

A&B Retirement Program Change Notice

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Important Information About Your Retirement Plan Benefit

Alexander & Baldwin, Inc. ("A&B") is amending the retirement program to reflect the competitiveness of our changing industries and the mobility and career expectations of our employees. A&B's objective remains the same—to offer a retirement benefits program that, through a partnership with employees, provides the opportunity to achieve a significant source of financial income for retirement. As used in this notice, the term "Company" means A&B or any other company that is participating in the plans listed above.

Through modifications to the three retirement plans for full-time salaried non-bargaining unit employees (collectively referred to in this notice as the "Retirement Plan") and to the A&B Individual Deferred Compensation and Profit Sharing Plan for Salaried Non-Bargaining Employees ("401(k)/Profit Sharing Plan"), A&B is able to achieve a retirement program for employees that remains competitive in the real estate, agriculture and transportation industries.

This communication explains how changes will affect the pension benefits provided through the

- **A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, Inc.**
- **Pension Plan for Employees of A&B Agricultural Companies**
- **Retirement Plan for Employees of Matson**

Retirement Plan for employees hired, rehired or transferred to covered salaried non-bargaining unit employment prior to 2008. For these employees, benefits calculated under the current benefit formula will be frozen and will not be adjusted for future service or salary increases. Future pension benefits earned beginning January 1, 2012 will be under the same cash balance formula that is currently provided to employees hired, rehired or transferred to covered salaried non-bargaining unit employment after December 31, 2007.

This communication is intended to satisfy the notice requirements of Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended, (ERISA) and Section 4980F of the Internal Revenue Code of 1986, as amended, (the Code), which require that plan participants be notified of certain changes under a defined benefit pension plan.

Your Retirement Benefits

Working Together for Your Future

Planning for retirement can be a challenge. That's why the Company offers a competitive retirement program with benefits that are designed to work together with your personal savings to help you build the retirement income you will need. These benefits include:

- **Retirement Plan**—This plan offers a pension benefit that is provided by the Company at **no cost to you**. Once you

are vested, you'll have a guaranteed source of income at retirement.

- **Social Security**—You and the Company contribute equally to this government benefit program. In most cases, you will be entitled to receive a monthly benefit at retirement age.
- **401(k)/Profit Sharing Plan**—Together, the Retirement Plan and Social Security will replace some, but not all, of the pre-

retirement income you will need. The 401(k)/Profit Sharing Plan enables you to save on a regular basis and provides the added bonus of a discretionary Company match to help you meet your goals. This plan also offers an annual profit sharing contribution to a tax-deferred account that is provided by the Company. The amount of the annual contribution is based on a percentage of your pay and is dependent on the Company's financial results for the year.

Details About What's Changing

Beginning January 1, 2012, the Retirement Plan formula will change for salaried non-bargaining unit employees hired, rehired or transferred to covered employment before 2008. The formula for benefits earned in 2012 and beyond will be the same as the formula that has been applied since 2008 for employees hired, rehired or transferred to covered salaried non-bargaining unit employment after December 31, 2007.

What is changing?

The formula under which employees will earn future Retirement Plan benefits is changing. Currently, the benefit you may receive under the Retirement Plan (in the form of a lifetime monthly annuity beginning when you are eligible for retirement) is based on a formula that takes into account

your credited benefit service, final average monthly compensation and covered compensation. (Details on these terms and how the formula works are provided on pages 3 and 4.) Retirement plans with such formulas are often referred to as "traditional pension plans."

Effective January 1, 2012, you will earn benefits under a cash balance formula. Each year, the Company will credit your cash balance account with pay credits and interest credits. The cash balance benefit you will be eligible to receive at retirement will be the sum of pay and interest credits you earn beginning January 1, 2012. Details about how the cash balance benefit is calculated are provided on page 5.

What happens to the Retirement Plan benefit that was earned prior to January 1, 2012?

