
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **April 27, 2021 (April 27, 2021)**

Matson, Inc.

(Exact Name of Registrant as Specified in its Charter)

Hawaii
(State or Other Jurisdiction of
Incorporation)

001-34187
(Commission File Number)

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

1411 Sand Island Parkway
Honolulu, Hawaii
(Address of principal executive offices)

96819
(zip code)

Registrant's telephone number, including area code: **(808) 848-1211**
(Former Name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, without par value	MATX	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On April 27, 2021, Matson, Inc. (the “Company”) issued a press release announcing the Company’s earnings for the quarter ended March 31, 2021. A copy of the press release is attached hereto as Exhibit 99.1. In addition, the Company posted an investor presentation to its website. A copy of the investor presentation is attached hereto as Exhibit 99.2.

The information in this report (including Exhibits 99.1 and 99.2) is being furnished pursuant to Item 2.02 and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits.

(a) - (c) Not applicable.

(d) Exhibits.

The exhibit listed below is being furnished with this Form 8-K.

99.1 [Press Release issued by Matson, Inc., dated April 27, 2021](#)

99.2 [Investor Presentation, dated April 27, 2021](#)

104 Cover Page Interactive Data File (formatted in Inline XBRL and included as Exhibit 101).

SIGNATURE

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

MATSON, INC.

/s/ Joel M. Wine

Joel M. Wine

Executive Vice President and Chief Financial Officer

Dated: April 27, 2021



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FOR IMMEDIATE RELEASE

MATSON, INC. ANNOUNCES FIRST QUARTER 2021 RESULTS

- 1Q21 EPS of \$1.99 vs. \$0.09 in 1Q20
- 1Q21 Net Income of \$87.2 million vs. \$3.8 million in 1Q20
- 1Q21 EBITDA of \$160.5 million vs. \$46.5 million in 1Q20
- Year-over-year increase in consolidated operating income driven primarily by China service strength

HONOLULU, Hawaii (April 27, 2021) – Matson, Inc. (“Matson” or the “Company”) (NYSE: MATX), a leading U.S. carrier in the Pacific, today reported net income of \$87.2 million, or \$1.99 per diluted share, for the quarter ended March 31, 2021. Net income for the quarter ended March 31, 2020 was \$3.8 million, or \$0.09 per diluted share. Consolidated revenue for the first quarter 2021 was \$711.8 million compared with \$513.9 million for the first quarter 2020.

“Matson is off to a strong start to 2021 with continued solid performance in both Ocean Transportation and Logistics,” said Chairman and Chief Executive Officer Matt Cox. “Within Ocean Transportation, our China service continued to see significant demand for its CLX and CLX+ expedited ocean services as volume for e-commerce and other high demand goods remained elevated, which resulted in very strong pre- and post-Lunar New Year volumes. Our financial performance in the China service was the primary driver of the increase in consolidated operating income year-over-year. Currently, significant supply chain congestion continues, particularly at the California ports, and these conditions will most likely persist through the second quarter and into the traditional peak season. We also expect demand in the Transpacific tradelane to remain favorable as elevated consumption trends, including heightened e-commerce activity, are expected to continue beyond the second quarter. Consequently, we expect significant demand for our expedited CLX and CLX+ services to remain throughout the peak season into late October.”

Mr. Cox added, “In our other core tradelanes, we continued to see steady demand for sustenance and home improvement goods with higher year-over-year volumes. Logistics operating income increased year-over-year as a result of continued elevated goods consumption and inventory restocking in addition to favorable supply and demand fundamentals in our core markets.”

First Quarter 2021 Discussion and Update on Business Conditions

Ocean Transportation: The Company’s container volume in the Hawaii service in the first quarter 2021 was 0.6 percent higher year-over-year primarily due to higher demand for sustenance and home improvement goods, partially offset by one less westbound sailing and lower tourism activity as a result of the pandemic. The low tourism levels during the COVID-19 pandemic have had a meaningfully negative impact on Hawaii’s economy. With eased visitor travel restrictions and increased vaccinations on the mainland, tourism to the Hawaiian islands has recently picked up and is expected to accelerate into the summer as vaccinations become more widespread. The recovery in tourism is expected to lead to gradually improving economic conditions in the state, but the economic recovery trajectory continues to remain uncertain.

In China, the Company's container volume in the first quarter 2021 increased 218.6 percent year-over-year primarily due to volume from the CLX+ service in addition to higher volume on the CLX service as a result of our increased capacity in the trade lane. Matson continued to realize a significant rate premium in the first quarter 2021 and achieved average freight rates that were considerably higher than in the year ago period. At present, significant supply chain congestion continues, particularly at the California ports, and these conditions will most likely persist through the second quarter 2021 and into the traditional peak season. We also expect demand in the Transpacific trade lane to remain favorable as elevated consumption trends, including heightened e-commerce activity, are expected to continue beyond the second quarter. Accordingly, we expect significant demand for our expedited CLX and CLX+ services to remain throughout the peak season into late October.

In Guam, the Company's container volume in the first quarter 2021 increased 2.0 percent year-over-year primarily due to higher demand for sustenance and home improvement goods, partially offset by lower tourism activity as a result of the pandemic. In the near-term, we expect depressed tourism levels to have a negative impact on the Guam economy.

In Alaska, the Company's container volume for the first quarter 2021 decreased 4.9 percent year-over-year as a result of lower northbound volume primarily due to one less sailing this year and volume related to a competitor's dry-docking in the year ago period and lower southbound volume, partially offset by volume from the Alaska-to-Asia Express service. Normalizing for the one less sailing this year and volume related to a competitor's dry-docking in the year ago period, Alaska volume increased approximately 2.5 percent. In the near-term, we expect the Alaska economy to slowly recover, but remain challenged until the pandemic subsides and the unemployment rate improves.

