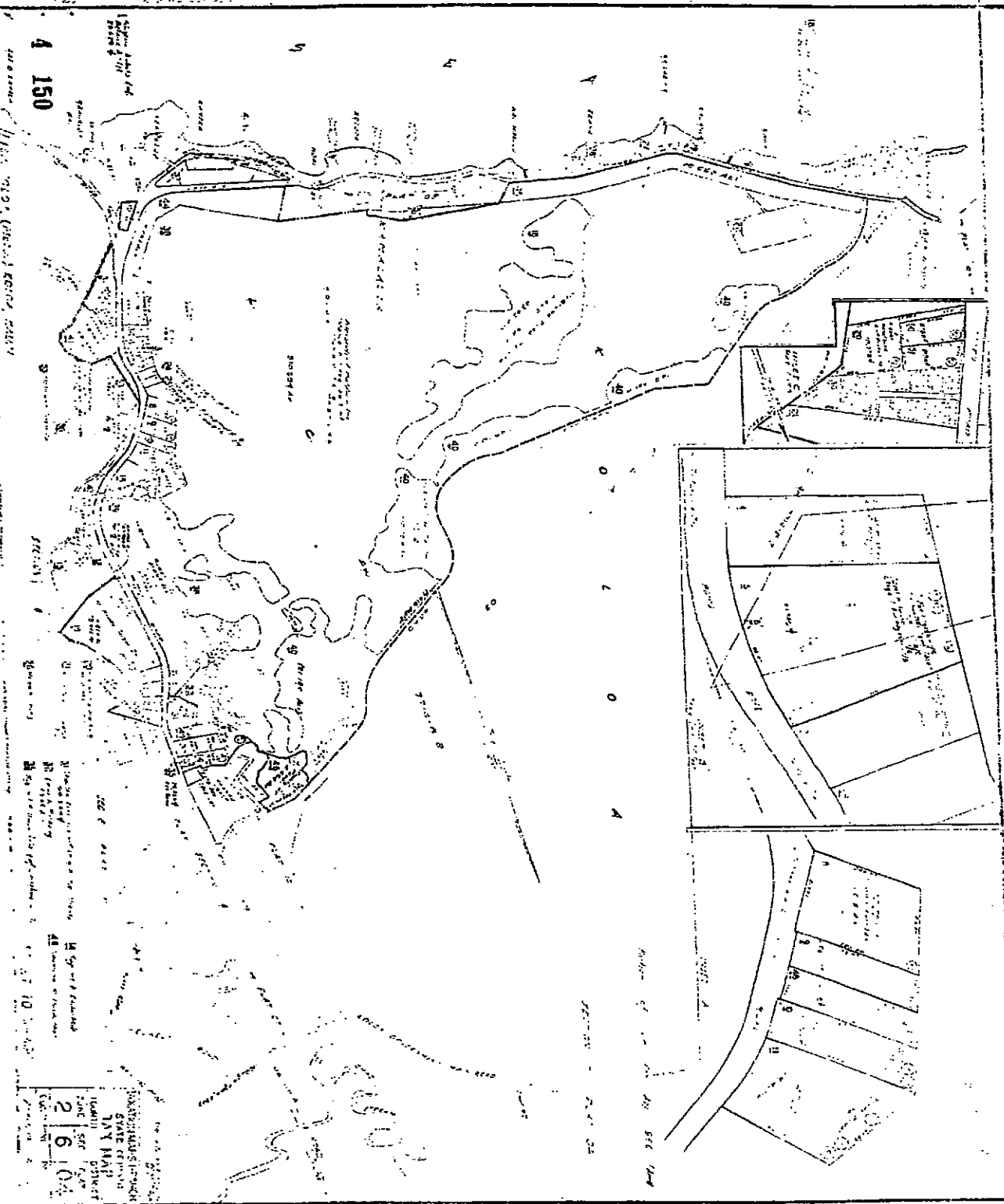


2 6 03

TERRITORY OF HAWAII	
COUNTY OF KAUAI	
TOWN OF KOLOA	
SECTION 14	
TAX MAP	
DATE	2 6 03
BY	[Illegible]
FOR	[Illegible]
SCALE	[Illegible]

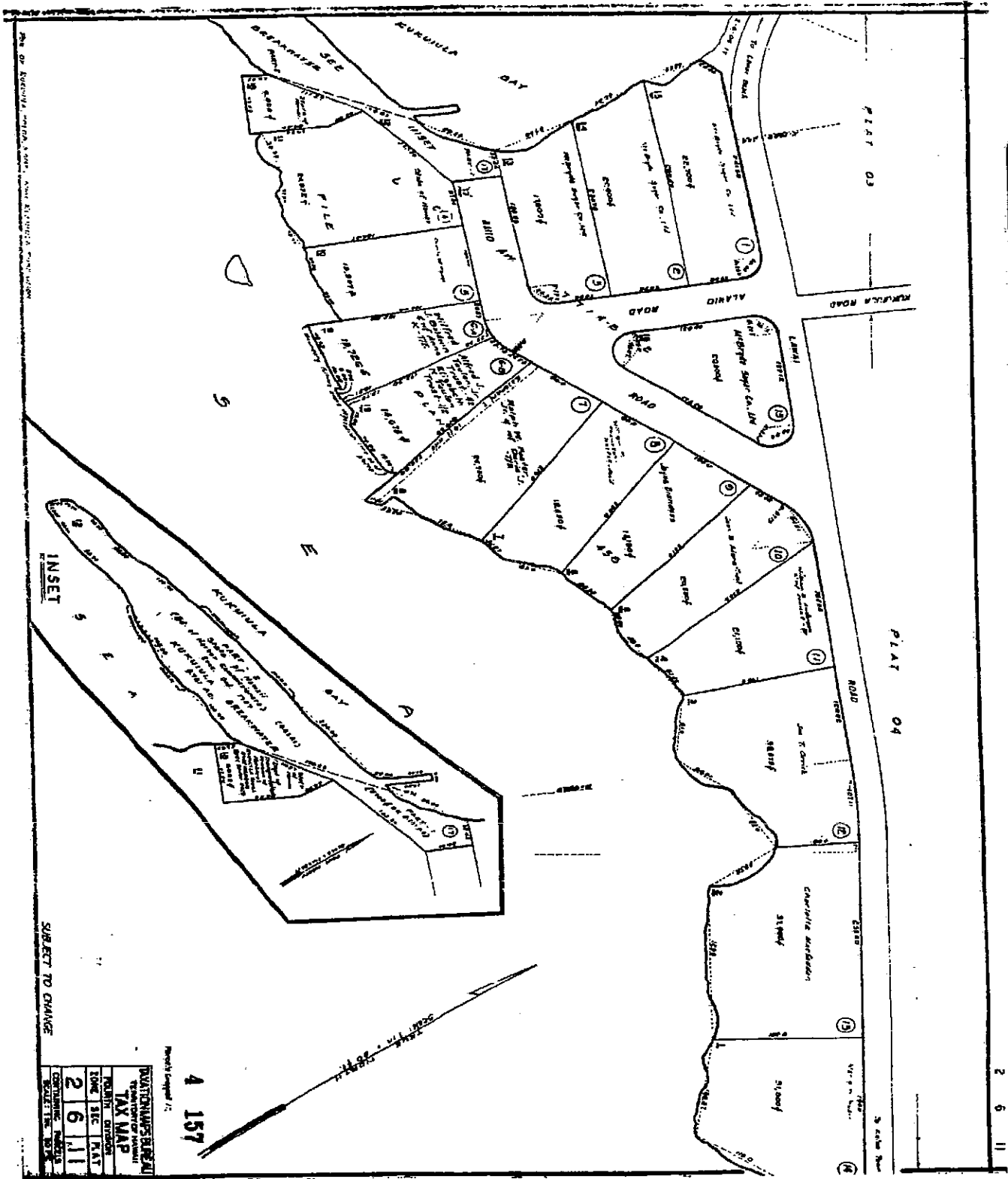
Subject to Change

4 150



Recorder's Manual
 Writing, Typing or Printing UNSATISFACTORY
 when received.

STATE OF ILLINOIS
 DEPARTMENT OF REVENUE
 TAX MAP
 2 6 10
 10/11/10
 10/11/10



Recorder's Name: _____
 Date: _____
 Office: _____
 County: _____
 State: _____

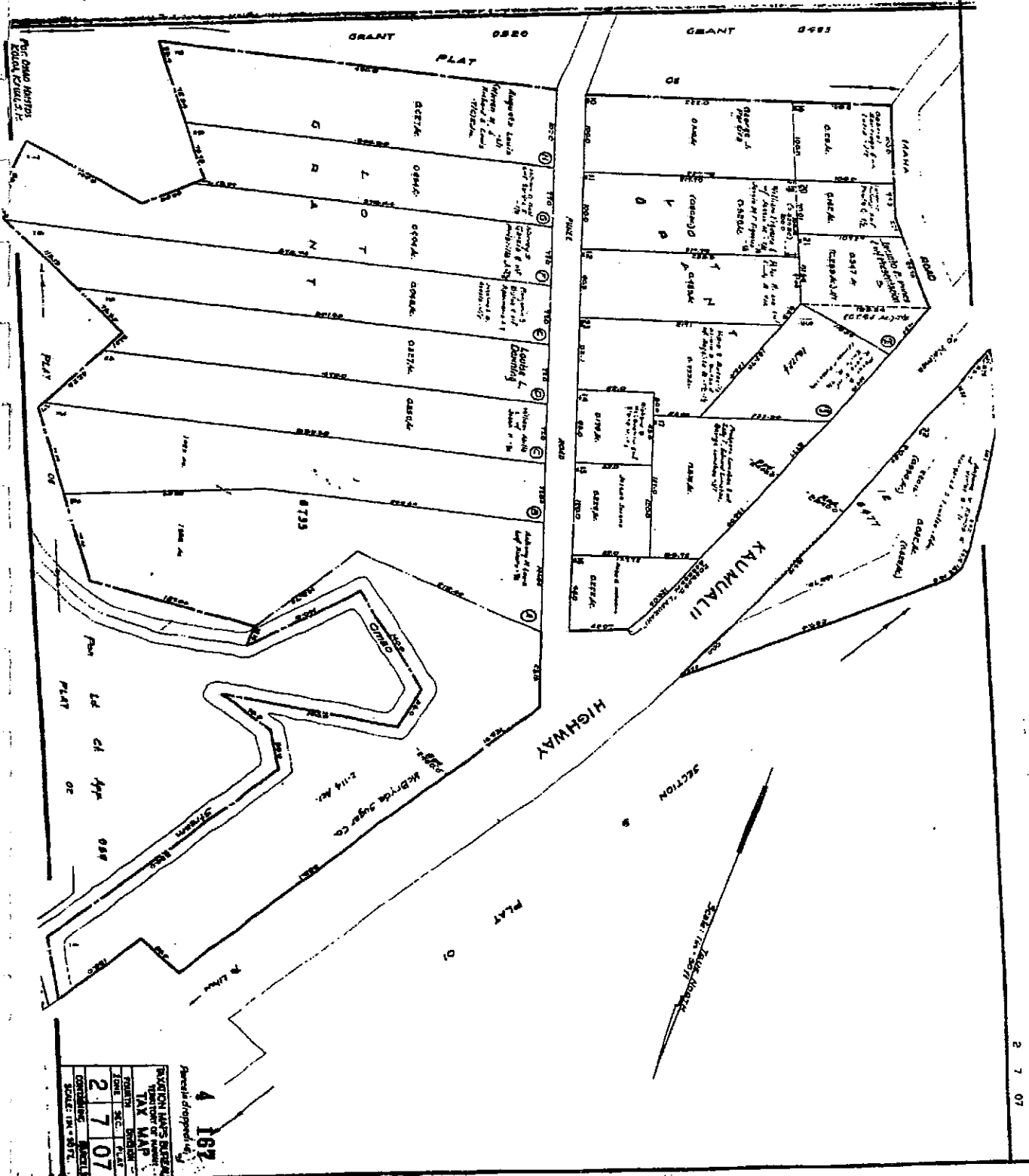
Recorder's Name: _____
 Date: _____
 Office: _____
 County: _____
 State: _____

4 157

BRUNSWICK COUNTY, GEORGIA
 DEPARTMENT OF REVENUE
 TAX MAP

PLAT	SECTION	TOWNSHIP	RANGE
26	11		

SUBJECT TO CHANGE



Recorder's Map
 Printing, Typing or Printing UNSATISFACTORY
 when received.

Prepared by
4 197
 RAYMOND LAM'S BUREAU
 TOWN OF KAUAI
 TAX MAP
 SCALE: 1" = 40 FT.

DATE	2 7 07
BY	R. L.
CHECKED	
APPROVED	

23006 680

SUBJECT, HOWEVER, TO, as to all of the land described above, any and all encumbrances affecting the land described above existing as of the date of this instrument.

TOGETHER WITH BUT SUBJECT TO, as to all of the land described above, any and all leases affecting portion or portions of the land described above existing as of the date of this instrument, and all rents reserved thereunder, and the benefit of all the lessee's covenants and all rights and remedies of the lessor contained therein.

R-167

STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

JAN 11, 2000 08:01 AM

Doc No(s) 2000-003694

/s/CARL T. WATANABE
ACTING
REGISTRAR OF CONVEYANCES

LAND COURT

REGULAR SYSTEM

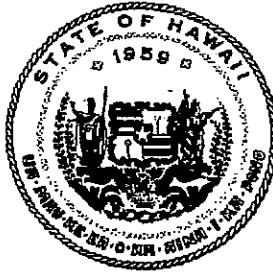
AFTER RECORDATION, RETURN BY MAIL PICK-UP TO:

ALEXANDER & BALDWIN, INC.
822 Bishop Street 2nd Floor
Honolulu, HI 96813
Attn: Charles W. Loomis, Esq.

TGA (A&B Inc.)

NUMBER OF PAGES: 2

CERTIFICATE OF MERGER



Department of Commerce and Consumer Affairs

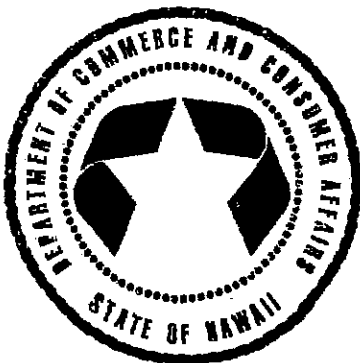
CERTIFICATE OF MERGER

I, KATHRYN S. MATAYOSHI, Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that pursuant to the Articles of Merger and Plan of Merger of ALEXANDER & BALDWIN, INC., a Hawaii corporation, filed in this Department on December 15, 1999, in accordance with the provisions of Section 415-75 of the Hawaii Revised Statutes, A&B-HAWAII, INC., a Hawaii corporation, was merged with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, at 11:59 p.m.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, State of Hawaii, this 3rd day of January, 2000.

Director of Commerce and Consumer Affairs

By Amy Oha
for Commissioner of Securities



1340

4199 103

State of Hawaii

Department of Treasury and Regulation

Honolulu

It is hereby certified that the attached is a true and exact copy of:

CERTIFICATE OF TREASURER OF THE STATE OF HAWAII OF MERGER

of

HAWAIIAN COMMERCIAL AND SUGAR COMPANY, LIMITED

with and into

ALEXANDER & BALDWIN, LIMITED

issued on January 3, 1962.



*In witness whereof, I have hereunto
set my hand and affixed the seal of the
Department of Treasury and Regulation, at
Honolulu, this 4th day of January, 1962.*

Treasurer, State of Hawaii

IN THE DEPARTMENT OF TREASURY AND REGULATION

STATE OF HAWAII

In the Matter of the Merger of)
HAWAIIAN COMMERCIAL AND SUGAR)
COMPANY, LIMITED)
with and into)
ALEXANDER & BALDWIN, LIMITED)

CERTIFICATE OF TREASURER OF THE
STATE OF HAWAII OF MERGER

IN THE DEPARTMENT OF TREASURY AND REGULATION

STATE OF HAWAII

In the Matter of the Merger of)
 HAWAIIAN COMMERCIAL AND SUGAR)
 COMPANY, LIMITED)
 with and into)
 ALEXANDER & BALDWIN, LIMITED)

CERTIFICATE OF TREASURER OF THE
 STATE OF HAWAII OF MERGER

ALEXANDER & BALDWIN, LIMITED, a Hawaii corporation,
 and HAWAIIAN COMMERCIAL AND SUGAR COMPANY, LIMITED, a like
 corporation, having filed in the Office of the Treasurer of
 the State of Hawaii for approval a Merger Agreement by and
 between the said ALEXANDER & BALDWIN, LIMITED, and HAWAIIAN
 COMMERCIAL AND SUGAR COMPANY, LIMITED, dated as of December
 29, 1961, together with accompanying certificates of approval,
 pursuant to and in compliance with the provisions of Chapter
 173, Revised Laws of Hawaii 1955, and it appearing therefrom
 and from the documents on file in this office that all of the
 provisions of said Chapter 173 have been fully complied with,
 and that the Treasurer should certify that said merger has
 been effected in compliance with said Chapter 173,

IT IS THEREFORE ORDERED that said Merger Agreement
 be and it is hereby approved;

AND in compliance with Section 173-11 of the Revised
 Laws of Hawaii 1955,

IT IS HEREBY FURTHER CERTIFIED AS FOLLOWS:

(1) That the name of each constituent corporation is as follows: Hawaiian Commercial and Sugar Company, Limited, and Alexander & Baldwin, Limited;

(2) That the name of the surviving corporation is as follows: Alexander & Baldwin, Limited;

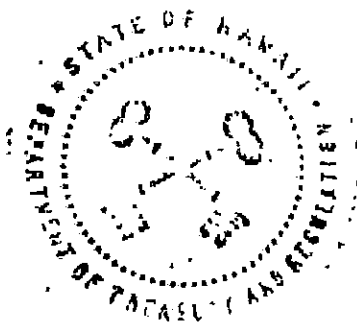
(3) That the names of the officers and directors of the surviving corporation, at the time of the filing of the Merger Agreement, are as follows:

<u>Name</u>	<u>Office</u>	<u>Address</u>
J. W. Cameron	Chairman of the Board	Paia, Maui
C. C. Cadagan	President, General Manager and Director	4014 Poli Hiwa Place Honolulu, Hawaii
J. T. Waterhouse	Vice President and Director	3850 Round Top Drive Honolulu, Hawaii
J. G. McIntosh	Vice President and Director	2130 Ralston Avenue Hillsborough, Calif.
R. L. Kingsbury	Vice President	1920-92nd Street, N.E. Bellevue, Washington
W. E. Sheehan	Vice President and Secretary	3871 Old Pali Road Honolulu, Hawaii
H. H. Goss	Vice President	4803 Kolohala Street Honolulu, Hawaii
R. G. Jamieson	Treasurer	4809 Kolohala Street Honolulu, Hawaii
A. H. Gorie	Assistant Treasurer	220 Highland Avenue Piedmont, California
R. S. Waterhouse	Assistant Treasurer and Director	2125 Keeaumoku Street Honolulu, Hawaii
C. G. Ruff	Assistant Treasurer	5538 Pia Street Honolulu, Hawaii
R. H. Cox	Assistant Secretary	1951 Kakela Drive Honolulu, Hawaii
E. F. Major	Assistant Secretary	4370 Kahala Avenue Honolulu, Hawaii
E. S. Benedict	Assistant Secretary	220 Selton Drive Menlo Park, Calif.
A. F. Baldwin	Director	Puunene, Maui

<u>Name</u>	<u>Office</u>	<u>Address</u>
R. H. Baldwin	Director	Makawao, Maui
E. Benner, Jr.	Director	4473 Aukai Avenue Honolulu, Hawaii
A. L. Castle	Director	23 Jack Lane, Honolulu, Hawaii
C. E. Hanson	Director	1510 Ualakaq Place Honolulu, Hawaii
J. B. Hurd	Director	115 Lexford Road Piedmont, Calif.
J. R. Judd	Director	2490 Makiki Heights Drive Honolulu, Hawaii
R. A. Peterson	Director	2130 Mauna Place Honolulu, Hawaii
C. B. Wightman	Director	2022 Kakela Drive Honolulu, Hawaii

(4) That said Merger Agreement and all necessary certificates of approval required by said Chapter 173 were filed in the office of the Treasurer of the State of Hawaii on Tuesday, the 2nd day of January, 1962, at 7:47 A. M.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Treasurer's Office of the State of Hawaii at Honolulu, State of Hawaii, this 3rd day of January, 1962.



