



Matson[®]

Third Quarter 2024 Earnings Conference Call

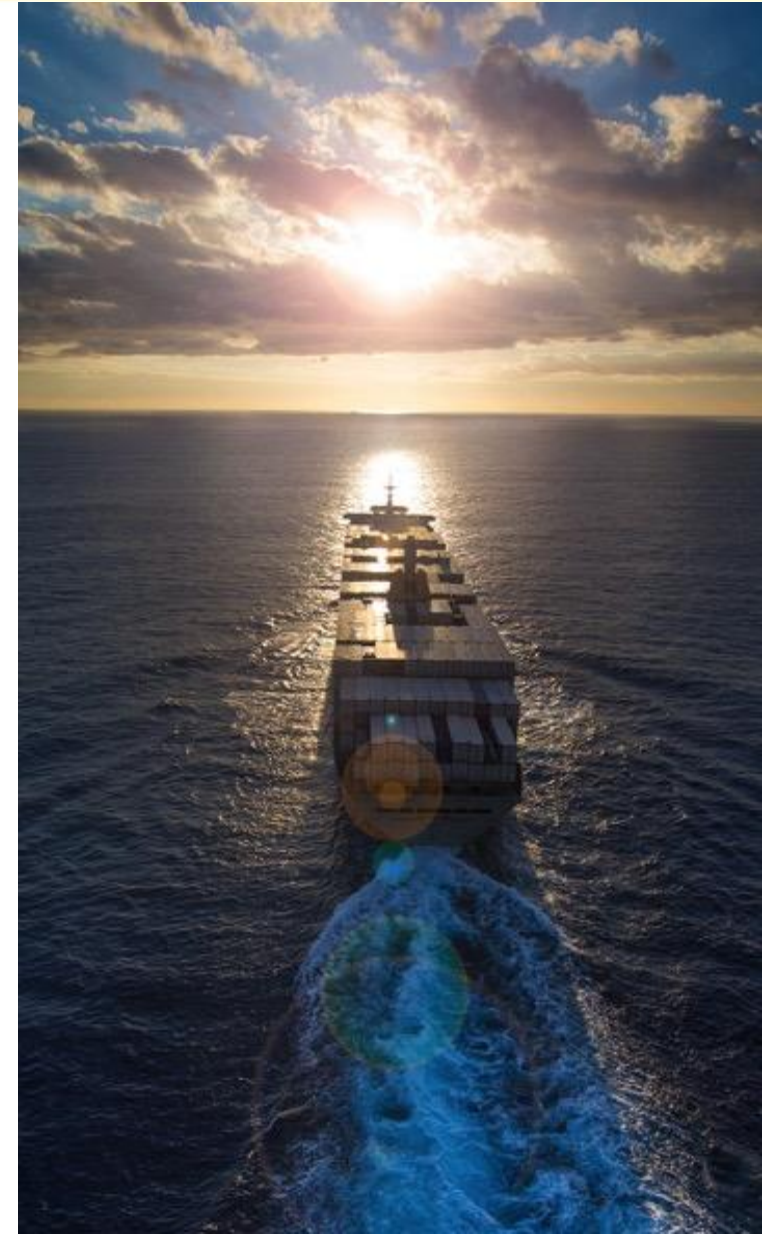
October 30, 2024

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 October 30, 2024.

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 13-25 of our Form 10-K filed on February 23, 2024 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

- Very strong 3Q24 that exceeded our expectations
 - Higher YoY operating income in both Ocean Transportation and Logistics
- Ocean Transportation 3Q24:
 - China service was the primary driver of the increase in consolidated operating income YoY
 - Higher YoY volume in Alaska
 - Hawaii and Guam saw lower YoY volume
- Logistics 3Q24:
 - Operating income increased YoY due to higher contributions from supply chain management and transportation brokerage
- Raising outlook for 2024 driven primarily by expected strength of China service

