



Matson[®]

Third Quarter 2023 Earnings Conference Call

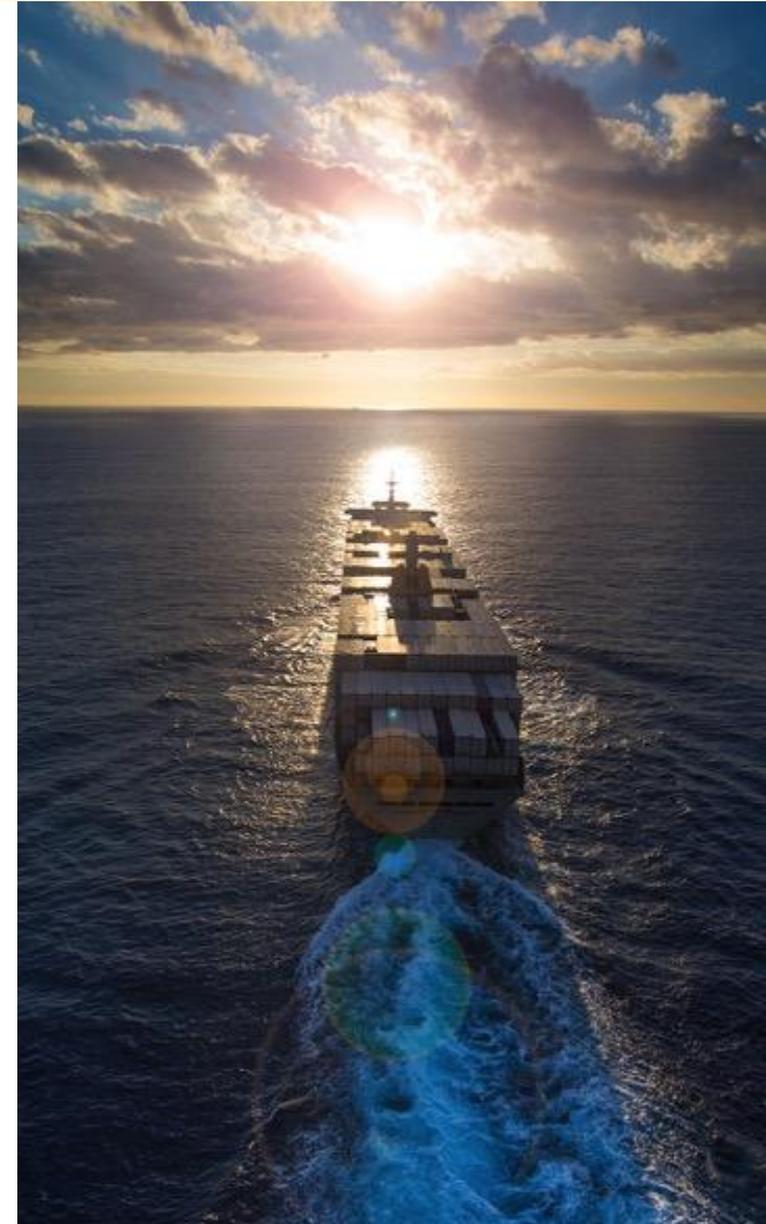
October 30, 2023

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 October 30, 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

