UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2012

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-34187

Matson, Inc.
(Exact name of registrant as specified in its charter)

Hawaii	**99-0032630**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1411 Sand Island Parkway	**96819**
(Address of principal executive offices)	(Zip Code)

(808) 848-1211
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address, and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer x	Accelerated filer o
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

Number of shares of common stock outstanding as of June 30, 2012: 42,403,694

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MATSON, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Income and Comprehensive Income
(In millions, except per-share amounts) (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011

Operating Revenue:				
Ocean transportation	**$ 299.5**	$ 274.3	**$ 579.0**	$ 512.7
Logistic services	**94.7**	103.1	**181.3**	194.4
Total operating revenue	**$ 394.2**	$ 377.4	**$ 760.3**	$ 707.1
Costs and Expenses:				
Operating costs	**329.0**	323.0	**659.0**	619.1
Equity in income of terminal joint venture	**(1.6)**	(2.8)	**(2.4)**	(4.0)
Selling, general and administrative	**28.5**	28.0	**56.8**	56.1
Separation costs	**5.8**	—	**8.3**	—
Operating costs and expenses	**361.7**	348.2	**721.7**	671.2
Operating Income	**32.5**	29.2	**38.6**	35.9
Interest expense	**(1.9)**	(1.9)	**(3.9)**	(3.8)
Income From Continuing Operations Before Income Taxes	**30.6**	27.3	**34.7**	32.1
Income tax expense	**15.3**	9.6	**17.4**	11.4
Income From Continuing Operations	**15.3**	17.7	**17.3**	20.7
Income (Loss) From Discontinued Operations (net of income taxes)	**(7.5)**	1.0	**(6.1)**	3.2
Net Income	**$ 7.8**	$ 18.7	**$ 11.2**	$ 23.9
Other Comprehensive Income, Net of Tax:				
Net Income	**$ 7.8**	$ 18.7	**$ 11.2**	$ 23.9
Defined benefit pension plans:				
Less: amortization of prior service cost included in net periodic pension cost	**(0.2)**	0.1	**(0.3)**	0.1
Less: amortization of net loss included in net periodic pension cost	**(0.2)**	0.1	**0.9**	0.8
Other Comprehensive Income	**(0.4)**	0.2	**0.6**	0.9
Comprehensive Income	**$ 7.4**	$ 18.9	**$ 11.8**	$ 24.8
Basic Earnings Per Share:				
Continuing operations	**$ 0.36**	$ 0.42	$ **0.41**	$ 0.50
Discontinued operations	**(0.18)**	0.03	**(0.14)**	0.07
Net income	**$ 0.18**	$ 0.45	**$ 0.27**	$ 0.57
Diluted Earnings Per Share:				
Continuing operations	**$ 0.36**	$ 0.42	**$ 0.41**	$ 0.50
Discontinued operations	**(0.18)**	0.02	**(0.15)**	0.07
Net income	**$ 0.18**	$ 0.44	**$ 0.26**	$ 0.57
Weighted Average Number of Shares Outstanding:				
Basic	**42.3**	41.7	**42.1**	41.6
Diluted	**42.8**	42.2	**42.5**	42.0
Cash Dividends Per Share	$ **0.315**	$ 0.315	$ **0.63**	$ 0.63

See Notes to Condensed Consolidated Financial Statements.

MATSON, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In millions) (Unaudited)

	June 30, 2012	**December 31, 2011**
ASSETS		
Current Assets:		
Cash and cash equivalents	**$ 35.5**	$ 9.8
Accounts and notes receivable, net	**170.6**	167.7
Inventories	**4.4**	4.2
Deferred income taxes	**1.4**	1.3
Prepaid expenses and other assets	**24.9**	27.2
Current assets related to A&B discontinued operations	**—**	64.8
Total current assets	**236.8**	275.0
Investments in Affiliate	**58.7**	56.5
Property, at cost	**1,771.3**	1,760.7
Less accumulated depreciation and amortization	**(988.3)**	(960.2)
Property — net	**783.0**	800.5
Other Assets	**111.0**	95.2
Long term assets related to A&B discontinued operations	**—**	1,317.1

Total	**$ 1,189.5**	$ 2,544.3
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Notes payable and current portion of long-term debt	**$ 28.4**	$ 17.5
Accounts payable	**130.2**	135.5
Payroll and vacation benefits	**15.1**	16.0
Uninsured claims	**7.1**	6.6
Due to affiliate	**—**	2.2
Accrued and other liabilities	**26.9**	13.8
Current liabilities related to A&B discontinued operations	**—**	87.1
Total current liabilities	**207.7**	278.7
Long-term Liabilities:		
Long-term debt	**344.4**	180.1
Deferred income taxes	**252.0**	255.1
Employee benefit plans	**105.1**	113.0
Due to affiliate	**—**	0.5
Uninsured claims and other liabilities	**33.0**	24.3
Long term liabilities related to A&B discontinued operations	**—**	570.1
Total long-term liabilities	**734.5**	1,143.1
Commitments and Contingencies (Note 3)		
Shareholders' Equity:		
Capital stock	**31.8**	34.0
Additional capital	**246.9**	238.3
Accumulated other comprehensive loss	**(43.7)**	(91.9)
Retained earnings	**12.3**	953.0
Cost of treasury stock	**—**	(10.9)
Total shareholders' equity	**247.3**	1,122.5
Total	**$ 1,189.5**	$ 2,544.3

See Notes to Condensed Consolidated Financial Statements.

MATSON, INC. AND SUBSIDIARIES
Condensed Consolidated Statement of Stockholders' Equity
(In millions) (Unaudited)

	Common Stock		Treasury					
	Shares	Stated Value	Shares	Cost	Additional Capital	Accumulated Other Comprehensive Income	Retained Earnings	Total
Balance 12/31/11	45.3	$ 34.0	(3.6)	$ (10.9)	$ 238.3	$ (91.9)	$ 953.0	$ 1,122.5
								—
Net Income	—	—	—	—	—	—	11.2	11.2
Other comprehensive income	—	—	—	—	—	1.3	—	1.3
Excess tax benefit and share withholding	(0.1)	(0.1)	—	—	0.1	—	(2.6)	(2.6)
Share-based compensation	—	—	—	—	4.3	—	—	4.3
Shares issued	0.8	0.6	—	—	19.2	—	—	19.8
Retirement of treasury shares	(3.6)	(2.7)	3.6	10.9	(8.2)	—	—	—
Dividends	—	—	—	—	—	—	(26.7)	(26.7)
Distribution of A&B Stock	—	—	—	—	(6.8)	46.9	(922.6)	(882.5)
Balance 6/30/12	42.4	$ 31.8	—	$ —	$ 246.9	$ (43.7)	$ 12.3	$ 247.3

MATSON, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(In millions) (Unaudited)

	Six Months Ended June 30,	
	2012	2011
Cash Flows Provided by Operating Activities from Continuing Operations	**$ 20.7**	$ 26.1
Cash Flows from Investing Activities from Continuing Operations:		
Capital expenditures	**(17.5)**	(27.9)
Proceeds from disposal of property and other assets	**0.5**	0.9
Deposits into Capital Construction Fund	**(2.2)**	(2.2)
Withdrawals from Capital Construction Fund	**2.2**	2.2
Contribution from A&B	**26.7**	16.3

Net cash provided by (used in) investing activities from continuing operations	**9.7**	(10.7)
Cash Flows from Financing Activities from Continuing Operations:		
Proceeds from issuance of debt, net of issuance costs	**185.1**	115.8
Payments of debt	**(5.7)**	(109.7)
Proceeds from (payments on) line-of-credit agreements, net	**(6.0)**	—
Distribution upon Separation	**(151.4)**	—
Proceeds from issuance of capital stock	**21.7**	9.0
Distribution to A&B for proceeds from issuance of capital stock	**(21.7)**	—
Cash assumed by A&B upon separation	**(2.5)**	—
Dividends paid	**(26.7)**	(26.6)
Net cash used in financing activities from continuing operations	**(7.2)**	(11.5)
Cash Flows from Discontinued Operations:		
Cash flows used in operating activities of discontinued operations	**(24.3)**	(8.5)
Cash flows used in investing activities of discontinued operations	**(18.8)**	(5.6)
Cash flows from financing activities of discontinued operations	**33.9**	11.2
Net cash flows used in discontinued operations	**(9.2)**	(2.9)
Net Increase in Cash and Cash Equivalents	**14.0**	1.0
Cash and cash equivalents, beginning of period	**21.5**	14.0
Cash and cash equivalents, end of period	**$ 35.5**	$ 15.0
Other Cash Flow Information:		
Interest paid	**$ 4.3**	$ 3.9
Income taxes paid	**$ 14.1**	$ 0.2
Other Non-cash Information:		
Depreciation and amortization expense	**$ 37.2**	$ 36.5
Accrued dividend	**$ 6.4**	$ 13.1
Capital expenditures included in accounts payable and accrued liabilities	**$ 1.7**	$ 5.4

See Notes to Condensed Consolidated Financial Statements.

Matson, Inc
Notes to Condensed Consolidated Financial Statements
(Unaudited)

(1) ***Description of Business:*** "Matson" or the "Company" means Matson, Inc., a holding company incorporated in January 2012 in the State of Hawaii, together with its operating company, Matson Navigation Company, Inc. ("MatNav"), and all of its subsidiaries. MatNav is a wholly-owned subsidiary of Matson, Inc.

Founded in 1882, Matson is one of the premier U.S. carriers in the Pacific. Matson provides a vital lifeline to the island economies of Hawaii, Guam and Micronesia, and operates a premium, expedited service from China to Southern California. The Company's fleet of 17 vessels includes containerships, combination container and roll-on/roll-off ships and custom-designed barges. Matson Logistics, Inc. ("MLI"), a wholly-owned subsidiary of MatNav, was established in 1987 and extends the geographic reach of Matson's transportation network throughout the continental U.S. MLI's integrated, asset-light logistics services include rail intermodal, highway brokerage and warehousing.

Ocean Transportation: The Ocean Transportation segment of Matson's business, which is conducted through MatNav, is an asset-based business that generates revenue primarily through the carriage of containerized freight between various U.S. Pacific Coast, Hawaii, Guam, Micronesia, China and other Pacific island ports.

Also, the Company has a 35 percent ownership interest in SSA Terminals, LLC ("SSAT") through a joint venture between Matson Ventures, Inc., a wholly-owned subsidiary of MatNav, and SSA Ventures, Inc. ("SSA"), a subsidiary of Carrix, Inc. SSAT provides terminal and stevedoring services to numerous international carriers at six terminal facilities on the U.S. Pacific Coast and to MatNav at several of those facilities. Matson records its share of income in the joint venture in operating expenses within the ocean transportation segment due to the nature of the business.

Logistics: The Logistics Services segment of Matson's business, which is conducted through MLI, is an asset-light based business that is a provider of domestic and international rail intermodal service ("Intermodal"), long-haul and regional highway brokerage, specialized hauling, flat-bed and project work, less-than-truckload services, expedited freight services, and warehousing and distribution services (collectively "Highway"). Warehousing, packaging and distribution services are provided by Matson Logistics Warehousing, Inc. ("MLW"), a wholly-owned subsidiary of MLI.

Separation Transaction: On December 1, 2011, Alexander & Baldwin, Inc., the former parent company of MatNav (the "Former Parent Company"), announced that its Board of Directors unanimously approved a plan to pursue the separation (the "Separation") of the Former Parent Company to create two independent, publicly traded companies:

- Matson, a Hawaii-based ocean transportation company serving the U.S. Pacific Coast, Hawaii, Guam, Micronesia and China, and a domestic logistics company; and

- Alexander & Baldwin, Inc. (“A&B”), a Hawaii-based land company with interests in real estate development, commercial real estate and agriculture.

On February 13, 2012, the Former Parent Company entered into an Agreement and Plan of Merger to reorganize itself as a holding company incorporated in Hawaii, Alexander & Baldwin Holdings, Inc. (“Holdings”). The holding company structure helped facilitate the Separation through the organization and segregation of the assets of the two businesses. In addition, the holding company reorganization was intended to help preserve the Company’s status as a U.S. citizen under certain U.S. maritime and vessel documentation laws (popularly referred to as the Jones Act) by, among other things, limiting the percentage of outstanding shares of common stock in the holding company that may be owned (of record or beneficially) or controlled in the aggregate by non-U.S. citizens (as defined by the Jones Act) to a maximum permitted percentage of 22%.

The Separation was completed June 29, 2012. Immediately following the Separation, the Company changed its name from Alexander & Baldwin Holdings, Inc. to Matson, Inc. Thus Matson is the successor company to the Former Parent Company for accounting purposes. In the Separation, the shareholders of Holdings received one share of common stock of A&B for every share of Holdings held of record as of the record date, June 18, 2012.

Prior to the completion of the Separation, the Company and A&B entered into a Separation and Distribution Agreement, Tax Sharing Agreement and an Employee Matters Agreement, each dated June 8, 2012, that govern the post-Separation relationship. These agreements provide that each party is responsible for its respective assets, liabilities and obligations following the Separation, including employee benefits, information technology, insurance and tax-related assets and liabilities. In addition, the Company and A&B entered into a Transition Services Agreement, dated June 8, 2012, under which each company agreed to provide the other with various services on an interim, transitional basis, for up to 24 months.

Also in relation to the Separation, intercompany receivables, payables, loans and other accounts between A&B and Matson, in existence immediately prior to the effective time were satisfied and/or settled; and intercompany agreements and all other arrangements in effect immediately prior to the distribution have been terminated or canceled, subject to certain exceptions.

Matson expects to incur total cash outflows of $165.9 million in relation to the Separation. The total cash outflows are made up of three components: capital distribution, capitalized debt issuance costs, and separation related expenses referred to as Separation costs in the Condensed Consolidated Statements of Income and Comprehensive Income.

The breakdown of Separation cash outflows are as follows (in millions):

	Separation Cash Outflows
Capital distribution to A&B (A)	$ 155.7
Separation costs (B)	8.3
Capitalized debt financing costs	1.9
Total cash outflow related to the Separation	$ 165.9

(A) Includes a net distribution of $4.3 million to be paid out during the second half of 2012 related to the settlement of certain liabilities of the Former Parent Company.

(B) Of the $8.3 million in Separation costs, $5.8 million, $4.8 million net of tax, were recorded in the second quarter of 2012 and $2.5 million, $2.1 million net of tax, were recorded in the first quarter of 2012.

(2) The Condensed Consolidated Financial Statements are unaudited. Due to the nature of the Company’s operations, the results for interim periods are not necessarily indicative of results to be expected for the year. These Condensed Consolidated Financial Statements reflect all normal recurring adjustments that are, in the opinion of management, necessary for fair presentation of the results of the interim periods; they do not include all of the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements. The Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and Notes thereto included in the Former Parent Company’s Annual Report filed on Form 10-K for the year ended December 31, 2011.

The period end for Matson, Inc. is June 30. The period end for MatNav occurred on the last Friday in June, except for MLW, whose period closed on June 30.

Certain amounts reflected in the Condensed Consolidated Statements of Income for the three and six months ended June 30, 2011 have been reclassified to discontinued operations to conform to the presentation for the three and six months ended June 30, 2012.

(3) Commitments, Guarantees and Contingencies: Commitments and financial arrangements at June 30, 2012, included the following (in millions):

Standby letters of credit (a)	$	7
Performance and customs bonds (b)	$	14

Benefit plan withdrawal obligations (c)	$	87

These amounts are not recorded on the Company's Condensed Consolidated Balance Sheet and it is not expected that the Company or its subsidiaries will be called upon to advance funds under these commitments.

(a) Includes approximately $5 million of letters of credit, which enable the Company to qualify as a self-insurer for state and federal workers' compensation liabilities, and approximately $2 million of letters of credit used to support various credit enhancement needs.

(b) Consists of approximately $13 million in U.S. Customs bonds, and approximately $1 million related to transportation and other matters.

(c) Represents the withdrawal liabilities as of the most recent valuation dates for multiemployer pension plans, in which Matson is a participant. Management has no present intention of withdrawing from, and does not anticipate the termination of, any of the aforementioned plans.

Legal Proceedings and Other Contingencies: On April 21, 2008, Matson was served with a grand jury subpoena from the U.S. District Court for the Middle District of Florida for documents and information relating to water carriage in connection with the Department of Justice's investigation into the pricing and other competitive practices of carriers operating in the domestic trades. Matson understands that while the investigation originally was focused primarily on the Puerto Rico trade, it also includes pricing and other competitive practices in connection with all domestic trades, including the Alaska, Hawaii and Guam trades. Matson does not operate vessels in the Puerto Rico and Alaska trades. It does operate vessels in the Hawaii and Guam trades. Matson has cooperated, and will continue to cooperate, fully with the Department of Justice. If the Department of Justice believes that any violations have occurred on the part of Matson, it could seek civil or criminal sanctions, including monetary fines. Matson does not believe that a violation has occurred on the part of Matson, and consequently is unable to estimate any possible loss at this time.

Matson and its subsidiaries are parties to, or may be contingently liable in connection with, other legal actions arising in the normal conduct of their businesses, the outcomes of which, in the opinion of management after consultation with counsel, would not have a material effect on Matson's consolidated financial statements as a whole.

The Company's vessel operations are subject to various federal, state and local environmental laws and regulations, including, but not limited to, the Oil Pollution Act of 1990, the Comprehensive Environmental Response Compensation & Liability Act of 1980, the Clean Water Act, the Invasive Species Act and the Clean Air Act. At various times, bills related to environmental matters have been introduced in the U.S. Congress. Matson does not believe that a material violation has occurred on the part of Matson, and consequently is unable to estimate any possible loss at this time.

(4) Earnings Per Share ("EPS"): The number of shares used to compute basic and diluted earnings per share is as follows (in millions, except per share data):

	Three Months ended June 30, 2012			Three Months ended June 30, 2011		
	Net Income	Weighted Average Common Shares	Per Common Share Amount	Net Income	Weighted Average Common Shares	Per Common Share Amount
Basic:						
Income from continuing operations	$ 15.3	42.3	$ 0.36	$ 17.7	41.7	$ 0.42
(Loss) income from discontinued operations	(7.5)	42.3	(0.18)	1.0	41.7	0.03
	7.8		$ 0.18	18.7		$ 0.45
Effect of Dilutive Securities		0.5			0.5	
Diluted:						
Income from continuing operations	15.3	42.8	0.36	17.7	42.2	0.42
(Loss) income from discontinued operations	(7.5)	42.8	(0.18)	1.0	42.2	0.02
	$ 7.8		$ 0.18	$ 18.7		$ 0.44

	Six Months ended June 30, 2012			Six Months ended June 30, 2011		
	Net Income	Weighted Average Common Shares	Per Common Share Amount	Net Income	Weighted Average Common Shares	Per Common Share Amount
Basic:						
Income from continuing operations	$ 17.3	42.1	$ 0.41	$ 20.7	41.6	$ 0.50
(Loss) income from discontinued operations	(6.1)	42.1	(0.14)	3.2	41.6	0.07
	11.2		$ 0.27	23.9		$ 0.57

Effect of Dilutive Securities		0.4			0.4	
Diluted:						
Income from continuing operations	17.3	42.5	0.41	20.7	42.0	0.50
(Loss) income from discontinued operations	(6.1)	42.5	(0.15)	3.2	42.0	0.07
	$ 11.2		$ 0.26	$ 23.9		$ 0.57

Basic earnings per share is computed based on the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed based on the weighted-average number of common shares outstanding adjusted by the number of additional shares, if any, that would have been outstanding had the potentially dilutive common shares been issued. Potentially dilutive shares of common stock include non-qualified stock options and restricted stock units.

The computation of weighted average dilutive shares outstanding excluded non-qualified stock options to purchase 0.2 million shares of common stock during the three months ended June 30, 2012 and 2011, and 0.5 million and 1.2 million shares of common stock during the six months ended June 30, 2012 and 2011, respectively. These options were excluded because the options' exercise prices were greater than the average market price of the Company's common stock for the periods presented and, therefore, the effect would be anti-dilutive.

(5) Share-Based Compensation: Through June 30, 2012, the Company granted non-qualified stock options to purchase 0.1 million shares of the Company's common stock. The grant-date fair value of each stock option granted during 2012 was valued using the Black-Scholes-Merton option pricing model.

Activity in the Company's stock option plans for the six months ended June 30, 2012, exclusive of 2.9 million options cancelled in connection with the Separation, was as follows (in thousands, except weighted average exercise price and weighted average contractual life):

	2007 Plan	1998 Plan	Total Shares	Weighted Average Exercise Price	Weighted Average Contractual Life	Aggregate Intrinsic Value
Outstanding, January 1, 2012	1,329	767	2,096	$ 20.11		
Granted	111	—	111	$ 23.74		
Exercised	(313)	(205)	(518)	$ 16.63		
Forfeited and expired	(5)	(2)	(7)	$ 19.90		
Outstanding, June 30, 2012	1,122	560	1,682	$ 21.43	5.1	$ 6,518
Exercisable, June 30, 2012	647	560	1,207	$ 21.75	3.9	$ 4,363

The following table summarizes non-vested restricted stock unit activity through June 30, 2012, exclusive of 0.3 million non-vested restricted stock units cancelled in connection with the Separation, (in thousands, except weighted average grant-date fair value amounts):

	2007 Plan Restricted Stock Units	Weighted Average Grant-Date Fair Value
Outstanding, January 1, 2012	394	$ 18.45
Granted	189	$ 20.95
Vested	(150)	$ 17.15
Canceled	(96)	$ 20.50
Outstanding, June 30, 2012	337	$ 20.17

Restricted stock unit awards vest ratably over three years. A portion of the awards represent performance-based awards that vest after three years, provided certain performance targets are achieved in the first year of the grant.

A summary of compensation cost related to share-based payments, exclusive of A&B related compensation prior to the Separation, is as follows (in millions):

	Quarter Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011

Share-based expense (net of estimated forfeitures):				
Stock options	**$ 0.2**	$ 0.2	**$ 0.4**	$ 0.4
Non-vested stock/Restricted stock units	**0.6**	0.5	**1.4**	0.9
Total share-based expense	**0.8**	0.7	**1.8**	1.3
Total recognized tax benefit	**(0.3)**	(0.3)	**(0.7)**	(0.5)
Share-based expense (net of tax)	**$ 0.5**	$ 0.4	**$ 1.1**	$ 0.8

(6) Accounting for and Classification of Discontinued Operations: As required by the Financial Accounting Standards Board ("FASB") ASC Subtopic 205-20, *Discontinued Operations*, the termination of certain income-producing assets are classified as discontinued operations if (i) the operations and cash flows of the component have been, or will be, eliminated from the ongoing operations of the Company as a result of the disposal transaction and (ii) the Company will not have any significant continuing involvement in the operations of the component after the disposal transaction. Certain income-producing properties that are classified as "held for sale" under the requirements of FASB ASC Subtopic 205-20, are also treated as discontinued operations. Depreciation on these assets ceases upon their classification as "held for sale." Discontinued operations includes the results for the business lines that were terminated through June 30, 2012 and, if applicable, the operating results of properties still owned, but meeting the definition of "discontinued operations" under FASB ASC Subtopic 205-20. Operating results included in the Condensed Consolidated Statements of Income and the segment results (Note 12) for the three and six months ended June 30, 2011 have been restated to reflect the termination of segments that were classified as discontinued operations subsequent to June 30, 2011.

On December 1, 2011, The Former Parent Company of MatNav, announced that its Board of Directors unanimously approved a plan to pursue the Separation of the Former Parent Company to create two independent, publicly traded companies:

- Matson, a Hawaii-based ocean transportation company serving the U.S. Pacific Coast, Hawaii, Guam, Micronesia and China, and a domestic logistics company; and

- A&B, a Hawaii-based land company with interests in real estate development, commercial real estate and agriculture.

The Separation was completed June 29, 2012. Immediately following the Separation, the Company changed its name from Alexander & Baldwin Holdings, Inc. to Matson, Inc. In the Separation, the shareholders of Holdings received one share of common stock of A&B for every share of Holdings held of record as of the record date, June 18, 2012. Refer to Note (1) for further description of the Separation Transaction.

In the third quarter of 2011, the Company terminated its CLX2 service, due to the longer-term outlook for sustained high fuel prices and increasingly volatile Transpacific rates. As of the termination date, the Company had established and approved plans to (i) return to the lessors or sub-charter the five vessels used in the service (ii) off-hire or dispose of certain excess container equipment and (iii) terminate office contracts and employees. These plans were substantially completed as of September 30, 2011; however, the off-hiring of excess leased containers is expected to continue through 2012 and two of the five ships were offered for sub-charter until they were returned to the lessors in July 2012. The remaining three ships were returned to the lessors as of September 30, 2011 pursuant to the terms of the one-year charter contracts for these vessels. As of June 30, 2012, the Company had a liability of approximately $1.8 million in other current liabilities, representing the fair value of the obligations arising from exit activities associated with the termination of the service. The liability, which is principally related to future charter lease payments, was substantially settled by July 31, 2012. The Company does not expect to incur any additional material losses from the discontinued operations of CLX2. The following table provides information regarding liabilities associated with the termination of CLX2 (in millions):

	Container and Charter Liabilities	Other Contractual Liabilities	Total
Balance at December 31, 2011	$ 4.9	$ 0.1	$ 5.0
Expenses incurred	4.5	—	4.5
Amounts paid	(7.6)	(0.1)	(7.7)
Balance at June 30, 2012	$ 1.8	$ —	$ 1.8

Income (losses) from discontinued operations consisted of the following (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	2012	2011
Discontinued operations (net of tax)				
Income from A&B	**$ 72.4**	$ 75.9	**$ 114.0**	$ 127.3
Expenses from A&B	**(77.2)**	(64.0)	**(118.1)**	(106.0)
Tax (expense) benefit from A&B	**0.4**	(5.2)	**0.1**	(9.2)
(Loss) income from continuing operations from A&B	**(4.4)**	6.7	**(4.0)**	12.1
Discontinued operations from A&B, net of tax	**—**	5.6	**2.4**	10.0

Net (loss) income from A&B	**(4.4)**	12.3	**(1.6)**	22.1
CLX2 operating and shutdown losses	**(1.4)**	(11.3)	**(2.8)**	(18.9)
Separation related tax expenses	**(1.7)**	—	**(1.7)**	—
(Loss) income from discontinued operations (net of tax)	**$ (7.5)**	$ 1.0	**$ (6.1)**	$ 3.2

In addition to the above losses classified as discontinued operations, the Company incurred additional costs, net of tax, related to the CLX2 shutdown that did not meet the criteria to be classified as discontinued operations of approximately $0.1 million and $0.5 million for the three and six months ended June 30, 2012, respectively. These costs were primarily related to the repositioning of excess containers that will continue to be used in the Company's ongoing operations and fuel costs. There were no shutdown costs incurred during the three and six months ended June 30, 2011.

(7) Pension and Post-retirement Plans: The Company has defined benefit and defined contribution pension plans that cover substantially all non-bargaining unit and certain bargaining unit employees. The Company also has unfunded non-qualified plans that provide benefits in excess of the amounts permitted to be paid under the provisions of the tax law to participants in qualified plans. The assumptions related to discount rates, expected long-term rates of return on invested plan assets, salary increases, age, mortality and health care cost trend rates, along with other factors, are used in determining the assets, liabilities and expenses associated with pension benefits. Management reviews the assumptions annually with its independent actuaries, taking into consideration existing and future economic conditions and the Company's intentions with respect to these plans. Management believes that its assumptions and estimates for 2012 are reasonable. Different assumptions, however, could result in material changes to the assets, obligations and costs associated with benefit plans.

The components of net periodic benefit cost recorded for the first six months of 2012 and 2011 were as follows (in millions):

	Pension Benefits		Post-retirement Benefits	
	2012	2011	2012	2011
Service cost	**$ 1.3**	$ 2.8	**$ 0.4**	$ 0.4
Interest cost	**4.5**	5.4	**1.1**	1.4
Expected return on plan assets	**(5.3)**	(5.6)	**—**	—
Amortization of prior service cost	**(0.7)**	—	**—**	0.1
Amortization of net (gain) loss	**4.3**	2.0	**0.9**	1.0
Net periodic benefit cost	**$ 4.1**	$ 4.6	**$ 2.4**	$ 2.9

In 2012, the Company expects cash contributions to its pension plans will total approximately $13.3 million, of which $10.9 million has been contributed as of June 30, 2012 and $2.4 million is expected to be contributed during the third or fourth quarter of 2012.

(8) Fair Value of Financial Instruments: The Company values its financial instruments based on the fair value hierarchy of valuation techniques described in the FASB's accounting standard for fair value measurements. Level 1 inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date. Level 2 inputs include quoted prices for similar assets and liabilities in active markets and inputs other than quoted prices observable for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability. The Company uses Level 1 inputs for the fair values of its cash equivalents and receivables. The Company uses Level 2 inputs for its long term debt. These inputs include interest rates for similar financial instruments. The Company does not use Level 3 inputs to estimate fair values of any of its financial instruments. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

The fair values of cash and cash equivalents, receivables and short-term borrowings approximate their carrying values due to the short-term nature of the instruments. The carrying amount and fair value of the Company's long-term debt at June 30, 2012 was $372.8 million and $380.3 million, respectively and $197.5 million and $209.1 million at December 31, 2011, respectively. The fair value of long-term debt is calculated by discounting the future cash flows of the debt at rates based on instruments with credit risk, terms and maturities similar to the Company's existing debt arrangements.

(9) In June 2011, the FASB issued ASU No. 2011-05, *Comprehensive Income (Topic 220): Presentation of Comprehensive Income* (ASU 2011-05), to require an entity to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of equity. ASU 2011-05 is to be applied retrospectively and is effective for fiscal years and interim periods within those years, beginning after December 15, 2011. The Company adopted the standard effective January 1, 2012. The standard changed the presentation of the Company's Condensed Consolidated Financial Statements but did not affect the calculation of net income, comprehensive income or earnings per share.

In May 2011, the FASB issued ASU 2011-04, *Fair Value Measurements (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* (ASU 2011-04). The update to ASC 820, *Fair Value Measurement* was issued to clarify the FASB's intent about the application of existing fair value measurement and disclosure requirements and to improve the comparability of fair value measurements presented and disclosed in financial statements. The amendment expands the quantitative disclosures about fair value measurements categorized within Level 3 of the fair value hierarchy, including the valuation process used by the reporting entity and the sensitivity of the fair value measurement to changes in unobservable inputs. The amendment also specifies that the highest and best use valuation premise only applies to nonfinancial assets, and requires expanded disclosure about the reporting entity's use of a nonfinancial asset in a way that differs from the asset's highest and best use. The amendment also requires disclosure of the categorization by level of the fair value hierarchy for items that are not measured at fair value in the financial statements, but for which fair value is required to be disclosed. ASU 2011-04 was adopted by the Company on January 1, 2012. The adoption of ASU 2011-04 did not have a material impact on the Company's Condensed Consolidated Financial Statements and disclosures.

(10) ***Related Party Transaction:*** Effective upon the completion of the Separation, Matson ceased to be a related party of the Former Parent Company. Prior to the Separation, transactions with Former Parent Company were considered related party transactions, as discussed below.

