

**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 19, 2022 (April 19, 2022)**

**Matson, Inc.**

(Exact Name of Registrant as Specified in its Charter)

<b>Hawaii</b> (State or Other Jurisdiction of Incorporation)	<b>001-34187</b> (Commission File Number)	<b>99-0032630</b> (I.R.S. Employer Identification No.)
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<b>1411 Sand Island Parkway Honolulu, Hawaii</b> (Address of principal executive offices)	<b>96819</b> (zip code)
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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 19, 2022, Matson, Inc. (the “Company”) issued a press release announcing the Company’s preliminary earnings for the quarter ended March 31, 2022. 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 19, 2022](#)

99.2     [Investor Presentation, dated April 19, 2022](#)

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 19, 2022

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**FOR IMMEDIATE RELEASE****MATSON ANNOUNCES PRELIMINARY 1Q22 RESULTS, PROVIDES BUSINESS UPDATE AND ANNOUNCES 1Q22 EARNINGS CALL DATE**

- Expects 1Q22 operating income for Ocean Transportation to be \$410.0 to \$415.0 million
- Expects 1Q22 operating income for Logistics to be \$16.0 to \$17.0 million
- Expects 1Q22 net income and diluted EPS to be \$329.5 to \$338.0 million and \$8.00 to \$8.20, respectively
- Year-over-year increase in consolidated operating income driven primarily by China service strength
- Repurchased approximately 0.7 million shares in 1Q22
- Announces first quarter earnings call date on May 3, 2022

HONOLULU, Hawaii (April 19, 2022) – Matson, Inc. (“Matson” or the “Company”) (NYSE: MATX) today announces preliminary first quarter financial results, provides a business update and announces that its first quarter earnings call will be held on May 3, 2022.

“Matson is off to a solid start in 2022 with higher year-over-year operating income 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 expedited ocean services as volume for e-commerce, garments and other goods remained elevated. The increase in consolidated operating income year-over-year was driven primarily by continued strength in the China service. Currently in the Transpacific tradelane, we are seeing supply chain challenges in China, primarily due to actions to mitigate the spread of COVID-19, as well as continued supply chain constraints and congestion on the U.S. West Coast, elevated consumption trends, and inventory restocking. Despite the near-term uncertainty presented by the supply chain challenges in China, we expect a combination of the current supply and demand factors to remain largely in place through at least the October peak season and continue to expect elevated demand for our China service for most of this year.”

Mr. Cox added, “In our domestic ocean tradelanes, we continued to see steady demand with higher year-over-year volumes in Alaska and Guam, and demand in Hawaii comparable to the level achieved in the year ago period. In Logistics, operating income increased year-over-year with strength across all of the business lines as we continued to see elevated goods consumption, inventory restocking and favorable supply and demand fundamentals in our core markets. As a result, Matson expects first quarter operating income for Ocean Transportation of \$410.0 to \$415.0 million and Logistics operating income of \$16.0 to \$17.0 million. We also expect first quarter 2022 net income and diluted EPS to be \$329.5 to \$338.0 million and \$8.00 to \$8.20, respectively.”

## **First Quarter Tradelane Volume (Forty-foot equivalent units (FEU)) (1)(2):**

For the three months ended March 31, 2022 compared to the three months ended March 31, 2021 and on a FEU basis:

- Hawaii container volume decreased 0.6 percent primarily due to lower eastbound volume;
- Alaska volume increased 20.2 percent primarily due to the increase in volume from Alaska-Asia Express (“AAX”), higher northbound volume primarily due to higher retail-related demand and volume related to a competitor’s dry-docking, and higher southbound volume primarily due to higher seafood volume;
- China volume was 13.4 percent higher as a result of 5 more eastbound voyages than the prior year;
- Guam volume was 10.0 percent higher primarily due to higher retail-related demand; and
- Other containers volume increased 32.5 percent primarily due to the addition of China-Auckland Express (“CAX”) volume in the South Pacific.

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(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) Other containers includes containers from services in various islands in Micronesia and the South Pacific, and Okinawa, Japan.

### **Liquidity, Debt and Share Repurchases**

Matson’s cash and cash equivalents and total debt (presented before any reduction for deferred loan fees as required by GAAP) as of March 31, 2022 were approximately \$390.0 million and \$614.7 million, respectively.