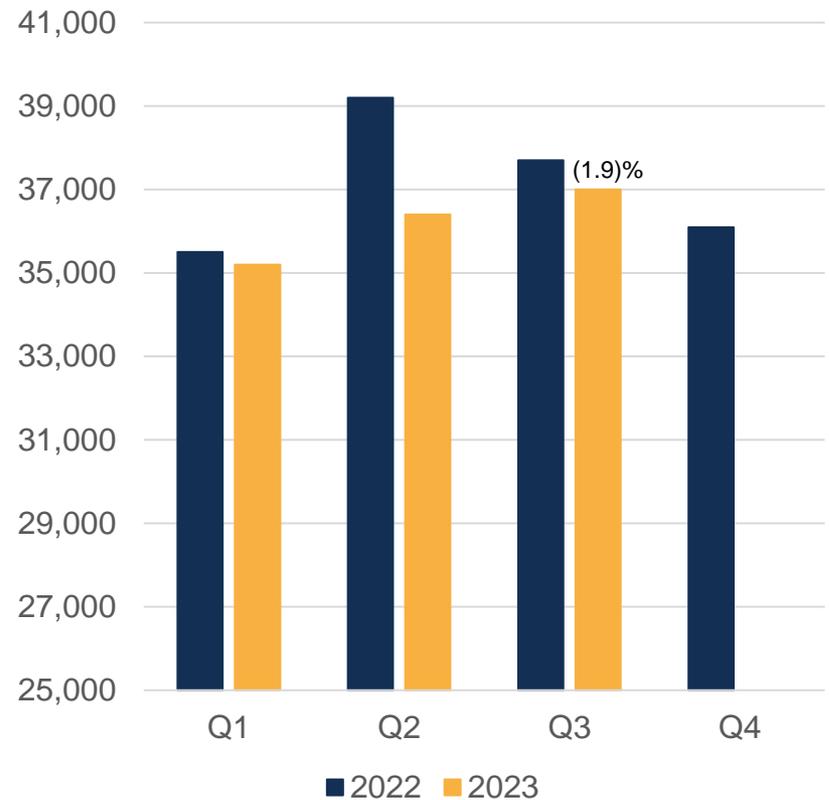
- Matson's Ocean Transportation and Logistics business segments continued to perform well despite a challenging business environment and relatively difficult economic conditions impacting the U.S. consumer
- Ocean Transportation 3Q23:
 - Our China service experienced solid freight demand despite the muted peak season in the Transpacific tradelane but generated lower YoY volume and freight rates, which were the primary contributors to the YoY decline in our consolidated operating income
 - Lower YoY volumes in Hawaii, Alaska and Guam compared to year ago period
- Logistics 3Q23:
 - Lower YoY operating income primarily due to a lower contribution from transportation brokerage

Hawaii Service

Third Quarter 2023 Performance

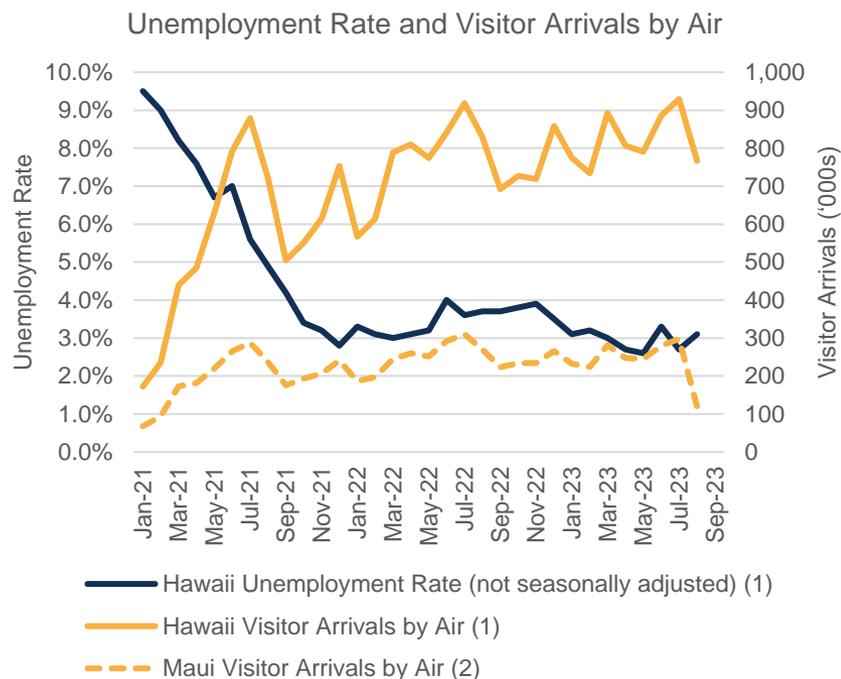
- Container volume decreased 1.9% YoY due to lower general demand
 - 3Q23 volume 0.8% higher than volume achieved in 3Q19