Historically, the Company provided vessel management services to A&B for its bulk sugar vessel, the MV *Moku Pahu*, the income of which is included in ocean transportation. Additionally, the Company expensed operating costs related to a lease for industrial warehouse space in Savannah, Georgia, that is leased from A&B. The Company also recognized the cost for equipment and repair services and other various services provided by A&B in operating costs.

The amounts of these related party transactions are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Vessel management services income	$ **1.1**	$ 1.0	$ **2.0**	$ 1.9
Lease expense to affiliate	**(1.0)**	(1.2)	**(2.1)**	(2.1)
Equipment and repair services expense and other	**(0.9)**	(0.6)	**(1.4)**	(1.2)
Related party expense, net	$ **(0.8)**	$ (0.8)	$ **(1.5)**	$ (1.4)

Distributions to A&B totaled $151.4 million for the six months ended June 30, 2012 which related to the Separation. In connection with the Separation, a final net distribution of approximately $4.3 million is expected to occur in the second half of 2012 related to the settlement of certain liabilities of the Former Parent Company. Proceeds from and distributions to A&B from the issuance of capital stock of $21.7 million for the six months ended June 30, 2012 have been included in the Condensed Consolidated Financial Statements due to Matson being the successor company of the Former Parent Company for accounting purposes. Contributions from A&B of $26.7 million and $16.3 million for the six months ended June 30, 2012 and 2011, respectively, represent dividends paid by the Former Parent Company to its shareholders prior to the Separation and are reflected in the Condensed Consolidated Financial Statements due to Matson being the successor company of the Former Parent Company for accounting purposes.

(11) Income Taxes: In connection with the Separation, the Company incurred certain financial advisory, legal, tax and other professional fees, a portion of which is not deductible under the tax regulations. Accordingly, the Company's income taxes for the three and six months ended June 30, 2012 were impacted by approximately $1.2 million and $1.7 million, respectively, related to the non-deductibility of certain Separation costs.

Also in connection with the Separation, the Company entered into a Tax Sharing Agreement with A&B that governs the respective rights, responsibilities and obligations of the companies after the Separation with respect to tax liabilities and benefits, tax attributes, tax contests and other tax sharing regarding U.S. Federal, state, local and foreign income taxes, other tax matters and related tax returns. A&B has liability to Matson with respect to Matson's liability to the U.S. Internal Revenue Service (IRS) for the consolidated U.S. Federal income taxes of the Holdings consolidated group relating to the taxable periods in which A&B was a part of that group. The Tax Sharing Agreement specifies the portion, if any, of this tax liability for which Matson and A&B will bear responsibility, and Matson and A&B agreed to indemnify each other against any amounts for which they are not responsible.

The Company makes certain estimates and judgments in determining income tax expense for financial statement purposes. These estimates and judgments are applied in the calculation of tax credits, tax benefits and deductions, and in the calculation of certain deferred tax assets and liabilities, which arise from differences in the timing of recognition of revenue and expense for tax and financial statement purposes. Deferred tax assets and deferred tax liabilities are adjusted to the extent necessary to reflect tax rates expected to be in effect when the temporary differences reverse. Adjustments to deferred tax assets and deferred tax liabilities may be required due to changes in tax laws and audit adjustments by tax authorities. To the extent adjustments are required in any given period, the adjustments would be included within the tax provision in the Condensed Consolidated Statements of Income or Balance Sheets.

(12) Segment results for the three and six months ended June 30, 2012 and 2011 were as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Revenue:				
Ocean transportation	**$ 299.5**	$ 274.3	**$ 579.0**	$ 512.7
Logistics services	**94.7**	103.1	**181.3**	194.4
Total revenue	**$ 394.2**	$ 377.4	**$ 760.3**	$ 707.1
Operating Profit, Net Income:				
Ocean transportation	**$ 31.2**	$ 27.1	**$ 37.0**	$ 32.3
Logistics services	**1.3**	2.1	**1.6**	3.6
Total operating profit	**32.5**	29.2	**38.6**	35.9
Interest Expense	**(1.9)**	(1.9)	**(3.9)**	(3.8)
Income From Continuing Operations Before Income Taxes	**30.6**	27.3	**34.7**	32.1
Income Tax Expense	**15.3**	9.6	**17.4**	11.4
Income From Continuing Operations	**15.3**	17.7	**17.3**	20.7
(Loss) Income From Discontinued Operations (net of income taxes)	**(7.5)**	1.0	**(6.1)**	3.2
Net Income	**$ 7.8**	$ **18.7**	**$ 11.2**	$ **23.9**

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following analysis of the consolidated financial condition and results of operations of Matson should be read in conjunction with the Condensed Consolidated Financial Statements and related notes thereto included in Item 1 of this Form 10-Q.

FORWARD-LOOKING STATEMENTS

This report, and other statements that the Company may make, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to the Company's future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as "trend," "potential," "opportunity," "pipeline," "believe," "comfortable," "expect," "anticipate," "current," "intention," "estimate," "position," "assume," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve," and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may" or similar expressions.

The Company cautions that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time, including, but not limited to, the factors that are described in Part I, Item 1A under the caption of "Risk Factors" of the Former Parent Company's Annual Report on Form 10-K filed with the Securities Exchange Commission on February 28, 2012. Forward-looking statements speak only as of the date they are made, and the Company assumes no duty to and does not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

OVERVIEW

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is designed to provide a discussion of the Company's financial condition, results of operations, liquidity and certain other factors that may affect its future results from the perspective of management. The discussion that follows is intended to provide information that will assist in understanding the changes in the Company's financial statements from period to period, the primary factors that accounted for those changes, and how certain accounting principles, policies and estimates affect the Company's financial statements. MD&A is provided as a supplement to the Condensed Consolidated Financial Statements and notes herein, and should be read in conjunction with the Former Parent Company's 2011 Annual Report on Form 10-K as well as the Former Parent Company's reports on Forms 10-Q and 8-K and the Company's reports on Forms 8-K and other publicly available information.

MD&A is presented in the following sections:

- Business Overview
- Consolidated Results of Operations
- Analysis of Operating Revenue and Profit by Segment
- Liquidity and Capital Resources
- Business Outlook
- Other Matters

BUSINESS OVERVIEW

Description of Business: "Matson" or the "Company" means Matson, Inc., a holding company incorporated in January 2012 in the State of Hawaii, together with its operating company, MatNav and all of its subsidiaries. MatNav is a wholly-owned subsidiary of Matson, Inc.

Founded in 1882, Matson is one of the premier U.S. carriers in the Pacific. Matson provides a vital lifeline to the island economies of Hawaii, Guam and Micronesia, and operates a premium, expedited service from China to Southern California. The Company's fleet of 17 vessels includes containerships, combination container and roll-on/roll-off ships and custom-designed barges. MLI, a wholly-owned subsidiary of MatNav, was established in 1987 and

extends the geographic reach of Matson's transportation network throughout the continental U.S. MLI's integrated, asset-light logistics services include rail intermodal, highway brokerage and warehousing.

Ocean Transportation: The Ocean Transportation segment of Matson's business, which is conducted through MatNav, is an asset-based business that generates revenue primarily through the carriage of containerized freight between various U.S. Pacific Coast, Hawaii, Guam, Micronesia, China and other Pacific island ports.

Also the Company has a 35 percent ownership interest in SSAT through a joint venture between Matson Ventures, Inc., a wholly-owned subsidiary of MatNav, and SSA Ventures, Inc, a subsidiary of Carrix, Inc. SSAT provides terminal and stevedoring services to numerous international carriers at six terminal facilities on the U.S. Pacific Coast and to MatNav at several of those facilities. Matson records its share of income in the joint venture in operating expenses within the ocean transportation segment due to the nature of the business.

Logistics: The Logistics Services segment of Matson's business, which is conducted through MLI, is an asset-light based business that is a provider of domestic and international rail intermodal service ("Intermodal"), long-haul and regional highway brokerage, specialized hauling, flat-bed and project work, less-than-truckload services, expedited freight services, and warehousing and distribution services (collectively "Highway"). Warehousing, packaging and distribution services are provided by MLW, a wholly-owned subsidiary of MLI.

Separation transaction: On December 1, 2011, the Former Parent Company of MatNav, announced that its Board of Directors unanimously approved a plan to pursue the Separation of the Former Parent Company to create two independent, publicly traded companies:

- Matson, a Hawaii-based ocean transportation company serving the U.S. Pacific Coast, Hawaii, Guam, Micronesia and China, and a domestic logistics company; and
- A&B, a Hawaii-based land company with interests in real estate development, commercial real estate and agriculture.

On February 13, 2012, the Former Parent Company entered into an Agreement and Plan of Merger to reorganize itself as a holding company incorporated in Hawaii, Alexander & Baldwin Holdings, Inc. The holding company structure helped facilitate the Separation through the organization and segregation of the assets of the two businesses. In addition, the holding company reorganization was intended to help preserve the Company's status as a U.S. citizen under certain U.S. maritime and vessel documentation laws (popularly referred to as the Jones Act) by, among other things, limiting the percentage of outstanding shares of common stock in the holding company that may be owned (of record or beneficially) or controlled in the aggregate by non-U.S. citizens (as defined by the Jones Act) to a maximum permitted percentage of 22%.

The Separation was completed June 29, 2012. Immediately following the Separation, the Company changed its name from Alexander & Baldwin Holdings, Inc. to Matson, Inc. Thus Matson is the successor company to the Former Parent Company for accounting purposes. In the Separation, the shareholders of Holdings received one share of common stock of A&B for every share of Holdings held of record as of the record date, June 18, 2012.

Prior to the completion of the Separation, the Company and A&B entered into a Separation and Distribution Agreement, Tax Sharing Agreement and an Employee Matters Agreement, each dated June 8, 2012, that govern the post-Separation relationship. These agreements generally provide that each party is responsible for its respective assets, liabilities and obligations following the Separation, including employee benefits, information technology, insurance and tax-related assets and liabilities. In addition, the Company and A&B entered into a Transition Services Agreement, dated June 29, 2012, under which each company agreed to provide the other with various services on an interim, transitional basis, for up to 24 months.

Also in relation to the Separation, intercompany receivables, payables, loans and other accounts between A&B and Matson, in existence immediately prior to the effective time were satisfied and/or settled; and intercompany agreements and all other arrangements in effect immediately prior to the distribution have been terminated or canceled, subject to certain exceptions.

Matson expects to incur total cash outflows of $165.9 million in relation to the Separation. The total cash outflows are made up of three components: capital distribution, capitalized debt issuance costs, and separation related expenses referred to as Separation costs in the Condensed Consolidated Statements of Income and Comprehensive Income.

The breakdown of Separation cash outflows are as follows (in millions):

	Separation Cash Outflows
Capital distribution to A&B(A)	$ 155.7
Separation costs (B)	8.3
Capitalized debt financing costs	1.9
Total cash outflow related to the Separation	$ 165.9

(A) Includes a net distribution of $4.3 million to be paid out during the second half of 2012 related to the settlement of certain liabilities of the Former Parent Company.

(B) Of the $8.3 million in Separation costs, $5.8 million, $4.8 million net of tax, were recorded in the second quarter of 2012 and $2.5 million, $2.1 million net of tax, were recorded in the first quarter of 2012.

CONSOLIDATED RESULTS OF OPERATIONS

Consolidated — Three months ended June 30, 2012 compared with 2011

(dollars in millions, except per share amounts)	Three Months Ended June 30, 2012	2011	Change
Operating revenue	**$ 394.2**	$ 377.4	4.5%
Operating costs and expenses	**(361.7)**	(348.2)	3.9%
Operating income	**32.5**	29.2	11.3%
Interest expense	**(1.9)**	(1.9)	0.0%
Income from continuing operations before taxes	**30.6**	27.3	12.1%
Income tax expense	**(15.3)**	(9.6)	59.4%
Income from continuing operations	**15.3**	17.7	(13.6)%
(Loss) income from discontinued operations (net of income taxes)	**(7.5)**	1.0	
Net income	**$ 7.8**	$ 18.7	(58.3)%
Basic earnings per share	**$ 0.18**	$ 0.45	(60.0)%
Diluted earnings per share	**$ 0.18**	$ 0.44	(59.1)%

Consolidated operating revenue for the second quarter of 2012 increased $16.8 million, or 4.5 percent, compared to the second quarter of 2011. This increase was principally due to $25.2 million in higher revenue for Ocean Transportation, partially offset by $8.4 million in lower revenue from Logistics Services. The reasons for the change in revenue are described below, by business segment, in the Analysis of Operating Revenue and Profit by Segment.

Operating costs and expenses for the second quarter of 2012 increased $13.5 million, or 3.9 percent, compared to the second quarter of 2011. The increase is partially due to expenses related to the Separation of $5.8 million. The increase was also due to a $21.1 million increase in operating costs for the Ocean Transportation segment, which is inclusive of the Separation costs mentioned above. The reasons for the operating expense changes are described below, by business segment, in the Analysis of Operating Revenue and Profit by Segment.

Income tax expense for the second quarter of 2012 was 50.0% of income from continuing operations and increased by $5.7 million compared with the second quarter of 2011 due principally to certain non-recurring and non-deductible separation-related transaction costs and the re-measurement of uncertain tax positions in 2012 as required as part of the separation tax accounting treatment.

In conjunction with the Separation, Matson has reclassified the operations from A&B as discontinued operations for the quarter ended June 30, 2012 and 2011. The loss from discontinued operations, net of tax decreased $8.5 million primarily due to the increase in net loss recorded by A&B and the recognition of additional tax expense related to the Separation, offset partially by the reduction in losses related to the shut down of CLX2. The change from net income to a net loss for A&B was due to an increase in consolidated operating costs and expenses, due to impairments in properties and a real estate joint venture recognized in the second quarter of 2012, and other expenses, which more than offset increases in A&B's consolidated operating revenue and a decrease in taxes.

Consolidated — Six months ended June 30, 2012 compared with 2011

(dollars in millions)	Six Months Ended June 30, 2012	2011	Change
Operating revenue	**$ 760.3**	$ 707.1	7.5%
Operating costs and expenses	**(721.7)**	(671.2)	7.5%
Operating income	**38.6**	35.9	7.5%
Interest expense	**(3.9)**	(3.8)	2.6%
Income from continuing operations before taxes	**34.7**	32.1	8.1%
Income tax expense	**(17.4)**	(11.4)	52.6%
Income from continuing operations	**17.3**	20.7	(16.4)%
(Loss) income from discontinued operations (net of income taxes)	**(6.1)**	3.2	
Net income	**$ 11.2**	$ 23.9	(53.1)%
Basic earnings per share	**$ 0.27**	$ 0.57	(52.6)%
Diluted earnings per share	**$ 0.26**	$ 0.57	(54.4)%

Consolidated operating revenue for the six months ended June 30, 2012 increased $53.2 million, or 7.5 percent, compared to the six months ended June 30, 2011. This increase was principally due to $66.3 million in higher revenue for Ocean Transportation, partially offset by $13.1 million in lower revenue from Logistics Services. The reasons for the changes in revenue are described below, by business segment, in the Analysis of Operating Revenue and Profit by Segment.

Operating costs and expenses for the six months ended June 30, 2012 increased $50.5 million, or 7.5 percent, compared to the six months ended June 30, 2011. The increase is partially due to expenses related to the Separation from the Former Parent Company of $8.3 million. The increase was also due to a $61.6 million increase in costs for the ocean transportation segment, which is inclusive of the Separation costs mentioned above. The reasons for the operating expense changes are described below, by business segment, in the Analysis of Operating Revenue and Profit by Segment.

Income tax expense in the first half of 2012 was 50.1% of income from continuing operations and increased by $6.0 million compared with the first half of 2011 due principally to certain non-recurring and non-deductible separation-related transaction costs and the re-measurement of uncertain tax positions in 2012 as required as part of the separation tax accounting treatment.

In conjunction with the Separation, Matson has reclassified the operations from A&B as discontinued operations for the quarter ended June 30, 2012 and 2011. The loss from discontinued operations, net of tax decreased $9.3 million primarily due to the increase in net loss recorded by A&B and the recognition of additional tax expense related to the Separation, offset partially by the reduction in losses related to the shut down of CLX2. The change from net income to a net loss for A&B is due primarily to an increase in consolidated operating costs and expenses due to impairments in properties and a real estate joint venture recognized in the second quarter of 2012, which more than offset increases in A&B's consolidated operating revenue and a decrease in taxes.

ANALYSIS OF OPERATING REVENUE AND PROFIT BY SEGMENT

Ocean Transportation — Three months ended June 30, 2012 compared with 2011

(dollars in millions)	Three Months Ended June 30, 2012	2011	Change
Revenue	**$ 299.5**	$ 274.3	9.2%
Operating profit	**$ 31.2**	$ 27.1	15.1%
Operating profit margin	**10.4%**	9.9%	
Volume (Units)*			
Hawaii containers	**33,900**	35,600	(4.8)%
Hawaii automobiles	**20,900**	23,700	(11.8)%
China containers	**15,200**	14,900	2.0%
Guam containers	**6,100**	3,400	79.4%

*Approximate container volumes included for the period are based on the voyage departure date, but revenue and operating profit are adjusted to reflect the percentage of revenue and operating profit earned during the reporting period for voyages that straddle the beginning or end of each reporting period.

Ocean Transportation revenue increased 9.2 percent, or $25.2 million, in the second quarter of 2012 compared with the second quarter of 2011. The increase was due principally to net volume growth, driven primarily by the exit of a major competitor from the Guam trade lane that resulted in an increase in revenues, and an increase in freight rates in China, partially offset by reduced volumes in the Hawaii trade lane. In addition there was an increase in fuel surcharges resulting from higher fuel prices.

Total Hawaii container volume decreased 4.8 percent in the second quarter of 2012 due to a combination of factors including: overall competitive pressure in the market; changes in certain customers' supply chains where foreign originating cargo that previously moved to Hawaii via connecting carrier agreements from the U.S. Pacific Coast are now moving directly to Hawaii from Asia, bypassing the domestic leg; and market weakness. Matson's Hawaii automobile volume for the second quarter of 2012 was 11.8 percent lower than the second quarter of 2011, due primarily to the timing of automobile rental fleet replacement. China container volume increased 2.0 percent in the second quarter of 2012 as compared to the second quarter of 2011 due to increased demand and better Transpacific trade management of vessel capacity as well as the shift of foreign originating cargo that previously moved to Hawaii via connecting carrier agreements from the U.S. Pacific Coast now moving to Hawaii via our China service and no longer being reflected in our Hawaii volumes. Guam volume increased by 79.4 percent in the second quarter of 2012 as compared to the second quarter of 2011, due primarily to gains related to the departure of a major competitor from the market in mid-November 2011.

Ocean Transportation operating profit increased $4.1 million, or 15.1 percent, in the second quarter of 2012 compared with the second quarter of 2011. The increase in operating profit was principally due to higher volume in Guam, increased freight rates in the China trade and reduced vessel expenses, partially offset by the decrease in Hawaii trade volume as previously cited, $5.8 million in Separation costs, higher outside transportation costs due to a 2012 barge drydock and increased activity in the Guam trade, and higher terminal handling costs due primarily to increased wharfage and container handling rates.

During the second quarter of 2012, income from SSAT decreased $1.2 million due primarily to a decrease in the volume of lifts.

Ocean Transportation — Six months ended June 30, 2012 compared with 2011

(dollars in millions)	Six Months Ended June 30, 2012	2011	Change
Revenue	**$ 579.0**	$ 512.7	12.9%
Operating profit	**$ 37.0**	$ 32.3	14.6%
Operating profit margin	**6.4%**	6.3%	
Volume (Units)*			
Hawaii containers	**66,400**	69,600	(4.6)%
Hawaii automobiles	**37,800**	41,600	(9.1)%
China containers	**28,900**	27,800	4.0%
Guam containers	**12,500**	6,700	86.6%

*Approximate container volumes included for the period are based on the voyage departure date, but revenue and operating profit are adjusted to reflect the percentage of revenue and operating profit earned during the reporting period for voyages that straddle the beginning or end of each reporting period.

Ocean Transportation revenue increased 12.9 percent, or $66.3 million, in the six months ended June 30, 2012 compared with the six months ended June 30, 2011. The increase was principally due to higher fuel surcharges resulting from higher fuel prices, increased volume in the Guam trade lane resulting from the exit of a major competitor and increased volume and freight rates in the China trade lane, which were partially offset by reduced volume in the Hawaii trade.

Total Hawaii container volume decreased 4.6 percent in the six months ended June 30, 2012 due to a combination of factors including: overall competitive pressure in the market; changes in certain customers' supply chains where foreign originating cargo that previously moved to Hawaii via connecting carrier agreements from the U.S. Pacific Coast are now moving directly to Hawaii from Asia, bypassing the domestic leg; and market weakness. Matson's Hawaii automobile volume for the six months ended June 30, 2012 was 9.1 percent lower than the six months ended June 30, 2011, due primarily to the timing of automobile rental fleet replacement activity. China container volume increased 4.0 percent during the six months ended June 30, 2012 as compared to the six

months ended June 30, 2011 due to increased demand and better Transpacific trade management of vessel capacity as well as the shift of foreign originating cargo that previously moved to Hawaii via connecting carrier agreements from the U.S. Pacific Coast now moving to Hawaii via our China service and no longer being reflected in our Hawaii volumes. Guam volume was substantially higher increasing 86.6 percent in the six months ended June 30, 2012 as compared to the six months ended June 30, 2011 due primarily to gains related to the departure of a major competitor from the trade in mid-November 2011.

Ocean Transportation operating profit increased $4.7 million, or 14.6 percent, in the six months ended June 30, 2012 compared with the six months ended June 30, 2011. The increase in operating profit was principally due to higher volume in the Guam trade lane, increased freigh rates in the China trade and reduced vessel expenses due to lower inactive vessel costs, partially offset by the decrease in Hawaii trade volume as previously cited, higher costs related to drydockings, insurance expense, higher outside transportation costs due to a 2012 barge drydock and increased activity in the Guam trade lane, $8.3 million in Separation costs, and higher terminal handling costs due primarily to increased wharfage and container handling rates.

During the six months ended June 30, 2012, income from SSAT decreased $1.6 million, due primarily to a decrease in the volume of lifts.

Logistics Services — Three months ended June 30, 2012 compared with 2011

	Three Months Ended June 30,		
(dollars in millions)	**2012**	**2011**	**Change**
Intermodal revenue	**$ 59.2**	$ 63.5	(6.8)%
Highway revenue	**35.5**	39.6	(10.4)%
Total Revenue	**$ 94.7**	$ 103.1	(8.1)%
Operating profit	**$ 1.3**	$ 2.1	(38.1)%
Operating profit margin	**1.4%**	2.0%	

Logistics Services revenue decreased 8.1 percent, or $8.4 million, in the second quarter of 2012 compared with the second quarter of 2011. This decrease was primarily the result of lower intermodal and highway volume, which decreased 20.6 percent and 5.9 percent, respectively. Intermodal volume declined primarily due to the shutdown of CLX2 and the loss of a major international ocean carrier customer, partially offset by an increase in domestic volumes. Highway volume decreased due to the loss of certain full truckload customers.

Logistics Services operating profit decreased 38.1 percent, or $0.8 million, to $1.3 million in the second quarter of 2012 compared with the second quarter of 2011. The decline in the operating profit margin was primarily due to lower profitability of the warehouse business resulting from the Northern California operations as well as lower revenue in the highway and international intermodal businesses. Domestic intermodal business increased during the second quarter as compared to the prior year, offset partially by an international intermodal performance decline due to the discontinuation of CLX2 and the loss of a major international ocean carrier customer.

Logistics Services — Six months ended June 30, 2012 compared with 2011

	Six Months Ended June 30,		
(dollars in millions)	**2012**	**2011**	**Change**
Intermodal revenue	**$ 111.8**	$ 117.4	(4.8)%
Highway revenue	**69.5**	77.0	(9.7)%
Total Revenue	**$ 181.3**	$ 194.4	(6.7)%
Operating profit	**$ 1.6**	$ 3.6	(55.6)%
Operating profit margin	**0.9%**	1.9%	

Logistics Services revenue for the six months ended June 30, 2012 decreased $13.1 million, or 6.7 percent, compared with the six months ended June 30, 2011. This decrease was primarily due to lower intermodal and highway volumes of 20.9 percent and 7.0 percent, respectively. Intermodal volume declined primarily due to the shutdown of CLX2 and the loss of a major ocean carrier customer, partially offset by an increase in domestic volumes. Highway volume decreased due to the loss of certain full truckload customers.

Logistics Services operating profit for the first half of 2012 decreased $2.0 million, or 55.6 percent, compared with the first half of 2011. The reduction in operating profit was due to the same factors cited for the quarter.

LIQUIDITY AND CAPITAL RESOURCES

Overview: Cash flows provided by operating activities are generally the Company's primary source of liquidity. Additional sources of liquidity were provided by available cash and cash equivalent balances as well as borrowings on available credit facilities.

Cash Flows: Cash flows provided by operating activities totaled $20.7 million for the six months ended June 30, 2012, compared with $26.1 million for the six months ended June 30, 2011 a year-over-year decrease of $5.4 million.

Cash flows provided by investing activities totaled $9.7 million for the six months ended June 30, 2012, compared with cash flows used in investing activities of $10.7 million for the six months ended June 30, 2011. The increase in cash flows provided by investing activities was due principally to the reduction of capital expenditures and contributions from A&B of $26.7 million and $16.3 million for the six months ended June 30, 2012 and 2011, respectively, which represent dividends paid by the Former Parent Company to its shareholders prior to the Separation and are reflected in the Condensed Consolidated Financial Statements due to Matson being the successor company of the Former Parent Company for accounting purposes. Capital expenditures for the six months ended June 30, 2012 totaled $17.5 million compared with $27.9 million for the six months ended June 30, 2011. The 2012 expenditures included $17.2 million for the purchase of ocean transportation-related assets and $0.3 million related to the purchase of logistics-related assets. Capital expenditures for the

six months ended June 30, 2011 totaled $27.9 million and included $26.4 million for the purchase of ocean transportation-related assets and $1.5 million related to the purchase of logistics-related assets.

Cash flows used in financing activities totaled $7.2 million for the six months ended June 30, 2012 compared with $11.5 million in the six months ended June 30, 2011. Cash flows used in financing activities were lower in 2012, primarily due to $173.4 million in net debt borrowings as a result of the Separation, offset by the distribution of $151.4 million to A&B upon Separation, and the payment of dividends to the Former Parent Company's shareholders of $26.7 million which have been included in the Condensed Consolidated Financial Statements due to Matson being the successor company of the Former Parent Company for accounting purposes.

The Company believes that funds generated from operations, available cash and cash equivalents, and available borrowings under credit facilities will be sufficient to finance the Company's business requirements for the next twelve months, including working capital, capital expenditures, dividends, and potential acquisitions.

Sources of Liquidity: Additional sources of liquidity for the Company, consisting of cash and cash equivalents, and receivables totaled $206.1 million at June 30, 2012, an increase of $28.6 million from December 31, 2011. The increase was due primarily to a $25.7 million increase in cash and cash equivalents.

The Company entered into a new $375 million, five-year unsecured revolving credit facility with a syndicate of banks during the second quarter of 2012 in order to provide additional sources of liquidity for working capital requirements or investment opportunities on a short-term as well as longer-term basis. As of June 30, 2012, available capacity under this revolving credit facility totaled $296 million.

During the second quarter of 2012, Matson executed new unsecured, fixed rate, amortizing long-term debt of $170.0 million which was funded in three tranches, $77.5 million at an interest rate of 3.66% maturing in 2023, $55.0 million at an interest rate of 4.16% maturing in 2027, and $37.5 million at an interest rate of 4.31% maturing in 2032. The overall weighted average coupon of the three tranches of debt is 3.97% and the overall weighted average duration of the three tranches of debt is 9.3 years. The cash received from the issuance of three tranches of debt was partially utilized for the tax-free contribution of cash from Matson to A&B. Additionally, the Company negotiated for the release of security of the MV *Manulani* in an existing tranche of long-term debt of $56.0 million as part of the Company's debt restructuring completed during the second quarter of 2012 to facilitate the Separation. This tranche of debt was also moved from MatNav to Matson. Following the above mentioned debt financing transactions in the second quarter of 2012, all of Matson's outstanding debt was unsecured, however guaranteed by Matson's significant subsidiaries, except for $74.8 million of secured MatNav debt.

Total debt was $372.8 million as of June 30, 2012, compared with $197.6 million at the end of 2011.

Principal negative covenants as defined in Matson's five-year revolving credit facility ("Credit Agreement") and long term fixed rate debt include, but are not limited to:

a) The ratio of debt to consolidated EBITDA cannot exceed 3.25 to 1.00 for each fiscal four quarter period;

b) the ratio of consolidated EBITDA to interest expense as of the end of any fiscal four quarter period cannot exceed 3.50 to 1.00; and

c) The principal amount of priority debt at any time cannot exceed 20% of consolidated tangible assets; and the principal amount of priority debt that is not Title XI priority debt at any time cannot exceed 10% of consolidated tangible assets. Priority debt, as further defined in the Credit Agreement, is all debt secured by a lien on the Company's assets or subsidiary debt.

The Company was in compliance with these covenants as of June 30, 2012, with a debt to consolidated EBITDA ratio of 2.32, consolidated EBITDA to interest expense ratio of 20.66, and priority debt to consolidated tangible assets ratio of 6.5%.

Balance Sheet: The Company had working capital of $29.1 million at June 30, 2012, compared to working deficit of $3.7 million at the end of 2011. The change in working capital is primarily due to increases in cash and cash equivalents.

Commitments, Contingencies and Off-balance Sheet Arrangements: A description of other commitments, contingencies, and off-balance sheet arrangements at June 30, 2012, and herein incorporated by reference, are included in Note 3 to the Condensed Consolidated Financial Statements of Item 1 in this Form 10-Q.

BUSINESS OUTLOOK

The following discussion provides an update of the Company's outlook for 2012 included on page 58 of the 2011 Form 10-K filed by the Former Parent Company with the SEC on February 28, 2012 and accessible under the SEC Documents tab on investor relations website for Matson, Inc. (www.matson.com). All of the forward-looking statements made herein are qualified by the inherent risks of the Company's operations and the markets it serves, as more fully described on pages 19-29 of the 2011 Form 10-K referenced above.

The Company's overall outlook assumes modest growth for the U.S. and Hawaii economies. There are two primary sources of periodic economic forecasts and data for the State of Hawaii: The University of Hawaii Economic Research Organization (UHERO) and the State's Department of Business, Economic Development and Tourism (DBEDT). Economic information included herein has been derived from economic reports available on UHERO's and DBEDT's websites that provide more complete information about the status of and forecast for the Hawaii economy.

Ocean Transportation: Ocean Transportation's performance is significantly influenced by freight volumes, freight rates, operating costs, and other factors, which continue to be highly dependent on the future results of the national and Hawaii general economies, construction activity in Hawaii, fuel prices, Transpacific freight rates, the competitive environment in Guam, and other factors that cannot be predicted with certainty.

Meaningful growth in the Hawaii trade lane is expected to be dependent on growth in the state's construction sector, which has yet to recover from its multi-year slowdown. Consequently, Hawaii volumes are expected to remain flat-to-modestly lower for the remainder of 2012 compared to 2011.

