



Matson[®]

Second Quarter 2023 Earnings Conference Call

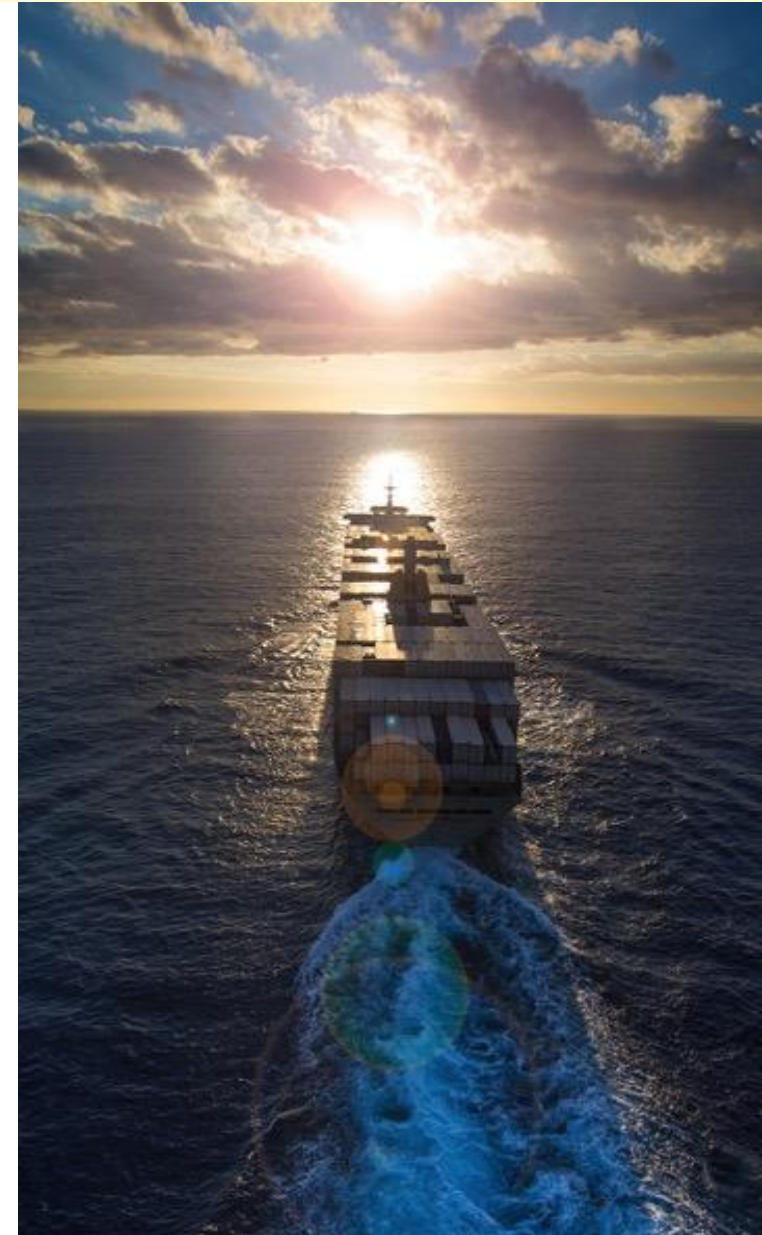
August 1, 2023

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 August 1, 2023.

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 14-24 of our Form 10-K filed on February 24, 2023 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.



