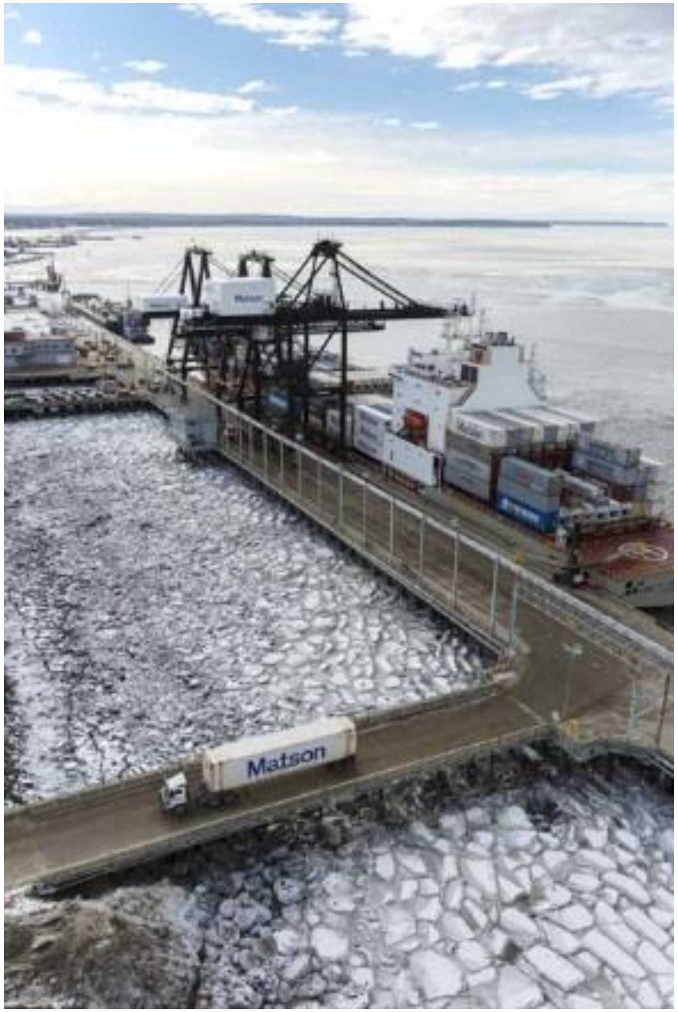
Fourth Quarter and Full Year 2017 Earnings Conference Call

Forward Looking Statements

Statements made during this call and 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 today, February 20, 2018.

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 11-18 of our 2016 Form 10-K filed on February 24, 2017, and other subsequent filings by Matson with the SEC. Statements made during this call and presentation are not guarantees of future performance.

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



Opening Remarks

- Matson performed largely as expected in 4Q17 with favorable contributions from China and SSAT offset by unfavorable trends in Hawaii and Guam
- Matson's net income and diluted EPS benefitted from a one-time, non-cash adjustment of $155.0 million or $3.62 per diluted share in 4Q17 as a result of the Tax Cuts and Jobs Act (the "Tax Act")
- Recap of FY2017 results and operational activity:
  - Favorable contributors:
    - Stronger demand for Matson's expedited China service
    - Timing of fuel surcharge collections
    - Higher lift volume at SSAT
  - Unfavorable contributors:
    - Lower construction-related cargo to Hawaii
    - Competitive pressure in Guam
    - Higher terminal handling costs
  - Continue to advance on new vessel builds and Sand Island crane program
- Introducing full year and 1Q 2018 outlook:
  - Expect 2018 operating income to approximate 2017
  - Expect 1Q18 Ocean Transportation operating income to be moderately higher than 1Q17
  - Expect 1Q18 Logistics operating income to approximate the level in 1Q17

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

Opening Remarks (continued)

($ in millions, except per share)	Quarters Ended December 31, 2016	Quarters Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2017
Earnings per Diluted Share				
GAAP EPS, diluted	$ 0.46	$ 3.90	$ 1.87	$ 5.37
Less: Tax Act Adjustment	-	(3.62)	-	(3.59)
Adjusted EPS, diluted	$ 0.46	$ 0.28	$ 1.87	$ 1.78
Net Income				
GAAP Net Income	$ 20.0	$ 166.9	$ 81.4	$ 232.0
Less: Tax Act Adjustment	-	(155.0)	-	(155.0)
Adjusted Net Income	$ 20.0	$ 11.9	$ 81.4	$ 77.0
EBITDA	$ 73.5	$ 62.5	$ 290.0	$ 296.0

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

Hawaii Service

Fourth Quarter 2017 Performance

- Container volume decreased 11.1% YoY
  - Nearly half of decline due to 53rd week in 4Q16
  - Lower construction-related volume