In the Transpacific, the Company expects to run its ships at full or near full capacity, and the freight rates experienced in the second quarter are expected to continue at approximately the same level through the peak season in mid-October. The Company expects a modest decline in freight rates following the peak season when the industry enters its traditional slack season. There is currently a surplus of container vessel capacity in the world international container market relative to demand. Sustaining current Transpacific freight rates depends primarily upon rational carrier management of industry capacity, and secondarily, on the strength of the U.S. economy.

The Company expects its increased volumes in Guam to continue until a new competitor replaces the carrier that exited the trade lane in November of 2011, the timing of which is difficult to predict.

For the remainder of 2012, the Company expects its ocean transportation operating profit to be modestly better than second half of 2011, including the six month effect of our expected $8.0 million to $10.0 million of incremental annual public administrative expenses, but excluding the $7.1 million of CLX2 related expenses that were not classified as discontinuing operations in the second half of 2011. However, results for the third quarter are expected to be negatively impacted by the timing of vessel and barge drydockings and other factors compared with the third quarter in 2011.

Matson Logistics: The Company will remain focused on expansion and improvement at its warehouse facilities, organic growth in the intermodal and highway businesses, and the roll-out of a domestic 53-foot container pilot program to improve profitability of this segment. Operating profit for the segment for the second half of the year is expected to be flat-to-modestly lower compared with last year, but will be dependent upon improving its Northern California warehouse operations, improvement in the U.S. mainland economy, as well as competitive dynamics, cargo mix, available capacity in the market and reliability of the underlying carriers.

Other: The Company expects separation costs or losses from discontinued operations to be immaterial for the rest of the year. The Company expects its effective tax rate to be approximately 38.5% for the third and fourth quarters of the year.

OTHER MATTERS

Dividends: The Company's third quarter dividend of $0.15 per share to shareholders was declared on June 27, 2012 to shareholders of record on August 2, 2012 and is payable on September 6, 2012.

Significant Accounting Policies: The Company's significant accounting policies are described in Note 1 to the consolidated financial statements included in Item 8 of the Former Parent Company's 2011 Form 10-K.

Critical Accounting Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, upon which the Management's Discussion and Analysis is based, requires that management exercise judgment when making estimates and assumptions about future events that may affect the amounts reported in the financial statements and accompanying notes. Future events and their effects cannot be determined with absolute certainty and actual results will, inevitably, differ from those critical accounting estimates. These differences could be material. The most significant accounting estimates inherent in the preparation of Matson's financial statements were described in Item 7 of the Former Parent Company's 2011 Form 10-K.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Matson is exposed to changes in interest rates, primarily as a result of its borrowing and investing activities used to maintain liquidity and to fund business operations. In order to manage its exposure to changes in interest rates, Matson utilizes a balanced mix of both fixed-rate and variable-rate debt. The nature and amount of Matson's long-term and short-term debt can be expected to fluctuate as a result of future business requirements, market conditions, and other factors.

The Company's fixed rate debt consists of $300.8 million in principal term notes. The Company's variable rate debt consists of $72.0 million under its revolving credit facilities. Other than in default, the Company does not have an obligation to prepay its fixed-rate debt prior to maturity and, as a result, interest rate fluctuations and the resulting changes in fair value would not have an impact on the Company's financial condition or results of operations unless the Company was required to refinance such debt. For the Company's variable rate debt, a one percent increase in interest rates would not have a material impact on the Company's results of operations.

The following table summarizes Matson's debt obligations at June 30, 2012, presenting principal cash flows and related interest rates by the expected fiscal year of repayment.

	Expected Fiscal Year of Repayment as of June 30, 2012 (dollars in millions)							
	2012	2013	2014	2015	2016	Thereafter	Total	Fair Value at June 30, 2012
Fixed rate	$ 5.7	$ 11.4	$ 11.4	$ 20.5	$ 20.5	$ 231.3	$ 300.8	$ 308.3
Average interest rate	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	
Variable rate	$ —	$ —	$ —	$ —	$ —	$ 72.0	$ 72.0	$ 72.0
Average interest rate*						1.7%	1.7%	

* Estimated interest rates on variable debt are determined based on the rate in effect on June 30, 2012. Actual interest rates may be greater or less than the amounts indicated when variable rate debt is rolled over.

ITEM 4. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures. The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures are effective.

(b) Internal Control Over Financial Reporting. There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
Apr 1 – 30, 2012	—	—	—	—
May 1 – 31, 2012	—	—	—	—
June 1 – 30, 2012	11,151(1)	$ 49.48	—	—

(1) Represents shares accepted in satisfaction of tax withholding obligations upon vesting of non-vested common stock options and tax withholding upon vesting of restricted stock units.

ITEM 6. EXHIBITS

3.1. Amended and Restated Articles of Incorporation of Matson, Inc., as amended and restated effective June 29, 2012.

3.2. Revised Bylaws of Matson, Inc., as amended through June 29, 2012.

10.1 Amended and Restated Limited Liability Company Agreement of SSA Terminals LLC by and between SSA Ventures, Inc. and Matson Ventures, Inc., dated as of April 24, 2002 (certain portions of this exhibit have been omitted pursuant to a confidential treatment request submitted to the Commission).

10.2 Parent Company Agreement, dated as of April 24, 2002, by and among SSA Pacific Terminals, Inc., formerly known as Stevedoring Services of America, Inc., SSA Ventures, Inc. Matson Navigation Company, Inc. and Matson Ventures, Inc.

10.3 Borrower Assignment, Assumption, and Release among Bank of America, N.A., Matson Navigation Company, Inc. and Matson, Inc. (formerly known as Alexander & Baldwin Holdings, Inc.), dated June 28, 2012.

10.4 Company Assignment, Assumption and Release Agreement among The Prudential Insurance Company of America, Pruco Life Insurance Company, The Prudential Life Insurance Company, Ltd., Gibraltar Life Insurance Co. Ltd., Prudential Annuities Life Assurance Corporation and Prudential Arizona Reinsurance Universal Company, Matson Navigation Company, Inc. and Matson, Inc. dated June 29, 2012.

31.1 Certification of Chief Executive Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

*XBRL (Extensible Business Reporting Language) information is furnished and not filed herewith, is not part of a registration statement or Prospectus for purposes of Section 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MATSON, INC.
(Registrant)

Date: August 8, 2012

/s/ Joel M. Wine
Joel M. Wine
Senior Vice President and
Chief Financial Officer

Date: August 8, 2012

/s/ John E. Dennen
John E. Dennen
Vice President and Controller,
(principal accounting officer)

ALEXANDER & BALDWIN HOLDINGS, INC.

AMENDED AND RESTATED ARTICLES OF INCORPORATION

ARTICLE I

CORPORATE NAME

Section 1.1 The name of the Corporation is Alexander & Baldwin Holdings, Inc.

ARTICLE II

INCORPORATOR

Section 2.1 The name and address of the incorporator is Alyson J. Nakamura, 822 Bishop Street, Honolulu, Hawaii 96813.

ARTICLE III

DURATION

Section 3.1 The duration of the corporation is perpetual.

ARTICLE IV

INITIAL PRINCIPAL OFFICE AND REGISTERED AGENT

Section 4.1 Initial Principal Office. The mailing address of the initial principal office of the Corporation is 822 Bishop Street, P.O. Box 3440, Honolulu, Hawaii 96801.

Section 4.2 Registered Agent. The entity's individual, non-commercial registered agent in the State of Hawaii to which service of process and other notices and documents may be served on the Corporation is Alyson J. Nakamura. The street address of the place of business of the registered agent is 822 Bishop Street, Honolulu, Hawaii 96813.

ARTICLE V

DIRECTORS AND OFFICERS

Section 5.1 Board of Directors. The Board of Directors shall consist of such number of persons, not less than five (5), as shall be determined from time to time in accordance with the Bylaws of the Corporation.

Section 5.2 Limitation of Liability of Directors. The personal liability of directors of the Corporation shall be eliminated or limited to the fullest extent permitted by Hawaii law. If the Hawaii Business Corporation Act is amended to authorize corporate action

further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Hawaii Business Corporation Act as so amended. Any amendment, modification or repeal of this provision shall not adversely affect any right or protection of a director of the Corporation existing at the time of such amendment, modification or repeal.

Section 5.3 Indemnification. The Corporation shall indemnify, and advance funds to pay for or reimburse expenses to, its directors and officers to the fullest extent permitted by law. Any amendment, modification or repeal of the foregoing sentence shall not deprive any person of rights hereunder arising out of alleged or actual occurrences, acts or failures to act occurring prior to notice to such person of such amendment, modification or repeal.

ARTICLE VI

SHARES

Section 6.1 The Corporation is authorized to issue One Hundred Fifty Million (150,000,000) shares of common stock, without par value, all of the same class.

ARTICLE VII

MARITIME OWNERSHIP REQUIREMENTS

Section 7.1 Definitions. For purposes of this Article VII, the following terms shall have the following meanings:

"Charitable Beneficiary" shall mean, with respect to a Trust, one or more Charitable Organizations designated by the Corporation from time to time by written notice to the Trustee of such Trust to be the beneficiaries of such Trust.

“Charitable Organization” shall mean any nonprofit organization that is a U.S. Citizen and qualifies under Section 501(c)(3) of the Code; provided that any contributions to such organization are eligible for deduction under each of Sections 170(b)(1)(A), 2055 and 2522 of the Code.

“Code” shall mean the Internal Revenue Code of 1986, as amended, any successor statute thereto, and the regulations promulgated thereunder, in each case as amended or supplemented from time to time.

“Deemed Original Issuance” shall have the meaning ascribed to such term in Section 7.6(a).

“Deemed Original Issuance Price” shall have the meaning ascribed to such term in Section 7.7(c)(iv).

“Disqualified Person” shall have the meaning ascribed to such term in Section 7.6(a).

“Disqualified Recipient” shall have the meaning ascribed to such term in Section 7.6(a).

“Entity” means a partnership, corporation, limited liability company, organization, governmental subdivision or agency, business trust, estate, trust, joint venture or other entity.

“Excess Shares” shall have the meaning ascribed to such term in Section 7.5(a).

“Excess Share Date” shall have the meaning ascribed to such term in Section 7.5(a).

“Fair Market Value” of the Common Stock as of any date shall mean the average of the closing sales prices of shares of Common Stock on the New York Stock Exchange during the fifteen (15) trading days immediately prior to the such date, except that, if such shares are not traded on the New York Stock Exchange, then Fair Market Value shall mean the average of the closing sales prices of such shares as quoted on any other national securities exchange selected by the Corporation and on which such shares of Common Stock are listed or, if not so listed, the average of the representative bid and ask prices as quoted by a generally recognized reporting system on each of such fifteen (15) trading days and, if not so quoted, as may be determined in good faith by the Board of Directors.

“Maritime Ownership Requirements” shall mean the citizenship requirements of U.S. Maritime Law applicable to U.S. Maritime Companies to be eligible to operate a vessel in the coastwise trade or to obtain a coastwise endorsement.

“Maximum Permitted Percentage” shall mean Ownership of twenty-two percent (22%) of the total number of issued and outstanding shares of Common Stock; provided that if the Maritime Ownership Requirements are amended to change the number or percentage of shares of Common Stock that Non-U.S. Citizens may Own, the Maximum Permitted Percentage shall be deemed to be changed, without any action on the part of the Corporation or the shareholders, to a percentage that is three (3) percentage points less than the percentage that would cause the Corporation to violate the Maritime Ownership Requirements after such amendment and, promptly thereafter the Corporation shall publicly announce such change.

“Non-U.S. Citizen” shall mean any Person that is not a U.S. Citizen.

A Person shall be deemed to be the “Owner” of, or to “Own” or to have “Ownership” of, shares of capital stock of the Corporation, if such Person holds, directly or indirectly, of record or beneficially owns (as determined under Regulation 13D (or any successor provision thereto) under the Securities Exchange Act of 1934, as amended, or any successor statute thereto) shares of capital stock of the Corporation or has the ability to exercise or to control, directly or indirectly, any interest or rights thereof, including any voting power of the shares of capital stock of the Corporation, under any contract, understanding or other means; provided that a Person shall not be deemed to be the “Owner” of, or to “Own” or to have “Ownership” of, shares of capital stock of the Corporation if the Board of Directors determines, in good faith, that such Person is not an owner of such shares in accordance with and for purposes of Sections 50501 and 50502 of Title 46 of the United States Code, as amended, or any successor statute thereto.

“Person” shall mean any natural person or any Entity.

“Proposed Transfer” shall have the meaning ascribed to such term in Section 7.6(a).

“Proposed Transfer Price” shall have the meaning ascribed to such term in Section 7.7(c)(ii).

“Proposed Transferee” shall have the meaning ascribed to such term in Section 7.6(a).

“Redemption Date” shall have the meaning ascribed to such term in Section 7.8(c)(iii).

“Redemption Notes” shall mean interest-bearing promissory notes of the Corporation with a maturity of not more than ten (10) years from the date of issuance and bearing interest at a fixed rate equal to the yield on the United States Treasury Note having a maturity comparable to the term of such promissory notes as published in The Wall Street Journal or comparable publication at the time of the issuance of the promissory notes.

“Redemption Notice” shall have the meaning ascribed to such term in Section 7.8(c)(iii).

“Redemption Price” shall have the meaning ascribed to such term in Section 7.8(c)(i).

“Restricted Person” shall have the meaning ascribed to such term in Section 7.6(a).

“Status Change” shall have the meaning ascribed to such term in Section 7.6(a).

"Status Change Price" shall have the meaning ascribed to such term in Section 7.7(c)(iii).

"transfer" shall have the meaning ascribed to such term in Section 7.4(a).

"Trust" shall have the meaning ascribed to such term in Section 7.6(a).

"Trustee" shall have the meaning ascribed to such term in Section 7.6(a).

"U.S. Citizen" shall mean any Person that meets the definition of a citizen of the United States under U.S. Maritime Law applicable to a U.S. Maritime Company eligible to operate a vessel in the coastwise trade, including, without limitation, (a) any natural person who is a citizen of the United States pursuant to the terms and provisions of Section 104 of Title 46 of the United States Code, as amended, or any successor statute thereto; (b) any Entity deemed to be a citizen of the United States for the purpose of being eligible to operate a vessel in the coastwise trade pursuant to the terms and provisions of Sections 50501 and 50502 of Title 46 of the United States Code, as amended, or any successor statute thereto; provided that successors and assigns of any such Entities, which would otherwise be deemed to be U.S. Citizens under Section 50502 of Title 46 of the United States Code, as amended, or any successor statute thereto, must qualify as U.S. Citizens in their own right; and (c) any Person that qualifies as a citizen of the United States for the purpose of obtaining a coastwise endorsement pursuant to Subpart C of Part 67 of Title 46 of the Code of Federal Regulations, as amended (Citizenship Requirements for Vessel Documentation), or any successor regulation thereto.

"U.S. Maritime Company" means any Person in the maritime business that (whether directly or indirectly) conducts any activity, takes any action, or receives any benefit described in the next sentence that would be adversely affected under any provision of U.S. Maritime Law by virtue of such Person's status as a Non-U.S. Citizen or, if applicable, Ownership of such Person's outstanding equity interests by a Non-U.S. Citizen. Such activities, actions or benefits include,

without limitation: (a) owning, operating or documenting vessels in the United States coastwise trade, intercoastal trade or noncontiguous domestic trade; (b) owning or operating any vessel built with construction differential subsidies from the United States government (or any agency thereof); (c) being a party to a maritime security program agreement with the United States government (or any agency thereof) on account of ships owned, chartered or operated by it; (d) owning, chartering, subchartering or leasing any vessel where the costs of construction, renovation or reconstruction have been financed, in whole or in part, by obligations insured, guaranteed or assumed under Title XI of the Merchant Marine Act of 1936, as amended (46 U.S.C. Chapter 537 — Loans and Guarantees), or any successor statute thereto; (e) operating vessels under agreement with the United States government (or any agency thereof); or (f) maintaining a capital construction fund under the provisions of Section 607 of the Merchant Marine Act of 1936, as amended (46 U.S.C. Chapter 535 — Capital Construction Funds), or any successor statute thereto.

"U.S. Maritime Law" means Title 46 of the United States Code, and such other United States admiralty, maritime, shipping and vessel documentation laws, any predecessor statutes thereto (including, without limitation, the Shipping Act of 1916, the Merchant Marine Act of 1920 and the Merchant Marine Act of 1936) that remain in effect through grandfather provisions or otherwise, and any successor statutes thereto, together with the rules and regulations promulgated thereunder and the practices of the governmental agencies enforcing, administering and interpreting such laws, rules and regulations, all as the same may be amended, modified and in effect from time to time.

Section 7.2 Maritime Laws.

(a) The provisions of this Article VII are intended to assure that the Corporation remains in continuous compliance with the Maritime Ownership Requirements. It is the policy of the Corporation that Non-U.S. Citizens, individually or in the aggregate, shall not Own any shares of Common Stock in excess of the Maximum Permitted Percentage for so long as the Maritime Ownership Requirements apply to the Corporation. The Board of Directors is hereby authorized to effect any and all measures necessary or desirable (consistent with these Articles of Incorporation and applicable law) to fulfill the purpose and implement the provisions of this Article VII.

(b) The Corporation shall have the power to determine, in the exercise of its good faith judgment, the citizenship of any Person for the purposes of this Article VII. In determining such citizenship, the Corporation may rely on the share transfer records of the Corporation and any citizenship certifications and such other documentation required under Section 7.4(b) and such other written statements and affidavits and such other proof as the Corporation may deem reasonable to fulfill the purpose or implement the provisions of this Article VII. The determination of the Corporation at any time as to the citizenship of any Person for the purposes of this Article VII shall be conclusive.

Section 7.3 Share Certificates. To fulfill the purpose and implement the provisions of this Article VII, the Corporation may take any of the following measures: (a) developing issuance, transfer, redemption, escrow and legend notice provisions and procedures regarding certificated and uncertificated shares of Common Stock (including, without limitation,

any such provisions or procedures provided for in clause (c) of this Section 7.3); (b) establishing and maintaining a dual share certificate system under which different forms of share certificates representing outstanding shares of Common Stock are issued to U.S. Citizens and Non-U.S. Citizens; and (c) mandating that all Common Stock certificates issued by the Corporation include the following or another appropriate legend reflecting the provisions of this Article VII or, in the case of uncertificated shares, sending to the record holder thereof a written notice containing the information set forth in the applicable legend within a reasonable time after the issuance or transfer thereof in accordance with Section 414-88 of the Hawaii Business Corporation Act or any successor statute thereto:

> PURSUANT TO THE TERMS AND PROVISIONS OF ARTICLE VII OF THE CORPORATION'S ARTICLES OF INCORPORATION, AS SUCH MAY BE AMENDED FROM TIME TO TIME, (I) THE CITIZENSHIP STATUS OF THE HOLDER OF THIS CERTIFICATE IS SUBJECT TO VERIFICATION BY THE BOARD OF DIRECTORS OF THE CORPORATION, (II) THE AMOUNT OF SHARES OF THE CORPORATION'S COMMON STOCK THAT MAY BE OWNED (AS DEFINED IN THE CORPORATION'S ARTICLES OF INCORPORATION) BY ONE OR MORE NON-U.S. CITIZENS (AS DEFINED IN THE CORPORATION'S ARTICLES OF

INCORPORATION) IS RESTRICTED, (III) TRANSFERS OF SHARES OF THE CORPORATION'S COMMON STOCK TO NON-U.S. CITIZENS ARE RESTRICTED, AND (IV) THE SHARES OF COMMON STOCK REPRESENTED HEREBY OWNED BY NON-U.S. CITIZENS ARE SUBJECT TO MANDATORY SALE OR REDEMPTION. THE CORPORATION WILL FURNISH WITHOUT CHARGE TO EACH SHAREHOLDER WHO SO REQUESTS A COPY OF THE CORPORATION'S ARTICLES OF INCORPORATION.

Section 7.4 Restrictions on Transfers.

(a) Any purported transfer, including by merger, testamentary disposition, interspousal disposition pursuant to a domestic relations proceeding or otherwise or otherwise by operation of law (a "transfer"), of Ownership of any shares of Common Stock (excluding, for the avoidance of doubt, the original issuance of such shares by the Corporation), the effect of which would be to cause one or more Non-U.S. Citizens in the aggregate to Own shares of Common Stock in excess of the Maximum Permitted Percentage, shall be void and ineffective, and, to the extent that the Corporation knows of any such purported transfer, neither the Corporation nor its transfer agent (if any) shall register such purported transfer on the share transfer records of the Corporation and neither the Corporation nor its transfer agent (if any) shall recognize the purported transferee thereof as a shareholder of the Corporation for any purpose whatsoever except to the extent necessary to effect any remedy available to the Corporation under this Article VII or applicable law. In no event shall any such registration or recognition make such purported transfer effective unless the Board of Directors shall have expressly and specifically authorized making the purported transfer effective notwithstanding the foregoing provisions of this Section 7.4(a).

(b) A citizenship certification, and any other documentation as the Corporation or its transfer agent (if any) deems advisable to fulfill the purpose or implement the

provisions of this Article VII, may be required by the Corporation or its transfer agent (if any) from all transferees of shares of Common Stock (including Persons receiving any original issuance of shares of Common Stock by the Corporation) and, if such transferee is acting as a fiduciary, agent or nominee for an Owner, with respect to such Owner, and registration of any transfer shall be denied upon failure or refusal to furnish such requested certification or other documentation.

Section 7.5 Excess Shares.

(a) If on any date (including, without limitation, any record date) (each, an "Excess Share Date") the number of shares of Common Stock Owned by Non-U.S. Citizens should exceed the Maximum Permitted Percentage, irrespective of the date on which such event becomes known to the Corporation (such shares of Common Stock in excess of the Maximum Permitted Percentage, the "Excess Shares"), then the shares of Common Stock that constitute Excess Shares for purposes of this Article VII shall be those shares that become Owned by Non-U.S. Citizens, starting with the most recent date of Ownership of such shares by a Non-U.S. Citizen and including, in reverse chronological order of Ownership, all other Ownership of such shares by Non-U.S. Citizens from and after the Ownership of such shares by a Non-U.S. Citizen that first caused such Maximum Permitted Percentage to be exceeded; provided that (i) the Corporation shall have the sole power to determine, in the exercise of its good faith judgment, the shares of Common Stock that constitute Excess Shares in accordance with the provisions of this Article VII; (ii) the Corporation may, in its good faith discretion, rely on any reasonable documentation provided by Non-U.S. Citizens with respect to the date on which they came to Own Excess Shares; (iii) if more than one Non-U.S. Citizen comes to Own Excess Shares on the same date, then the order in which such Ownership shall be deemed to have occurred on such date shall be determined by lot or by such other method as the Corporation may, in its good faith discretion, deem appropriate; (iv) Excess Shares that result from a determination that an Owner has ceased to be a U.S. Citizen will be deemed to have been Owned, for purposes of this Article VII, as of the date that such Owner ceased to be a U.S. Citizen; and (v) the Corporation may adjust upward to the nearest whole share the number of shares of Common Stock deemed to be Excess Shares.

(b) Any determination made by the Corporation pursuant to this Section 7.5 as to which shares of Common Stock constitute Excess Shares shall be conclusive and shall be deemed effective as of the applicable Excess Share Date for such shares.

Section 7.6 Additional Remedies for Exceeding the Maximum Permitted Percentage.

(a) In the event that (i) Section 7.4(a) would not be effective for any reason to prevent the transfer (a "Proposed Transfer") of Ownership of any Excess Shares to a Non-U.S. Citizen (a "Proposed Transferee"), (ii) a change in the status (a "Status Change") of a U.S. Citizen to a Non-U.S. Citizen (a "Disqualified Person") causes any shares of Common Stock of which such U.S. Citizen is the Owner immediately prior to such change to constitute Excess Shares or (iii) the original issuance by the Corporation (a "Deemed Original Issuance") of any shares of Common Stock to a Non-U.S. Citizen (a "Disqualified Recipient" and, together with a Proposed Transferee and Disqualified Person, a "Restricted Person") results in such shares

constituting Excess Shares, then, effective as of immediately before the consummation of such Proposed Transfer (in the case of such Proposed Transferee), such Status Change (in the case of such Disqualified Person) or such Deemed Original Issuance (in the case of such Disqualified Recipient), as the case may be, such Excess Shares shall be automatically transferred to a trust (a "Trust") for the exclusive benefit of a Charitable Beneficiary (designated by the Corporation from time to time by written notice to the Trustee of such Trust) and in respect of which a U.S. Citizen, unaffiliated with either the Corporation or any Owner of such Excess Shares, shall be appointed by the Corporation to serve as the trustee (a "Trustee"), and such Restricted Person shall neither acquire nor have any rights or interests in such Excess Shares transferred into such Trust. Subject to applicable law and compliance with the foregoing provisions of this Section 7.6, the Excess Shares of multiple Restricted Persons may, in the sole discretion of the Corporation, be transferred into, and maintained in, a single Trust.

(b) Notwithstanding the provisions of Section 7.6(a), if the automatic transfer of any Excess Shares into a Trust pursuant to Section 7.6(a) would not be effective, for any reason whatsoever (whether in the determination of the Corporation or otherwise), to prevent the number of shares of Common Stock that are Owned by Non-U.S. Citizens from exceeding the Maximum Permitted Percentage, then, in lieu of such automatic transfer into such Trust, such Excess Shares shall be subject to redemption by the Corporation pursuant to Section 7.8.

Section 7.7 Excess Shares Transferred into Trusts.

(a) Status of Excess Shares Held by a Trustee. All Excess Shares held by a Trustee shall retain their status as issued and outstanding shares of the Corporation.

(b) Voting and Dividend Rights.

(i) The Trustee of a Trust shall have all voting rights and rights to dividends and any other distributions (upon liquidation or otherwise) with respect to all Excess Shares held in such Trust, which rights shall be exercised for the exclusive benefit of the Charitable Beneficiary of such Trust.

(ii) A Restricted Person with respect to any Excess Shares transferred into a Trust shall (A) neither be entitled to, nor possess, any rights to vote, or any other rights attributable to, such Excess Shares, (B) not profit from the Ownership or holding of such Excess Shares and (C) have no rights to any dividends or any other distributions (upon liquidation or otherwise) with respect to such Excess Shares.

(iii) Subject to applicable law, effective as of the date that any Excess Shares shall have been transferred into a Trust, the Trustee of such Trust shall have the authority, at its sole discretion, (A) to rescind as void any vote cast by any Restricted Person with respect to such Excess Shares and to revoke any proxy given by any Restricted Person with respect to such Excess Shares, in either case, if the automatic transfer of such Excess Shares into such Trust occurred on or before the record date for such vote, and (B) to recast such vote and to resubmit a proxy in respect of the vote of such Excess Shares, in accordance with its own determination, acting for the benefit of the Charitable

Beneficiary of such Trust; provided, however, that if the Corporation has already taken any corporate action in respect of which such vote was cast, or such proxy was given, by such Restricted Person, or if applicable law shall not permit the rescission of such vote or revocation of such proxy (or such vote to be recast or such proxy to be resubmitted), then the Trustee shall not have the authority to rescind such vote or to revoke such proxy (or to recast such vote or resubmit such proxy).

(iv) If any dividend or other distribution (upon liquidation or otherwise) with respect to any Excess Shares held in a Trust has been received by a Restricted Person with respect to such Excess Shares and the automatic transfer of such Excess Shares into such Trust occurred on or before the record date for such dividend or distribution, such dividend or distribution shall be paid by such Restricted Person to the Trustee of such Trust upon the demand of such Trustee. If (A) any dividend or other distribution (upon liquidation or otherwise) is authorized with respect to any Excess Shares held in a Trust, (B) the automatic transfer of such Excess Shares into such Trust occurred on or before the record date for such dividend or distribution and (C) such transfer has been discovered prior to the payment of such dividend or distribution, then such dividend or distribution shall be paid, when due, to the Trustee of such Trust. Any dividend or distribution so paid to the Trustee of such Trust shall be held in trust for distribution to the Charitable Beneficiary of such Trust in accordance with the provisions of this Section 7.7.

(v) Notwithstanding any of the provisions of this Article VII, the Corporation shall be entitled to rely, without limitation, on the share transfer and other shareholder records of the Corporation (and its transfer agent) for the purposes of preparing lists of shareholders entitled to vote at meetings, determining the validity and authority of proxies and otherwise conducting votes of shareholders and preparing lists of shareholders entitled to receive dividends or other distributions (upon liquidation or otherwise).

(c) Sale of Excess Shares by Trustee.

(i) The Trustee of a Trust, within twenty (20) days of its receipt of written notice from the Corporation or its transfer agent (if any) that Excess Shares have been transferred into such Trust, shall sell such Excess Shares to a U.S. Citizen (including, without limitation, the Corporation) designated by the Trustee; provided, however, that any such Trustee shall not be required to effect any such sale or sales within any specific time frame if, in the Corporation's sole discretion, such sale or sales would disrupt the market for shares of Common Stock or otherwise adversely affect the value of the shares of Common Stock or the Corporation, itself. Upon any such sale of Excess Shares, the Trustee shall distribute the proceeds of such sale of such Excess Shares (net of broker's commissions and other selling expenses, applicable taxes and other costs and expenses of the Trust) to such Charitable Beneficiary, and to the one or more

Restricted Persons with respect to such Excess Shares, as provided in the applicable provisions of this Section 7.7(c) and Sections 7.7(d) and 7.7(e).

(ii) In the event that (A) the Restricted Person with respect to any Excess Shares sold by the Trustee of a Trust pursuant to Section 7.7(c)(i) was a Proposed Transferee at the time of the transfer of such Excess Shares into the Trust and (B) such sale by the Trustee is made to a Person other than the Corporation, such Restricted Person shall receive an amount (net of broker's commissions and other selling expenses, applicable taxes and other costs and expenses of the Trust), subject to further downward adjustment pursuant to Section 7.7(e), equal to the lesser of (x) the price paid by such Restricted Person for such Excess Shares or, if such Restricted Person did not give value for the Excess Shares in connection with the Proposed Transfer of such Excess Shares to such Restricted Person (e.g., in the case of a gift, devise or other similar transaction), the Fair Market Value of such Excess Shares on the date of such Proposed Transfer (the applicable price, the "Proposed Transfer Price") and (y) the price received by the Trustee from the sale by the Trustee of such Excess Shares.

(iii) In the event that (A) the Restricted Person with respect to any Excess Shares sold by the Trustee of a Trust pursuant to Section 7.7(c)(i) was a Disqualified Person at the time of the transfer of such Excess Shares into the Trust and (B) such sale by the Trustee is made to a Person other than the Corporation, such Restricted Person shall receive an amount (net of broker's commissions and other selling expenses, applicable taxes and other costs and expenses of the Trust), subject to further downward adjustment pursuant to Section 7.7(e), equal to the lesser of (x) the Fair Market Value of such Excess Shares on the date of the Status Change of such Restricted Person that resulted in the transfer of such Excess Shares into the Trust (the "Status Change Price") and (y) the price received by the Trustee from the sale by the Trustee of such Excess Shares.