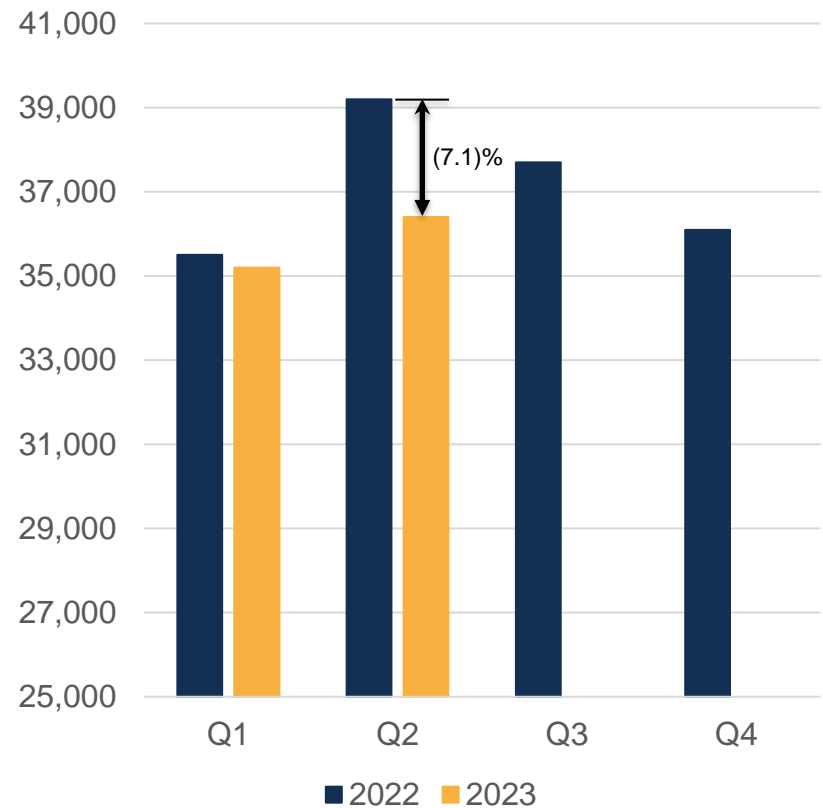
Opening Remarks

- Matson's Ocean Transportation and Logistics business segments performed well despite a challenging business environment and sluggish economic growth
- Ocean Transportation 2Q23:
 - Our China service saw higher sequential quarterly freight demand but generated lower year-over-year volume and freight rates, which were the primary contributors to the decline in our consolidated operating income
 - Lower year-over-year volumes in Hawaii, Alaska and Guam compared to year ago period
- Logistics 2Q23:
 - Lower YoY operating income primarily due to lower contributions from transportation brokerage and supply chain management

Second Quarter 2023 Performance

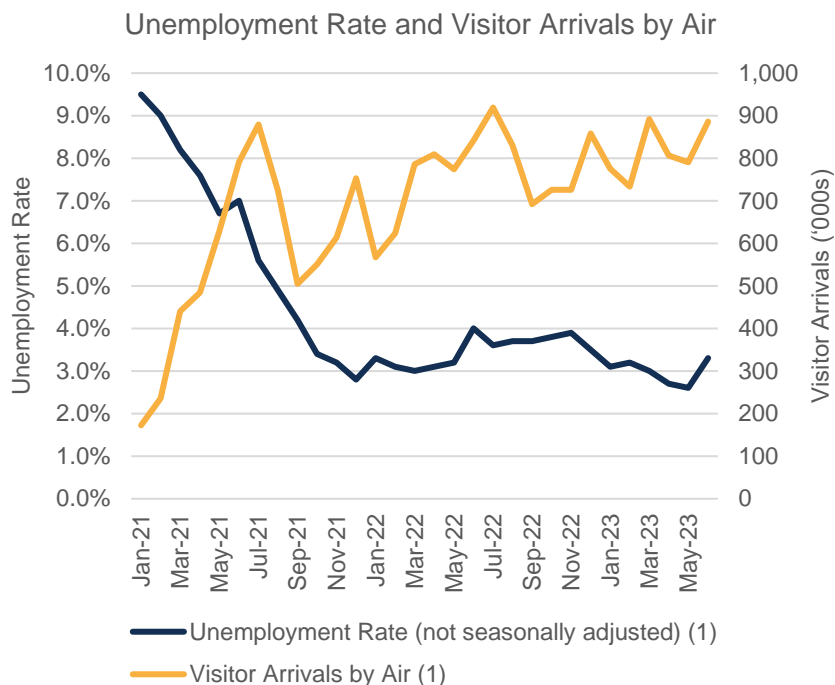
- Container volume decreased 7.1% YoY
 - Lower retail-related volume
 - 2Q23 volume 3.4% lower than volume achieved in 2Q19
- During 2Q23, total visitor arrivals increased modestly YoY with an increase in international visitor arrivals partially offset by a decline in domestic visitor arrivals

Container Volume (FEU Basis)



Hawaii Service – Current Business Trends

Select Hawaii Economic Indicators



UHERO Projections (2)