Oliver R. Ah
Treasurer of the State of Hawaii

Entered of Record **JAN 16 1962** at 10:44 o'clock A. M.
and compared. **OLIVER R. AH** Registrar of Conveyances.
By *[Signature]* Clerk

IN THE DEPARTMENT OF TREASURY AND REGULATION
STATE OF HAWAII

In the Matter of the Amendment
of the Articles of Association

of

ALEXANDER & BALDWIN, LIMITED

Changing the Name of the Corporation

to

ALEXANDER & BALDWIN, INC.

CERTIFICATE OF CHANGE OF NAME



SMITH, WILD, BEEBE & CADES
Fourth Floor
Bishop Trust Building
Honolulu, Hawaii

1962-4191 PAGE 482

IN THE DEPARTMENT OF TREASURY AND REGULATION
STATE OF HAWAII

In the Matter of the Amendment
of the Articles of Association

of

ALEXANDER & BALDWIN, LIMITED

Changing the Name of the Corporation

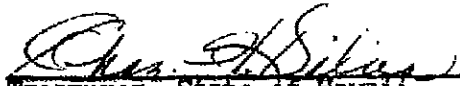
to

ALEXANDER & BALDWIN, INC.

CERTIFICATE OF CHANGE OF NAME

IT IS HEREBY CERTIFIED that pursuant to and in accordance with Section 172-20, Revised Laws of Hawaii 1955, as amended, there has been duly filed in the Department of Treasury and Regulation of the State of Hawaii a verified certificate showing that at a special meeting of the stockholders of ALEXANDER & BALDWIN, LIMITED duly called and held for that purpose, among others, Article FIRST of the Articles of Association of said corporation was amended by a vote of not less than two-thirds of all of the corporation's issued and outstanding stock having voting power; that the Treasurer of the State of Hawaii has determined that such amendment is not in conflict with Section 172-11 of the Revised Laws of Hawaii 1955, as amended; that by the aforesaid amendment the name of the corporation has been changed from ALEXANDER & BALDWIN, LIMITED to ALEXANDER & BALDWIN, INC; that such change of name, in accordance with law, shall become effective upon the filing of this Certificate in the Bureau of Conveyances of the State of Hawaii.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Treasurer's Office, State of Hawaii at Honolulu, Hawaii, this 2nd day of January, 1962.


Treasurer, State of Hawaii

Entered of Record JAN 3 1962 at 3:55 o'clock P. M.
and compared. Gilroy E. Aiu Registrar of Conveyances.
By  Clerk

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2009

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 000-00565

AB ALEXANDER & BALDWIN, INC.
(Exact name of registrant as specified in its charter)

Hawaii
(State or other jurisdiction of
incorporation or organization)

99-0032630
(I.R.S. Employer
Identification No.)

822 Bishop Street
Post Office Box 3440, Honolulu, Hawaii 96801
(Address of principal executive offices and zip code)

808-525-6611
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common Stock, without par value	NYSE

Securities registered pursuant to Section 12(g) of the Act:
None

Number of shares of Common Stock outstanding at February 11, 2010:
41,071,571

Aggregate market value of Common Stock held by non-affiliates at June 30, 2009:
\$937,803,905

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Documents Incorporated By Reference
Portions of Registrant's Proxy Statement dated March 11, 2010 (Part III of Form 10-K)

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Alexander & Baldwin, Inc. has the responsibility for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended, as a process designed by, or under the supervision of, the company's principal executive and principal financial officers and effected by the company's board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting only provides reasonable assurance with respect to financial statement presentation and preparation. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2009. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework*. Based on its assessment, management believes that, as of December 31, 2009, the Company's internal control over financial reporting is effective. The Company's independent registered public accounting firm, Deloitte & Touche LLP, has issued an audit report on the Company's internal control over financial reporting. That report appears on page 58 of this Form 10-K.



Stanley M. Kuriyama
President and Chief Executive Officer

February 25, 2010



Christopher J. Benjamin
Senior Vice President, Chief Financial Officer and
Treasurer

February 25, 2010

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Alexander & Baldwin, Inc.
Honolulu, Hawaii

We have audited the accompanying consolidated balance sheets of Alexander & Baldwin, Inc. and subsidiaries (the "Company") as of December 31, 2009 and 2008, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2009. We also have audited the Company's internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Annual Report on Internal Control Over Financial Reporting*. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Alexander & Baldwin, Inc. and subsidiaries as of December 31, 2009 and 2008, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.



Honolulu, Hawaii
February 25, 2010

ALEXANDER & BALDWIN, INC.
CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per-share amounts)

	Year Ended December 31,		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Operating Revenue:			
Ocean transportation	\$ 887	\$ 1,021	\$ 1,003
Logistics services	321	436	433
Real estate leasing	84	79	72
Real estate sales	16	225	23
Agribusiness	97	119	120
Total operating revenue	<u>1,405</u>	<u>1,880</u>	<u>1,651</u>
Operating Costs and Expenses:			
Cost of ocean transportation services	740	825	789
Cost of logistics services	280	381	381
Cost of real estate sales and leasing	59	229	47
Cost of agribusiness goods and services	130	133	120
Selling, general and administrative	154	163	165
Total operating costs and expenses	<u>1,363</u>	<u>1,731</u>	<u>1,502</u>
Operating Income	42	149	149
Other Income and (Expense):			
Gain on insurance settlement and other	--	8	1
Gain on consolidation of HS&TC (Note 3)	5	--	--
Equity in income of real estate affiliates	--	9	23
Impairment loss on investment	(2)	(2)	--
Interest income	--	1	3
Interest expense	(25)	(24)	(19)
Income From Continuing Operations Before Income Taxes	20	141	157
Income taxes	8	52	59
Income From Continuing Operations	12	89	98
Income from discontinued operations, net of income taxes (Note 2)	32	43	44
Net Income	<u>\$ 44</u>	<u>\$ 132</u>	<u>\$ 142</u>
Basic Earnings per Share of Common Stock:			
Continuing operations	\$ 0.29	\$ 2.17	\$ 2.30
Discontinued operations	0.79	1.04	1.04
Net income	<u>\$ 1.08</u>	<u>\$ 3.21</u>	<u>\$ 3.34</u>
Diluted Earnings per Share of Common Stock:			
Continuing operations	\$ 0.29	\$ 2.15	\$ 2.27
Discontinued operations	0.79	1.04	1.03
Net income	<u>\$ 1.08</u>	<u>\$ 3.19</u>	<u>\$ 3.30</u>
Weighted Average Number of Shares Outstanding:			
Basic	41.0	41.2	42.5
Diluted	41.1	41.5	43.1

See notes to consolidated financial statements.

ALEXANDER & BALDWIN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31,		
	2009	2008	2007
Cash Flow from Operating Activities:			
Net income	\$ 44	\$ 132	\$ 142
Adjustments to reconcile net income to net cash provided by operations:			
Depreciation and amortization	105	101	93
Deferred income taxes	1	19	26
Gains on disposal of assets, net of impairment losses	(51)	(91)	(64)
Casualty gain from receipt of insurance proceeds	--	(8)	--
Gain on consolidation of HS&TC	(5)	--	--
Share-based expense	9	11	17
Equity in income of affiliates, net of distributions	(1)	11	1
Changes in operating assets and liabilities:			
Accounts and notes receivable	(16)	24	(9)
Inventories	(6)	(6)	(3)
Prepaid expenses and other assets	(5)	3	12
Deferred dry-docking costs	10	(9)	(22)
Liability for employee benefit plans	--	(3)	(3)
Accounts and income taxes payable	20	(37)	19
Other liabilities	11	(17)	14
Real Estate Developments Held for Sale:			
Real estate inventory sales	5	184	11
Expenditures for real estate inventory	(6)	(39)	(110)
Net cash provided by operations	<u>115</u>	<u>275</u>	<u>124</u>
Cash Flows from Investing Activities:			
Capital expenditures for property and developments	(31)	(109)	(122)
Proceeds from disposal of income-producing property, investments and other assets	32	19	18
Proceeds from insurance settlement related to 2005 casualty loss	--	8	--
Deposits into Capital Construction Fund	(4)	(7)	(30)
Withdrawals from Capital Construction Fund	4	8	30
Acquisition of businesses, net of cash acquired	10	(27)	--
Payments for purchases of investments	(48)	(60)	(43)
Proceeds from sale and maturity of investments	6	19	2
Net cash used in investing activities	<u>(31)</u>	<u>(149)</u>	<u>(145)</u>
Cash Flows from Financing Activities:			
Proceeds from issuance of long-term debt	241	127	139
Payments of long-term debt and deferred financing costs	(288)	(138)	(88)
Proceeds from (payments on) short-term borrowings, net	13	(5)	15
Repurchases of capital stock	--	(59)	(33)
Proceeds from issuance of capital stock, net of excess tax benefit	(1)	2	8
Dividends paid	(52)	(51)	(48)
Net cash used in financing activities	<u>(87)</u>	<u>(124)</u>	<u>(7)</u>
Cash and Cash Equivalents:			
Net increase (decrease) for the year	(3)	2	(28)
Balance, beginning of year	19	17	45
Balance, end of year	<u>\$ 16</u>	<u>\$ 19</u>	<u>\$ 17</u>
Other Cash Flow Information:			
Interest paid, net of amounts capitalized	\$ (24)	\$ (25)	\$ (25)
Income taxes paid	\$ (38)	\$ (63)	\$ (55)
Non-cash Activities:			
Debt assumed in real estate purchase	\$ --	\$ 11	\$ --
Tax-deferred property sales	\$ 109	\$ 112	\$ 83
Tax-deferred property purchases	\$ (95)	\$ (46)	\$ (91)

See notes to consolidated financial statements.

ALEXANDER & BALDWIN, INC.
CONSOLIDATED BALANCE SHEETS
(In millions, except per-share amount)

	December 31,	
	2009	2008
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 16	\$ 19
Accounts and notes receivable, less allowances of \$10 for 2009 and \$8 for 2008	172	163
Inventories	43	28
Real estate held for sale	36	20
Deferred income taxes	6	--
Section 1031 exchange proceeds	1	23
Prepaid expenses and other assets	33	31
Total current assets	307	284
Investments in Affiliates	242	208
Real Estate Developments	88	78
Property – net	1,536	1,590
Employee Benefit Plan Assets	3	3
Other Assets	204	187
Total	\$ 2,380	\$ 2,350
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Notes payable and current portion of long-term debt	\$ 65	\$ 52
Accounts payable	132	105
Payroll and vacation benefits	18	18
Uninsured claims	9	10
Deferred income taxes	--	1
Accrued and other liabilities	73	52
Total current liabilities	297	238
Long-term Liabilities		
Long-term debt	406	452
Deferred income taxes	428	414
Employee benefit plans	116	122
Uninsured claims and other liabilities	48	52
Total long-term liabilities	998	1,040
Commitments and Contingencies (Note 12)		
Shareholders' Equity		
Capital stock – common stock without par value; authorized, 150 million shares (\$0.75 stated value per share); outstanding, 41.0 million shares in 2009 and 2008	33	33
Additional capital	210	204
Accumulated other comprehensive loss	(81)	(96)
Retained earnings	934	942
Cost of treasury stock	(11)	(11)
Total shareholders' equity	1,085	1,072
Total	\$ 2,380	\$ 2,350

See notes to consolidated financial statements.

ALEXANDER & BALDWIN, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the three years ended December 31, 2009
(In millions, except per-share amounts)

	Capital Stock				Additional Capital	Accumulated Other Compre- hensive Loss	Retained Earnings	Total
	Issued		In Treasury					
	Shares	Stated Value	Shares	Cost				
Balance, December 31, 2006	46.2	35	3.6	(11)	179	(19)	843	1,027
Net income	—	—	—	—	—	—	142	142
Other comprehensive income, net of tax:								
Defined benefit plans:								
Net gain (loss)	—	—	—	—	—	14	—	14
Less: Amortization of net loss	—	—	—	—	—	1	—	1
Total comprehensive income								157
Shares repurchased	(0.7)	(1)	—	—	(4)	—	(28)	(33)
Shares issued	0.5	—	—	—	8	—	—	8
Share-based compensation	—	—	—	—	17	—	—	17
Adjustment to initially adopt accounting for uncertain tax positions	—	—	—	—	—	—	2	2
Dividends (\$1.12 per share)	—	—	—	—	—	—	(48)	(48)
Balance, December 31, 2007	46.0	34	3.6	(11)	200	(4)	911	1,130
Net income	—	—	—	—	—	—	132	132
Other comprehensive income, net of tax:								
Defined benefit plans:								
Net loss/prior service cost	—	—	—	—	—	(93)	—	(93)
Less: Amortization of net loss/prior service cost	—	—	—	—	—	1	—	1
Total comprehensive income								40
Shares repurchased	(1.4)	(1)	—	—	(8)	—	(50)	(59)
Shares issued	—	—	—	—	1	—	—	1
Share-based compensation	—	—	—	—	11	—	—	11
Dividends (\$1.23 per share)	—	—	—	—	—	—	(51)	(51)
Balance, December 31, 2008	44.6	33	3.6	(11)	204	(96)	942	1,072
Net income	—	—	—	—	—	—	44	44
Other comprehensive income, net of tax:								
Defined benefit plans:								
Net gain/prior service (cost)	—	—	—	—	—	7	—	7
Less: Amortization of net loss/prior service cost	—	—	—	—	—	8	—	8
Total comprehensive income								59
Excess tax benefit and share withholding	—	—	—	—	(3)	—	—	(3)
Share-based compensation	—	—	—	—	9	—	—	9
Dividends (\$1.26 per share)	—	—	—	—	—	—	(52)	(52)
Balance, December 31, 2009	44.6	\$ 33	3.6	\$ (11)	\$ 210	\$ (81)	\$ 934	\$ 1,085

See notes to consolidated financial statements.

ALEXANDER & BALDWIN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business: Founded in 1870, Alexander & Baldwin, Inc. ("A&B" or the "Company") is incorporated under the laws of the State of Hawaii. A&B operates in five segments in three industries: Transportation, Real Estate and Agribusiness. These industries are described below:

Transportation: The Transportation Industry consists of Ocean Transportation and Logistics Services segments. The Ocean Transportation segment, which is conducted through Matson Navigation Company, Inc. ("Matson"), a wholly-owned subsidiary of A&B, is an asset-based business that derives its revenue primarily through the carriage of containerized freight between various U.S. Pacific Coast, Hawaii, Guam, China and other Pacific island ports. Additionally, the Ocean Transportation segment has a 35 percent interest in an entity (SSA Terminals, LLC or "SSAT") that provides terminal and stevedoring services at U.S. Pacific Coast facilities. The Logistics Services segment, which is conducted through Matson Integrated Logistics, Inc. ("MIL"), a wholly-owned subsidiary of Matson, is a non-asset based business that is a provider of domestic and international rail intermodal service ("Intermodal"), long-haul and regional highway brokerage, specialized hauling, flat-bed and project work, less-than-truckload, expedited/air freight services and warehousing and distribution services (collectively "Highway"). Warehousing and distribution services are provided by Matson Global Distribution Services, Inc. ("MGDS"), a wholly-owned subsidiary of MIL. MGDS's operations also include Pacific American Services, LLC ("PACAM"), a San Francisco bay-area regional warehousing, packaging, and distribution company.

Real Estate: The Real Estate Industry consists of two segments, both of which have operations in Hawaii and on the U.S. Mainland. The Real Estate Sales segment generates its revenues through the development and sale of land and commercial and residential properties. The Real Estate Leasing segment owns, operates and manages retail, office and industrial properties. Real estate activities are conducted through A&B Properties, Inc. and various other wholly-owned subsidiaries of A&B.

Agribusiness: Agribusiness, which contains one segment, produces and transports bulk raw sugar, specialty food-grade sugars, and molasses; produces, markets, and distributes roasted coffee, green coffee and specialty food-grade sugars; provides general trucking services, mobile equipment maintenance and repair services, and self-service storage in Hawaii; and generates and sells, to the extent not used in the Company's operations, electricity. In the fourth quarter of 2009, the Company became the sole member in Hawaiian Sugar & Transportation Cooperative ("HS&TC"), a cooperative that provides raw sugar marketing and transportation services to its members, and therefore, the Company consolidated HS&TC beginning December 1, 2009 in accordance with Financial Accounting Standard Board ("FASB") Accounting Standards Codification ("ASC") Topic 810 related to consolidation.

Principles of Consolidation: The consolidated financial statements include the accounts of Alexander & Baldwin, Inc. and all wholly-owned and controlled subsidiaries, after elimination of significant intercompany amounts. Significant investments in businesses, partnerships, and limited liability companies in which the Company does not have a controlling financial interest, but has the ability to exercise significant influence, are accounted for under the equity method. A controlling financial interest is one in which the Company has a majority voting interest or one in which the Company is the primary beneficiary that absorbs the majority of the expected losses, or receives a majority of the expected residual returns, or both, of a variable interest entity.