(iv) In the event that (A) the Restricted Person with respect to any Excess Shares sold by the Trustee of a Trust pursuant to Section 7.7(c)(i) was a Disqualified Recipient at the time of the transfer of such Excess Shares into the Trust and (B) such sale by the Trustee is made to a Person other than the Corporation, such Restricted Person shall receive an amount (net of broker's commissions and other selling expenses, applicable taxes and other costs and expenses of the Trust), subject to further downward adjustment pursuant to Section 7.7(e), equal to the lesser of (x) the price paid by such Restricted Person for such Excess Shares or, if such Restricted Person did not give value for the Excess Shares in connection with the original issuance of such Excess Shares to such Restricted Person, the Fair Market Value of such Excess Shares on the date of such original issuance (the applicable price, the "Deemed Original Issuance Price") and (y) the price received by the Trustee from the sale by the Trustee of such Excess Shares.

(v) In the event that, prior to the discovery by the Corporation or its transfer agent (if any) that any Excess Shares should have been automatically transferred into a Trust pursuant to Section 7.6(a), any such Excess Shares are sold by the Restricted Person, then (A) such Excess Shares shall be deemed to have been sold by such Restricted Person on behalf of the Trust and (B) to the extent that such Restricted Person received consideration for the sale of such Excess Shares that exceeds the amount that such Restricted Person would have been entitled to receive pursuant to this Section 7.7(c) if such Excess Shares had been sold by the Trustee of such Trust on the date of the sale of such Excess Shares by such Restricted Person, such excess amount shall be paid to the Trustee, upon the demand of the Trustee, for distribution to the Charitable Beneficiary of such Trust.

(d) Corporation's Right to Purchase Shares Transferred into a Trust. The Trustee of a Trust shall be deemed to have offered all Excess Shares that have been transferred into such Trust for sale to the Corporation at a price for such Excess Shares equal to the lesser of (i) the Fair Market Value of such Excess Shares on the date that the Corporation accepts such offer and (ii) the Proposed Transfer Price, Status Change Price or Deemed Original Issuance Price, as the case may be, of such Excess Shares. The Corporation shall have the right to accept such offer until the Trustee has sold such Excess Shares pursuant to Section 7.7(c). Upon any such sale of Excess Shares to the Corporation, the Restricted Person with respect to such Excess Shares shall receive the proceeds of such sale (net of broker's commissions and other selling expenses, applicable taxes and other costs and expenses of the Trust), subject to further downward adjustment pursuant to Section 7.7(e).

(e) Additional Payment-Related Provisions.

(i) In the event of the sale of any Excess Shares by a Trustee of a Trust pursuant to Section 7.7(c) or 7.7(d), such Trustee, in its sole discretion, may reduce the amount payable to the Restricted Person with respect to such Excess Shares pursuant to such Section by the sum of the amounts of the dividends and distributions described in Section 7.7(b)(iv) received by such Restricted Person with respect to such Excess Shares that the Restricted Person has not paid over to the Trustee.

(ii) In the event of the sale of any Excess Shares by a Trustee of a Trust pursuant to Section 7.7(c) or 7.7(d), such Trustee shall promptly pay to the Charitable Beneficiary of the Trust, an amount equal to (A) the remaining proceeds of such sale, net of (1) broker's commissions and other selling expenses, applicable taxes and other costs and expenses of such Trust and (2) the amount paid by the Trustee to the Restricted Person with respect to such Excess Shares pursuant to this Section 7.7 and (B) the amount of any dividends or other distributions (upon liquidation or otherwise) with respect to such Excess Shares held by the Trust, net of taxes and other costs and expenses of such Trust.

(f) Termination of Charitable Beneficiary's Interest. Upon the sale of any Excess Shares by a Trustee of a Trust pursuant to Section 7.7(c) or 7.7(d) and the payment of

the related amount (if any) to the Charitable Beneficiary of the Trust pursuant to Section 7.7(e)(ii), such Charitable Beneficiary's interest in such Excess Shares shall terminate.

Section 7.8 Redemption of Stock.

(a) If the automatic transfer of any Excess Shares into a Trust pursuant to Section 7.6(a) would not be effective, for any reason whatsoever (whether in the determination of the Corporation or otherwise), to prevent the Ownership by Non-U.S. Citizens of shares of Common Stock from exceeding the Maximum Permitted Percentage, then, in lieu of such automatic transfer into such Trust, the Corporation, by action of the Board of Directors, in its sole discretion, shall have the power (but not the obligation) to redeem, unless such redemption is not permitted under the Hawaii Business Corporation Act or other provisions of applicable law, any such Excess Shares.

(b) Until such time as any Excess Shares subject to redemption by the Corporation pursuant to this Section 7.8 are so redeemed by the Corporation at its option and beginning on the first Excess Share Date, (i) the Restricted Persons Owning such Excess Shares subject to redemption shall (so long as such Excess Shares exist) not be entitled to any voting rights with respect to such Excess Shares and (ii) the Corporation shall (so long as such Excess Shares exist) pay into an escrow account dividends and any other distributions (upon liquidation or otherwise) in respect of such Excess Shares. Full voting rights shall be restored to any shares of Common Stock that were previously deemed to be Excess Shares, and any dividends or other distributions (upon liquidation or otherwise) with respect thereto that have been previously paid into an escrow account shall be due and paid solely to the holders of record of such shares, promptly after such time as, and to the extent that, the Board of Directors determines that such shares have ceased to be Excess Shares (including as a result of the sale of such shares to a U.S. Citizen prior to the issuance of a Redemption Notice pursuant to Section 7.8(c)(iii)); provided that such shares have not been already redeemed by the Corporation at its option pursuant to this Section 7.8.

(c) The terms and conditions of redemptions by the Corporation of Excess Shares under this Section 7.8 shall be as follows:

(i) the redemption price (the "Redemption Price") to be paid for any Excess Shares shall be an amount equal to (A) the lesser of (x) the Fair Market Value of such Excess Shares as of the Redemption Date and (y)(1) in the case of a Proposed Transfer, the Proposed Transfer Price of such Excess Shares, (2) in the case of a Status Change, the Status Change Price of such Excess Shares or (3) in the case

of a Deemed Original Issuance, the Deemed Original Issuance Price of such Excess Shares, minus (B) any dividends and distributions which were received by such Restricted Person with respect to such Excess Shares prior to and including the Redemption Date instead of being paid into an escrow account in accordance with Section 7.8(b)(ii);

(ii) the Redemption Price shall be paid either in cash (by bank or cashier's check) or by the issuance of Redemption Notes, as determined by the Board of Directors in its sole discretion;

(iii) written notice of the date of redemption (the "Redemption Date") together with a letter of transmittal to accompany certificates, if any, evidencing shares of Common Stock that are to be surrendered for redemption shall be provided by first class mail, postage prepaid, mailed not less than ten (10) days prior to the Redemption Date to each Restricted Person, at such person's last known address as the same appears on the share register of the Corporation (unless such notice is waived in writing by any such person) (the "Redemption Notice");

(iv) the Redemption Date (for purposes of determining right, title and interest in and to shares of Common Stock being selected for redemption) shall be the later of (A) the date specified in the Redemption Notice given to a Restricted Person (which date shall not be earlier than the date such notice is given) and (B) the date on which the funds or Redemption Notes necessary to effect the redemption have been irrevocably deposited in trust or set aside for the benefit of such Restricted Person;

(v) each Redemption Notice shall specify (A) the Redemption Date (as determined pursuant to Section 7.8(c)(iv)), (B) the number of Excess Shares to be redeemed from such Restricted Person (and, to the extent such Excess Shares are certificated, the certificate number(s) evidencing such Excess Shares), (C) the Redemption Price and the manner of payment thereof, (D) the place where or the Person to whom certificates (if such Excess Shares are certificated) for such shares are to be surrendered for cancellation against the simultaneous payment of the Redemption Price, (E) any instructions as to the endorsement or assignment for transfer of such certificates, if any, and the completion of the accompanying letter of transmittal and (F) the fact that all right, title and interest in respect of such Excess Shares so selected for redemption (including, without limitation, voting, dividend and distribution rights) shall cease and terminate on the Redemption Date, except for the right to receive the Redemption Price, without interest;

(vi) from and after the Redemption Date, all right, title and interest in respect of the Excess Shares selected for redemption (including, without limitation, any voting rights or rights to receive dividends or other distributions (upon liquidation or otherwise)) shall cease and terminate, such Excess Shares shall constitute authorized but unissued shares and the Restricted Person who Owns such Excess Shares shall thereafter be entitled only to receive the Redemption Price, without interest;

(vii) upon surrender of the certificates, if any, for the Excess Shares so redeemed in accordance with the requirements of the Redemption Notice and accompanying letter of transmittal (and otherwise in proper form as specified in the Redemption Notice), the Restricted Person who Owned such Excess Shares shall be entitled to payment of the Redemption Price. In the event that fewer than all the Excess Shares represented by such certificate are redeemed, a new certificate (or certificates) shall be issued representing the

shares of Common Stock not redeemed without cost to the Restricted Person who Owned such shares;

(viii) on the Redemption Date, to the extent that dividends or other distributions (upon liquidation or otherwise) with respect to the Excess Shares subject to redemption were paid into an escrow account in accordance with Section 7.8(b), then the escrow agent for such escrow account shall promptly pay to a Charitable Organization designated by the Corporation, an amount equal to the amount of such dividends or other distributions, net of any taxes and other costs and expenses of such escrow agent; and

(ix) such other terms and conditions as the Board of Directors may determine.

Section 7.9 Severability. Each provision of this Article VII is intended to be severable from every other provision of this Article VII. If any one or more of the provisions contained in this Article VII is held to be invalid, illegal or unenforceable, the validity, legality or enforceability of any other provision of this Article VII shall not be affected, and this Article VII shall be construed as if the provision held to be invalid, illegal or unenforceable had never been contained therein.

Section 7.10 NYSE Transactions. Nothing in this Article VII shall preclude the settlement of any transaction entered into through the facilities of the New York Stock Exchange or any other national securities exchange or automated inter-dealer quotation system for so long as shares of Common Stock are listed on the New York Stock Exchange or any other national securities exchange or automated inter-dealer quotation system if the listing conditions of such securities exchange or automated inter-dealer quotation system applicable to shares of Common Stock prohibit such preclusion. The fact that the settlement of any transaction occurs shall not negate the effect of any provision of this Article VII and any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this Article VII.

ARTICLE VIII

AMENDMENT OF BYLAWS

Section 8.1 Amendment of Bylaws by Board of Directors. The Board of Directors may amend or repeal the Bylaws of the Corporation unless the shareholders in amending or repealing a particular bylaw provide expressly that the Board of Directors may not amend or repeal that bylaw.

Section 8.2 Amendment of Bylaws by Shareholders. The shareholders may amend or repeal the Bylaws of the Corporation even though the Bylaws of the Corporation may also be amended or repealed by the Board of Directors. Any amendment or repeal of the Bylaws of the

Corporation by the shareholders shall require the affirmative vote of the holders of a majority of the shares of the Corporation outstanding and entitled to vote.

AMENDED AND RESTATED BYLAWS OF MATSON, INC. (as amended as of June 29, 2012)

ARTICLE I

PRINCIPAL OFFICE; AGENT; SEAL

Section 1.1 Principal and Other Offices. The principal office of the Corporation shall be in Honolulu, Hawaii and other offices of the Corporation may be located in such places within Hawaii or elsewhere as the Board of Directors may designate or as the business of the Corporation may require.

Section 1.2 Registered Agent. The Corporation shall continuously maintain in the State of Hawaii a registered agent as required by law.

Section 1.3 Seal. The Corporation shall have a corporate seal (and one or more duplicates thereof) of such form and device as the Board of Directors shall determine.

ARTICLE II

SHAREHOLDERS

Section 2.1 Annual Meeting of Shareholders. The Corporation shall hold an annual meeting of shareholders for the purpose of electing directors and transacting such other business as may come before the meeting at a time as shall be fixed by the Board of Directors or the President. The failure to hold an annual meeting at the time fixed in accordance with these bylaws shall not affect the validity of any corporate action.

Section 2.2 Special Meeting of Shareholders.

2.2.1 A special meeting of shareholders shall be held upon the call of the Chairman of the Board, if appointed, the President or a majority of the directors then in office.

2.2.2 Subject to the provisions of this Section 2.2.2 and all other applicable sections of these bylaws, a special meeting of the shareholders shall be called by the Secretary upon written request (a "Special Meeting Request") of one or more record holders of shares of stock of the Corporation representing not less than 10% of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting (the "Requisite Percentage"). The Board of Directors shall determine in good faith whether all requirements set

forth in this Section 2.2.2 have been satisfied and such determination shall be binding on the Corporation and its shareholders.

(a) A Special Meeting Request must be delivered by hand or by registered U.S. mail, postage prepaid, return receipt requested, or courier service, postage prepaid, to the attention of the Secretary at the principal executive offices of the Corporation. A Special Meeting Request shall be valid only if it is signed and dated by each shareholder of record submitting the Special Meeting Request and the beneficial owners, if any, on whose behalf the Special Meeting Request is being made, or such shareholder's or beneficial owner's duly authorized agent (each, a "Requesting Shareholder"), and includes (i) in the case of any director nominations proposed to be presented at the special meeting, the information required by Section 3.3.4; (ii) in the case of any matter (other than a director nomination) proposed to be conducted at the special meeting, the information required by Section 2.14.4; (iii) an agreement by the Requesting Shareholders to notify the Corporation promptly in the event of any disposition prior to the record date for the special meeting of shares of the Corporation owned of record and an acknowledgement that any such disposition shall be deemed to be a revocation of such Special Meeting Request with respect to such disposed shares; and (iv) documentary evidence that the Requesting Shareholders own the Requisite Percentage as of the date on which the Special Meeting Request is delivered to the Secretary; provided, however, that if the Requesting Shareholders are not the beneficial owners of the shares representing the Requisite Percentage, then to be valid, the Special Meeting Request must also include documentary evidence (or, if not simultaneously provided with the Special Meeting Request, such documentary evidence must be delivered to the Secretary within ten (10) days after the date on which the Special Meeting Request is delivered to the Secretary) that the beneficial owners on whose behalf the Special Meeting Request is made beneficially own the Requisite Percentage as of the date on which such Special Meeting Request is delivered to the Secretary. In addition, the Requesting Shareholders and the beneficial owners, if any, on whose behalf the Special Meeting Request is being made shall (x) further update and supplement the information provided in the Special Meeting Request, if necessary, so that the information provided or required to be provided therein shall be true and correct as of the record date for the special meeting, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for the meeting and (y) promptly provide any other information reasonably requested by the Corporation.

(b) A Special Meeting Request shall not be valid, and a special meeting requested by shareholders shall not be held, if (i) the Special Meeting Request does not comply with this Section 2.2.2; (ii) the Special Meeting Request relates to an item of business that is not a proper subject for shareholder action under applicable law; (iii) the Special Meeting Request is delivered during the period commencing one hundred twenty (120) days prior to the first anniversary of the date of the immediately preceding annual meeting of

shareholders and ending on the earlier of (x) the date of the next annual meeting and (y) thirty (30) days after the first anniversary of the date of the previous annual meeting; (iv) an identical or substantially similar item (as determined in good faith by the Board of Directors, a "Similar Item"), other than the election of directors, was presented at an annual or special meeting of shareholders held not more than twelve (12) months before the Special Meeting Request is delivered; (v) a Similar Item was presented at an annual or special meeting of shareholders held not more than one hundred twenty (120) days before the Special Meeting Request is delivered (and, for purposes of this clause (v), the election of directors shall be deemed to be a "Similar Item" with respect to all items of business involving the election or removal of directors, changing the size of the Board of Directors and the filling of vacancies and/or newly created directorships resulting from any increase in the authorized number of directors); (vi) a Similar Item is included in the Corporation's notice of meeting as an item of business to be brought before an annual or special meeting of shareholders that has been called but not yet held or that is called for a date within one hundred twenty (120) days of the receipt by the Secretary of a Special Meeting Request; or (vii) the Special Meeting Request was made in a manner that involved a violation of Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or other applicable law.

(c) Special meetings of shareholders called pursuant to this Section 2.2.2 shall be held on such date, and at such time as the Board of Directors shall fix; provided, however, that the special meeting shall not be held more than 120 days after receipt by the Secretary of a valid Special Meeting Request.

(d) The Requesting Shareholders may revoke a Special Meeting Request by written revocation delivered to the Secretary at the principal executive offices of the Corporation at any time prior to the special meeting. If, following such revocation (or deemed revocation pursuant to Section 2.2.2(a)(iii), there are unrevoked requests from Requesting Shareholders holding in the aggregate less than the Requisite Percentage, the Board of Directors, in its discretion, may cancel the special meeting.

(e) If none of the Requesting Shareholders appear or send a duly authorized agent to present the business to be presented for consideration specified in the Special Meeting Request, the Corporation need not present such business for a vote at the special meeting, notwithstanding that proxies in respect of such matter may have been received by the Corporation.

(f) Business transacted at any special meeting called pursuant to this Section 2.2.2 shall be limited to (i) the purpose(s) stated in the valid Special Meeting Request received from the Requisite Percentage of record holders and (ii) any additional matters that the Board of Directors determines to include in the Corporation's notice of the special meeting.

Section 2.3 Place of Meeting of Shareholders. An annual or special shareholders' meeting may be held at such place, in or out of the State of Hawaii, as may be fixed by the Board of Directors. If no place is fixed, the meeting shall be held at the principal office of the Corporation.

Section 2.4 Meeting of Shareholders Held by Remote Communication. Notwithstanding Section 2.3 of these bylaws, the Board of Directors, in its sole discretion, is authorized to determine that any annual or special meeting of shareholders shall not be held at any place, but may instead be held solely by means of remote communication; provided that the Corporation shall: (a) implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a shareholder or proxy of a shareholder; (b) implement reasonable measures to provide shareholders and proxies of shareholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the shareholders, including an opportunity to read or hear the proceedings of the meeting concurrently with the proceedings; and (c) maintain a record of voting or action by any shareholder or proxy of a shareholder that votes or takes other action at the meeting by means of remote communication. Subject to guidelines and procedures adopted by the Board of Directors, shareholders and proxies of shareholders not physically present at a meeting of shareholders by means of remote communication may participate in the meeting, and be deemed present in person and vote at the meeting whether the meeting is held at a designated place or solely by means of remote communication.

Section 2.5 Notice of Shareholders' Meeting. The Corporation shall notify shareholders of the date, time, and place, if any, of each annual and special shareholders' meeting no fewer than ten (10) nor more than sixty (60) days before the meeting date. Notice of an annual or special meeting shall include a description of the purpose or purposes for which the meeting is called. If a meeting is held solely by means of remote communication, the notice shall also inform shareholders of the means of remote communication by which shareholders may be deemed to be present in person and allowed to vote.

Section 2.6 Quorum and Voting. Except as otherwise provided by the articles of incorporation, these bylaws or law, a quorum at all meetings of shareholders shall consist of the holders of record of a majority of the shares outstanding and entitled to vote thereat, present in person or by proxy. If a quorum exists, action on a matter (other than election of directors) is approved if the votes cast favoring the action exceed the votes cast opposing the action, unless the articles of incorporation or the Hawaii Business Corporation Act require a greater number of affirmative votes.

Section 2.7 Record Date. The Board of Directors may fix the record date to determine the shareholders entitled to notice of a shareholders' meeting, to demand a special meeting, to vote, or to take any other action. The record date may be a future date, but may not be more than seventy (70) days before the meeting or action requiring a determination of shareholders. A determination of shareholders entitled to notice of or to vote at a shareholders' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it must do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting.

Section 2.8 Shareholders' List for Meeting. After fixing a record date for a meeting, the Corporation shall prepare an alphabetical list of the names of all its shareholders who are entitled to notice of the shareholders' meeting showing the address of and number of shares held by each shareholder. The list shall be available for inspection by any shareholder, beginning two (2) business days after notice of the meeting for which the list was prepared is given and continuing through the meeting, at the Corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held. A shareholder, the shareholder's agent, or the shareholder's attorney, shall be entitled on written demand to inspect and to copy the list, during regular business hours and at the shareholder's expense, during the period it is available for inspection. The Corporation shall make the shareholders' list available at the meeting, and any shareholder, shareholder's agent, or shareholder's attorney, is entitled to inspect the list at any time during the meeting or any adjournment. Refusal or failure to prepare or make available the shareholders' list does not affect the validity of action taken at the meeting.

Section 2.9 Voting of Shares. Each outstanding share is entitled to one vote on each matter voted on at a shareholders' meeting. Only shares are entitled to vote.

Section 2.10 Proxies. A shareholder may vote the shareholder's shares in person or by proxy. A shareholder may appoint a proxy to vote or otherwise act for the shareholder by signing an appointment form. The appointment form shall be signed by either the shareholder personally or by the shareholder's attorney-in-fact. An appointment is valid for eleven (11) months unless a longer period is expressly provided in the appointment form. An appointment of a proxy is revocable by the shareholder unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest. Appointments coupled with an interest include, but are not limited to, the appointment of (a) a pledgee, (b) a person who purchased or agreed to purchase the shares, and (c) a creditor of the Corporation who extended it credit under terms requiring the appointment. An appointment made irrevocable is revoked when the interest with which it is coupled is extinguished.

Section 2.11 Acceptance of Votes. If the name signed on a vote, consent, waiver, or proxy appointment corresponds to the name of a shareholder, the Corporation, acting in good faith, is entitled to accept the vote, consent, waiver, or proxy appointment and to give it effect as the act of the shareholder. Subject to any express limitation on a proxy's authority appearing on the face of the appointment form, the Corporation is entitled to accept the proxy's vote or other action as that of the shareholder making the appointment. The Corporation is entitled to reject a vote, consent, waiver, or proxy appointment if the Secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis to doubt the validity of the signature on the vote, consent, waiver, or proxy appointment or the signatory's authority to sign for the shareholder. The Corporation and its officer or agent who accepts or rejects a vote, consent, waiver, or proxy appointment in good faith and in accordance with the standards of this Section 2.11 are not liable in damages to the shareholder for the consequences of the acceptance or rejection. Corporate action based on the acceptance or rejection of a vote, consent, waiver, or proxy appointment under this Section 2.11 is valid unless a court of competent jurisdiction determines otherwise.

Section 2.12 Election of Directors. Directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. There shall be no cumulative voting in the election of directors.

Section 2.13 Conduct of Meetings. The Board of Directors may adopt by resolution such rules and regulations for the conduct of any meeting of shareholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of shareholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) the determination of when the polls shall open and close for any given matter to be voted on at the meeting; (c) rules and procedures for maintaining order at the meeting and the safety of those present; (d) limitations on attendance at or participation in the meeting to shareholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (e) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (f) limitations on the time allotted to questions or comments by participants.

Section 2.14 Nature of Business at Meetings of Shareholders.

2.14.1 Only such business (other than nominations for election to the Board of Directors, which must comply with the provisions of Section 3.3) may be transacted at an annual meeting of shareholders as is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof), or (c) otherwise properly brought before the annual meeting by any shareholder of the Corporation (i) who is a shareholder of record on the date of the giving of the notice provided for in this Section 2.14 and on the record date for the determination of shareholders entitled to notice of and to vote at such annual meeting and (ii) who complies with the notice procedures set forth in this Section 2.14.

2.14.2 In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a shareholder, such shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

2.14.3 To be timely, a shareholder's notice to the Secretary must be delivered to or be mailed and received at the principal executive offices of the Corporation not less than one hundred twenty (120) days nor more than one hundred fifty (150) days prior to the anniversary date of the immediately preceding annual meeting of shareholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the shareholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs. In no event shall the adjournment or postponement of an annual meeting, or the public announcement of such an

adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above.

2.14.4 To be in proper written form, a shareholder's notice to the Secretary must set forth the following information: (a) as to each matter such shareholder proposes to bring before the annual meeting, a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, and (b) as to the shareholder giving notice and the beneficial owner, if any, on whose behalf the proposal is being made, (i) the name and address of such person, (ii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of all stock of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person,

the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation, (iii) a description of all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) in connection with the proposal of such business and any material interest of such person or any affiliates or associates of such person, in such business, including any anticipated benefit therefrom to such person, or any affiliates or associates of such person, (iv) a representation that the shareholder giving notice intends to appear in person or by proxy at the annual meeting to bring such business before the meeting, and (v) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies by such person with respect to the proposed business to be brought by such person before the annual meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder.

2.14.5 A shareholder providing notice of business proposed to be brought before an annual meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.14 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of the annual meeting and such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for determining the shareholders entitled to receive notice of the annual meeting.

2.14.6 No business shall be conducted at the annual meeting of shareholders except business brought before the annual meeting in accordance with the

procedures set forth in this Section 2.14; provided, however, that, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section 2.14 shall be deemed to preclude discussion by any shareholder of any such business. If the chairman of an annual meeting determines that business was not properly brought before the annual meeting in accordance with the foregoing procedures, the chairman shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

2.14.7 Nothing contained in this Section 2.14 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any successor provision of law).

Section 2.15 Action Without Meeting. Action required or permitted to be taken at a shareholders' meeting may be taken without a meeting if the action is taken by all the shareholders entitled to vote on the action. The action shall be evidenced by one or more written consents describing the action taken, signed before or after the intended effective date of the action by all the shareholders entitled to vote on the action, and delivered to the Corporation for inclusion in the minutes or filing with the corporate records, and such consent shall have the effect of a meeting vote and may be described as such in any document. Any copy, facsimile, or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used; provided that the copy, facsimile, or other reproduction shall be a complete reproduction of the entire original writing.

Section 2.16 Adjournment. Any meeting of shareholders, whether annual or special, and whether a quorum be present or not, may be adjourned from time to time by the chairman thereof, with the consent of the holders of a majority of all of the shares of stock present or represented at such meeting, and entitled to vote thereat. If an annual or special shareholders' meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place if the new date, time, or place is announced at the meeting before adjournment. In addition, if the annual or special shareholders' meeting was held solely by means of remote communication, and the adjourned meeting will be held by a means of remote communication by which shareholders may be deemed to be present in person and vote, notice need not be given of the new means of remote communication if the new means of remote communication is announced at the meeting before adjournment. If a new record date for an adjourned meeting is or must be fixed under Section 2.7, notice of the adjourned meeting shall be given to shareholders who are entitled to notice of the new record date.

ARTICLE III

BOARD OF DIRECTORS

Section 3.1 Duties of the Board of Directors. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of, its Board of Directors, subject to any limitation set forth in an agreement approved or signed by all shareholders and otherwise authorized under the Hawaii Business Corporation Act.

Section 3.2 Number, Election, Terms and Qualifications of Directors.

3.2.1 The Board of Directors shall consist of not less than five (5) nor more than twelve (12) individuals, the exact number to be determined from time to time by the Board of Directors. Directors shall hold office until the next annual shareholders' meeting following their election and until their respective successors are elected and qualified.

3.2.2 No person shall be elected as a director at any annual meeting or special meeting who has achieved the age of seventy-two (72) years prior to such annual or special meeting.

3.2.3 Not more than a minority of the directors comprising the minimum number of members of the Board of Directors necessary to constitute a quorum of the Board of Directors (or such other portion thereof as the Board of Directors may determine to be necessary under U.S. Maritime Law (as defined in the articles of incorporation) in order for the Corporation to continue as a U.S. Maritime Corporation (as defined in the articles of incorporation)) shall be Non-U.S. Citizens (as defined in the articles of incorporation), such minority being equal to the greatest whole number that is less than half of the minimum number of directors necessary to constitute a quorum of the Board of Directors.

Section 3.3 Nomination of Directors.

3.3.1 Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board of Directors may be made at any annual meeting of shareholders, or at any special meeting of shareholders called for the purpose of electing directors, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (b) by any shareholder of the Corporation (i) who is a shareholder of record on the date of the giving of the notice provided for in this Section 3.3 and on the record date for the determination of shareholders entitled to notice of and to vote at such annual meeting or special meeting and (ii) who complies with the notice procedures set forth in this Section 3.3.

3.3.2 In addition to any other applicable requirements, for a nomination to be made by a shareholder, such shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

3.3.3 To be timely, a shareholder's notice to the Secretary must be delivered to or be mailed and received at the principal executive offices of the Corporation (a) in the case of an annual meeting, not less than one hundred twenty (120) days nor more than one hundred fifty (150) days prior to the anniversary date of the immediately preceding annual meeting of shareholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the shareholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs and (b) in the case of a special meeting of shareholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which

notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs. In no event shall the adjournment or postponement of an annual meeting or a special meeting called for the purpose of electing directors, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above.

3.3.4 To be in proper written form, a shareholder's notice to the Secretary must set forth the following information: (a) as to each person whom the shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of such person, (ii) the principal occupation or employment of such person, (iii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of all stock of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (iv) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act, and the rules and regulations promulgated thereunder; and (b) as to the shareholder giving the notice, and the beneficial owner, if any, on whose behalf the nomination is being made, (i) the name and record address of the shareholder giving the notice and the name and principal place of business of such beneficial owner; (ii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation; (iii) a description of all agreements, arrangements, or understandings (whether written or oral) between such person, or any affiliates or associates of such person, and

any proposed nominee or any other person or persons (including their names) pursuant to which the nomination(s) are being made by such person, and any material interest of such person, or any affiliates or associates of such person, in such nomination, including any anticipated benefit therefrom to such person, or any affiliates or associates of such person; (iv) a representation that the shareholder giving notice intends to appear in person or by proxy at the annual meeting or special meeting to nominate the persons named in its notice; and (v) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

3.3.5 A shareholder providing notice of any nomination proposed to be made at an annual meeting or special meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.3 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of the annual meeting or special meeting, and such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for determining the shareholders entitled to receive notice of such annual meeting or special meeting.

3.3.6 No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in this Section 3.3. If the chairman of the meeting determines that a nomination was not made in accordance with the foregoing

procedures, the chairman shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

Section 3.4 Resignation of Directors. A director may resign at any time by delivering notice given in writing or by electronic transmission to the Chairman of the Board, if appointed, or the President. A resignation is effective when the notice is delivered unless the notice specifies a later effective date.

Section 3.5 Removal of Directors. The shareholders may remove one or more directors with or without cause. A director may be removed by shareholders only at a meeting called for the purpose of removing the director and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the director.

Section 3.6 Vacancy on Board. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of directors, the vacancy may be filled by: (a) the shareholders; (b) the Board of Directors; or (c) the affirmative vote of a majority of all the directors remaining in office if the directors remaining in office constitute fewer than a quorum of the Board of Directors. A vacancy that will occur at a specific later date may be filled before the vacancy occurs but the new director may not take office until the vacancy occurs.

Section 3.7 Meetings of the Board of Directors. A regular meeting of the Board of Directors shall be held without notice other than this bylaw for the purpose of appointing officers and transacting such other business as may come before the meeting

immediately after, and at the same place as, the annual meeting of the shareholders. The Board of Directors may hold other regular meetings or special meetings in or out of the State of Hawaii. The Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 3.8 Notice of Meeting. Regular meetings of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Special meetings of the Board of Directors must be preceded by at least twenty-four hours' notice of the date, time, and place of the meeting. The notice need not describe the purpose of the special meeting. A director may waive any required notice before or after the date and time stated in the notice. The waiver shall be in writing, signed by the director entitled to the notice or by electronic transmission by the director entitled to notice, and filed with the minutes or corporate records; except that a director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting (or promptly upon the director's arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 3.9 Action Without Meeting. Action required or permitted to be taken at a Board of Directors' meeting may be taken without a meeting if the action is taken by all members of the Board of Directors. The action shall be evidenced by one or more consents describing the action taken, given either in writing and signed before or after the intended effective date of the action by each director, or by electronic transmission, and included in the minutes or filed with the corporate records reflecting the action taken. In the case of a consent by electronic transmission, the electronic transmission shall set forth or be submitted with information from which it may be determined that the electronic transmission was authorized by the director who sent the electronic transmission. A consent signed or given by electronic transmission under this Section 3.9 has the effect of a meeting vote and may be described as such in any document.