	2021	2022	2023P	2024P
Real GDP	6.3%	1.3%	2.6%	2.0%
Construction Jobs Growth	0.8%	0.8%	6.2%	1.9%
Population Growth	(0.3)%	(0.5)%	(0.1)%	0.0%
Unemployment Rate	6.0%	3.5%	3.9%	4.2%
Visitor Arrivals ('000s)	6,777.0	9,247.8	9,836.8	9,725.1
% change	150.2%	36.5%	6.4%	(1.1)%

Commentary

- Expect economic growth in near-term supported by:
 - Continued growth in visitor arrivals
 - Low unemployment rate

(1) Source: https://files.hawaii.gov/dbedt/economic/data_reports/mei/2023-06-state.xls

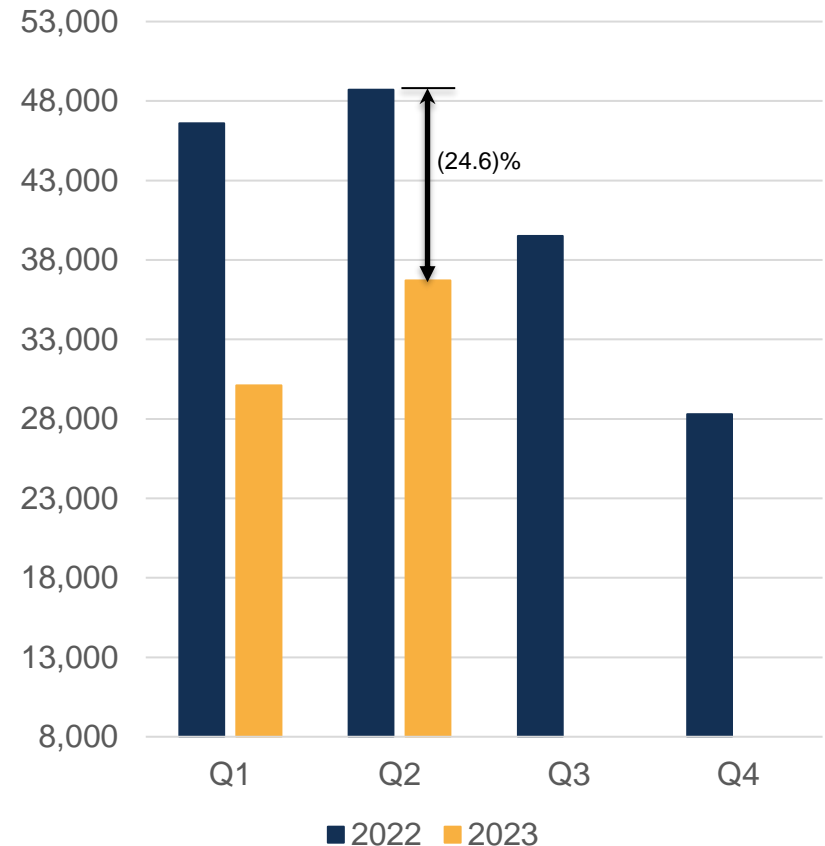
(2) Source: https://uhero.hawaii.edu/wp-content/uploads/2023/05/23Q2_Forecast.pdf

China Service

Second Quarter 2023 Performance

- Container volume decreased 24.6% YoY
 - No CCX service in 2Q23
 - CCX service discontinued in 3Q22
 - Lower capacity in the CLX due to the dry-docking of *Daniel K. Inouye*
 - One less CLX+ sailing
- Lower average freight rates YoY, but well above 2Q19 rates

Container Volume (FEU Basis)



Note: CCX service started in 3Q21 and ended in 3Q22.

China Service – Current Business Trends

- Currently in the Transpacific marketplace, we are seeing modest reductions in deployed capacity and retail inventories are in a relatively better position than earlier in the year, but retailers continue to carefully manage inventory levels in the face of lower consumer demand
- We further expect the tradelane to experience a muted peak season, but for Matson, we expect our China service to be near full during the traditional peak season
- Absent an economic “hard landing” in the U.S., we continue to expect trade dynamics to gradually improve for the remainder of the year as the Transpacific marketplace transitions to a more normalized level of consumer demand and retail inventory stocking levels
- Regardless of the economic environment, we expect to continue to earn a significant rate premium to the Shanghai Containerized Freight Index (SCFI) reflecting our fast and reliable ocean services and unmatched destination services

China Service – Elements of Demand



Economically Advantageous Compared to Air Freight:

- Significant cost savings for 5 to 7 days of additional transit time

“High Touch” Customer Service:

- High level of service at origin and destination



Fast, Reliable Ocean Transit:

- CLX is the fastest
- CLX+ is the second fastest

Unmatched Destination Services:

- 24-hour cargo availability
- Ownership and control of our chassis
- Only U.S. Customs bonded off-dock facility in LA/Long Beach providing quick turn times



Demand for Matson's China Service

The consistency of our service is a significant differentiator in the marketplace.

