

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF
ALEXANDER & BALDWIN, INC.
AS AMENDED BY THE BOARD ON JANUARY 22, 2004**

I. PURPOSE OF THE COMMITTEE

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Alexander & Baldwin, Inc. (the "Corporation") is to oversee the accounting and financial reporting processes of the Corporation and its subsidiaries and the audits of the financial statements of the Corporation.

While the Committee has the duties and responsibilities set forth in this charter, the Committee is not responsible for preparing or certifying the financial statements, for planning or conducting the audit, or for determining whether the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles.

II. COMPOSITION OF THE COMMITTEE

The Committee shall consist of three or more directors, as determined from time to time by the Board. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of The Nasdaq Stock Market, Inc. ("Nasdaq"), and any additional requirements that the Board deems appropriate. Any vacancy on the Committee shall be filled by majority vote of the directors then in office. No member of the Committee shall be removed except by majority vote of the Board.

The Board shall designate one member of the Committee as its Chairperson. Each member of the Committee must be able to read and understand fundamental financial statements, including the Corporation's balance sheet, income statement and cash flow statement. In addition, at least one member must meet the financial sophistication requirements of Nasdaq.

III. MEETINGS OF THE COMMITTEE

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less frequently than once every fiscal quarter. To encourage open communications, the Committee shall meet on a periodic basis with (i) management, (ii) the head of the internal auditing department, and (iii) the Corporation's independent accountants in separate executive sessions. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

The presence in person, by telephone or by videoconference of a majority of the Committee's members shall constitute a quorum for any meeting of the Committee. All actions of the Committee will require the vote of a majority of its members present at a meeting of the Committee at which a quorum is

present. The Committee shall maintain minutes of its meetings and records relating to those meetings and the Committee's activities.

IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

In carrying out its duties and responsibilities, the Committee's policies and procedures should remain flexible, so that it may be in a position to best address, react or respond to changing circumstances or conditions. The following duties and responsibilities are within the authority of the Committee and the Committee shall, in compliance with applicable law and the rules and regulations promulgated by the Securities and Exchange Commission ("SEC"), Nasdaq, or any other applicable regulatory authority:

Selection, Evaluation, and Oversight of the Auditors

(a) Be directly responsible for the appointment, compensation, retention and oversight of the work of the Corporation's independent auditors and any other public accounting firm performing audit, review or attest services for the Corporation, with such independent auditors and other public accounting firm required to report directly to the Committee;

(b) Review and, in its sole discretion, approve in advance the Corporation's independent auditors' annual engagement letter, including the proposed fees contained therein, as well as all audit and, as provided in the Sarbanes-Oxley Act of 2002 and the SEC rules and regulations promulgated thereunder, all permitted non-audit engagements and relationships between the Corporation and such independent auditors (which approval should be made after receiving input from the Corporation's management, if desired). Approval of audit and permitted non-audit services will be made by the Committee or as otherwise provided for in the Audit Committee Independent Auditor Pre-Approval Policy;

(c) Review the performance of the Corporation's independent auditors and, in its sole discretion (subject, if applicable, to shareholder ratification), make decisions regarding the replacement or termination of the independent auditors when circumstances warrant;

(d) Evaluate the independence of the Corporation's independent auditors by, among other things:

- (i) obtaining and reviewing from the Corporation's independent auditors a formal written statement delineating all relationships between the independent auditors and the Corporation, consistent with Independence Standards Board Standard 1;
- (ii) actively engaging in a dialogue with the Corporation's independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditors; and
- (iii) taking, or recommending that the Board take, appropriate action to oversee the independence of the Corporation's independent auditors;

Oversight of Annual Audit and Quarterly Reviews

(e) Review and discuss with the independent auditors, their annual audit plan, including the timing and scope of audit activities and monitor such plan's progress and results during the year;

(f) Review with management, the Corporation's independent auditors and the head of the internal auditing department, information that is required to be reported by the independent auditors regarding critical accounting policies and practices, alternative treatments of financial information and their ramifications, and all other material written communications between the independent auditors and management;

(g) Resolve all disagreements between the Corporation's independent auditors and management regarding financial reporting;

Oversight of Financial Reporting Process and Internal Controls

(h) Review

(i) the adequacy and effectiveness of the Corporation's accounting and internal control policies and procedures on a regular basis; and

(ii) the yearly report prepared by management, and attested to by the Corporation's independent auditors, assessing the effectiveness of the Corporation's internal control over financial reporting and stating management's responsibility for establishing and maintaining adequate internal control over financial reporting prior to its inclusion in the Corporation's annual report;

(i) Review with the chief executive officer and chief financial officer and independent auditors, periodically, the adequacy and effectiveness of the Corporation's administrative, disclosure, accounting, and internal control policies and procedures, including the independent auditor's judgment as to the quality of the Corporation's accounting principles and the performance of the Corporation's internal audit function, and all other matters in connection with the certifications of the chief executive officer and chief financial officer to be included in the Corporation's reports on Form 10-K and Form 10-Q;

(j) Review and discuss with the independent auditors the results of the year-end audit of the Corporation, including any comments or recommendations of the Corporation's independent auditors and, based on such review and discussions and on such other considerations as it determines appropriate, recommend to the Board whether the Corporation's financial statements should be included in the Annual Report on Form 10-K;

Miscellaneous

(k) Establish and implement policies and procedures for the Committee's review and approval of proposed transactions or courses of dealings with respect to which executive officers or directors or

members of their immediate families have an interest (including all transactions required to be disclosed by Item 404(a) of Regulation S-K);

(l) Meet periodically with the general counsel, and outside counsel when appropriate, to review legal and regulatory matters, including (i) any matters that may have a material impact on the financial statements of the Corporation and (ii) any matters involving potential or ongoing material violations of law or breaches of fiduciary duty by the Corporation or any of its directors, officers, employees, or agents or breaches of fiduciary duty to the Corporation;

(m) Prepare the Audit Committee report to be included in the Corporation's annual proxy statement;

(n) Review the Corporation's program to monitor compliance with the Corporation's Code of Conduct, review the reports that will be submitted by the Corporation's Compliance Committee no less than semi-annually and meet periodically with a member or members of the Corporation's Compliance Committee to discuss compliance with the Code of Conduct;

(o) Establish procedures for (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

(p) Secure independent expert advice as appropriate, including retaining, with or without Board approval, independent counsel, accountants, consultants or others, to assist the Committee in fulfilling its duties and responsibilities, the cost of such independent expert advisors to be borne by the Corporation;

(q) Conduct or authorize investigations into any matters within its scope of responsibilities, including retaining outside advisors to assist the Committee in the conduct of any investigation, the cost of such investigations to be borne by the Corporation;

(r) Evaluate the Committee's performance under this Charter on an annual basis, including an annual review and assessment of the adequacy of this Charter; and

(s) Perform such additional activities, and consider such other matters, within the scope of its responsibilities, as the Committee or the Board deems necessary or appropriate.