During the first quarter of 2022, Matson repurchased approximately 0.7 million shares for a total cost of \$68.6 million. As of March 31, 2022, the Company had approximately 2.8 million shares remaining in its share repurchase program.

A slide presentation that accompanies this press release is available on the Company's website at [www.matson.com](http://www.matson.com), under Investors.

### **Teleconference and Webcast**

A conference call is scheduled on May 3, 2022 at 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, May 3, 2022
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 an additional slide presentation on the Company’s website at [www.matson.com](http://www.matson.com), under Investors. A replay of the conference call will be available approximately two hours after the call through May 10, 2022 by dialing 1-855-859-2056 or 1-404-537-3406 and using the conference number 3729448. 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](http://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 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 North America. 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](http://www.matson.com)

## 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, supply chain challenges in China, actions to mitigate the spread of COVID-19, supply chain constraints and congestion on the U.S. West Coast, consumption trends, inventory restocking, duration of current supply and demand factors, demand for Matson's China service, demand for e-commerce, garments and other goods, duration of CCX service, tourism levels, unemployment rates, waves of COVID-19 variants, economic recovery and drivers in Hawaii, Alaska and Guam, inflation, interest rates, and discretionary income. 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; changes in economic conditions or governmental policies, including from the COVID-19 pandemic; our ability to offer a differentiated service in China for which customers are willing to pay a significant premium; new or increased competition or improvements in competitors' service levels; our relationship with customers, agents, vendors and partners and changes in related agreements; fuel prices, our ability to collect fuel related surcharges and/or the cost or limited availability of required fuels; evolving stakeholder expectations related to environmental, social and governance matters; timely or successful completion of fleet upgrade initiatives; the occurrence of poor weather, natural disasters, maritime accidents, spill events and other physical and operating risks, including those arising from climate change; transitional and other risks arising from climate change; the magnitude and timing of the impact of public health crises, including COVID-19; significant operating agreements and leases that may not be replaced on favorable terms; any unanticipated dry-dock or repair expenses; joint venture relationships; conducting business in a foreign shipping market, including the imposition of tariffs or a change in international trade policies; any delays or cost overruns related to the modernization of terminals; war, terrorist attacks or other acts of violence; consummating and integrating acquisitions; freight levels and increasing costs and availability of truck capacity or alternative means of transporting freight; relations with our unions; satisfactory negotiation and renewal of expired collective bargaining agreements without significant disruption to Matson's operations; loss of key personnel or failure to adequately manage human capital; the use of our information technology and communication systems and cybersecurity attacks; 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; costs to comply with and liability related to numerous safety, environmental, and other laws and regulations; and disputes, legal and other proceedings and government inquiries or investigations. 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, 2021 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.**

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***First Quarter 2022  
Preliminary Earnings Supplement***

April 19, 2022

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## **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 19, 2022.*

*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 13-24 of our Form 10-K filed on February 25, 2022 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.*



# Preliminary First Quarter 2022 Results

- Matson is off to a solid start in 2022 with higher year-over-year operating income in both Ocean Transportation and Logistics
- China service continued to see significant demand
  - Volume for e-commerce, garments and other goods remained elevated
  - Was the primary driver of the increase in 1Q22 consolidated operating income year-over-year
- Currently in the Transpacific tradelane, seeing supply chain challenges in China, primarily due to actions to mitigate spread of COVID-19, as well as continued supply chain constraints and congestion on the U.S. West Coast, elevated consumption trends, and inventory restocking
  - Despite near-term uncertainty presented by supply chain challenges in China, we expect a combination of the current supply and demand factors to remain largely in place through at least the October peak season and expect elevated demand for our China service for most of the year
- Ocean Transportation
  - China strength
  - Higher year-over-year volumes in Alaska and Guam, comparable level of demand in Hawaii
- Logistics
  - Strength across all business lines; continued to see elevated goods consumption, inventory restocking and favorable supply and demand fundamentals in our core markets
- Repurchased approximately 0.7 million shares in 1Q22 for a total cost of \$68.6 million