The retirement benefit you earn for service through December 31, 2011 ("**pre-2012 benefit**") will be frozen and will not be adjusted for future service or salary increases. When it's time for you to receive payment, your final benefit will be the sum of:

- Your pre-2012 benefit determined under the current Retirement Plan formula, and
- The benefit determined under the new cash balance formula effective January 1, 2012, with respect to service completed on or after January 1, 2012.

Your frozen pre-2012 benefit is protected and cannot be lost or taken away once it is vested.

The Retirement Plan, a key component of the Company's retirement program, offers these important features:

- The Company pays the full cost of your pension plan and takes care of all the investments.
- **Your benefit is guaranteed.** As soon as you've completed three years of Company service and begin accruing a cash balance benefit, you'll be vested for both your pre-2012 benefit and your cash balance benefit. And, if you should die after you are vested but before you retire or terminate employment, the Retirement Plan will pay a benefit to your beneficiary. Plus, the Retirement Plan is insured by the Pension Benefit Guaranty Corporation. Once you are

vested, you are guaranteed to receive a retirement benefit.

- **The new cash balance retirement formula is easy to understand.** Since the formula calculates your benefit in the form of an account balance, it simplifies retirement planning.
- **The Company offers tools to help you track the growth of your retirement benefits.** Tools, such as an annual Total Compensation Statement, will help you determine your retirement benefit (see "Helping You Track Your Growth" on page 11).

Details of the 401(k)/Profit Sharing Plan for 2012

- The discretionary Company match of one dollar for every dollar you defer under the

401(k)/Profit Sharing Plan, up to a maximum of 3% of your eligible earnings, has been approved by the A&B Board's Compensation Committee for 2012.

- The Company is reinstating the tax-qualified profit sharing contribution. The Company's target contribution rate is 2% of eligible compensation if target financial results are achieved. (Actual contributions can vary from 0-3% based on Company performance.)

The Company is committed to providing you with the resources you need to take full advantage of your benefits, including this notice that provides an overview of the changes.

Current Plan Rules

What You Currently Accrue As An Eligible Employee

This section provides an overview of the current pension benefit for employees hired, rehired or transferred to covered salaried non-bargaining unit employment before January 1, 2008. For more details, visit www.flexab.com or contact your local Human Resources representative.

Your Current Benefit

Your current retirement benefit is based on your "Credited Benefit Service," "Final Average Monthly Compensation (FAMC)" and "Covered Compensation." These terms have specific meaning when calculating benefits under the Retirement Plan. (See page 4 for an explanation of these terms.)

Under the current benefit formula, you will need all three of the above figures—**Credited Benefit Service, FAMC and Covered Compensation**—to calculate your current benefit. The benefit formula is comprised of up to three steps:

Step 1	Step 2	Step 3
$1.45\% \text{ of FAMC, up to Covered Compensation} \\ + \\ 1.85\% \text{ of FAMC over Covered Compensation} \\ \times \\ \text{Years of Credited Benefit Service up to 25 years}$	<p>If you have more than 25 years of Credited Benefit Service, add to Step 1...</p> $0.725\% \text{ of FAMC, up to Covered Compensation} \\ + \\ 0.925\% \text{ of FAMC over Covered Compensation} \\ \times \\ \text{Years of Credited Benefit Service between 25 and 50 years}$	<p>If you have more than 50 years of Credited Benefit Service, add to the total from Step 2...</p> $0.725\% \text{ of FAMC} \\ \times \\ \text{Years of Credited Benefit Service over 50 years}$

Key Terms To Know

- Generally, your **“Credited Benefit Service”** is the total time you are an eligible employee, beginning with your date of hire and ending with your final termination date, and accounting for any breaks in service.
- **“Final Average Monthly Compensation (FAMC)”** is your average compensation (base salary plus overtime and annual one-year bonus earned for the year) for the 60 consecutive months during the most recent 120-month period during which you earned the highest average monthly compensation.
- **“Covered Compensation”** is one-twelfth of the average annual Social Security taxable wage base in effect for each calendar year (for the 35-year period ending with the year you reach Social Security full retirement age). These averages are determined by law for each age group (and are available by contacting your local Human Resources representative or online via the Social Security Administration’s website at www.ssa.gov).