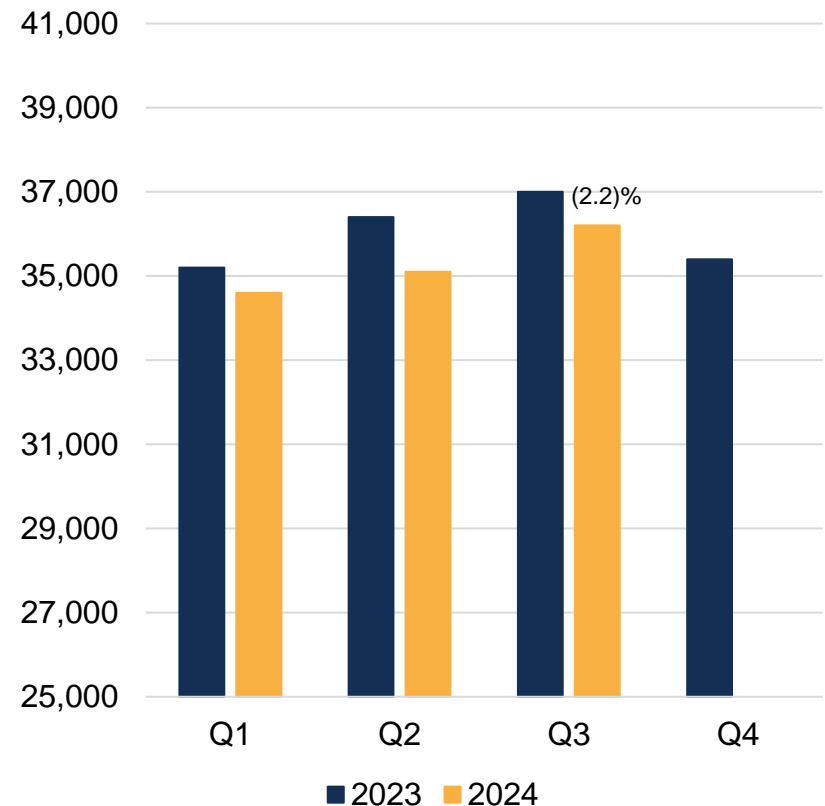
Third Quarter 2024 Performance

- Container volume decreased 2.2% YoY due to lower general demand
- Slow economic growth with stalled growth in statewide tourist arrivals

Full Year 2024 Outlook

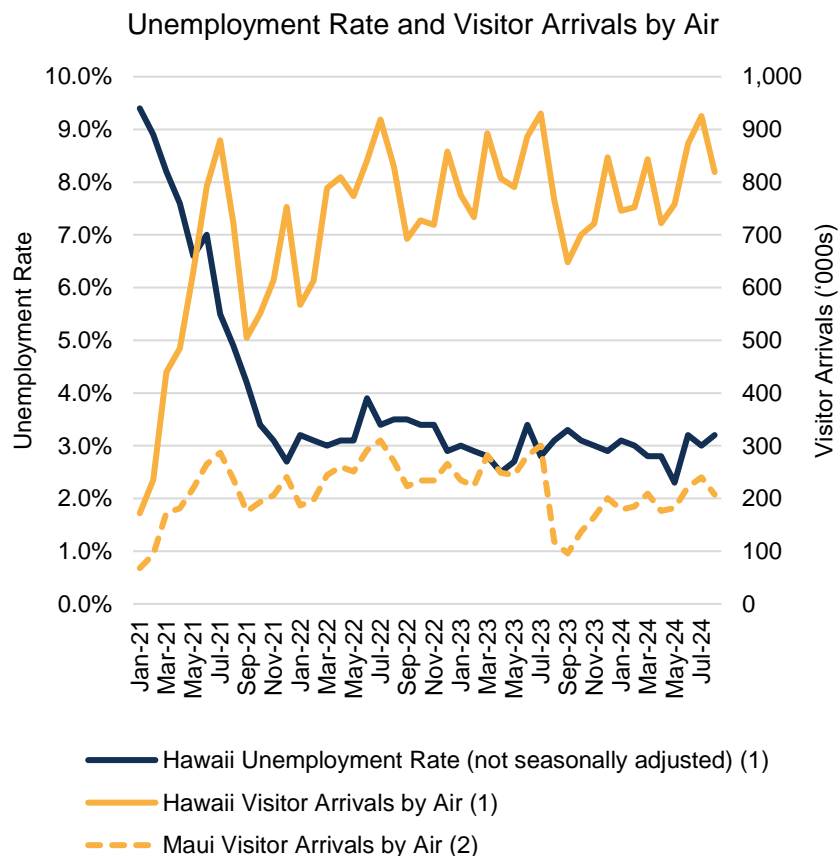
- Expect volume in 2024 to be modestly lower than the level achieved last year primarily due to:
 - Low-to-no growth in tourism
 - Challenging population growth
 - Lower discretionary income as a result of higher inflation and interest rates

Container Volume (FEU Basis)



Hawaii Service – Current Business Trends

Select Hawaii Economic Indicators



(1) Source: https://files.hawaii.gov/dbedt/economic/data_reports/mei/2024-08-state.xls

(2) Source: https://files.hawaii.gov/dbedt/economic/data_reports/mei/2024-08-maui.xls

