UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

|X| QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended June 30, 2004

OR

|_| TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _________________ to ________________

Commission file number 0-565

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

Hawaii	99-0032630
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
P. O. Box 3440, Honolulu, Hawaii	96801
822 Bishop Street, Honolulu, Hawaii	96813
(Address of principal executive offices)	(Zip Code)

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

N/A
(Former name, former address, and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes |X| No |_|

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes |X| No |_|

Number of shares of common stock outstanding as of June 30, 2004: 42,600,149

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The condensed financial statements and notes for the second quarter and first six months of 2004 are presented below, with comparative figures from the 2003 financial statements.

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

	Three Months Ended June 30, 2004	Three Months Ended June 30, 2003	Six Months Ended June 30, 2004	Six Months Ended June 30, 2003
	(unaudited)		(unaudited)	
Revenue:				
Operating revenue	$ 377.1	$ 314.2	$ 720.8	$ 587.2
Costs and Expenses:				
Costs of goods sold, services and rentals	295.5	252.2	562.1	476.3
Selling, general and administrative	30.9	30.1	62.0	59.9
Interest	3.2	2.4	6.4	5.0
Total costs and expenses	329.6	284.7	630.5	541.2
Income Before Taxes	47.5	29.5	90.3	46.0
Income taxes	18.3	10.8	34.3	16.9

Income From Continuing Operations	29.2	18.7	56.0	29.1
Discontinued Operations (net of income taxes):				
Properties	0.9	4.5	1.2	11.7
Net Income	$ 30.1	$ 23.2	$ 57.2	$ 40.8
Basic Earnings Per Share:				
Continuing operations	$ 0.69	$ 0.45	$ 1.32	$ 0.70
Discontinued operations	0.02	0.11	0.03	0.29
Net income	$ 0.71	$ 0.56	$ 1.35	$ 0.99
Diluted Earnings Per Share:				
Continuing operations	$ 0.68	$ 0.45	$ 1.30	$ 0.70
Discontinued operations	0.02	0.11	0.03	0.28
Net income	$ 0.70	$ 0.56	$ 1.33	$ 0.98
Dividends Per Share	$ 0.225	$ 0.225	$ 0.450	$ 0.450
Average Number of Shares Outstanding	42.5	41.4	42.4	41.4

See Financial Notes

ALEXANDER & BALDWIN, INC. AND SUBSIDIARIES
Industry Segment Data, Net Income
(In millions)

	Three Months Ended June 30, 2004 (unaudited)	Three Months Ended June 30, 2003 (unaudited)	Six Months Ended June 30, 2004 (unaudited)	Six Months Ended June 30, 2003 (unaudited)
Revenue:				
Ocean transportation	$ 208.1	$ 199.3	$ 404.6	$ 385.4
Logistics services	93.5	57.4	167.6	108.4
Property Development and Management:				
Leasing	20.4	20.6	41.2	39.7
Sales	28.3	26.4	68.4	43.1
Less amounts reported in discontinued operations	(1.5)	(24.6)	(1.9)	(39.4)
Food Products	28.9	35.1	42.3	50.0
Intersegment revenue	(0.6)	--	(1.4)	--
Total revenue	$ 377.1	$ 314.2	$ 720.8	$ 587.2
Operating Profit, Net Income:				
Transportation:				
Ocean transportation	$ 31.4	$ 23.2	$ 50.0	$ 35.3
Logistics services	2.6	1.4	3.6	1.9
Property Development and Management:				
Leasing	9.2	9.5	18.7	18.1
Sales	13.4	6.9	32.4	18.5
Less amounts reported in discontinued operations	(1.4)	(7.3)	(1.9)	(18.8)
Food Products	0.3	2.3	2.9	4.2
Total operating profit	55.5	36.0	105.7	59.2
Interest Expense	(3.2)	(2.4)	(6.4)	(5.0)
General Corporate Expenses	(4.8)	(4.1)	(9.0)	(8.2)
Income From Continuing Operations Before Income Taxes	47.5	29.5	90.3	46.0
Income Taxes	(18.3)	(10.8)	(34.3)	(16.9)
Income From Continuing Operations	29.2	18.7	56.0	29.1
Discontinued Operations (net of income taxes):				
Properties	0.9	4.5	1.2	11.7
Net Income	$ 30.1	$ 23.2	$ 57.2	$ 40.8

See Financial Notes

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

	June 30, 2004 (unaudited)	December 31, 2003
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 21	$ 6
Accounts and notes receivable, net	182	160
Capital Construction Fund	100	--
Inventories	29	16
Real estate held for sale	24	30
Deferred income taxes	13	15
Prepaid expenses and other assets	16	20
Total current assets	385	247
Investments	99	68
Real Estate Developments	73	77
Property, at cost	1,887	1,888
Less accumulated depreciation and amortization	843	809
Property - net	1,044	1,079
Capital Construction Fund	66	165
Other Assets	119	124
Total	$ 1,786	$ 1,760
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Notes payable and current portion of long-term debt	$ 115	$ 15
Accounts payable	95	95
Other	103	73
Total current liabilities	313	183
Long-term Liabilities:		
Long-term debt	198	330
Deferred income taxes	344	356
Post-retirement benefit obligations	44	44
Other	37	36
Total long-term liabilities	623	766
Commitments and Contingencies		
Shareholders' Equity:		
Capital stock	35	35
Additional capital	126	112
Deferred compensation	(2)	--
Accumulated other comprehensive loss	(6)	(8)
Retained earnings	708	684
Cost of treasury stock	(11)	(12)
Total shareholders' equity	850	811
Total	$ 1,786	$ 1,760

See Financial Notes

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

	Six Months Ended June 30, 2004	Six Months Ended June 30, 2003
	(unaudited)	
Cash Flows from Operating Activities	$ 84	$ 61
Cash Flows from Investing Activities:		
Capital expenditures	(24)	(19)
Proceeds from disposal of property and other assets	20	5
Capital Construction Fund, net	--	(2)
Investments, net	(22)	(2)
Net cash used in investing activities	(26)	(18)
Cash Flows from Financing Activities:		
Proceeds from issuances of long-term debt	4	115
Payments of long-term debt	(35)	(128)
Proceeds from issuances of capital stock	9	3
Repurchase of capital stock	(2)	--
Dividends paid	(19)	(19)
Net cash used in financing activities	(43)	(29)
Net Increase in Cash and Cash Equivalents	$ 15	$ 14
Other Cash Flow Information:		
Interest paid, net of amounts capitalized	$ (7)	$ (5)
Income taxes paid, net of refunds	(30)	(11)
Other Non-cash Information:		
Depreciation expense	40	35
Tax-deferred property sales	1	34
Tax-deferred property purchases	--	(11)
Debt assumed in real estate acquisition	--	15
Assets conveyed to joint venture	--	28

See Financial Notes

Financial Notes
(Unaudited)

(1) The Condensed Consolidated Balance Sheet as of June 30, 2004, the Condensed Consolidated Statements of Income for the six months ended June 30, 2004 and 2003, and the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2004 and 2003 are unaudited. Because of the nature of the Company's operations, the results for interim periods are not necessarily indicative of results to be expected for the year. In the opinion of management, all material adjustments necessary for the fair presentation of interim period results have been included in the interim financial statements.

