

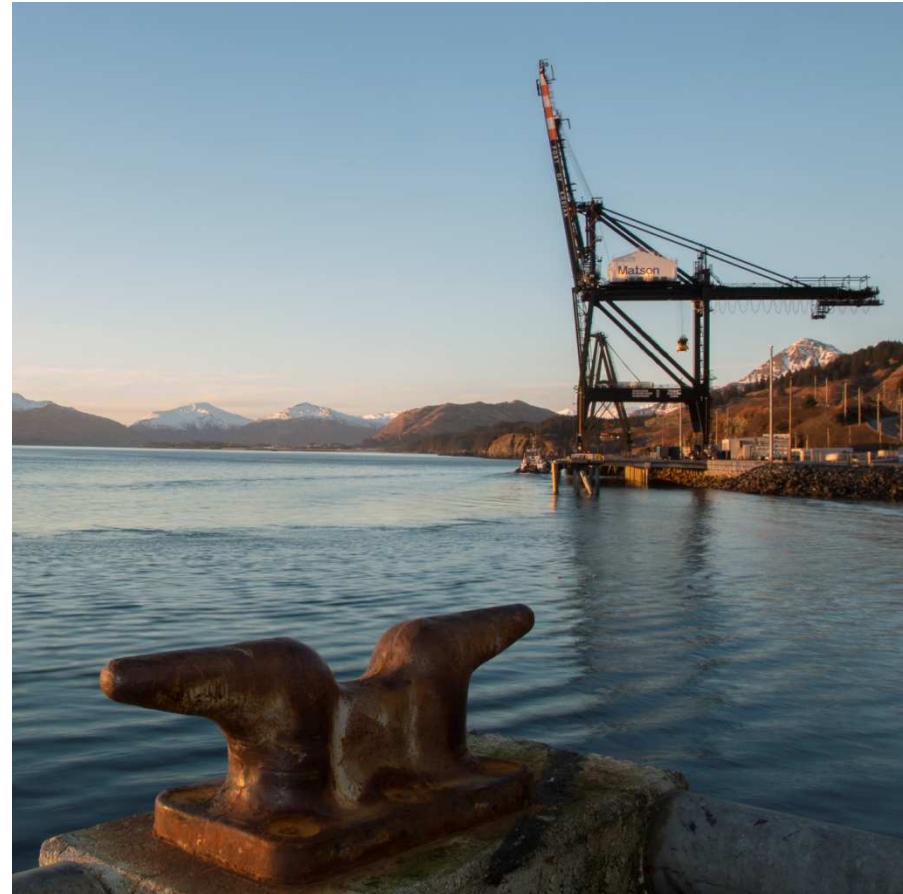


Forward Looking Statements

Statements made during this call and presentation that set forth expectations, predictions, projections or are about future events are based on facts and situations that are known to us as of today, November 7, 2016.

We believe that our expectations and assumptions are reasonable. Actual results may differ materially, due to risks and uncertainties, such as those described on pages 8-15 of our 2015 Form 10-K filed on February 26, 2016, and other subsequent filings by Matson with the SEC. Statements made during this call and presentation are not guarantees of future performance.

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



Opening Remarks

- Matson's 3Q2016 results came in below expectations
 - Hawaii container volume lower YOY due to the moderation of competitive gains and a lull in the market
 - Alaska volume lower than expected due to energy sector related macroeconomic headwinds and lower seafood harvest in 2016
- Strong demand for Matson's expedited China service
- Steady performance in Guam
- Significant investments during 3Q2016 underscore Matson's long-term commitment to and confidence in Hawaii and Alaska markets
- Expect 4Q2016 Ocean Transportation operating income to be approximately 15 percent lower YOY