Calculating Early Retirement Benefits

Under The Current Formula

If you retire early, your benefit is based on your Credited

Benefit Service, FAMC and Covered Compensation as of your termination of employment using the formula outlined in the previous section. However, the benefit will be reduced if you

begin receiving payments before your normal retirement date since you will receive payments over a longer period of time. The table below outlines the benefit reduction factors.

Benefit Reductions Due To Early Retirement Or Termination

Age When Retirement Benefits Begin	Percentage Of Normal Retirement Benefit As A Result Of...	
	Early Retirement (%)	Termination Before Age 55 (%)
65	100	100
64	100	94
63	100	88
62	100	82
61	97	76
60	94	70
59	88	66
58	82	62
57	76	58
56	70	54
55	64	50

When You May Receive Retirement Benefits

There are various circumstances under which you may receive benefits from the Retirement Plan as described next.

- **Normal Retirement**—You are eligible to begin receiving your full benefit amount upon your normal retirement date (the first day of the month next following or coincident with your 65th birthday).
- **Early Retirement**—You may elect early retirement under the Retirement Plan if you are age 55 or older and have completed at least five years of service with the Company. If you elect early retirement, the monthly

benefit for which you would otherwise be eligible at age 65 will be reduced as previously described since benefits are paid over a longer period of time.

- **Deferred Retirement**—You may also choose to defer your retirement beyond your normal retirement date. If you do, you will not receive benefits until the date of your actual retirement.

If You Leave the Company Before Retirement Age

Because you earn (accrue) a retirement benefit during your years of employment, and become vested in that accrued benefit after

five years of Company service (three years if you accrue a cash balance benefit), you are entitled to a benefit even if you leave the Company before you retire.

If you are vested when you leave the Company, you may receive...

- A lump sum payment when your employment ends, if the actuarial equivalent of your accrued benefit is \$5,000 or less. You may defer taxation by rolling over your lump sum into a traditional Individual Retirement Account (IRA) or another employer's eligible retirement plan,
- A reduced monthly benefit as early as age 55, if you had at

least five years of service when you left the Company, or

- The full monthly benefit amount at age 65.

If you die before you retire, your spouse will receive a surviving spouse's benefit as long as you were vested under the Retirement Plan and were married for at least one year at the time of your death.

Important Note: Under the current plan rules, if you are under age 65 and leave the Company **before** you have five years of service, you will lose your right to any benefit.

A Word about the Internal Revenue Code Compensation Limit

IRS rules impose a limit on the amount of annual pay that can be recognized under tax-qualified pension plans. **The limit on annual pay is \$245,000 in 2011 and is subject to change annually by the IRS.** Participants who reach the pay limit and have met certain other requirements become eligible to participate in the Company's non-qualified Excess Benefits Plan.

Further Details on How the Retirement Plan Will Work Beginning in 2012

On January 1, 2012, the Company will establish a cash balance account in your name and will keep track of your Retirement Plan benefit earned for service beginning on and after January 1, 2012. The cash balance account is a hypothetical account used by the Company for administrative purposes only to track your accrued cash balance benefit. You cannot withdraw from, borrow from, or make deposits into your cash balance account.

At the end of every year, the Company credits your cash balance account with an amount ("**pay credit**") equal to 5% of that year's pay (base pay, overtime and annual one-year bonuses paid in that year). In addition to your pay credits, your cash balance account will grow with "**interest credits.**" Interest is credited on the balance of your cash balance account at the beginning of each year.