(3) Source: https://uhero.hawaii.edu/wp-content/uploads/2024/09/24Q3_Forecast.pdf

UHERO Projections (3)

	2024P	2025P	2026P
Real GDP	1.0%	2.8%	2.3%
Construction Jobs Growth	4.8%	2.9%	0.6%
Population Growth	(0.2)%	0.0%	0.1%
Unemployment Rate	3.0%	2.7%	2.7%
Visitor Arrivals ('000s)	9,731.1	10,118.9	10,286.7
% change	0.9%	4.0%	1.7%

Commentary

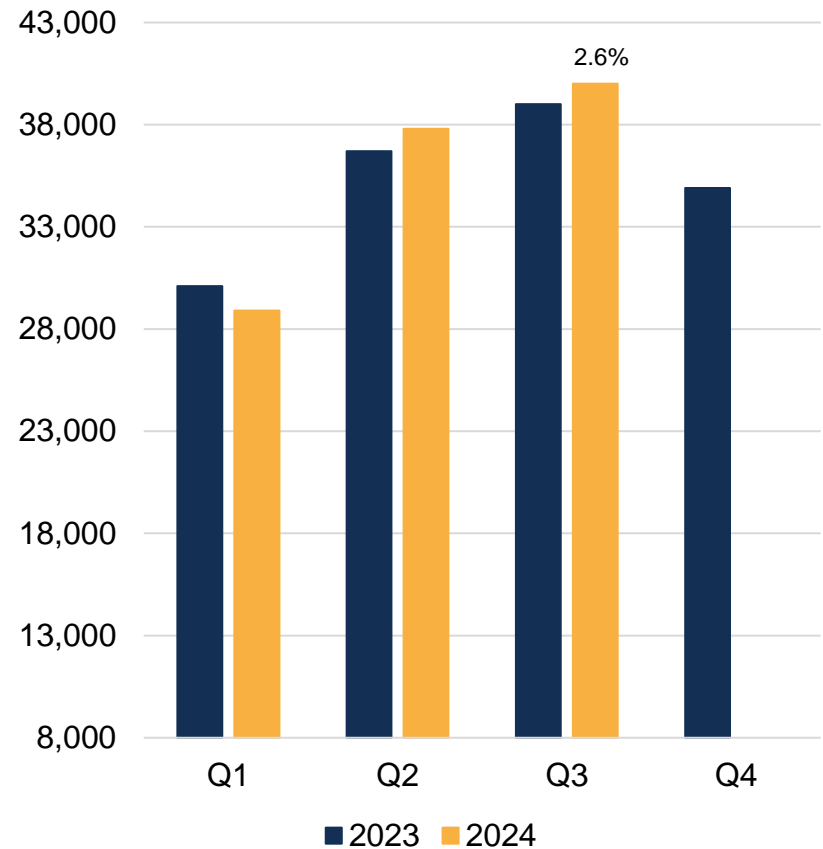
- According to UHERO, the Hawaii economy is projected to grow slowly in 2024
 - Low unemployment rate
 - Increase in construction activity
 - Low growth in tourist arrivals

China Service

Third Quarter 2024 Performance

- Container volume increased 2.6% YoY
 - Two additional sailings in 3Q24
- Significantly higher freight rates YoY for both the CLX and MAX

Container Volume (FEU Basis)



Note: two additional sailings in 3Q24.

China Service – Current Business Trends

- The elevated freight rates in 3Q24 were primarily due to a traditional peak season with strong freight demand and additional factors including:
 - A resilient U.S. economy and a stable consumer demand environment coupled with tighter supply chain conditions
 - Solid U.S. retail sales during 3Q24
 - E-commerce continued to grow faster than the overall retail market
 - Continued Red Sea disruptions
 - Impacts from East Coast / Gulf ILA negotiations
- For 4Q24, we expect our China service freight rates to be significantly higher than the levels achieved in the year ago period, as long as the underlying economic, supply chain, and geopolitical conditions persist, but lower than the average rates achieved in 3Q24 as the peak season demand eases

Our CLX and MAX services continue to be the two fastest and most reliable expedited ocean services in the Transpacific