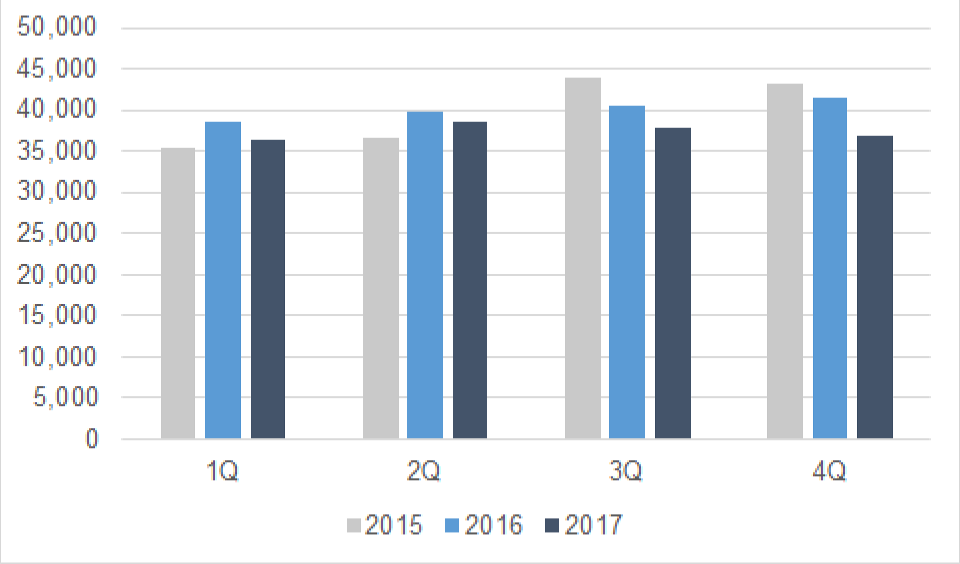
Full Year 2017 Performance

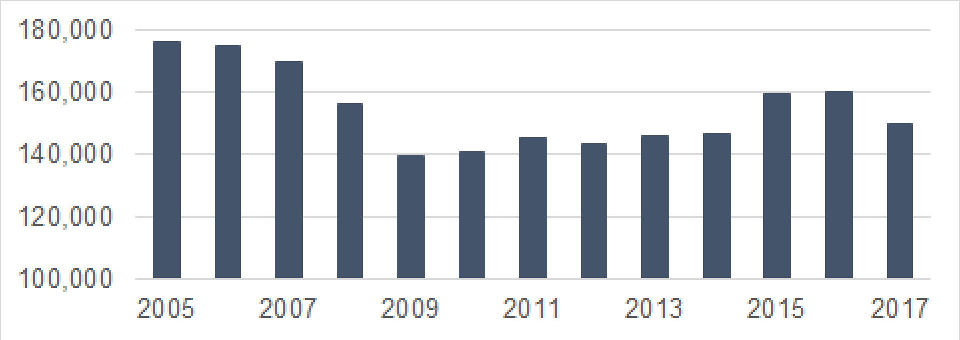
- Container volume decreased 6.5% YoY
  - Lower construction-related volume
  - YoY comparison impacted by 53rd week and competitive gains in 2016

Full Year 2018 Outlook

- Expect flat-to-modest volume growth as Hawaii economic growth continues
- Stable market share

Container Volume (FEU Basis)



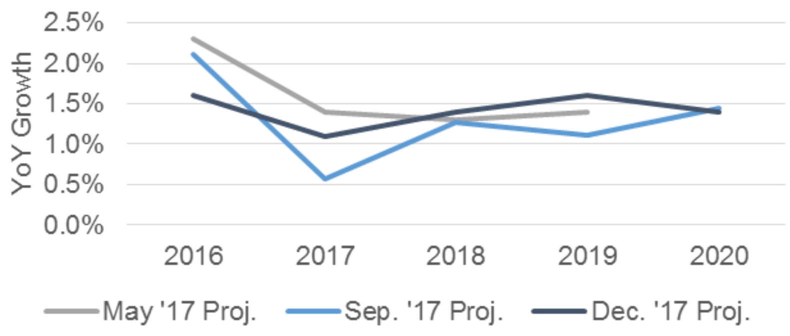


Note: Competitor service issues from 3Q 2015 through 2Q 2016 positively impacted container volume. 4Q and FY 2016 volumes include the benefit of a 53rd week.

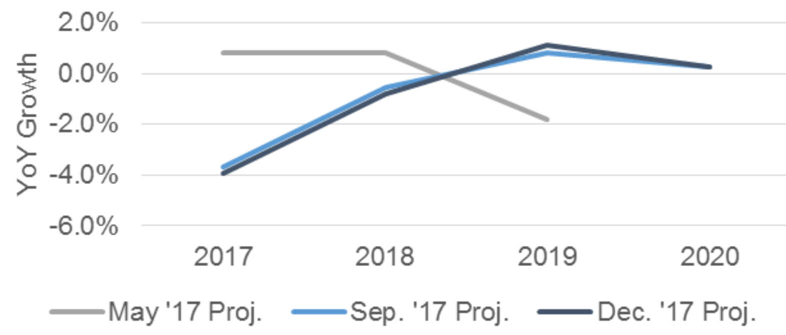
Hawaii Economic Indicators

Despite modest growth in GDP, tourism and general employment, UHERO's construction indicators continue to project softness in construction activity in 2018.

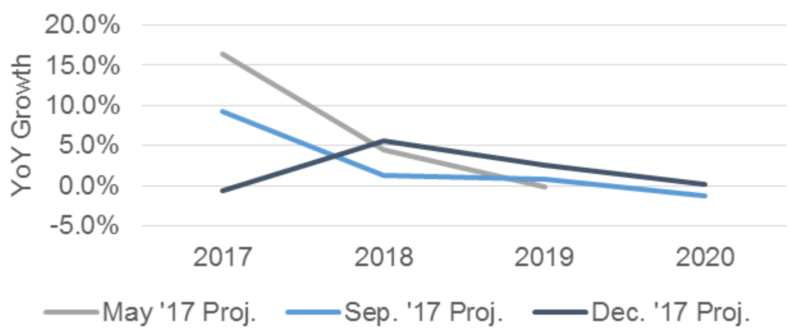
GDP Growth



Construction Jobs Growth



Real Building Permits Growth



"New construction projects slated to break ground over the next several years will be matched by projects wrapping up, so that on net the level of construction activity will remain near current levels. This stands in sharp contrast to the boom-bust character of the mid-2000s cycle…"

Source: UHERO: University of Hawaii Economic Research Organization; Annual Hawaii Forecast with Asia-Pacific Outlook, December 15, 2017, http://www.uhero.hawaii.edu