If you stop working for the Company before the end of the

year, your last pay credit will be based on 5% of your pay for time worked in that year. You will continue to earn interest credits until you receive payment of your cash balance benefit, and interest credits will be prorated for a partial year.

Once you are eligible to receive payment, your cash balance benefit can be paid to you in a lump sum or converted to an annuity form of payment.

How Is Interest Currently Calculated?

The interest rate is determined at the beginning of each calendar year using the arithmetic average of the month-end rates for 10-Year U.S. Treasury Securities (constant maturities) for the months of August, September and October of the prior calendar year. The average of these rates from January 2006 to September 2011 is 3.76%. *This rate may fluctuate over time.* **Note:** Interest is credited on the balance in your account as of the beginning of each year.

An Example of How the Cash Balance Benefit is Calculated

Suppose Ann’s annual pay is \$100,000, her pay increases 3.5% per year, and the interest credit rate is 3.76% in each year. Here is how her cash balance benefit would be calculated.

1. Since the new cash balance formula starts January 1, 2012, Ann’s account balance is zero on January 1 and Ann would receive no interest for the first year.
2. As of December 31, 2012, the Company credits Ann’s cash balance account with an amount equal to 5% of her 2012 pay—\$5,000 ($\$100,000 \times .05$).
3. In the second year, she receives \$188 interest ($\$5,000 \times .0376$) on the balance of her account as of January 1, 2013.
4. **At the end of four years, Ann’s account balance is \$22,258.06.**

Calculating Ann’s Cash Balance Benefit

Year	Pay	Opening Balance	Interest Credit	5% Pay Credit	Closing Balance
2012	\$100,000.00	\$0	\$0	\$5,000.00	\$5,000.00
2013	103,500.00	5,000.00	188.00	5,175.00	10,363.00
2014	107,122.50	10,363.00	389.65	5,356.13	16,108.78
2015	110,871.79	16,108.78	605.69	5,543.59	22,258.06

When You Can Receive Your Cash Balance Benefit

When You Become Vested

Vesting refers to your right to receive a benefit from the Retirement Plan if you leave before age 65. You will be fully vested in your entire pension benefit under the Retirement Plan (both pre-2012 and cash balance components) once you have completed three years of total Company service. For purposes of this vesting provision, your years of Company service are counted from your date of hire. (If you do not accrue a cash balance benefit, your pre-2012 benefit is subject

Taxes

Your benefit is subject to federal income tax when you receive it. But, if you take a lump-sum payment, you may be able to defer taxes by rolling over your benefit into a traditional IRA or another employer’s eligible retirement plan. Generally, if you take a distribution from the plan before age 55, it may be subject to federal excise (early distribution penalty) taxes in addition to income taxes.

You should consult a qualified tax advisor, the IRS, or your state tax department to determine the exact consequences of any distribution you receive. Also, please keep in mind that tax laws and regulations differ from state to state.

to the five-year vesting schedule.) If you leave the Company before you are vested, you will not receive any benefits from the Retirement Plan.

If you are vested, your cash balance account can be paid in a single lump sum (if you are married, with your spouse's consent) when you terminate. In addition, if your Retirement Plan benefit value is greater than \$5,000, your cash balance account can be converted to one of several annuity payment options. Annuities pay monthly benefits for your lifetime and, depending on the option you choose, may continue payments to a spouse or other beneficiary.

If You Are Married

You will need your spouse's written consent in order to choose any form of payment other than a joint and survivor annuity with your spouse as the beneficiary.

When and How Pre-2012 and Cash Balance Benefits Can Be Paid

When you retire, the amount of your pension benefit will be the sum of your pre-2012 benefit and your cash balance benefit. You may elect a separate form of payment option for each component.

The timing of your benefit payments depends on the value of your total benefit under the Retirement Plan when you leave the Company. If your entire Retirement Plan benefit is valued at:

- \$5,000 or less, it will automatically be paid in a single lump sum as soon as possible.
- More than \$5,000,
 - You can receive your **cash balance benefit** any time after you terminate or you can defer receiving payment up to age 65 and continue to receive interest credits.