Container Volume (FEU Basis)



Hawaii Service – Current Business Trends

Select Hawaii Economic Indicators



(1) Source: https://files.hawaii.gov/dbedt/economic/data_reports/mei/2023-08-state.xls

(2) Source: https://files.hawaii.gov/dbedt/economic/data_reports/mei/2023-08-maui.xls

(3) Source: https://uhero.hawaii.edu/wp-content/uploads/2023/09/23Q3_Forecast.pdf

UHERO Projections (3)

	2021	2022	2023P	2024P
Real GDP	6.3%	1.3%	3.4%	1.5%
Construction Jobs Growth	0.9%	0.1%	2.2%	7.4%
Population Growth	(0.3)%	(0.5)%	(0.1)%	(0.1)%
Unemployment Rate	6.0%	3.5%	3.7%	3.9%
Visitor Arrivals ('000s)	6,777.8	9,234.0	9,407.0	9,326.5
% change	150.3%	36.2%	1.9%	(0.9)%

Commentary

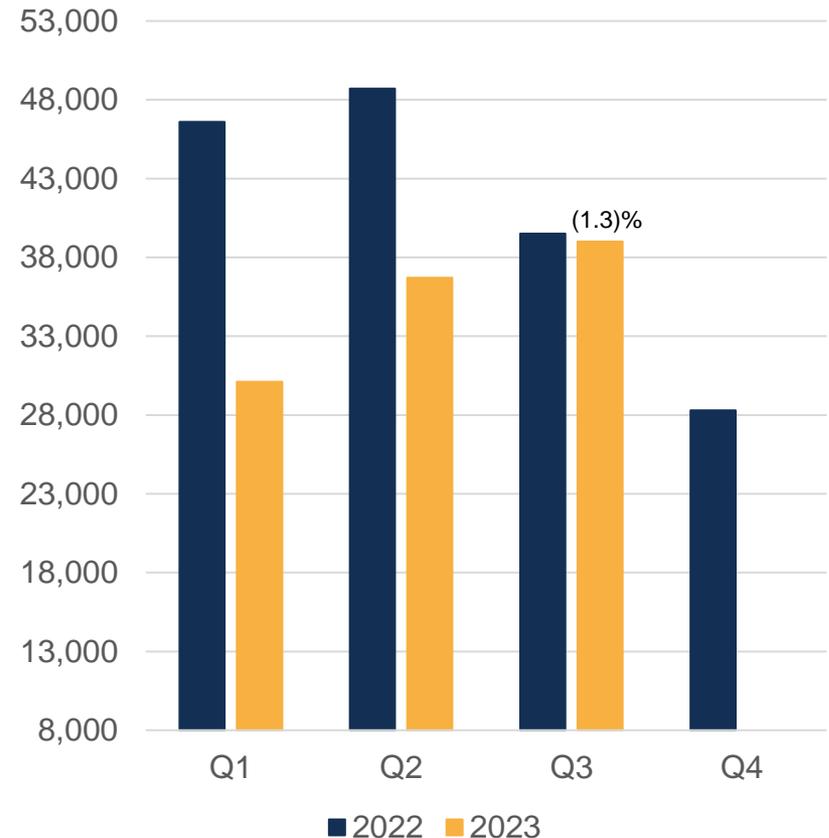
- In August, Maui experienced a significant economic disruption from wildfires
 - Tourism to the island may not fully recover in the next several years
 - Rebuilding of homes and businesses may take many years
- In the near-term, expect economic growth in Hawaii to moderate as tourism and visitor arrivals slowly rebound from the effects of the Maui wildfires

China Service

Third Quarter 2023 Performance

- Container volume decreased 1.3% YoY
 - No CCX service in 3Q23; service was discontinued in year ago period
 - Higher CLX+ volume
- Lower average freight rates YoY, but higher than in 3Q19