Guam Service

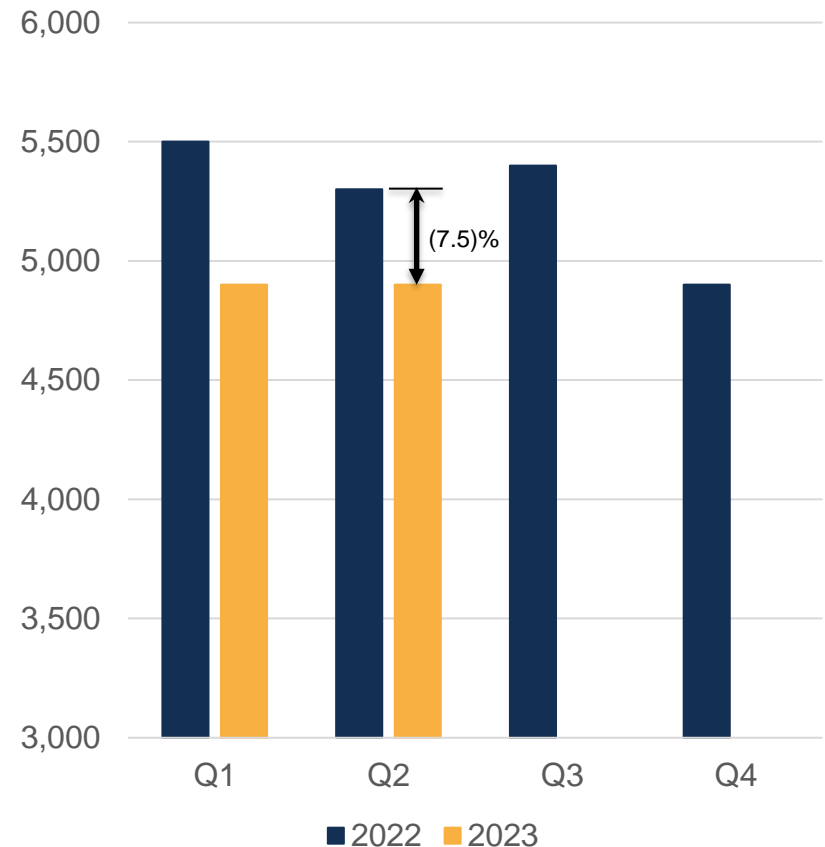
Second Quarter 2023 Performance

- Container volume decreased 7.5% YoY primarily due to lower general demand
- 2Q23 volume 2.1% higher than volume achieved in 2Q19

Current Business Trends

- In 2H23, expect continued improvement in the Guam economy
 - Low unemployment rate
 - Modest increase in tourism from low levels

Container Volume (FEU Basis)