Hawaii Service Update

- **January 26, 2018[1]: TOTE Update on Hawaii Plan**
  - TOTE announced that its plans to enter the Hawaii market are on hold as a result of its Phase 1 technical review of Piers 1 and 2 in Honolulu Harbor
  - TOTE conducted a preliminary study of the site's infrastructure which indicated that upgrades and improvements will be required to accommodate the new operations
  - Due to the scope and timing of the upgrades and improvements, TOTE would not renew the letter of intent (LOI) with Philly Shipyard that expired on January 31, 2018
- **January 26, 2018[2]: Philly Shipyard places TOTE containership project on hold and considers alternative projects**
  - Based on developments announced by TOTE, the project to build Hulls 031-034 as containerships is being put on hold
  - Philly Shipyard is suspending substantially all construction-related activities on these vessels, including design, planning and procurement work

(1) Source: http://www.toteinc.com/tote-update-on-hawaii-plans/
(2) Source: http://www.phillyshipyard.com/s.cfm/2-38_79/Philly-Shipyard-places-TOTE-containership-project-on-hold-and-considers-alternative-projects

China Expedited Service (CLX)

Fourth Quarter 2017 Performance

- Container volume decreased 14.3% YoY
  - Nearly half of decline due to 53rd week in 4Q16
  - 4Q16 volume also benefitted from Hanjin bankruptcy
  - Continued to realize a sizeable rate premium

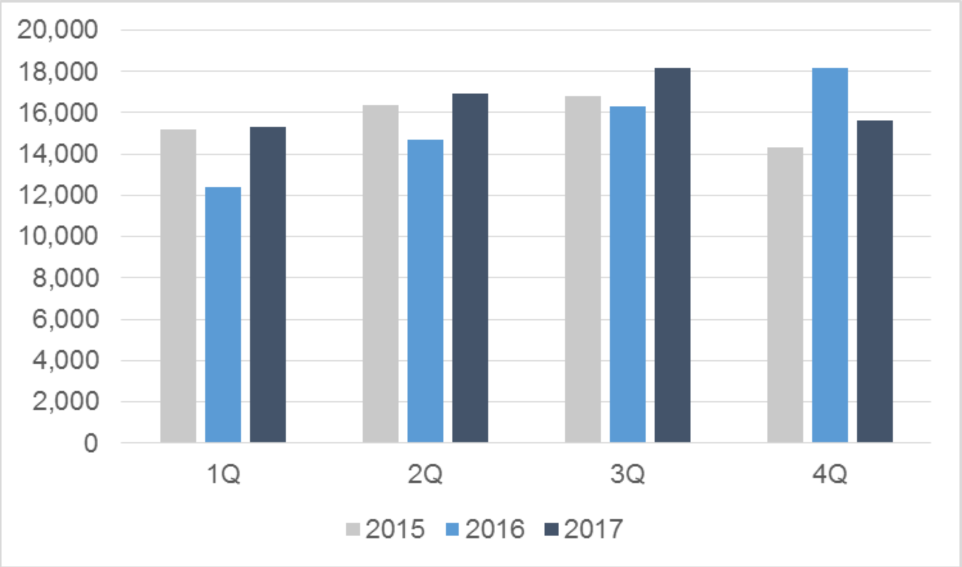
Full Year 2017 Performance

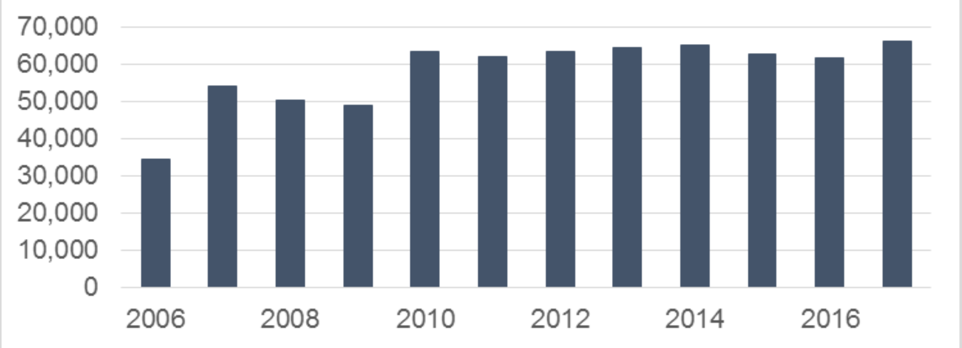
- Container volume increased 7.1% YoY
  - Full year volume includes several dry-dock return voyages
- Achieved sizeable rate premium

Full Year 2018 Outlook

- Transpacific capacity increases in excess of demand growth
- Expect continued strong demand for Matson's highly differentiated expedited service
- Expect favorable rate environment like 2017
- Volume to be modestly lower than 2017 level, which included dry-dock return volume

Container Volume (FEU Basis)





Note: U.S. West Coast port labor disruption positively impacted volume in 1Q, 2Q and 3Q of FY 2015. Hanjin bankruptcy positively impacted 4Q16 volume. 4Q and FY 2016 volumes include the benefit of a 53rd week.