# Preliminary First Quarter 2022 Results (continued)

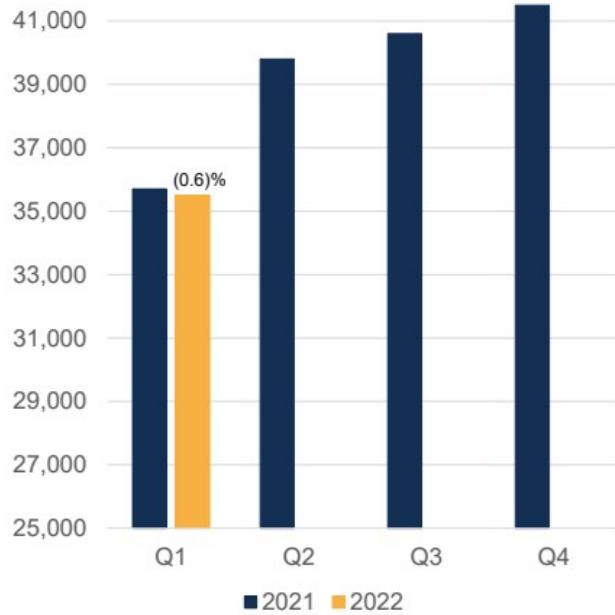
(\$ in millions, except per share data)	Quarter Ended March 31, 2021	Quarter Ended March 31, 2022	Preliminary Range	(\$ in millions)	Quarter Ended March 31, 2022
<b>INCOME STATEMENT</b>					
<b>Operating Income</b>					
Ocean Transportation	\$ 114.1	\$ 410.0	- \$ 415.0		
Logistics	6.1	16.0	- 17.0		
Total operating income	120.2	426.0	- 432.0		
Other income (expense), net	1.4	2.0	- 2.0		
Interest expense	(7.3)	(4.8)	- (4.8)		
Income before income taxes	114.3	423.2	- 429.2		
Income taxes	27.1	93.7	- 91.2		
<i>Effective income tax rate</i>	23.7%	22.1%	21.2%		
<b>Net income</b>	<b>\$ 87.2</b>	<b>\$ 329.5</b>	<b>- \$ 338.0</b>		
Diluted EPS	\$ 1.99	\$ 8.00	- \$ 8.20		
<b>BALANCE SHEET</b>					
<b>Total debt</b>					
Private placement term loans				\$ 279.1	
Title XI debt				335.6	
Revolving credit facility				-	
Total debt (1)				\$ 614.7	
Cash and cash equivalents				~ \$ 390.0	

(1) Total debt is presented before any adjustment for deferred loan fees as required by U.S. GAAP.

## First Quarter 2022 Performance

- Container volume decreased 0.6% YoY
  - Primarily due to lower eastbound volume
  - Continued to see elevated hospitality-related demand
  - Strong domestic tourist arrivals and improving international tourist trends
- Cautiously optimistic on further economic recovery in Hawaii in 2022
  - Improving unemployment rate
  - Increasing tourism arrivals, including international visitors later in the year
  - Further waves of COVID-19 variants present possibility of economic slowdowns
  - Loss of federal stimulus coupled with inflation and higher interest rates may impact discretionary income

## Container Volume (FEU Basis)

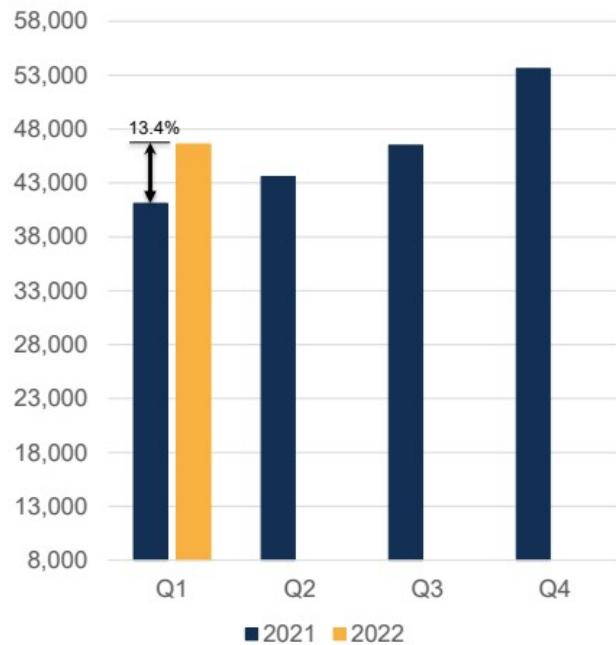


Note: 4Q21 volume figure includes the benefit of a 53<sup>rd</sup> week.