Matson[®]
LOGISTICS

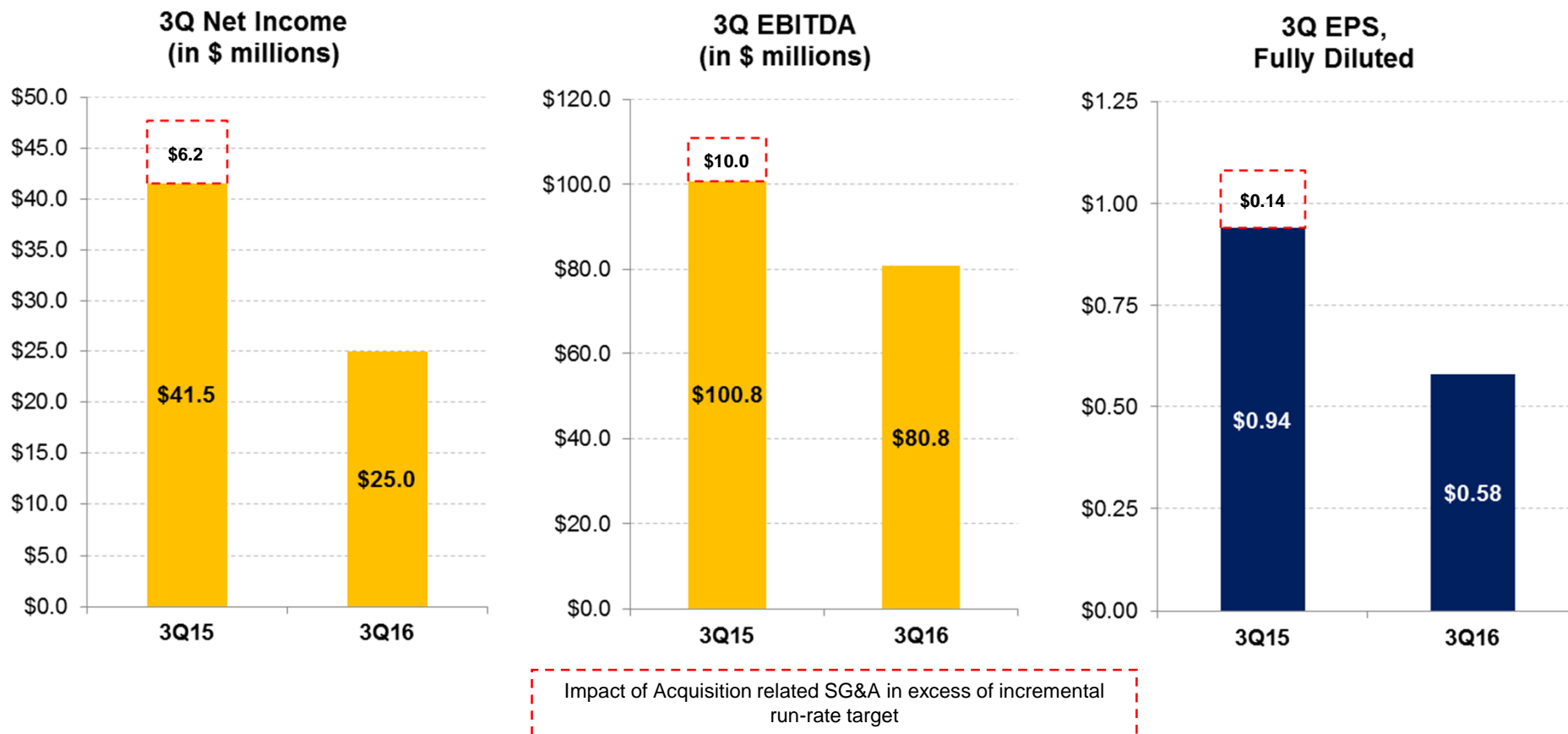
Completed acquisition of

SPAN ALASKA
TRANSPORTATION LLC

**Ordered Two Kanaloa Class
ConRo's**

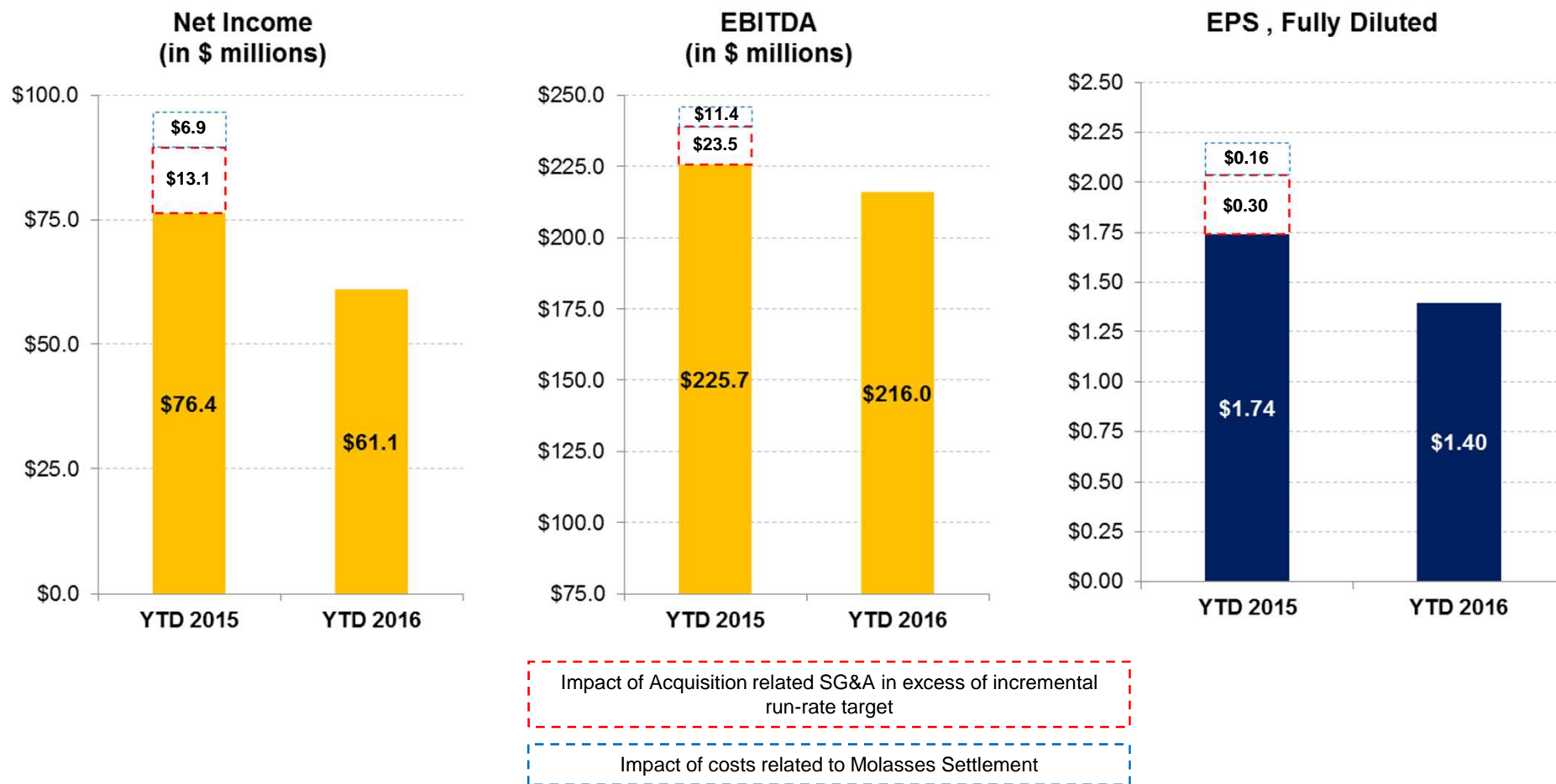


Net Income, EBITDA, EPS – 3Q 2016



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

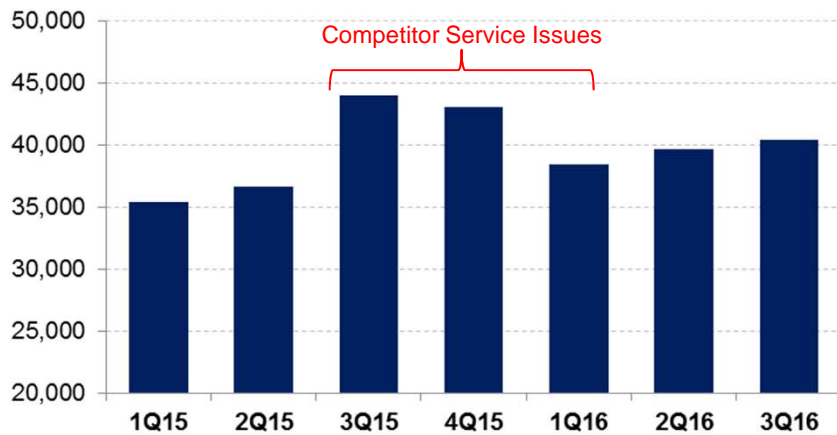
Net Income, EBITDA, EPS – YTD 2016



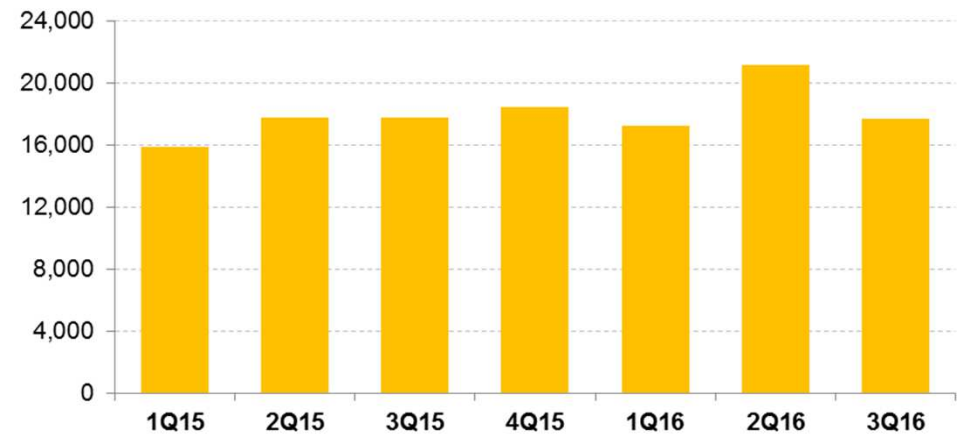
See the Addendum for a reconciliation of GAAP to non-GAAP for Financial Metrics

Hawaii Service

Hawaii Volume (FEU Basis)



Hawaii Automobile Volume



Third Quarter 2016 Performance

- Container volume declined YOY
 - Absence of volume gains in 3Q2015 related to competitor fleet deployment changes and service issues
 - Slower than expected market growth

Fourth Quarter 2016 Outlook

- Expect 4Q2016 container volume to be lower YOY
 - 4Q2015 had volume gains related to competitor fleet deployment changes and service issues

Hawaii Economic Indicators

- High-rise condo projects in Honolulu expected to provide for a healthy construction pipeline for the next few years
- As condo development ebbs, new home building on Oahu expected to begin to shift to single-family developments in West Oahu, Ho'opili and Koa Ridge
- Homebuilding on the Neighbor Islands has picked up recently and while further growth is expected, it is expected to be well below the mid-2000s boom