Section 3.10 Quorum and Voting. A quorum of the Board of Directors consists of a majority of the number of directors prescribed, or, if no number is prescribed, the number in office immediately before the meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless: (a) the director objects at the beginning of the meeting (or promptly upon the director's arrival) to holding it or transacting business at the meeting, (b) the director's dissent or abstention from the action taken is entered in the minutes of the meeting, or (c) the director delivers written notice of the director's dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 3.11 Expenses and Fees. By resolution of the Board of Directors, such compensation, fees and expenses as the Board of Directors may from time to time determine shall be allowed and paid to directors for services on the board of any committee created by the

Board of Directors, provided that nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 3.12 Committees.

3.12.1 The Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee must have two or more members, who serve at the pleasure of the Board of Directors. The creation of a committee and appointment of members to it must be approved by the greater of: (a) a majority of all the directors in office when the action is taken, or (b) the number of directors required to take action under Section 3.10 of these bylaws. Section 3.7 to Section 3.10 of these bylaws which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board of Directors, apply to committees and their members as well. Notwithstanding the foregoing, not more than a minority of the directors comprising the minimum number of members of any committee of the Board of Directors necessary to constitute a quorum of any such committee (or such other portion thereof as the Board of Directors may determine to be necessary under U.S. Maritime Law (as defined in the articles of incorporation) in order for the Corporation to continue as a U.S. Maritime Corporation (as defined in the articles of incorporation)) shall be Non-U.S. Citizens (as defined in the articles of incorporation), such minority being equal to the greatest whole number that is less than half of the minimum number of directors necessary to constitute a quorum of such committee.

3.12.2 To the extent specified by the Board of Directors, each committee may exercise the authority of the Board of Directors, subject to the limitation set forth in Section 414-216(e) of the Hawaii Business Corporation Act.

Section 3.13 Directors' Conflicting Interest Transactions. A director's conflicting interest transaction may not be enjoined, set aside, or give rise to an award of damages or other sanctions, in a proceeding by a shareholder or by or in the right of the Corporation, because the director, or any person with whom or which the director has a personal, economic, or other association, has an interest in the transaction, if: (a) directors' action respecting the transaction was at any time taken in compliance with law; (b) shareholders' action respecting the transaction was at any time taken in compliance with law; or (c) the transaction, judged according to the circumstances at the time of commitment, is established to have been fair to the Corporation.

ARTICLE IV

OFFICERS

Section 4.1 Required Officers. The Corporation shall have the officers and assistant officers as shall be appointed from time to time by the Board of Directors or by a duly appointed officer authorized by the Board of Directors to appoint one or more officers or assistant officers. The same individual may simultaneously hold more than one office in the Corporation. One of the officers shall have responsibility for preparation and custody of minutes of the directors' and shareholders' meetings and for authenticating records of the Corporation. Each officer shall have the authority and shall perform the duties prescribed by the Board of

Directors or by direction of an officer authorized by the Board of Directors to prescribe the duties of other officers. The officers may include one or more of the following:

4.1.1 Chairman of the Board. The Chairman of the Board, if appointed, shall preside at all meetings of the shareholders and the Board of Directors unless otherwise prescribed by the Board of Directors. The Chairman of the Board, if appointed, shall also exercise such powers and perform such other duties as may be assigned by these bylaws or by resolution of the Board of Directors.

4.1.2 President. The President (in the absence of the Chairman of the Board, if appointed) shall preside at all meetings of the shareholders and the Board of Directors. Unless the Board of Directors shall decide otherwise, the President shall be the chief executive officer of the Corporation and shall have general charge and supervision of the business of the Corporation. The President shall perform other duties as are incident to the President's office or are required of the President by the Board of Directors.

4.1.3 Vice Presidents. In the absence of the Chairman of the Board, if appointed, and the President, the vice president or vice presidents shall, in order designated by the President or the Board of Directors, perform all of the duties of the President. When so acting a vice president shall have all the powers of and be subject to all the restrictions upon the President. The vice president or vice presidents shall have powers and perform other duties as may be prescribed by the President, the Board of Directors or these bylaws.

4.1.4 Secretary. The Secretary shall keep the minutes of all meetings of shareholders, the Board of Directors and committees of the Board of Directors (if any). The Secretary shall give notice in conformity with these bylaws of all meetings of the shareholders and the Board of Directors. In the absence of the President and any vice president, the Secretary shall have the power to call meetings of the shareholders, the Board of Directors and committees of the Board of Directors. The Secretary shall also perform all other duties assigned to the Secretary by the President or the Board of Directors. The assistant secretary or assistant secretaries shall, in the order prescribed by the Board of Directors or the President, perform all the duties and exercise all the powers of the Secretary during the Secretary's absence or disability or whenever the office is vacant. An assistant secretary shall perform all the duties assigned to the assistant secretary or assistant secretaries by the President or the Board of Directors.

4.1.5 Treasurer. The Treasurer shall be the chief financial and accounting officer of the Corporation. The Treasurer shall exercise general supervision over the receipt, custody and disbursement of corporate funds and the keeping of corporate financial records. The Treasurer shall perform all other duties assigned to the Treasurer by the President or the Board of Directors. The assistant treasurer or assistant treasurers, shall, in the order prescribed by the Board of Directors or the President, perform all the duties and exercise all the powers of the Treasurer during the Treasurer's absence or disability or whenever the office is vacant. An assistant treasurer shall perform all the duties assigned to the assistant treasurer or assistant treasurers by the President or the Board of Directors.

Section 4.2 Assistant Secretary and Assistant Treasurer. The Assistant Secretary or assistant secretaries and the Assistant Treasurer or assistant treasurers, if appointed,

shall, in such order as the Board of Directors may determine, perform all of the duties and exercise all of the powers of the Secretary and Treasurer, respectively, during the absence or disability of, and in the event of a vacancy in the office of, the Secretary or Treasurer, respectively, and shall perform all of the duties assigned to him or them by the President, the Secretary in the case of assistant secretaries, the Treasurer in the case of the assistant treasurers, or the Board of Directors.

Section 4.3 Controller. The Controller shall have custody of and supervise and control the keeping of the accounts and books of the Corporation, and shall develop records and procedures for control of costs; maintain proper tax records and supervise the preparation of tax returns, develop procedures for internal auditing and maintain proper relationships with the external auditors designated by the shareholders; administer programs relating to capital expenditure and operating budgets, prepare the financial statements of the Company, and perform such other duties as the President may from time to time determine.

Section 4.4 Resignation of Officers. An officer may resign at any time by delivering notice to the Corporation. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Corporation

accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

Section 4.5 Removal of Officers. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby, but the removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4.6 Citizenship Requirements. The Chairman of the Board, if appointed, and the Chief Executive Officer of the Corporation, by whatever title, shall each be a U.S. Citizen (as defined in the articles of incorporation).

ARTICLE V

VOTING OF STOCK BY THE CORPORATION

Section 5.1 In all cases where the Corporation owns, holds, or represents under power of attorney or by proxy or in any other representative capacity shares of capital stock of any corporation or shares or interests in business trusts, co-partnerships, or other associations, such shares or interest shall be represented or voted in person or by proxy by the Chairman of the Board (if also Chief Executive Officer) or in the absence of the Chairman of the Board (or if such person is not also Chief Executive Officer) by the President, or in his absence by the Vice President, or if there be more than one vice president present, then by such vice president as the Board of Directors shall have designated as Executive Vice President, or failing any such designation, by any vice president, or in the absence of any vice president, by the Treasurer, or in his absence, by the Secretary; provided, however, that any person specifically appointed by the Board of Directors for the purpose shall have the right and authority to represent and vote such shares or interests with precedence over all of the above-named.

ARTICLE VI

CAPITAL STOCK

Section 6.1 Form and Content of Certificates.

6.1.1 The certificates of any class of stock of the Corporation shall be in such form and of such device as the Board of Directors may, from time to time, determine, including uncertificated shares. The rights and obligations of the holders of uncertificated shares and the rights and obligations of the holders of certificated shares of the same class and series shall be identical. Every share certificate shall be signed by the Chairman of the Board, if appointed, or the President or a vice president and by the Treasurer or the Secretary or an assistant treasurer or assistant secretary and shall bear the corporate seal, provided, however, that the Board of Directors in its discretion may provide that any certificate which shall be signed by a transfer agent or by a registrar may be sealed with only the facsimile seal of the Corporation and may be signed with only the facsimile signatures of the officers above designated. In case any officer who has signed or whose facsimile signature has been placed upon any certificate shall have ceased to be such officer before such certificate is issued, such certificate may, nevertheless, be issued with the same effect as if such officer had not ceased to be such at the date of its issue. Certificates shall not be issued for nor shall there be registered any transfer of any fraction of a share. In the event that fractional parts of or interests in any share shall result in any manner from any action by the stockholders or directors of the Corporation, the Treasurer may sell the aggregate of such fractional interests under such reasonable terms and conditions as the Treasurer shall determine subject, however, to the control of the Board of Directors, and distribute the proceeds thereof to the person or persons entitled thereto.

6.1.2 At a minimum any share certificate shall include the legend set forth in Section 7.3 of the articles of incorporation and shall state on its face: (a) the name of the Corporation and that it is organized under the law of the State of Hawaii; (b) the name of the person to whom issued; and (c) the number and class of shares the certificate represents. The Corporation shall send a notice, which shall include the legend set forth in Section 7.3 of the articles of incorporation, to each holder of uncertificated shares.

Section 6.2 Holder of Record. The Corporation shall be entitled to treat the person whose name appears on the stock books of the Corporation as the owner of any share, as the absolute owner thereof for all purposes, and shall not be under any obligation to recognize any trust or equity or equitable claim to or interest in such share, whether or not the Corporation shall have actual or other notice thereof.

Section 6.3 Transfer of Stock. Transfer of stock may be made in any manner permitted by law, but no transfer shall be valid (except between the parties thereto) until the transfer shall have been duly recorded in the stock books of the Corporation and a new certificate or evidence of uncertificated shares are issued. No transfer shall be entered in the stock books of the Corporation, nor shall any new certificate be issued until the old certificate, properly endorsed, shall be surrendered and canceled or proper transfer instructions are received from the holder of uncertificated shares.

Section 6.4 Closing of Transfer Books. The Board of Directors shall have power for any corporate purpose from time to time to close the stock transfer books of the Corporation for a period not exceeding thirty (30) consecutive business days, provided, however, that in lieu of closing the stock transfer books as aforesaid, the Board of Directors may fix a record date for the payment of any dividend or for the allotment of rights or for the effective date of any change, conversion or exchange of capital stock or in connection with obtaining the consent of stockholders in any matter requiring their consent or for the determination of the stockholders entitled to notice of or to vote at any meeting of stockholders, and in any such case, only such stockholders as shall be stockholders of record on the record date so fixed shall be entitled to the rights, benefits and privileges incident to ownership of the shares of stock for which such record date has been fixed, notwithstanding any transfer of stock on the books of the corporation after such record date.

Section 6.5 Lost Certificates. The Board of Directors may adopt rules and regulations respecting replacement of lost, destroyed or mutilated certificates. Subject to those rules or otherwise if no rules are adopted, the Board of Directors may order a new share certificate to be issued in the place of any share certificate alleged to have been lost, destroyed, or mutilated. In every such case, the owner of the lost, destroyed, or mutilated certificate shall be required to file with the Board of Directors sworn evidence showing the facts connected with the loss or destruction. Unless the Board of Directors shall otherwise direct, the owner of the lost or destroyed certificate shall be required to give to the Corporation a bond or undertaking in such sum, in such

form, and with such surety or sureties as the Board of Directors may approve, to indemnify the Corporation against any loss, damage or liability that the Corporation may incur by reason of the issuance of a new certificate. Any new certificate issued in the place of any lost, destroyed, or mutilated certificate shall bear the notation "Issued for Lost Certificate No. ." Nothing in this Section contained shall impair the right of the Board of Directors, in its discretion, to refuse to replace any allegedly lost or destroyed certificate, save upon the order of the court having jurisdiction in the matter.

Section 6.6 Stock Rights and Options. The Corporation may create and issue, whether or not in connection with the issuance and sale of any of its shares or other securities, rights or options entitling the holders thereof to purchase from the Corporation shares of any class or classes. Such rights or options shall be evidenced in such manner as the Board shall approve and, subject to the provisions of the articles of incorporation, shall set forth the terms upon which, the time or times within which, and the price or prices at which, such shares may be purchased from the Corporation upon the exercise of any right or option. The documents evidencing such rights or options may include conditions on the exercise of such rights or options, including conditions that preclude the holder or holders, including any subsequent transferees, of at least a specified percentage of the common stock of the Corporation from exercising such rights or options. No approval by the shareholders of the Corporation shall be required for the issuance of such rights or options to directors, officers or employees of the Corporation or any subsidiary, or to the stockholders.

Section 6.7 Dividend Record Date. In order that the Corporation may determine the shareholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the shareholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of

Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining shareholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 7.1 Proper Officers. Except as hereinafter provided, or as required by law, all checks, notes, bonds, acceptances or other financial instruments, deeds, leases, contracts, licenses, endorsements, stock powers, powers of attorney, proxies, waivers, consents, returns, reports, applications, notices, mortgages and other instruments or writings of any nature which require execution on behalf of the Corporation may be signed by any one officer. However, the Board of Directors may authorize any documents, instruments or writings to be signed by any agents or employees of the Corporation or any one of them in such manner as the Board of Directors may determine from time to time.

Section 7.2 Facsimile Signatures. The Board of Directors may by resolution provide for the execution of checks, warrants, drafts and other orders for the payment of money by a mechanical device or machine or by the use of facsimile signatures under such terms and conditions as shall be set forth in the resolution.

Section 7.3 Notice by Electronic Transmission.

7.3.1 Without limiting the manner by which notice otherwise may be given to shareholders, notice to shareholders given by the Corporation shall be effective if provided by electronic transmission consented to by the shareholder to whom the notice is given. Any consent shall be revocable by the shareholder by written notice to the Corporation. Any consent shall be deemed revoked if: (a) the Corporation is unable to deliver by electronic transmission two (2) consecutive notices given by the Corporation in accordance with such consent; and (b) the inability to deliver becomes known to the Secretary or an assistant secretary of the Corporation, to the transfer agent, or other person responsible for giving notice; provided that the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

7.3.2 Notice given pursuant to Section 7.3.1 of these bylaws shall be deemed given: (a) if by facsimile telecommunication, when directed to a number at which the shareholder has consented to receive notice; (b) if by electronic mail, when directed to an electronic mail address at which the shareholder has consented to receive notice; (c) if by a posting on an electronic network together with separate notice to the shareholder of such specific posting, upon the later of the posting and the giving of such separate notice; and (d) if by any other form of electronic transmission, when directed to the shareholder.

Section 7.4 Shareholder Registration Book. The Corporation shall keep a book for registering the names of all shareholders, showing the number of shares of stock held by

them, and the time when they became the owners of the shares. The book shall be open at all reasonable times for the inspection of the shareholders. The Secretary of the Corporation or the person having the charge of the book shall give a certified transcript of anything therein contained to any shareholder applying therefore; provided that the shareholder pays a reasonable charge for the preparation of the certified transcript.

ARTICLE VIII

AMENDMENTS OF BYLAWS

Section 8.1 These bylaws may be amended or repealed in accordance with Article VIII of the articles of incorporation.

***Portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission. Such portions have been omitted pursuant to a request for confidential treatment.**

AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT OF
SSA TERMINALS, LLC

THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT is entered into as of this 24th of April, 2002, by and between SSA Ventures, Inc. ,a Washington corporation ("SSA Ventures"), and Matson Ventures, Inc., a Hawaii corporation ("MVI").

RECITALS:

A. By their mutual consent, SSA Pacific Terminals, Inc., a Washington corporation formerly known as Stevedoring Services of America, Inc. ("SSA"), and Matson Navigation Company, Inc., a Hawaii corporation ("Matson"), caused a certificate of formation for SSA Terminals, LLC, a limited liability company ("LLC"), to be filed under the laws of the State of Delaware on June 24, 1999.

B. SSA and Matson entered into a Limited Liability Company Agreement of SSA Terminals, LLC on July 9, 1999 (the "Initial Agreement"), pursuant to which SSA and Matson set forth in writing the terms and conditions on which the LLC was formed, and on which its business was to be conducted.

C. Following the execution and delivery of the Initial Agreement on July 9, 1999, SSA assigned to SSA Ventures SSA's rights to become a member of, and to receive a limited liability company interest in the LLC, and Matson assigned to MVI, Matson's rights to become a member of, and to receive a limited liability company interest in the LLC. On July 10, 1999, SSA Ventures and MVI contributed certain assets to the LLC as Members thereof.

D. SSA Ventures and MVI desire to amend and restate the Initial Agreement on the terms and conditions set forth in this Amended and Restated Limited Liability Company Agreement.

NOW, THEREFORE, in consideration of the mutual promises of the parties, each to the other, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby amend and restate the LLC Agreement in its entirety to read as follows:

Section 1 - DEFINITIONS

As used in this Agreement, the following defined terms shall have the meanings specified below:

1.1 "Act" means the Delaware Limited Liability Company Act, Delaware Corporations Code, Section 18-101, *et seq.*

1.2 "Affiliate" means a natural person, firm, partnership, limited liability company, or corporation, who, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with a Member. For purposes of this definition, the term "control" shall include ownership of greater than twenty percent (20%) of the equity ownership or voting control of an entity.

1.3 "Agreement" means this Limited Liability Company Agreement, as initially executed, or as amended from time to time, as the context may require.

1.4 "Bankruptcy" shall mean, with respect to any person, the filing of a voluntary or involuntary petition in bankruptcy by or against a Member pursuant to Chapters 7 or 11 of the United States Bankruptcy Code, unless such petition is denied or dismissed within thirty (30) days after filing in the case of a voluntary petition, or within ninety (90) days after filing in the case of an involuntary petition; the entry of an order of relief in bankruptcy of a person; the assignment by a person of its Percentage Interest for the benefit of creditors; the appointment of a receiver or trustee for a person's property; and the attachment of a person's Percentage Interest which is not released within thirty (30) days (unless such attachment has not resulted in the foreclosure or transfer of such person's Percentage Interests, such attachment is being contested in good faith by appropriate proceeding diligently conducted, and such person has set aside reserves adequate to respond to any claim giving rise to any such attachment); or the undertaking by any person of any course or action amounting to the commencement of liquidation or dissolution proceedings.

1.5 "Board of Managers" means the group of persons named as Managers of the LLC, in accordance with Section 5.2.

1.6 "Capital Account" means the account established and maintained for each Member on the books of the LLC pursuant to Section 6.5.

1.7 "Capital Contribution" means the total amount of money and the fair book value or agreed market value of property (net of liabilities secured by such property that the LLC is considered to assume or take subject to under Code Section 752) actually contributed to the LLC by each Member pursuant to the terms of this Agreement. Any reference to the Capital Contribution of a Member shall include the Capital Contribution made by a predecessor holder of the interest of the Member.

1.8 "Code" means the Internal Revenue Code of 1986, as amended.

1.9 "Definitive Agreements" means this Agreement and the following agreements entered into as of July 10, 1999 (a) by and between or among SSA, Matson or MTI and the LLC: (i) Stevedoring, Terminal, CFS, Vehicle Processing and Maintenance and Repair Services Agreement, (ii) Contribution Agreement, (iii) Administrative Services Agreement, (iv) Planning Services Agreement, (v) Employee Lease Agreement, and (vi) Cooperative Working Agreement; and (b) by and between the LLC and Homeport Insurance Company: Agreement for the Provision of Insurance.

1.10 "Fiscal Year" means a fifty-two/fifty-three week period ending on the last Friday in January.

1.11 "LLC" means SSA Terminals, LLC, formed and operated under the terms and conditions of this Agreement.

1.12 "Major Decision" means a decision to:

(a) Transfer greater than ten percent (10%) of the assets of the LLC;

(b) Merge the LLC with any other entity;

(c) Dissolve the LLC;

(d) Acquire or dispose of an equity interest in any business;

(e) Admit a new Member;

(f) Approve an annual operating plan or budget of the LLC or a long-range operating plan, and any amendments thereto;

(g) Approve an annual capital expenditure budget and any amendments thereto, and, separately, any capital project or capital expenditure in excess of $500,000, if not included in the annual capital expenditure budget, or in excess of $1,000,000, if included in the approved annual capital expenditure budget;

(h) Incur, guarantee or refinance any indebtedness or other liability relating to financing, not included in the annual operating plan or budget;

(i) Lend money, or receive, or hold real or personal property as security for repayment of funds so loaned (except in connection with reasonable relocation of employees in the ordinary course of business), or (other than in the ordinary course of business) invest or reinvest LLC funds;

(j) Engage in any business other than as set forth in Section 3.1;

(k) Enlarge, decrease or otherwise change the number of members of the Board of Managers, the scope of authority, power or decision-making of the Board of Managers or otherwise alter, change or limit the manner in which the Board of Managers operates or makes decisions;

(l) Enlarge, decrease or otherwise change any right or obligation of the Members, the scope of authority, power or decision-making of the Members, or otherwise alter, change or limit the manner in which the Members operate or make decisions hereunder;

(m) Make additional capital contributions as specified in Section 6.3;

(n) Seek a loan or guaranty by a Member or Members, or any Affiliate thereof, to or for the benefit of the LLC;

(o) Make distributions of Net Cash Flow other than in compliance with Section 8;

(p) Select or terminate an independent certified public accounting firm;

(q) Form a subsidiary entity or joint venture in which the LLC would hold an equity interest; exercise the LLC's interest in any such entity as to any matter that would be considered a Major Decision or a matter for the decision of the Managers under this Agreement had the decision been presented as to the LLC; agree to or create any condition that would allow for any transfer in any interest of the subsidiary entity or joint venture by either the LLC or any other party; dissolve or create any condition that would allow the dissolution of the subsidiary entity or joint venture; exercise any rights to obtain property of the subsidiary entity or joint venture upon a dissolution; and make decisions as to any other matters with respect to a subsidiary entity or joint venture that either a Member or a Manager would have been entitled to vote on under this Agreement had the matter been presented as to the LLC;

(r) Enter into, amend or terminate a terminal lease agreement with a port authority or other entity;

(s) Change fundamentally the purpose of the LLC as described in Section 3.1, or otherwise alter or change significantly the manner, place, or way in which the LLC operates or conducts business;

(t) Enter into, amend or extend a contract with a Member, or any of its Affiliates, and compensate or reimburse a Member, or any of its Affiliates, in accordance with Sections 4.3 and 4.4; or

(u) Except with respect to those activities permitted as provided in Section 12.11, allow a Member, or any Affiliate of a Member, to engage in the business operations described in the first sentence of Section 3.1.

(v) Conduct the business of the LLC without liability, property or workers compensation insurance which a prudent operator of such a business would obtain in the ordinary course of business;

(w) Amend or otherwise alter any Definitive Agreement;

(x) Initiate or settle any (i) material litigation or claim which is not insured, or (ii) assessment, litigation or claim relating to taxes, or (iii) material regulatory investigation or audit; provided, however, that (x) any Member other than SSA Ventures, or any Affiliate thereof, may unilaterally

initiate and conduct any litigation or claim against any non-LLC party to any agreement referred to in Section 1.9(a)(ii), (iii), (iv), (v) and (b), or entered into between the LLC and SSA, or any Affiliate thereof, pursuant to Section 4.4; (y) any Member other than MVI, or any Affiliate thereof, may unilaterally initiate and conduct any litigation or claim against any non-LLC

party to any agreement referred to in Section 1.9(a)(i) or (ii) or entered into between the LLC and Matson, or any Affiliate thereof, pursuant to Section 4.4; and (z) any Member may unilaterally initiate or conduct any claim against another Member, or any of its Affiliates thereof, for breach of this Agreement, and in each such case the initiating party shall bear all costs, including the other parties' attorneys' fees, if the initiating party does not prevail;

(y) Exercise any option to renew the Administrative Services Agreement, or the Agreement for the Provision of Insurance or the Planning Services Agreement in accordance with the respective terms thereof; and

(z) Take any other action under this Agreement which expressly requires the unanimous approval, consent or action of the Members.

1.13 "Management Personnel" means the officers and/or senior management employees of the LLC.

1.14 "Manager" means any person appointed a Manager in accordance with Section 5.2, who shall have the rights, duties and powers of a Manager, as described herein and under the Act.

1.15 "Member" means each of SSA Ventures and MVI, upon their respective contributions pursuant to Section 6.1, and each other person who is approved as a Member in the manner provided herein and who executes a counterpart of this Agreement.

1.16 "Modified Net Cash Flow" means Net Cash Flow before deducting payments of principal of long-term debt obligations.

1.17 "Net Cash Flow" means, in any fiscal period, calculated in accordance with GAAP, (i) net income, (ii) increased by adding back deductions for depreciation and amortization, (iii) reduced by expenditures for capital additions or improvements to the extent not financed with borrowed funds from long-term debt obligations, (iv) reduced by amounts set aside by the Board of Managers as reserves for contingency funds not already reflected in net income, and (v) further reduced by payments of principal of long-term debt obligations.

1.18 "Net Profit and Net Loss" shall mean, for each Fiscal Year, an amount equal to the LLC taxable income or loss for such Fiscal Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a) (1) shall be included in taxable income or loss), as adjusted in accordance with Regulations Section 1.704-1(b)(2)(iv).

1.19 "Net Working Capital" shall mean, at the time of any determination thereof, current assets minus current liabilities determined in accordance with generally accepted accounting principles consistently applied.

1.20 "Percentage Interest" means a Member's percentage ownership interest in the LLC, which, as of January 26, 2002, shall be as set forth on Exhibit A. In the event any Member interest is transferred in accordance with the terms of this Agreement, the transferee of such interest shall succeed to the Percentage Interest of its transferor to the extent it relates to the transferred interests,

and the transferee, for purposes of this Section 1.20, shall be deemed to have made the Capital Contribution made by the transferor to the extent it relates to the transferred interest.

1.21 "Regulations" means the Treasury Regulations promulgated under the Code from time to time by the Secretary of the Treasury.

Section 2 - ORGANIZATION

2.1 Formation. This LLC was formed under and pursuant to the Act by filing, on June 24, 1999, the Certificate of Formation. Consistent with the Act and the Certificate of Formation, the LLC will be operated pursuant to the terms and conditions contained in this Agreement.

2.2 Management by Managers. The Board of Managers shall manage this LLC pursuant to Section 5.

2.3 Name. The name of the LLC will be SSA Terminals, LLC. The Members may change the name of the LLC at any time, provided all provisions of the Act are satisfied.

2.4 Fictitious Name Statements. The Board of Managers will execute, and cause to be filed in the appropriate offices, any fictitious-name or doing-business statements or registrations that may be required by the laws of any state, and any other certificates or documents the Board of Managers deems necessary or appropriate to comply with the requirements for qualification and operation of a limited liability company under the laws of the States of Washington, Oregon or California or of any locality or other jurisdiction in which the LLC does business or owns property.

2.5 Term. The LLC will have perpetual existence unless the LLC is dissolved pursuant to the provisions of Section 11.1.

2.6 Tax Treatment as a Partnership. The Members intend that the LLC be treated as a partnership under Regulation Section 301.7701-3 and analogous provisions of state tax laws, and the LLC shall not elect to be treated as an association taxable as a corporation.

Section 3 - PURPOSES OF THE LLC

3.1 Purposes. The primary purpose of the LLC is to operate a container stevedoring and terminal services business, and to expand that business in the States of California, Oregon and Washington. The LLC is authorized to acquire, lease, repair, renovate, dispose of and own such assets or property as is

necessary or useful to the conduct of the LLC's business. In addition, the LLC may engage in any other business or activity that is necessary, incidental or related to the LLC's primary purpose.

3.2 Authority of the LLC. In order to carry out any of its purposes, the LLC is authorized to take any lawful action consistent with any such purpose that a limited liability company is permitted to take under the laws of the State of Delaware.

Section 4 - MEMBERS

4.1 Members. The names and addresses of the Members are set forth on Exhibit A, as the same may be amended from time to time.

4.2 Authority of Members. In addition to taking any action reserved to the Members by the Act or elsewhere in this Agreement, any Major Decision shall require approval of all of the Members unless delegated by all of the Members to the Board of Managers, and may not be taken unilaterally by any Member, or any of its Affiliates.

4.3 Compensation. Compensation or expense reimbursement from the LLC to a Member, or any of its Affiliates, constitutes a Major Decision. No Member or Affiliate shall be entitled to any compensation or expense reimbursement from the LLC in connection with the LLC's business unless the Members approve such decision in the manner provided in Section 4.4. The LLC will not pay any Member for the service of any member, stockholder, director, partner or employee of such Member for expenses incurred in traveling to and attending meetings of the Members, the Board of Managers or other meetings or conferences of the LLC. No expenses for which a Member is responsible shall be charged to the LLC or the other Members.

4.4 Related Agreements. The Members acknowledge that they or their Affiliates engage in business activities or provide services that may be of a type that would be useful to the LLC and that the LLC may provide services to a Member. From time to time, the LLC may wish to conduct business with a Member or its Affiliates, which decision shall constitute a Major Decision. So long as (a) the material terms of such arrangement are disclosed to the other Member and the Board of Managers in advance, in the manner described below, and (b) the arrangement is approved by the Members in the manner required for Major Decisions, Members or their Affiliates may conduct business with the LLC. Each Member shall fully disclose or cause its Affiliate to fully disclose, in writing, to the Board of Managers and the other Member all material details of any transaction between the LLC and the Member or its Affiliate. The fees and other terms of any such agreement or arrangement shall be negotiated on an arm's-length basis. The Members have determined that each Definitive Agreement referred to in clause (a) of the definition of Definitive Agreement is an arm's-length agreement satisfying the requirements of this Section 4.4. The Members have further determined that the Agreement for the Provision of Insurance is an arm's-length agreement.

4.5 Annual Meeting. The Members shall hold an annual meeting for the designation of participants on the Board of Managers and for the transaction of such other business as may properly come before the meeting. The annual meeting of Members shall be held each year in the month of May, at Seattle, Washington, on a date to be determined by the Members in accordance with this Section 4.5, or at such other time and place to be set by the Members. They shall advise the Board of Managers of their determination and the Board of Managers shall send written notice of the date, time and place of the meeting to each Member not less than ten (10) nor more than sixty (60) days before the date of such meeting. Such notice may be transmitted via facsimile, U.S. mail or overnight courier service.

4.6 Special Meetings. Special meetings of the Members for any purpose or purposes may be called at any time by one or more Members, to be held at such time and place as the Members may prescribe.