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 continue to see a reduction of deployed capacity in light of lower volumes as a result of lower consumer demand for retail goods
- Absent an economic “hard landing” in the U.S., we expect trade dynamics in 2024 to be comparable to 2023 as consumer-related spending activity is expected to remain stable
- Regardless of the economic backdrop, 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

Guam Service

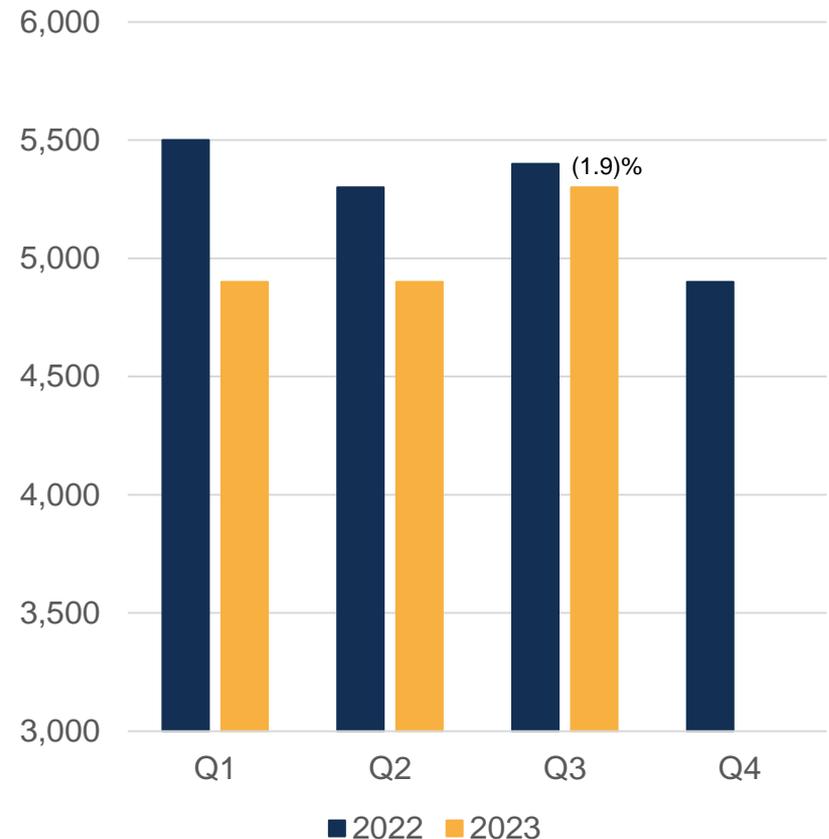
Third Quarter 2023 Performance

- Container volume decreased 1.9% YoY primarily due to lower general demand
- 3Q23 volume 12.8% higher than volume achieved in 3Q19

Current Business Trends

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

Container Volume (FEU Basis)