- Commercial construction has been relatively strong, with resort-related development the biggest driver and expect several more years of moderately strong construction activity

Indicator (% Change YOY)	2014	2015	2016F	2017F	2018F
Real Gross Domestic Product	1.8	3.3	2.0	2.4	1.5
Visitor Arrivals	2.4	4.5	2.3	1.5	0.9
Construction Jobs	3.5	9.0	10.9	1.7	(1.1)
Unemployment Rate (%)	4.4	3.6	3.1	3.0	3.1
Residential Building Permits	(9.8)	59.3	(18.9)	11.5	7.5
Non-Residential Building Permits	28.8	(5.6)	(14.4)	20.4	(2.3)

Source: UHERO: University of Hawaii Economic Research Organization; HAWAII CONSTRUCTION FORECAST, September 30, 2016, <http://www.uhero.hawaii.edu>

Hawaii Fleet Renewal Program

- November 2013, ordered two 3600 TEU dual fuel, LNG capable “Aloha Class” containerships from Philly Shipyard
 - Delivery 3Q-18 and 1Q-19
- August 2016, ordered two 3500 TEU platform, dual fuel, LNG capable “Kanaloa Class” ConRo’s from NASSCO
 - Delivery 4Q-19 and 2Q-20
- Expected fleet renewal benefits:
 - Optimal Hawaii fleet size and vessel utilization
 - Completes Hawaii fleet renewal and removes reliance on near-end-of-life steamships
 - Modernizes capacity capabilities
 - Improves fleet reliability
 - Improves weekly capacity balance