(2) The 2003 estimated effective income tax rate differs from the statutory rate, due primarily to tax credits.

(3) Commitments and Contingencies: Commitments, excluding operating lease commitments, that were in effect at June 30, 2004, included the following (in millions):

Vessel purchase	(a)	$ 105
Guarantee of Hokua debt	(b)	$ 18
Guarantee of Sea Star debt	(c)	$ 11
Guarantee of HS&TC debt	(d)	$ 15
Standby letters of credit	(e)	$ 17
Bonds	(f)	$ 13
Benefit plan withdrawal obligations	(g)	$ 65

These amounts are not recorded on the Company's balance sheet and, based on the Company's current knowledge and with the exception of item (a), it is not expected that the Company or its subsidiaries will be called upon to advance funds under these commitments.

(a) Matson Navigation Company, Inc. ("Matson") has an agreement with Kvaerner Philadelphia Shipyard Inc., to purchase a container ship ("Maunawili"). The Company expects to take delivery of the ship during the third quarter of 2004 for a total project cost of approximately $105 million. The cost of the Maunawili is expected to be funded with a combination of cash from the Capital Construction Fund, the issuance of new debt, and operations. No significant payment is required until acceptance and delivery of the Maunawili. No obligation is recorded on the financial statements because conditions necessary to record either a liability or an asset have not been met.

(b) At June 30, 2004, A&B Properties, Inc. ("Properties") had guaranteed $2.5 million of the $12 million component of a $130 million construction loan agreement that was entered into by Hokua Development Group LLC ("Hokua"), a limited liability company in which the Company is an investor. The $12 million component was used by Hokua to acquire the land that is being developed. This guarantee terminates upon the initial funding of the balance of the construction loan. This funding is expected to begin toward the end of 2004. Properties would be called upon to honor this guarantee in the event that the construction loan is not funded.

Properties also has a limited guarantee equal to the lesser of $15 million or 15.5 percent of the outstanding balance of the construction loan that could be triggered if the purchasers of condominium apartments become entitled to rescind their purchase obligations. This could occur if Hokua breaches covenants contained in its sales contracts or violates the Interstate Land Sales Practices Act, the Hawaii Condominium Act, the Securities Act of 1933 or the Securities Exchange Act of 1934.

(c) Matson has guaranteed $11 million of the debt of Sea Star Line, LLC ("Sea Star," a business in which Matson holds a minority interest investment) and would be required to perform under the guarantee should Sea Star be unable to meet its obligations. It is expected that the guarantee will be further reduced, over time by scheduled repayments of the debt by Sea Star.

Subsequent to the 2004 second quarter-end, a member of Sea Star has advised Matson that it intends to exercise its option to purchase, during the third quarter of 2004, Matson's 19.5 percent interest in Sea Star for an amount that approximates Matson's recorded investment in Sea Star. As described above, Matson guarantees $11 million of the Sea Star debt. When this option is exercised, and subject to the lender's approval, Matson will be relieved of its guarantee obligation.

(d) The Company guarantees up to $15 million of a $30 million revolving credit line of Hawaiian Sugar & Transportation Cooperative's ("HS&TC," a raw sugar marketing and transportation cooperative that the Company uses to market and transport its sugar and of which the Company is a member). That credit line is used primarily to fund purchases of raw sugar from the Hawaii growers and is fully secured by the inventory, receivables and transportation assets of the cooperative. The amount that may be drawn by HS&TC under the facility is limited to 95 percent of its inventory value plus the lesser of 90 percent or $16 million of HS&TC's receivables. The Company's guarantee is limited to the lesser of $15 million or the actual amounts drawn. Although the amount drawn by HS&TC on its credit line varies, as of June 30, 2004, the amount drawn was $8 million. The Company has not recorded any liability for its obligation under the guarantee because it believes that the likelihood of making any payment is not probable.

(e) The Company has arranged for standby letters of credit totaling $17 million. This includes letters of credit, totaling approximately $12 million that enable the Company to qualify as a self-insurer for state and federal workers' compensation liabilities. The amount also includes a letter of credit of $3 million for workers' compensation claims incurred by employees of C&H Sugar Company, Inc. ("C&H," an unconsolidated entity in which the Company has a minority ownership equity interest), under a now-closed self-insurance plan, prior to December 24, 1998. The Company only would be called upon to honor this letter of credit in the event of C&H's insolvency. The agreement with C&H to provide this letter of credit expired on December 24, 2003. C&H has advised the Company that it is unable to provide a replacement security deposit. Until C&H meets this contractual obligation, the Company will not be released from this letter of credit. The remaining letters of credit, totaling $2 million, are for routine operating matters.

(f) Of the $13 million in bonds, $6 million consists of subdivision bonds related to real estate construction projects in Hawaii. These bonds are required either by the state or by county governments to ensure that certain infrastructure work, as part of real-estate development, is completed. The Company has the financial ability and intention to complete these improvements. Also included in the total are $5 million of customs bonds.

(g) The withdrawal liabilities for multi-employer pension plans, in which Matson is a participant, aggregated approximately $65 million as of the most recent valuation dates. Management has no present intention of withdrawing from and does not anticipate the termination of any of the aforementioned plans.

Contingencies: As reported in Items 7 and 8 of the Company's 2003 Form 10-K, the State of Hawaii Department of Health ("DOH") has issued a notice of violation of state and federal air pollution control regulations and a $2 million proposed penalty, following the Company's self reporting of this matter and taking corrective action to comply with the regulations. The Company has contested this matter, but there has been no change in the status since 2003 year-end. The Company believes that the resolution of this matter will not have a material effect on its financial statements and that appropriate accruals for this matter have been recorded.

The Company and certain subsidiaries are parties to 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.

(4) Accounting Method for Stock-Based Compensation and Diluted Earnings per Share: As allowed by Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," and by SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure," the Company has elected to continue to apply the provisions of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." Accordingly, no compensation cost is recognized in the Company's net income for options granted with exercise prices that are equal to the market values of the underlying common stock on the dates of grant.