The contribution in the first quarter 2021 from the Company's SSAT joint venture investment was \$9.2 million, or \$5.2 million higher than the first quarter 2020. The increase was driven by higher lift volume.

Logistics: In the first quarter 2021, operating income for the Company's Logistics segment was \$6.1 million, or \$1.0 million higher compared to the operating income achieved in the first quarter 2020. The increase was due primarily to higher contributions from transportation brokerage and supply chain management as a result of elevated goods consumption and inventory restocking in addition to tight supply and demand fundamentals in our core markets.

Ocean Transportation — Three months ended March 31, 2021 compared with 2020

(Dollars in millions)	Three Months Ended March 31,			
	2021	2020	Change	
Ocean Transportation revenue	\$ 560.5	\$ 400.9	\$ 159.6	39.8 %
Operating costs and expenses	(446.4)	(393.0)	(53.4)	13.6 %
Operating income	\$ 114.1	\$ 7.9	\$ 106.2	1,344.3 %
Operating income margin	20.4 %	2.0 %		
Volume (Forty-foot equivalent units (FEU), except for automobiles) (1)				
Hawaii containers	35,700	35,500	200	0.6 %
Hawaii automobiles	10,700	13,300	(2,600)	(19.5)%
Alaska containers	17,300	18,200	(900)	(4.9)%
China containers	41,100	12,900	28,200	218.6 %
Guam containers	5,000	4,900	100	2.0 %
Other containers (2)	4,000	4,100	(100)	(2.4)%

- (1) Approximate volumes included for the period are based on the voyage departure date, but revenue and operating income are adjusted to reflect the percentage of revenue and operating income earned during the reporting period for voyages in transit at the end of each reporting period.
- (2) Includes containers from services in various islands in Micronesia and the South Pacific, and Okinawa, Japan.

Ocean Transportation revenue increased \$159.6 million during the three months ended March 31, 2021, compared with the three months ended March 31, 2020. The increase was primarily due to higher freight revenue in the China service, including revenue associated with the CLX+ service, partially offset by lower fuel-related surcharge revenue and lower service revenue in Alaska.

On a year-over-year FEU basis, Hawaii container volume increased 0.6 percent primarily due to higher demand for sustenance and home improvement goods, partially offset by one less westbound sailing and lower tourism activity as a result of the pandemic; Alaska volume decreased 4.9 percent due to lower northbound volume primarily due to one less sailing this year and volume related to a competitor's dry-docking in the year ago period and lower southbound volume, partially offset by volume from the Alaska-to-Asia Express service; China volume was 218.6 percent higher primarily due to volume from the CLX+ service in addition to higher volume on the CLX service as a result of our increased capacity in the tradelane; Guam volume was 2.0 percent higher primarily due to higher demand for sustenance and home improvement goods, partially offset by lower tourism activity as a result of the pandemic; and Other containers volume decreased 2.4 percent.

Ocean Transportation operating income increased \$106.2 million during the three months ended March 31, 2021, compared with the three months ended March 31, 2020. The increase was primarily due to a higher contribution from China, including the contribution from the CLX+ service, and a higher contribution from SSAT, partially offset by a lower contribution from the Alaska service and higher depreciation.

The Company's SSAT terminal joint venture investment contributed \$9.2 million during the three months ended March 31, 2021, compared to a contribution of \$4.0 million during the three months ended March 31, 2020. The increase was driven by higher lift volume.

Logistics — Three months ended March 31, 2021 compared with 2020

(Dollars in millions)	Three Months Ended March 31,			
	2021	2020	Change	
Logistics revenue	\$ 151.3	\$ 113.0	\$ 38.3	33.9 %
Operating costs and expenses	(145.2)	(107.9)	(37.3)	34.6 %
Operating income	\$ 6.1	\$ 5.1	\$ 1.0	19.6 %
Operating income margin	4.0 %	4.5 %		

Logistics revenue increased \$38.3 million, or 33.9 percent, during the three months ended March 31, 2021, compared with the three months ended March 31, 2020. The increase was primarily due to higher transportation brokerage revenue.

Logistics operating income increased \$1.0 million, or 19.6 percent, for the three months ended March 31, 2021, compared with the three months ended March 31, 2020. The increase was primarily due to higher contributions from transportation brokerage and supply chain management.

Liquidity, Cash Flows and Capital Allocation

Matson's Cash and Cash Equivalents decreased by \$2.6 million from \$14.4 million at December 31, 2020 to \$11.8 million at March 31, 2021. Matson generated net cash from operating activities of \$122.9 million during the three months ended March 31, 2021, compared to \$68.6 million during the three months ended March 31, 2020. Capital expenditures totaled \$38.5 million for the three months ended March 31, 2021, compared with \$35.2 million for the three months ended March 31, 2020. Total debt decreased by \$61.2 million during the three months to \$698.9 million as of March 31, 2021, of which \$639.7 million was classified as long-term debt.

Under the recently amended debt agreements, as of March 31, 2021 Matson had available borrowings under its revolving credit facility of \$616.9 million and a leverage ratio per the amended debt agreements of approximately 1.25x.

As previously announced, Matson's Board of Directors declared a cash dividend of \$0.23 per share payable on June 3, 2021 to all shareholders of record as of the close of business on May 6, 2021.

Teleconference and Webcast

A conference call is scheduled for 4:30 p.m. ET when Matt Cox, Chairman and Chief Executive Officer, and Joel Wine, Executive Vice President and Chief Financial Officer, will discuss Matson's first quarter results.

Date of Conference Call:	Tuesday, April 27, 2021
Scheduled Time:	4:30 p.m. ET / 1:30 p.m. PT / 10:30 a.m. HT
Participant Toll Free Dial-In #:	1-877-312-5524
International Dial-In #:	1-253-237-1144

The conference call will be broadcast live along with a slide presentation on the Company's website at www.matson.com, under Investors. A replay of the conference call will be available approximately two hours after the call through May 4, 2021 by dialing 1-855-859-2056 or 1-404-537-3406 and using the conference number 7354223. The slides and audio webcast of the conference call will be archived for one full quarter on the Company's website at www.matson.com, under Investors.