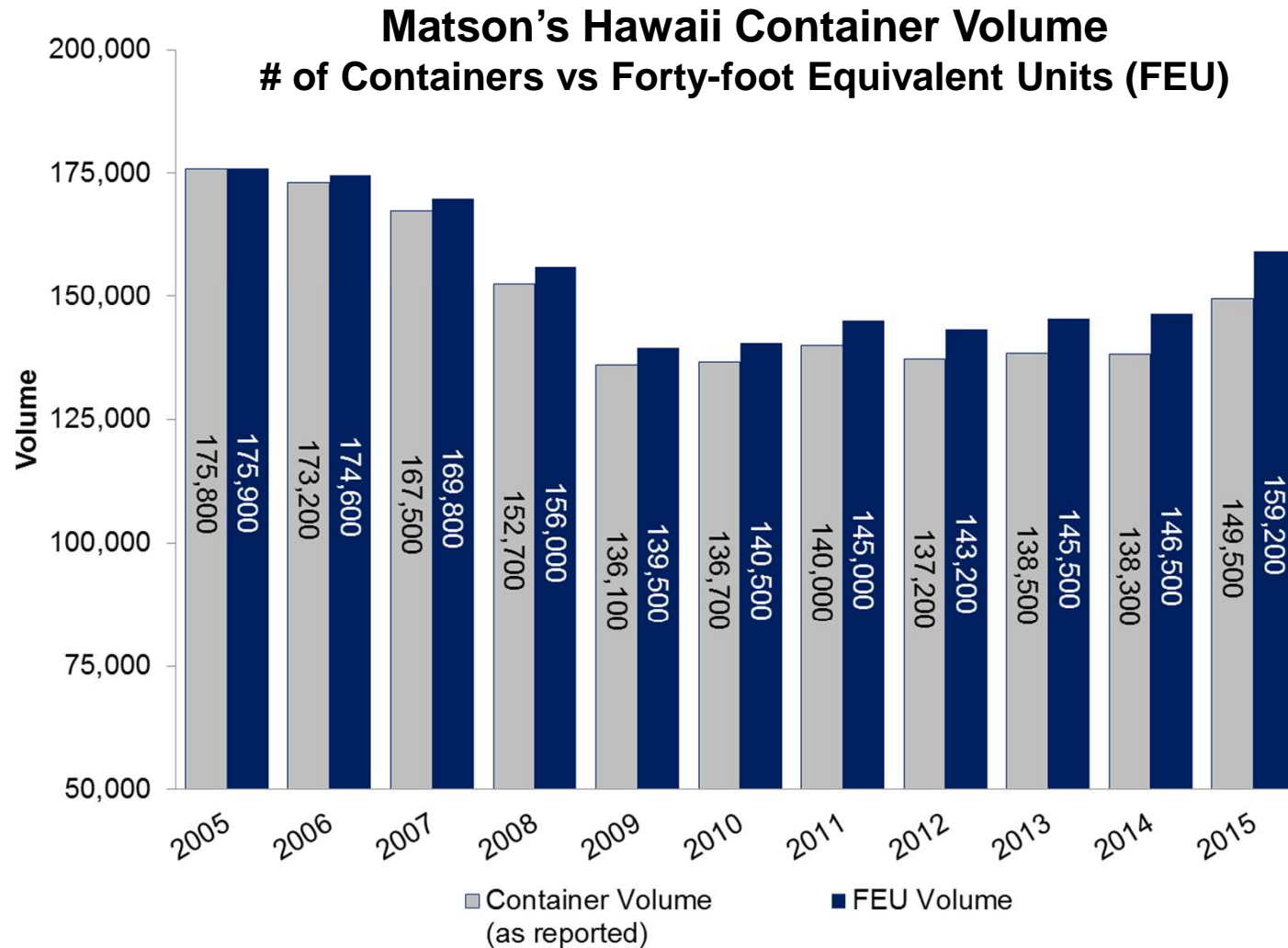
Aloha Class



Kanaloa Class



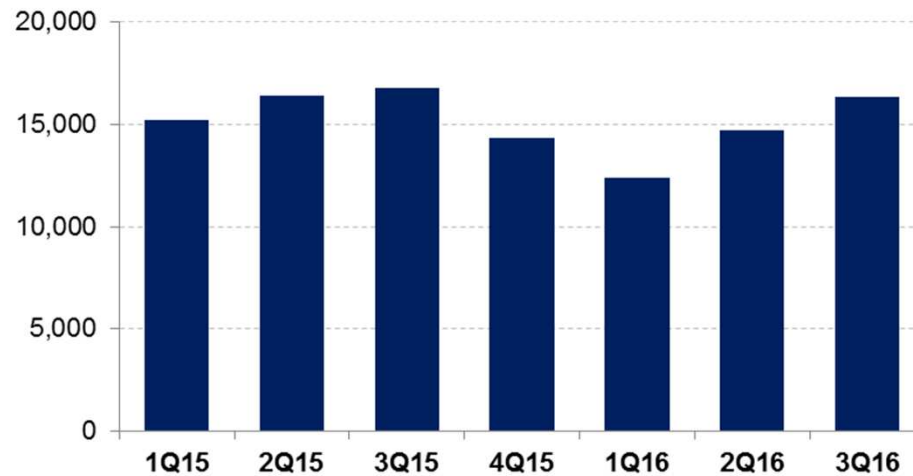
Hawaii – Trend Toward Larger Containers



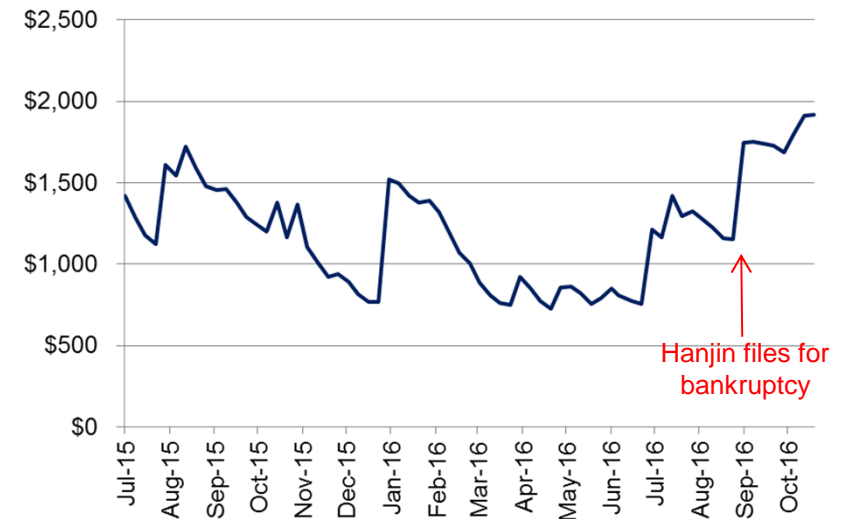
See the Addendum for historical container volume and FEU volume by service

China Expedited Service (CLX)

China Volume (FEU Basis)



Shanghai Containerized Freight Index - US West Coast Index (Spot Rates per FEU)