Guam Service

Fourth Quarter 2017 Performance

- Container volume declined 27.7% YoY
  - Continued competitive pressure from APL
  - YoY comparison also impacted by 53rd week

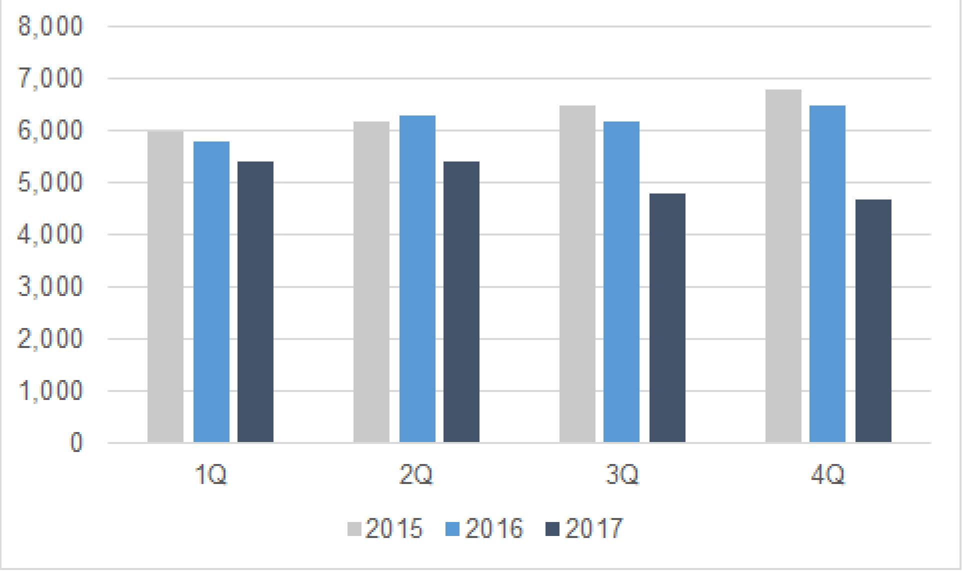
Full Year 2017 Performance

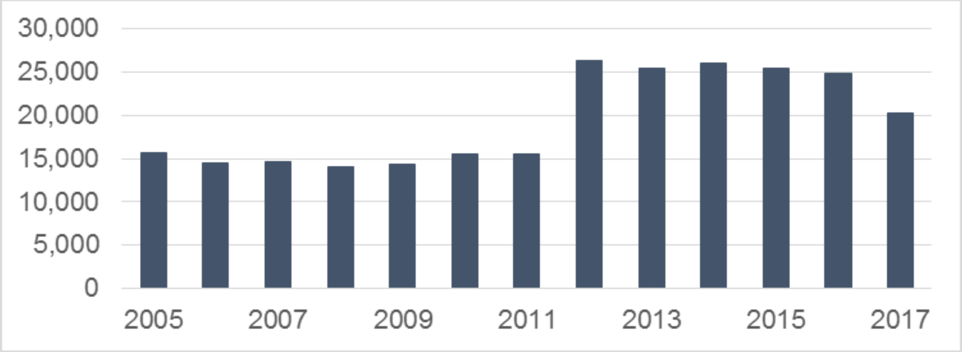
- Container volume declined 18.1% YoY
  - Competitive pressure from APL

Full Year 2018 Outlook

- Expect heightened competitive environment and lower volume
- Matson's significant service advantage expected to remain at 5 days from Oakland and 8 days from LA/Long Beach with superior on-time performance

Container Volume (FEU Basis)





Note: APL increased service frequency to weekly in December 2016. 2016 volumes include the benefit of a 53rd week.

Alaska Service

Fourth Quarter 2017 Performance

- Container volume decreased 10.1% YoY
  - Nearly 75% of decline due to 53rd week in 4Q16
  - Benefit from TOTE dry-dock volume
- Underlying economy remains weak

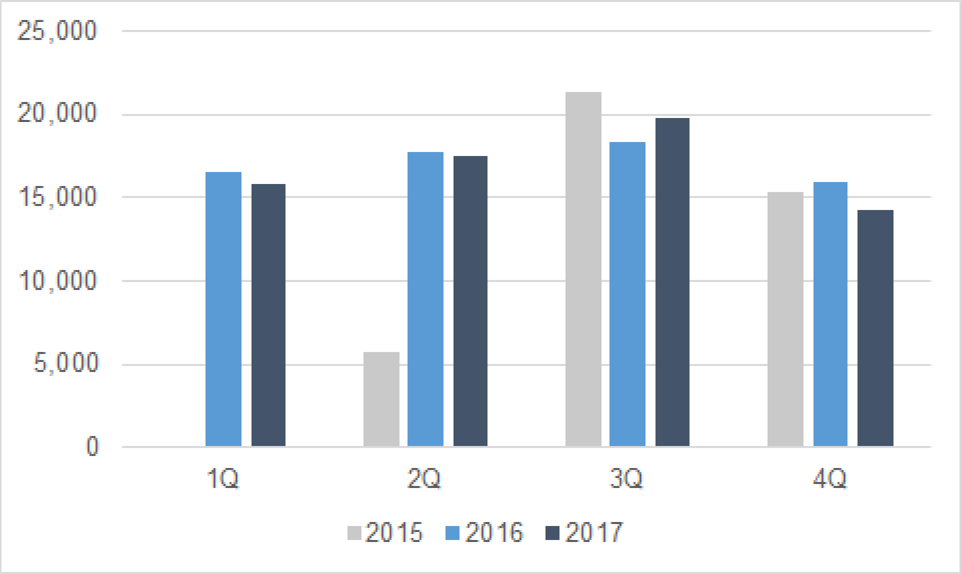
Full Year 2017 Performance

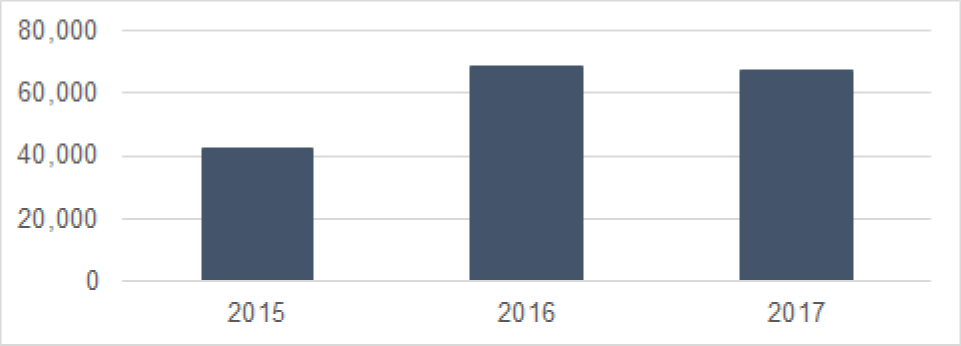
- Container volume decreased 1.5% YoY
  - YoY comparison impacted by 53rd week
  - Higher southbound volume related to stronger seafood season