About the Company

Founded in 1882, Matson (NYSE: MATX) is a leading provider of ocean transportation and logistics services. Matson provides a vital lifeline to the domestic non-contiguous economies of Hawaii, Alaska, and Guam, and to other island economies in Micronesia. Matson also operates two premium, expedited services from China to Long Beach, California, provides service to Okinawa, Japan and various islands in the South Pacific, and operates an international export service from Dutch Harbor to Asia. The Company's fleet of owned and chartered vessels includes containerships, combination container and roll-on/roll-off ships and custom-designed barges. Matson Logistics, established in 1987, extends the geographic reach of Matson's transportation network throughout the continental U.S. Its integrated, asset-light logistics services include rail intermodal, highway brokerage, warehousing, freight consolidation, Asia supply chain services, and forwarding to Alaska. Additional information about the Company is available at www.matson.com.

GAAP to Non-GAAP Reconciliation

This press release, the Form 8-K and the information to be discussed in the conference call include non-GAAP measures. While Matson reports financial results in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company also considers other non-GAAP measures to evaluate performance, make day-to-day operating decisions, help investors understand our ability to incur and service debt and to make capital expenditures, and to understand period-over-period operating results separate and apart from items that may, or could, have a disproportional positive or negative impact on results in any particular period. These non-GAAP measures include, but are not limited to, Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA") and Net Debt-to-EBITDA.

Forward-Looking Statements

Statements in this news release that are not historical facts are “forward-looking statements,” within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation those statements regarding performance and financial results, the COVID-19 pandemic and related economic effects, vaccinations, demand for expedited CLX and CLX+ services, supply and demand dynamics in the Transpacific tradelane, supply chain congestion, consumption trends, retail and e-commerce demand, retail inventory/sales ratio, tourism levels, vessel deployments and operating efficiencies, duration and availability of vessel charters, vessel transit times, organic growth opportunities, demand and volume levels in the China service and in the Hawaii, Alaska and Guam tradelanes, economic growth and drivers in Hawaii, Alaska and Guam, lift volumes at SSAT, capital expenditures and reducing debt. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to risks and uncertainties relating to repeal, substantial amendment or waiver of the Jones Act or its application, or our failure to maintain our status as a United States citizen under the Jones Act; regional, national and international economic conditions; new or increased competition or improvements in competitors’ service levels; fuel prices, our ability to collect fuel-related surcharges and/or the cost or limited availability of low-sulfur fuel; delays or cost overruns related to the installation of scrubbers; our relationship with vendors, customers and partners and changes in related agreements; the actions of our competitors; our ability to offer a differentiated service in China for which customers are willing to pay a significant premium; the imposition of tariffs or a change in international trade policies; the magnitude and timing of the impact of public health crises, including COVID-19; any unanticipated dry-dock or repair expenses; any delays or cost overruns related to the modernization of terminals; consummating and integrating acquisitions; changes in general economic and/or industry-specific conditions; competition and growth rates within the logistics industry; freight levels and increasing costs and availability of truck capacity or alternative means of transporting freight; changes in relationships with existing truck, rail, ocean and air carriers; changes in customer base due to possible consolidation among customers; conditions in the financial markets; changes in our credit profile and our future financial performance; our ability to obtain future debt financings; continuation of the Title XI and CCF programs; the impact of future and pending legislation and regulations, including environmental legislation and regulations; government regulations and investigations; relations with our unions; satisfactory negotiation and renewal of expired collective bargaining agreements without significant disruption to Matson’s operations; war, terrorist attacks or other acts of violence; the use of our information technology and communication systems and cybersecurity attacks; and the occurrence of marine accidents, poor weather or natural disasters. These forward-looking statements are not guarantees of future performance. This release should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2020 and our other filings with the SEC through the date of this release, which identify important factors that could affect the forward-looking statements in this release. We do not undertake any obligation to update our forward-looking statements.

MATSON, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Income
(Unaudited)

(In millions, except per share amounts)	Three Months Ended	
	March 31,	
	2021	2020
Operating Revenue:		
Ocean Transportation	\$ 560.5	\$ 400.9
Logistics	151.3	113.0
Total Operating Revenue	711.8	513.9
Costs and Expenses:		
Operating costs	(544.7)	(448.3)
Income from SSAT	9.2	4.0
Selling, general and administrative	(56.1)	(56.6)
Total Costs and Expenses	(591.6)	(500.9)
Operating Income	120.2	13.0
Interest expense	(7.3)	(8.6)
Other income (expense), net	1.4	0.6
Income before Income Taxes	114.3	5.0
Income taxes	(27.1)	(1.2)
Net Income	\$ 87.2	\$ 3.8
Basic Earnings Per Share	\$ 2.01	\$ 0.09
Diluted Earnings Per Share	\$ 1.99	\$ 0.09
Weighted Average Number of Shares Outstanding:		
Basic	43.4	43.0
Diluted	43.8	43.3

MATSON, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Unaudited)

(In millions)	March 31, 2021	December 31, 2020
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 11.8	\$ 14.4
Other current assets	302.1	291.5
Total current assets	<u>313.9</u>	<u>305.9</u>
Long-term Assets:		
Investment in SSAT	47.5	48.7
Property and equipment, net	1,684.0	1,689.9
Goodwill	327.8	327.8
Intangible assets, net	189.3	192.0
Other long-term assets	367.2	336.3
Total long-term assets	<u>2,615.8</u>	<u>2,594.7</u>
Total assets	<u>\$ 2,929.7</u>	<u>\$ 2,900.6</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of debt	\$ 59.2	\$ 59.2
Other current liabilities	459.9	452.3
Total current liabilities	<u>519.1</u>	<u>511.5</u>
Long-term Liabilities:		
Long-term debt, net of deferred loan fees	624.3	685.6
Deferred income taxes	396.1	389.6
Other long-term liabilities	361.3	352.7
Total long-term liabilities	<u>1,381.7</u>	<u>1,427.9</u>
Total shareholders' equity	1,028.9	961.2
Total liabilities and shareholders' equity	<u>\$ 2,929.7</u>	<u>\$ 2,900.6</u>