If a special meeting is called, then a written demand, describing with reasonable clarity the purpose or purposes for which the meeting is called and specifying the general nature of the business proposed to be transacted, shall be delivered personally or sent by registered mail, by electronic mail (so long as the Company retains a hard copy of a return receipt), or by telegraphic or other facsimile transmission to the other Members. Such notice shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting. No business other than that specified in the notice may be transacted at a special meeting.

4.7 Record Date. Notice of a Members' meeting shall be given to all Members of record as of the date before such notice is sent.

4.8 Nonvoting Representatives. At each meeting of Members, each Member may, in its sole discretion, designate additional nonvoting representatives who may attend all such Member meetings with the Member representative. The nonvoting representatives may participate in such Member meeting, but may not vote on any matters considered by the Members.

4.9 Declaration of Mailing. A declaration of the mailing or other means of giving any notice of any Members' meeting, executed by one or more Members, shall be prima facie evidence of the giving of such notice.

4.10 Waiver of Notice. A Member may waive notice of any meeting at any time, either before or after such meeting. Except as provided below, the waiver must be in writing, be signed by the Member entitled to the notice, and be delivered to the LLC for inclusion in the minutes or filing with the LLC records. A Member's attendance at a meeting in person or by proxy waives objection to lack of notice or defective notice of the meeting unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting on the ground that the meeting is not lawfully called or convened. In the case of a special meeting, or an annual meeting at which fundamental changes are considered, a Member waives objection to consideration of a particular matter that is not within the purpose or purposes described in the meeting notice unless the Member objects to considering the matter when it is presented.

4.11 Quorum; Vote Requirement. A quorum shall exist at any meeting of Members if all Members are represented in person or by proxy. Once a Member is represented for any purpose at a meeting other than solely to object to holding the meeting or transacting business at the meeting, the Member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting.

4.12 Action by Members Without a Meeting. Any action which may be or which is required by law to be taken at any meeting of Members may be taken, without a meeting or notice of a meeting, if one or more consents in writing, setting forth the action so taken, are signed by all of the Members. Action taken by written consent is effective when consents containing the signatures of all Members are in possession of the LLC, unless the consent specifies a later

effective date. Such consent shall have the same force and effect as a meeting vote of Members and may be described as such in any certificate or other document filed with the Secretary of State of the State of Delaware.

4.13 Alternative Media for Conducting Meetings. Members may participate in a meeting by means of a conference telephone call, on-line facilities or similar communications equipment by means of which all persons attending the meeting can participate, and participation by such means shall constitute presence in person at a meeting.

4.14 Limitation of Liability. Each Member's liability shall be limited as set forth in this Agreement, the Act and other applicable law. Except as provided by law, a Member will not be personally liable for any debts or liabilities of the LLC simply because of being a Member. It is the mutual intention of the Members that the LLC operate on a stand-alone and fully-independent basis, and on the basis of its own assets and revenues, and that neither Member will become liable, nor shall there be any recourse against any Member, for any liability of the LLC, except to the extent of each Member's Percentage Interest in the assets of the LLC and as may otherwise be required by law.

4.15 Restrictions on Authority of Members. Neither Member shall do any of the following acts without the unanimous consent of the Members:

(a) Knowingly do any act in contravention of this Agreement; or

(b) Knowingly perform any act that would subject any Member, Manager or Affiliate of any or the same, or any employee of the same, to personal liability in any jurisdiction.

4.16. Indemnification.

(a) Each Member (and any Affiliate thereof other than the LLC) and its officers, directors and employees (hereinafter an "indemnitee") who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened claim, action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (hereinafter a "proceeding"), by reason of the fact that such indemnitee, or an Affiliate, is or was a Member of the LLC, shall be indemnified and held harmless by the LLC to the full extent permitted by applicable law as then in effect, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) incurred or suffered by such indemnitee in connection therewith, and such indemnification shall continue as to an indemnitee who, or whose Affiliate, has ceased to be a Member or an officer, director or employee of a Member and shall inure to the benefit of the indemnitee's successors in interest; provided, however, that no indemnification shall be provided to any such indemnitee if the LLC is prohibited by the Act or other applicable law as then in effect from paying such indemnification; and provided, further, that except as provided in Section 4.16(a), with respect to proceedings seeking to enforce rights to indemnification, the LLC shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof)

was authorized or ratified by the Board of Managers. The right to indemnification conferred in this Section 4.16(a) shall be a contract right and shall include the right to be paid by the LLC the expenses incurred in defending any proceeding in advance of its final disposition (hereinafter an "advancement of expenses"). Any advancement of expenses shall be made only upon delivery to the LLC of a written undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section 4.16(a) and upon delivery to the LLC a written affirmation (hereinafter an "affirmation") by the indemnitee of its good faith belief that such indemnitee has met the standard of conduct necessary for indemnification by the LLC pursuant to this subsection.

(b) If a written claim for indemnification under Section 4.16(a) is not paid in full by the LLC within sixty (60) days after the receipt thereof, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days, the indemnitee may at any time thereafter bring suit against the LLC to recover the unpaid amount of the claim. If successful, in whole or in part, in any such suit or in a suit brought by the LLC to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expenses of prosecuting or defending such suit. The indemnitee shall be presumed to be entitled to indemnification under this Section 4.16(b) upon submission of a written claim (and, in an action brought to enforce a claim for an advancement of expenses, where the required undertaking and affirmation have been tendered to the LLC) and thereafter the LLC shall have the burden of proof to overcome the presumption that the indemnitee is so entitled. Neither the failure of the LLC (including the Board of Managers or independent legal counsel) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances nor an actual determination by the LLC (including the Board of Managers or independent legal counsel) that the indemnitee is not entitled to indemnification shall be a defense to the suit or create a presumption that the indemnitee is not so entitled.

(c) The right to indemnification and the advancement of expenses conferred in this Section 4.16 shall not be exclusive of any other right which any Member, or an Affiliate thereof, may have or hereafter acquire under any statute, provision of this Agreement, general or specific action of the Board of Managers, contract or otherwise.

(d) The LLC may maintain insurance, at its expense, to protect itself against any expense, liability or loss asserted against or incurred arising from the Member's status as a Member, whether or not the LLC would have the power to indemnify such Member against such expense, liability or loss under the Act. The LLC may enter into contracts with any Member in furtherance of the provisions of this Section and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Section.

4.17 Admission of Additional Members. Except as provided in Section 10, admission of a person as a Member requires approval by all the Members. Notwithstanding the foregoing, a person shall not become an additional Member unless and until such person becomes

a party to this Agreement by signing this Agreement and executing such documents and instruments as the Board of Managers may reasonably request as additional, necessary or appropriate to confirm such person as a Member in the LLC.

4.18 Subsidiary Entities and Joint Ventures. Decisions as to the formation of a subsidiary entity or joint venture, the transfer of interest in a subsidiary entity or joint venture, the dissolution and distribution of property of a subsidiary entity or joint venture and other matters relating to the operations of a subsidiary entity or joint venture that would have been Major Decisions for the Members or decisions for Managers had the matter been for the LLC constitute Major Decisions for the Members. The Members shall insure that no provisions are included in the organizational documents establishing any subsidiary entity or joint venture or other procedures or practice of the entity that would in any way impair the ability to the LLC to exercise at least its pro rata interest concerning decisions either as a shareholder or a member or though the appointment of officers or managers of the subsidiary entity or joint venture on all matters on the same basis that would have been decided by the Members or the Managers under this Agreement had the LLC engaged in such business itself. With respect to each matter presented to the board of directors, board of managers or other similar governing body of a joint venture or a subsidiary that is not wholly-owed by the LLC, the directors, managers or other individuals holding similar responsibilities who are nominated or elected by the LLC shall vote on each such matter as a block consistent with the position agreed to by the chief executive officers of both of the Members, or, in the absence of agreement, shall abstain from voting on the matter (and, to the extent possible, shall take such action as necessary to ensure that the board or similar body does not obtain a quorum for voting on such matter); provided, that no director, manager or other individual with similar responsibilities shall be required to vote in a manner which such individual believes would constitute a violation of a fiduciary duty owed by such individual. The Members shall also insure that any such entity shall provide to the LLC all the information that would have been furnished by the LLC had the LLC engaged in such business itself.

Section 5 – BOARD OF MANAGERS

5.1 Creation of Board of Managers. As provided in Section 2.2, the business and affairs of the LLC shall be managed by its Board of Managers.

5.2 Composition of Committee; Qualification. Each Member shall at all times designate three (3) individuals to serve on the Board of Managers until amended by Members in accordance with this Agreement. A Manager must be an employee, officer or director of one of the Members or its Affiliates. At each meeting of the Board of Managers, each Manager may, in its sole discretion, designate additional nonvoting representatives who may attend all such meetings of the Board of Managers with the Manager. The nonvoting representatives may participate in any meeting of the Board of Managers, but may not vote on any matters considered by the Board of Managers. Although each Member shall be represented by three (3) Managers, said three Managers shall have only one vote, exercisable by any of such three Managers.

5.3 Scope of Authority. The Board of Managers shall have responsibility for overseeing the operations, affairs and business of the LLC, and making certain delegated Major Decisions. With respect to any Major Decision that has been delegated to the Board of Managers by the Members, any action taken or decision made by the Board of Managers prior to the receipt by the Board of Managers of written notice of the Members withdrawing such delegation shall be final and binding on all Members and the LLC. The President of the LLC shall be the senior Member of the Management Personnel and chief executive officer of the LLC. So long as SSA or an Affiliate of SSA is a Member, the President of the LLC shall be the President of SSA. The President of the LLC, with the advice of the Board of Managers of the LLC, shall prepare a description of the categories of other officers and senior management employees of the LLC and shall file the same with the Board of Managers. The President of the LLC shall identify individuals to fill the respective categories. The Management Personnel of the LLC shall be responsible for actual day-to-day operations of the container stevedoring and terminal services provided by the LLC and all decisions relating thereto and shall have the authority to contractually bind the LLC with respect to activities of the LLC undertaken in the ordinary course of business. The President shall establish the compensation for all employees of the LLC (other than officers compensated pursuant to the Administrative Services Agreement). By October 1 of each year, the Management Personnel, with the advice of the Board of Managers, shall prepare and deliver to the Members its best estimate for an operating budget (including capital expenditures) for the LLC for the following Fiscal Year and shall prepare and deliver to the Members a final budget (including capital expenditures) for such Fiscal Year by December 1 of each year. The operating budget will be on an annual basis, but the Management Personnel will provide calendar monthly and quarterly volume measures to the Members for the overall results of the LLC. All operating budget data shall include location-specific volume and amounts. The Board of Managers shall advise Members when it makes Major Decisions delegated to it by the Members. The Board of Managers shall refer to the Members other matters which are not Major Decisions, and which the Board of Managers determines are desirable or appropriate for the Members to decide. In such cases, the Board of Managers may elect to deliver to the Members its recommendation regarding the specific matter.

5.4 Election; Term of Office. The Members shall appoint their initial respective participants on the Board of Managers at the first annual meeting of the Members. At each annual meeting thereafter, the Members shall each designate its respective participants on the Board of Managers. Subject to Section 5.6, each Manager shall hold office until the next succeeding annual meeting, and in each case until his or her successor shall have been elected and qualified. The Managers representing any Member may give a written proxy to a representative who may act on behalf of such Manager at any meeting of the Board of Managers.

5.5 Vacancies. Any vacancy occurring on the Board of Managers (whether caused by resignation, death or otherwise) shall be filled by the Member whose designee's departure from the Board of Managers has caused the vacancy. A Manager chosen to fill any vacancy shall hold office until the next annual meeting of Members, or until his or her other successor shall have been elected and qualified.

5.6 Removal. A Member may remove any of its participants on the Board of Managers without cause, and may do so by providing oral or written notice to the participant with a written notice advising the other Members and Managers of such removal and the effective date thereof.

5.7 Resignation. A Manager may resign at any time by delivering written notice to the Member who appointed such participant with a copy to the other Members and to the Managers. A resignation is effective when the notice is delivered unless the notice specifies a later effective date.

5.8 Action by Board of Managers. Unless otherwise agreed to by the Board of Managers, meetings of the Board of Managers will be held at such place, day, and time as shall from time to time be fixed by resolution of the Board without notice other than the delivery of such resolution as provided in Section 5.9 below, or at such place, day, and time and for such purpose or purposes, as may be requested by the Managers representing any Member; provided, that notice of such meeting has been given to each Manager in accordance with Section 5.9 herein.

5.9 Notice of Meeting. Notice of the place, day, and time of any meeting of the Board of Managers for which notice is required shall be given, at least two (2) days preceding the day on which the meeting is to be held by the person calling the meeting, in any manner permitted by law, including orally. Any oral notice given by personal communication over the telephone or otherwise may be communicated either to the Manager or to a person at the office of the Manager who, the person giving the notice has reason to believe, will promptly communicate it to the Manager.

Written notice of meeting is required if the business to be conducted at any meeting of the Board of Managers includes any Major Decision. The written notice shall state that the purpose or one of the purposes of the meeting is to consider the Major Decision and shall describe the Major Decision with reasonable clarity.

No notice of any regular meeting need be given if the place, day, and time thereof have been fixed by resolution of the Board of Managers and a copy of such resolution has been delivered to every Manager at least two (2) days, or deposited in the United States mail, as evidenced by the postmark, with first-class postage prepaid, and correctly addressed at least five (5) days, preceding the day of the first meeting held in pursuance thereof.

Notice of a meeting of the Board of Managers need not be given to any Manager if it is waived by the Manager in writing, whether before or after such meeting is held. A Manager's attendance at or participation in a meeting shall constitute a waiver of notice of such meeting except when a Manager attends or participates in a meeting for the express purpose of objecting on legal grounds prior to or at the beginning of the meeting (or promptly upon the Manager's arrival) to the holding of the meeting or the transaction of any business and does not thereafter vote for or assent to action taken at the meeting. Any meeting of the Board of Managers shall be a legal meeting without any notice thereof having been given if all of the Managers are present without objecting, or waive notice thereof, or any combination thereof.

5.10 Quorum. The presence of at least one of the Managers representing each of the Members shall constitute a quorum for the transaction of business.

5.11 Voting Requirements. The making of any decision, including a Major Decision delegated to the Board of Managers by the Members, shall require the approval of at least one of the Managers representing each of the Members who are members of the Board of Managers. The Board of Managers shall promptly advise the Members of any Major Decision it has made.

5.12 Action Without a Meeting. Any action required by law to be taken or which may be taken at a meeting of the Board of Managers may be taken without a meeting if one or more consents in writing, setting forth the action so taken, shall be signed either before or after the action so taken by the number of Managers whose approval would be necessary if such decision were made at a meeting of the Board of Managers and delivered to the LLC for inclusion in the minutes or filing with the LLC records; provided, that any such consent shall have been delivered to all of the Managers at last ten (10) days before such action is to be so taken or authorized. Such consent shall have the same effect as a meeting vote. Action taken under this Section 5.12 is effective when the last person signs the consent, unless the consent specifies a later effective date. A copy of all such consents shall be promptly delivered to each Manager.

5.13 Telephonic Meetings. Managers may participate in a meeting of the Board of Managers by means of a telephone conference call, on-line facilities or similar communication equipment. Participation by such means shall constitute presence in person at a meeting.

5.14 Restrictions on Authority of Board of Managers. The Board of Managers shall not have the authority to do any of the following acts without the unanimous consent of the Members:

(a) Knowingly do any act in contravention of this Agreement;

(b) Knowingly make any Major Decision not delegated to them by the Members; or

(c) Knowingly perform any act that would subject any Member, Manager, Affiliate of any of the same, or any employee of any of the same, to personal liability in any jurisdiction.

5.15 Duties and Obligations of Board of Managers. In addition to such other duties and obligations as the Board of Managers may have, the Board of Managers shall take all actions which may be necessary or appropriate for the continuation of the LLC's valid existence as a limited liability company under the laws of the State of Delaware and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Members or to enable the LLC to conduct the business in which it is engaged.

5.16 Right to Rely on Board of Managers. Any person dealing with the LLC may rely upon a certificate signed by the Managers representing each Member as to:

(a) The identity of any other Manager or any Member;

(b) The existence or nonexistence of any fact or facts regarding the affairs of the LLC; or

(c) The Managers and/or Members who are authorized to execute and deliver any instrument or document on behalf of the LLC.

5.17 Indemnification of Managers.

(a) Each individual (hereinafter an "indemnitee") who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened claim, action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (hereinafter a "proceeding"), by reason of the fact that he or she is or was a Manager of the LLC or that, while serving as a Manager of the LLC, he or she is or was also serving at the request of the LLC as a director, manager, officer, partner, trustee, employee or agent of another foreign or domestic limited liability company or corporation or of a foreign or domestic partnership, joint venture, trust, employee benefit plan or other enterprise, whether the basis of the proceeding is alleged action in an official capacity as such a director, Manager, officer, employee, partner, trustee, or agent or in any other capacity while serving as such director, Manager, officer, employee, partner, trustee, or agent, shall be indemnified and held harmless by the LLC to the full extent permitted by applicable law as then in effect, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) incurred or suffered by such indemnitee in connection therewith, and such indemnification shall continue as to an indemnitee who has ceased to be a director, manager, officer, employee, partner, trustee, or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators; provided, however, that no indemnification shall be provided to any such indemnitee if the LLC is prohibited by the Act or other applicable law as then in effect from paying such indemnification; and provided, further, that except as provided in this Section 5.17(a) with respect to proceedings seeking to enforce rights to indemnification, the LLC shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized or ratified by the Board of Managers. The right to indemnification conferred in this Section 5.17(a) shall be a contract right and shall include the right to be paid by the LLC the expenses incurred in defending any proceeding in advance of its final disposition (hereinafter an "advancement of expenses"). Any advancement of expenses shall be made only upon delivery to the LLC of a written undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section 5.17(a) and upon delivery to the LLC of a written affirmation (hereinafter an "affirmation") by the indemnitee of his or her good faith belief that such indemnitee has met the standard of conduct necessary for indemnification by the LLC pursuant to this Section 5.17.

(b) If a written claim for indemnification under Section 5.17(a) is not paid in full by the LLC within sixty (60) days after the LLC's receipt thereof, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days, the indemnitee may at any time thereafter bring suit against the LLC to recover the unpaid amount of the claim. If successful, in whole or in part, in any such suit or in a suit brought by the LLC to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expenses of prosecuting or defending such suit. The indemnitee shall be presumed to be entitled to indemnification under this Section 5.17 upon submission of a written claim (and, in an action brought to enforce a claim for an advancement of expenses, where the required undertaking and affirmation have been tendered to the LLC) and thereafter the LLC shall

have the burden of proof to overcome the presumption that the indemnitee is so entitled. Neither the failure of the LLC (including the Board of Managers, independent legal counsel or the Members) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances nor an actual determination by the LLC (including the Board of Managers, independent legal counsel or the Members) that the indemnitee is not entitled to indemnification shall be a defense to the suit or create a presumption that the indemnitee is not so entitled.

(c) The right to indemnification and the advancement of expenses conferred in this Section shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of this Agreement, general or specific action of the Members or the Board of Managers, contract or otherwise.

(d) The LLC may maintain insurance, at its expense, to protect itself and any individual who is or was a Manager of the LLC or who, while a Manager of the LLC, is or was serving at the request of the LLC as an agent of another foreign or domestic limited liability company or corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any expense, liability or loss asserted against or incurred by the individual in that capacity or arising from the individual's status as a director, manager, officer, employee or agent, whether or not the LLC would have the power to indemnify such person against such expense, liability or loss under the Act. The LLC may enter into contracts with any Manager in furtherance of the provisions of this Section 5.17 and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Section 5.17.

(e) Any individual who is or was a Manager who, while a Manager, is or was serving (a) as a director or officer of a foreign or domestic corporation of which a majority of the shares entitled to vote in the election of its directors is held by the LLC, (b) as a trustee of an employee benefit plan and the duties of the Manager also impose duties on, or otherwise involve services by, the Manager to the plan or to participants in or beneficiaries of the plan, or (c) in an executive or management capacity in a foreign or domestic limited liability company, partnership, joint venture, trust or other enterprise of which the LLC or a wholly-owned subsidiary of the LLC is a general partner or has a majority ownership or interest, shall be deemed to be so serving at the request of the LLC and entitled to indemnification and advancement of expenses under this Section 5.17.

(f) A Manager acting under this Agreement shall not be liable to the LLC, to any other Manager or to the Members, for the Manager's good faith reliance on the provisions of this Agreement.

Section 6 - CONTRIBUTIONS TO THE LLC

6.1 Capital Contributions of the Members. SSA Ventures and MVI have contributed to the capital of the LLC cash or other property in the amount or as described in Section 6.6.

6.2 Return of Capital Contributions. A Member will have no right to withdraw any part of its Capital Contributions or Capital Account, or to receive any distribution from the LLC, except in accordance with the provisions of this Agreement. No interest shall be paid on any Capital Contributions. A Member will, however, be entitled to receive interest on any loans it makes to the LLC, as provided herein.

6.3 Additional Contributions. No Member may make additional contributions to the LLC in the form of cash, property, or guarantee of LLC indebtedness or performance by the LLC of an LLC obligation (the "Guarantee"), unless such decision is approved by the Members in the manner required for Major Decisions, which approval shall specify the terms upon, and proportions in which, such additional capital may be contributed or guarantee made.

6.4 Loans by Members.

(a) Optional Loans. A loan to the LLC by a Member, or any Affiliate thereof, constitutes a Major Decision pursuant to Section 1.12(n).

(b) Treatment of Loans. No loan by a Member, or an Affiliate thereof, will result in an increase in the Percentage Interest of the Member. The amount of any such loan shall not constitute a Capital Contribution and will not be credited to the lending Member's Capital Account. Any loan will be an obligation of the LLC to the lending Member, or Affiliate thereof, with interest, and will be repaid to the lending Member, or Affiliate thereof, before any amount may be distributed to any Member pursuant to Section 8. Interest on such loans will be payable without regard to the profits or losses of the LLC and will be treated as a transaction with a Member, or Affiliate thereof, other than in its capacity as a Member of the LLC, or Affiliate thereof, pursuant to Section 707(a) of the Code. All such loans will be repayable solely from the LLC's assets and represented by promissory notes executed by the LLC, which shall bear interest at the prime rate of interest published in *The Wall Street Journal* on the date immediately prior to the date the loan was made, applicable at the beginning of such term, subject to adjustment to the rate in effect on each anniversary thereof.

6.5 Capital Accounts.

(a) Maintenance of Capital Accounts. A separate Capital Account will be maintained for each Member in accordance with Regulations Section 1.704-1(b)(2)(iv); provided, however, the LLC shall not revalue any LLC asset under Regulations Section 1.704-1(b)(2)(iv)(f) without the unanimous approval of the Members.

(b) Transfers. In the event of a permitted transfer of a Member's Percentage Interest in accordance with Section 10, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Percentage Interest in accordance with Regulations Section 1.704-1(b)(2)(iv).

6.6 Initial Capital Accounts. The initial Capital Accounts of the Members upon making of their respective initial capital contributions were as follows:

MVI	$16,437,972.00
SSA Ventures	$16,770,052.00.

Section 7 - ALLOCATION OF INCOME, GAINS AND LOSSES

7.1 Tax Allocation of Net Profit. Except as otherwise provided in this Agreement, Net Profit for a Fiscal Year or other fiscal period shall be allocated as follows:

(a) First, Net Profit shall be allocated to SSA Ventures in an amount equal to the cumulative priority distribution amounts specified in Section 8.1(a) (whether or not distributed) for the current year and all prior Fiscal Years in excess of the sum of the cumulative Net Profit previously allocated to SSA Ventures pursuant to this Section 7.1(a).

(b) Second, remaining Net Profit, if any shall be allocated to the Members in accordance with their Percentage Interests.

7.2 Tax Allocation of Net Loss. Except as otherwise provided in this Agreement, Net Loss for a Fiscal Year or other fiscal period shall be allocated to the Members in accordance with their Percentage Interests.

7.3 Tax Allocation of Net Profit or Net Loss on Liquidation. Notwithstanding any provision of this Section 7 to the contrary (except Section 7.5), all items of Net Profit and Net Loss arising from any sale, exchange, or other disposition (including, in-kind distributions to the Members) of any assets of the LLC with respect to the dissolution and termination of the LLC shall be allocated among the Members as necessary to cause each Member's Capital Account to equal the sum of the following:

(a) The amount of Net Cash Flow such Member would receive under Section 8.1 (if that were the operative provision), plus

(b) The fair market value of any asset to be distributed in-kind to such Member under Section 11.3.

For purposes of this Section 7.3, a Member's Capital Account shall be determined by crediting to such Capital Account such Member's share of minimum gain pursuant to Regulation Section 1.704-2.

7.4 Special Allocations. Allocations of Net Profit and Net Loss, and specific items of income, gain, loss or deduction, shall be subject to the alternate test for economic effect set forth in Regulation Section 1.704-1(b)(2)(ii)(d) and the minimum gain chargeback rules set forth in Regulation Section 1.704-2. The terms of Regulation Section 1.704-1(b)(2)(ii)(d) (including,

without limitation, a "qualified income offset" provision and a provision prohibiting allocations to a member that would cause or increase a deficit balance in such Member's Capital Account) and Regulation Section 1.704-2 (including, without limitation, a provision allocating "nonrecourse deductions" to the Members in accordance with their Percentage Interests, a provision allocating "Member nonrecourse deductions" to the Member who bears the economic risk of loss with respect to the related "Member nonrecourse debt" and a "minimum gain chargeback" provision) are incorporated in this Agreement. If losses or deductions are reallocated among the Members under the alternate economic effect test, subsequent allocations of income and gain shall be made as necessary to offset such reallocation of losses or deductions. A Member's Percentage Interest shall be its interest in profits for purposes of determining the Member's share of "excess nonrecourse liabilities" under Regulation Section 1.752-3(a)(3).

7.5 Intent of Allocations. The allocation provisions of this Agreement are intended to produce final Capital Account balances of the Members such that over the life of the LLC, distributions of Net Cash Flow are distributed to the Members in a manner consistent with Section 8.1 (taking into account the varying Percentage Interests of the Members for each Fiscal Year over the life of the LLC) and in-kind liquidating distributions of assets under Section 11.3 are made in accordance with Section 11.3. To the extent that the allocation provisions of this Agreement would not produce such final Capital Account balances consistent with the previous sentence, (i) the Members shall amend such provisions if and to the extent necessary to produce such result, and (ii) income or loss of the LLC for prior open years (or items of gross income and deduction of the LLC) shall be reallocated among the Members to the extent it is not possible to achieve such result with allocations of income (including gross income) and deduction for the current year and future years.

7.6 Tax Allocations: Code Section 704(c). In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the LLC shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the LLC for Federal income tax purposes and its initial fair market value. Such allocations shall be made using a method agreed to by the Members which is in accordance with Regulation Section 1.704-3.

7.7 Allocations in Event of Sale of LLC Interest. If an interest in the LLC is transferred or sold in accordance with Section 10 of this Agreement, the Net Profit and Net Loss of the LLC shall be calculated as of the end of the month immediately prior to the month in which the sale occurs. The transferor Member shall be allocated an amount equal to the Net Profit and Net Loss of the LLC allocable to the period ending on the last day of the month immediately prior to the transfer. The transferee of the interest in the LLC to be sold shall be allocated an amount equal to the Net Profit and Net Loss of the LLC allocable to the remainder of the calendar year. This paragraph shall apply for purposes of computing a Member's Capital Account and for federal income tax purposes.

7.8 Deficit Capital Account Balances. Except as provided in Section 8.1(d), the Members shall not be obligated at any time to repay or restore to the LLC all or any part of any distributions made to the Members by the LLC. No Member shall be required to restore a deficit Capital Account balance to the LLC.

Section 8 - DISTRIBUTIONS

8.1 Distributions. The decision whether to distribute Net Cash Flow is a Major Decision requiring the approval of all Members. The Members have decided that distributions of Net Cash Flow will be made to the Members for each Fiscal Year as follows:

(a) First, to SSA Ventures in the following amounts:

1999	$2,300,000
2000	$5,600,000
2001	$6,400,000
2002 and thereafter:	$0.

The distributions set forth in this Section 8.1(a) will be cumulative to the extent not distributed to SSA Ventures in any given Fiscal Year, but no interest will accrue on any amount not distributed. Unless otherwise decided by the Board of Managers, distributions shall not be made under this Section 8.1(a) to the extent that (i) outstanding revolving credit borrowings exceed the balance of accounts receivable, or (ii) Net Working Capital is less than $1.00. No distributions shall be made under Section 8.1(b) unless and until all distributions set forth in Section 8.1(a) for the then current and all prior Fiscal Years are distributed in full to SSA Ventures.

(b) Second, the balance to the Members in accordance with their Percentage Interests.

(c) Distributions of Net Cash Flow as provided in this Section 8.1 will be made unless such distributions will have a material adverse effect on the operations or financial position of the LLC.

(d) The distributions referred to in Section 8.1(a) and (b) shall be made as follows: Within thirty (30) days after the end of each second calendar quarter of each Fiscal Year, to the extent there is Net Cash Flow for said semiannual period, and in accordance with the distribution priorities set forth in said Section 8.1(a) and (b), and the limitations thereon set forth in the second paragraph of Section 8.1(a) and in Section 8.1(c), the LLC shall distribute, as draws against Net Cash Flow for the entire Fiscal Year during which such semiannual period occurs (i) one-half of the amount for such Fiscal Year set forth in Section 8.1(a), and (ii) the remainder of said Net Cash Flow for such semiannual period as set forth in Section 8.1(b). Within one hundred twenty (120) days after the end of each Fiscal Year, the actual Net Cash Flow for such Fiscal Year shall be calculated, and final Fiscal Year distributions (or other adjustments or recoupments, as applicable) shall be made pursuant to Section 8.1(a), (b) and (c) based upon such calculations, which distribution or adjustments shall take into account the total amounts to be distributed pursuant to Section 8.1(a) for said Fiscal Year and any over or underpayments of draws for that year in light of actual Fiscal Year-end results. Distributions for Fiscal Year ending January, 2000 shall be made within one hundred twenty (120) days of the end of said Fiscal Year pursuant to Section 8.1(a), (b) and (c).

8.2 Tax Payment Distributions. On or before the fifth day after the LLC files IRS Form 1065 with the Internal Revenue Service for a Fiscal Year, the LLC shall distribute to the Members an amount equal to the excess of (a) the LLC's net taxable income and gain allocable to the Members for such Fiscal Year multiplied by thirty-five percent (35%) over (b) the amount of cash otherwise distributed in the Fiscal Year. Distributions pursuant to this Section 8.2 shall be made to each Member pro rata in the proportions by which the LLC's net taxable income for such Fiscal Year has been allocated to the Members under Section 7. Such distributions shall be credited against any distributions to Members under Section 8.1, as applicable, and shall not be in addition to distributions under such Section. Notwithstanding the foregoing provisions of this Section 8.2, no such tax distribution shall be made to the extent that Net Cash Flow is not to be distributed pursuant to Section 8.1(a) or (c).

8.3 Amounts Withheld From Distributions. All amounts withheld pursuant to the Code or any provisions of any state, local or foreign tax law with respect to any distribution to the Members shall be treated as amounts distributed to the Members pursuant to Section 8 for all purposes under this Agreement.