## First Quarter 2022 Performance

- Container volume increased 13.4% YoY
  - Total number of eastbound voyages increased by 5 YoY
- Demand driven by e-commerce, garments and other goods
  - Sustained and elevated consumption trends and low inventory levels driving increased demand for expedited ocean services
- Expect to keep CCX service at least through October 2022 peak season

## Container Volume (FEU Basis)

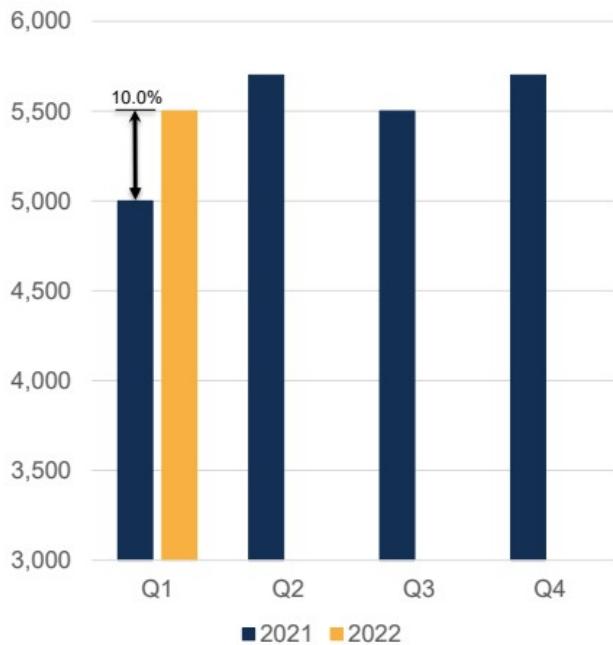


Note: CCX service started in 3Q21. 4Q21 volume figure includes the benefit of a 53<sup>rd</sup> week.

## First Quarter 2022 Performance

- Container volume increased 10.0% YoY
  - Higher retail-related demand
- Cautiously optimistic on further economic recovery in Guam in 2022
  - Expect improvement in tourism traffic as the year progresses

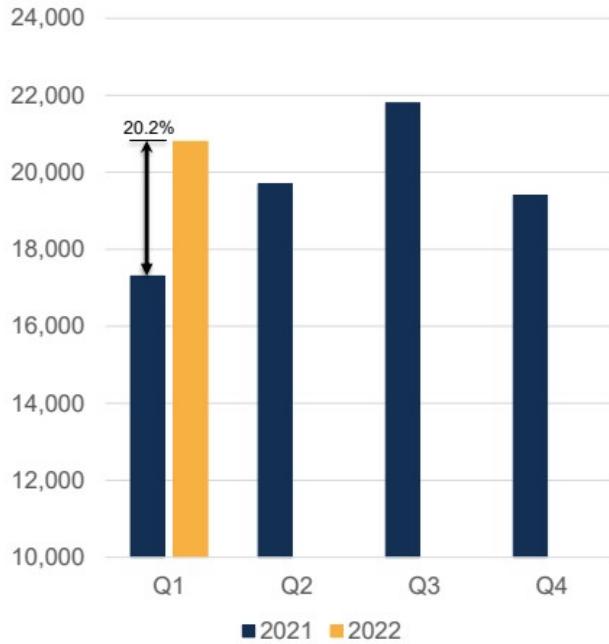
## Container Volume (FEU Basis)



## First Quarter 2022 Performance

- Container volume increased 20.2% YoY
  - Increase in AAX seafood volume
  - Higher northbound volume primarily due to:
    - Higher retail-related demand
    - TOTE dry-dock volume
  - Higher southbound volume primarily due to higher seafood volume
- Improving economic trends in Alaska, but economic recovery trajectory remains uncertain

## Container Volume (FEU Basis)



Note: 4Q21 volume figure includes the benefit of a 53<sup>rd</sup> week.

## First Quarter 2022 Performance

- Operating income of \$16.0 to \$17.0 million; YoY change of approximately \$9.9 to \$10.9 million
- Higher YoY operating income contributions from all business lines
- Benefitted from:
  - Elevated goods consumption and inventory restocking
  - Favorable supply and demand fundamentals in core markets

## Operating Income