MATSON, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(In millions)	Three Months Ended March 31,	
	2021	2020
Cash Flows From Operating Activities:		
Net income	\$ 87.2	\$ 3.8
Reconciling adjustments:		
Depreciation and amortization	34.5	27.0
Amortization of operating lease right of use assets	23.9	17.4
Deferred income taxes	6.5	2.7
Share-based compensation expense	4.8	3.1
Income from SSAT	(9.2)	(4.0)
Distribution from SSAT	10.5	7.8
Other	(1.1)	(0.1)
Changes in assets and liabilities:		
Accounts receivable, net	(7.7)	(12.9)
Deferred dry-docking payments	(9.5)	(2.6)
Deferred dry-docking amortization	6.6	6.1
Prepaid expenses and other assets	(4.8)	(0.2)
Accounts payable, accruals and other liabilities	5.6	38.9
Operating lease liabilities	(22.5)	(16.9)
Other long-term liabilities	(1.9)	(1.5)
Net cash provided by operating activities	122.9	68.6
Cash Flows From Investing Activities:		
Capitalized vessel construction expenditures	—	(9.1)
Other capital expenditures	(38.5)	(26.1)
Proceeds from disposal of property and equipment	1.4	14.5
Cash deposits into Capital Construction Fund	—	(70.4)
Withdrawals from Capital Construction Fund	—	70.4
Net cash used in investing activities	(37.1)	(20.7)
Cash Flows From Financing Activities:		
Repayments of debt	(14.4)	(11.4)
Proceeds from revolving credit facility	108.1	111.4
Repayments of revolving credit facility	(154.9)	(133.5)
Payment of financing costs	(3.0)	(3.1)
Dividends paid	(10.1)	(9.5)
Tax withholding related to net share settlements of restricted stock units	(14.1)	(4.5)
Net cash used in financing activities	(88.4)	(50.6)
Net Decrease in Cash, Cash Equivalents and Restricted Cash	(2.6)	(2.7)
Cash, Cash Equivalents and Restricted Cash, Beginning of the Period	19.7	28.4
Cash, Cash Equivalents and Restricted Cash, End of the Period	\$ 17.1	\$ 25.7
Reconciliation of Cash, Cash Equivalents and Restricted Cash, End of the Period:		
Cash and Cash Equivalents	\$ 11.8	\$ 19.9
Restricted Cash	5.3	5.8
Total Cash, Cash Equivalents and Restricted Cash, End of the Period	\$ 17.1	\$ 25.7
Supplemental Cash Flow Information:		
Interest paid, net of capitalized interest	\$ 5.7	\$ 8.6
Income tax (refunds) and payments, net	\$ (0.4)	\$ (0.3)
Non-cash Information:		
Capital expenditures included in accounts payable, accruals and other liabilities	\$ 8.8	\$ 3.5

MATSON, INC. AND SUBSIDIARIES
Total Debt to Net Debt and Net Income to EBITDA Reconciliations
(Unaudited)

NET DEBT RECONCILIATION

(In millions)	March 31, 2021
Total Debt (1):	\$ 698.9
Less: Cash and cash equivalents	(11.8)
Net Debt	\$ 687.1

EBITDA RECONCILIATION

(In millions)	Three Months Ended March 31,			Last Twelve Months
	2021	2020	Change	
Net Income	\$ 87.2	\$ 3.8	\$ 83.4	\$ 276.5
Add: Income taxes	27.1	1.2	25.9	91.8
Add: Interest expense	7.3	8.6	(1.3)	26.1
Add: Depreciation and amortization	32.3	26.8	5.5	117.7
Add: Dry-dock amortization	6.6	6.1	0.5	25.6
EBITDA (2)	\$ 160.5	\$ 46.5	\$ 114.0	\$ 537.7

(1) Total Debt is presented before any reduction for deferred loan fees as required by GAAP.

(2) EBITDA is defined as the sum of net income plus income taxes, interest expense and depreciation and amortization (including deferred dry-docking amortization). EBITDA should not be considered as an alternative to net income (as determined in accordance with GAAP), as an indicator of our operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) as a measure of liquidity. Our calculation of EBITDA may not be comparable to EBITDA as calculated by other companies, nor is this calculation identical to the EBITDA used by our lenders to determine financial covenant compliance.



Matson[®]