Risks and Uncertainties: Factors that could adversely impact the Company's operations or financial results include, but are not limited to, the following: unfavorable economic conditions in the U.S., Guam, or Asian markets that result in a further decrease in consumer confidence or market demand for the Company's services and products; increased competition; replacement of the Company's significant operating agreements; reduction in credit availability; downgrade in the Company's credit rating that affects its ability to secure adequate financing and/or increase the cost of financing; failure to comply with restrictive financial covenants in the Company's credit facilities; insolvency of the Company's insurance carriers; insolvency and/or failure of joint venture partner to

perform; loss and/or insolvency of significant agents, customers, or vendors; unfavorable political conditions in domestic or international markets; strikes or work stoppages; increased cost of energy or labor; noncompliance with and/or changes in laws and regulations relating to the Company's business; unfavorable litigation or legal proceedings or government inquiries or investigations; adverse weather conditions; changes in the legal and regulatory environment; changes in accounting and taxation standards, including an increase in tax rates; an inability to achieve the Company's overall long-term goals; an inability to protect the Company's information systems; future impairment charges; increased pension costs; inadequate internal controls; and global or regional catastrophic events.

Use of Estimates: The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported. Significant estimates and assumptions are used for, but not limited to: (i) asset impairments, (ii) legal contingencies, (iii) allowance for doubtful accounts, (iv) revenue recognition for long-term real estate developments, (v) self-insured liabilities, (vi) pension and postretirement estimates, and (vii) income taxes. Future results could be materially affected if actual results differ from these estimates and assumptions.

Cash and Cash Equivalents: Cash equivalents consist of highly liquid investments with a weighted-average maturity of three months or less at the date of purchase. The Company carries these investments at cost, which approximates fair value. Outstanding checks in excess of funds on deposit totaled \$22 million and \$15 million at December 31, 2009 and 2008, respectively, and are reflected as current liabilities in the consolidated balance sheets.

Fair Value of Financial Instruments: The fair values of cash and cash equivalents, receivables and short-term borrowings approximate their carrying values due to the short-term nature of the instruments. The carrying amount and fair value of the Company's long-term debt at December 31, 2009 was \$471 million and \$475 million, respectively and \$504 million and \$471 million at December 31, 2008, respectively.

Allowance for Doubtful Accounts: Allowance for doubtful accounts are established by management based on estimates of collectibility. The changes in the allowance for doubtful accounts, included on the consolidated balance sheets as an offset to "Accounts and notes receivable," for the three years ended December 31, 2009 were as follows (in millions):

	Balance at <u>Beginning of year</u>	<u>Expense</u>	Write-offs <u>and Other</u>	Balance at <u>End of Year</u>
2007	\$14	\$--	\$(2)	\$12
2008	\$12	\$1	\$(5)	\$8
2009	\$8	\$3	\$(1)	\$10

Inventories: Sugar and coffee inventories are stated at the lower of cost (first-in, first-out basis) or market value. Materials and supplies inventory are stated at the lower of cost (principally average cost) or market value. Inventories at December 31, 2009 and 2008 were as follows (in millions):

	<u>2009</u>	<u>2008</u>
Sugar and coffee inventories	\$ 28	\$ 13
Materials and supplies inventories	15	15
Total	<u>\$ 43</u>	<u>\$ 28</u>

Dry-docking: Under U.S. Coast Guard rules, administered through the American Bureau of Shipping's alternative compliance program, all vessels must meet specified seaworthiness standards to remain in service. Vessels must undergo regular inspection, monitoring and maintenance, referred to as "dry-docking," to maintain the required operating certificates. These dry-docks occur on scheduled intervals ranging from two to five years, depending on the vessel's age. Because the dry-docks enable the vessel to continue operating in compliance with U.S. Coast Guard requirements and provide future economic benefits, the costs of these scheduled dry-docks are deferred and amortized until the next regularly scheduled dry-dock period. Routine vessel maintenance and repairs

that do not improve or extend asset lives are charged to expense as incurred. Deferred amounts are included on the consolidated balance sheets in non-current other assets. Amortized amounts are charged to operating expenses in the consolidated statements of income. Changes in deferred dry-docking costs are included in the consolidated statements of cash flows in cash flows from operating activities.

Property: Property is stated at cost, net of accumulated depreciation and amortization. Expenditures for major renewals and betterments are capitalized. Replacements, maintenance, and repairs that do not improve or extend asset lives are charged to expense as incurred. Costs of developing coffee orchards are capitalized during the development period and depreciated over the estimated productive lives. Upon acquiring commercial real estate that is deemed a business, the Company records land, buildings, leases above and below market, and other intangibles based on their fair values. Due diligence costs are expensed as incurred.

Depreciation: Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of property are as follows:

<u>Classification</u>	<u>Range of Life (in years)</u>
Vessels	10 to 40
Buildings	10 to 40
Water, power and sewer systems	5 to 50
Machinery and equipment	2 to 35
Other property improvements	3 to 35

Real Estate Developments: Expenditures for real estate developments are capitalized during construction and are classified as Real Estate Developments on the consolidated balance sheets. When construction is substantially complete, the costs are reclassified as either Real Estate Held for Sale or Property, based upon the Company's intent to either sell the completed asset or to hold it as an investment property, respectively. Cash flows related to real estate developments are classified as either operating or investing activities, based upon the Company's intention to sell the property or to retain ownership of the property as an investment following completion of construction.

For development projects, capitalized costs are allocated using the direct method for expenditures that are specifically associated with the unit being sold and the relative-sales-value method for expenditures that benefit the entire project. Capitalized development costs typically include costs related to land acquisition, grading, roads, water and sewage systems, landscaping, capitalized interest, and project amenities. Direct overhead costs incurred after the development project is substantially complete, such as utilities, maintenance, and real estate taxes, are charged to selling, general, and administrative expense as incurred. All indirect overhead costs are charged to selling, general, and administrative costs as incurred.

Capitalized Interest: Interest costs incurred in connection with significant expenditures for real estate developments, the construction of assets, or investments in joint ventures are capitalized during the period in which activities necessary to get the asset ready for its intended use are in progress. Capitalization of interest is discontinued when the asset is substantially complete and ready for its intended use. Capitalization of interest on investments in joint ventures is recorded until the underlying investee commences its principal operations, which is typically when the investee has other-than-ancillary revenue generation. Total interest cost incurred was \$26 million, \$25 million, and \$26 million in 2009, 2008, and 2007, respectively. Capitalized interest was \$1 million and \$7 million in 2008 and 2007, respectively. Capitalized interest in 2009 was not material.

Impairment of Long-Lived Assets: Long-lived assets are reviewed for possible impairment when events or circumstances indicate that the carrying value may not be recoverable. In such an evaluation, the estimated future undiscounted cash flows generated by the asset are compared with the amount recorded for the asset to determine if its carrying value is not recoverable. If this review determines that the recorded value will not be recovered, the amount recorded for the asset is reduced to estimated fair value. The Company has evaluated certain long-lived assets for impairment; however, no impairment charges were recorded as a result of this process. These asset impairment loss analyses are highly subjective because they require management to make assumptions and apply considerable judgments to, among others, estimates of the timing and amount of future cash flows, expected useful lives of the assets, uncertainty about future events, including changes in economic conditions, changes in operating

performance, changes in the use of the assets, and ongoing cost of maintenance and improvements of the assets, and thus, the accounting estimates may change from period to period. If management uses different assumptions or if different conditions occur in future periods, the Company's financial condition or its future operating results could be materially impacted.

Impairment of Investments: The Company's investments in unconsolidated affiliates are reviewed for impairment whenever there is evidence that fair value may be below carrying cost. An investment is written down to fair value if fair value is below carrying cost and the impairment is considered other-than-temporary. In evaluating the fair value of an investment, the Company reviews discounted projected cash flows associated with the investment and other relevant information. In evaluating whether an impairment is other-than-temporary, the Company considers all available information, including the length of time and extent of the impairment, the financial condition and near-term prospects of the affiliate, the Company's ability and intent to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value, and projected industry and economic trends, among others.

In determining the fair value of an investment and assessing whether any identified impairment is other-than-temporary, significant estimates and considerable judgments are involved. These estimates and judgments are based, in part, on the Company's current and future evaluation of economic conditions in general, as well as a joint venture's current and future plans. These impairment calculations are highly subjective because they also require management to make assumptions and apply judgments to, among others, estimates of the timing and amount of future cash flows, probabilities related to various cash flow scenarios, and appropriate discount rates. Changes in these and other assumptions could affect the projected operational results of the unconsolidated affiliates, and accordingly, may require valuation adjustments to the Company's investments that may materially impact the Company's financial condition or its future operating results. For example, if the current market conditions continue to deteriorate or a joint venture's plans change, additional impairment charges may be required in future periods, and those charges could be material.

In 2009, the Company evaluated certain investments in unconsolidated affiliates for impairment. As a result of this process, the Company recorded an impairment loss of approximately \$2.5 million related to its Ka Milo joint venture investment. Continued weakness in the real estate sector or difficulty in obtaining or renewing project-level financing may affect the value or feasibility of certain development projects owned by the Company or by its joint ventures and could lead to additional impairment charges in the future.

Goodwill and Intangible Assets: Goodwill and intangibles are recorded on the consolidated balance sheets as other non-current assets. Recorded goodwill is related to the acquisition of logistic service entities and earnout obligations (see Note 3). Recorded intangible assets are related to logistic service entity acquisitions as well as the acquisition of commercial properties. The Company reviews goodwill for potential impairment on an annual basis, or more frequently if indications of impairment exist. Intangible assets are reviewed for impairment whenever events or changes in circumstances would indicate the carrying amount of the intangible assets may not be recoverable. There were no impairments of goodwill or intangible assets in 2009, 2008, or 2007.

The changes in the carrying amount of goodwill for the years ended December 31, 2009 and 2008 were as follows (in millions):

	<u>Goodwill</u>
Balance, December 31, 2007	\$ 12
Additions	14
Balance, December 31, 2008	26
Additions	1
Balance, December 31, 2009	<u>\$ 27</u>

Intangible assets for the years ended December 31 included the following (in millions):

	2009		2008	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets:				
Customer lists	\$ 12	\$ (4)	\$ 12	\$ (3)
In-place leases	11	(4)	8	(2)
Other	8	(4)	6	(3)
Total assets	<u>\$ 31</u>	<u>\$ (12)</u>	<u>\$ 26</u>	<u>\$ (8)</u>

Aggregate intangible asset amortization was \$4 million, \$3 million, and \$2 million for 2009, 2008, and 2007, respectively. Future estimated amortization expense related to intangibles are as follows (in millions):

	Estimated Amortization
2010	\$ 4
2011	3
2012	2
2013	2
2014	1

Investment in Note Receivable: As of December 31, 2009, the Company had invested, as part of its real estate investment strategy, \$11 million in a note receivable secured by real estate. The note was classified as a non-current asset. At acquisition, due to evidence of deterioration of credit quality, it was probable that the Company would not be able to collect all contractually required payments. Accordingly, the note receivable was acquired at a discount. The note receivable was recorded at cost with no valuation allowance, and no interest income is being accrued.

1031 Exchange Proceeds: As of December 31, 2009 and 2008, the Company had \$61 million and \$71 million, respectively, of proceeds related to qualifying 1031 tax-deferred sales. These proceeds are classified as non-current assets on the consolidated balance sheets until reinvested in qualifying property.

Revenue Recognition: The Company has a wide range of revenue sources, including, shipping revenue, logistics revenue, property sales, rental income, and sales of raw sugar, molasses and coffee. Before recognizing revenue, the Company assesses the underlying terms of the transaction to ensure that recognition meets the requirements of relevant accounting standards. In general, the Company recognizes revenue when persuasive evidence of an arrangement exists, delivery of the service or product has occurred, the sales price is fixed or determinable, and collectibility is reasonably assured.

Voyage Revenue Recognition: Voyage revenue is recognized ratably over the duration of a voyage based on the relative transit time in each reporting period, commonly referred to as the percentage-of-completion method. Voyage expenses are recognized as incurred.

Logistics Services Revenue Recognition: The revenue for logistics services includes the total amount billed to customers for transportation services. The primary costs include purchased transportation services. Revenue and the related purchased transportation costs are recognized based on relative transit time, commonly referred to as the percentage-of-completion method. The Company reports revenue on a gross basis. The Company serves as principal in transactions because it is responsible for the contractual relationship with the customer, has latitude in establishing prices, has discretion in supplier selection, and retains credit risk.

Real Estate Sales Revenue Recognition: Sales are recorded when the risks and rewards of ownership have passed to the buyers (generally on closing dates), adequate initial and continuing investments have been received,

and collection of remaining balances is reasonably assured. For certain development projects that have material continuing post-closing involvement and for which total revenue and capital costs are reasonably estimable, the Company uses the percentage-of-completion method for revenue recognition. Under this method, the amount of revenue recognized is based on development costs that have been incurred through the reporting period as a percentage of total expected development cost associated with the development project. This generally results in a stabilized gross margin percentage, but requires significant judgment and estimates.

Real Estate Leasing Revenue Recognition: Real estate leasing revenue is recognized on a straight-line basis over the terms of the related leases, including periods for which no rent is due (typically referred to as "rent holidays"). Differences between revenue recognized and amounts due under respective lease agreements are recorded as increases or decreases, as applicable, to deferred rent receivable. Also included in rental revenue are certain tenant reimbursements and percentage rents determined in accordance with the terms of the leases. Income arising from tenant rents that are contingent upon the sales of the tenant exceeding a defined threshold are recognized only after the contingency has been resolved (e.g., sales thresholds have been achieved).

Sugar and Coffee Revenue Recognition: Revenue from bulk raw sugar sales and coffee sales is recorded when title to the product and risk of loss passes to third parties (generally this occurs when the product is shipped or delivered to customers) and when collection is reasonably assured.

Non-voyage Ocean Transportation Costs: Depreciation, charter hire, terminal operating overhead, and general and administrative expenses are charged to expense as incurred.

Agricultural Costs: Costs of growing and harvesting sugar cane are charged to the cost of inventory in the year incurred and to cost of sales as raw sugar is sold. Costs of growing coffee, excluding orchard development costs, are charged to inventory in the year incurred and to cost of sales as coffee is sold.

Discontinued Operations: The sales of certain income-producing assets are classified as discontinued operations if the operations and cash flows of the assets clearly can be distinguished from the remaining assets of the Company, if cash flows for the assets have been, or will be, eliminated from the ongoing operations of the Company, if the Company will not have a significant continuing involvement in the operations of the assets sold, and if the amount is considered material. Certain assets that are "held-for-sale," based on the likelihood and intention of selling the property within 12 months, are also treated as discontinued operations. Upon reclassification, depreciation ceases on assets reclassified as "held-for-sale." Sales of land and residential houses are generally considered inventory and are not included in discontinued operations.

Employee Benefit Plans: Certain Ocean Transportation subsidiaries are members of the Pacific Maritime Association ("PMA") and the Hawaii Stevedoring Industry Committee, which negotiate multiemployer pension plans covering certain shoreside bargaining unit personnel. The subsidiaries directly negotiate multiemployer pension plans covering other bargaining unit personnel. Pension costs are accrued in accordance with contribution rates established by the PMA, the parties to a plan or the trustees of a plan. Several trustee, non-contributory, single-employer defined benefit plans and defined contribution plans cover substantially all other employees.

Share-Based Compensation: The Company records compensation expense for all share-based payment awards made to employees and directors. The Company's various equity plans are more fully described in Note 11.

Basic and Diluted Earnings per Share ("EPS") of Common Stock: Basic earnings per share is determined by dividing net income by the weighted-average common shares outstanding during the year. The calculation of diluted earnings per share includes the dilutive effect of unexercised non-qualified stock options, non-vested common stock, and non-vested stock units. The computation of average dilutive shares outstanding excluded non-qualified stock options to purchase 1.8 million, 1.1 million, and 0.2 million shares of common stock for 2009, 2008, and 2007, respectively. These amounts were excluded because the options' exercise prices were greater than the average market price of the Company's common stock for the periods presented and, therefore, the effect would be anti-dilutive.

The denominator used to compute basic and diluted earnings per share is as follows (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Denominator for basic EPS: weighted average shares outstanding	41.0	41.2	42.5
Effect of dilutive securities:			
Outstanding stock options, non-vested stock, and non-vested stock units	<u>0.1</u>	<u>0.3</u>	<u>0.6</u>
Denominator for diluted EPS: weighted average shares outstanding	<u>41.1</u>	<u>41.5</u>	<u>43.1</u>

On January 27, 2010, the Company granted to employees, non-qualified stock options exercisable into 422,156 shares of common stock at \$33.02 per share, 69,540 shares of time-based restricted stock units, and 92,743 shares of performance-based restricted stock units. The time-based restricted stock units vests ratably over three years and the performance-based restricted stock units vests ratably over three years, provided that the one-year performance target is achieved.

Income Taxes: Significant judgment is required in determining the Company's tax liabilities in the multiple jurisdictions in which the Company operates. Deferred income taxes are provided for the tax effect of temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements. Deferred tax assets and deferred tax liabilities are adjusted to the extent necessary to reflect tax rates expected to be in effect when the temporary differences reverse. Adjustments may be required to deferred tax assets and deferred tax liabilities due to changes in tax laws and audit adjustments by tax authorities. To the extent adjustments are required in any given period, the adjustments would be included within the tax provision in the consolidated statements of income and/or consolidated balance sheets.

The Company has not recorded a valuation allowance for its deferred tax assets. A valuation allowance would be established if, based on the weight of available evidence, management believes that it is more likely than not that some portion or all of a recorded deferred tax asset would not be realized in future periods.

Restricted Net Assets of Subsidiaries: Matson is subject to restrictions on the transfer of net assets under certain debt agreements. These restrictions have not had any effect on the Company's shareholder dividend policy, and the Company does not anticipate that these restrictions will have any impact in the future. At December 31, 2009, the amount of net assets of Matson that may not be transferred to the Company was approximately \$286 million.

Derivative Financial Instruments: The Company periodically uses derivative financial instruments such as interest rate and foreign currency hedging products to mitigate risks. The Company's use of derivative instruments is limited to reducing its risk exposure by utilizing interest rate or currency agreements that are accounted for as hedges. The Company does not hold or issue derivative instruments for trading or other speculative purposes nor does it use leveraged financial instruments. All derivatives are recognized in the consolidated balance sheets at their fair value. At December 31, 2009 and 2008, there were no material derivative instruments held by the Company.