8.4 Distributions Upon Liquidation. Notwithstanding anything to the contrary in this Section 8, upon the dissolution of the LLC for any reason, the debts and obligations of the LLC including any debts to Members shall be paid and the remaining assets of the Company shall be distributed to the Members (after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation or dissolution occurs) pursuant to the provisions of Sections 11.2 and 11.3.

8.5 Distributions In-Kind. Except as provided in Sections 11.2 and 11.3, no Member shall have the right to demand and receive property other than cash as a distribution from the LLC. Except as provided in Sections 8.1, 8.2 and 8.3, no Member shall have the right to demand and receive cash from the LLC.

Section 9 - ACCOUNTING; BOOKS AND RECORDS

9.1 Accounting. The LLC will keep its accounting records in accordance with generally accepted accounting principles, consistently applied, and will report for federal income tax purposes on the accrual basis, as determined by the Board of Managers.

9.2 Books and Records. During the term of the LLC, the Board of Managers will keep, or cause to be kept, records and books of account in which each transaction of the LLC will be entered fully and accurately. Such books and records will include a true and correct copy of the Certificate of Formation, this Agreement and amendments thereto, a current and past list of names and addresses of the Members, copies of all federal, state and local tax returns and reports and financial statements of the LLC for at least the three (3) most recent Fiscal Years (or if longer, the Board of Managers will keep all Tax Returns and reports for any Fiscal Year which the statute of limitations for assessment of taxes against a Member is still open), and any other records the Board of Managers deems appropriate or are required pursuant to the Act or by the Members. All books and records of the LLC will be available for reasonable inspection and examination by the Members or their duly authorized representatives during ordinary business hours.

9.3 Periodic Financial Statements. The Board of Managers shall have prepared (i) as of the end of each fiscal month of each Fiscal Year, a report which will include (A) a balance sheet of the LLC, (B) a statement of the LLC's income and expense, (C) a statement of changes in Members' equity, (D) a statement of capital account balances, and (E) a statement of changes in cash flows for that period; (ii) as of the end of each fiscal quarter of each Fiscal Year, a report of all such items set forth in clause (i) for such quarter; and (iii) as of the end of each Fiscal Year, a report of all such items set forth in clause (i) for the Fiscal Year. Each item contained in such statements and reports will be prepared in accordance with generally accepted accounting principles consistently applied by the LLC, and at the expense of the LLC. The Board of Managers will distribute copies of the statements and reports to each Member, within thirty (30) days after the end of each monthly period with respect to the monthly statement; (provided, however, the Board of Managers shall also provide the Members with its best estimate of December results by the following January 15) within thirty (30) days after the end of each quarterly period with respect to the quarterly reports and statements, and within ninety (90) days after the close of each Fiscal Year of the LLC with respect to the annual reports and statements.

9.4 Tax Returns: Income Tax Information. Subject to Section 7 hereof, the Board of Managers will cause to be prepared and timely filed with the appropriate authorities, all federal, state, and local income and other tax returns (a "Tax Return") of the LLC. The LLC shall not file or amend any Tax Return without the prior written approval of all Members. At least fifteen (15) days prior to the due date for any such Tax Return, the LLC shall furnish all Members with a copy of the Tax Return proposed to be filed for review and comment by all Members. The LLC shall not make or change any tax election or extension without the prior written approval of all Members. At least thirty (30) days prior to the due date for making any such election or extension, the LLC shall provide all Members written notice and explanation of the proposed election or extension. The LLC shall furnish to Matson, by no later than December 15 of the relevant Fiscal Year, an estimate of any permanent and timing differences between tax and book income as necessary for Matson to prepare a year-end tax provision in accordance with generally accepted accounting principles. The LLC shall also furnish to each of the Members by May 1 of each Fiscal Year all state apportionment information necessary for each Member to prepare its state Tax Returns. Subject to direction of the Board of Managers and so long as the Administrative Services Agreement remains in effect, SSA shall, pursuant to the Administrative Services Agreement, be responsible to prepare and file Tax Returns, and to perform the other obligations on behalf of the LLC, under this Section 9.4. Within ninety (90) days after the close of each Fiscal Year, each Member shall be furnished a statement suitable for use in preparing the Member's income tax return, showing the amounts of any distributions, contributions, gains, losses, profits, or audits allowed to the Member during such Fiscal Year.

9.5 Duties of Tax Matters Member.

(a) SSA Ventures shall be the "Tax Matters Partner" of the LLC, as that term is defined in Section 6231(a)(7) of the Code. As such, the Tax Matters Partner will keep all Members informed of all administrative and judicial proceedings for the adjustment of

LLC tax items, as required by Section 6223(g) of the Code and the Regulations thereunder. The Tax Matters Partner will represent the LLC in all such proceedings; provided, however, that other Members may participate in such proceedings to the extent permitted by Sections 6221 through 6231 of the Code, and the corresponding Regulations. The LLC will pay all ordinary and necessary expenses incurred in connection with any such proceedings. Notwithstanding anything in the foregoing to the contrary, the Tax Matters Partner shall not take any of the following actions without the approval of all

Members: (1) enter into a settlement agreement with the Internal Revenue Service or any other taxing authority; (2) file a petition as contemplated in Code Section 6226(a) or 6228; (3) intervene in any action as contemplated in Code Section 6226(b)(5); (4) file any request contemplated in Code Section 6227(b); or (5) enter into an agreement extending the period of limitations contemplated in Code Section 6229(b)(1)(B).

(b) No Member shall, on such Member's federal, state, or foreign income tax return, treat any "partnership item" (as defined in Section 6321(a)(3) of the Code and the Regulations thereunder) in a manner which is inconsistent with the treatment of such "partnership item" on the LLC's tax return.

(c) The chief financial officers of SSA and Matson shall review with each other no later than June 1 of each year the annual audited financial statements of SSA and Matson, but neither chief financial officer shall retain a copy of the audited financial statements of the other's company.

Section 10 - TRANSFERS OF LLC INTERESTS

10.1 Prohibition on Transfer. Except as otherwise provided in this Section 10, and except for the assignments permitted pursuant to the last sentence of Section 12.3, a Member may not in any way transfer, grant a security interest in, pledge or encumber, voluntarily or involuntarily, its Percentage Interest, any portion thereof or interest therein, without the prior written consent of the other Member, which consents may be withheld with or without cause. Any purported transfer not expressly permitted by and in compliance with the provisions of this Section 10 will be void and of no force or effect.

(a) Transfer Defined. As used in this Agreement, the term "Transfer" shall include any sale, assignment, gift, pledge, or other disposition or encumbrance of all or a portion of a Member's interest in the LLC, or of an ownership interest in the shares of SSA Ventures or MVI (as long as they hold such interests in the LLC), in each case whether voluntary or involuntary.

10.2 Other Transfers Subject to Refusal Rights.

(a) Proposed Sales. If a Member (the "transferor") desires to effect a Transfer of any portion of its Percentage Interest to any person, the transferor shall first give written notice to the Board of Managers and to the other Member of its intention to do so ("Notice of Sale"). The Notice of Sale must name the proposed transferee and specify the amount of the Percentage Interest to be transferred, all proposed consideration and the proposed terms of payment. The transferor shall provide the Board of Managers, and/or the other Member with a copy of the signed letter of intent or term sheet, or the draft agreement (certified by the proposed transferee as a true draft),

verifying the prospective transferee, price and terms that constitute a bona fide offer. Any offer from an Affiliate of a Member shall be on arm's-length terms as demonstrated by evidence reasonably requested by the non-transferring Member. Following delivery of the Notice of Sale and documentation and upon receipt of the written consent of the other Member, the other Member shall thereupon have the option, for a period of thirty (30) days from the date of delivery of the Notice of Sale, to purchase all, but no lesser portion, of the offered amount of the subject Percentage Interest at the price and on the other terms and conditions stated in the Notice of Sale. To exercise such option, the other Member shall notify the transferor of its intention, in writing, within the applicable option period. The notice of intention shall be accompanied by the exercising party's cashier's check in the amount of five percent (5%) of the purchase price, as non-refundable earnest money. Closing of all sales offered hereunder shall occur within ten (10) business days of the date such offer(s) is accepted. In the event the other Member does not elect to purchase the offered Percentage Interest, the transferor shall have the right, for a period of sixty (60) days after expiration of the option period, to transfer such Percentage Interest to the proposed transferee at the price and on the terms specified in the Notice of Sale. Any Percentage Interest not so transferred by the transferor at the end of said 60-day period shall again become subject to the restrictions of this Agreement.

10.3 Conditions Precedent to Any Transfer or Encumbrance. Notwithstanding any contrary provision contained in this Agreement, no Member may effect a Transfer of its Percentage Interest:

(a) Without notifying the other Member, in writing, thirty (30) days in advance of any proposed Transfer;

(b) Unless and until the LLC has received an opinion of counsel for the LLC, prepared at the transferring Member's expense, stating that the proposed Transfer will not cause the termination of the LLC under this Agreement or the Act or for federal income tax purposes;

(c) Unless and until the LLC has received an opinion of counsel satisfactory to such Member, prepared at the expense of the Member proposing the Transfer, stating that the proposed Transfer (i) may be effected without registration of the Percentage Interest under the Securities Act of 1933, as amended, and (ii) will not violate any applicable state securities law (including investor suitability standards); and

(d) Unless and until the transferor's required contributions to the capital of the LLC have been made.

10.4 Effect of Transfer. If any purported Transfer of a Member's Percentage Interest does not comply with the various requirements and restrictions contained in this Section 10, it will be void and of no force or effect. If any such purported Transfer complies with the various requirements and restrictions contained in this Section 10, then effective on the date of the Transfer, the transferor will cease to be a Member with respect to the transferred Percentage Interest and, whether or not the transferee is admitted to the LLC as a substitute Member pursuant to the provisions of this Agreement, the transferee will be entitled to receive all future distributions to which the transferor would otherwise be entitled. In the case of a Transfer of an interest, the

transferee shall succeed to the Capital Account of the transferor, or, in the case of a partial Transfer, a proportionate share thereof. The LLC will be entitled to treat the transferor as the record owner of the transferred Percentage Interest until the effective date, and no Member will incur liability for distributions made in good faith to the transferor prior to the effective date. No such Transfer will relieve the transferor of its existing obligations under this Agreement.

10.5 Substitute Members. A transferee of a Member's Percentage Interest will not be admitted to the LLC as a substitute Member unless:

(a) The Transfer complies with all requirements of this Section 10;

(b) The transferor gives the transferee the right to be substituted in its place; and

(c) The transferee has agreed in writing to be bound by all of the terms and conditions of this Agreement, and has paid all expenses of the LLC incurred in connection with the transfer.

Upon admission to the LLC as a substitute Member, a transferee shall succeed to all rights and obligations of its transferor under this Agreement.

Section 11 - DISSOLUTION, WINDING UP, TERMINATION AND PURCHASE OPTION

11.1 Events Causing Dissolution. Except as provided in Section 11.7, and with respect to the events set forth in Subsections (a), (d), (e), (h), (i), (j), (k), (l), (n), (o) or (p) of this Section 11.1, only if the Member that is not responsible for the occurrence of the event or the default set forth therein elects to dissolve the LLC (unless dissolution results as a matter of law), the LLC will be dissolved and its affairs will be wound up upon the happening of the first to occur of the following:

(a) Any action or inaction by a Member that results in a dissolution or other termination of the LLC under the Code;

(b) The unanimous agreement of the Members;

(c) The sale or other disposition of all or substantially all of the assets of the LLC;

(d) The dissolution of a Member, or SSA or Matson, or the failure by SSA Ventures or MVI to remain wholly-owned subsidiaries of SSA or Matson, respectively;

(e) An act of Bankruptcy by, or the insolvency of a Member, or SSA or Matson;

(f) The insolvency of the LLC;

(g) Upon the expiration of the effective date of administrative dissolution;

(h) The termination of the stevedoring and terminal services agreement between Matson and the LLC;

(i) A breach of any Definitive Agreement, or any agreement entered into pursuant to Section 4.4, which results in the termination of such Definitive Agreement or other agreement after any applicable notice and opportunity to cure such breach in accordance with the terms of such Definitive Agreement or other agreement;

(j) Any other event or act by a Member, or an Affiliate thereof, causing dissolution of the LLC pursuant to the Act or this Agreement;

(k) The pledge or encumbrance of, or the granting of a security interest in, a Member's Percentage Interest, or any interest in a Member, by a Member or any Affiliate thereof;

(l) The sale of all or substantially all of a Member's assets or the merger or consolidation of a Member with any other entity in which the Member does not survive;

(m) Any consistent and persistent action or inaction by any Management Personnel of the LLC, after notice to cure and the lapse of a reasonable period of time to effect such cure, which materially adversely affects the operations or financial position of the LLC in a manner inconsistent with management of a similar enterprise by a prudent Manager;

(n) Any consistent and persistent action or inaction by any Member, or Affiliate thereof, after notice to cure and the lapse of a reasonable period of time to effect such cure, in violation of this Agreement or which materially adversely affects the LLC;

(o) Any violation by a Member of the provisions of Section 4.2, Section 4.15 or Section 12.11; and

(p) Any Vessel Disposition pursuant to Section 11.10.

11.2 Winding Up, Liquidation, and Distribution of Assets.

(a) Upon dissolution of the LLC, the Members or a person selected by the Members to act as a liquidating trustee (the "Liquidating Trustee"), shall wind up the affairs of the LLC pursuant to the following provisions. For any Fiscal Year of the LLC in which an event occurs resulting in the dissolution or liquidation of the LLC, and for each Fiscal Year thereafter, each item of income, gain, loss or deduction which comprises the LLC's Net Profit and Net Loss for any such Fiscal Year shall be credited or charged to the Capital Accounts of the Members (which Capital Accounts shall first be adjusted to take into account all distributions made during the Fiscal Year) in accordance with Section 7.3. The Members or the Liquidating Trustee, as applicable, shall, as soon as practicable, determine which assets, if any, will be distributed in-kind to the Members pursuant to Section 11.3. Thereafter, the Members or the Liquidating Trustee, as applicable, shall sell or otherwise liquidate the assets of the LLC, other than those that will be distributed in-kind to Members, after which the assets of the LLC or the proceeds therefrom, shall be distributed or used as follows and in the following order or priority:

(i) First, for the payment of the debts and liabilities of the LLC;

(ii) Second, to the withholding of any reserves that the Members or the Liquidating Trustee may deem reasonably necessary (considering, among other things, the previous experiences of the Liquidating Trustee with respect to the adequacy of reserves) for any unforeseen or unfixed or contingent liabilities or obligations of the LLC;

(iii) Third, to SSA Ventures in an amount equal to any amounts remaining undistributed under Section 8.1(a) for the current and all prior Fiscal Years; and

(iv) Finally, any remaining assets will be distributed to the Members in accordance with their positive Capital Account balances (as decreased for any distributions under Section 11.2(a)(iii)) in accordance with Regulations 1.704-1(b)(2)(ii)(b)(2).

(b) Except as provided by law or as expressly provided in this Agreement, upon dissolution, each Member shall look solely to the assets of the LLC for the return of its Capital Contributions. If the LLC property remaining after the payment or discharge of the debts and liabilities of the LLC is insufficient to return the cash contribution of one or more Members, the Members shall have no recourse against any other Member.

(c) Upon completion of the winding up, liquidation and distribution of the assets, the LLC shall be terminated.

(d) The Members shall comply with any applicable requirements of applicable law pertaining to the winding up of the affairs of the LLC and the final distribution of its assets.

11.3 Distributions In-Kind on Liquidation. Should the LLC unwind, dissolve or liquidate, each Member has the right to request that the LLC's assets, including equipment, terminal leases and third party customer business, to the extent feasible and segregable, be distributed in-kind in a manner that would allow each Member, should it so elect, to continue to provide container stevedoring and terminal services to the same customer base and segment of the ocean shipping business served by such Member prior to the creation of the LLC, subject in all cases to the distribution provisions of Section 11.2(a). Furthermore, if the Members or the Liquidating Trustee, as applicable, shall, in their or its good faith judgment, determine a sale or other disposition of part or all of the Company's assets would cause undue loss to the Members, the Members or the Liquidating Trustee may distribute part or all of such remaining assets in-kind to the Member. If the Members or the Liquidating Trustee elects to distribute any assets in liquidation of the LLC pursuant to this Section 11.3 such assets shall be distributed among the Members in accordance with Section 11.2(a) as if an amount of cash equal to the fair market value of the assets (determined as of the record date for such distribution, but net of any liabilities to which the assets are subject or that will be transferred to the recipient Members) were distributed on the date of distribution. In implementing the foregoing, the Members of the Liquidating Trustee shall to the extent possible while satisfying the requirements of Section 11.2(a), distribute assets to each Member in-kind in accordance with, and as identified by, such Member on the basis of its contribution of such assets to the LLC, unless the Member which is to receive such in kind distribution directs the Members, or the Liquidating Trustee, as the case may be, to liquidate any asset so allocated to it and distribute to such Member the proceeds of such liquidation. If the terminal operations of the LLC previously operated separately by the Members in any port have

been consolidated prior to the winding up, dissolution or liquidation of the LLC, and if more than one of the Members desires to operate stevedoring and terminal services in any such port, the Members shall use their best efforts to physically divide the consolidated terminal and to negotiate a division of such terminal's lease to permit the separate operation of stevedoring and container services in such terminal by all such Members. The Members also agree to use their best efforts to avoid or minimize any tax arising from a distribution of such assets under Code Section 704(c)(l)(B) or Code Section 737. Whether or not such consolidation has taken place, in the event of any such unwinding, dissolution or liquidation, the Members shall cooperate and share all information in connection with the LLC's business to permit such separate operation, but such information shall be held strictly confidential by each Member. Furthermore, if the Administrative Services Agreement is in effect as of the event of dissolution, SSA will share its information systems with Matson pursuant to the terms of the Administrative Services Agreement. In addition to the foregoing, if the dissolution of the LLC results from an event referred to in Section 11.1(a), (d), (e), (h), (i), (j), (k), (l), (m), (n), (o) or (p) caused by a Member (the "Responsible Member") (i) prior to the consolidation of any container terminal operations of the LLC in any of the ports of Los Angeles/Long Beach, Oakland or Seattle, each Member shall receive a distribution of and shall assume all future obligations under each terminal lease contributed to or assigned or sublet to the LLC by the Responsible Member, or its Affiliates, upon entering into this Agreement, or (ii) after any container terminal operations of the LLC that have been consolidated in any of the ports of Los Angeles/Long Beach, Oakland or Seattle prior to the dissolution of the LLC, the Responsible Member shall receive a distribution of a physical portion of the consolidated lease premises reasonably suitable to carry on independent terminal operations, and shall be liable for a portion of the lease of such terminal, in each case to an extent equal to the Responsible Member's Percentage Interest; provided, however, that, if the Responsible Member determines not to engage in such terminal operations, both Members shall use their best efforts to mitigate such liability, through sublease, negotiations for lease termination with the affected port or otherwise as may be agreed by the Members acting reasonably and in good faith.

11.4 Certificate of Cancellation. When all debts, liabilities and obligations have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets have been distributed to the Members, a certificate of cancellation shall be executed in duplicate and verified by all Members or the Liquidating Trustee, which certificate shall set forth the information required by the Delaware Limited Liability Company Act. Duplicate originals of the certificate of cancellation shall be delivered to the Secretary of State.

11.5 Effect of Filing Certificate of Cancellation. Upon the issuance of the certificate of cancellation, the existence of the LLC shall cease. The Members or the Liquidating Trustee shall have authority to distribute any LLC property discovered after dissolution, convey real estate and take such other action as may be necessary on behalf of and in the name of the LLC.

11.6 Withdrawal or Reduction of Members' Capital Contributions. A Member shall not receive out of the LLC's property any part of its Capital Contribution until all liabilities of the LLC, except liabilities to Members on account of their Capital Contributions, have been paid or provided for or there remains property of the LLC sufficient to pay them.

11.7 Member's Purchase Option.

(a) Notwithstanding the foregoing provisions of this Section 11, upon the occurrence of any of the events set forth in Subsections (a), (d), (e), (h), (i), (j), (k), (l), (n), (o) or (p) of Section 11.1, if the Responsible Member notifies the other Member in writing within thirty (30) days of receiving actual notice of such event that it does not wish to continue to engage in terminal operations, the other Member shall have the option, rather than continuing the LLC (unless dissolution as a result of such event has occurred as a matter of law) pursuant to the first paragraph of Section 11.1, or dissolution and distribution of assets pursuant to the foregoing provisions of this Section 11, to purchase, or to have an Affiliate purchase, the Responsible Member's Percentage Interest in the LLC at the purchase price determined pursuant to Section 11.7(b). Such option shall be exercised by the delivery of written notice to the Responsible Member and the Board of Managers. Such Member may exercise such option at any time during a period of sixty (60) days after the date on which the Board of Managers and the exercising Member receives actual knowledge of any such event. Such purchase shall be completed within ninety (90) days of giving of such notice, plus any reasonable time required to ascertain the purchase price pursuant to Section 11.7(b).

(b) The purchase price to be paid for a Percentage Interest subject to this Agreement in the event of any option purchase pursuant to Section 11.7(a) shall be equal to the agreed value of the LLC multiplied by the Percentage Interest being transferred, without discount based on ownership of a minority interest and without premium for any reason. In the event of any transfer where the value is not agreed to by the parties, the LLC shall engage an appraiser to determine the value of the LLC. If the Members cannot agree on an appraiser, the LLC shall engage three appraisers who are skilled in appraising businesses of a size comparable to the LLC. In such case, each Member shall select one appraiser and the appraisers so selected shall select the third appraiser. If there are three appraisers and they are unable to agree unanimously as to the value of the LLC, then the decision of two of the three shall be binding for all purposes.

(c) Except as provided in the last sentence of this Section 11.7(c), the payment by the terminating Member of the purchase price pursuant to Section 11.7(b) shall be in lieu of any other right, claim recourse or remedy by either Member or its Affiliates against the other Member or its Affiliates under this Agreement, any other Definitive Agreement, or any agreement entered into pursuant to Section 4.4, or in any way relating to the business relationship between the Members and their Affiliates envisioned by this Agreement, and the Definitive Agreement or any such other agreement, and the other transactions contemplated hereby and thereby. Notwithstanding any sale pursuant to Section 11.7(a) and (b), both Members and each of its Affiliates liable therefor, shall remain liable for any breach of this Agreement, or any other Definitive Agreement or such other agreement occurring, and any indemnity and other obligations arising, prior to the sale, under this Agreement or any other Definitive Agreement or such other agreement.

11.8 Damages. In the event of any violation of Sections 4.2, 4.15 or 12.11, the non-breaching Member may be awarded and may recover any damages sustained as a result of such violation, except that in no event shall such non-breaching party be entitled to recover any special or punitive damages.

11.9 [RESERVED]

11.10 Sale of the Vessels of Matson.

(a) Notwithstanding any provision of this Agreement to the contrary, if Matson sells or otherwise disposes of vessels with the result that Matson's volume of business enjoyed by the LLC prior to such sale or disposition reduces by eighty percent (80%) or more (a "Vessel Disposition"), and if the purchaser or charterer of such vessels does not enter into a stevedoring contract assuring the LLC of a volume comparable to the volume of business being enjoyed by the LLC prior to the Vessel Disposition at rates and on terms substantially the same as those applicable to Matson, then such sale shall be treated as an event causing dissolution pursuant to Section 11.1(p), and SSA Ventures may, at its option, elect to dissolve and wind up the LLC.

(b) If the Vessel Disposition occurs at any time prior to the later of July 9, 2006 or the consolidation of the LLC's terminal operations in the Port of Oakland by means of a new lease, and if SSA Ventures elects to dissolve the LLC by reason thereof, Matson (directly or through MVI) shall pay to SSA Ventures an amount equal to all distributions made by the LLC to MVI pursuant to Section 8.1 of this Agreement at any time on or prior to such Vessel Disposition, plus or minus, as the case may be, all increases or decreases in the Capital Account of MVI from the amount set forth in Section 6.6; provided, however, that such amount payable by Matson shall be reduced by (x) any distributions made by the LLC to MVI or SSA Ventures pursuant to Section 8.1 (plus any increase in their respective Capital Accounts) attributable to the LLC's profit margin on work performed by the LLC for third parties who have been historic customers of MTI, and (y) any distributions made to SSA Ventures pursuant to Section 8.1 (or any increase in its Capital Account) attributable to improved profit margins recognized by the LLC as a result of physical consolidation of the LLC terminals in any West Coast port. Neither Matson nor any of its Affiliates shall have any obligation to make any payment under this Section 11.10 with respect to a Vessel Disposition occurring on or after the later of July 9, 2006 or the consolidation of the LLC's terminal operations in the Port of Oakland by means of a new lease.

(c) Except as provided in the last sentence of this Section 11.10(c), the payment pursuant to Section 11.10(b) shall be in lieu of any other right, claim recourse or remedy by either Member or its Affiliates against the other Member or its Affiliates under this Agreement, any other Definitive Agreement, or any agreement entered into pursuant to Section 4.4, or in any way relating to this business relationship between the Members and their Affiliates envisioned by this Agreement, and the Definitive Agreement or any such other agreement, and the other transactions contemplated hereby and thereby. Notwithstanding any payment pursuant to Section 11.10(b), both Members and each of its Affiliates liable therefor, shall remain liable for any breach of this Agreement, or any other Definitive Agreement or such other agreement occurring, and any indemnity and other obligations arising, prior to the payment, under this Agreement or any other Definitive Agreement or such other agreement.

(d) The Members acknowledge and agree that any payments to be made pursuant to Section 11.10(b) is liquidated damages but is not a penalty, and that the provisions of this Agreement providing for the payment of the same are completely and entirely reasonable under the circumstances existing at the time this Agreement is made.

Section 12 - MISCELLANEOUS

12.1 Notice. Except for notices specifically provided for in this Agreement, any notice, offer, acceptance, demand, request, consent or other communication required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given or made either (1) when delivered personally to the party to whom it is directed (or any officer or agent of such party), or (2) three (3) days after being deposited in the United States express

mail, certified or registered, postage prepaid, return receipt requested, and properly addressed to the party to whom it is directed, or (3) faxed to a Member's fax number. A communication will be deemed to be properly addressed if sent to a party at the address or fax number provided in Exhibit A.

The LLC or any Member may at any time during the term of this Agreement change the address to which notices and other communications directed to it must be sent by providing written notice of a new address to the other parties to this Agreement. Any such change of address will be effective ten (10) days after such notice is given.

12.2 Governing Law. This Agreement will be construed and the rights, duties and obligations of the parties will be determined in accordance with the laws of the State of Delaware without regard to its choice of law rules.

12.3 Successors and Assigns. This Agreement will bind and benefit the parties and their respective heirs, executors, legal representatives and permitted successors and assigns. Nothing contained in this Section 12.3 will be construed to permit any assignment or conveyance of any interest in the LLC not otherwise expressly permitted elsewhere in this Agreement.

12.4 Headings. Headings used in this Agreement have been included for convenience and ease of reference only and will not in any manner influence the construction or interpretation of any provision of this Agreement.

12.5 Entire Agreement; Amendment. This Agreement and the Definitive Agreements represents the entire understanding of the parties with respect to its subject matter. There are no other prior or contemporaneous agreements, either written or oral, among the parties with respect to this subject. This Agreement may be amended only by a written document signed by all of the Members.

12.6 Waiver. No right or obligation under this Agreement will be deemed to have been waived unless evidenced by a writing signed by the party against whom the waiver is asserted, or its duly authorized representative. Any waiver will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance in any other instance, in any other respect, or at any other time.

12.7 Severability. The parties intend that this Agreement be enforced to the greatest extent permitted by applicable law. Therefore, if any provision of this Agreement, on its face or as applied to any person or circumstance, is or becomes unenforceable to any extent, the remainder of this Agreement and the application of that provision to other persons or circumstances, or to any other extent, will not be impaired.

12.8 Attorneys' Fees. If any litigation or other dispute resolution proceeding is commenced between parties to this Agreement to enforce or determine the rights or responsibilities of such parties, the prevailing party or parties in any such proceeding will be entitled to receive, in addition to such other relief as may be granted, its reasonable attorneys' fees, expenses and costs incurred preparing for and participating in such proceeding.

12.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute a single agreement. Executed facsimile signature pages shall be treated as originals.

12.10 Waiver of Action for Partition. For the term of the LLC and for the period of the winding up of its business following dissolution, each party irrevocably waives any right it may have to maintain any action for partition with respect to any of the LLC's assets.

12.11 Competing Interests; Right of First Refusal.

(a) Except as may be permitted under the terms of Sections 12.11(b), (c), (d) and (e) below, the Members agree that neither they nor any of their Affiliates shall engage in a similar business to that of the LLC in the States of California, Oregon or Washington without the unanimous approval of all of the Members; provided, that, without seeking or obtaining the consent of all of the Members, SSA or its Affiliates may (i) provide stevedoring and terminal services to COSCO in Southern California (either as an independent contractor or in a joint venture or similar arrangement with COSCO), (ii) participate as a minority shareholder in or vendor of services to the Centennial Stevedoring Services, Inc. joint venture in Oakland and Los Angeles, (iii) provide stevedoring and terminal services for breakbulk, bulk cargo and other handling operations unrelated to container gantry crane supplied services, (iv) provide lines handling services in any terminal, (v) provide container and equipment maintenance, power shop services, crane maintenance, electronic data interchange or other information services to third party customers conducted at or as part of facilities of such third party customers, or (vi) provide stevedoring and terminal services at Terminal 2 in Portland, Oregon.

(b) Subject to the terms expressed in Sections 12.11(c), (d) and (e), the Members agree that if they or any of their Affiliates desire to undertake any business opportunity or activity (a "Business Opportunity") that is within the scope of the primary purpose of the LLC and not, as to SSA, subject to any of the exceptions for SSA referred to in clauses (i) through (vi) of Section 12.11(a), the LLC shall have a right of modification and first refusal in accordance with the provisions of Section 12.11(c) to undertake such Business Opportunity and if the LLC declines to undertake such Business Opportunity following compliance by the Members with the provisions of Sections 12.11(c), (d) and (e), as applicable, the Member or its Affiliate desiring to undertake such Business Opportunity shall be free to do so.