Full Year 2018 Outlook

- Expect volume to approximate level last year
  - Modest improvement in northbound volumes, offset by lower southbound seafood volumes

Container Volume (FEU Basis)



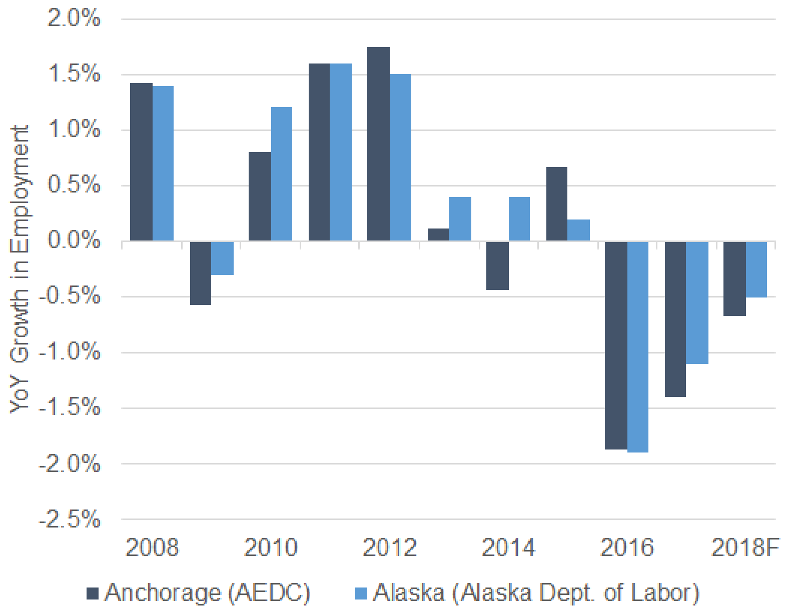


Note: Acquired Horizon's Alaska service in 2Q 2015. 2016 volumes include the benefit of a 53rd week.

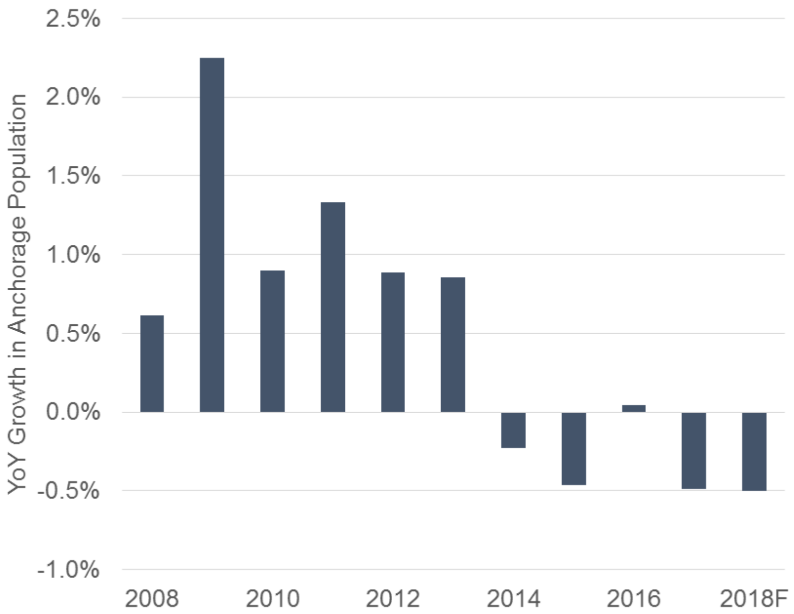
Alaska Economic Indicators

Alaska's recession is nearing a bottom, but the trajectory of an economic recovery remains uncertain.

Anchorage and Alaska Employment Growth[1][2]



Anchorage Population Growth[1]



"While AEDC believes 2018 will mark the bottom of the recession, without a long-term solution to Alaska's budget deficit, full recovery may remain elusive. The absence of State budget and taxation certainty promises to unnecessarily sideline investment."[1]

(1) Source: https://aedcweb.com/2018-economic-forecast-luncheon-reports/
(2) Source: http://labor.alaska.gov/trends/jan18.pdf

SSAT Joint Venture

Fourth Quarter 2017 Performance

- Terminal joint venture contribution was $8.9 million, $2.3 million higher than last year
  - Increased lift volume

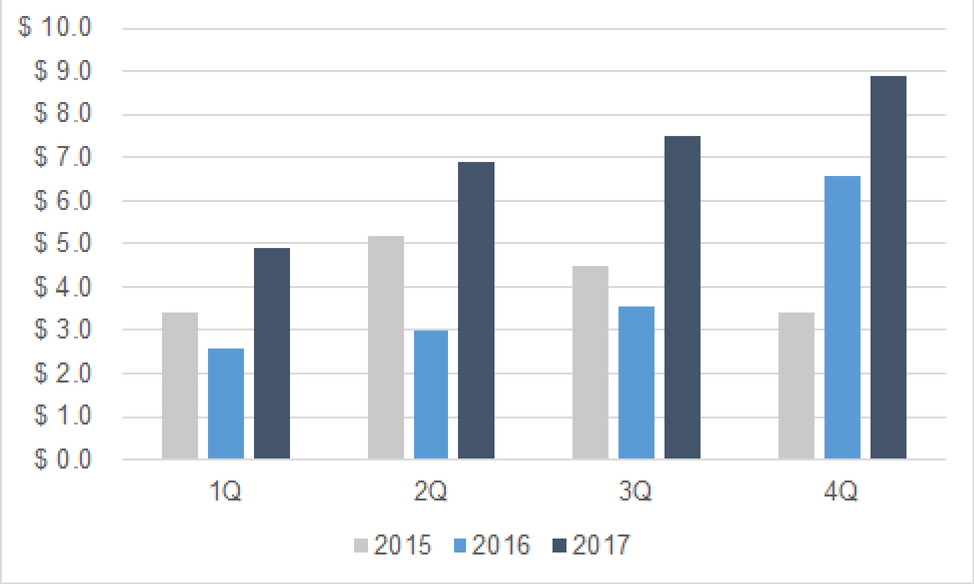
Full Year 2017 Performance

- Terminal joint venture contribution was $28.2 million, $12.4 million higher than last year