Comprehensive Income (Loss): Comprehensive income (loss) includes all changes in Shareholders' Equity, except those resulting from capital stock transactions. Accumulated other comprehensive loss principally includes amortization of deferred pension/postretirement costs. The components of other comprehensive loss, net of taxes, were as follows for the years ended December 31 (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Unrealized components of benefit plans:			
Pension plans	\$ (73)	\$ (90)	\$ 2
Postretirement plans	--	1	3
Non-qualified benefit plans	(6)	(5)	(6)
SSAT pension plan and other	<u>(2)</u>	<u>(2)</u>	<u>(3)</u>
Accumulated other comprehensive loss	<u>\$ (81)</u>	<u>\$ (96)</u>	<u>\$ (4)</u>

Environmental Costs: Environmental exposures are recorded as a liability and charged to operating expense when the environmental liability has been incurred and can be estimated. If the aggregate amount of the liability and the amount and timing of cash payments for the liability are fixed or reliably determinable, the environmental liability is discounted. An environmental liability has been incurred when both of the following conditions have been met: (i) litigation has commenced or a claim or an assessment has been asserted, or, based on available information, commencement of litigation or assertion of a claim or an assessment is probable, and (ii) based on available information, it is probable that the outcome of such litigation, claim, or assessment will be unfavorable. If a range of probable loss is determined, the Company will record the obligation at the low end of the range unless another amount in the range better reflects the expected loss. Certain costs, however, are capitalized in Property when the obligation is recorded, if the cost (1) extends the life, increases the capacity or improves the safety and efficiency of property owned by the Company, (2) mitigates or prevents environmental contamination that has yet to occur and that otherwise may result from future operations or activities, or (3) is incurred or discovered in preparing for sale property that is classified as "held-for-sale." The amounts of capitalized environmental costs were not material at December 31, 2009 or 2008.

Self-Insured Liabilities: The Company is self-insured for certain losses that include, but are not limited to, employee health, workers' compensation, general liability, real and personal property, and real estate construction warranty and defect claims. When feasible, the Company obtains third-party insurance coverage to limit its exposure to these claims. When estimating its self-insured liabilities, the Company considers a number of factors, including historical claims experience, demographic factors, and valuations provided by independent third-parties. Periodically, management reviews its assumptions and the valuations provided by independent third-parties to determine the adequacy of the Company's self-insured liabilities.

Impact of Recently Issued Accounting Standards: In October 2009, the FASB issued guidance on revenue arrangements with multiple deliverables effective for the Company's 2010 fiscal year, although early adoption is permitted. The guidance revises the criteria for separating, measuring, and allocating arrangement consideration to each deliverable in a multiple element arrangement. The guidance requires companies to allocate revenue using the relative selling price of each deliverable, which must be estimated if there is no history of selling the deliverable on a stand-alone basis nor third-party evidence of selling price. The adoption of this standard is not expected to have a material impact on the Company's financial position or results of operations.

In June 2009, the FASB issued guidance to revise the approach to determine when a variable interest entity ("VIE") should be consolidated. The new consolidation model for VIEs considers whether the Company has the power to direct the activities that most significantly impact the VIE's economic performance and shares in the significant risks and rewards of the entity. The guidance on VIEs requires companies to continually reassess VIEs to determine if consolidation is appropriate and provide additional disclosures. The guidance is effective for the Company in 2010. The Company is currently assessing the potential effect of this guidance on its consolidated financial statements.

In April 2009, the FASB issued authoritative guidance on accounting for assets acquired and liabilities assumed in a business combination that arise from contingencies that amend the provisions related to the initial recognition and measurement, subsequent measurement and disclosure of assets and liabilities arising from contingencies in a business combination under previously issued guidance. The revised authoritative guidance requires that such contingencies be recognized at fair value on the acquisition date if fair value can be reasonably estimated during the allocation period. This authoritative guidance will be effective for the Company in 2010. The adoption of this standard is not expected to have a material impact on the Company's financial position or results of operations.

Rounding: Amounts in the consolidated financial statements and Notes are rounded to millions, but per-share calculations and percentages were determined based on amounts before rounding. Accordingly, a recalculation of some per-share amounts and percentages, if based on the reported data, may be slightly different.

2. DISCONTINUED OPERATIONS

During 2009, the sales of an office/retail property on Oahu for \$37.9 million, a retail shopping center in California for \$20.3 million, an office building in Arizona for \$20.1 million, an industrial property on Oahu for \$13.0 million, an industrial property in California for \$8.3 million, and various parcels on Maui have been classified as discontinued operations. Additionally, a retail property on Oahu was classified as discontinued operations (the Company sold the property in January 2010).

During 2008, the sales of two retail properties on the mainland for \$61.2 million, one mainland office property for \$20.6 million, a multi-tenant residential rental property for \$12.1 million, three commercial properties on Maui for \$12.9 million, land previously leased to a telecommunications tenant on Maui for \$8.1 million, several commercial leased fee parcels on Maui for \$8.1 million, and various land parcels on Maui for \$2.4 million have been classified as discontinued operations.

During 2007, the sales of land leased to a retail tenant on Oahu for approximately \$46 million, five commercial properties on Maui for approximately \$42 million, a commercial property in California for approximately \$7 million, and a commercial property on Maui sold in 2008 have been classified as discontinued operations.

The revenue, operating profit, income tax expense and after-tax effects of these transactions for 2009, 2008, and 2007 were as follows (in millions, except per share amounts):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Sales Revenue	\$ 110	\$ 125	\$ 95
Leasing Revenue	\$ 14	\$ 26	\$ 35
Sales Operating Profit	\$ 44	\$ 55	\$ 51
Leasing Operating Profit	\$ 8	\$ 14	\$ 20
Income Tax Expense	\$ 20	\$ 26	\$ 27
Income from Discontinued Operations	\$ 32	\$ 43	\$ 44
Basic Earnings Per Share	\$ 0.79	\$ 1.04	\$ 1.04
Diluted Earnings Per Share	\$ 0.79	\$ 1.04	\$ 1.03

The results of operations from these properties in prior years were reclassified from continuing operations to discontinued operations to conform to the current year's accounting presentation. Consistent with the Company's intention to reinvest the sales proceeds into new investment property, the proceeds from the sales of property treated as discontinued operations were deposited in escrow accounts for tax-deferred reinvestment in accordance with Section 1031 of the Internal Revenue Code.

3. ACQUISITIONS AND RELATED-PARTY TRANSACTIONS

The Company's Hawaiian Commercial & Sugar Company division and Gay & Robinson ("G&R") were members in Hawaiian Sugar & Transportation Cooperative ("HS&TC"), a cooperative that provides raw sugar marketing and transportation services to its members. In the fourth quarter of 2009, G&R ceased the production of raw sugar. As a result of G&R's cessation of raw sugar production in the fourth quarter of 2009, G&R's membership in the cooperative terminated because a cooperative member must be an active producer. Consequently, upon G&R's withdrawal, the Company became the sole member in HS&TC and consolidated HS&TC beginning December 1, 2009.

The identifiable assets and liabilities from HS&TC were recorded based upon their estimated fair values at December 1, 2009. Approximately \$5 million of identifiable assets, net of liabilities, measured at fair value, was recorded as a gain and classified as Other Income (Expense) in the consolidated statements of income. In consolidation, approximately \$11 million of cash, \$6 million in fixed assets, \$8 million in inventory, \$2 million in prepaid and other assets, and \$22 million in accrued and other liabilities were recorded.

The Company consolidated the results of operations of HS&TC effective December 1, 2009. The Company has not presented unaudited pro forma results of operations because the consolidation of HS&TC is not material to its consolidated results of operations, financial position or cash flows.

Under the terms of a supply contract between HS&TC and C&H Sugar Company, Inc. ("C&H"), C&H is obligated to purchase, and HS&TC is obligated to sell, all of the raw sugar delivered to HS&TC by the Hawaii sugar growers, at prices determined by the quoted domestic sugar market. Revenue from raw sugar and molasses sold to HS&TC, prior to December 1, 2009, was \$38 million, \$45 million, and \$53 million during 2009, 2008, and 2007, respectively.

On August 29, 2008, Matson Global Distribution Services ("MGDS"), a wholly owned subsidiary of Matson Integrated Logistics, acquired substantially all of the assets and assumed certain liabilities of Pacific American Services, LLC ("PACAM"), a regional, warehousing, packaging and distribution company specializing in value-added handling of domestic, import and export goods, headquartered in Oakland, California. The acquired net tangible assets of PACAM consisted primarily of cash and cash equivalents, accounts receivable, prepaid expenses and fixed assets, partially offset by accounts payable, and other current and long-term liabilities that MGDS assumed. PACAM was acquired to expand the Company's warehousing and distribution service capabilities.

The purchase price was approximately \$24 million in cash, including transaction costs. The total purchase price was allocated to the tangible and intangible assets acquired and liabilities assumed based upon their estimated fair values at the acquisition date, with the excess purchase price allocated to goodwill. Approximately \$3 million was allocated to fixed assets, \$1 million was allocated to accounts receivable, accounts payable and other accrued liabilities, \$9 million was allocated to identifiable intangibles, principally customer relationships, and \$11 million was allocated to goodwill. Commencing with the date of the acquisition, identifiable intangibles are being amortized to general and administrative expense over an average useful life of 13 years. The goodwill recorded is deductible for tax purposes.

The results of operations of PACAM were included in the Company's consolidated financial statements effective August 29, 2008. The Company has not presented unaudited pro forma results of operations because the acquisition of PACAM is not material to its consolidated results of operations, financial position or cash flows.

4. INVESTMENTS IN AFFILIATES

At December 31, 2009 and 2008, investments consisted principally of equity in limited liability companies. The Company does not have a controlling financial interest in any of these investments and, accordingly, accounts for its investments using the equity method of accounting. Consolidated retained earnings at December 31, 2009 that represent undistributed earnings of investments in affiliates was approximately \$32 million. Dividends and distributions from unconsolidated affiliates totaled \$8 million, \$30 million, and \$36 million for the years ended December 31, 2009, 2008, and 2007, respectively.

The Company's investments in affiliates are summarized, by industry, as follows (in millions):

	<u>2009</u>	<u>2008</u>
Investment in Unconsolidated Affiliated Companies:		
Real Estate and Other	\$ 195	\$ 164
Transportation	<u>47</u>	<u>44</u>
Total Investments	<u>\$ 242</u>	<u>\$ 208</u>

Operating results include the Company's proportionate share of net income from its equity method investments. A summary of financial information for the Company's equity method investments by industry at December 31 is as follows (in millions):

	2009		2008	
	Real Estate	Transportation	Real Estate	Transportation
Current assets	\$ 48	\$ 60	\$ 61	\$ 46
Noncurrent assets	554	118	497	113
Total assets	<u>\$ 602</u>	<u>\$ 178</u>	<u>\$ 558</u>	<u>\$ 159</u>
Current liabilities	\$ 97	\$ 29	\$ 61	\$ 35
Noncurrent liabilities	111	26	148	11
Total liabilities	<u>\$ 208</u>	<u>\$ 55</u>	<u>\$ 209</u>	<u>\$ 46</u>

	Year Ended December 31,		
	2009	2008	2007
Real Estate:			
Operating revenue	\$ 14	\$ 73	\$ 132
Operating costs and expenses	9	47	90
Operating income	\$ 5	\$ 26	\$ 42
Income from continuing operations	\$ 1	\$ 22	\$ 38
Net income	\$ 1	\$ 22	\$ 38
Transportation:			
Operating revenue	\$ 476	\$ 505	\$ 519
Operating costs and expenses	470	502	494
Operating income	\$ 6	\$ 3	\$ 25
Income from continuing operations*	\$ 20	\$ 13	\$ 32
Net income	\$ 20	\$ 13	\$ 32

* Includes earnings from equity method investments held by the investee.

Real Estate: At December 31, 2009, the Company and its real estate subsidiaries had investments in various joint ventures that operate and/or develop real estate. The Company does not have a controlling financial interest in any of these ventures and, accordingly, accounts for its investments in the real estate ventures using the equity method of accounting. A summary of the Company's principal investments is as follows:

- a) **Kukui'ula:** In April 2002, the Company entered into a joint venture with DMB Communities II, an affiliate of DMB Associates, Inc., an Arizona-based developer of master-planned communities ("DMB"), for the development of Kukui'ula, a 1,000-acre master planned resort residential community located in Poipu, Kauai, planned for approximately 1,000 to 1,200 high-end residential units. The capital contributed by A&B to the joint venture, including the value of land initially contributed, was \$138 million as of December 31, 2009, and DMB has contributed \$161 million. The Company has a 50-percent voting interest in the venture.
- b) **Kai Malu at Wailea:** In April 2004, the Company entered into a joint venture with Armstrong Builders, Ltd. for development of the 25-acre MF-8 parcel at Wailea into 150 duplex units. Sales commenced in 2006, with 135 units closed as of year end. As of December 31, 2009, six of the remaining 15 units have been leased. The Company has a 50-percent voting interest in the venture.

- c) **Ka Milo at Mauna Lani:** In April 2004, the Company entered into a joint venture with Brookfield Homes Hawaii Inc. to develop a 30.5-acre residential parcel in the Mauna Lani Resort on the island of Hawaii. A total of 27 units were constructed in 2007 and 2008 and, as of year-end 2009, 20 units had closed. In December 2009, the project's construction loan, with a year-end balance of \$15.8 million, matured. The venture is negotiating with the lender to refinance the loan (see Note 12). Due to market conditions, the Company recorded an impairment loss of approximately \$2.5 million in December 2009. Construction of the remaining units in the project has been deferred until a new business plan is evaluated for the future construction of the remaining units. The Company has a 50-percent voting interest in the venture.
- d) **Crossroads Plaza:** In June 2004, the Company entered into a joint venture with Intertex Hasley, LLC, for the development of a 56,000-square-foot mixed-use neighborhood retail center on 6.5 acres of commercial-zoned land in Valencia, California. The property was acquired in August 2004 and construction of the center was completed in 2008. In August 2009, a \$12 million construction loan held by the venture matured. The joint venture is currently negotiating with the lender to extend the maturity date of the loan (see Note 12). As of December 31, 2009, occupancy was 85 percent. The Company has a 50-percent voting interest in the venture.
- e) **Bridgeport Marketplace:** In July 2005, the Company entered into a joint venture with Intertex Bridgeport Marketplace, LLC for the development of a 27.8 acres in Valencia, California. Construction of the center was completed in 2009 and is 95 percent leased. The Company has a 50-percent voting interest in the venture.
- f) **Waiawa:** In August 2006, the Company entered into a joint venture with an affiliate of Gentry Investment Properties, for the development of a 1,000-acre master-planned primary residential community (530 residential-zoned acres) in Central Oahu. In the second half of 2009, the master development agreement for the Waiawa lands between Kamehameha Schools and Gentry was terminated. However, because the joint venture has fee simple ownership, or the right to acquire at no cost, approximately 58 acres of developable land, in addition to 125 acres of gulch land required for the major project land bridge and road leading to the project, the venture and the Company continue to evaluate their options for the development of this master-planned community. The Company has a 50-percent voting interest in the venture.
- g) **Bakersfield:** In November 2006, the Company entered into a joint venture with Intertex P&G Retail, LLC, for the planned development of a 575,000 square-foot retail center on a 57.3-acre commercial parcel in Bakersfield, California. The parcel was acquired in November 2006. Development plans remain on hold due to current economic conditions. The Company has a 50-percent voting interest in the venture.
- h) **Kukui'ula Village:** In August 2007, the Company entered into a joint venture with DMB Kukui'ula Village LLC for the development of Kukui'ula Village, a planned 91,700 square-foot commercial center located at the entrance of the Kukui'ula project. Construction on 83,600 square feet commenced in 2008, was completed in March 2009, and the center opened for business in August 2009. As of December 31, 2009, the center was 56 percent leased. The Company has a 50-percent voting interest in the venture.
- i) **Santa Barbara Ranch:** In November 2007, the Company entered into a joint venture with Vintage Communities, LLC ("Vintage"), a residential developer headquartered in Newport Beach, California. Vintage and its affiliates intend to develop 1,040 acres for an exclusive large-lot subdivision, located 12 miles north of the City of Santa Barbara. The joint venture owns approximately 22 acres in the project. In 2008, due to the deterioration in the local real estate market, the Company recorded a \$3 million impairment loss. Additionally, in 2008, because the Company declined to provide any further equity funding, Vintage and its affiliate

had the option to purchase the Company's investment for \$15 million plus a 12 percent preferred return ("Preferred Return"). Since Vintage and its affiliate failed to exercise this option, the Company, in its sole discretion, has the right to cause the joint venture to sell certain Santa Barbara land parcels to satisfy the Company's investment basis plus the Preferred Return. The Company continues to evaluate alternatives to maximize the value of the venture's assets that serve as collateral for the repayment of its investment. The Company has a 50-percent voting interest in the venture.

- j) Palmdale Trade & Commerce Center: In December 2007, the Company entered into a joint venture with Intertex Palmdale Trade & Commerce Center LLC, for the planned development of a 315,000 square-foot mixed-use commercial office and light industrial condominium complex on 18.2 acres in Palmdale, California, located 60 miles northeast of Los Angeles and 25 miles northeast of Valencia. The parcel was contributed to the venture in 2008. Development plans were placed on hold due to current market conditions, although the venture is continuing with water infrastructure work. The Company has a 50-percent voting interest in the venture.

Transportation: Matson owns a 35-percent membership interest in an LLC with SSA Marine Inc., named SSA Terminals, LLC ("SSAT"), which provides stevedoring and terminal services at five terminals in three West Coast ports to the Company and other shipping lines. Matson accounts for its interest in SSAT under the equity method of accounting. The "Cost of transportation services" included approximately \$135 million, \$145 million, and \$150 million for 2009, 2008, and 2007, respectively, paid to this unconsolidated affiliate for terminal services.

The Company's equity in earnings of its unconsolidated transportation affiliate of \$6 million, \$5 million, and \$11 million for 2009, 2008, and 2007, respectively, were included on the consolidated statements of income with costs of transportation services because the affiliate is integrally related to the Company's Ocean Transportation segment, providing all terminal services to Matson on the U.S. West Coast.

5. PROPERTY

Property on the consolidated balance sheets includes the following (in millions):

	<u>2009</u>	<u>2008</u>
Vessels	\$ 1,216	\$ 1,209
Machinery and equipment	609	596
Buildings	507	522
Land	165	146
Water, power and sewer systems	119	115
Other property improvements	<u>99</u>	<u>112</u>
Total	2,715	2,700
Less accumulated depreciation and amortization	<u>(1,179)</u>	<u>(1,110)</u>
Property – net	<u>\$ 1,536</u>	<u>\$ 1,590</u>

6. CAPITAL CONSTRUCTION FUND

Matson is party to an agreement with the United States government that established a Capital Construction Fund ("CCF") under provisions of the Merchant Marine Act, 1936, as amended. The agreement has program objectives for the acquisition, construction, or reconstruction of vessels and for repayment of existing vessel indebtedness. Deposits to the CCF are limited by certain applicable earnings. Such deposits are tax deductions in the year made; however, they are taxable, with interest payable from the year of deposit, if withdrawn for general corporate purposes or other non-qualified purposes, or upon termination of the agreement. Qualified withdrawals for investment in vessels and certain related equipment do not give rise to a current tax liability, but reduce the depreciable bases of the vessels or other assets for income tax purposes.