(c) To implement the right of first refusal, the Member proposing a Business Opportunity (the "Proposing Member") shall provide the other Member (the "Receiving Member") with a reasonably detailed proposed business plan (a "Proposed Business Plan") setting forth a forecast of the capital expenditures required for such Business Opportunity and an operating plan for such Business Opportunity for its first three years, together with a proposed equity participation

and financing plan for such Business Opportunity. Following the submission of the Proposed Business Plan and for the next thirty (30) days, management of the Proposing Member and management of the Receiving Member shall work in good faith to develop jointly the Proposed Business Plan. If the Business Opportunity would involve the LLC entering into a new joint venture or similar enterprise with an unrelated party to lease and operate a container terminal in the ports of Los Angeles/Long Beach, Oakland/San Francisco or Seattle/Tacoma (other than with COSCO in the port of Los Angeles/Long Beach) that would provide stevedoring and related services to third- party customers similar to such services performed by the LLC at such locations (any such Business

Opportunity being a "Core Business Opportunity"), then, unless such Core Business Opportunity is approved by both of the Members and pursued by the LLC, neither of the Members, or their Affiliates, shall be permitted to pursue such Core Business Opportunity. The good faith joint development of any Business Opportunity shall include, but not be limited to (A) modifications relating to fair and reasonable allocations of interest participations therein based upon the Percentage Interests of the Members and the consideration made, contributed or otherwise given by any other person or proposed new member with respect thereto, and (B) modifications relating to reasonable use of, and the review of reasonable alternatives to, additional capital or guaranteed financing required for such Business Opportunity. If (i) the Business Opportunity would not constitute a Core Business Opportunity, and (ii) the Receiving Member declines to approve the pursuit of the Business Opportunity by the LLC for any reason within thirty (30) days following presentation of the Business Opportunity by the Proposing Member, and (iii) the Proposing Member has engaged in good faith negotiations with the Receiving Member over the terms of or modifications to the Business Opportunity (or offered to engage in good faith negotiations declined by the Receiving Member), then the Proposing Member and/or its Affiliates may pursue the Business Opportunity independent of the LLC on substantially the same basis as set forth in its Proposed Business Plan with such modifications to the Business Plan as the Proposing Member shall deem appropriate; provided, that the Proposing Member shall extend back to the LLC the right to pursue the Business Opportunity if, in the course of implementing the Business Opportunity, the Proposing Member or its Affiliates elect to pursue the Business Opportunity on a basis substantially similar to that described in any alternative Business Plan proposed by the Receiving Member.

(d) SSA Ventures and COSCO Terminals America, Inc., a Delaware corporation (**"**COSCO Terminals**"**), formed Pacific Maritime Services, L.L.C., a Delaware limited liability company (**"**PMS**"**), effective July 1, 2001, to operate a marine terminal at the Pacific Container Terminal on Pier J at the Port of Long Beach. SSA has provided Matson with certain financial information concerning PMS. Matson or MVI shall be entitled, on or before [June 7, 2002], to make an offer to purchase from SSA Ventures an ownership interest in PMS. The structure of any such purchase would be subject to negotiation with SSA and SSA Ventures, but would be expected to involve a direct or indirect purchase of not more than 35% of SSA Venture's membership interest in PMS. If Matson or MVI makes an offer to purchase an ownership interest in PMS, during the thirty (30) days following the offer the chief executive officers of Matson and SSA shall meet to discuss the terms and conditions of such offer, but SSA and SSA Ventures shall have no obligation to accept the offer if they conclude, in their sole discretion, that the consideration, terms or conditions in such offer are unsatisfactory. Any purchase of an ownership interest in PMS shall be subject to the approval of COSCO Terminals. If Matson or MVI does not acquire a direct or

indirect interest in PMS, SSA Ventures agrees that in connection with any marketing efforts or negotiations by personnel of SSA Ventures or SSA to attract potential shipping line customers to container terminals located in the Port of Los Angeles/Long Beach, SSA Ventures or SSA, as applicable, shall invite a representative of Matson or MVI to participate in any such marketing efforts or negotiations to ensure that the LLC is not prejudiced with respect to any business opportunity to attract customers to the facilities of the LLC. Notwithstanding the foregoing, Matson and MVI acknowledges that the requirements of customers may be better served at the facilities operated by PMS than those operated by the LLC.

(e) If SSA at any time has an opportunity involving the acquisition of an interest in Centennial Stevedoring or in Yusen Terminals, Inc. that, when added to SSA's existing minority interest in Centennial Stevedoring would give SSA an effective controlling interest in either entity, then SSA shall propose either (i) that the LLC acquire the available interest in Centennial Stevedoring from Yusen Terminals, Inc. or acquire the shares of Yusen Terminals, Inc., with SSA retaining its current minority interest in Centennial Stevedoring, or (ii) that the transaction be structured in a manner such that SSA and Matson, upon consummation of the transaction, will hold, directly or indirectly, equity interests in Centennial-Stevedoring in equal percentages to the respective Percentage Interests of SSA Ventures and MVI in the LLC, in which case SSA would contribute its minority interest in Centennial Stevedoring and such minority interest will be valued (for purposes of determining Matson's contribution and the balance of SSA's contribution, if any) on the same basis as the interest in Centennial Stevedoring or Yusen Terminals, Inc. being acquired. If Matson declines to approve or participate in the acquisition of such an interest in Centennial Stevedoring or Yusen Terminals, Inc., then SSA and/or its Affiliates shall be permitted to acquire that interest. If SSA or its Affiliates acquires a controlling interest in Centennial Stevedoring or an interest in Yusen Terminals, Inc., SSA shall be entitled to pursue the development of container and other terminal services business through Centennial Stevedoring or Yusen Terminals, Inc., as the case may be, in a manner comparable to the activities of Centennial Stevedoring or Yusen Terminals, Inc. prior to the time of the acquisition, including business development that would be competitive with the business of the LLC.

12.12 Rent Adjustment. The Members agree that any retroactive rent adjustment imposed by the Port of Seattle as a result of Matson not entering into a new terminal lease at such port due to the provisions of this Agreement shall be an expense of, and be paid by, the LLC up to an amount not to exceed $2,000,000.

12.13 Oakland Lease Benefit. The Members acknowledge that Matson's lease with the Port of Oakland, which it is transferring to the LLC, and which currently runs through the year 2008, is at a favorable rate in light of current market rates. Article XI of the Stevedoring, Terminal, CFS, Vehicle Processing and Maintenance and Repair Services Agreement dated as of July 10, 1999 between the LLC and Matson (the "Matson Stevedoring Agreement") provides for adjustments to the rates and charges in the Rate Schedules (such term being used in this Agreement as defined in the Matson Stevedoring Agreement) on the basis of changes in Rent (such term being used in this Agreement as defined in the Matson Stevedoring Agreement) and other factors. Notwithstanding the adjustments contemplated in Article XI of the Matson Stevedoring Agreement, during the period following the consolidation of the LLC's terminal operations in the Port of Oakland at Berths 57-59 (the "New Oakland Terminal") through December 31, 2005, the rates and

***Portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission. Such portions have been omitted pursuant to a request for confidential treatment.**

charges under the Matson Stevedoring Agreement for services in the Port of Oakland shall not be adjusted for any increases in Rent, and the Rent component of Matson's throughput rate in the Port of Oakland shall be based on an annualized cost of $***** (which equates to $***** per lift based on Matson's current volume of * lifts per year), subject to adjustment for significant variances in Matson's throughput volume as described below. Commencing on January 1, 2006, the rates and charges under the Matson Stevedoring Agreement for services in the Port of Oakland shall be adjusted on a phased-in basis for each calendar quarter to reflect the increase in Rent at the New Oakland Terminal, with the Rent component of Matson's throughput rate and Matson's transshipment rate in the Port equal to the amounts set forth on Exhibit B attached hereto, subject to adjustments to the Port of Oakland Tariff or for significant variances in Matson's throughput volume as described below. The rates and charges set forth on Exhibit B, which were based on the ratio of Matson's projected volume of * loaded

TEU's to Matson's projected throughput, shall be adjusted on January 1, 2006 and shall be based on the ratio of Matson's year 2005 actual loaded TEU volume to actual throughput. Subsequently, on each July 1 commencing on July 1, 2006, the rates and charges set forth on Exhibit B shall be further adjusted and shall be based on the ratio of Matson's actual loaded TEU volume to actual throughput during the twelve months just ended. In addition, the rates and charges set forth on Exhibit B for the periods commencing on January 1, 2006 shall be adjusted at any point during any year (i) to reflect changes in the Port of Oakland Tariff, or (ii) if Matson's actual throughput volume at Oakland Berths 57-59 deviates by more than * annual container handlings. Commencing on January 1, 2009 and thereafter the throughput and transshipment rates shall be adjusted (i) under the formula provided in Article XI of the Matson Stevedoring Agreement, (ii) for significant annualized throughput variances in excess of * container handlings, (iii) to reflect changes in the Port of Oakland Tariff, and (iv) on each July 1 based on the ratio of Matson's actual loaded TEU volume to actual throughput during the 12 months just ended.

12.14 Material Facts. During the period that it is a Member, each Member covenants that it will disclose to the LLC and the other Members, facts of which such Member has actual knowledge, the nondisclosure of which could materially adversely affect the LLC or the conduct of its business; provided, however, that this provision shall not require the disclosure of confidential or proprietary information related to the conduct of a Member's own business.

12.15 Disputes.

(a) Negotiations. The Members, promptly and in good faith, shall attempt to resolve any dispute arising under this Agreement by negotiation between the chief executive officers of MVI and SSA Ventures. Either Member may give to the other Member written notice of any dispute and, within ten (10) days after the giving of such notice, the recipient of such notice shall give a written response to the other Member. Each notice of a dispute and each response to any such notice shall include a statement of the position of the party giving such notice or response in respect of such dispute and a summary of arguments supporting such position. Within fifteen (15) days after the giving of a notice of a dispute under this subsection, such chief executive officers shall meet at a mutually acceptable time and place, and thereafter as often as either of them reasonably deem necessary, to attempt to resolve such dispute. All reasonable requests for information made by any Member to the other shall be honored. If any dispute has not been resolved by negotiation pursuant to this subsection within thirty (30) days after the giving of

the notice of such dispute, then the other Member may initiate mediation of such dispute pursuant to Section 12.15(b). All negotiations pursuant to this subsection shall be confidential and shall be treated as compromise and settlement negotiations. Nothing said or disclosed, and no document produced, in the course of such negotiations which is not independently discoverable shall be offered, or received as evidence, or used for impeachment or for any other purpose in any arbitration or litigation.

(b) Mediation. All disputes arising out of this Agreement not resolved pursuant to Section 12.15(a), shall first be submitted to mediation, which shall focus on the needs of everyone concerned and seek to solve problems cooperatively with an emphasis on dialogue and accommodation. The goal of the mediation shall be to preserve and enhance relationships by developing a mutually acceptable resolution that will fulfill the needs of everyone concerned. Any Member desiring mediation may begin the process by giving the other Members a written Request to Mediate, describing the issues involved and inviting the other Members to join with the requesting Member to name a mutually agreeable mediator and a time frame for the mediation meeting. The Members and the mediator may adopt any procedural format that seems appropriate for the particular dispute. The contents of all discussion during the mediation shall be confidential and nondiscoverable in subsequent arbitration or litigation, if any. If the Members can agree upon a mutually acceptable resolution with respect to the dispute, it shall be reduced to writing, signed by all Members, and the dispute shall be at an end. If the result of the mediation is a recognition that the dispute cannot be successfully mediated, or if a Member refuses to mediate or to name a mutually acceptable mediator within a period of time that is reasonable considering the urgency of the disputed matter, or if for any reason mediation is not concluded by settlement of the dispute within thirty (30) days after the giving of the Request to Mediate, then any Member who desires dispute resolution may seek arbitration.

(c) Arbitration. Any dispute, controversy or claim among the Members arising out of or relating to this Agreement, which has not been settled by mediation will be settled by arbitration in accordance with the commercial rules of the American Arbitration Association as then in effect. In any arbitration hereunder, each Member will select one arbitrator and the two arbitrators so-selected shall select a third. The three arbitrators selected will each have one vote, and a majority vote of the arbitrators will be binding. The arbitration will take place in Los Angeles, California. The arbitrators will apply the law of the State of Delaware without regard to its choice of law principles. Judgment upon the award rendered by the arbitrators may be entered in any court for a judicial acceptance of the award and an order of enforcement. Each party will bear its own expenses of the arbitration, but the Arbitrators' fees and costs will be borne equally between the parties participating in the arbitration.

12.16 Refund Allocations. All refunds authorized and/or paid by Pacific Maritime Association to MVI or any Affiliate thereof, or to SSA or any Affiliate thereof, relating to their respective activities for periods prior to the date of the contribution of assets referred to in Section 6.1 above by MVI and SSA Ventures, shall remain the property of MVI and SSA or their respective Affiliates, and all refunds authorized and/or paid by Pacific Maritime Association relating to the activities of the LLC for periods on or after the date of such contributions shall be the property of, and shall be immediately paid over to the LLC.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS OF THEIR AGREEMENT, the parties have executed this Amended and Restated Limited Liability Company Agreement as of the year and day first above written.

SSA VENTURES, INC.

By: /s/ Charles Sadoski
Name: Charles Sadoski
Title: Senior Vice President

MATSON VENTURES, INC.

By: /s/ C. Bradley Mulholland
Name: C. Bradley Mulholland
Title: President

EXHIBIT A

MEMBER	PERCENTAGE INTEREST
SSA Ventures, Inc. 1131 S.W. Klickitat Way Seattle, WA 98134 Attention: Jon Hemingway Fax: (206) 623-0179	65%
Matson Ventures, Inc. 333 Market Street, 30th Floor San Francisco, CA 94120 Attention: C. Bradley Mulholland Fax: (415) 947-4234	35%
TOTAL:	100.0%

***Portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission. Such portions have been omitted pursuant to a request for confidential treatment.**

Oakland Berths 57/59 - Facility Rate **EXHIBIT B**

Est Terminal Completion Date = 8/1/02

Port of Oakland Facility Rate to SSAT

Year	From	To	$/LD TEU
1	8/1/02	7/31/03	$ *
2	8/1/03	7/31/04	$ *
3	8/1/04	7/31/05	$ *
4	8/1/05	7/31/06	$ *
5	8/1/06	7/31/07	$ *
6	8/1/07	7/31/08	$ *
7	8/1/08	7/31/09	$ *
8	8/1/09	7/31/10	$ *
9	8/1/10	7/31/11	$ *
10	8/1/11	7/31/12	$ *
11	8/1/12	7/31/13	$ *
12	8/1/13	7/31/14	$ *
13	8/1/14	7/31/15	$ *
14	8/1/15	7/31/16	$ *

Matson to SSAT	Throughput	Transhipment
Annual LD TEU	*	
Rate\TEU	Annual Cost	
$ *	$ *	
Ttl Annual Cost	$ *	
Throughput	*	
$/Move	$ *	
Final Rate	$ *	$ *
Initial Rate	$ *	$ *
Variance	$ *	$ *

Equal Increases	*	*
$/Increase	$ *	$ *
		50% = $*

SSAT Facility Rate to Matson Navigation Company

	Effective Dates		Facility	Approx Annual	+ Transhipment $ (per Move)	
	From	To	$/Thrpt	MNC Facility $ †	Load	Empty
	7/1/01	6/30/02	$ *	$ *	Labor + $ *	Labor
	7/1/02	6/30/03	$ *	$ *	Labor + $ *	Labor
	7/1/03	6/30/04	$ *	$ *	Labor + $ *	Labor
	7/1/04	6/30/05	$ *	$ *	Labor + $ *	Labor
Incrs	7/1/05	12/31/05	$ *	$ *	Labor + $ *	Labor
1	1/1/06	3/31/06	$ *		Labor + $ *	Labor
2	4/1/06	6/30/06	$ *		Labor + $ *	Labor
3	7/1/06	9/30/06	$ *		Labor + $ *	Labor
4	10/1/06	12/31/06	$ *	$ *	Labor + $ *	Labor
5	1/1/07	3/31/07	$ *		Labor + $ *	Labor
6	4/1/07	6/30/07	$ *		Labor + $ *	Labor
7	7/1/07	9/30/07	$ *		Labor + $ *	Labor
8	10/1/07	12/31/07	$ *	$ *	Labor + $ *	Labor
9	1/1/08	3/31/08	$ *		Labor + $ *	Labor
10	4/1/08	6/30/08	$ *		Labor + $ *	Labor
11	7/1/08	9/30/08	$ *		Labor + $ *	Labor
12	10/1/08	12/31/08	$ *	$ *	Labor + $ *	Labor
13	1/1/09	6/30/09	$ *		Labor + $ *	Labor
14	7/1/09	6/30/10	$ *	$ *	Labor + $ *	Labor

† Approximate Annual MNC Facility Cost assumes equal quarterly divison of annual Loaded TEU volume.
+ Current Transhipment Labor Rate = $ *

Assumptions:

1 Annual loaded TEU volume remains at *

2 Loaded TEU includes units loaded with automobiles

Rates assume there are no Port of Oakland Tariff increases during this time period

Exhibit 10.2

PARENT COMPANY AGREEMENT

This Agreement is made as of April 24, 2002, by SSA Pacific Terminals, Inc., a Washington corporation (formerly known as Stevedoring Services of America, Inc.) ("SSA"), SSA Ventures, a Washington corporation ("SSA Ventures"), Matson Navigation Company, Inc., a Hawaii corporation ("Matson"), and Matson Ventures, Inc., a Hawaii corporation ("MVI").

Reference is made to that certain Amended and Restated Limited Liability Company Agreement of SSA Terminals, LLC, dated as of April 24, 2002 (the "LLC Agreement"), between SSA Ventures and MVI.

SSA agrees to be bound by all the provisions of the LLC Agreement specifically referring to obligations of and performance by SSA. Likewise, Matson agrees to be bound by all the provisions of the LLC Agreement specifically referring to obligations of and performance by Matson. In addition, SSA specifically agrees for the benefit of Matson and MVI only, in the absence of performance by SSA Ventures of any of its obligations or the exercise of any of its rights under the LLC Agreement at the time and in the manner required or permitted thereunder, as the case may be, to perform any such obligations or to exercise any such right as attorney-in-fact for SSA Ventures, and SSA Ventures, Matson and MVI hereby consent to such performance or exercise by SSA, and (b) Matson specifically agrees, for the benefit of SSA and SSA Ventures only, in the absence of performance by MVI of any of its obligations or the exercise of any of its rights under the LLC Agreement at the time and in the manner required or permitted thereunder, as the case may be, to perform such obligations or to exercise any such right as attorney-in-fact for MVI, and MVI, SSA and SSA Ventures hereby consent to such performance or exercise by Matson. SSA and Matson each hereby expressly waives, to the fullest extent permitted by law, any and all rights and benefits under any Delaware or other applicable law reducing or eliminating the obligation of a surety, including, without limitation, any law: (i) purporting to reduce the obligation of a surety upon the acceptance by a creditor of anything in partial satisfaction of an obligation; (ii) purporting to reduce a surety's obligations in proportion to the principal obligation; (iii) purporting to exonerate a surety because there is no liability upon the principal at the time of the incurring of the obligation; (iv) purporting to exonerate a surety if by any act of the creditor, without the consent of the surety, the original obligation of the principal is altered in any respect, or the remedies or rights of the creditor against the principal, in respect thereto, are in any way impaired or suspended; or (v) purporting to exonerate the surety to the extent that the creditor does not proceed against the principal, or pursue any other remedy in the creditor's power which the surety cannot pursue, and which would lighten the surety's burden.

[Signature Page Follows]

IN WITNESS OF THEIR AGREEMENT, the parties have executed this Parent Commitment Agreement as of the year and day first above written.

SSA PACIFIC TERMINALS, INC.

By: /s/ Charles Sadoski
Name: Charles Sadoski
Title: Senior Vice President

SSA VENTURES, INC.

By: /s/ Charles Sadoski
Name: Charles Sadoski
Title: Senior Vice President

MATSON NAVIGATION COMPANY, INC.

By: /s/ C. Bradley Mulholland
Name: C. Bradley Mulholland
Title: President

MATSON VENTURES, INC.

By: /s/ Kevin C. O'Rourke
Name: Kevin C. O'Rourke
Title: Vice President

BORROWER ASSIGNMENT, ASSUMPTION, AND RELEASE

This ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT (this "Assignment"), dated as of June 28, 2012, is by and among MATSON NAVIGATION COMPANY, INC., a Hawaii corporation, as assignor (the "Assignor"), ALEXANDER & BALDWIN HOLDINGS, INC., a Hawaii corporation, as assignee (the "Assignee") and BANK OF AMERICA, N.A., as administrative agent for the Lenders party to the Credit Agreement (defined herein) (the "Agent").

WHEREAS, the Assignor has entered into that certain Credit Agreement, dated as of June 4, 2012 (the "Credit Agreement"; capitalized terms used herein and not defined herein shall have the meanings set forth in the Credit Agreement), by and among the Assignor, as borrower, the Lenders party thereto and the Agent;

WHEREAS, the Assignor has agreed to assign to the Assignee all of its rights, interests, duties, obligations and liabilities in, to and under the Credit Agreement;

WHEREAS, the Assignee desires to accept the assignment of all of the Assignor's rights, interests, duties, obligations and liabilities in, to and under the Credit Agreement;

WHEREAS, the Assignor has requested that the Agent, on behalf of the Lenders, release the Assignor from all of its obligations under the Credit Agreement; and

NOW, THEREFORE, in consideration of the foregoing and of other good and valuable consideration, the receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment of Credit Agreement. Effective as of the date hereof, the Assignor hereby absolutely assigns, transfers and conveys to the Assignee all of its rights, interests, duties, obligations and liabilities in, to and under the Credit Agreement.

2. Assumption of Credit Agreement. Effective as of the date hereof, the Assignee hereby absolutely accepts the assignment described in Section 1 and assumes all of the duties, obligations and liabilities of the Assignor in, to and under the Credit Agreement to the same extent as if the Assignee had executed the Credit Agreement. The Assignee hereby ratifies, as of the date hereof, and agrees to be bound by the terms and provisions of the Credit Agreement and accepts all of the Assignor's rights, interests, duties, obligations and liabilities thereunder. Without limiting the generality of the foregoing terms of this paragraph 2, the Assignee hereby (a) acknowledges, agrees and confirms that (i) by its execution of this Assignment, the Assignee shall be deemed to be a party to the Credit Agreement and the "Borrower" for all purposes of the Credit Agreement, (ii) the Assignee shall have all of the obligations of the Borrower thereunder as if it had executed the Credit Agreement and (iii) this Assignment shall be deemed a "Loan Document" for all purposes of the Credit Agreement, (b) certifies that the representations and warranties set forth in Article V of the Credit Agreement are true and correct in all material respects (or, if such representation or warranty is qualified by materiality or material adverse effect, it is true and correct in all respects as drafted) as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (or, if such representation or warranty is qualified by materiality or material adverse effect, it is true and correct in all respects as drafted) as of such earlier date, (c) agrees to be bound by the affirmative and negative covenants set forth in Articles VI and VII of the Credit Agreement and (d) promises to pay to the Lenders and the Agent all Obligations outstanding at, or incurred on or after, the date hereof, as provided in the Loan Documents.

3. Release. The Agent, on behalf of the Lenders, confirms that, from and after the execution and delivery of this Assignment by each of the Assignor and the Assignee, the Assignor is

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released and forever discharged from any duties, obligations and liabilities of the Borrower under the Credit Agreement. The release contained herein is intended to be final and binding upon the parties hereto, the Lenders and their respective heirs, successors and assigns. Each party agrees to cooperate in good faith and to execute such further documents as may be necessary to effect the provisions of this Assignment.

4. Acknowledgement. Each of the parties hereto acknowledges that its execution and delivery of this Assignment has not been the result of any coercion or duress. The Assignor acknowledges that upon execution and delivery of this Assignment and execution of the Guaranty, it will be a Guarantor under the Guaranty.

5. Notices to Assignee. The address of the Assignee for purposes of all notices and other communications is 555 12th Street, Oakland, CA 94611, Attention of Chief Financial Officer and Treasurer (Facsimile No. 510-628-7300).

6. No Modifications. Except as expressly provided for herein, nothing contained in this Assignment shall amend or modify, or be deemed to amend or modify, the Credit Agreement or any other Loan Document.

7. Governing Law. This Assignment shall in all respects be governed by, and construed in accordance with, the internal substantive laws of the State of New York, including all matters of construction, validity or interpretation of this Assignment.

8. Counterparts. This Assignment may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart by of this Assignment by telecopy or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Assignment.

9. Binding Nature. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment as of the date set forth above.

ASSIGNOR:

MATSON NAVIGATION COMPANY, INC.,
a Hawaii corporation

By: _____
Name:
Title:

ASSIGNEE:

ALEXANDER & BALDWIN HOLDINGS, INC.,
a Hawaii corporation

By: _____
Name:
Title:

AGENT:

BANK OF AMERICA, N.A., as Agent

By: _____
Name:
Title:

Exhibit 10.4

COMPANY ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT

This COMPANY ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT (this "Assignment"), dated as of June 29, 2012, is by and among MATSON NAVIGATION COMPANY, INC., a Hawaii corporation, as assignor (the "Assignor"), MATSON, INC., a Hawaii corporation, as assignee (the "Assignee") and the holders of Notes listed on the signature pages hereto (collectively, the "Holders").

WHEREAS, the Assignor has entered into that certain Second Amended and Restated Note Agreement, dated as of June 4, 2012 (the "Note Purchase Agreement"; capitalized terms used herein and not defined herein shall have the meanings set forth in the Note Purchase Agreement), by and among the Assignor and the Holders;

WHEREAS, the Assignor has agreed to assign and delegate to the Assignee all of its rights, interests, duties, obligations and liabilities in, to and under the (i) Note Purchase Agreement (including those related to the issue, purchase and sale of the Series C Notes) and (ii) the Series B Notes;

WHEREAS, the Assignee desires to accept the assignment and delegation of all of the Assignor's rights, interests, duties, obligations and liabilities in, to and under the (i) Note Purchase Agreement (including those related to the issue, purchase and sale of the Series C Notes) and (ii) the Series B Notes;

WHEREAS, the Assignor has requested that the Holders release the Assignor from all of its obligations under the (i) Note Purchase Agreement (including those related to the issue, purchase and sale of the Series C Notes) and (ii) the Series B Notes; and

NOW, THEREFORE, in consideration of the foregoing and of other good and valuable consideration, the receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment of the Note Purchase Agreement. Effective as of the date hereof, the Assignor hereby absolutely assigns, transfers, conveys and delegates to the Assignee all of its rights, interests, duties, obligations and liabilities in, to and under (i) the Note Purchase Agreement (including those related to the issue, purchase and sale of the Series C Notes) and (ii) the Series B Notes.

2. Assumption of the Note Purchase Agreement. Effective as of the date hereof, the Assignee hereby absolutely accepts the assignment and delegation described in Section 1 and assumes all of the duties, obligations and liabilities of the Assignor in, to and under the (i) Note Purchase Agreement (including those related to the issue, purchase and sale of the Series C Notes) and (ii) the Series B Notes to the same extent as if the Assignee had executed the Note Purchase Agreement. The Assignee hereby ratifies, as of the date hereof, and agrees to be bound by the terms and provisions of the Note Purchase Agreement (including those related to the issue, purchase and sale of the Series C Notes) and Series B Notes (including the increase in the coupon rate thereof from 4.79% per annum to 5.79% per annum as provided for in paragraph 2A of the Note Purchase Agreement) and accepts all of the Assignor's rights, interests, duties, obligations and liabilities thereunder. Without limiting the generality of the foregoing terms of this Section 2, the Assignee hereby (a) acknowledges, agrees and confirms that (i) by its execution of this Assignment, the Assignee shall be deemed to be a party to the Note Purchase Agreement as the "Company", (ii) the Assignee shall have all of the obligations of the Company thereunder as if it had executed the Note Purchase Agreement, and (iii) this Assignment shall be deemed a "Transaction Document" for all purposes of the Note Purchase Agreement, (b) certifies that the representations and warranties set forth in paragraph 8 of the Note Purchase Agreement are true and correct as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, (c) agrees to be bound by the affirmative and negative covenants set forth in paragraphs 5 and 6 of the Note Purchase Agreement and (d) promises to

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pay to the Holders all obligations evidenced by the Notes and under the Note Purchase Agreement and the other Transaction Documents outstanding at, or incurred on or after, the date hereof, as provided in the Transaction Documents.

3. Release. The Holders confirm that, from and after the execution and delivery of this Assignment by each of the Assignor and the Assignee, the Assignor is released and forever discharged from any duties, obligations and liabilities of the Company under (i) Note Purchase Agreement (including those related to the issue, purchase and sale of the Series C Notes) and (ii) the Series B Notes. The release contained herein is intended to be final and binding upon the parties hereto, the Holders and their respective heirs, successors and assigns. Each party agrees to cooperate in good faith and to execute such further documents as may be necessary to effect the provisions of this Assignment.

4. Acknowledgement. Each of the parties hereto acknowledges that its execution and delivery of this Assignment has not been the result of any coercion or duress. The Assignor acknowledges that upon execution and delivery of this Assignment and execution of the Guaranty, it will be a Guarantor under the Multiparty Guaranty and the Indemnity and Contribution Agreement.

5. Notices to Assignee. The address of the Assignee for purposes of all notices and other communications is 555 12th Street, Oakland, CA 94611, Attention of Chief Financial Officer and Treasurer (Facsimile No. 510-628-7300).

6. No Modifications. Except as expressly provided for herein, nothing contained in this Assignment shall amend or modify, or be deemed to amend or modify, the Note Purchase Agreement or any other Transaction Document.

7. Governing Law. This Assignment shall in all respects be governed by, and construed in accordance with, the internal substantive laws of the State of New York, including all matters of construction, validity or interpretation of this Assignment.

8. Counterparts. This Assignment may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart by of this Assignment by telecopy or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Assignment.

9. Binding Nature. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment as of the date set forth above.

ASSIGNOR:

MATSON NAVIGATION COMPANY, INC.,
a Hawaii corporation

By: _____
Name:
Title:

By: _____
Name:
Title:

ASSIGNEE:

MATSON, INC.,
a Hawaii corporation

By: _____
Name:
Title:

By: _____
Name:
Title:

HOLDERS:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: _____
Name:
Title: Vice President

PRUCO LIFE INSURANCE COMPANY

By: _____
Name:
Title: Vice President

THE PRUDENTIAL LIFE INSURANCE COMPANY, LTD.

By: Prudential Investment Management (Japan), Inc., as Investment Manager

By: Prudential Investment Management, Inc., as Sub-Adviser

By: _____
Name:
Title: Vice President

GIBRALTAR LIFE INSURANCE CO., LTD.

By: Prudential Investment Management Japan Co., Ltd., as Investment Manager

By: Prudential Investment Management, Inc., as Sub-Adviser

By: _____
Name:
Title: Vice President

PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION

By: Prudential Investment Management, Inc., as investment manager

By: _____
Name:
Title: Vice President

PRUDENTIAL ARIZONA REINSURANCE UNIVERSAL COMPANY

By: Prudential Investment Management, Inc., as investment manager

By: _____
Name:
Title: Vice President

EXHIBIT 31.1

CERTIFICATION

I, Matthew J. Cox, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Matson, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ Matthew J. Cox
Matthew J. Cox, President and
Chief Executive Officer

Date: August 7, 2012

EXHIBIT 31.2

CERTIFICATION

I, Joel M. Wine, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Matson, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ Joel M. Wine
Joel M. Wine, Senior Vice President and
Chief Financial Officer

Date: August 7, 2012

EXHIBIT 32

Certification of Chief Executive Officer and
Chief Financial Officer Pursuant to
18 U.S.C. Section 1350, As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Matson, Inc. (the "Company") for the quarterly period ended June 30, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Matthew J. Cox, as President and Chief Executive Officer of the Company, and Joel M. Wine, as Senior Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to their knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Matthew J. Cox

Name: Matthew J. Cox
Title: President and Chief Executive Officer
Date: August 7, 2012

/s/ Joel M. Wine

Name: Joel M. Wine
Title: Senior Vice President and Chief Financial Officer
Date: August 7, 2012