- You can also receive payment of your **pre-2012 benefit** as early as age 55 if you have at least five years of service with the Company, or you can defer payment up to age 65.

Note: If you have met the age and service retirement requirements for the pre-2012 benefit (please refer to page 4), you must begin receiving your pre-2012 benefit and cash balance benefit on the same date.

The table below provides an overview of the available forms of payment for both the pre-2012 benefit and the cash balance components of your Retirement Plan benefit. Please refer to the Benefit Handbook at www.flexab.com for details about these various forms of payment.

Current Plan	Cash Balance	
Age 65 or Age 55 with at least 5 Years of Service	Age 65 or Age 55 with at least 5 Years of Service	Under Age 55 or Have Less than 5 Years of Service
Single Life Annuity	Single Life Annuity	Single Life Annuity, only if single
50% Joint & Survivor Annuity	50% Joint & Survivor Annuity	50% Joint & Survivor Annuity, with spouse as beneficiary
75% Joint & Survivor Annuity	75% Joint & Survivor Annuity	75% Joint & Survivor Annuity, with spouse as beneficiary
100% Joint & Survivor Annuity	100% Joint & Survivor Annuity	Lump Sum
66-2/3% Last Survivor Annuity, with spouse as beneficiary	Lump Sum	

The various forms of payment are actuarially equivalent.

If You Die Before Retirement—Your Beneficiary Is Covered

Although the Retirement Plan is designed mainly to provide you with a retirement income,

it can also be a valuable source of income to your spouse or beneficiary in the event you die before payments begin. If you are vested at the time of your death, your beneficiary will receive either your full cash balance account

balance in a lump sum or an annuity based on your full account balance. If you are married for at least one year at your death, your surviving spouse will also receive a lifetime annuity based on your vested pre-2012 benefit.

Naming Your Beneficiary

If you are single, you should designate someone to receive payment of your cash balance benefit in the event of your death before retirement, otherwise payment will be made to your surviving children in equal shares or, if none, to your estate. If you are married, your spouse is automatically your beneficiary. To designate a beneficiary, complete a **Beneficiary Designation Change Form**, which is available on www.flexab.com, and return it to your HR department.

How the Retirement Plan Changes Can Affect Your Pension Benefits

To help illustrate the impact of the changes to the Retirement Plan at different life stages, the following section presents six examples of hypothetical employees. Each example includes projections of hypothetical future compensation and the resulting annual pension benefits payable under the single life annuity form. The examples compare the benefits that would have been paid had the Retirement Plan changes not been made and the benefits that will be paid after the changes.

The following examples are for illustrative purposes only. They are provided to show the approximate ranges of reductions that may be experienced after the Retirement Plan changes are in effect. The actual impact on any individual's benefit may be greater or less than what is shown in the examples.

Assumptions Used For The Examples

The examples included in this section assume full-time

employment with the Company, participation in the Retirement Plan through the assumed future retirement ages, and are based on the following assumptions.

- **Salary increases:** 3.5% per year
- **Cash balance interest credit rate:** 3.76% per year
- **Social Security Taxable Wage Base:** 2011 base increases 3.5% per year
- **IRS Compensation limit:** 2011 limit increases 3.5% per year
- **Conversions between annuities and lump sums based on:**
 - Interest Rates for:
 - o *Payments in first five years:* 4.05%
 - o *Payments in next 15 years:* 5.94%
 - o *Payments in years thereafter:* 6.51%
 - Mortality: 2013 IRS applicable mortality table

The conversion of the projected cash balance account into a single life annuity under the Retirement Plan is based on IRS interest

The interest rate assumptions used in the examples are NOT the current interest rates, but are hypothetical assumptions to illustrate how a reduction might occur in the future.

rates and mortality tables. The Retirement Plan updates the interest rates annually based on the IRS rates for the month of September of the calendar year prior to the calendar year in which your benefit will begin. For purposes of the examples, the interest rates above are the average of the IRS interest rates for the period January 2006 to September 2011. Since the IRS has announced the mortality tables to be used for years up through 2013 only, the 2013 IRS applicable mortality table was used for the examples. When you retire, the actual IRS mortality table and interest rates in effect for that year will be used for the conversion of your cash balance account into actuarially equivalent annuity forms of payment.