Pro forma information regarding net income and earnings per share, using the fair value method and reported below, has been estimated using a Black-Scholes option-pricing model. This model was developed for use in estimating the fair value of traded options which do not have vesting requirements and which are fully transferable. The Company's options have characteristics significantly different from those of traded options.

Had compensation cost for the stock options been based on the estimated fair values at grant dates, the Company's pro forma net income and net income per share for the three and six months ended June 30, 2004 and

2003 would have been as follows (in millions, except per share amounts):

	Quarter Ended June 30		Six Months Ended June 30	
	2004	2003	2004	2003
Net Income:				
As reported	$ 30.1	$ 23.2	$ 57.2	$ 40.8
Stock-based compensation expense determined under fair value based method for all awards, net of related tax effects	(0.3)	(0.3)	(0.6)	(0.6)
Pro forma	$ 29.8	$ 22.9	$ 56.6	$ 40.2
Net Income Per Share:				
Basic, as reported	$ 0.71	$ 0.56	$ 1.35	$ 0.99
Basic, pro forma	$ 0.70	$ 0.55	$ 1.33	$ 0.97
Diluted, as reported	$ 0.70	$ 0.56	$ 1.33	$ 0.98
Diluted, pro forma	$ 0.69	$ 0.55	$ 1.32	$ 0.97
Effect on average shares outstanding of assumed exercise of stock options (in millions of shares):				
Average number of shares Outstanding	42.5	41.4	42.4	41.4
Effect of assumed exercise of outstanding stock options	0.6	0.2	0.6	0.2
Average number of shares outstanding after assumed exercise of outstanding stock options	43.1	41.6	43.0	41.6

The pro forma effects are not necessarily representative of the pro forma effects on future net income or earnings per share, because the number of future shares that may be issued is not known; shares vest over several years, and assumptions used to determine the fair value can vary significantly. Additional information about stock-based compensation is included in Notes 1 and 12 of Item 8 in the Company's most recently filed Form 10-K.

(5) Accounting for and Classification of Discontinued Operations: As required by Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," the sales of certain income-producing assets are classified as discontinued operations if (i) the operations and cash flows of the assets can be clearly distinguished from the remaining assets of the Company, (ii) the cash flows that are specific to the assets sold have been, or will be, eliminated from the ongoing operations of the Company, (iii) the Company will not have a significant continuing involvement in the operations of the assets sold, and (iv) 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. Depreciation on these assets is discontinued upon reclassification. Sales of land, residential houses, and office condominium units are generally considered inventory and are not included in discontinued operations.

Discontinued operations were as follows (in millions):

	Quarter Ended June 30		Six Months Ended June 30	
	2004	2003	2004	2003
Discontinued Operations (net of tax)				
Sales of Assets	$ 0.7	$ 4.1	$ 1.0	$ 10.5
Leasing Operations	0.2	0.4	0.2	1.2
Total	$ 0.9	$ 4.5	$ 1.2	$ 11.7

(6) Other Comprehensive Income for the three and six months ended June 30, 2004 and 2003 were as follows, (in millions):

	Quarter Ended June 30		Six Months Ended June 30	
	2004	2003	2004	2003
Net Income	$ 30.1	$ 23.2	$ 57.2	$ 40.8

Other Comprehensive Income (Loss):				
Change in valuation of derivative	2.5	(3.0)	1.5	(3.5)
Company's share of investee's minimum pension liability adjustment	--	--	--	(7.2)
Comprehensive Income	$ 32.6	$ 20.2	$ 58.7	$ 30.1

The change in valuation of derivative amount reflects the valuation of an interest rate lock agreement related to the previously noted vessel that Matson expects to take delivery of during 2004.

(7) Pension and Post-retirement Plans: The Company has defined benefit pension plans that cover substantially all non-bargaining unit and certain bargaining unit employees. The Company also has unfunded non-qualified plans that provide benefits in excess of the amounts permitted to be paid under the provisions of the tax law to participants in qualified plans. The assumptions related to discount rates, expected long-term rates of return on invested plan assets, salary increases, age, mortality and health care cost trend rates, along with other factors, are used in determining the assets, liabilities and expenses associated with pension benefits. Management reviews the assumptions annually with its independent actuaries, taking into consideration existing and future economic conditions and the Company's intentions with respect to these plans. Management believes that its assumptions and estimates for 2004 are reasonable. Different assumptions, however, could result in material changes to the assets, obligations and costs associated with benefit plans.

The Components of Net Periodic Benefit Cost for the second quarters of 2004 and 2003 were as follows (in millions):

	Pension Benefits		Post-retirement Benefits	
	2004	2003	2004	2003
Service Cost	$ 1.6	$ 1.6	$ 0.2	$ 0.2
Interest Cost	4.0	4.8	0.8	0.7
Expected Return on Plan Assets	(5.7)	(5.5)	--	--
Amortization of Prior Service Cost	0.1	1.1	--	--
Amortization of Net (Gain) Loss	0.5	1.6	0.1	0.1
Net Periodic Benefit Cost	$ 0.5	$ 3.6	$ 1.1	$ 1.0

The Components of Net Periodic Benefit Cost for the first half of 2004 and 2003 were as follows (in millions):

	Pension Benefits		Post-retirement Benefits	
	2004	2003	2004	2003
Service Cost	$ 3.1	$ 3.2	$ 0.4	$ 0.3
Interest Cost	7.9	9.6	1.4	1.5
Expected Return on Plan Assets	(11.4)	(11.0)	--	--
Amortization of Prior Service Cost	0.2	2.1	--	--
Amortization of Net (Gain) Loss	1.0	3.3	0.3	0.2
Net Periodic Benefit Cost	$ 0.8	$ 7.2	$ 2.1	$ 2.0

As previously disclosed, the Company still expects to contribute approximately $5 million to its pension plan in September 2004. Total year 2004 pension expense is expected to be approximately $2 million.

(8) Significant Event: During the third quarter of 2004, Matson intends to repay $100 million of commercial paper notes and to retire the commercial paper program. Consistent with this intent, this amount has been classified as current at quarter-end. Concurrently, Matson intends to withdraw $100 million from the Capital Construction Fund and has, consistent with this intent, reclassified $100 million of CCF as a current asset at quarter-end. Matson also intends to terminate a $25 million short-term revolving credit facility that served as a liquidity back-up line. No amounts are outstanding under this back-up line.

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

The following analysis of the consolidated financial condition and results of operations of Alexander & Baldwin, Inc. and its subsidiaries (collectively, the "Company") should be read in conjunction with the condensed consolidated financial statements and related notes thereto.