Alaska Service

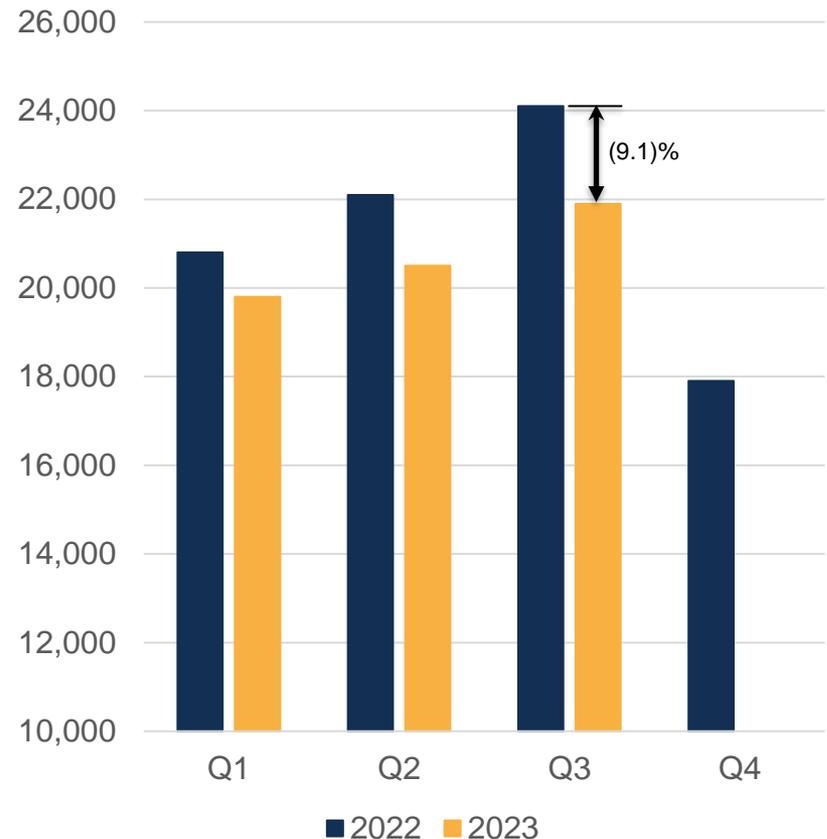
Third Quarter 2023 Performance

- Container volume decreased 9.1% YoY
 - Lower export seafood volume from AAX
 - Lower northbound volume due to lower retail-related demand
 - Lower southbound volume due to lower domestic seafood volume
- 3Q23 volume 12.9% higher than volume achieved in 3Q19

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

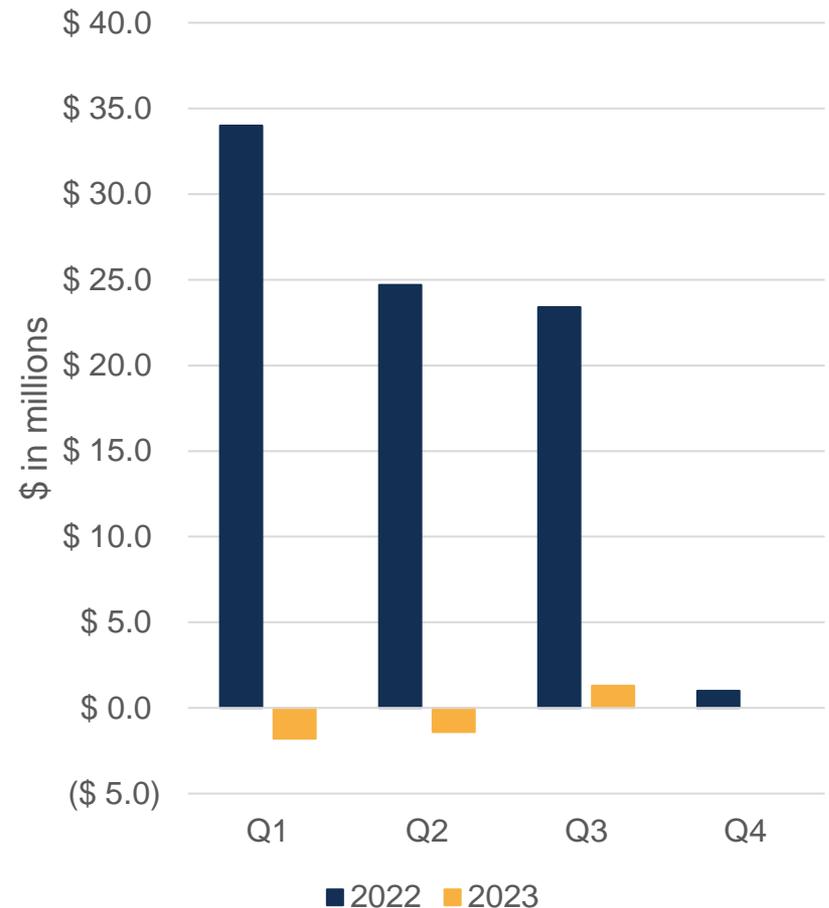
Third Quarter 2023 Performance

- Terminal joint venture contribution was \$1.3 million; YoY decrease of \$22.1 million
 - Primarily due to lower demurrage revenue and lower lift volume

Current Business Trends

- Expect 4Q23 lift volume to reflect a relatively challenging environment in Transpacific tradelane