Alaska Service

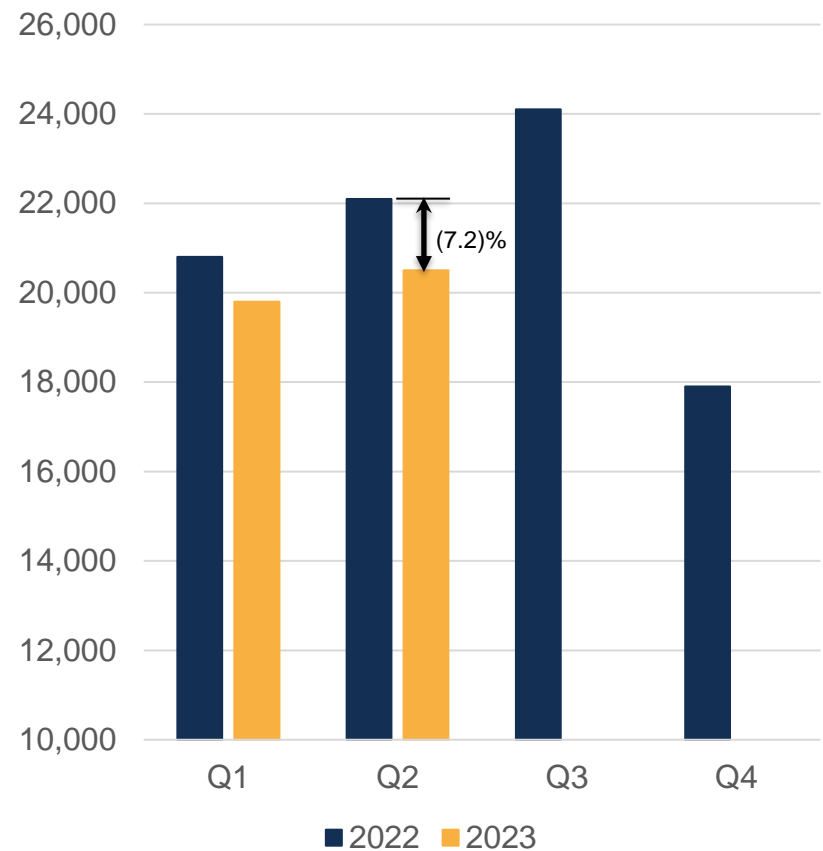
Second Quarter 2023 Performance

- Container volume decreased 7.2% YoY
 - Lower export seafood volume from AAX
 - Lower northbound volume due to one less sailing
 - Lower southbound volume primarily due to lower household goods and domestic seafood volume
- 2Q23 volume 9.0% higher than volume achieved in 2Q19

Current Business Trends

- In the near-term, expect Alaska economy to continue to benefit from:
 - Low unemployment
 - Increased energy-related exploration and production

Container Volume (FEU Basis)



SSAT Joint Venture

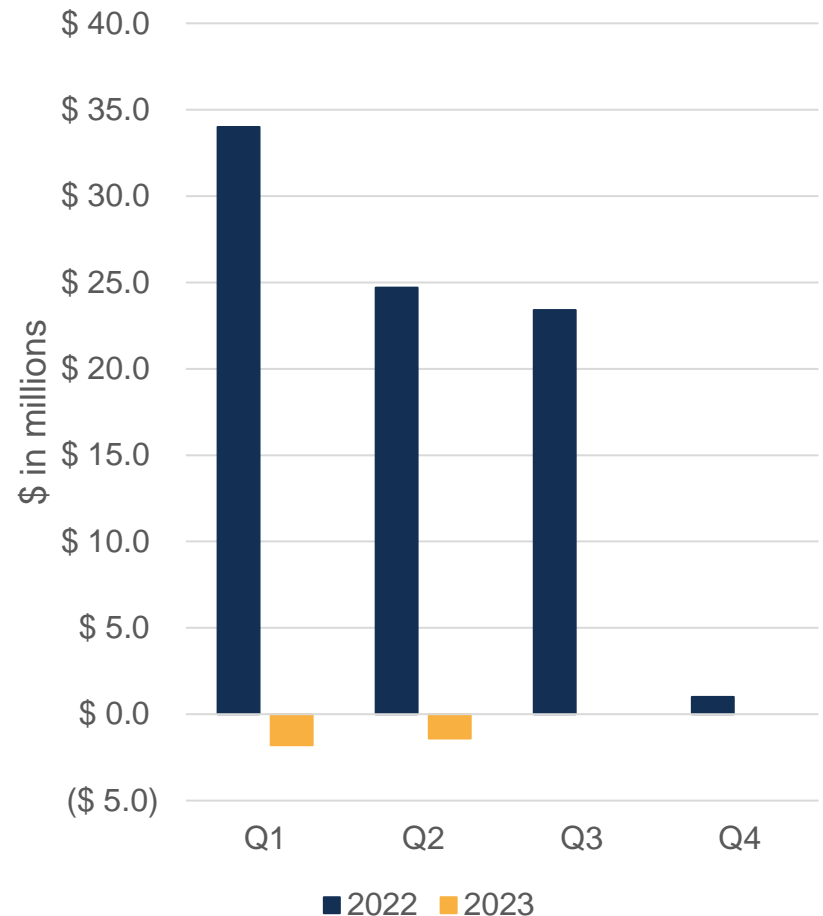
Second Quarter 2023 Performance

- Terminal joint venture contribution was \$(1.4) million; YoY decrease of \$26.1 million
 - Primarily due to lower demurrage revenue and lower lift volume