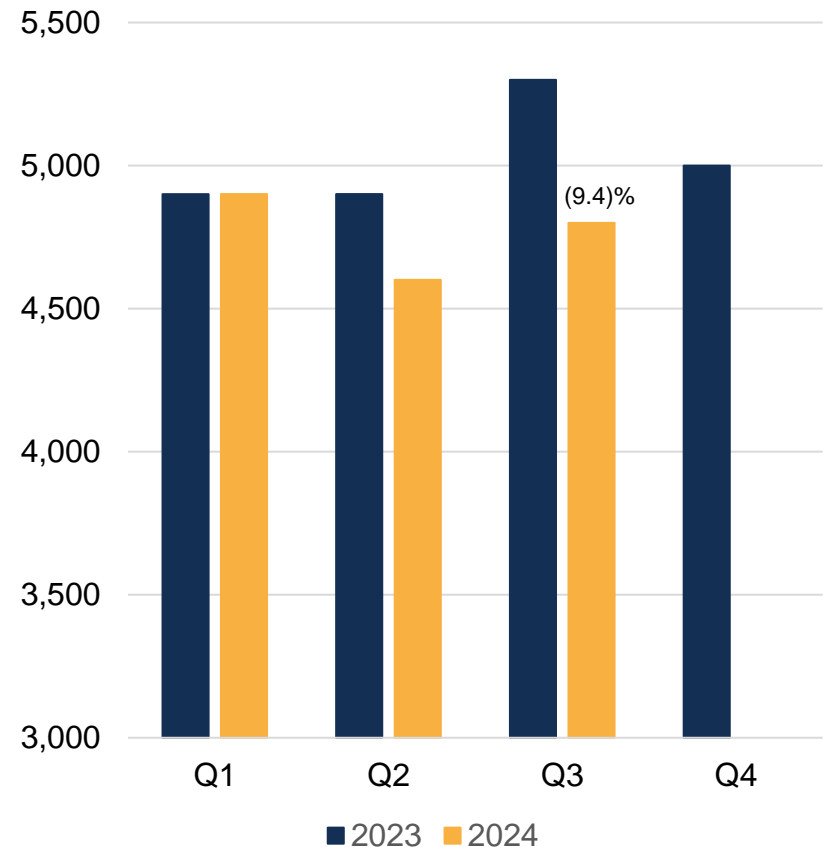
Third Quarter 2024 Performance

- Container volume decreased 9.4% YoY
 - Primarily due to lower demand from retail and food and beverage segments

Full Year 2024 Outlook

- Expect Guam's economy to remain stable with a low unemployment rate, but slow growth in tourism
- Expect volume to be lower than the level achieved last year

Container Volume (FEU Basis)



Note: an additional sailing in 2Q23.

Alaska Service

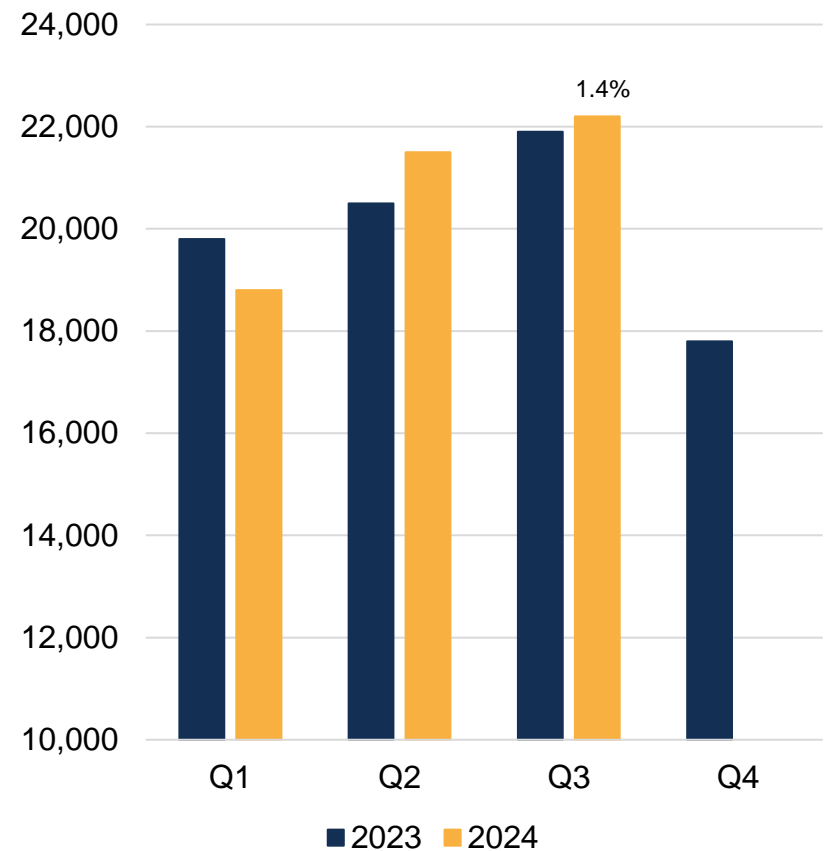
Third Quarter 2024 Performance

- Container volume increased 1.4% YoY due to higher retail-related demand

Full Year 2024 Outlook

- Expect continued economic growth in Alaska supported by a low unemployment rate, jobs growth and lower levels of inflation
- Expect volume to be approximate the level achieved last year

Container Volume (FEU Basis)



Note: an additional northbound sailing in 1Q23.