Equity in Income of Joint Venture



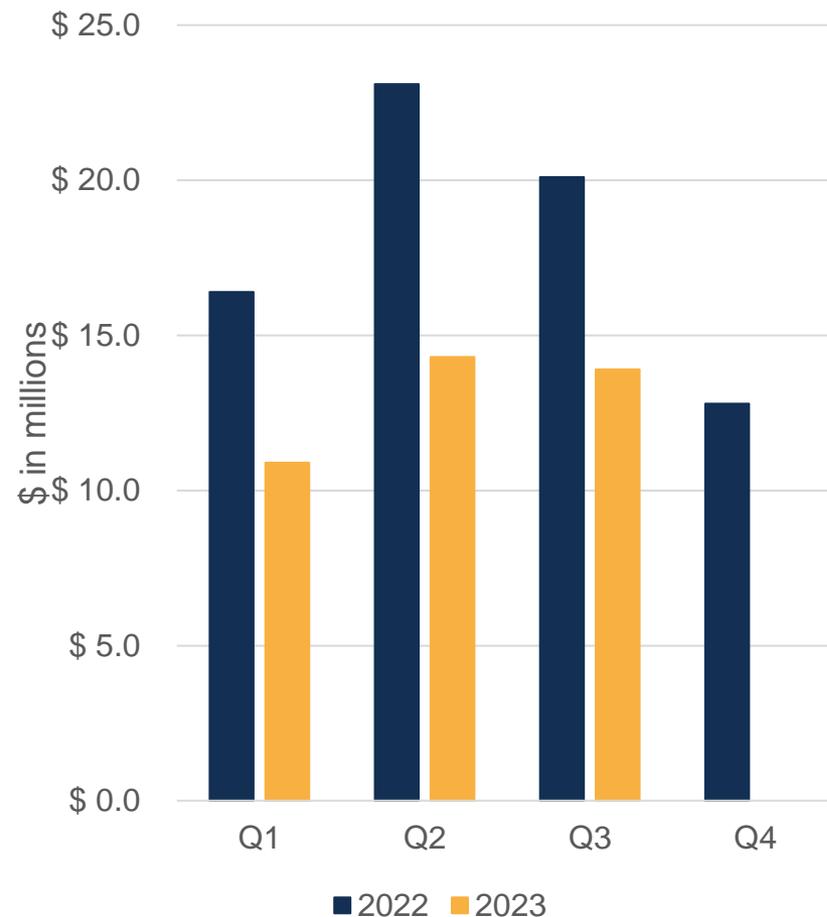
Third Quarter 2023 Performance

- Operating income of \$13.9 million; YoY decrease of approximately \$6.2 million
 - Lower contribution from transportation brokerage

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 continued near-term challenges for transportation brokerage with lower freight demand and excess capacity