Amounts deposited into the CCF are a preference item for calculating federal alternative minimum taxable income. Deposits not committed for qualified purposes within 25 years from the date of deposit will be treated as non-qualified withdrawals over the subsequent five years.

Under the terms of the CCF agreement, Matson may designate certain qualified earnings as "accrued deposits" or may designate, as obligations of the CCF, qualified withdrawals to reimburse qualified expenditures initially made with operating funds. Such accrued deposits to, and withdrawals from, the CCF are reflected on the consolidated balance sheets either as obligations of the Company's current assets or as receivables from the CCF. At December 31, 2009, Matson has accrued a \$4.4 million withdrawal from the CCF and a \$4.4 million deposit to the CCF, reflecting a zero net balance in the consolidated balance sheets.

As of December 31, 2009, there was no CCF deposit balance. As of December 31, 2008, the balance on deposit in the CCF totaled \$0.1 million.

7. NOTES PAYABLE AND LONG-TERM DEBT

At December 31, 2009 and 2008, notes payable and long-term debt consisted of the following (in millions):

	<u>2009</u>	<u>2008</u>
Revolving Credit loans, (0.68% for 2009 and 1.16% for 2008)	\$ 34	\$ 135
Title XI Bonds:		
5.27%, payable through 2029	44	46
5.34%, payable through 2028	42	44
Term Loans:		
6.90%, payable through 2020	100	--
4.79%, payable through 2020	73	81
5.55%, payable through 2017	50	50
5.53%, payable through 2016	50	50
4.10%, payable through 2012	25	30
5.56%, payable through 2016	25	25
6.20%, payable through 2013	11	11
6.38%, payable through 2017	8	8
7.42%, payable through 2010	3	6
4.31%, payable through 2010	3	6
5.88%, payable through 2014	3	3
7.55%, payable through 2009	--	7
7.57%, payable through 2009	--	2
Total debt	<u>471</u>	<u>504</u>
Less current portion	<u>(65)</u>	<u>(52)</u>
Long-term debt	<u>\$ 406</u>	<u>\$ 452</u>

Long-term Debt Maturities: At December 31, 2009, debt maturities during the next five years and thereafter are \$65 million in 2010, \$27 million in 2011, \$39 million in 2012, \$40 million in 2013, \$48 million in 2014 and \$252 million thereafter.

Revolving Credit Facilities: The Company has two revolving senior credit facilities with six commercial banks that expire in December 2011. The revolving credit facilities provide for an aggregate commitment of \$325 million, which consists of \$225 million and \$100 million facilities for A&B and Matson, respectively. Amounts drawn under the facilities bear interest at London Interbank Offered Rate ("LIBOR") plus a spread ranging from 0.225 percent to 0.475 percent based on the Company's S&P rating. The agreement contains certain restrictive

covenants, the most significant of which requires the maintenance of minimum shareholders' equity levels, minimum unencumbered property investment values, and a maximum ratio of debt to earnings before interest, depreciation, amortization and taxes. At December 31, 2009, \$34 million was outstanding and classified as current, \$10 million in letters of credit had been issued against the facility, and \$281 million remained available for borrowing.

Matson has a \$105 million secured reducing revolving credit agreement with DnB NOR Bank ASA and ING Bank N.V. that expires in June 2015. The maximum amount that can be outstanding on the facility declines in eight annual commitment reductions of \$10.5 million each, commencing in June 2007. The incremental borrowing rate for the facility is 0.225 percent over LIBOR through June 2010. For the remaining term, the incremental borrowing rate is 0.300 percent over LIBOR. The agreement contains certain restrictive covenants, the most significant of which requires the maintenance of minimum net worth levels, minimum working capital levels, and maximum ratio of long-term debt to net worth. At December 31, 2009, no amount was outstanding and approximately \$74 million remained available for borrowing.

The Company has a replenishing \$400 million three-year unsecured note purchase and private shelf agreement with Prudential Investment Management, Inc. and its affiliates (collectively, "Prudential") under which the Company may issue notes in an aggregate amount up to \$400 million, less the sum of all principal amounts then outstanding on any notes issued by the Company or any of its subsidiaries to Prudential and the amount of any notes that are committed under the note purchase agreement. The Prudential agreement contains certain restrictive covenants that are substantially the same as the covenants contained in the aggregate \$325 million revolving senior credit facilities. In 2009, the Company borrowed \$100 million at 6.9% with a final maturity in March 2020. The ability to draw additional amounts under the Prudential facility expires on April 19, 2012 and borrowings under the shelf facility bear interest at rates that are determined at the time of the borrowing. At December 31, 2009, approximately \$71 million was available under the facility.

The unused borrowing capacity under all revolving credit and term facilities as of December 31, 2009 totaled \$426 million.

Title XI Bonds: In August 2004, Matson partially financed the delivery of the *MV Maunawili* with \$55 million of 5.27 percent fixed-rate, 25-year term, U.S. government Guaranteed Ship Financing Bonds, more commonly known as Title XI bonds. These bonds, which are secured by the *MV Maunawili*, are payable in \$1.1 million semiannual payments.

In September 2003, Matson partially financed the delivery of the *MV Manukai* with \$55 million of 5.34 percent fixed-rate, 25-year term, Title XI bonds. These bonds, which are secured by the *MV Manukai*, are payable in \$1.1 million semiannual payments.

Vessel Secured Term Debt: Matson has an Amended and Restated Note Agreement with The Prudential Insurance Company of America and Pruco Life Insurance for \$120 million. Included in the agreement are Series A and Series B notes. Series A represents a \$15 million note and Series B represents 15-year term notes totaling \$105 million. Both series are secured by the *MV Manulani*. The Series A note carries interest at 4.31 percent with \$3 million currently outstanding. The Series B notes carry interest at 4.79 percent with \$73 million currently outstanding.

Real Estate Secured Term Debt: In June 2005, A&B Properties, Inc., a wholly owned subsidiary of the Company, assumed \$11.4 million of secured debt in connection with the purchase of an office building in Phoenix, Arizona. This term loan, with an outstanding amount of \$11 million at December 31, 2009, carries interest at 6.2 percent and matures in October 2013.

In December 2008, A&B Properties, Inc. assumed approximately \$13 million of secured debt, with a fair value of \$11 million at the time of acquisition, under two notes in connection with the purchase of the Midstate 99 Distribution Center in Visalia, California. At December 31, 2009, the notes had outstanding amounts of \$8 million and \$3 million, and carry interest at 6.38 percent and 5.88 percent, respectively. The \$9 million note matures in August 2017 and the \$4 million note matures in April 2014.

8. LEASES

The Company as Lessee: Principal non-cancelable operating leases include land, office and terminal facilities, containers and equipment, leased for periods that expire through 2036. Management expects that, in the normal course of business, most operating leases will be renewed or replaced by other similar leases. Rental expense under operating leases totaled \$30 million, \$31 million, and \$32 million for 2009, 2008, and 2007, respectively. Rental expense for operating leases that provide for future escalations are accounted for on a straight-line basis. Future minimum payments under non-cancelable operating leases as of December 31, 2009 were as follows (in millions):

	<u>Operating Leases</u>
2010	\$ 14
2011	13
2012	12
2013	12
2014	11
Thereafter	<u>25</u>
Total minimum lease payments	<u>\$ 87</u>

In addition to the future minimum lease payments above, the Company has an operating lease for terminal facilities in Honolulu that includes a minimum annual commitment, which is calculated by the lessor based on capital improvements by the lessor and an allocation of lessor operating expenses. The Company's payments of volume-based charges to the lessor must meet or exceed the minimum annual commitment. The Company's volume-based payments to the lessor were approximately \$16 million in 2009, \$16 million in 2008, and \$17 million in 2007, and there were no minimum annual guarantee payments in any year.

The Company as Lessor: The Company leases land, buildings, and land improvements under operating leases. The historical cost of, and accumulated depreciation on, leased property at December 31, 2009 and 2008 were as follows (in millions):

	<u>2009</u>	<u>2008</u>
Leased property - real estate	\$ 694	\$ 693
Less accumulated depreciation	<u>(101)</u>	<u>(102)</u>
Property under operating leases - net	<u>\$ 593</u>	<u>\$ 591</u>

Total rental income under these operating leases for each of the three years in the period ended December 31, 2009 was as follows (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Minimum rentals	\$ 78	\$ 82	\$ 80
Contingent rentals (based on sales volume)	<u>3</u>	<u>4</u>	<u>4</u>
Total	<u>\$ 81</u>	<u>\$ 86</u>	<u>\$ 84</u>

Future minimum rentals on non-cancelable leases at December 31, 2009 were as follows (in millions):

	<u>Operating Leases</u>
2010	\$ 67
2011	57
2012	43
2013	33
2014	24
Thereafter	<u>80</u>
Total	<u>\$ 304</u>

9. EMPLOYEE BENEFIT PLANS

The Company has funded single-employer defined benefit pension plans that cover substantially all non-bargaining unit employees and certain bargaining unit employees. In addition, the Company has plans that provide certain retiree health care and life insurance benefits to substantially all salaried and to certain hourly employees. Employees are generally eligible for such benefits upon retirement and completion of a specified number of years of credited service. The Company does not pre-fund these benefits and has the right to modify or terminate certain of these plans in the future. Certain groups of retirees pay a portion of the benefit costs.

Plan Administration, Investments and Asset Allocations: The Company has an Investment Committee that meets regularly with investment advisors to establish investment policies, direct investments and select investment options. The Investment Committee is also responsible for appointing investment managers. The Company's investment policy permits investments in marketable equity securities, such as domestic and foreign stocks, domestic and foreign bonds, venture capital, real estate investments, and cash equivalents. The Company's investment policy does not permit investment in certain types of assets, such as options, commodities, or real estate mortgages, or the use of certain strategies, such as short selling or the purchase of securities on margin.

The Company's investment strategy for its pension plan assets is to achieve a diversified mix of investments that provides for attractive long-term growth with an acceptable level of risk, but also to provide sufficient liquidity to fund ongoing benefit payments. The Company has engaged a number of investment managers to implement various investment strategies to achieve the desired asset class mix, liquidity and risk diversification objectives. The Company's weighted-average asset allocations at December 31, 2009 and 2008, and 2009 year-end target allocation, by asset category, were as follows:

	<u>Target</u>	<u>2009</u>	<u>2008</u>
Domestic equity securities	60%	61%	50%
International equity securities	10%	11%	12%
Debt securities	15%	15%	9%
Real estate	15%	8%	16%
Other and cash	—	5%	13%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

The Company's investments in equity securities primarily include domestic large-cap and mid-cap companies, but also include an allocation to international equity securities. Equity investments in the defined benefit plan assets do not include any direct holdings of the Company's stock but may include such holdings to the extent that the stock is included as part of certain mutual fund holdings. Debt securities include investment-grade and high-yield corporate bonds from diversified industries, mortgage-backed securities, and U.S. Treasuries. Other types of

investments include private equity investments in commercial real estate assets, and to a lesser extent, private equity investments in technology companies.

The expected return on plan assets is principally based on the Company's historical returns combined with the Company's long-term future expectations regarding asset class returns, the mix of plan assets, and inflation assumptions. One-, three-, and five-year pension returns (losses) were 16.8 percent, (3.7) percent, and 3.0 percent, respectively, and the long-term average return (since plan inception in 1989) has been approximately 8.3 percent. Over the long-term, the actual returns have generally exceeded the benchmark returns used by the Company to evaluate performance of its fund managers. Due to volatile market performance in recent years, the Company has reduced its long-term rate of return assumption from 8.5% in 2009 to 8.25% in 2010 and believes that the change is appropriate given the Company's investment portfolio's historical performance and the Company's target asset allocation.

The Company's pension plan assets are held in a master trust and stated at estimated fair value, which is based on the fair values of the underlying investments. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy, which requires the pension plans to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and assigns the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the pension plans' own assumptions about the assumptions that market participants would use in pricing an asset or liability.

If the technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy, the lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Equity Securities: Domestic and international common stocks are valued by obtaining quoted prices on recognized and highly liquid exchanges.

Fixed Income Securities: Corporate bonds and U.S. government treasury and agency securities are valued based upon the closing price reported in the active market in which the security is traded. U.S. government agency and corporate asset-backed securities may utilize models, such as a matrix pricing model, that incorporates other observable inputs such as cash flow, security structure, or market information, when broker/dealer quotes are not available.

Real Estate, Private Equity, and Insurance Contract Interests: The fair value of real estate, private equity, and insurance contract interests are determined by the issuer based on the unit values of the funds. Unit values are determined by dividing the fund's net assets by the number of units outstanding at the valuation date. Fair value for underlying investments in real estate is determined through independent property appraisals. Fair value of underlying investments in private equity assets is determined based on information provided by the general partner taking into consideration the purchase price of the underlying securities, developments concerning the investee company subsequent to the acquisition of the investment, financial data and projections of the investee company provided to the general partner, and such other factors as the general partner deems relevant. Insurance contracts are principally invested in real estate assets, which are valued based on independent appraisals.

The fair values of the Company's pension plan assets at December 31, 2009, by asset category, are as follows (in millions):

Asset Category	Fair Value Measurements as of December 31, 2009			
	Total	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 7	\$ 7	\$ --	\$ --
Equity securities:				
U.S. large-cap	121	121	--	--
U.S. mid- and small-cap	36	36	--	--
International large-cap	30	30	--	--
Fixed income securities:				
U.S. Treasuries	1	--	1	--
Investment grade U.S. corporate bonds	2	--	2	--
High-yield U.S. corporate bonds	8	--	8	--
Mortgage-backed securities	28	--	28	--
Other types of investments:				
Real estate partnerships interests	23	--	--	23
Private equity partnership interests (a)	3	--	--	3
Insurance contracts	1	--	--	1
Total	\$ 260	\$ 194	\$ 39	\$ 27

(a) This category represents private equity funds that invest principally in U.S. technology companies.

The table below presents a reconciliation of all pension plan investments measured at fair value on a recurring basis using significant unobservable inputs (level 3) for the year ended December 31, 2009 (in millions):

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)			
	Real Estate	Private Equity	Insurance	Total
Beginning balance, January 1, 2009	\$ 38	\$ 4	\$ 1	\$ 43
Actual return on plan assets:				
Assets held at the reporting date	(13)	(1)	--	(14)
Assets sold during the period	--	--	--	--
Purchases, sales and settlements	(2)	--	--	(2)
Ending balance, December 31, 2009	<u>\$ 23</u>	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ 27</u>

Contributions are determined annually for each plan by the Company's pension administrative committee, based upon the actuarially determined minimum required contribution under the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, the Pension Protection Act of 2006 (the "Act"), and the maximum deductible contribution allowed for tax purposes. For the plans covering employees who are members of collective bargaining units, the benefit formulas are determined according to the collective bargaining agreements, either using career average pay as the base or a flat dollar amount per year of service. The benefit formulas for the remaining defined benefit plans are based on final average pay. The Company did not make any contributions during 2009 or 2008 to its defined benefit pension plans. In 2010, the Company expects to make required contributions of

approximately \$0.5 million. The Company's funding policy is to contribute cash to its pension plans so that it meets at least the minimum contribution requirements.

New employees earn retirement benefits based on a fixed percentage of their eligible compensation, plus interest. The plan interest credit rate will vary from year-to-year based on the ten-year U.S. Treasury rate. Employees hired on or after January 1, 2008 are fully vested upon completion of three years of service.

Benefit Plan Assets and Obligations: The measurement date for the Company's benefit plan disclosures is December 31st of each year. The status of the funded defined benefit pension plan and the unfunded accumulated post-retirement benefit plans at December 31, 2009 and 2008 are shown below (in millions):

	Pension Benefits		Other Post-retirement Benefits	
	2009	2008	2009	2008
Change in Benefit Obligation				
Benefit obligation at beginning of year	\$ 314	\$ 303	\$ 52	\$ 48
Service cost	8	8	1	1
Interest cost	19	19	3	3
Plan participants' contributions	--	--	2	2
Actuarial (gain) loss	(3)	(1)	1	2
Benefits paid	(17)	(16)	(5)	(5)
Settlements	--	(1)	--	--
Amendments	1	2	--	1
Benefit obligation at end of year	<u>\$ 322</u>	<u>\$ 314</u>	<u>\$ 54</u>	<u>\$ 52</u>
Change in Plan Assets				
Fair value of plan assets at beginning of year	244	379	--	--
Actual return on plan assets	33	(118)	--	--
Settlements	--	(1)	--	--
Benefits paid	(17)	(16)	--	--
Fair value of plan assets at end of year	<u>\$ 260</u>	<u>\$ 244</u>	<u>\$ --</u>	<u>\$ --</u>
Funded Status and Recognized Liability	<u>\$ (62)</u>	<u>\$ (70)</u>	<u>\$ (54)</u>	<u>\$ (52)</u>

The accumulated benefit obligation for the Company's qualified pension plans were \$297 million and \$284 million as of December 31, 2009 and 2008, respectively. Amounts recognized on the consolidated balance sheets and in accumulated other comprehensive loss at December 31, 2009 and 2008 are as follows (in millions):

	Pension Benefits		Other Post-retirement Benefits	
	2009	2008	2009	2008
Non-current assets	\$ 3	\$ 3	\$ --	\$ --
Current liabilities	--	--	(3)	(3)
Non-current liabilities	(65)	(73)	(51)	(49)
Total	<u>\$ (62)</u>	<u>\$ (70)</u>	<u>\$ (54)</u>	<u>\$ (52)</u>
Net loss (gain) (net of taxes)	\$ 70	\$ 87	\$ --	\$ (1)
Unrecognized prior service cost (net of taxes)	3	3	--	--
Total	<u>\$ 73</u>	<u>\$ 90</u>	<u>\$ --</u>	<u>\$ (1)</u>

The information for qualified pension plans with an accumulated benefit obligation in excess of plan assets at December 31, 2009 and 2008 is shown below (in millions):

	<u>2009</u>	<u>2008</u>
Projected benefit obligation	\$ 269	\$ 248
Accumulated benefit obligation	\$ 248	\$ 221
Fair value of plan assets	\$ 208	\$ 177

The estimated prior service cost for the defined benefit pension plans that will be amortized from accumulated other comprehensive loss into net periodic benefit cost in 2010 is \$0.7 million. The estimated net loss that will be recognized in net periodic pension cost for the defined benefit pension plans in 2010 is \$8.3 million. The estimated prior service cost and estimated net gain for the other defined benefit postretirement plans that will be amortized from accumulated other comprehensive loss into net periodic pension benefit in 2010 is negligible.

Unrecognized gains and losses of the post-retirement benefit plans are amortized over five years. Although current health costs are expected to increase, the Company attempts to mitigate these increases by maintaining caps on certain of its benefit plans, using lower cost health care plan options where possible, requiring that certain groups of employees pay a portion of their benefit costs, self-insuring for certain insurance plans, encouraging wellness programs for employees, and implementing measures to mitigate future benefit cost increases.