Source: Shanghai Shipping Exchange

Third Quarter 2016 Performance

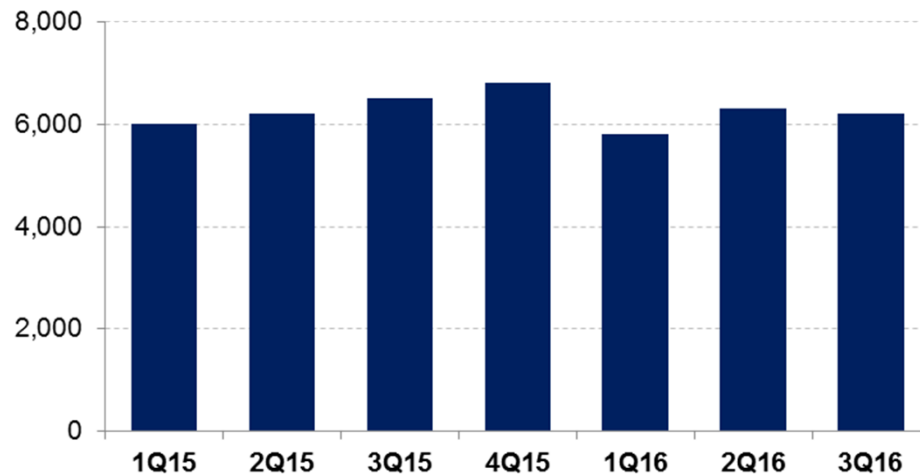
- As expected, significantly lower China freight rates YOY
- Container volume slightly lower YOY
 - Continued market softness in the first two months of 3Q2016
 - Increased demand for Matson's expedited service following Hanjin's bankruptcy filing
- Other international carriers responded with new services to replace the capacity removed by Hanjin in the Transpacific trade lane

Fourth Quarter 2016 Outlook

- Higher volume expected
 - Matson's expedited service offering remains highly differentiated
- International containership market remains challenged by chronic overcapacity

Guam Service

Guam Volume (FEU Basis)



Third Quarter 2016 Performance

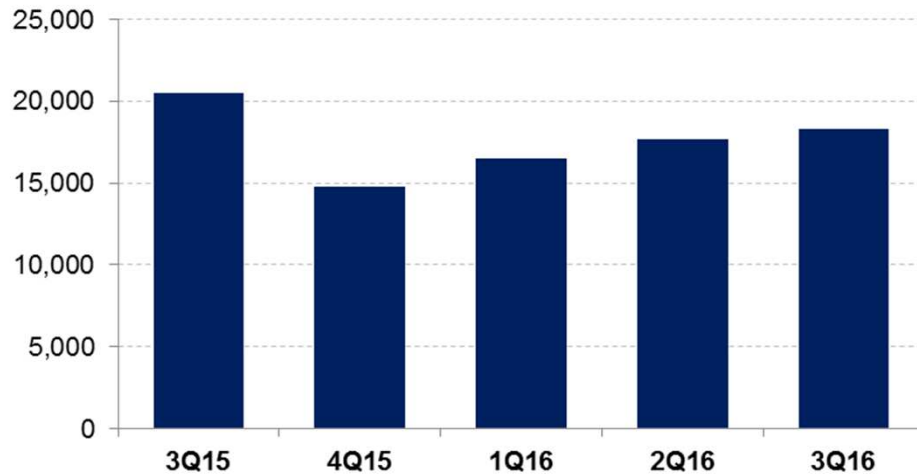
- Volume was modestly lower due to competitive losses associated with the launch of a competitor's bi-weekly U.S. flagged containership service in January 2016

Fourth Quarter 2016 Outlook

- Expect steady market with economic growth
- Expect modest competitive volume losses

Alaska Service

Alaska Volume (FEU Basis)



Third Quarter 2016 Performance

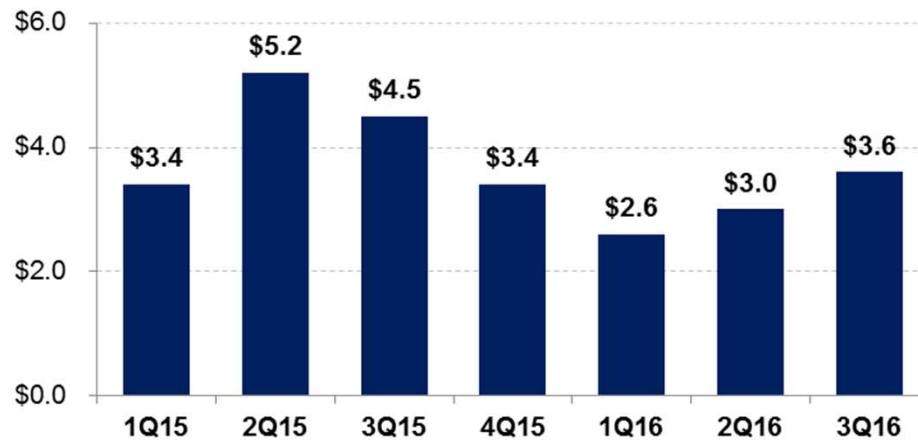
- Volume declined more than 10% YOY
 - Northbound volume challenged by energy sector related macroeconomic headwinds
 - Southbound volume impacted by an unexpectedly lower seafood harvest in 2016

Fourth Quarter 2016 Outlook

- Expect continued muted economic activity
- Expect container volume to approximate the level achieved in 4Q2015

SSAT Joint Venture

Equity in Income (Loss) from Joint Venture
(in \$ millions)



Third Quarter 2016 Performance

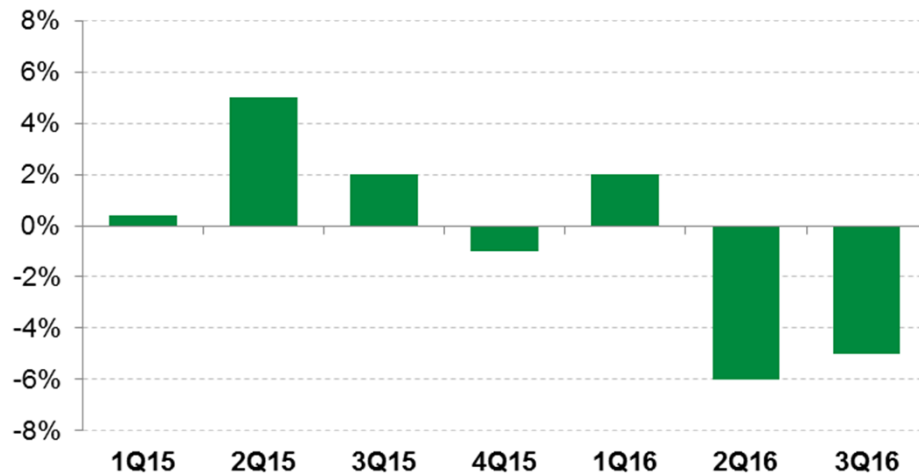
- Terminal joint venture contribution was \$0.9 million lower YOY
 - Increased allowance for doubtful accounts receivable
 - Partially offset by improved lift volume