SSAT Joint Venture

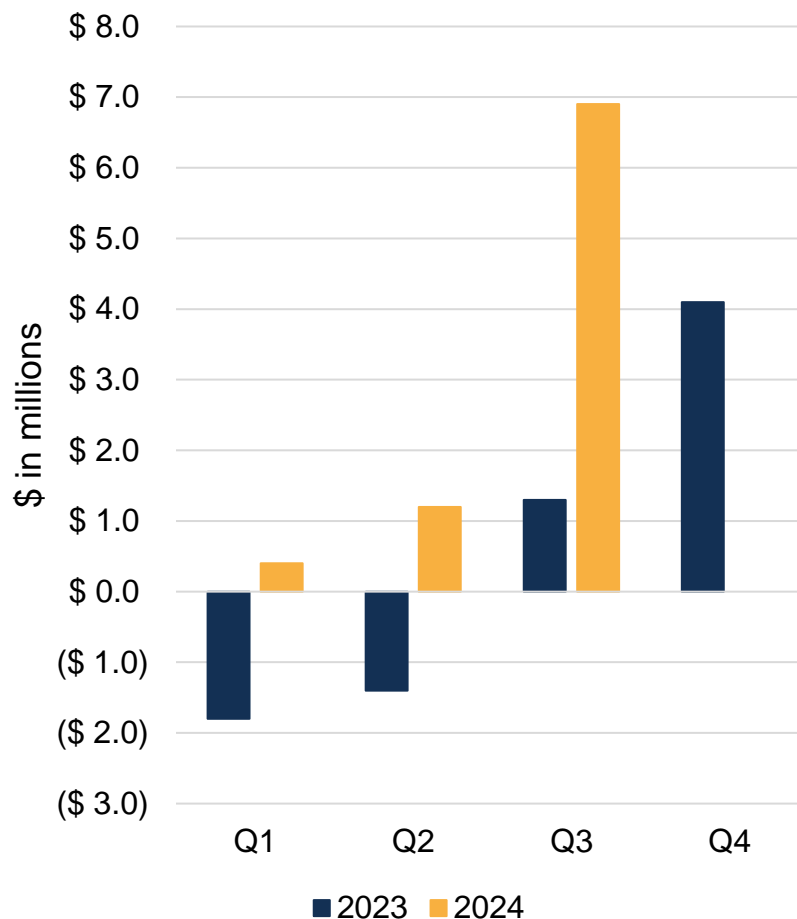
Third Quarter 2024 Performance

- Terminal joint venture contribution was \$6.9 million; YoY increase of \$5.6 million
 - Primarily due to higher lift volume

Full Year 2024 Outlook

- Expect contribution to be higher than 2023 due to an expected increase in lift volume