***First Quarter 2021
Earnings Conference Call***

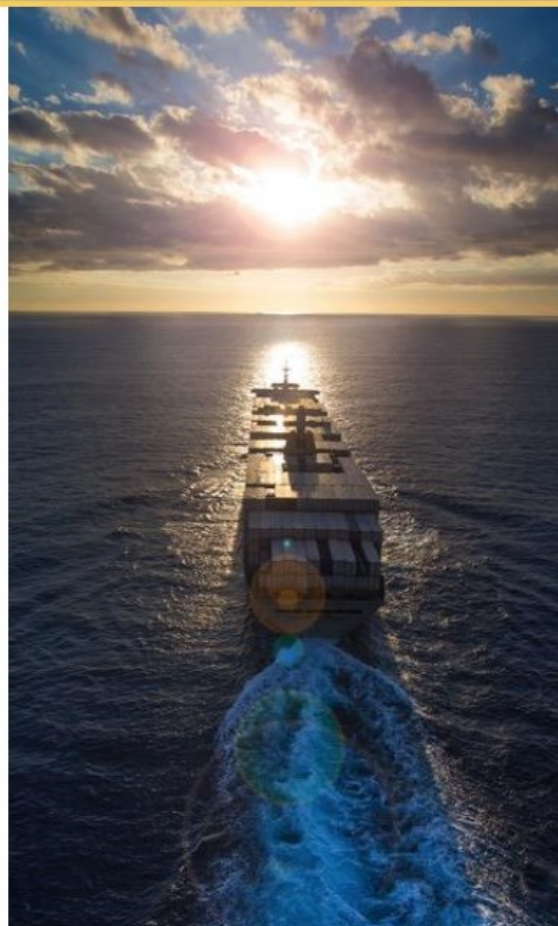
April 27, 2021

Forward-Looking Statements

Statements made during this presentation that set forth expectations, predictions, projections or are about future events are based on facts and situations that are known to us as of April 27, 2021.

We believe that our expectations and assumptions are reasonable. Actual results may differ materially, due to risks and uncertainties, such as those described on pages 12-21 of our Form 10-K filed on February 26, 2021 and other subsequent filings by Matson with the SEC. Statements made during this presentation are not guarantees of future performance.

We do not undertake any obligation to update our forward-looking statements.



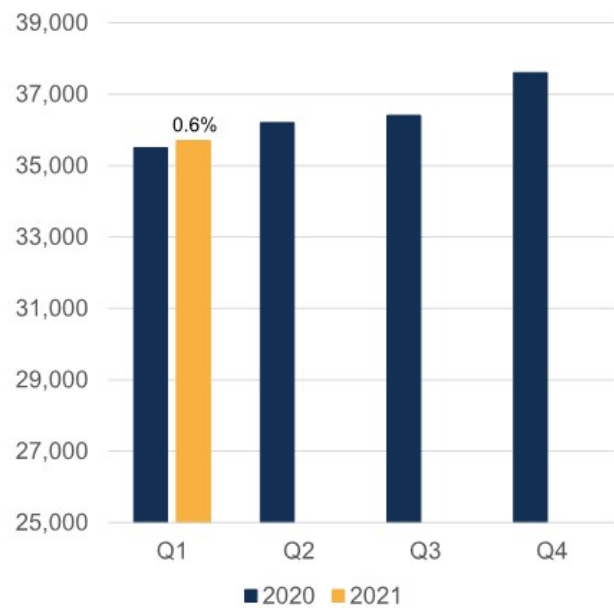
Opening Remarks

- Recap of Matson's 1Q21 results:
 - Off to a strong start to 2021 with continued solid performance in Ocean Transportation and Logistics
 - Ocean Transportation:
 - China strength – CLX+ voyages and increased capacity in the CLX service
 - In other core tradelanes, continued to see steady demand for sustenance and home improvement goods with higher year-over-year volumes
 - Logistics:
 - Continued elevated goods consumption and inventory restocking in addition to favorable supply and demand fundamentals in our core markets
- Matson is focused on reliable services and helping customers during this unique period of supply chain congestion

First Quarter 2021 Performance

- Container volume increased 0.6% YoY
 - Higher demand for sustenance and home improvement goods
 - Partially offset by:
 - One less westbound sailing
 - Continued negative impact from low tourism activity
 - Lapped first pandemic shelter-in-place in March

Container Volume (FEU Basis)



Note: 2Q 2020 volume figure includes volume related to Pasha's vessel dry-docking.

Hawaii Service – Current Business Trends

- Hawaii economic recovery is underway, although recovery trajectory remains uncertain
- Unemployment remains elevated
 - Employment expected to recover with improving tourism trends as the year progresses
- Increasing tourist arrivals, but daily arrivals remain well below 2019 levels
 - Tourism has picked up the last few months and is expected to accelerate into the summer with widespread vaccinations
 - Daily tourist arrivals tracking towards UHERO's latest 2021 projection
- April 2021 westbound container volume increased approximately 19% YoY
 - One additional sailing
 - Lapped period of shelter-in-place order, near zero tourism and temporary retail store closures

Select Hawaii Economic Indicators⁽¹⁾

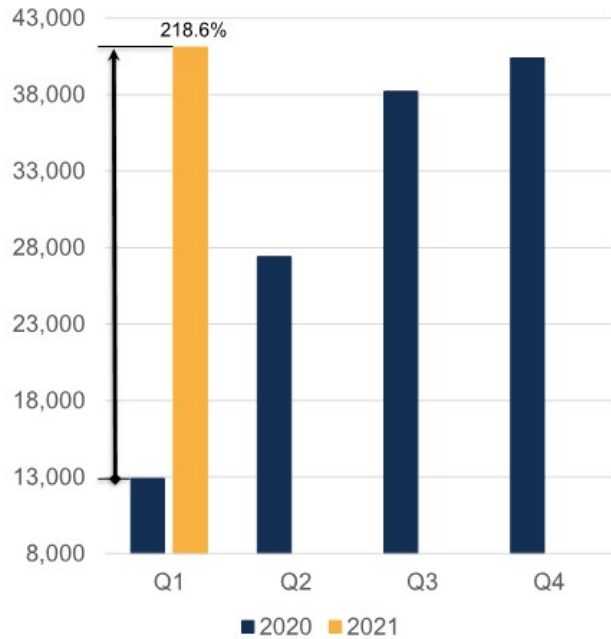
	2019	2020P	2021P	2022P
Real GDP	1.2%	(7.5)%	3.7%	3.1%
Construction Jobs Growth	0.3%	(3.2)%	0.6%	3.6%
Population Growth	(0.3)%	(0.6)%	(0.6)%	(0.5)%
Unemployment Rate	2.7%	12.0%	7.1%	4.4%
Visitor Arrivals ('000s)	10,385.8	2,738.2	4,978.4	8,004.5
% change	5.0%	(73.6)%	81.8%	60.8%

(1) Source: https://uhero.hawaii.edu/wp-content/uploads/2021/03/21Q1_Public.pdf

First Quarter 2021 Performance

- Container volume increased 218.6% YoY
 - Very strong pre- and post-Lunar New Year periods
- Demand driven by e-commerce and other high-demand goods
 - Continued supply chain constraints
 - Low inventory-to-sales ratio reported by retailers
 - Continued consumption of imported goods in lieu of services
 - Benefitting from additional stimulus payments

Container Volume (FEU Basis)



Note: 2Q 2020 volume figure includes volume related to seven CLX+ voyages. 3Q 2020, 4Q 2020 and 1Q 2021 volume figures include weekly CLX+ voyages.