FORWARD-LOOKING STATEMENTS

The Company, from time to time, may make or may have made certain forward-looking statements, whether orally or in writing, such as forecasts and projections of the Company's future performance or statements of management's plans and objectives. These statements are "forward-looking" statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may be contained in, among other things, Securities and Exchange Commission ("SEC") filings, such as the Forms 10-K, 10-Q and 8-K, press releases made by the Company, the Company's Internet Web sites (including Web sites of its subsidiaries), and oral statements made by the officers of the Company. Except for historical information contained in these written or oral communications, such communications contain forward-looking statements. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those projected in the statements, including, but not limited to the following factors:

1) economic conditions in Hawaii and elsewhere;
2) market demand;
3) competitive factors, such as the possible entrance of a new competitor in the Hawaii shipping trade, and pricing pressures, principally in the Company's transportation businesses;
4) renewal or replacement of significant agreements including, but not limited to, lease agreements and Matson's alliance and charter agreement with American President Lines, Ltd.;
5) legislative and regulatory environments at the federal, state and local levels, including, among others, government rate regulations, land use regulations, government administration of the U.S. sugar program, and modifications to or retention of cabotage laws;
6) availability of water for irrigation and to support real estate development;
7) performance of unconsolidated affiliates and ventures;
8) significant fluctuations in raw sugar prices and the ability to sell raw sugar to C&H Sugar Company, Inc. ("C&H");
9) significant fluctuations in fuel prices;
10) vendor and labor relations in Hawaii, the U.S. Pacific Coast, Guam and other locations where the Company has operations;
11) risks associated with construction and development activities, including, among others, construction costs, construction defects, labor issues, ability to secure insurance, and land use regulations.
12) resolution of tax issues with the IRS or state tax authorities;
13) performance of pension assets;
14) acts of nature, including but not limited to, drought, greater than normal rainfall, hurricanes and typhoons;
15) acts of war and terrorism;
16) risks associated with current or future litigation; and
17) other risk factors described elsewhere in these communications and from time to time in the Company's filings with the SEC.

CONSOLIDATED REVENUE & NET INCOME

	Quarter Ended June 30		
(dollars in millions, except per-share)	2004	2003	Change
Revenue	$ 377.1	$ 314.2	20%
Net income	$ 30.1	$ 23.2	30%

Consolidated revenue of $377.1 million for the second quarter of 2004 increased $62.9 million, or 20 percent, compared with the second quarter of 2003. This increase was due principally to $36.1 million growth in Matson Integrated Logistics revenue, $8.8 million higher revenue for ocean transportation revenue, $1.9 million higher revenue from real estate sales, $23.1 million of lower amounts reported as discontinued operations (discontinued operations are a reduction in reported operating revenue), partially offset by $6.2 million lower revenue in food products. The reasons for the revenue growth are described below in Analysis of Operating Revenue and Profit.

Costs of goods sold, services and rentals of $295.5 million for the second quarter of 2004 increased $43.3 million, or 17 percent, compared with the second quarter of 2003 due to higher purchased transportation services at the Matson Integrated Logistics business and the sales of higher cost-basis real-estate in 2004, partially offset by lower cost of sugar sales due to lower production. Additional information about operating expenses is contained in the Analysis of Operating Revenue and Profit.

Selling, general and administrative costs were three percent higher than the second quarter of 2003 due to higher consulting costs for Sarbanes-Oxley section 404 readiness, performance based incentive accruals, and salary increases, partially offset by lower pension costs and lower administrative costs at Matson. Higher interest expense reflects the cost of the new vessel financing. Income taxes were higher than the second quarter of 2003 due to higher pre-tax income and a higher effective tax rate.

	Six Months Ended June 30		
(dollars in millions, except per-share)	2004	2003	Change
Revenue	$ 720.8	$ 587.2	23%
Net income	$ 57.2	$ 40.8	40%

Consolidated revenue of $720.8 million for the first half of 2004 increased $133.6 million, or 23 percent compared with the first half of 2003. This increase was due principally to $59.2 million growth in Matson Integrated Logistics revenue, $19.2 million higher revenue for ocean transportation revenue, $25.3 million higher revenue from real estate sales, $37.5 million of lower amounts reported as discontinued operations, offset by $7.7 million lower revenue in food products. The reasons for the revenue growth are described below in Analysis of Operating Revenue and Profit.

Costs of goods sold, services and rentals of $562.1 million for the first half of 2004 increased $85.8 million, or 18 percent, compared with the first half of 2003 for the same reasons cited for the second quarter increase. Additional information about operating expenses is contained in the Analysis of Operating Revenue and Profit.

Selling, general and administrative costs of $62 million were $2.1 million, or 3.5 percent higher, than the first half of 2003 for the same reasons cited for the second quarter increase. Higher interest expense reflects the cost of the new vessel financing. Income taxes were higher than the first half of 2003 due to higher pre-tax income and a higher effective tax rate.

Additional information about the revenue and profits of the Company are provided in the segment discussion below. Because the Company operates in five different segments, the review of segment operations provides an important perspective on the financial results for the Company.

RESULTS OF SEGMENT OPERATIONS
Transportation - Ocean Transportation

	Quarter Ended June 30		
(dollars in millions)	2004	2003	Change
Revenue	$ 208.1	$ 199.3	4%
Operating profit	$ 31.4	$ 23.2	35%
Volume (Units)			
Hawaii containers	40,400	39,900	1%
Hawaii automobiles	41,600	41,600	--
Guam containers	4,300	4,600	-7%

Ocean Transportation revenue of $208.1 million for the second quarter of 2004 was $8.8 million, or four percent, higher than the second quarter of 2003. Of this increase, approximately $6.8 million was due to improved yields and cargo mix, $1.9 million was due to increases in the bunker fuel surcharge and $1.1 million was due to higher container volume, partially offset by $1 million from a non-recurring charter in 2003. Container volume was one percent higher than the second quarter of 2003 reflecting a return to normalized shipments of consumer goods and modestly increasing growth in construction related products. This was especially seen in the shipments of Hawaii-bound cargo, which showed four percent higher growth than the second quarter of 2003.

Operating profit of $31.4 million was $8.2 million, or 35 percent, better than the second quarter of 2003. This was primarily the result of $6.8 million from favorable yields, $3.4 million for the non-recurrence of a 2003 excise tax accrual, $0.7 million from higher container volume and $2.7 million of lower administrative and employee benefit costs, partially offset by $2.3 million higher vessel operating expenses and depreciation and $1 million of higher other operating expenses. The remaining $2.1 million was comprised primarily of higher cargo handling costs and gains on disposal of assets in 2003. The bunker fuel surcharge did not contribute materially to operating profit since this is a cost stabilization mechanism.