The Company has determined that its post-retirement prescription drug plans are actuarially equivalent to Part D of the Medicare Prescription Drug Improvement and Modernization Act of 2003. The 2009 post-retirement obligations include the benefits of the Act's subsidy. These amounts are not material.

Components of the net periodic benefit cost and other amounts recognized in other comprehensive loss for the defined benefit pension plans and the post-retirement health care and life insurance benefit plans during 2009, 2008, and 2007, are shown below (in millions):

	<u>Pension Benefits</u>			<u>Other Post-retirement Benefits</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Components of Net Periodic Benefit Cost/(Income)						
Service cost	\$ 8	\$ 8	\$ 7	\$ 1	\$ 1	\$ 1
Interest cost	19	18	17	3	3	3
Expected return on plan assets	(20)	(32)	(28)	--	--	--
Amortization of net (gain) loss	12	--	--	--	(1)	--
Amortization of prior service cost	1	1	--	--	--	--
Recognition of loss (gain) due to settlement	--	1	--	--	--	(1)
Net periodic benefit cost/(income)	<u>20</u>	<u>(4)</u>	<u>(4)</u>	<u>4</u>	<u>3</u>	<u>3</u>
Other Changes in Plan Assets and Benefit Obligations Recognized in Other Comprehensive Income (net of tax)						
Net loss (gain)	(10)	90	(12)	1	1	(2)
Amortization of unrecognized (loss) gain	(7)	--	--	--	1	--
Prior service cost	1	1	--	--	--	--
Amortization of prior service cost	(1)	--	--	--	--	--
Total recognized in other comprehensive income	<u>(17)</u>	<u>91</u>	<u>(12)</u>	<u>1</u>	<u>2</u>	<u>(2)</u>
Total recognized in net periodic benefit cost and other comprehensive income	<u>\$ 3</u>	<u>\$ 87</u>	<u>\$ (16)</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 1</u>

The weighted average assumptions used to determine benefit information during 2009, 2008, and 2007, were as follows:

	Pension Benefits			Other Post-retirement Benefits		
	2009	2008	2007	2009	2008	2007
Weighted Average Assumptions:						
Discount rate	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Expected return on plan assets	8.50%	8.50%	8.50%			
Rate of compensation increase	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Initial health care cost trend rate				9.00	9.00%	9.00%
Ultimate rate				5.00	5.00%	5.00%
Year ultimate rate is reached				2014	2013	2012

As a result of a decline in the market value of the Company's plan assets in 2008, the expected return on plan assets had decreased in 2009 and the amortization of net loss had increased, resulting in a net periodic pension cost of \$20 million for 2009.

If the assumed health care cost trend rate were increased or decreased by one percentage point, the accumulated post-retirement benefit obligation, as of December 31, 2009, 2008, and 2007 and the net periodic post-retirement benefit cost for 2009, 2008 and 2007, would have increased or decreased as follows (in millions):

	Other Post-retirement Benefits					
	One Percentage Point					
	Increase			Decrease		
	2009	2008	2007	2009	2008	2007
Effect on total of service and interest cost components	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Effect on post-retirement benefit obligation	\$ 5	\$ 5	\$ 5	\$ (4)	\$ (4)	\$ (4)

Non-qualified Benefit Plans: The Company has non-qualified supplemental pension plans covering certain employees and retirees, which provide for incremental pension payments from the Company's general funds so that total pension benefits would be substantially equal to amounts that would have been payable from the Company's qualified pension plans if it were not for limitations imposed by income tax regulations. The funded status, relating to these unfunded plans, totaled \$(34) million at December 31, 2009. A 5.0 percent discount rate was used to determine the 2009 obligation. The expense associated with the non-qualified plans was \$3 million for the year ended December 31, 2009 and \$4 million in each year ended December 31, 2008 and 2007. As of December 31, 2009, the amount recognized in accumulated other comprehensive income for unrecognized loss, net of tax, was approximately \$6 million, and the amount recognized as unrecognized prior service credit, net of tax, was negligible. The estimated net loss and prior service credit that will be recognized in net periodic pension cost in 2010 is negligible.

Estimated Benefit Payments: The estimated future benefit payments for the next ten years are as follows (in millions):

<u>Year</u>	<u>Pension Benefits</u>	<u>Non-qualified Plan Benefits</u>	<u>Post-retirement Benefits</u>
2010	\$ 18	\$ 23	\$ 3
2011	18	1	4
2012	19	1	4
2013	20	2	4
2014	21	1	4
2015-2019	118	9	21

Current liabilities of approximately \$26 million, related to non-qualified plan and postretirement benefits, are classified as accrued and other liabilities in the consolidated balance sheet as of December 31, 2009.

Multiemployer Plans: Matson participates in 11 multiemployer plans and has an estimated withdrawal obligation with respect to four of these plans that totals approximately \$89 million. Management has no present intention of withdrawing from and does not anticipate termination of any of these plans. Total contributions to the multiemployer pension plans covering personnel in shoreside and seagoing bargaining units were \$12 million in 2009, \$13 million in 2008, and \$12 million in 2007.

Union collective bargaining agreements provide that total employer contributions during the terms of the agreements must be sufficient to meet the normal costs and amortization payments required to be funded during those periods. Contributions are generally based on union labor paid or cargo volume. A portion of such contributions is for unfunded accrued actuarial liabilities of the plans being funded over periods of 25 to 40 years, which began between 1967 and 1976.

The multiemployer plans are subject to the plan termination insurance provisions of ERISA and are paying premiums to the Pension Benefit Guaranty Corporation ("PBGC"). The statutes provide that an employer who withdraws from, or significantly reduces its contribution obligation to, a multiemployer plan generally will be required to continue funding its proportional share of the plan's unfunded vested benefits.

Under special rules approved by the PBGC and adopted by the Pacific Coast longshore plan in 1984, Matson could cease Pacific Coast cargo-handling operations permanently and stop contributing to the plan without any withdrawal liability, provided that the plan meets certain funding obligations as defined in the plan. Accordingly, no withdrawal obligation for this plan is included in the total estimated withdrawal obligation.

Defined Contribution Plans: The Company sponsors defined contribution plans that qualify under Section 401(k) of the Internal Revenue Code and provides matching contributions of up to 4% of eligible employee compensation. During 2009, the 401(k) matching contributions were suspended for all employees who are participants in the Company's defined benefit plan. The Company's matching contributions expensed under these plans totaled \$1.4 million, \$2.0 million, and \$1.9 million for the years ended December 31, 2009, 2008, and 2007, respectively. The Company also maintains profit sharing plans, and if a minimum threshold of Company performance is achieved, provides contributions of 1 percent to 3 percent, depending upon Company performance above the minimum threshold. In 2010, the profit sharing plan was suspended. The contribution expense for these plans totaled \$1 million and \$2 million for the years ended December 31, 2008 and 2007, respectively. There was no profit sharing contribution expense recorded in 2009.

10. INCOME TAXES

The income tax expense on income from continuing operations for each of the three years in the period ended December 31, 2009 consisted of the following (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Current:			
Federal	\$ 26	\$ 56	\$ 55
State and Foreign	<u>2</u>	<u>4</u>	<u>4</u>
Current	28	60	59
Deferred	<u>(20)</u>	<u>(8)</u>	<u>--</u>
Total continuing operations tax expense	<u>\$ 8</u>	<u>\$ 52</u>	<u>\$ 59</u>

Income tax expense for 2009, 2008, and 2007 differs from amounts computed by applying the statutory federal rate to income from continuing operations before income taxes for the following reasons (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Computed federal income tax expense	\$ 7	\$ 49	\$ 55
State income taxes	4	4	5
Tax effect of HS&TC consolidation	(2)	--	--
Other—net	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>
Income tax expense	<u>\$ 8</u>	<u>\$ 52</u>	<u>\$ 59</u>

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31 of each year are as follows (in millions):

	<u>2009</u>	<u>2008</u>
Deferred tax assets:		
Capital loss carry-forward	\$ --	\$ 3
Benefit plans	70	75
Insurance reserves	10	9
Other	<u>12</u>	<u>11</u>
Total deferred tax assets	<u>92</u>	<u>98</u>
Deferred tax liabilities:		
Basis differences for property and equipment	287	304
Tax-deferred gains on real estate transactions	197	181
Capital Construction Fund	3	5
Joint ventures and other investments	5	6
Other	<u>22</u>	<u>17</u>
Total deferred tax liabilities	<u>514</u>	<u>513</u>
Net deferred tax liability	<u>\$ 422</u>	<u>\$ 415</u>

The realization of the deferred tax assets related to the capital loss carryover is dependent upon the future generation of capital gains. Management considers projected future transactions and tax planning strategies in making this assessment. As of December 31, 2009, the federal capital loss carryover has been fully utilized, and the Hawaii state capital loss carryover was not material.

The Company also has California alternative minimum tax credit carryforwards of approximately \$1 million at December 31, 2009 to reduce future California state income taxes over an indefinite period.

The Company's income taxes payable has been reduced by the tax benefits from share-based compensation. The Company receives an income tax benefit for exercised stock options calculated as the difference between the fair market value of the stock issued at the time of exercise and the option exercise price, tax effected. The Company also receives an income tax benefit for non-vested stock and restricted stock units when they vest, measured as the fair market value of the stock at the time of vesting, tax effected. The net tax benefits from share-based transactions were \$1.3 million and \$1.1 million for 2009 and 2008, respectively, and the portion of the tax benefit related to the excess of the amount reported as expense over the tax deduction was reflected as a reduction to additional capital in the consolidated statements of shareholders' equity.

A reconciliation of the beginning and ending amount of gross unrecognized tax benefits is as follows (in millions):

Balance at January 1, 2007	\$ 10
Additions for tax positions of prior years	3
Reductions for tax positions of prior years	(2)
Reductions for lapse of statute of limitations	(1)
Balance at December 31, 2007	10
Additions for tax positions of prior years	--
Reductions for tax positions of prior years	(1)
Reductions for lapse of statute of limitations	(3)
Balance at December 31, 2008	6
Additions for tax positions of prior years	--
Additions for tax positions of current year	3
Reductions for tax positions of prior years	--
Reductions for lapse of statute of limitations	(1)
Balance at December 31, 2009	<u>\$ 8</u>

Of the total unrecognized benefits, \$8 million at December 31, 2009 and \$6 million at December 31, 2008, represent the amount that, if recognized, would favorably affect the Company's effective rate in future periods. The Company does not expect a material change in gross unrecognized benefits in the next 12 months.

The Company recognizes potential accrued interest and penalties related to unrecognized tax benefits in income tax expense. To the extent interest and penalties are not ultimately assessed with respect to the settlement of uncertain tax positions, amounts accrued will be reduced and reflected as a reduction of the overall income tax provision. As of December 31, 2009 the amounts of accrued interest and penalty were not material.

The Company is no longer subject to U.S. federal income tax audits for years before 2005. The Internal Revenue Service may audit the Company's federal income tax returns for years subsequent to 2004. Additionally, the Company is routinely involved in state and local income tax audits. Substantially all material income tax matters have been concluded for years through 2004.

11. SHARE-BASED AWARDS

2007 Incentive Compensation Plan: The 2007 Incentive Compensation Plan (the "2007 Plan") serves as a successor to the 1998 Stock Option/Stock Incentive Plan, the 1998 Non-Employee Director Stock Option Plan, the Restricted Stock Bonus Plan and the Non-Employee Director Stock Retainer Plan (the "Predecessor Plans"). Under the 2007 Plan, 2,215,000 shares of common stock were initially reserved for issuance. As of December 31, 2009, 826,480 shares of its common stock were reserved for future issuance of share-based awards under the 2007 Plan. On January 28, 2010, the Board of Directors adopted an amended and restated 2007 Plan, subject to shareholder

approval at the 2010 Annual Meeting of Shareholders, which, among other things, authorizes the issuance of an additional 2,200,000 shares of A&B stock under the 2007 Plan.

The 2007 Plan consists of four separate incentive compensation programs: (i) the discretionary grant program, (ii) the stock issuance program, (iii) the incentive bonus program and (iv) the automatic grant program for the non-employee members of the Company's Board of Directors. Share-based compensation is generally awarded under three of the four programs, as more fully described below.

Discretionary Grant Program – Under the Discretionary Grant Program, stock options may be granted with an exercise price no less than 100 percent of the fair market value (defined as the closing market price) of the Company's common stock on the date of the grant. Options generally become exercisable ratably over three years and have a maximum contractual term of 10 years. The Company estimates the grant-date fair value of its stock options using a Black-Scholes-Merton option valuation model.

Stock Issuance Program – Under the Stock Issuance Program, shares of common stock or restricted stock units may be granted. Time-based equity awards vest ratably over three years. Provided certain performance targets are achieved, performance-based equity awards (granted prior to December 31, 2008) vest after one year, and performance-based equity awards granted after December 31, 2008 vest over three years.

Automatic Grant Program – The Automatic Grant Program supersedes and replaces the Company's 1998 Non-Employee Director Stock Option Plan and the Non-Employee Director Stock Retainer Plan. At each annual shareholder meeting, non-employee directors will receive an award of restricted stock units that entitle the holder to an equivalent number of shares of common stock upon vesting. Awards of restricted stock units granted under the program generally vest ratably over three years.

The shares of common stock authorized to be issued under the 2007 Plan may be drawn from shares of the Company's authorized but unissued common stock or from shares of its common stock that the Company acquires, including shares purchased on the open market or in private transactions.

Predecessor Plans: Adopted in 1998, the Company's 1998 Stock Option/Stock Incentive Plan ("1998 Plan") provided for the issuance of non-qualified stock options and common stock to employees of the Company. Under the 1998 Plan, option prices could not be less than the fair market value of the Company's common stock on the dates of grant and the options became exercisable over periods determined, at the dates of grant, by the Compensation Committee of the A&B Board of Directors that administers the plan. Generally, options vested ratably over three years and expired ten years from the date of grant. Payments for options exercised may be made in cash or in shares of the Company's stock. If an option to purchase shares is exercised within five years of the date of grant and if payment is made in shares of the Company's stock, the option holder may receive, under a reload feature, a new stock option grant for such number of shares as is equal to the number surrendered, with an option price not less than the greater of the fair market value of the Company's stock on the date of exercise or one and one-half times the original option price. The 1998 Plan also permitted the issuance of shares of the Company's common stock. Generally, grants of time-based, non-vested stock vests ratably over three years and performance-based, non-vested stock vests in one year, provided that certain performance targets are achieved. The 1998 Plan was superseded by the 2007 Plan and no further grants will be made under the 1998 Plan.

Director Stock Option Plans: The 1998 Director Stock Option Plan ("1998 Director Plan") was superseded by the 2007 Plan. Under the 1998 Non-Employee Director Stock Option Plan, each non-employee Director of the Company, elected at an Annual Meeting of Shareholders, was automatically granted, on the date of each such Annual Meeting, an option to purchase 8,000 shares of the Company's common stock at the fair market value of the shares on the date of grant. Each option to purchase shares generally became exercisable ratably over three years following the date granted.

The Company estimates the grant-date fair value of its stock options using a Black-Scholes-Merton option-pricing model.

The weighted average grant-date fair values of the options granted during 2009, 2008, and 2007 were \$2.79, \$7.88, and \$10.91, respectively, per option, using the range of assumptions provided in the table below:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expected volatility	24.8%	19.5%-19.8%	19.0%-19.5%
Expected term (in years)	5.8	5.8	5.8-5.9
Risk-free interest rate	1.9%	3.1%-3.5%	4.8%-5.0%
Dividend yield	5.4%	2.6%	2.1%-2.2%

- Expected volatility was primarily determined using the historical volatility of A&B common stock over the expected term, but the Company may also consider future events and other factors that it reasonably concludes marketplace participants might consider.
- The expected term of the awards represents expectations of future employee exercise and post-vesting termination behavior and was primarily based on historical experience. The Company analyzed various groups of employees and considers expected or unusual trends that would likely affect this assumption.
- The risk free interest rate was based on U.S. Government treasury yields for periods equal to the expected term of the option on the grant date.
- The expected dividend yield is based on the Company's current and historical dividend policy.

Application of alternative assumptions could produce significantly different estimates of the fair value of share-based compensation and, consequently, significantly affect the related amounts recognized in the consolidated statements of income.

The following table summarizes 2009 stock option activity for the Company's plans (in thousands, except exercise price amounts):

	2007	1998	1998	Total	Weighted Average Exercise Price	Weighted Average Contractual Life	Aggregate Intrinsic Value
	Plan	Employee Plan	Director Plan	Shares			
Outstanding January 1, 2009	480	1,316	239	2,035	\$39.71		
Granted	478	--	--	478	\$23.33		
Exercised	--	(11)	--	(11)	\$26.24		
Forfeited and expired	--	(14)	(43)	(57)	\$29.77		
Outstanding December 31, 2009	958	1,291	196	2,445	\$36.80	5.5	\$9,367
Vested or expected to vest	948	1,278	194	2,420	\$36.80	5.5	\$9,273
Exercisable December 31, 2009	161	1,199	196	1,556	\$38.50	4.3	\$4,002

The following table summarizes 2009 non-vested common stock and restricted stock unit activity (in thousands, except weighted-average, grant-date fair value amounts):

	2007 Plan Restricted Stock Units	Weighted Average Grant-Date Fair Value	Predecessor Plans Non-Vested Common Stock Shares	Weighted Average Grant-Date Fair Value
January 1, 2009	160	\$46.68	94	\$47.48
Granted	389	\$23.59	--	--
Vested	(100)	\$44.70	(79)	47.34
Forfeited	(22)	\$28.47	--	--
Outstanding December 31, 2009	427	\$27.06	15	48.19

A summary of the compensation cost and other measures related to share-based payments is as follows (in millions):

	2009	2008	2007
Share-based expense (net of estimated forfeitures):			
Stock options	\$ 4	\$ 3	\$ 3
Non-vested stock & restricted stock units	5	8	13
Total share-based expense	9	11	16
Total recognized tax benefit	(3)	(3)	(4)
Share-based expense (net of tax)	\$ 6	\$ 8	\$ 12
Cash received upon option exercise	\$ --	\$ 2	\$ 6
Intrinsic value of options exercised	\$ --	\$ 1	\$ 5
Tax benefit realized upon option exercise	\$ --	\$ 1	\$ 2
Fair value of stock vested	\$ 3	\$ 13	\$ 7

As of December 31, 2009, there was \$1.3 million of total unrecognized compensation cost related to unvested stock options. That cost is expected to be recognized over a weighted average period of approximately 1.5 years. As of December 31, 2009, unrecognized compensation cost related to non-vested stock and restricted stock units was \$4.8 million. The unrecognized cost for non-vested stock and restricted stock units is expected to be recognized over a weighted average period of 1.4 years.