Full Year 2018 Outlook

- Expect FY2018 terminal joint venture contribution to approximate 2017 level
  - Expect to continue to benefit from the launch of new global shipping alliances

Equity in Income of Joint Venture ($ in millions)



Note: U.S. West Coast port labor disruption positively impacted lift volumes in FY 2015.

Matson Logistics

Fourth Quarter 2017 Performance

- Operating income approximately equal to result in 4Q 2016
  - Higher revenue offset by higher costs
  - Span Alaska performed well during the period despite weak underlying economic conditions in Alaska

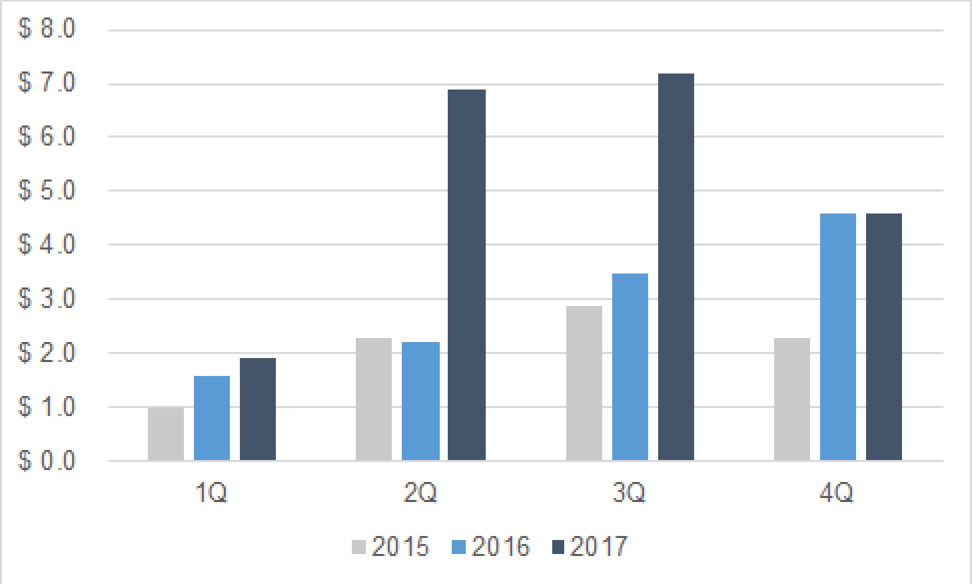
Full Year 2017 Performance

- Operating income increased $8.7 million YoY primarily due to full year of Span Alaska

Full Year and Q1 2018 Outlook

- Expect full year 2018 operating income to modestly increase over 2017 level
- Expect 1Q 2018 operating income to approximate the level achieved in 1Q17

Operating Income ($ in millions)



Note: Acquired Span Alaska in 3Q 2016.

Financial Results – Summary Income Statement

($ in millions)	Years Ended 12/31 2017	Years Ended 12/31 2016	Δ	Quarters Ended 12/31 2017	Quarters Ended 12/31 2016	Δ
Revenue						
Ocean Transportation	$ 1,571.8	$ 1,541.1	2.0%	$ 389.9	$ 406.1	-4.0%
Logistics	475.1	400.5	18.6%	126.2	113.2	11.5%
Total Revenue	$ 2,046.9	$ 1,941.6	5.4%	$ 516.1	$ 519.3	-0.6%
Operating Income						
Ocean Transportation	$ 128.8	$ 142.7	-9.7%	$ 20.7	$ 32.6	-36.5%
Logistics	20.6	11.9	73.1%	4.6	4.6	0.0%
Total Operating Income	$ 149.4	$ 154.6	-3.4%	$ 25.3	$ 37.2	-32.0%
Depreciation and Amortization (incl. dry-dock amortization)	$ 146.6	$ 135.4	8.3%	$ 37.2	$ 36.3	2.5%
Interest Expense	$ 24.2	$ 24.1	0.4%	$ 5.4	$ 6.7	-19.4%
Income Taxes	($ 106.8)	$ 49.1		($ 147.0)	$ 10.5	
Net Income	$ 232.0	$ 81.4		$ 166.9	$ 20.0	
EPS, diluted	$ 5.37	$ 1.87		$ 3.90	$ 0.46	
Less: Tax Act Adjustment (1)	(3.59)	-		(3.62)	-	
Adjusted EPS, diluted	$ 1.78	$ 1.87	-4.8%	$ 0.28	$ 0.46	-39.1%
EBITDA	$ 296.0	$ 290.0	2.1%	$ 62.5	$ 73.5	-15.0%

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

(1) Reflects the diluted share impact from the one-time, non-cash tax adjustment recorded in 4Q17 of $155.0 million pursuant to the enactment of the Tax Act.