During the 2004 second quarter, Matson initiated a new roll-on-roll-off service from the Big Island of Hawaii to the U.S. West Coast. This service is expected to directly benefit customers in cattle and nursery businesses by reducing transit times.

Effective June 6, 2004, Matson increased its Guam service rates by $125 per container and $25 per vehicle to help defray terminal handling costs associated with that service. Also effective on June 6th, Matson increased its West Coast terminal handling charge by $25 per container and by $5 per automobile.

	Six Months Ended June 30		
(dollars in millions)	2004	2003	Change
Revenue	$ 404.6	$ 385.4	5%
Operating profit	$ 50.0	$ 35.3	42%
Volume (Units):			
Hawaii containers	80,100	78,900	2%
Hawaii automobiles	77,900	79,100	-2%
Guam containers	8,800	9,000	-2%

Ocean Transportation revenue of $404.6 million for the first half of 2004 was $19.2 million, or five percent, higher than the first half of 2003. Of this increase, approximately $13 million was due to improved yields and cargo mix, $3.8 million was due to increases in the bunker fuel surcharge and $3 million was due to higher container volume. As with the second quarter, higher container volume reflects a return to normalized shipments of consumer goods, increasing growth in construction related products and a steadily improving Hawaii economy. Hawaii-bound cargo showed four percent growth for the first half of 2004 compared with the first half of 2003.

Operating profit of $50 million was $14.7 million, or 42 percent, better than the first half of 2003. This was primarily the result of $13 million from favorable yields, $3.4 million for the non-recurrence of a 2003 excise tax accrual, $1.8 million from higher container volume, and $4.5 million of lower administrative and employee benefit costs, partially offset by $5 million higher vessel operating expenses and depreciation, $1.4 million of higher cargo handling costs and $1.2 million of lower interest income.

For the second half of 2004, labor and operating costs are expected to increase modestly.

Transportation - Logistics Services

	Quarter Ended June 30		
(dollars in millions)	2004	2003	Change
Revenue	$ 93.5	$ 57.4	63%
Operating profit	$ 2.6	$ 1.4	86%
	Six Months Ended June 30		
(dollars in millions)	2004	2003	Change
Revenue	$ 167.6	$ 108.4	55%
Operating profit	$ 3.6	$ 1.9	89%

Revenue and operating profit growth for the second quarter and first half of 2004 for the integrated logistics services business was mainly the result of increased customer volume, in large part due to an acquisition in late 2003. This acquisition is discussed in Items 7 and 8 of the Company's 2003 Form 10-K. Also contributing was unit growth in all business lines--domestic, international and highway.

The revenue for integrated logistics services includes the total amount billed to customers for transportation services. The primary costs include purchased transportation for that cargo. As a result, the operating profit margins for this business are narrower than other A&B businesses. The primary operating profit and investment risk for this business is the quality of receivables, which is monitored closely.

Property Development and Management - Leasing

Quarter Ended June 30			
(dollars in millions)	2004	2003	Change
Revenue	$ 20.4	$ 20.6	-1%
Operating profit	$ 9.2	$ 9.5	-3%
Occupancy Rates:			
Mainland	94%	96%	-2%
Hawaii	90%	90%	--

Property leasing revenue for the second quarter of 2004 was one percent less than the amounts reported for the second quarter of 2003. Lower occupancies for the mainland commercial leasing portfolio were nearly offset by higher contributions from replacement property acquired after the 2003 second quarter. Lower operating profit was mainly due to additional maintenance expense to repair the siding on a commercial building.

Six Months Ended June 30			
(dollars in millions)	2004	2003	Change
Revenue	$ 41.2	$ 39.7	4%
Operating profit	$ 18.7	$ 18.1	3%
Occupancy Rates:			
Mainland	94%	92%	2%
Hawaii	90%	90%	--

Property leasing revenue and operating profit growth for the first half of 2004 was the result of higher occupancies for the mainland commercial leasing portfolio and higher contributions from replacement property acquired since the 2003 first quarter.

Property Development and Management - Sales

Quarter Ended June 30			
(dollars in millions)	2004	2003	Change
Revenue	$ 28.3	$ 26.4	7%
Operating profit	$ 13.4	$ 6.9	94%

Sales during the second quarter of 2004 included 13 Maui and Oahu commercial properties for $8.9 million, three residential development parcels for $13.8 million, one office condominium floor for $1 million, and five residential properties for $4.3 million. Second quarter results also included $1.3 million for the company's share of earnings in three real estate joint ventures.

By comparison, sales during the second quarter of 2003 included a commercial property in Nevada for $23.5 million, and three residential properties for $2.1 million. Operating profit for 2003 also included the Company's share of earnings in two real estate joint ventures of $1 million.

Six Months Ended June 30			
(dollars in millions)	2004	2003	Change
Revenue	$ 68.4	$ 43.1	59%
Operating profit	$ 32.4	$ 18.5	75%

Sales during the first half of 2004 included 30 Maui and Oahu commercial properties for $21.1 million, three residential development parcels for $13.8 million, 8.5 office condominium floors for $9.8 million, and 28 residential properties for $23.2 million. Operating profit for 2004 also included the Company's share of earnings in three real estate joint ventures of $2.1 million.

By comparison, sales during the first half of 2003 included a commercial property in Nevada for $23.5 million, ten commercial properties for $15.4 million, and eight residential properties for $3.7 million. Operating profit for 2003 also included the Company's share of earnings in two real estate joint ventures of $2.2 million.

Property sales for the second half of 2004 are not expected to continue at the pace of the first half of the year. Although the Company continues to pursue the sales of inventoried and income producing properties, a significant portion of the sales expected to close during 2004 took place in the first half of the year.

The mix of property sales in any year or quarter can be diverse. Sales can include developed residential real estate, commercial properties, developable subdivision lots, undeveloped land, and property sold under threat of condemnation. The sale of undeveloped land and vacant parcels in Hawaii generally provides a greater contribution to earnings than does the sale of developed and commercial property, due to the low historical-cost basis of the Company's Hawaii land. Consequently, property sales revenue trends, cash flows from the sales of real estate and the amount of real estate held for sale on the balance sheets do not necessarily indicate future profitability trends for this segment. Additionally, the operating profit reported in each quarter does not necessarily follow a percentage of sales trend because the cost basis of property sold can differ significantly between transactions. The reporting of property sales is also affected by the classification of certain property sales as discontinued operations.