12. COMMITMENTS, GUARANTEES AND CONTINGENCIES

Commitments, Guarantees and Contingencies: Commitments and financial arrangements, excluding capital lease commitments that are described in Note 8, included the following as of December 31, 2009 (in millions):

Standby letters of credit	(a) \$ 10
Bonds	(b) \$ 19
Benefit plan withdrawal obligations	(c) \$ 89

These amounts are not recorded on the Company's consolidated balance sheet and it is not expected that the Company or its subsidiaries will be called upon to advance funds under these commitments.

- (a) Consists of standby letters of credit, issued by the Company's lenders under the Company's revolving credit facilities. Approximately \$8 million of the letters of credit are required to allow the Company to qualify as a self-insurer for state and federal workers' compensation liabilities. The balance includes approximately \$2 million for insurance-related matters, principally in the Company's real estate business. In the event the letters of credit are drawn upon, the Company would be obligated to reimburse the issuer of the letter of credit. None of the letters of credit has been drawn upon to date, and the Company believes it is unlikely that any of these letters of credit will be drawn upon.
- (b) Consists of approximately \$1 million of construction bonds related to real estate projects in Hawaii, approximately \$16 million in U.S. customs bonds, and approximately \$2 million related to transportation and other matters. In the event the bonds are drawn upon, the Company would be obligated to reimburse the surety that issued the bond. None of the bonds has been drawn upon to date, and the Company believes it is unlikely that any of these bonds will be drawn upon.
- (c) Represents the withdrawal liabilities for multiemployer pension plans, in which Matson is a participant. The withdrawal liability aggregated approximately \$89 million as of the most recent valuation date. Management has no present intention of withdrawing from and does not anticipate termination of any of the aforementioned plans.

Indemnity Agreements: For certain real estate joint ventures, the Company may be obligated under bond indemnities in order to complete construction of the real estate development if the joint venture does not perform. These indemnities are designed to protect the surety. The Company recorded liabilities at fair value for three indemnities it provided in connection with surety bonds issued to cover construction activities, such as project amenities, roads, utilities, and other infrastructure, at three of its joint ventures. The recorded amount of the liabilities were not material at December 31, 2009 and 2008. Under the indemnities, the Company and its joint venture partners agreed to indemnify the surety bond issuer from all loss and expense arising from the failure of the joint venture to complete the specified bonded construction. The maximum potential amount of aggregate future payments is a function of the amount covered by outstanding bonds at the time of default by the joint venture, reduced by the amount of work completed to date. As of December 31, 2009, the maximum potential amount of aggregate future payments under bonds outstanding was \$67 million, computed as \$166 million of bonds outstanding, less the value of work completed, which totaled approximately \$99 million. The Company and its joint venture partners also entered into mutual indemnification agreements under which each partner agrees to indemnify the other partner for its share of the obligation under the bonds. Including amounts recoverable from the Company's joint venture partners under the mutual indemnification agreements, the Company's maximum potential amount of aggregate future payments under indemnities at December 31, 2009 was approximately \$37 million.

Completion Guarantees: For certain real estate joint ventures, the Company may be required to perform work to complete construction if the joint venture fails to complete construction. These guarantees are intended to assure the joint venture's lender that the project will be completed as represented to the lender. The Company recorded liabilities at fair value for two completion guarantees it provided in connection with joint venture development projects. The recorded amount of these liabilities were not material at December 31, 2009 and 2008. Under the completion guarantees, the Company and its joint venture partners agree to complete development of specified development work if the joint venture fails to complete development. The maximum potential amount of aggregate future payments related to the Company's completion guarantees is a function of the work agreed to be completed, reduced by the amount of work completed to date at the time of default by the joint venture. As of December 31, 2009, the maximum potential amount of aggregate future payments under completion guarantees outstanding was \$3 million, computed as \$15 million of project work guaranteed, less the value of work completed, which totaled approximately \$12 million. The Company's share of the maximum potential amount of aggregate future payments under indemnities at December 31, 2009 was approximately \$2 million.

Other Obligations: Certain of the businesses in which the Company holds a non-controlling interest have long-term debt obligations. In August 2009, a \$12 million construction loan held by one of the Company's real estate joint ventures matured. The joint venture is currently negotiating with the lender to extend the maturity date of the loan. The lender has tentatively agreed to a 36-month extension of the loan, conditioned upon a \$1.8 million

payment from the joint venture, an agreement to convert the loan to a 25-year amortization schedule, and certain other conditions. If the joint venture is not successful in consummating an extension of the loan and remains in default, the Company may be obligated to pay approximately \$2 million under a "re-margin" guarantee, under which the joint venture must maintain a minimum debt service coverage ratio of 1.3 to 1. As of December 31, 2009, the Company had not paid any amounts under the re-margin guarantee, but a liability of \$2 million was recorded with a corresponding increase to the Company's investment in the joint venture. In December 2009, a \$16 million construction loan held by one of the Company's real estate joint ventures matured. The joint venture is currently negotiating with the lender to extend the maturity date of the loan. If the joint venture is not successful in consummating an extension of the loan and remains in default, the Company may be obligated to pay \$1.8 million. As of December 31, 2009, the Company had not paid any amounts to the lender, but a liability of \$1.8 million was recorded with a corresponding increase to the Company's investment in the joint venture.

Other than obligations described above, investee obligations do not have recourse to the Company and the Company's "at-risk" amounts are limited to its investment. These investments are more fully described in Note 4.

Environmental Matters: As with most transportation, industrial and land development companies of its size, the Company's shipping, real estate, and agricultural businesses have certain risks that could result in expenditures for environmental remediation. It is the Company's policy, as part of its due diligence process for all acquisitions, to use third-party environmental consultants to investigate the environmental risks and to require disclosure from land sellers of known environmental risks. Despite these precautions, there can be no assurance that the Company will avoid material liabilities relating to environmental matters affecting properties currently or previously owned by the Company. No estimate of such potential liabilities can be made although the Company may, from time to time, purchase property which requires modest environmental clean-up costs after appropriate due diligence. In such instances, the Company takes steps prior to acquisition to gain assurance as to the precise scope of work required and costs associated with removal, site restoration and/or monitoring, using detailed investigations by environmental consultants. The Company believes that based on all information available to it, the Company is in compliance, in all material respects, with applicable environmental laws and regulations.

In late 2003, the Company paid \$1.6 million to settle a claim for payment of environmental remediation costs incurred by the current owner of a sugar refinery site in Hawaii that previously was sold by the Company in 1994. In connection with this settlement, the Company assumed responsibility to remediate certain parcels of the site and accrued an undiscounted obligation of approximately \$2 million for the estimated remediation costs. The commencement of environmental cleanup is dependent upon studies to be approved by the Department of Health of the State of Hawaii, which has not occurred as of December 31, 2009.

Other Contingencies: A&B owns 16,000 acres of watershed lands in East Maui that supply a significant portion of the irrigation water used by HC&S. A&B also held four water licenses to another 30,000 acres owned by the State of Hawaii in East Maui, which over the years has supplied approximately two-thirds of the irrigation water used by HC&S. The last of these water license agreements expired in 1986, and all four agreements were then extended as revocable permits that were renewed annually. In 2001, a request was made to the State Board of Land and Natural Resources (the "BLNR") to replace these revocable permits with a long-term water lease. Pending the conclusion by the BLNR of this contested case hearing on the request for the long-term lease, the BLNR has renewed the existing permits on a holdover basis. If the Company is not permitted to divert stream waters from State lands in East Maui for its use, it would have a material adverse effect on the Company's sugar-growing operations.

In addition, on May 24, 2001, petitions were filed by a third party, requesting that the Commission on Water Resource Management of the State of Hawaii ("Water Commission") amend interim instream flow standards ("IIFS") in 27 East Maui streams that feed the Company's irrigation system. On September 25, 2008, the Water Commission took action on eight of the petitions, resulting in some quantity of water being returned to the streams rather than being utilized for irrigation purposes. While the loss of the water as a result of the Water Commission's action on the eight petitions may not significantly impair the Company's sugar-growing operations, similar losses of water on the remaining 19 streams would have a material adverse effect on the Company's sugar-growing operations. In December 2009, the Water Commission conducted deliberations on the amendment of IIFS for the remaining 19 East Maui streams, deferring action for at least a three month period. The Company, at this time, is unable to determine what action the Water Commission will take with respect to all 27 streams.

On June 25, 2004, two organizations filed with the Water Commission a petition to amend IIFS for four streams in West Maui to increase the amount of water to be returned to these streams. The West Maui irrigation system provides approximately one-sixth of the irrigation water used by HC&S. The Water Commission's deliberations on whether to amend the current IIFS for the West Maui streams are currently ongoing, and an adverse decision could result in some quantity of water being returned to the streams, rather than being utilized for irrigation purposes, which may have a material adverse effect on the Company's sugar-growing operations. A decision by the Water Commission is not expected until mid-2010.

On December 10, 2007, the Shipbuilders Council of America, Inc. and Pasha Hawaii Transport Lines LLC filed a complaint against the U.S. Department of Homeland Security, the U.S. Coast Guard and the National Vessel Documentation Center in the U.S. District Court for the Eastern District of Virginia. The complaint sought review of a certificate of documentation with a coastwise endorsement issued by the National Vessel Documentation Center after concluding that Matson's C9 vessel Mokihana had not been rebuilt abroad. Matson intervened in the action. On December 4, 2009, the court granted summary judgment in favor of the government and Matson, and dismissed the plaintiffs' complaint with prejudice. The time to seek appellate review of this matter has expired.

On April 21, 2008, Matson was served with a grand jury subpoena from the U.S. District Court for the Middle District of Florida for documents and information relating to water carriage in connection with the Department of Justice's investigation into the pricing and other competitive practices of carriers operating in the domestic trades. Matson understands that while the investigation currently is focused on the Puerto Rico trade, it also includes pricing and other competitive practices in connection with all domestic trades, including the Alaska, Hawaii and Guam trades. Matson does not operate vessels in the Puerto Rico and Alaska trades. It does operate vessels in the Hawaii and Guam trades. Matson has cooperated, and will continue to cooperate, fully with the Department of Justice. If the Department of Justice believes that any violations have occurred on the part of Matson or the Company, it could seek civil or criminal sanctions, including monetary fines. The Company is unable to predict, at this time, the outcome or financial impact, if any, of this investigation.

The Company and Matson were named as defendants in a consolidated civil lawsuit purporting to be a class action in the U.S. District Court for the Western District of Washington in Seattle. The lawsuit alleged violations of the antitrust laws and also named as a defendant Horizon Lines, Inc., another domestic shipping carrier operating in the Hawaii and Guam trades. On August 18, 2009, the court granted the defendants' motion to dismiss the complaint. The court granted the plaintiffs leave to amend the complaint by May 10, 2010 to allege claims consistent with the court's order. If the plaintiffs file an amended complaint, the Company and Matson will continue to vigorously defend themselves in this lawsuit. The Company is unable to predict, at this time, the outcome or financial impact, if any, of this lawsuit if an amended complaint is filed.

In June 2006, Matson and its Long Beach terminal operator, SSAT LLC, completed negotiations of an amendment to the Preferential Assignment Agreement with the City of Long Beach that includes changes requested by Matson to implement its new China Service as well as environmental covenants applicable to vessels which call at Pier C. The environmental requirements are part of programs proposed by both the ports of Los Angeles and Long Beach designed to reduce airborne emissions in the port area. Under the amendment, Matson is required to install equipment on all its motor vessels to allow them to accept a shore-based electrical power source instead of using the vessel's diesel generators while in port ("cold ironing") and to phase out calls by its steamships by 2020. In December 2008, the Office of Administrative Law approved regulations put forth by the California Air Resources Board ("CARB") which mandate cold ironing of diesel powered container ships at major ports starting in 2014. The CARB regulations put the responsibility for shoreside electrical infrastructure on the terminal operator. Matson's lease agreement commits the Port of Long Beach to providing the shoreside infrastructure and construction commenced in 2009 and is expected to be completed in 2010. However, the Port of Oakland has not yet made a commitment to provide the required infrastructure at the Company's Oakland terminal and therefore, SSAT may be held responsible for this cost. SSAT submitted the required terminal plan to CARB on July 1, 2009, but the plan has not yet been approved. The cost of the required infrastructure improvements has not been estimated. The modifications to Matson's vessels to accommodate cold ironing will occur at each of their next scheduled out-of-water drydockings. Two vessels have been retrofitted through 2009 and one is scheduled for 2010. The estimated costs of the modifications are projected at \$13.7 million for the eight motor vessels including design and engineering costs, and the cost for vessel stepdown transformers to accommodate the power provided at the dock. As of

December 31, 2009, approximately \$4.3 million has been incurred. The costs of the modifications have been recorded as capital assets because they provide future economic benefits.

The Company is subject to possible climate change legislation, regulation and international accords. Numerous bills related to climate change, such as limiting and reducing greenhouse gas emissions through a "cap and trade" system of allowances and credits, have been introduced in the U.S. Congress. If enacted, these regulations could impose significant additional costs on the Company, including increased energy costs, higher material prices, and costly mandatory vessel and equipment modifications. The Company is unable to predict, at this time, the outcome or financial impact, if any, of future climate change related legislation.

The Company and certain subsidiaries are parties to other various legal actions and are contingently liable in connection with claims and contracts arising in the normal course of business, the outcome of which, in the opinion of management after consultation with legal counsel, will not have a material adverse effect on the Company's financial position or results of operations.

13. INDUSTRY SEGMENTS

Operating segments are components of an enterprise that engage in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company's chief operating decision maker is its Chief Executive Officer. Based on the foregoing, the Company has five segments that operate in three industries: Transportation, Real Estate and Agribusiness.

The Transportation Industry consists of two segments. Ocean Transportation carries freight between various U.S. Pacific Coast, major Hawaii ports, Guam, China and other Pacific ports and provides terminal, stevedoring and container equipment management services in Hawaii. Logistics Services arranges domestic and international rail intermodal service, long-haul and regional highway brokerage, specialized hauling, flat-bed and project work, less-than-truckload, expedited freight services, and warehousing and distribution services.

The Real Estate Industry consists of two segments. The Real Estate Sales segment generates its revenues through the development and sale of land, commercial and residential properties. The Real Estate Leasing segment owns, operates, and manages retail, office, and industrial properties. When property that was previously leased is sold, the revenue and operating profit are included with the Real Estate Sales segment.

Agribusiness, which consists of one segment, grows sugar cane and coffee; produces bulk raw sugar, specialty food-grade sugars, and molasses; produces, markets, and distributes roasted coffee, green coffee and specialty food-grade sugars; provides general trucking services, mobile equipment maintenance and repair services, and self-service storage in Hawaii; and generates and sells, to the extent not used in the Company's operations, electricity.

The accounting policies of the operating segments are described in the summary of significant accounting policies. Reportable segments are measured based on operating profit, exclusive of interest expense, general corporate expenses, and income taxes.

INDUSTRY SEGMENTS (CONTINUED)

Industry segment information for 2009, 2008, and 2007 is summarized below (in millions):

For the Year	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenue:			
Transportation:			
Ocean transportation	\$ 888.6	\$ 1,023.7	\$ 1,006.9
Logistics services	320.9	436.0	433.5
Real Estate:			
Leasing	103.2	107.8	108.5
Sales	125.6	350.2	117.8
Less amounts reported in discontinued operations ¹	(124.2)	(151.5)	(130.2)
Agribusiness ⁵	107.0	124.3	123.7
Reconciling Items ²	(16.3)	(10.7)	(9.2)
Total revenue	<u>\$ 1,404.8</u>	<u>\$ 1,879.8</u>	<u>\$ 1,651.0</u>
Operating Profit:			
Transportation:			
Ocean transportation ³	\$ 58.3	\$ 105.8	\$ 126.5
Logistics services	6.7	18.5	21.8
Real Estate:			
Leasing	43.2	47.8	51.6
Sales ³	39.1	95.6	74.4
Less amounts reported in discontinued operations ¹	(52.3)	(69.3)	(71.2)
Agribusiness ⁵	(27.8)	(12.9)	0.2
Total operating profit	67.2	185.5	203.3
Interest expense, net ⁴	(25.9)	(23.7)	(18.8)
General corporate expenses	(21.8)	(21.0)	(27.3)
Income from continuing operations before income taxes	19.5	140.8	157.2
Income taxes	7.6	51.5	59.3
Income from continuing operations	11.9	89.3	97.9
Discontinued operations	32.3	43.1	44.3
Net income	<u>\$ 44.2</u>	<u>\$ 132.4</u>	<u>\$ 142.2</u>

¹ Prior year amounts restated for amounts treated as discontinued operations. See Notes 1 and 2 for additional information.

² Includes inter-segment revenue, interest income, and other income classified as revenue for segment reporting purposes.

³ The Ocean Transportation segment includes approximately \$6.2 million, \$5.2 million, and \$10.7 million of equity in earnings from its investment in SSAT for 2009, 2008, and 2007, respectively. The Real Estate Sales segment includes approximately \$9.0 million and \$22.6 million in equity in earnings from its various real estate joint ventures for 2008 and 2007, respectively. Equity in earnings from joint ventures in 2009 was negligible.

⁴ Includes Ocean Transportation interest expense of \$9.0 million for 2009, \$11.6 million for 2008, and \$13.9 million for 2007. Substantially all other interest expense was at the parent company.

⁵ Includes a \$5.4 million gain recorded upon consolidation of HS&TC in 2009.

INDUSTRY SEGMENTS (CONTINUED)

As of December 31:	<u>2009</u>	<u>2008</u>	<u>2007</u>
Identifiable Assets:			
Ocean transportation ⁶	\$ 1,095.2	\$ 1,153.9	\$ 1,215.0
Logistics services	72.4	74.2	58.6
Real estate leasing	627.4	590.2	595.4
Real estate sales ⁶	415.6	344.6	408.9
Agribusiness	156.8	172.2	174.6
Other	12.2	15.1	26.6
Total assets	<u>\$ 2,379.6</u>	<u>\$ 2,350.2</u>	<u>\$ 2,479.1</u>
Capital Expenditures:			
Ocean transportation	\$ 12.7	\$ 35.5	\$ 65.8
Logistics services ⁷	0.6	2.4	2.0
Real estate leasing ⁸	108.8	100.2	124.5
Real estate sales ⁹	0.1	0.6	0.3
Agribusiness	3.4	15.2	20.5
Other	0.3	0.8	0.3
Total capital expenditures	<u>\$ 125.9</u>	<u>\$ 154.7</u>	<u>\$ 213.4</u>
Depreciation and Amortization:			
Ocean transportation	\$ 67.1	\$ 66.1	\$ 63.2
Logistics services	3.5	2.3	1.5
Real estate leasing ¹	19.5	17.9	15.7
Real estate sales	0.3	0.2	0.2
Agribusiness	11.9	11.5	10.7
Other	3.1	2.7	1.3
Total depreciation and amortization	<u>\$ 105.4</u>	<u>\$ 100.7</u>	<u>\$ 92.6</u>

⁶ The Ocean Transportation segment includes approximately \$47.2 million, \$44.6 million, and \$48.6 million related to its investment in SSAT as of December 31, 2009, 2008, and 2007, respectively. The Real Estate Sales segment includes approximately \$193.3 million, \$162.1 million, and \$134.1 million related to its investment in various real estate joint ventures as of December 31, 2009, 2008, and 2007, respectively.