Current Business Trends

- Expect 2H23 lift volume to reflect a relatively challenging environment in Transpacific tradelane

Equity in Income of Joint Venture



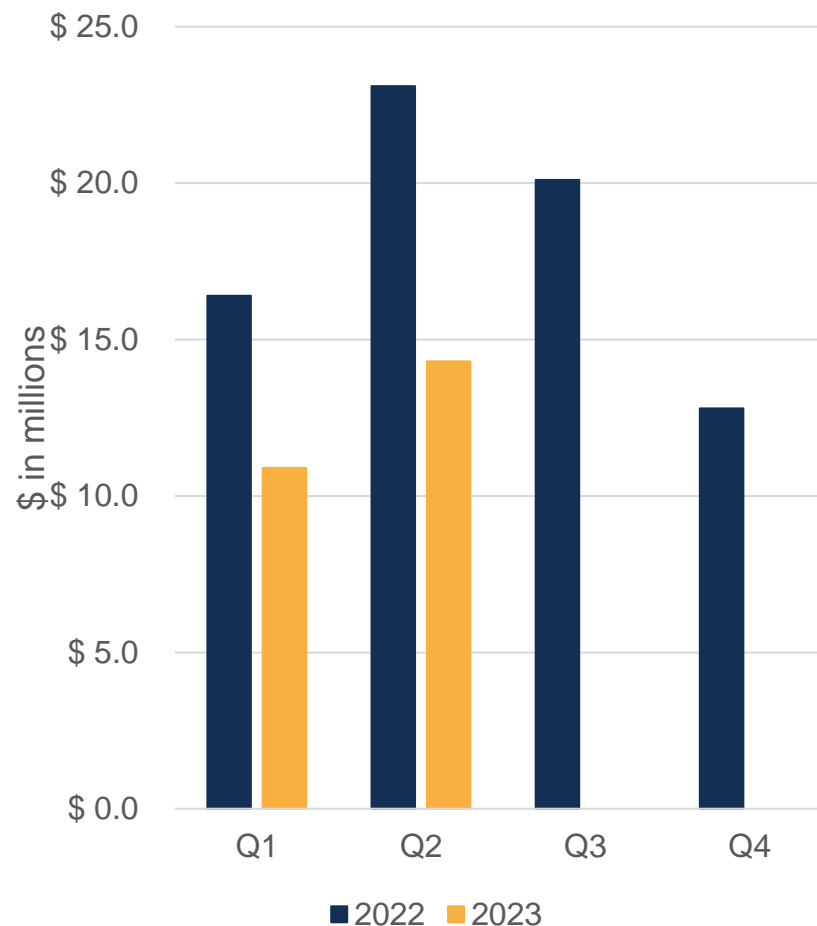
Second Quarter 2023 Performance

- Operating income of \$14.3 million; YoY decrease of approximately \$8.8 million
 - Lower contributions from transportation brokerage and supply chain management

Current Business Trends

- Expect continued growth in Alaska to be supportive of freight forwarding demand
- Expect supply chain management to track the China service
- Expect near-term challenges for transportation brokerage with lower freight demand, excess capacity and declining accessorial fees