Fourth Quarter 2016 Outlook

- Expect FY2016 operating income contribution lower than FY2015

Matson Logistics

YOY Growth in AAR Total Intermodal Volume



Source: Association of American Railroads



Third Quarter 2016 Performance

- Completed acquisition of Span Alaska
 - Freight forwarding operations included in results effective August 4, 2016
- Lower intermodal yield

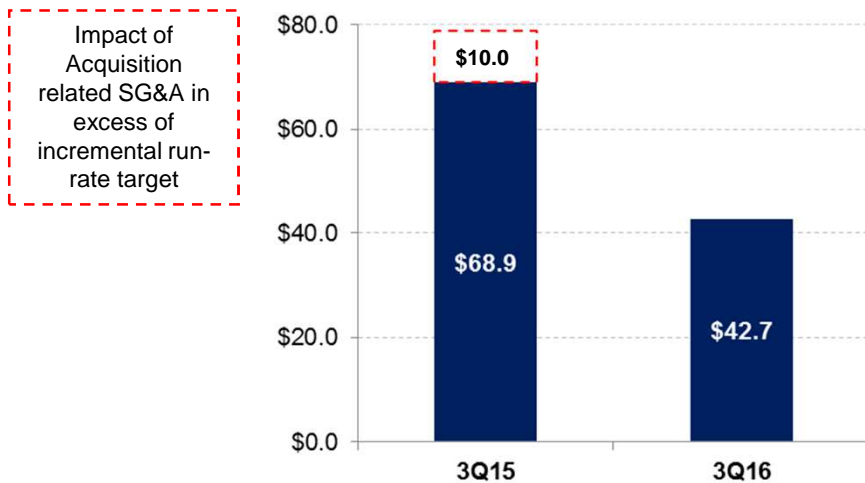
Fourth Quarter 2016 Outlook

- Continue integrating Span Alaska acquisition
- Expect full year 2016 operating income to be approximately \$11 million

3Q2016 Operating Income

3Q16 Consolidated Operating Income of \$46.2 million versus \$71.8 million in 3Q15

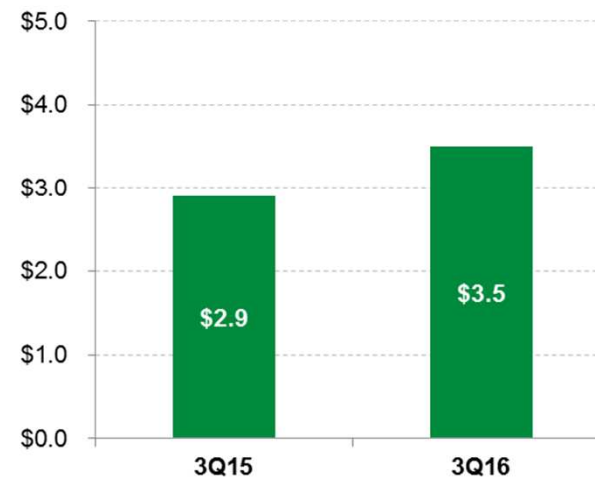
Ocean Transportation
3Q Operating Income
(in \$ millions)



	3Q15	3Q16	Change
Revenue	\$444.8	\$398.0	(\$46.8)
Operating Income	\$68.9	\$42.7	(\$26.2)
Oper. Income Margin	15.5%	10.7%	

SSAT had a \$3.6 million contribution in 3Q16 compared to a \$4.5 million contribution in 3Q15

Logistics
3Q Operating Income
(in \$ millions)

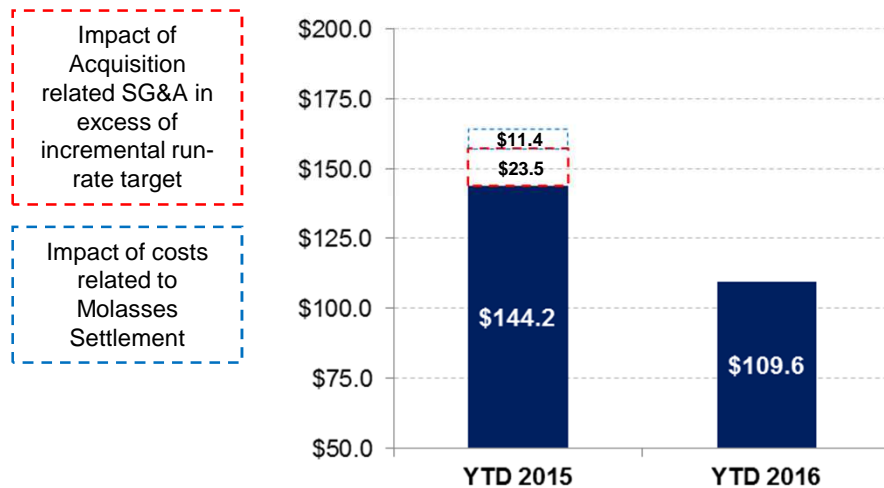


	3Q15	3Q16	Change
Revenue	\$99.5	\$102.4	\$2.9
Operating Income	\$2.9	\$3.5	\$0.6
Oper. Income Margin	2.9%	3.4%	

YTD 2016 Operating Income

YTD 2016 Consolidated Operating Income of \$116.9 million versus \$150.4 million in YTD 2015