⁷ Excludes expenditures related to Matson Integrated Logistics' acquisitions, which are classified as Payments for Purchases of Investments in Cash Flows from Investing Activities within the Consolidated Statements of Cash Flows.

⁸ Represents gross capital additions to the leasing portfolio, including gross tax-deferred property purchases that are reflected as non-cash transactions in the Consolidated Statements of Cash Flows.

⁹ Excludes capital expenditures for real estate developments held for sale which are classified as Cash Flows from Operating Activities within the Consolidated Statements of Cash Flows. Operating cash flows for capital expenditures related to real estate developments were \$6 million, \$39 million, and \$110 million for 2009, 2008, and 2007, respectively.

14. QUARTERLY INFORMATION (Unaudited)

Segment results by quarter for 2009 are listed below (in millions, except per-share amounts):

	2009			
	Q1	Q2	Q3	Q4
Revenue:				
Transportation:				
Ocean transportation	\$ 201.1	\$ 218.5	\$ 234.2	\$ 234.8
Logistics services	76.2	80.3	82.3	82.1
Real Estate:				
Leasing	27.2	25.9	25.2	24.9
Sales	25.2	21.3	14.9	64.2
Less amounts reported in discontinued operations ¹	(29.6)	(20.8)	(13.4)	(60.4)
Agribusiness ²	17.7	29.2	32.5	27.6
Reconciling Items ³	(2.3)	(2.8)	(3.0)	(8.2)
Total revenue	<u>\$ 315.5</u>	<u>\$ 351.6</u>	<u>\$ 372.7</u>	<u>\$ 365.0</u>
Operating Profit (Loss):				
Transportation:				
Ocean transportation	\$ (0.5)	\$ 21.1	\$ 24.2	\$ 13.5
Logistics services	1.5	1.8	2.2	1.2
Real Estate:				
Leasing	12.0	11.0	10.2	10.0
Sales	5.6	9.6	3.5	20.4
Less amounts reported in discontinued operations ¹	(11.3)	(12.1)	(5.5)	(23.4)
Agribusiness ²	(1.9)	(11.3)	(13.8)	(0.8)
Total operating profit	5.4	20.1	20.8	20.9
Interest Expense	(5.6)	(6.9)	(6.7)	(6.7)
General Corporate Expenses	(6.1)	(4.5)	(4.9)	(6.3)
Income From Continuing Operations before Income Taxes	(6.3)	8.7	9.2	7.9
Income taxes (benefit)	(2.3)	3.6	4.1	2.2
Income From Continuing Operations	(4.0)	5.1	5.1	5.7
Discontinued Operations ¹	7.0	7.5	3.4	14.4
Net Income	<u>\$ 3.0</u>	<u>\$ 12.6</u>	<u>\$ 8.5</u>	<u>\$ 20.1</u>
Earnings Per Share:				
Basic	\$ 0.07	\$ 0.31	\$ 0.21	\$ 0.49
Diluted	\$ 0.07	\$ 0.31	\$ 0.21	\$ 0.49

¹ See Note 2 for discussion of discontinued operations.

² Includes a \$5.4 million gain recorded upon consolidation of HS&TC in the fourth quarter of 2009.

³ Includes inter-segment revenue, interest income, and other income classified as revenue for segment reporting purposes.

Segment results by quarter for 2008 are listed below (in millions, except per-share amounts):

	2008			
	Q1	Q2	Q3	Q4
Revenue:				
Transportation:				
Ocean transportation	\$ 243.0	\$ 268.4	\$ 272.8	\$ 239.5
Logistics services	102.6	115.5	118.1	99.8
Real Estate:				
Leasing	28.8	27.3	26.2	25.5
Sales	187.4	31.2	77.2	54.4
Less amounts reported in discontinued operations ¹	(8.3)	(19.0)	(75.9)	(48.3)
Agribusiness	22.5	36.2	37.5	28.1
Reconciling Items ²	(1.5)	(2.6)	(3.0)	(3.6)
Total revenue	<u>\$ 574.5</u>	<u>\$ 457.0</u>	<u>\$ 452.9</u>	<u>\$ 395.4</u>
Operating Profit (Loss):				
Transportation:				
Ocean transportation	\$ 15.9	\$ 37.4	\$ 31.4	\$ 21.1
Logistics services	4.7	4.6	5.1	4.1
Real Estate:				
Leasing	13.9	12.6	11.1	10.2
Sales	41.4	9.1	25.8	19.3
Less amounts reported in discontinued operations ¹	(4.9)	(10.8)	(30.0)	(23.6)
Agribusiness	4.8	(4.9)	(6.7)	(6.1)
Total operating profit	<u>75.8</u>	<u>48.0</u>	<u>36.7</u>	<u>25.0</u>
Interest Expense	(6.1)	(5.6)	(5.8)	(6.2)
General Corporate Expenses	(5.7)	(5.4)	(5.3)	(4.6)
Income From Continuing Operations before				
Income Taxes	64.0	37.0	25.6	14.2
Income taxes	25.1	14.1	7.4	4.9
Income From Continuing Operations	<u>38.9</u>	<u>22.9</u>	<u>18.2</u>	<u>9.3</u>
Discontinued Operations ¹	<u>3.2</u>	<u>6.7</u>	<u>18.6</u>	<u>14.6</u>
Net Income	<u>\$ 42.1</u>	<u>\$ 29.6</u>	<u>\$ 36.8</u>	<u>\$ 23.9</u>
Earnings Per Share:				
Basic	\$ 1.02	\$ 0.72	\$ 0.89	\$ 0.58
Diluted	\$ 1.01	\$ 0.71	\$ 0.89	\$ 0.58

¹ See Note 2 for discussion of discontinued operations.

² Includes inter-segment revenue, interest income, and other income classified as revenue for segment reporting purposes.

15. PARENT COMPANY CONDENSED FINANCIAL INFORMATION

Set forth below are the unconsolidated condensed financial statements of Alexander & Baldwin, Inc. ("Parent Company"). The significant accounting policies used in preparing these financial statements are substantially the same as those used in the preparation of the consolidated financial statements as described in Note 1, except that, for purposes of the tables presented in this footnote, subsidiaries are carried under the equity method.

The following table presents the Parent Company's condensed balance sheets as of December 31, 2009 and 2008 (in millions):

	<u>2009</u>	<u>2008</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1	\$ --
Accounts and other receivables, net	12	3
Inventories	6	--
Real estate held for sale	7	--
Income tax receivable	--	24
Section 1031 exchange proceeds	--	23
Prepaid expenses and other	15	23
Total current assets	<u>41</u>	<u>73</u>
Investments:		
Subsidiaries consolidated, at equity	1,210	1,131
Property, at Cost	455	432
Less accumulated depreciation and amortization	226	219
Property -- net	<u>229</u>	<u>213</u>
Other Assets	32	43
Total	<u>\$ 1,512</u>	<u>\$ 1,460</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$ 40	\$ 28
Accounts payable	10	8
Income taxes payable	24	--
Non-qualified benefit plans	17	4
Other	15	12
Total current liabilities	<u>106</u>	<u>52</u>
Long-term Debt	<u>239</u>	<u>200</u>
Employee Benefit Plans	22	49
Non-qualified Benefit Plans	8	17
Other Long-term Liabilities	4	6
Deferred Income Taxes	42	30
Due to Subsidiaries	6	34
Shareholders' Equity:		
Capital stock	33	33
Additional capital	210	204
Accumulated other comprehensive loss	(81)	(96)
Retained earnings	934	942
Cost of treasury stock	(11)	(11)
Total shareholders' equity	<u>1,085</u>	<u>1,072</u>
Total	<u>\$ 1,512</u>	<u>\$ 1,460</u>

The following table presents the Parent Company's condensed statements of income for the years ended December 31, 2009, 2008 and 2007 (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenue:			
Agribusiness	\$ 73	\$ 91	\$ 92
Real estate leasing	22	19	18
Real estate sales	8	6	6
Interest and other	<u>2</u>	<u>3</u>	<u>8</u>
Total revenue	<u>105</u>	<u>119</u>	<u>124</u>
Costs and Expenses:			
Cost of agribusiness goods and services	109	110	97
Cost of real estate sales and leasing	14	11	10
Selling, general and administrative	21	21	28
Interest and other	16	14	12
Income tax benefit	<u>(21)</u>	<u>(16)</u>	<u>(7)</u>
Total costs and expenses	<u>139</u>	<u>140</u>	<u>140</u>
Loss from Continuing Operations	(34)	(21)	(16)
Discontinued Operations, net of income taxes	<u>8</u>	<u>17</u>	<u>4</u>
Loss Before Equity in Income of Subsidiaries Consolidated	(26)	(4)	(12)
Equity in Income from Continuing Operations of Subsidiaries Consolidated	46	111	114
Equity in Income from Discontinued Operations of Subsidiaries Consolidated	<u>24</u>	<u>25</u>	<u>40</u>
Net Income	44	132	142
Other Comprehensive Income (Loss), net of income taxes	<u>15</u>	<u>(91)</u>	<u>15</u>
Comprehensive Income	<u>\$ 59</u>	<u>\$ 41</u>	<u>\$ 157</u>

The following table presents the Parent Company's condensed statements of cash flows for the years ended December 31, 2009, 2008 and 2007 (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Cash Flows from Operations (including dividends received from subsidiaries)	<u>\$ 90</u>	<u>\$ 144</u>	<u>\$ 17</u>
Cash Flows from Investing Activities:			
Capital expenditures	(6)	(16)	(18)
Purchase of investments	(96)	(12)	--
Proceeds from disposal of property and sale of investments	<u>28</u>	<u>9</u>	<u>5</u>
Net cash used in investing activities	<u>(74)</u>	<u>(19)</u>	<u>(13)</u>
Cash Flows from Financing Activities:			
Change in intercompany payables/receivables	(13)	(4)	(15)
Proceeds from (repayments of) long-term debt, net	51	(16)	85
Proceeds from issuance of capital stock, including tax benefit	(1)	2	8
Repurchases of capital stock	--	(59)	(33)
Dividends paid	<u>(52)</u>	<u>(51)</u>	<u>(48)</u>
Net cash used in financing activities	<u>(15)</u>	<u>(128)</u>	<u>(3)</u>
Cash and Cash Equivalents:			
Net increase (decrease) for the year	1	(3)	1
Balance, beginning of year	--	<u>3</u>	<u>2</u>
Balance, end of year	<u>\$ 1</u>	<u>\$ --</u>	<u>\$ 3</u>
Other Cash Flow Information:			
Interest paid	\$ (13)	\$ (13)	\$ (12)
Income taxes paid, net of refunds	\$ (38)	\$ (63)	\$ (55)
Other Non-cash Information:			
Depreciation expense	\$ 17	\$ 15	\$ 15
Tax-deferred property sales	\$ 29	\$ 60	\$ --
Tax-deferred property purchases	\$ (40)	\$ (5)	\$ --

General Information: The Parent Company is headquartered in Honolulu, Hawaii and is engaged in the operations that are generally described in Note 13, "Industry Segments." Additional information related to the Parent Company is described in the foregoing notes to the consolidated financial statements.

Long-term Debt: At December 31, 2009 and 2008, long-term debt consisted of the following (in millions):

	<u>2009</u>	<u>2008</u>
Revolving Credit loans (0.76% for 2009 and 1.12% for 2008)	\$ 24	\$ 55
Term Loans:		
6.90%, payable through 2020	100	--
5.53%, payable through 2016	50	50
5.55%, payable through 2017	50	50
5.56%, payable through 2016	25	25
4.10%, payable through 2012	25	30
7.42%, payable through 2010	3	6
6.20%, payable through 2013	2	3
7.55%, payable through 2009	--	7
7.57%, payable through 2009	--	2
Total	<u>279</u>	<u>228</u>
Less current portion	<u>(40)</u>	<u>(28)</u>
Long-term debt	<u>\$ 239</u>	<u>\$ 200</u>

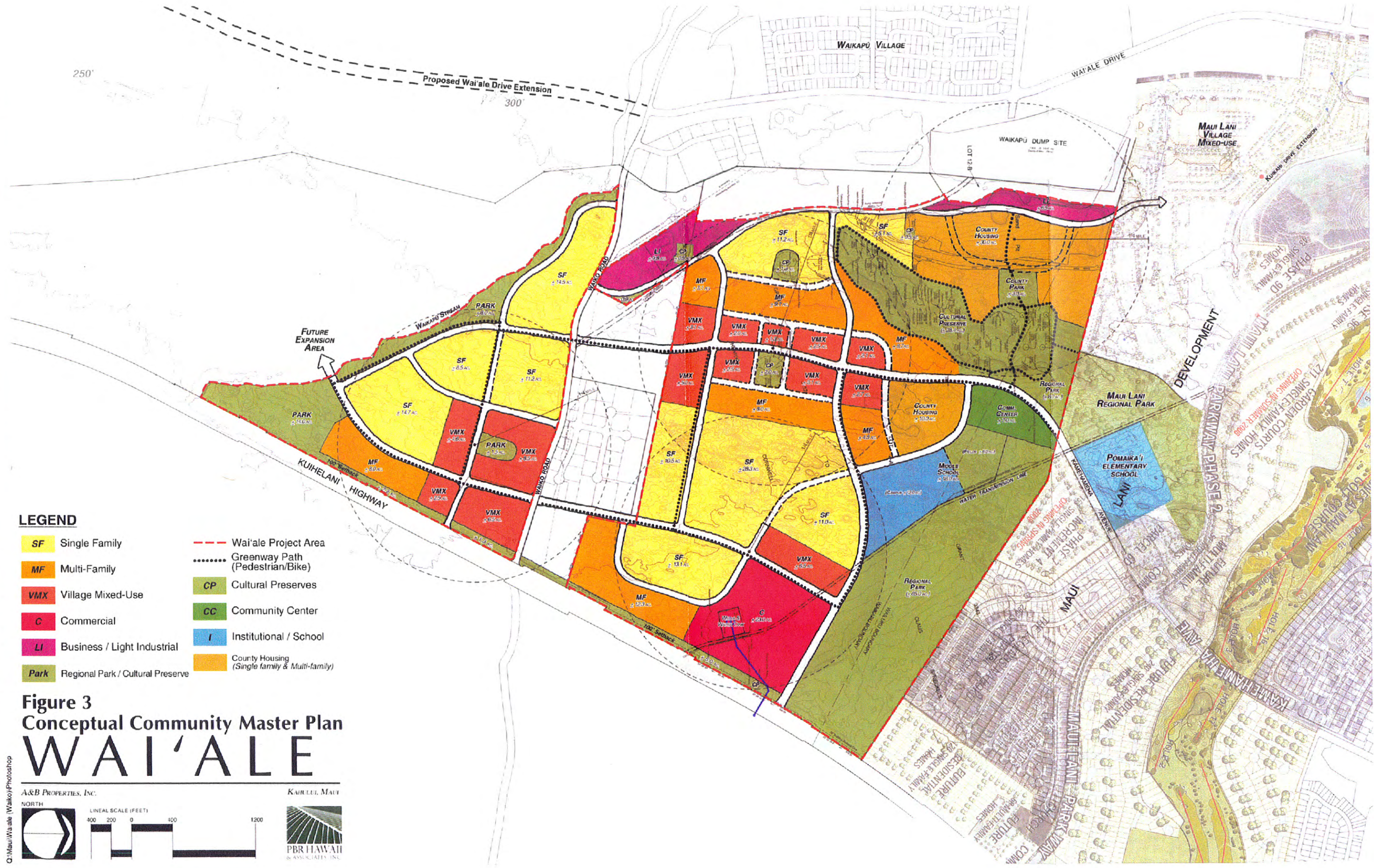
Long-term Debt Maturities: At December 31, 2009, maturities of all long-term debt during the next five years are \$40 million in 2010, \$16 million in 2011, \$27 million in 2012, \$21 million in 2013, \$33 million in 2014, and \$142 million thereafter.

Revolving Credit Facilities: The Company has a revolving senior credit facility with six commercial banks that expires in December 2011. The revolving credit facility provides for a commitment of \$225 million. Amounts drawn under the facility bear interest at London Interbank Offered Rate ("LIBOR") plus a spread ranging from 0.225 percent to 0.475 percent based on the Company's S&P rating. The agreement contains certain restrictive covenants, the most significant of which require the maintenance of minimum shareholders' equity levels, minimum unencumbered property investment values, and a maximum ratio of total debt to earnings before interest, depreciation, amortization, and taxes. At December 31, 2009, \$24 million was outstanding and classified as current, \$2 million in letters of credit had been issued against the facility, and \$199 million remained available for borrowing.

The Company has a replenishing \$400 million three-year unsecured note purchase and private shelf agreement with Prudential Investment Management, Inc. and its affiliates (collectively, "Prudential") under which the Company may issue notes in an aggregate amount up to \$400 million, less the sum of all principal amounts then outstanding on any notes issued by the Company or any of its subsidiaries to Prudential and the amount of any notes that are committed under the note purchase agreement. The Prudential agreement contains certain restrictive covenants that are substantially the same as the covenants contained in the aggregate \$325 million revolving senior credit facilities. The ability to draw additional amounts under the Prudential facility expires on April 19, 2012 and borrowings under the shelf facility bear interest at rates that are determined at the time of the borrowing. At December 31, 2009, \$71 million was available under the facility.

Real Estate Secured Term Debt: In June 2005, the Company, together with its real-estate subsidiaries, purchased an office building in Phoenix, Arizona, and assumed \$11 million of mortgage-secured debt. A&B owns approximately 24 percent of the Phoenix office building. At December 31, 2009, approximately \$2 million of the \$11 million was recorded on the parent company's books, consistent with ownership of the property. The property is jointly and severally owned by three subsidiaries of the Company.

Dividends from Subsidiaries: The Company received dividends from Matson totaling \$60 million for each of the last three years ended December 31, 2009, 2008, and 2007.



LEGEND

- SF Single Family
- MF Multi-Family
- VMX Village Mixed-Use
- C Commercial
- LI Business / Light Industrial
- Park Regional Park / Cultural Preserve
- Wai'ale Project Area
- Greenway Path (Pedestrian/Bike)
- CP Cultural Preserves
- CC Community Center
- I Institutional / School
- County Housing (Single family & Multi-family)

Figure 3
Conceptual Community Master Plan
WAI'ALE

A&B PROPERTIES, INC. KAHULUI, MAUI

NORTH

LINEAL SCALE (FEET)

400 200 0 100 1200

PBR HAWAII & ASSOCIATES, INC.

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