China Service – Current Business Trends

- April 2021 eastbound container volume increased approximately 151% YoY
- Significant supply chain congestion continues, particularly at the California ports
 - Expect these conditions will most likely persist through the second quarter and into the traditional peak season
- Expect demand in the Transpacific tradelane to remain favorable
 - Elevated consumption trends are expected to continue beyond the second quarter
 - Retail and e-commerce demand remain strong
 - Low retail inventory/sales ratio



Source: <https://www.census.gov/mtis/www/mrtsinv92-present.xls>

We expect significant demand for our expedited CLX and CLX+ services to remain throughout the peak season into late October.

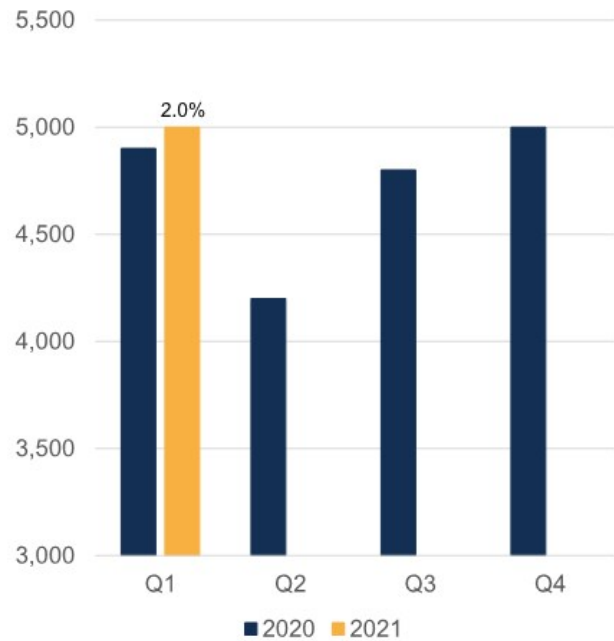
First Quarter 2021 Performance

- Container volume increased 2.0% YoY
 - Higher demand for sustenance and home improvement goods
 - Partially offset by negative impact from low tourism activity

Current Business Trends

- Guam economy in downturn as tourism levels remain depressed; uncertain economic recovery trajectory
- April 2021 westbound container volume increased approximately 25% YoY
 - Lapped period of reduced tourism and temporary retail store closures

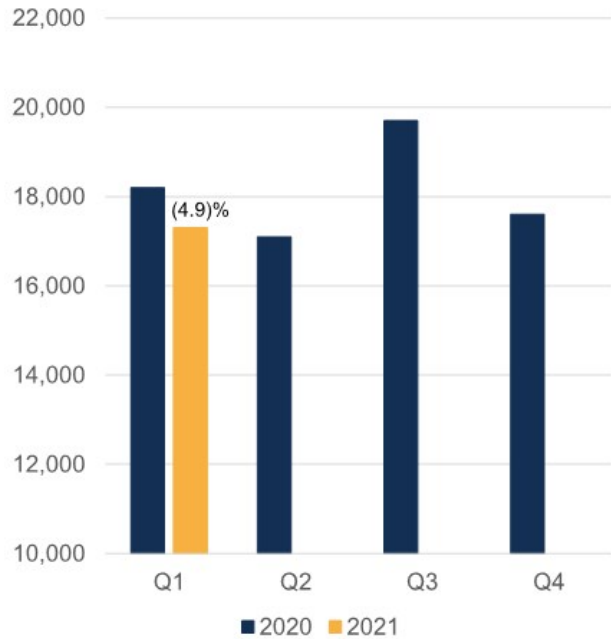
Container Volume (FEU Basis)



First Quarter 2021 Performance

- Container volume decreased 4.9% YoY
 - Lower northbound volume primarily due to:
 - One less sailing this year
 - TOTE dry-dock volume in year ago period
 - Lower southbound volume
 - Partially offset by AAX volume
 - Volume approximately 2.5% higher YoY after normalizing for the one less sailing and TOTE's dry-docking volume

Container Volume (FEU Basis)



Note: 1Q 2020 volume figure includes volume related to TOTE's vessel dry-docking.

Alaska Service – Current Business Trends

- Expect the Alaska economy to slowly recover
 - Unemployment rate slightly higher than national average at 6.6% (February 2021)⁽¹⁾
 - Retail industry most impacted by pandemic and is expected to recover slowly
 - Economic recovery trajectory remains highly uncertain
- Tourism to remain challenged in near term
 - No cruise tourism activity this summer
- Modest pick up in oil production and exploration activity with improvement in oil prices
- Delayed start to 'A' fishing season in 1Q21 due to pandemic challenges, extending into early 2Q21
- April 2021 northbound container volume increased approximately 11% YoY