Financial Results – Summary Balance Sheet

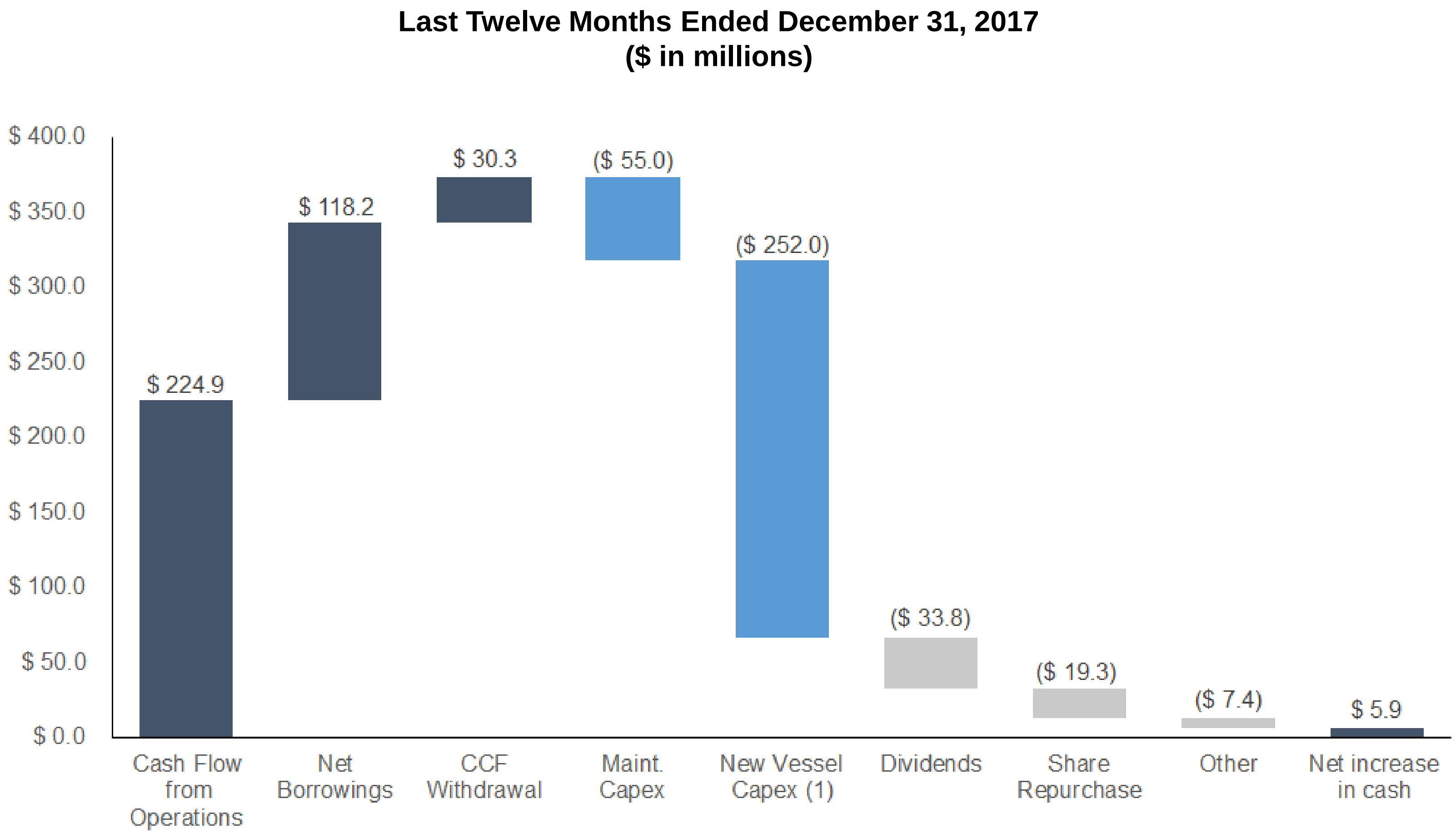
($ in millions)	December 31, 2017	December 31, 2016
ASSETS		
Cash and cash equivalents	$ 19.8	$ 13.9
Other current assets	246.2	260.3
Total current assets	266.0	274.2
Investment in related party Terminal Joint Venture	93.2	82.4
Property and equipment, net	1,165.7	949.2
Intangible assets, net	225.2	236.6
Goodwill	323.7	323.7
Other long-term assets	173.7	149.4
Total assets	**$ 2,247.5**	**$ 2,015.5**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current portion of debt	$ 30.8	$ 31.8
Other current liabilities	255.5	245.8
Total current liabilities	286.3	277.6
Long-term debt	826.3	707.1
Other long-term liabilities	456.7	535.9
Total long-term liabilities	1,283.0	1,243.0
Total shareholders' equity	678.2	494.9
Total liabilities and shareholders' equity	**$ 2,247.5**	**$ 2,015.5**

Debt Levels

- Total debt of $857.1 million
- Net debt of $836.4 million
- Net debt-to-LTM EBITDA of 2.8x

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

Cash Generation and Uses of Cash



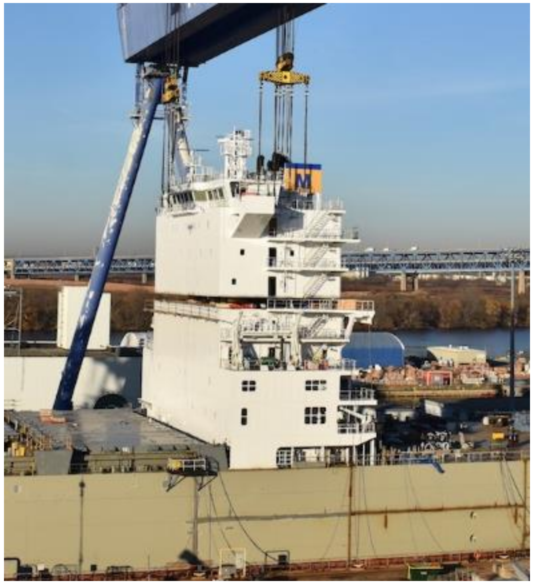
(1) Includes capitalized interest.