Operating Income



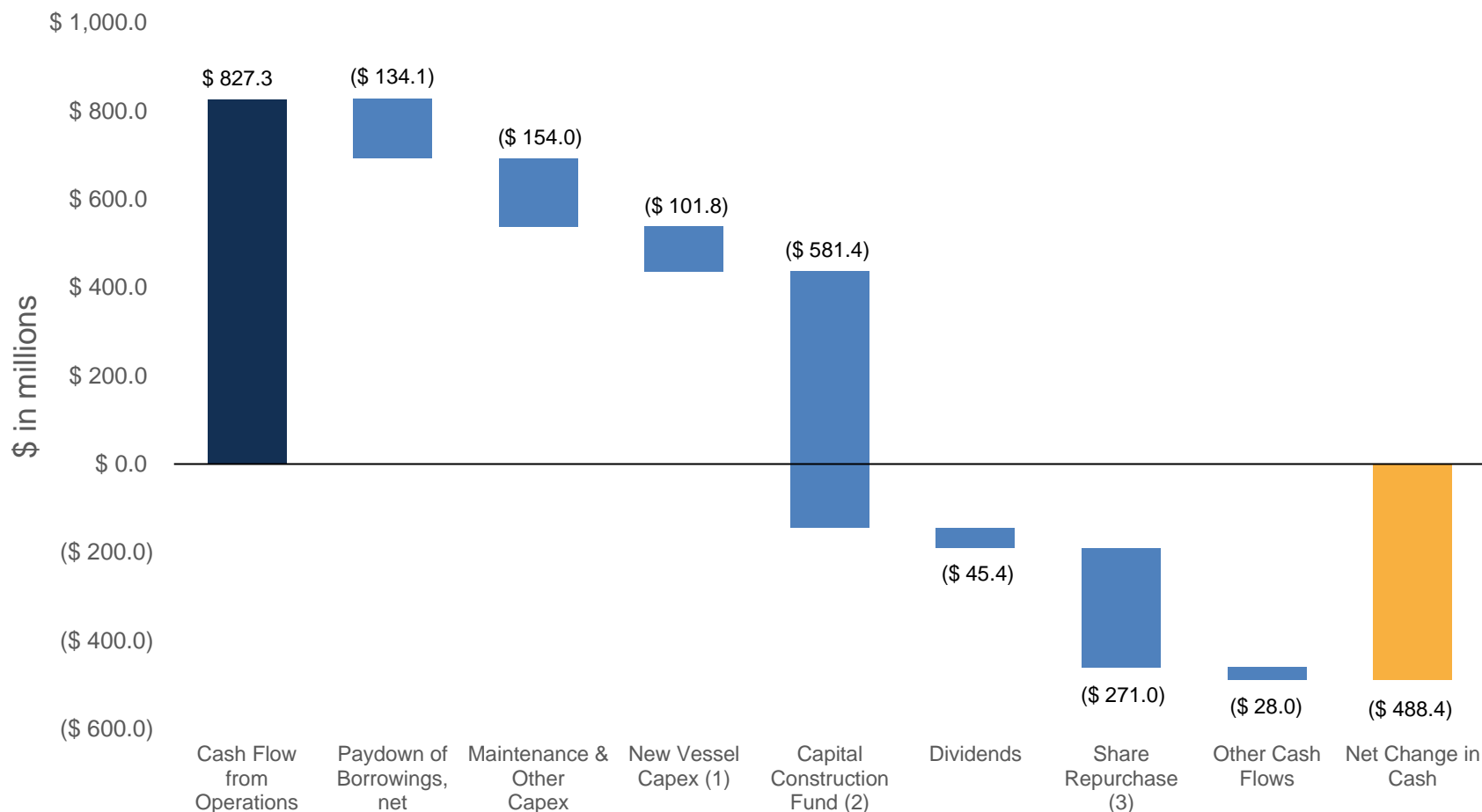
Financial Results – Summary Income Statement

(\$ in millions, except per share data)	Year-to-Date			Second Quarter		
	YTD Ended 6/30		Δ	Quarters Ended 6/30		Δ
	2023	2022	\$	2023	2022	\$
Revenue						
Ocean Transportation	\$ 1,167.9	\$ 1,993.1	(\$ 825.2)	\$ 616.9	\$ 1,049.2	(\$ 432.3)
Logistics	310.3	433.5	(123.2)	156.5	211.9	(55.4)
Total Revenue	\$ 1,478.2	\$ 2,426.6	(\$ 948.4)	\$ 773.4	\$ 1,261.1	(\$ 487.7)
Operating Income						
Ocean Transportation	\$ 110.2	\$ 886.2	(\$ 776.0)	\$ 82.4	\$ 470.0	(\$ 387.6)
Logistics	25.2	39.5	(14.3)	14.3	23.1	(8.8)
Total Operating Income	\$ 135.4	\$ 925.7	(\$ 790.3)	\$ 96.7	\$ 493.1	(\$ 396.4)
Interest income	16.9	—		8.7	—	
Interest expense	(7.4)	(9.3)		(2.9)	(4.5)	
Other income (expense), net	3.6	3.8		1.8	1.8	
Income taxes	(33.7)	(200.3)		(23.5)	(109.7)	
Net Income	\$ 114.8	\$ 719.9	(\$ 605.1)	\$ 80.8	\$ 380.7	(\$ 299.9)
GAAP EPS, diluted	\$ 3.19	\$ 17.69	(\$ 14.50)	\$ 2.26	\$ 9.49	(\$ 7.23)
Depreciation and Amortization (incl. dry-dock amortization)	\$ 83.2	\$ 82.9	\$ 0.3	\$ 42.0	\$ 41.1	\$ 0.9
EBITDA	\$ 222.2	\$ 1,012.4	(\$ 790.2)	\$ 140.5	\$ 536.0	(\$ 395.5)

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

Cash Generation and Uses of Cash

Last Twelve Months Ended June 30, 2023



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

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

(3) Includes taxes.