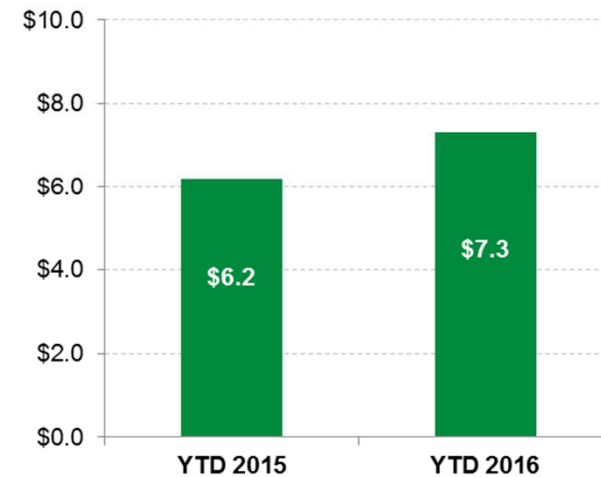
Ocean Transportation
YTD Operating Income
(in \$ millions)



	YTD15	YTD16	Change
Revenue	\$1,097	\$1,135	\$38.0
Operating Income	\$144.2	\$109.6	(\$34.6)
Oper. Income Margin	13.1%	9.7%	

SSAT had a \$9.2 million contribution in YTD16 compared to a \$13.1 million contribution in YTD15

Logistics
YTD Operating Income
(in \$ millions)



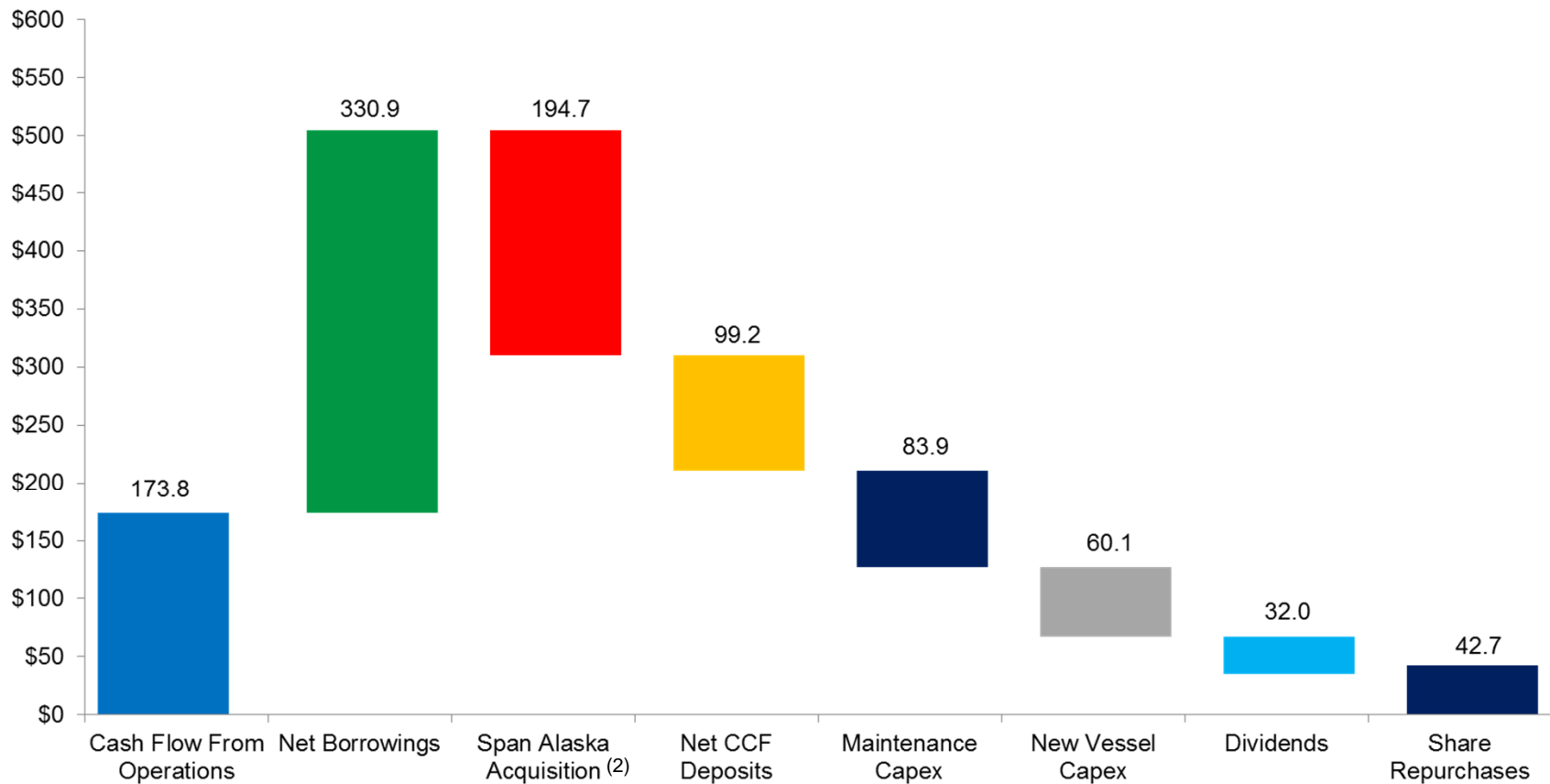
	YTD15	YTD16	Change
Revenue	\$293.1	\$287.3	(\$5.8)
Operating Income	\$6.2	\$7.3	\$1.1
Oper. Income Margin	2.1%	2.5%	

Liquidity and Debt Levels

- Total debt of \$812.4 million, Net debt of \$685.1 million
 - Net debt to LTM EBITDA of 2.3x
- On July 18, 2016, entered into a commitment letter to issue \$200 million of 15-year senior unsecured notes; closed private placement on September 14, 2016
 - Weighted average life of approximately 8.5 years and interest rate of 3.14 percent
- On October 27, 2016, entered into a commitment letter to issue \$75 million of 11-year senior unsecured notes
 - Weighted average life of approximately 8 years and interest rate of 3.37 percent
 - Proceeds are expected to be used to pay down the Company's revolving credit facility and for general corporate purposes
- Expect to fund construction of Aloha Class and Kanaloa Class vessels through a combination of cash flow from operations, borrowing availability under our \$400 million unsecured revolving credit facility, and periodic issuance of long-term debt to pay down revolver borrowings and better match long-term liabilities with long-lived vessel investments
 - Still considering Title XI financing as an attractive add-on financing alternative