Operating Income



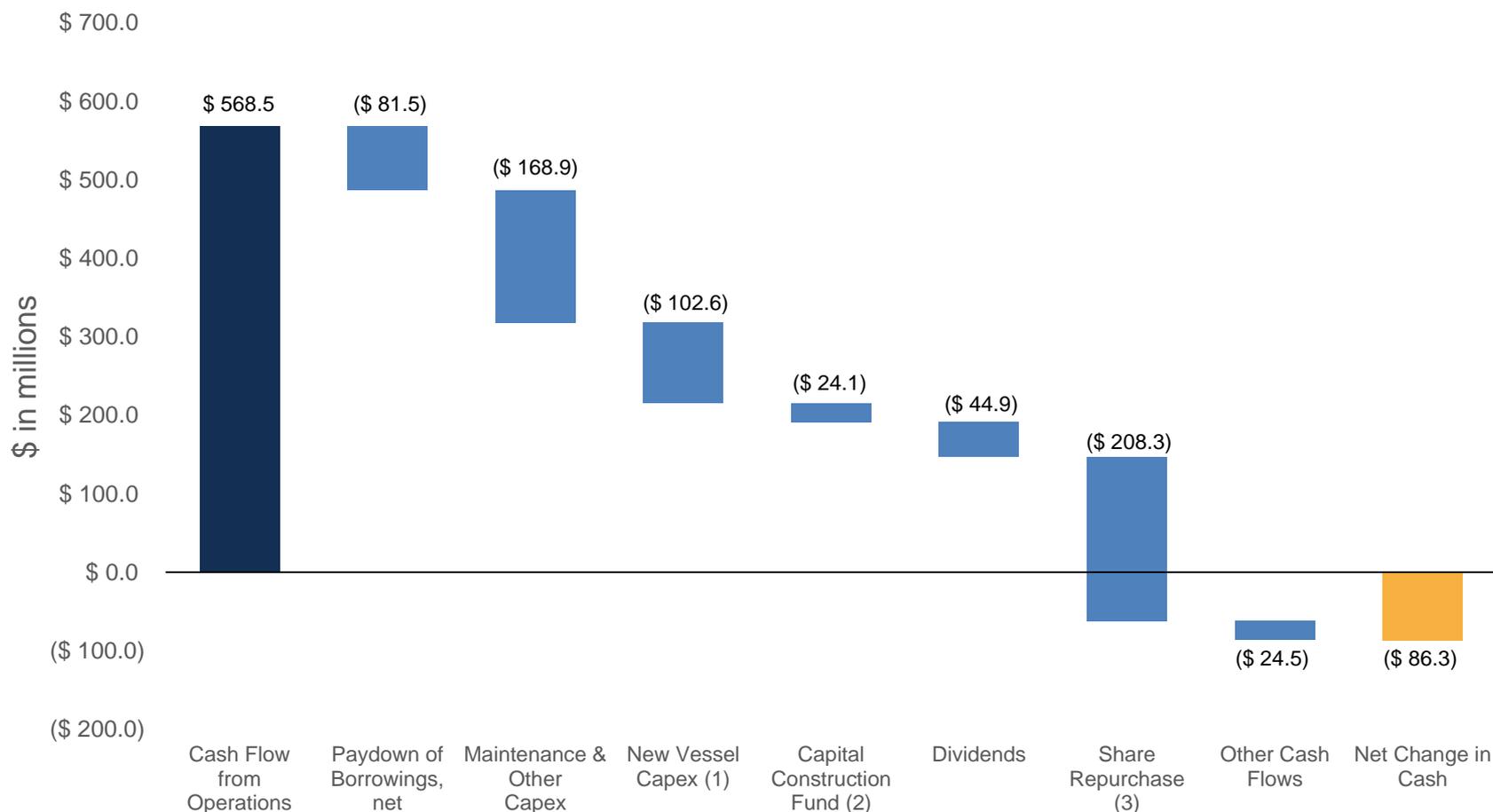
Financial Results – Summary Income Statement

(\$ in millions, except per share data)	Year-to-Date			Third Quarter		
	YTD Ended 9/30		Δ	Quarters Ended 9/30		Δ
	2023	2022	\$	2023	2022	\$
Revenue						
Ocean Transportation	\$ 1,837.3	\$ 2,911.6	(\$ 1,074.3)	\$ 669.4	\$ 918.5	(\$ 249.1)
Logistics	468.4	629.8	(161.4)	158.1	196.3	(38.2)
Total Revenue	\$ 2,305.7	\$ 3,541.4	(\$ 1,235.7)	\$ 827.5	\$ 1,114.8	(\$ 287.3)
Operating Income						
Ocean Transportation	\$ 228.4	\$ 1,201.4	(\$ 973.0)	\$ 118.2	\$ 315.2	(\$ 197.0)
Logistics	39.1	59.6	(20.5)	13.9	20.1	(6.2)
Total Operating Income	\$ 267.5	\$ 1,261.0	(\$ 993.5)	\$ 132.1	\$ 335.3	(\$ 203.2)
Interest income	26.2	1.3		9.3	1.3	
Interest expense	(9.8)	(14.3)		(2.4)	(5.0)	
Other income (expense), net	4.8	6.3		1.2	2.5	
Income taxes	(54.0)	(268.4)		(20.3)	(68.1)	
Net Income	\$ 234.7	\$ 985.9	(\$ 751.2)	\$ 119.9	\$ 266.0	(\$ 146.1)
GAAP EPS, diluted	\$ 6.56	\$ 24.65	(\$ 18.09)	\$ 3.40	\$ 6.89	(\$ 3.49)
Depreciation and Amortization (incl. dry-dock amortization)	\$ 125.0	\$ 122.5	\$ 2.5	\$ 41.8	\$ 39.6	\$ 2.2
EBITDA	\$ 397.3	\$ 1,389.8	(\$ 992.5)	\$ 175.1	\$ 377.4	(\$ 202.3)