Property Development and Management - Discontinued Operations

	Quarter Ended June 30		Six Months Ended June 30	
(dollars in millions, before tax)	2004	2003	2004	2003
Sales revenue	$ 1.1	$ 23.5	$ 1.1	$ 36.9
Leasing revenue	$ 0.4	$ 1.1	$ 0.8	$ 2.5
Sales operating profit	$ 1.1	$ 6.6	$ 1.5	$ 17.0
Leasing operating profit	$ 0.3	$ 0.7	$ 0.4	$ 1.8

Discontinued operations for the second quarter and first half of 2004 included the sale, for $1 million, of a Maui property and the operating results of an Ontario, California commercial property that the Company intends to sell.

During the second quarter of 2003, the operating results and the proceeds from the sale of a Reno, Nevada property was included in discontinued operations. In addition to the property sales noted above, discontinued operations for the first half of 2003 included the proceeds from the sales of five commercial properties on Maui.

Because the Company regularly sells commercial properties, the amounts reported as continuing and discontinued operations in prior quarters are restated each time a property is designated as discontinued.

Food Products

	Quarter Ended June 30		
(dollars in millions)	2004	2003	Change
Revenue	$ 28.9	$ 35.1	-18%
Operating profit	$ 0.3	$ 2.3	-87%
Tons sugar produced	53,200	68,900	-23%
	Six Months Ended June 30		
(dollars in millions)	2004	2003	Change
Revenue	$ 42.3	$ 50.0	-15%
Operating profit	$ 2.9	$ 4.2	-31%
Tons sugar produced	64,900	87,600	-26%

Food products revenue and operating profit declined for both the second quarter and first half of 2004 compared with 2003 due mainly to lower sugar production and sales prices that were about seven percent below 2003. Lower sugar production for 2004 was due to wet field conditions and unburnt, or poorly burnt, cane that affected harvesting and processing conditions adversely. Certain areas of the Maui sugar plantation had over 50 inches of rain over a sustained period, so harvesting was impeded significantly for those areas. Quarterly fluctuations in sales and operating profit are normal for this business due to commodity sugar prices, weather, production and other seasonality factors.

The Company's sugar business uses a standard cost system for determining cost of sales. As total-year production and cost estimates change, the standard cost per ton is adjusted to reflect those changes. During the second quarter of 2004 the cost of crop was increased by three percent to reflect lower total-year production estimates.

Operating profit for both the second quarter and first half of 2004 compared with 2003 benefited from higher electrical power sales with both volume and price increases that were 21 percent over 2003. In addition, stronger food-grade sugar and roasted coffee sales helped the second quarter and first half results. The benefit of these factors was more than offset by lower production and sales prices for raw sugar.

As discussed in the first quarter Form 10-Q, the full-year 2004 operating profit for Food Products is expected to be less than the amounts reported last year due to lower raw sugar production and continuing low sugar prices. 2004 production could drop from between five to seven percent below the 206,000 tons produced in 2003. Combined with lower sugar prices, and in spite of cost reduction efforts that have been initiated, this will significantly erode the first half operating profit.

FINANCIAL CONDITION, LIQUIDITY, FINANCING ARRANGEMENTS AND CASH FLOWS

Liquid Resources: The Company's principal liquid resources, comprising cash and cash equivalents, receivables, sugar and coffee inventories and unused lines of credit, less accrued deposits to the Capital Construction Fund ("CCF"), totaled $636 million at June 30, 2004, an increase of $91 million from December 31, 2003. The increase was due primarily to $41 million of higher balances available under variable rate debt facilities, $22 million of higher receivable balances, $15 million of higher cash balances, and $14 million of higher sugar and coffee inventory balances. Inventory balances were the result of normal business seasonality. Cash balances were higher than 2003 year-end due to receivable collections, business growth, timing of capital expenditures, and lower short-term debt balances that could be paid down prior to quarter-end.

Balance Sheet: Working capital was $72 million at June 30, 2004, an increase of $8 million from the balance carried at the end of 2003. The higher working capital was due primarily to higher accounts receivable, cash and inventory balances partially offset by higher taxes payable, other accrued current liabilities and lower balances in real estate held for sale. Real estate held for sale declined during the first half mainly due to the sales of office condominium units.

Long-term Debt, including commercial paper and other amounts classified as current, totaled $313 million at June 30, 2004 compared with a balance of $345 million at December 31, 2003. This $32 million decrease was due principally to normal debt repayments. The weighted average interest rate for the Company's outstanding borrowings at June 30, 2004 was approximately 4%.

A $50 million private shelf agreement, under which Matson had already borrowed $15 million, expired in June 2004. Matson amended the agreement to $65 million, $15 million of which was outstanding, and extended the agreement for three years.

As noted previously, Matson expects to take delivery of a new vessel, the MV Maunawili in the third quarter of 2004. Matson currently intends to finance the MV Maunawili with $55 million of U.S. government Guaranteed Ship Financing Bonds, more commonly known as Title XI bonds. Approximately $46 million is expected to be funded through the Company's Capital Construction Fund and the remaining $4 million will be funded through operating cash flows.

During the third quarter of 2004, Matson intends to repay $100 million of commercial paper notes and to retire the commercial paper program. Consistent with this intent, this amount has been classified as current at quarter-end. Concurrently, Matson intends to withdraw $100 million from the Capital Construction Fund and has, consistent with this intent, reclassified $100 million of CCF as a current asset at quarter-end. Matson also intends to terminate a $25 million short-term revolving credit facility that served as a liquidity back-up line. No amounts are outstanding under this back-up line.

Cash Flows and Capital Expenditures: Cash Flows from Operating Activities was $84 million for the first half of 2004, compared with Cash Flows from Operating Activities of $61 million for the first half of 2003. The higher cash flow was due to better operating results, the sales of real estate classified as Real Estate Held for Sale and fluctuations in other working capital balances. During the first half of 2004, the Company invested approximately $20 million into the Hokua joint venture, in which the Company has a 50 percent voting interest.

For the first half of 2004, capital expenditures totaled $24 million compared with $19 million for the first half of 2003. These expenditures were primarily for normal operations and did not include re-investment of proceeds from tax-deferred sales into new income producing property.

Tax-Deferred Real Estate Exchanges: Sales - During the first half of 2004, the Company recorded, on a tax-deferred basis, the sale of one property for $1 million. During the first quarter of 2004, a $4 million property sale had been completed and reported as a tax-deferred transaction; however, during the second quarter the Company was unable to complete the purchase of the identified replacement property and the amount was included in cash flows from investing activities during the second quarter. During the first half of 2003, the Company recorded, on a tax-deferred basis, $37 million of sales. The proceeds from tax-deferred sales are held in escrow, but are available for reinvestment in replacement property.

Purchases - No property was purchased during the first half of 2004 using the proceeds from tax-deferred sales. During the first half of 2003, the company utilized $15 million of tax-deferred funds to acquire new income-producing property.