(1) Source: <https://labor.alaska.gov/trends/apr21.pdf>

SSAT Joint Venture

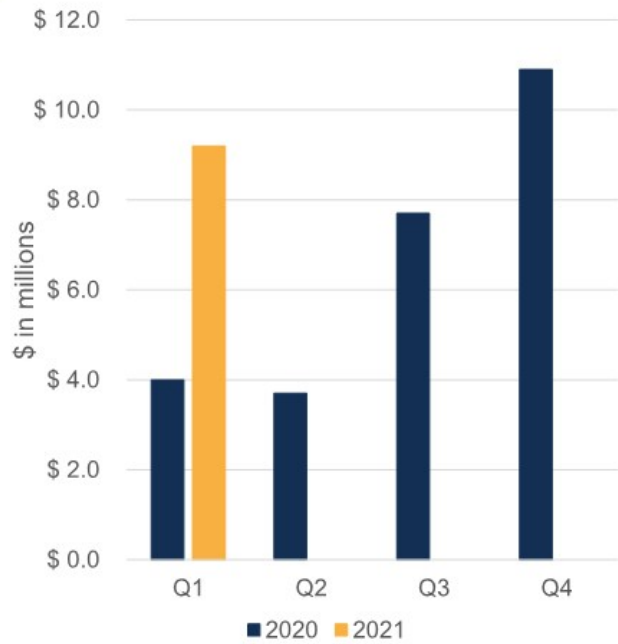
First Quarter 2021 Performance

- Terminal joint venture contribution was \$9.2 million, \$5.2 million higher than last year
 - Primarily due to higher lift volume

Current Business Trends

- Continue to see strong import volume into U.S. West Coast

Equity in Income of Joint Venture



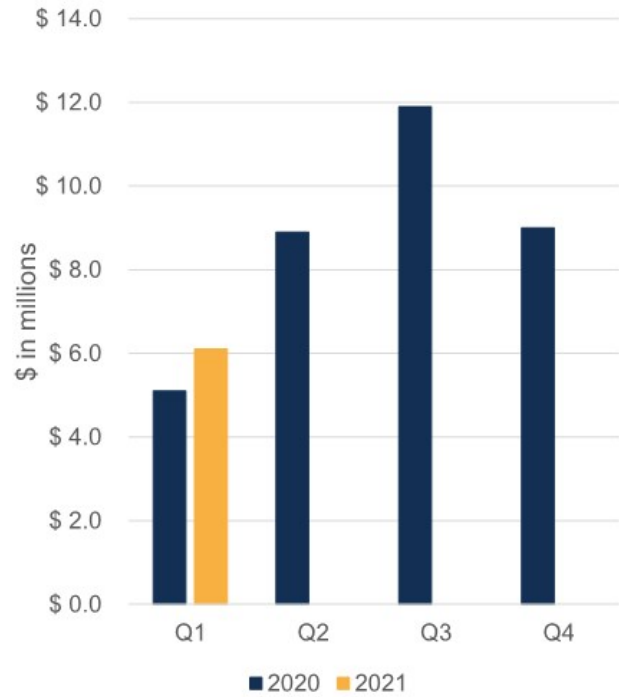
First Quarter 2021 Performance

- Operating income of \$6.1 million; YoY change of \$1.0 million
- Higher contributions from transportation brokerage and supply chain management
- Benefitted from:
 - Elevated goods consumption and inventory restocking
 - Tight supply and demand fundamentals in core markets

Current Business Trends

- Some business lines continue to benefit from elevated container volumes into Southern California
- Span Alaska tracking with Alaska northbound trends

Operating Income



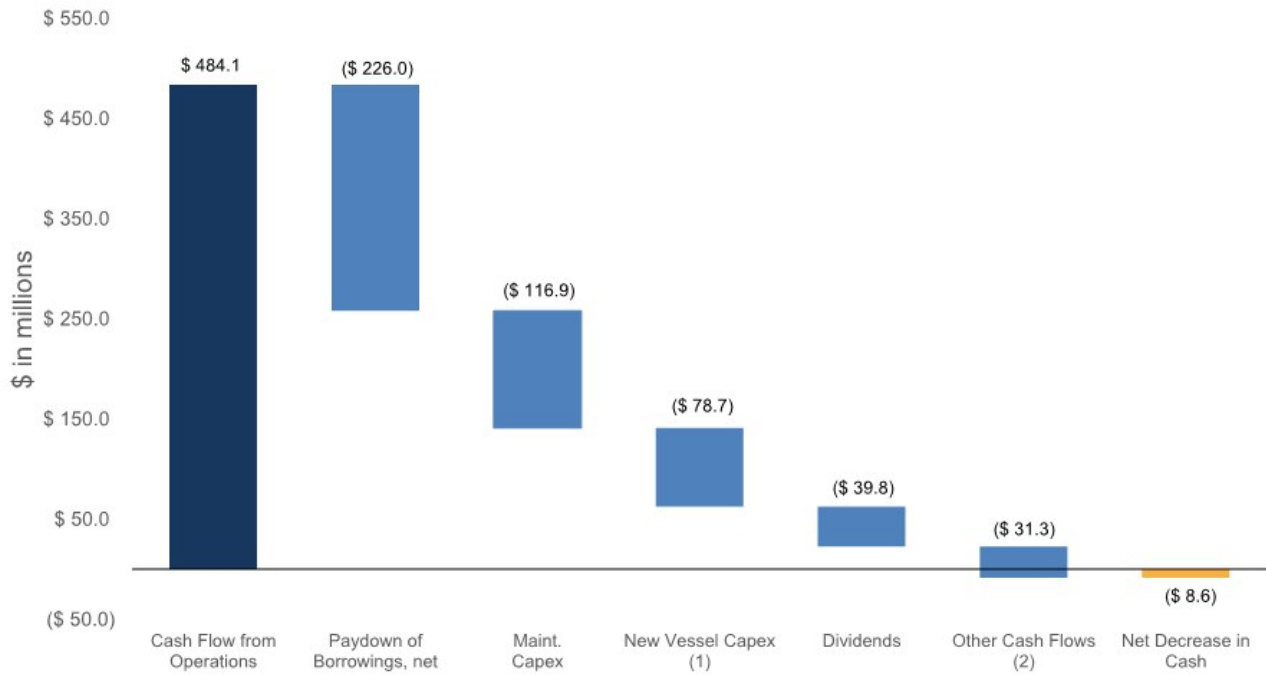
Financial Results – Summary Income Statement