New Vessel Payments

Vessel Construction Expenditures

($ in millions)	FY 2017 1Q	2Q	3Q	4Q	Total
Cash Capital Expenditures	$ 0.0	$ 43.4	$ 124.3	$ 76.8	$ 244.5
Capitalized Interest	1.3	1.5	1.7	3.0	7.5
Capitalized Vessel Construction Expenditures	$ 1.3	$ 44.9	$ 126.0	$ 79.8	$ 252.0

First Aloha Class ship in graving dock.



Installation of the deck house with navigation bridge on the first Aloha Class ship.

Actual and Estimated Vessel Progress Payments

($ in millions)	Cumulative through 12/31/17	Fiscal Year Ending December 31, 2018	2019	2020	Total
Two Aloha Class Containerships	$ 253.8	$ 138.0	$ 19.1	$ 0.0	$ 410.9
Two Kanaloa Class Con-Ro Vessels	111.2	251.0	127.8	23.6	513.6
Total New Vessel Progress Payments	$ 365.0	$ 389.0	$ 146.9	$ 23.6	$ 924.5

Update on Fleet Deployment

- Given the expected costs of existing vessels exiting the active fleet through 2020, we have updated our views on the financial benefits of the new vessels
  - Reaffirming that we expect $40 to $45 million in full year run-rate EBITDA benefits from the new vessels when comparing to an 11-ship deployment
- Due to the volume level in Hawaii, shifted into a 10-ship deployment in 4Q17
- Expect to remain in a 10-ship deployment for the rest of 2018 and until the first Kanaloa Class ship is in-service in late 4Q19

	$ in millions		
Reduction in Operating Costs (annual)(1)			
Lower vessel operating costs (ex-fuel) (2)	$ 8	-	$ 9
Improved auto/rolling stock efficiencies (3)	7	-	9
10-ship deployment reduced to 9-ships (4)	13	-	13
Sub-total Reduction in Operating Costs (annual)	$ 28	-	$ 31
11-ship deployment reduced to 10 ships (5)	12	-	14
Total Reduction in Operating Costs (annual)	$ 40	-	$ 45
Net Reduction in Depreciation and Amortization (annual) (6)	$ 5	-	$ 8

For the current 10-ship deployment, expect the annual financial benefits of the new vessels to be approximately $28 to $31 million with almost all of the benefits beginning after the arrival of the 3rd vessel in 4Q19.

(1) Magnitude and timing of benefits subject to change based on fleet configuration and in-service timing. Actual operating costs may vary compared to those used. Analysis excludes the net effects of fuel and any changes in volume.
(2) When all four of the new vessels are fully deployed on an annual basis.
(3) Only applicable to the two Kanaloa Class vessels.
(4) Currently projected to occur in the fourth quarter of 2019.
(5) Not currently applicable given Hawaii volume currently served with a 10-ship deployment. This amount represents future potential savings in higher Hawaii volume scenarios that would have required an 11-ship deployment.
(6) Expected reduction in annual depreciation and amortization from four new vessels compared to seven existing steamships that will be scrapped.

Initial View on Impact of Tax Cuts and Jobs Act

Expect Tax Reform to be a net economic benefit to Matson.

- Total adjustment in 4Q17 related to Tax Reform of $155.0 million
  - Primarily the revaluation of net deferred tax liabilities
  - Small amount of other discrete tax items
- Effective tax rate in 2018 of approximately 28% versus 38-39% previously
- Expect to pay no federal cash taxes until at least 2023 versus prior expectations of up to $25 million per annum
  - Will continue to use the Capital Construction Fund ("CCF") to fund new vessel expenditures
  - No longer an Alternative Minimum Tax filer as of tax year 2018

2018 Outlook

	Outlook Items	
	FY2018	**Q1 2018**
Operating income:		
Ocean Transportation	Approximate FY2017 level of $128.8 million	Moderately higher than 1Q17 level of $14.5 million
Logistics	Increase modestly over FY2017 level of $20.6 million	Approximate 1Q17 level of $1.9 million
Depreciation and Amortization	Approximately $135 million, including $36 million in dry-dock amortization	-
EBITDA	Lower than FY2017 level of $296.0 million	-
Interest Expense	Approximately $22 million	-
GAAP Effective Tax Rate	Approximately 28%	-

Addendum

Addendum – 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, Adjusted Earnings per Share ("Adjusted EPS"), Adjusted Net Income, adjusted effective tax rate, adjusted income taxes, Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"), and Net Debt-to-EBITDA.

NET DEBT RECONCILIATION

(In millions)	December 31, 2017
Total Debt:	$ 857.1
Less: Cash and cash equivalents	(19.8)
Capital Construction Fund - cash on deposit	(0.9)
Net Debt	$ 836.4

EBITDA RECONCILIATION

(In millions)	Three Months Ended December 31, 2017	2016	Change
Net Income	$ 166.9	$ 20.0	$ 146.9
Add: Income taxes	(147.0)	10.5	(157.5)
Add: Interest expense	5.4	6.7	(1.3)
Add: Depreciation and amortization	26.7	25.2	1.5
Add: Dry-dock amortization	10.5	11.1	(0.6)
EBITDA (1)	$ 62.5	$ 73.5	$ (11.0)

(In millions)	Years Ended December 31, 2017	2016	Change
Net Income	$ 232.0	$ 81.4	$ 150.6
Add: Income taxes	(106.8)	49.1	(155.9)
Add: Interest expense	24.2	24.1	0.1
Add: Depreciation and amortization	100.4	96.5	3.9
Add: Dry-dock amortization	46.2	38.9	7.3
EBITDA (1)	$ 296.0	$ 290.0	$ 6.0

(1) 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.