



January 10, 2007

## **Matson 2007 Westbound Guam Service Rates to Increase by \$125 per Container**

OAKLAND, CA -- January 10, 2007 -- Matson Navigation Company announced today that it will raise its rates for the company's Guam service by \$125 per westbound container and \$65 per eastbound container, effective February 4, 2007. The price of shipping privately owned vehicles will increase by \$50, for westbound and eastbound shipments. The increase will be filed with the Surface Transportation Board. For intermodal shipments, rates will increase by \$200 per westbound container and \$140 eastbound. The rate increase also applies to Saipan, Tinian and Rota. In addition, the company will raise its terminal handling charge by \$100 per container, both westbound and eastbound, also effective February 4, 2007.

"This rate increase will help offset rises in operating costs and support a number of investments for Guam," said Dave Hoppes, senior vice president, ocean services. "Given the essential role ocean transportation has in supporting Guam's economy, Matson has made its fleet replacement program a high priority in recent years. Since 2002, the company has invested over \$500 million in new containerships, reducing the average age of its fleet from 25 years to 14. These new vessels, with their more fuel-efficient diesel engines, will provide the region with modern, reliable service for decades to come. Matson is also investing in new container equipment and information technology. This rate increase is consistent with our longstanding philosophy of implementing modest, incremental increases annually in order to reinvest in our service."

### **Port Authority of Guam to Implement Rate Increases Shortly**

In addition to the increases outlined above, the Port Authority of Guam will be increasing the handling cost for transshipment containers and implementing a special fuel and security surcharge on all transshipment cargo and cargo destined for Guam. Matson is working with the Port to fully understand the details of these increases and their timing. It is our intention to pass these costs on to customers as soon as the Port implements its new rate structure.

Matson is a wholly owned subsidiary of Alexander & Baldwin, Inc. of Honolulu (NASDAQ: ALEX).

Jeff Hull, public relations  
(415) 957-4534