Equity in Income of Joint Venture



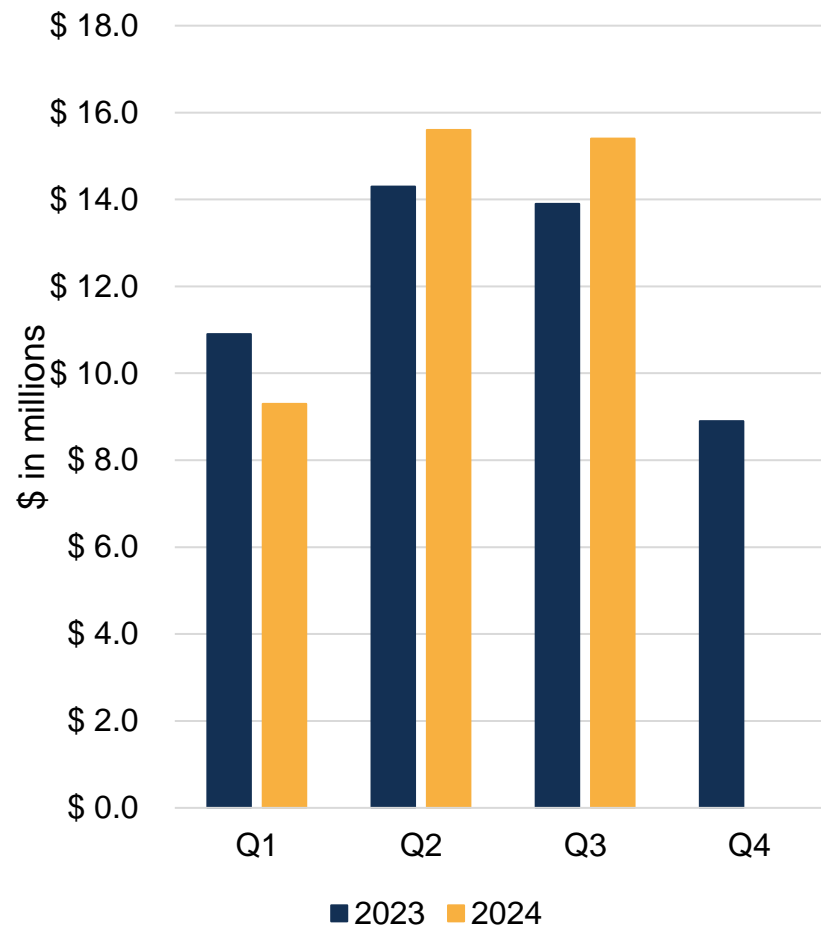
Third Quarter 2024 Performance

- Operating income of \$15.4 million; YoY increase of approximately \$1.5 million
 - Higher contributions from supply chain management and transportation brokerage

Fourth Quarter 2024 Outlook

- Expect operating income in 4Q24 to be modestly higher than the level achieved last year

Operating Income



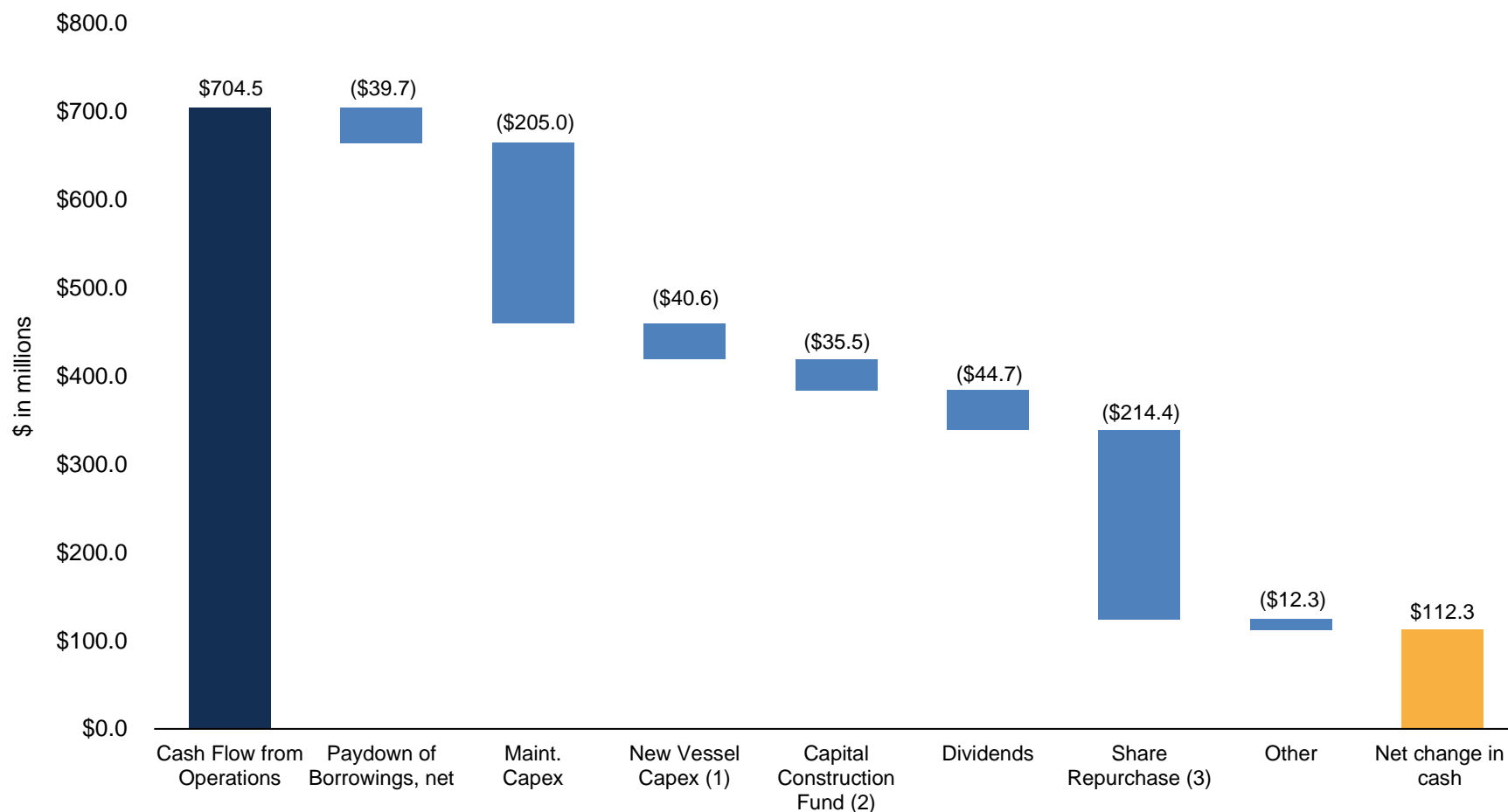
Financial Results – Summary Income Statement