Cash Generation and Uses of Cash

Sources and Uses of Cash ⁽¹⁾
 Last Twelve Months ended September 30, 2016
 (in \$ millions)



(1) Does not include \$1.2 million in other uses of cash

(2) Net of cash acquired

Fourth Quarter 2016 Outlook

- Outlook is being provided relative to 2015 operating income
- Ocean Transportation operating income for 4Q2016 is expected to be approximately 15 percent lower than the \$43.6 million achieved in 4Q2015
 - Lower Hawaii container volume
 - Lower Alaska container volume
 - Competitive volume losses in Guam
 - Lower full year contribution from SSAT joint venture
 - Higher depreciation and amortization expense due to increased capital and vessel dry-dock spending
- Logistics operating income for full year 2016 expected to be approximately \$11 million
- Interest expense for full year 2016 expected to be approximately \$24 million
- Effective tax rate for full year 2016 expected to be approximately 39 percent
- For full year 2016, expect maintenance capex of approximately \$90 million, new vessel construction progress payments of \$96 million, and dry-docking payments of approximately \$57 million
- For full year 2016, expect depreciation and amortization to total approximately \$136 million inclusive of dry-docking amortization of approximately \$38 million

Preliminary 2017 Expectations

- **Hawaii**
 - Expect modest market growth in 2017 supported by the general Hawaii economy, the level of construction activity and a stable market position
- **China**
 - Transpacific market reached cyclical trough in 2016; timing of a recovery remains uncertain given chronic overcapacity
 - Expect strong demand for Matson's highly differentiated expedited service
 - Consolidation of international carriers and formation of new alliances creates potential for longer-term market improvement
- **Guam**
 - Expect competitive losses in the first half 2017 amid modest overall market growth for full year 2017
 - Potential for competitor to add a 2nd vessel and provide weekly service
- **Alaska**
 - Expect modestly lower volume in 2017 based on declining northbound freight due to ongoing contraction of energy-based economy, partially offset by improved southbound seafood volume
- **Logistics**
 - Inclusion of Span Alaska freight forwarding business for full year 2017

Addendum



Addendum – Non-GAAP Measures

Matson reports financial results in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company also considers other non-GAAP measures to evaluate performance, make day-to-day operating decisions, help investors understand our ability to incur and service debt and to make capital expenditures, and to understand period-over-period operating results separate and apart from items that may, or could, have a disproportional positive or negative impact on results in any particular period. These non-GAAP measures include, but are not limited to, Earnings Before Interest, Depreciation and Amortization (“EBITDA”), and Net Debt/EBITDA.

NET DEBT RECONCILIATION

(In millions)	September 30, 2016
Total Debt:	\$ 812.4
Less: Cash and cash equivalents	(16.4)
Capital Construction Fund - cash on deposit	(110.9)
Net Debt	<u>\$ 685.1</u>

Addendum – Non-GAAP Measures

EBITDA RECONCILIATION

(In millions)	Three Months Ended September 30,			Last Twelve Months
	2016	2015	Change	
Net Income	\$ 25.0	\$ 41.5	\$ (16.5)	\$ 87.7
Add: Income tax expense	15.2	25.6	(10.4)	52.8
Add: Interest expense	6.0	4.7	1.3	22.3
Add: Depreciation and amortization	24.0	23.3	0.7	95.5
Add: Dry-dock amortization	10.6	5.7	4.9	34.1
EBITDA (1)	<u>\$ 80.8</u>	<u>\$ 100.8</u>	<u>\$ (20.0)</u>	<u>\$ 292.4</u>

(In millions)	Nine Months Ended September 30,		
	2016	2015	Change
Net Income	\$ 61.1	\$ 76.4	\$ (15.3)
Add: Income tax expense	38.4	60.4	(22.0)
Add: Interest expense	17.4	13.6	3.8
Add: Depreciation and amortization	71.3	58.5	12.8
Add: Dry-dock amortization	27.8	16.8	11.0
EBITDA (1)	<u>\$ 216.0</u>	<u>\$ 225.7</u>	<u>\$ (9.7)</u>

- (1) EBITDA is defined as the sum of net income, less income or loss from discontinued operations, plus income tax expense, interest expense and depreciation and amortization (including deferred dry-docking amortization). EBITDA should not be considered as an alternative to net income (as determined in accordance with GAAP), as an indicator of our operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) as a measure of liquidity. Our calculation of EBITDA may not be comparable to EBITDA as calculated by other companies, nor is this calculation identical to the EBITDA used by our lenders to determine financial covenant compliance.

Addendum – Matson’s Historical Volume

Year	Hawaii		Guam		China		Micronesia & South Pacific		Alaska	
	Container Volume	FEU Volume	Container Volume	FEU Volume	Container Volume	FEU Volume	Container Volume	FEU Volume	Container Volume	FEU Volume
2005	175,800	175,900	16,600	15,600	-	-				
2006	173,200	174,600	15,100	14,500	32,700	34,300				
2007	167,500	169,800	14,600	14,600	51,200	54,000				
2008	152,700	156,000	13,900	14,100	47,800	50,200				
2009	136,100	139,500	14,100	14,300	46,600	48,900				
2010	136,700	140,500	15,200	15,500	60,000	63,300				
2011	140,000	145,000	15,200	15,500	59,000	62,100				
2012	137,200	143,200	25,500	26,400	60,000	63,300				
2013	138,500	145,500	24,100	25,400	61,300	64,400	12,800	7,700		
2014	138,300	146,500	24,600	26,000	62,000	65,200	14,800	8,500		
2015	149,500	159,200	24,200	25,500	59,200	62,700	14,000	8,600	39,100	40,800

FEU = Forty-foot equivalent unit