Example 1: An Employee Close to Retirement with a Full Career at the Company

Assume that as of January 1, 2012:

- You are age 60,
- You have 35 years of service, and
- Your 2011 pay is \$60,000.

Using the current plan formula, your *accrued* benefit as of December 31, 2011 is \$24,393 per year, payable at age 65 (Normal Retirement Age) as a single life annuity.

Using the assumptions above, the following chart compares the *projected* total annual benefit payable at retirement at either age 62 or age 65 calculated under the current rules and the new rules.

Retirement Age	Total Benefit Under Current Plan Rules	Total Benefit Under Plan Rules That Will Take Effect on January 1, 2012
62	\$27,002	\$24,930
65	\$31,386	\$25,989

Example 2: An Executive Close to Retirement who was Hired at the Company at Mid-Career

Assume that as of January 1, 2012:

- You are age 60,
- You have 20 years of service, and
- Your 2011 pay is \$245,000.

Using the current plan formula, your *accrued* benefit as of December 31, 2011 is \$78,476 per year, payable at age 65 (Normal Retirement Age) as a single life annuity.

Using the assumptions above, the following chart compares the *projected* total annual benefit payable at retirement at either age 62 or age 65 calculated under the current rules and the new rules.

Retirement Age	Total Benefit Under Current Plan Rules	Total Benefit Under Plan Rules That Will Take Effect on January 1, 2012
62	\$92,347	\$80,642
65	\$116,784	\$84,943

Example 3: A Mid-Career Employee Hired at Age 30

Assume that as of January 1, 2012:

- You are age 50,
- You have 20 years of service, and
- Your 2011 pay is \$75,000.

Using the current plan formula, your *accrued* benefit as of December 31, 2011 is \$20,328 per year, payable at age 65 (Normal Retirement Age) as a single life annuity.

Using the assumptions above, the following chart compares the *projected* total annual benefit payable at retirement at either age 57 or age 65 calculated under the current rules and the new rules.

Retirement Age	Total Benefit Under Current Plan Rules	Total Benefit Under Plan Rules That Will Take Effect on January 1, 2012
57	\$25,552	\$18,008
65	\$51,084	\$28,875

Example 4: A Mid-Career Employee Hired at Age 40

Assume that as of January 1, 2012:

- You are age 50,
- You have 10 years of service, and
- Your 2011 pay is \$90,000.

Using the current plan formula, your *accrued* benefit as of December 31, 2011 is \$12,197 per year, payable at age 65 (Normal Retirement Age) as a single life annuity.

Using the assumptions above, the following chart compares the *projected* total annual benefit payable at retirement at either age 57 or age 65 calculated under the current rules and the new rules.

Retirement Age	Total Benefit Under Current Plan Rules	Total Benefit Under Plan Rules That Will Take Effect on January 1, 2012
57	\$20,049	\$12,340
65	\$53,404	\$22,454

Example 5: A 40-Year-Old Hired at Age 30

Assume that as of January 1, 2012:

- You are age 40,
- You have 10 years of service, and
- Your 2011 pay is \$130,000.

Using the current plan formula, your *accrued* benefit as of December 31, 2011 is \$18,255 per year, payable at age 65 (Normal Retirement Age) as a single life annuity.

Using the assumptions above, the following chart compares the *projected* total annual benefit payable at retirement at either age 57 or age 65 calculated under the current rules and the new rules.