(\$ in millions, except per share data)	Year-to-Date				Third Quarter			
	YTD Ended 9/30		Δ		Quarter Ended 9/30		Δ	
	2024	2023	\$	%	2024	2023	\$	%
Revenue								
Ocean Transportation	\$ 2,067.6	\$ 1,837.3	\$ 230.3	12.5%	\$ 798.7	\$ 669.4	\$ 129.3	19.3%
Logistics	463.9	468.4	(4.5)	(1.0)%	163.3	158.1	5.2	3.3%
Total Revenue	\$ 2,531.5	\$ 2,305.7	\$ 225.8	9.8%	\$ 962.0	\$ 827.5	\$ 134.5	16.3%
Operating Income								
Ocean Transportation	\$ 363.5	\$ 228.4	\$ 135.1	59.2%	\$ 226.9	\$ 118.2	\$ 108.7	92.0%
Logistics	40.3	39.1	1.2	3.1%	15.4	13.9	1.5	10.8%
Total Operating Income	\$ 403.8	\$ 267.5	\$ 136.3	51.0%	\$ 242.3	\$ 132.1	\$ 110.2	83.4%
Interest income	38.0	26.2	11.8	45.0%	10.4	9.3	1.1	11.8%
Interest expense	(6.1)	(9.8)	3.7	(37.8)%	(1.8)	(2.4)	0.6	(25.0)%
Other income (expense), net	5.5	4.8	0.7	14.6%	1.9	1.2	0.7	58.3%
Income taxes	(92.8)	(54.0)	(38.8)	71.9%	(53.7)	(20.3)	(33.4)	164.5%
Net Income	\$ 348.4	\$ 234.7	\$ 113.7	48.4%	\$ 199.1	\$ 119.9	\$ 79.2	66.1%
Weighted Average Number of Shares Outstanding (diluted)	34.4	35.8	(1.4)	(3.9)%	33.8	35.3	(1.5)	(4.2)%
GAAP EPS, diluted	\$ 10.13	\$ 6.56	\$ 3.57	54.4%	\$ 5.89	\$ 3.40	\$ 2.49	73.2%
Depreciation and Amortization (incl. dry-dock amortization)	\$ 134.4	\$ 125.0	\$ 9.4	7.5%	\$ 45.2	\$ 41.8	\$ 3.4	8.1%
EBITDA	\$ 543.7	\$ 397.3	\$ 146.4	36.8%	\$ 289.4	\$ 175.1	\$ 114.3	65.3%

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

Cash Generation and Uses of Cash

Last Twelve Months Ended September 30, 2024



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

(2) Includes cash deposits into the Capital Construction Fund (CCF) and interest income on cash deposits and fixed-income securities in the CCF, net of withdrawals for milestone payments.

(3) Includes taxes.

Financial Results – Summary Balance Sheet

(\$ in millions)	September 30, 2024	December 31, 2023
ASSETS		
Cash and cash equivalents	\$ 270.3	\$ 134.0
Other current assets	381.5	468.3
Total current assets	651.8	602.3
Investment in SSAT	93.3	85.5
Property and equipment, net	2,190.6	2,089.9
Intangible assets, net	164.0	176.4
Capital Construction Fund (CCF)	635.4	599.4
Goodwill	327.8	327.8
Other long-term assets	379.3	413.3
Total assets	\$ 4,442.2	\$ 4,294.6
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current portion of debt	\$ 39.7	\$ 39.7
Other current liabilities	538.0	522.6
Total current liabilities	577.7	562.3
Long-term debt, net of deferred loan fees	360.2	389.3
Other long-term liabilities	947.6	942.3
Total long-term liabilities	1,307.8	1,331.6
Total shareholders' equity	2,556.7	2,400.7
Total liabilities and shareholders' equity	\$ 4,442.2	\$ 4,294.6