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, 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)	September 30, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	\$ 156.5	\$ 249.8
Other current assets	479.3	509.8
Total current assets	635.8	759.6
Investment in SSAT	81.4	81.2
Property and equipment, net	2,058.5	1,962.5
Intangible assets, net	180.8	174.9
Capital Construction Fund (CCF)	591.6	518.2
Goodwill	327.8	327.8
Other long-term assets	416.9	505.8
Total assets	\$ 4,292.8	\$ 4,330.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current portion of debt	\$ 39.7	\$ 76.9
Other current liabilities	530.9	504.7
Total current liabilities	570.6	581.6
Long-term debt, net of deferred loan fees	398.7	427.7
Other long-term liabilities	933.2	1,023.8
Total long-term liabilities	1,331.9	1,451.5
Total shareholders' equity	2,390.3	2,296.9
Total liabilities and shareholders' equity	\$ 4,292.8	\$ 4,330.0

Share Repurchase

- 3Q23: ~0.3 million shares repurchased for total cost of \$25.8 million
- YTD: ~1.6 million shares repurchase for a total cost of \$110.3 million

Debt Levels

- Total Debt of \$450.3 million⁽¹⁾ – a reduction of \$12.1 million from 2Q23

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

Other Financial Updates

- CCF cash balance on 9/30/23 of \$591.6 million
 - Nearly two-thirds of remaining milestone payments to be funded with restricted cash in CCF ⁽¹⁾
 - Expect to make next milestone payment for new vessels in 2Q24
- Expect 4Q23 tax rate to be ~23%

(1) Based on remaining milestone payments on October 30, 2023 of ~\$899 million. Excludes any interest income on cash deposits that may be earned in future years.

Closing Thoughts

- We expect the consolidated operating income in 4Q23 to be higher than the level achieved in 1Q23
 - Normal seasonality trends have returned to our domestic tradelanes and Logistics
 - Expect continued solid freight demand in our China service with some seasonality in the post-holiday timeframe
 - Expect CLX and CLX+ freight rates in 4Q23 to be well above pre-pandemic rates
- Continue to evaluate 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 September 30,			Last Twelve Months
	2023	2022	Change	
Net Income	\$ 119.9	\$ 266.0	\$ (146.1)	\$ 312.7
Subtract: Interest income	(9.3)	(1.3)	(8.0)	(33.1)
Add: Interest expense	2.4	5.0	(2.6)	13.5
Add: Income taxes	20.3	68.1	(47.8)	74.0
Add: Depreciation and amortization	35.6	33.9	1.7	141.7
Add: Dry-dock amortization	6.2	5.7	0.5	24.9
EBITDA (1)	\$ 175.1	\$ 377.4	\$ (202.3)	\$ 533.7

(In millions)	Nine Months Ended September 30,		
	2023	2022	Change
Net Income	\$ 234.7	\$ 985.9	\$ (751.2)
Subtract: Interest income	(26.2)	(1.3)	(24.9)
Add: Interest expense	9.8	14.3	(4.5)
Add: Income taxes	54.0	268.4	(214.4)
Add: Depreciation and amortization	106.4	103.9	2.5
Add: Dry-dock amortization	18.6	18.6	—
EBITDA (1)	\$ 397.3	\$ 1,389.8	\$ (992.5)

- (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.