(\$ in millions, except per share data)	First Quarter		
	Quarters Ended 3/31		Δ
	2021	2020	\$
Revenue			
Ocean Transportation	\$ 560.5	\$ 400.9	\$ 159.6
Logistics	151.3	113.0	38.3
Total Revenue	\$ 711.8	\$ 513.9	\$ 197.9
Operating Income			
Ocean Transportation	\$ 114.1	\$ 7.9	\$ 106.2
Logistics	6.1	5.1	1.0
Total Operating Income	\$ 120.2	\$ 13.0	\$ 107.2
Interest Expense	(7.3)	(8.6)	
Other income (expense), net	1.4	0.6	
Income Taxes	(27.1)	(1.2)	
Net Income	\$ 87.2	\$ 3.8	\$ 83.4
GAAP EPS, diluted	\$ 1.99	\$ 0.09	\$ 1.90
Depreciation and Amortization (incl. dry-dock amortization)	\$ 38.9	\$ 32.9	\$ 6.0
EBITDA	\$ 160.5	\$ 46.5	\$ 114.0

See the Addendum for a reconciliation of GAAP to non-GAAP Financial Metrics.

Cash Generation and Uses of Cash

Last Twelve Months Ended March 31, 2021



(1) Includes capitalized interest and owner's items.

(2) Includes \$15.4 million in financing costs related to Title XI bonds in the second quarter of 2020.

Financial Results – Summary Balance Sheet

(\$ in millions)	March 31, 2021	December 31, 2020
ASSETS		
Cash and cash equivalents	\$ 11.8	\$ 14.4
Other current assets	302.1	291.5
Total current assets	313.9	305.9
Investment in SSAT	47.5	48.7
Property and equipment, net	1,684.0	1,689.9
Intangible assets, net	189.3	192.0
Goodwill	327.8	327.8
Other long-term assets	367.2	336.3
Total assets	\$ 2,929.7	\$ 2,900.6
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current portion of debt	\$ 59.2	\$ 59.2
Other current liabilities	459.9	452.3
Total current liabilities	519.1	511.5
Long-term debt, net of deferred loan fees	624.3	685.6
Other long-term liabilities	757.4	742.3
Total long-term liabilities	1,381.7	1,427.9
Total shareholders' equity	1,028.9	961.2
Total liabilities and shareholders' equity	\$ 2,929.7	\$ 2,900.6

See the Addendum for a reconciliation of GAAP to non-GAAP Financial Metrics.

(1) Total Debt is presented before any reduction for deferred loan fees as required by GAAP.

(2) Net Debt is Total Debt of \$698.9 million less cash and cash equivalents of \$11.8 million.

(3) Based on Total Debt and EBITDA as defined in the amended debt agreements of \$698.9 million and \$558.1 million, respectively.

Debt Levels

- Total Debt of \$698.9 million⁽¹⁾
 - \$61.2 million of debt reduction in 1Q21
 - Revolver balance of \$25.0 million
- Net Debt of \$687.1 million⁽²⁾
- Leverage ratio per amended debt agreements of approximately 1.25x⁽³⁾

Debt Amendments

- Amended revolving credit facility and Note Purchase Agreements on March 31, 2021
- Maintained \$650 million facility size on the new 5-year revolver
- Returned to the revolver's 2017 pricing grid with increases in base leverage level to 3.50x and maximum leverage level to 4.00x for M&A
- Bank facility LIBOR margin ranges from 1.00% to 1.75%, based on the actual leverage ratio
- Private note coupon step-ups of 0.25% if leverage ratio is between 3.25x and 3.50x



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Appendix

Appendix – Non-GAAP Measures

Matson reports financial results in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company also considers other non-GAAP measures to evaluate performance, make day-to-day operating decisions, help investors understand our ability to incur and service debt and to make capital expenditures, and to understand period-over-period operating results separate and apart from items that may, or could, have a disproportional positive or negative impact on results in any particular period. These non-GAAP measures include, but are not limited to, Earnings Before Interest, Income Taxes, Depreciation and Amortization (“EBITDA”), and Net Debt/EBITDA.

NET DEBT RECONCILIATION

(In millions)	March 31, 2021
Total Debt (1):	\$ 698.9
Less: Cash and cash equivalents	(11.8)
Net Debt	<u>\$ 687.1</u>

EBITDA RECONCILIATION

(In millions)	Three Months Ended			Last Twelve Months
	2021	March 31, 2020	Change	
Net Income	\$ 87.2	\$ 3.8	\$ 83.4	\$ 276.5
Add: Income taxes	27.1	1.2	25.9	91.8
Add: Interest expense	7.3	8.6	(1.3)	26.1
Add: Depreciation and amortization	32.3	26.8	5.5	117.7
Add: Dry-dock amortization	6.6	6.1	0.5	25.6
EBITDA (2)	<u>\$ 160.5</u>	<u>\$ 46.5</u>	<u>\$ 114.0</u>	<u>\$ 537.7</u>

- (1) Total Debt is presented before any reduction for deferred loan fees as required by GAAP.
- (2) EBITDA is defined as the sum of net income plus income taxes, interest expense and depreciation and amortization (including deferred dry-docking amortization). EBITDA should not be considered as an alternative to net income (as determined in accordance with GAAP), as an indicator of our operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) as a measure of liquidity. Our calculation of EBITDA may not be comparable to EBITDA as calculated by other companies, nor is this calculation identical to the EBITDA used by our lenders to determine financial covenant compliance.