Commitments, Contingencies and Environmental Matters: A description of commitments and contingencies in effect at the end of the second quarter is described in Note (3) to the financial statements of Item 1.

OTHER MATTERS

Charter Agreement: Matson and American President Lines, Ltd. ("APL") are parties to a Successor Alliance Slot Hire and Time Charter Agreement ("APL Agreement") that expires in February 2006. The APL Agreement provides the structure of an alliance through which Matson provides a weekly service to Guam. Pursuant to the APL Agreement, Matson time charters three C-9 class vessels to APL and APL reserves a designated number of container slots on each C-9 vessel as well as two additional APL vessels for Matson's exclusive use. Matson's annual time charter revenues arising from the APL Agreement are approximately $35 million, and Matson generates substantial additional revenues from its Guam trade. Taken together, such revenues contribute a significant portion of the Ocean Transportation segment's total operating profit. Based on discussions with APL in late June 2004, Matson currently believes that the APL Agreement will not be renewed in its present form after February 2006, and any new or revised agreement with APL, if a new or revised agreement is entered into with APL, would be on terms substantially less favorable to Matson. Regardless of whether an agreement is entered into with APL, Matson will continue serving the Guam market after February 2006, and Matson intends to pursue operating changes in that market and its Hawaii service in order to optimize service and profitability. For example, regardless of whether there is an agreement with APL after February 2006, it is Matson's present intention to redeploy the three C-9 vessels in its Hawaii service, replacing smaller, less cost-efficient vessels.

Although it is too early to estimate with certainty the financial implications of alternative service arrangements being explored by Matson, any such alternative is not expected to substitute fully for the operating profit contribution of the current APL alliance arrangement. Due substantially to the termination of the charter arrangement with APL described above, Matson currently estimates that an annual operating profit reduction of $10 to $20 million, and possibly higher during the transition period following the agreement's expiration, can be expected. With over 18 months remaining before the APL Agreement's expiration, Matson is focused on developing an optimal successor service to the current APL Guam arrangement.

Unrelated to the Guam service, Matson intends to further moderate the estimated reduction in operating profit in the Guam service described above through a combination of cost reductions, organic growth, acquisitions, and yield management initiatives.

Investments: The Company's joint ventures are described in Item 8 of its most recently filed Form 10-K. The Company has evaluated investments in unconsolidated affiliates relative to Financial Interpretation ("FIN") Number 46 "Consolidation of Variable Interest Entities," as revised, and has determined that the investments in these affiliates are either not subject to or do not meet the consolidation requirements of FIN No. 46. Accordingly, the Company accounts for these investments using the equity method of accounting and the consolidation provisions of Accounting Research Bulletin No. 51 "Consolidated Financial Statements," as amended.

During the second quarter of 2004, the Company and Brookfield Homes Corporation (NYSE:BHS, "Brookfield") formed MLR Golf Partners LLC ("MLR"), a limited liability corporation in which the Company and Brookfield are equal partners. During the second quarter, the Company contributed $3 million to MLR and MLR purchased a 30.5 acre parcel at the Mauna Lani Resort on the island of Hawaii. MLR plans to build residential units on the site.

Port Security: New security regulations for U.S. ports became effective, pursuant to the Maritime Transportation Security Act (MSTA), on July 1, 2004. These regulations require that vessels and port facilities provide security enhancements to better control access to terminals and ports. Matson's terminal facility at its Honolulu Sand Island port and the U.S. west coast terminals that are operated by Stevedore Services of America Terminals (in which Matson is a minority partner) are compliant with the new regulations.

Significant Accounting Policies: The Company's significant accounting policies are described in Note 1 of the consolidated financial statements included in Item 8 of the Company's Form 10-K for the year ended December 31, 2003 and in the Financial Notes included in Item 1 of this Form 10-Q.

Critical Accounting Policies Estimates: The Company's accounting policies are described in Note 1 of the Consolidated Financial Statements included in Item 8 of the Company's most recently filed Form 10-K. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, upon which the Management's Discussion and Analysis is based, requires that management exercise judgment when making estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes. Future events and their effects cannot be determined with absolute certainty and actual results will, inevitably, differ from those estimates. These differences could be material. The most significant accounting estimates inherent in the preparation of A&B's financial statements were described in Item 7 of the Company's 2003 Form 10-K.

New and Proposed Accounting Standards: Information about the impacts of newly issued accounting standards are discussed in Item 2 of the Company's Form 10-Q for the quarter ended March 31, 2004 and in Item 8 of the Company's Form 10-K for the year ended December 31, 2003.

Economic Conditions: In spite of high oil and petroleum product prices and the first upwards step in U.S. interest rates, Hawaii's economy continues to grow strongly. If anything, the sustained strength in Hawaii's housing markets and construction has spread now to other sectors. Moreover, some concerns about the

State's most important external "drivers," especially the pace and duration of a U.S. recovery and Japan's progress, have been removed, or at least lessened substantially, since last quarter.

Visitors from the U.S. mainland continue to travel to Hawaii in moderately larger numbers. In the past few months, Japanese visitor statistics also have improved markedly on a year-over-year basis, reflecting the anniversary of SARS fears and the Iraq conflict. Even with this welcome improvement, Japanese visitor totals still remain well below 2000 levels.

Although some locally based Army units have deployed overseas, new basings here of a Stryker brigade and C-17 aircraft will provide a stimulus both through advance construction and the arrival of troops and dependents. In addition, no matter what happens to interest rates and private sector housing activity, there will be substantial stimulus to construction associated with military housing renovation projects just getting started.

Combining these factors, the outlook is good for continued job growth, low unemployment (already under four percent) and real personal income growth. The only downside apparent is an inevitable, but moderate, rise in inflationary pressures from the high energy and housing costs.

Management Changes: Effective on June 14, 2004, Yolanda V. Gonzalez joined Matson Navigation Company as vice president, human resources at Oakland headquarters.

Effective July 1, 2004, Diane M. Shigeta was promoted to vice president of A&B Properties, Inc.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information concerning market risk is incorporated herein by reference to Item 7A of the Company's Form 10-K for the fiscal year ended December 31, 2003. There has been no material change in the quantitative and qualitative disclosure about market risk since December 31, 2003.

ITEM 4. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures. The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act.

(b) Internal Control Over Financial Reporting. There have not been any changes in the Company's internal control over financial reporting as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES, USE OF PROCEEDS AND ISSUER PURCHASES OF EQUITY SECURITIES

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
April 1 - 30, 2004	2,118 (1)	$34.97	--	--
May 1 - 31, 2004	76,200	$29.95	76,200 (2)	1,923,800 (2)
June 1 - 30, 2004	5,364 (1)	$32.75	--	--

(1) Represents shares accepted in satisfaction of the exercise price of stock options and tax withholding obligations upon option exercises.