Share Repurchase

- 3Q24: ~0.4 million shares repurchased for total cost of \$48.1 million
- YTD: ~1.4 million shares repurchased for a total cost of \$169.2 million

Debt Levels

- Total Debt of \$410.6 million⁽¹⁾
 - Reduced by \$10.1 million from 2Q24
 - Reduced by \$30.0 million YTD

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

2024 Outlook

4Q24 Outlook

Ocean Transportation – Operating Income

4Q24

To be meaningfully higher than the \$66.4 million achieved in 4Q23

Logistics – Operating Income

4Q24

To be modestly higher than the \$8.9 million achieved in 4Q23

**GAAP
Effective
Tax Rate**

Approximately 22.0%

FY 2024 Outlook Items

**Depreciation and
Amortization**

Approximately \$180 million,
including \$27 million in dry-dock
amortization

Interest Income

Approximately \$47 million

**Interest Expense
(excluding
capitalized interest)**

Approximately \$8 million

**Other
Income/(Expense)**

Approximately \$7 million

**Dry-docking
Payments**

Approximately \$35 million

Revised Capital Expenditures Outlook

(\$ in millions)	FY 2024	Comments
Maintenance and other capital expenditures	\$110 – 120	
Expenditures for LNG installations and reengining on existing vessels	\$85 – 90	<ul style="list-style-type: none"> • <i>Kaimana Hila</i> LNG installation complete and exited drydock in October • No additional conversion projects planned
Sub-total maintenance and other capex	\$195 - 210	
New vessel construction milestone payments and related costs	\$77	<ul style="list-style-type: none"> • Includes owner's items and capitalized interest expense • In October, paid ~\$36 million milestone payment from cash and cash equivalents
Total	\$272 – 287	

New Vessel Update

- On September 30th, began construction on the first of three new “Aloha Class” containerships for the CLX
 - Upon delivery, vessels will have dual-fuel engines capable of operating on both conventional marine fuels and LNG
- New vessels expected to carry ~15,000 additional containers per year in our China service
- Currently expect first vessel to be delivered in 4Q26 with subsequent deliveries in 2027



Cutting of steel at the Philly Shipyard in Pennsylvania initiates the construction of our three new “Aloha Class” vessels

New Vessel Milestone Payment Schedule

As of September 30th, our cash and cash equivalents and CCF combined exceed our remaining milestone payments.

(\$ in millions as of 9/30/24)

Milestone Payments Schedule

4Q24 (paid from cash and cash equivalents)	\$36
1Q25	82
2Q25	36
3Q25	120
4Q25	131
FY 2025	\$369
FY 2026	323
FY 2027	132
FY 2028	6
Total Milestone Payments 2025-2028	\$830
CCF Balance (1)	\$635
Cash and Cash Equivalents	\$270

(1) Consists of ~\$457 million in fixed-rate Treasuries earning 4.53% in cash coupon and appreciation and ~\$178 million in a Treasury obligations money market fund.



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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”).

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

(In millions)	Three Months Ended September 30,			Last Twelve Months
	2024	2023	Change	
Net Income	\$ 199.1	\$ 119.9	\$ 79.2	\$ 410.8
Subtract: Interest income	(10.4)	(9.3)	(1.1)	(47.8)
Add: Interest expense	1.8	2.4	(0.6)	8.5
Add: Income taxes	53.7	20.3	33.4	114.7
Add: Depreciation and amortization	37.9	35.6	2.3	149.2
Add: Dry-dock amortization	7.3	6.2	1.1	27.7
EBITDA (1)	\$ 289.4	\$ 175.1	\$ 114.3	\$ 663.1

(In millions)	Nine Months Ended September 30,		
	2024	2023	Change
Net Income	\$ 348.4	\$ 234.7	\$ 113.7
Subtract: Interest income	(38.0)	(26.2)	(11.8)
Add: Interest expense	6.1	9.8	(3.7)
Add: Income taxes	92.8	54.0	38.8
Add: Depreciation and amortization	113.4	106.4	7.0
Add: Dry-dock amortization	21.0	18.6	2.4
EBITDA (1)	\$ 543.7	\$ 397.3	\$ 146.4

- (1) EBITDA is defined as earnings before interest, income taxes, 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.