Financial Results – Summary Balance Sheet

(\$ in millions)	June 30, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	\$ 122.0	\$ 249.8
Other current assets	455.8	509.8
Total current assets	577.8	759.6
Investment in SSAT	80.1	81.2
Property and equipment, net	2,029.0	1,962.5
Intangible assets, net	184.4	174.9
Capital Construction Fund (CCF)	583.9	518.2
Goodwill	327.8	327.8
Other long-term assets	435.1	505.8
Total assets	\$ 4,218.1	\$ 4,330.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current portion of debt	\$ 41.7	\$ 76.9
Other current liabilities	507.3	504.7
Total current liabilities	549.0	581.6
Long-term debt, net of deferred loan fees	408.5	427.7
Other long-term liabilities	970.6	1,023.8
Total long-term liabilities	1,379.1	1,451.5
Total shareholders' equity	2,290.0	2,296.9
Total liabilities and shareholders' equity	\$ 4,218.1	\$ 4,330.0

Share Repurchase

- 2Q23: ~0.6 million shares repurchased for total cost of \$42.4 million
- 1H23: ~1.3 million shares repurchased for a total cost of \$84.5 million

Debt Levels

- Total Debt of \$462.4 million⁽¹⁾ – a reduction of \$14.3 million from 1Q23

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

Other Financial Updates

- CCF cash balance on 6/30/23 of \$583.9 million
 - Nearly two-thirds of remaining milestone payments to be funded with restricted cash in CCF ⁽¹⁾
 - Made a ~\$50 million milestone payment from CCF in 2Q23 for the new vessel build program
 - Expect to make next milestone payment for new vessels in 2Q24
- Continue to expect a general corporate tax refund of ~\$120 million for cash deposited into the CCF for 2021 taxes
- Expect 3Q23 tax rate of ~15%, lower than 2Q23 rate of 22.5% primarily due to 2022 tax deduction related to foreign-derived intangible income (FDII)
- Expect 4Q23 tax rate to revert to ~24%

(1) Based on remaining milestone payments on August 1, 2023 of ~\$899 million. Excludes any interest income on cash deposits that may be earned in future years.

Closing Thoughts

- We expect (i) the consolidated operating income in 3Q23 to be higher than the level achieved in 2Q23 and (ii) the consolidated operating income in 4Q23 to approach the level achieved in 1Q23
 - Normal seasonality trends have returned to our domestic tradelanes and Logistics
 - Expect our China service to be near full during the traditional peak season
 - Expect CLX and CLX+ freight rates in 2H23 to be well above pre-pandemic rates
- Solid 1H23 financial performance despite the challenging business environment
- Feel very good about our market positioning in Ocean Transportation and Logistics
- Evaluating return of annual financial outlook with the release of 4Q23 earnings in February



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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			Last Twelve Months
	2023	2022	Change	
Net Income	\$ 80.8	\$ 380.7	\$ (299.9)	\$ 458.8
Subtract: Interest income	(8.7)	—	(8.7)	(25.1)
Add: Interest expense	2.9	4.5	(1.6)	16.1
Add: Income taxes	23.5	109.7	(86.2)	121.8
Add: Depreciation and amortization	35.8	34.9	0.9	140.0
Add: Dry-dock amortization	6.2	6.2	—	24.4
EBITDA (1)	\$ 140.5	\$ 536.0	\$ (395.5)	\$ 736.0

(In millions)	Six Months Ended		
	2023	2022	Change
Net Income	\$ 114.8	\$ 719.9	\$ (605.1)
Subtract: Interest income	(16.9)	—	(16.9)
Add: Interest expense	7.4	9.3	(1.9)
Add: Income taxes	33.7	200.3	(166.6)
Add: Depreciation and amortization	70.8	70.0	0.8
Add: Dry-dock amortization	12.4	12.9	(0.5)
EBITDA (1)	\$ 222.2	\$ 1,012.4	\$ (790.2)

(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.