Retirement Age	Total Benefit Under Current Plan Rules	Total Benefit Under Plan Rules That Will Take Effect on January 1, 2012
57	\$67,692	\$29,263
65	\$139,588	\$53,530

Example 6: An Early Career Employee

Assume that as of January 1, 2012:

- You are age 30,
- You have 5 years of service, and
- Your 2011 pay is \$40,000.

Using the current plan formula, your *accrued* benefit as of December 31, 2011 is \$2,710 per year, payable at age 65 (Normal Retirement Age) as a single life annuity.

Using the assumptions above, the following chart compares the *projected* total annual benefit payable at retirement at either age 57 or age 65 calculated under the current rules and the new rules.

Retirement Age	Total Benefit Under Current Plan Rules	Total Benefit Under Plan Rules That Will Take Effect on January 1, 2012
57	\$29,724	\$12,803
65	\$58,730	\$24,418

Planning Ahead for 2012 and Beyond

The examples provided in this notice are designed to give you further insight into the impact of the changes to the Retirement Plan. Your situation will likely be different because the amount of your benefit depends on several factors such as your current age, your current service, your age at retirement and your pay. Nevertheless, the changes to the Retirement Plan provide an opportunity to assess your personal strategy for building your own retirement nest egg. Ultimately, your financial readiness to retire depends on your age, service, compensation,

the rate by which you have been saving over the course of your career and any returns on your investment allocations. The effect of these changes on your future retirement income depends on the extent to which you take advantage of the new opportunities available through the enhanced 401(k)/Profit Sharing Plan.

Your Retirement Plan, 401(k)/Profit Sharing Plan and Social Security retirement benefits form the foundation of your retirement income. It's up to you to determine how much you will

need to contribute to the 401(k)/Profit Sharing Plan to supplement your retirement income and meet your retirement financial goals. The Company provides you with tools to help you plan for your retirement. Use them to determine whether your benefits from the Retirement Plan and the 401(k)/Profit Sharing Plan, combined with Social Security, will be enough to cover your financial needs in retirement.

For details about the 401(k)/Profit Sharing Plan and how it can supplement your retirement income, visit www.flexab.com.

Helping You Track Your Growth

Keeping track of how your retirement benefits and savings are growing over time is an important step to ensure you continue on the right path. To help you keep track of your retirement benefits and account balances, you have access to the following statements designed to keep you informed of your progress.

- **Total Compensation Statements**—Every year, the Company issues a statement of all your Company benefit elections and coverage. This statement shows your

estimated accrued retirement benefits under the Retirement Plan as well as your account balance under the 401(k)/Profit Sharing Plan.

- **Fidelity Account Statements**—Fidelity's quarterly 401(k)/Profit Sharing Plan account statements report your balance, provide performance data for each of your investments and list all transactions during the quarter. You can view your statements online at www.401k.com. Log on to your 401(k)/Profit Sharing Plan

account at www.401k.com anytime to check your balance, make transactions, such as changing your contribution rate, or research your investment options.

Whatever your age, right now is the right time to think about your financial future and consider how your Company retirement benefits can help you achieve a comfortable retirement. If you have any questions about your benefits, contact your local Human Resources representative.

Important Notice: *This notice provides only a summary of certain changes to the Retirement Plan as of January 1, 2012. Complete details of the terms of the Retirement Plan are set forth in the official plan documents that govern the operation of the Retirement Plan, the rights of employees to benefits, and the calculation and payment of benefits. The official plan documents will govern if there is any conflict between the information contained in this notice (or other documents) and the plan documents.*

A&B reserves the right, in its sole discretion, without notice, to amend, modify, suspend or terminate any benefit or other plan, program, practice or policy of A&B at any time, including the plans described in this notice.

Nothing in the summary says or implies that participation is a guarantee of continued employment with the Company. Nor is anything in this summary intended to guarantee that benefit levels will remain unchanged in the future.



ALEXANDER & BALDWIN, INC.