(2) As previously announced on December 16, 2002, the A&B Board of Directors authorized the repurchase of up to 2,000,000 shares of common stock under the Alexander & Baldwin, Inc. Share Repurchase Program. The Program expires on December 31, 2004.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

10.a.(xxiv) First Amendment to the Private Shelf Agreement between Matson Navigation Company, Inc. and Prudential Insurance Company of America, dated as of June 29, 2001.

10.b.1.(xvi) Amendment No. 3 to the Alexander & Baldwin, Inc. 1998 Non-Employee Director Stock Option Plan, dated June 23, 2004.

10.b.1.(xxxix) Schedule to Form of Severance Agreement entered into with certain executive officers, as amended and restated effective August 24, 2000.

31.1 Certification of Chief Executive Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

A&B furnished a Current Report on Form 8-K dated July 27, 2004 pursuant to Item 12 that attached a press release announcing A&B's financial results for the quarter ended June 30, 2004.

SIGNATURES

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

ALEXANDER & BALDWIN, INC.
(Registrant)

Date: July 27, 2004

/s/ Christopher J. Benjamin

Christopher J. Benjamin
Vice President and Chief Financial Officer

Date: July 27, 2004

/s/ Thomas A. Wellman

Thomas A. Wellman
Vice President and Controller

EXHIBIT INDEX

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SCHEDULE TO FORM OF SEVERANCE AGREEMENT(1)

The Company has entered into Severance Agreements with the following executive officers(2):

Executive Officer	Date Agreement Executed
James S. Andrasick	September 1, 2000
Christopher J. Benjamin	May 1, 2004
Matthew J. Cox	May 1, 2002
W. Allen Doane	September 1, 2000
G. Stephen Holaday	September 1, 2000
Stanley M. Kuriyama	September 1, 2000

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(1) Form of Severance Agreement was filed as Exhibit 10.b.1.(xli) to A&B's Form 10-Q for the quarter ended September 30, 2000.

(2) This is a listing of those executive officers with severance agreements; it is not a complete list of the executive officers of Alexander & Baldwin, Inc.

MATSON NAVIGATION COMPANY, INC.
555 12th Street
Oakland, California 94607

Re: First Amendment to Private Shelf Agreement

Ladies and Gentlemen:

Reference is made to the Private Shelf Agreement (the "Agreement") dated as of June 29, 2001 between MATSON NAVIGATION COMPANY, INC., on the one hand, and THE PRUDENTIAL INSURANCE COMPANY OF AMERICA and each Prudential Affiliate (as defined in the Agreement) which has or may become bound by certain provisions of the Agreement, on the other hand.

Pursuant to the request of the Company and paragraph 11C of the Agreement, the undersigned and the Company hereby agree that the Agreement shall be amended as follows:

1. Paragraph 1 is amended by deleting the reference therein to "$50,000,000" and substituting therefore a reference to "$65,000,000."

2. Paragraph 2B(2) is amended by deleting the existing text of clause (i) thereof in its entirety and substituting therefore a reference to "July 12, 2007."

3. Clause (ii) of paragraph 3A is amended by adding the following phrase immediately after the word "Agreement" appearing in the second line of text thereof: ", the first amendment to this Agreement."

4. The defined term "Prudential" appearing in paragraph 10B (and on the first page of the Agreement) is amended and restated in its entirety as follows:

   "Prudential" shall mean Prudential Investment Management, Inc.

The Company and the undersigned hereby acknowledge and agree that the current Available Facility Amount (as such term is defined in the Agreement) is $50,000,000.

The foregoing amendments to the Agreement shall be effective upon Prudential's receipt of (i) an original counterpart of this letter agreement as executed on behalf of the Company and (ii) a wire transfer of immediately available funds in the amount of $50,000 in payment of Prudential's structuring fee. Both such conditions must be satisfied on or before July 30, 2004.

Sincerely,

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By /s/ Stephen J. DeMartini
Its Vice President

PRUCO LIFE INSURANCE COMPANY

By /s/ Stephen J. DeMartini
Its Vice President

PRUDENTIAL INVESTMENT MANAGEMENT, INC.

By /s/ Stephen J. DeMartini
Its Vice President

Accepted and agreed:

MATSON NAVIGATION COMPANY, INC.

By /s/ Matthew J. Cox
Its Senior Vice President

EXHIBIT 31.1

CERTIFICATIONS

I, Allen Doane, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Alexander & Baldwin, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ Allen Doane

Allen Doane, President and
Chief Executive Officer

Date: July 27, 2004

EXHIBIT 31.2

CERTIFICATIONS

I, Christopher J. Benjamin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Alexander & Baldwin, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ Christopher J. Benjamin

Christopher J. Benjamin, Vice President
and Chief Financial Officer

Date: July 27, 2004

EXHIBIT 32

Certification of Chief Executive Officer and
Chief Financial Officer Pursuant to
18 U.S.C. Section 1350, As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Alexander & Baldwin, Inc. (the "Company") for the quarterly period ending June 30, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Allen Doane, as Chief Executive Officer of the Company, and Christopher J. Benjamin, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Allen Doane
- -----------------------------------
Name: Allen Doane
Title: Chief Executive Officer
Date: July 27, 2004

/s/ Christopher J. Benjamin
- -----------------------------------
Name: Christopher J. Benjamin
Title: Chief Financial Officer
Date: July 27, 2004

ALEXANDER & BALDWIN, INC.
1998 NON-EMPLOYEE DIRECTOR STOCK OPTION PLAN

AMENDMENT NO. 3

The Alexander & Baldwin, Inc. 1998 Non-Employee Director Stock Option Plan (the "Plan") is hereby amended, effective as of June 23, 2004, in the following respect:

1. Section I ("AMENDMENT OF THE PLAN") of Article Three of the Plan is hereby amended in its entirety to read as follows:

> "The Plan may be amended at any time by the Board, subject to shareholder approval for any material amendments to the Plan or as required under applicable law or regulation."

2. Except as modified by this Amendment No. 3, all the terms and provisions of the Plan (as previously amended) shall continue in full force and effect.

IN WITNESS WHEREOF, Alexander & Baldwin, Inc. has caused this Amendment No. 3 to be executed on its behalf by its duly-authorized officers on this 23rd day of June, 2004.

ALEXANDER & BALDWIN, INC.

By /s/ John F. Gasher
Its Vice President

By /s/ Alyson J. Nakamura
Its Secretary