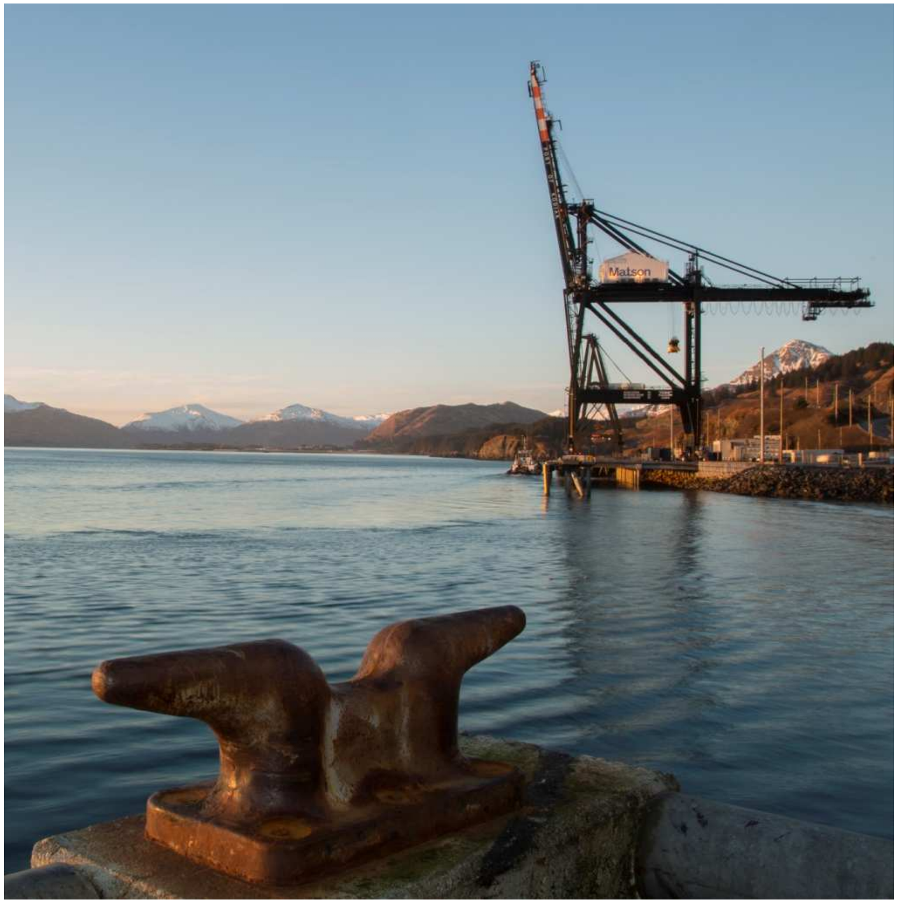
Second Quarter 2016 Earnings Conference Call

Forward Looking Statements

Statements made during this call and presentation that set forth expectations, predictions, projections or are about future events are based on facts and situations that are known to us as of today, August 2, 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.

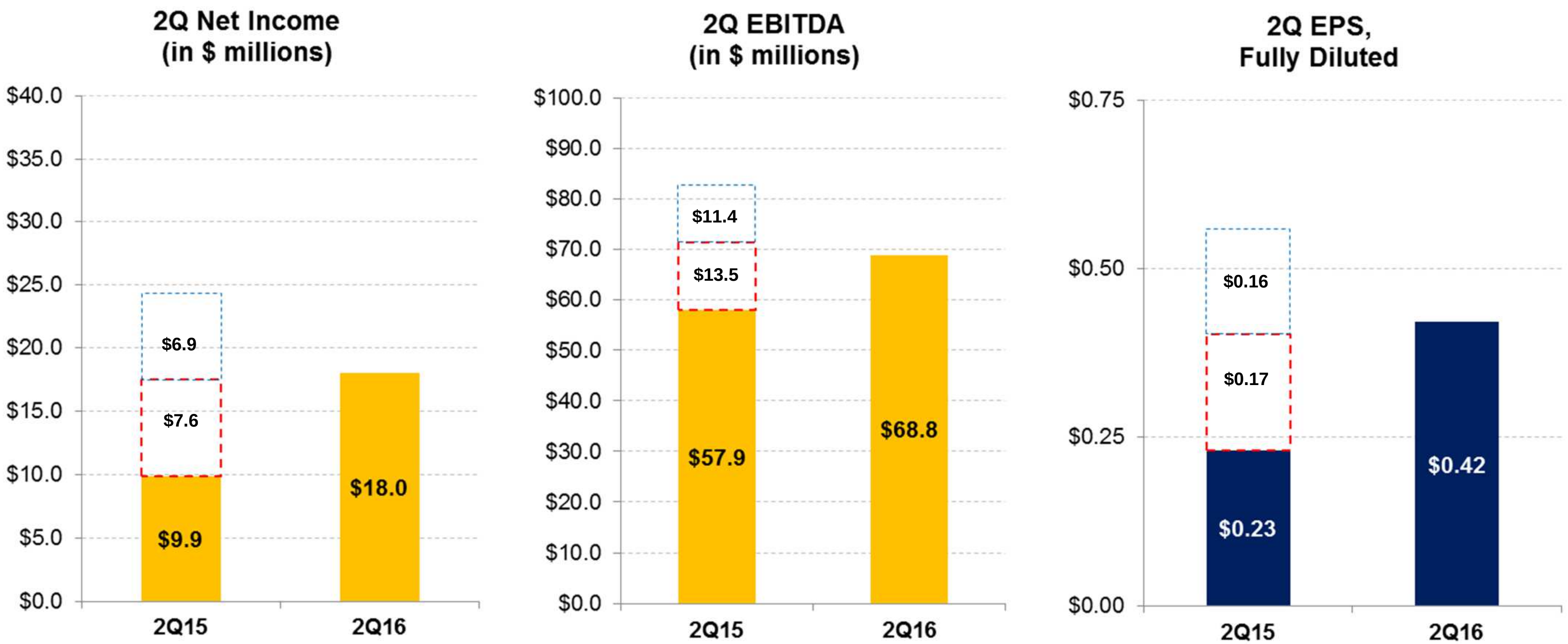
We do not undertake any obligation to update our forward-looking statements.



Opening Remarks

- Matson's core businesses delivered operating results in line with our expectations
  - Significantly lower China freight rates YOY
  - Hawaii container volume up 8.4% YOY
  - Integration of Alaska operations substantially complete
- Looking to the remainder of 2016
  - Focus on closing and integrating the recently announced acquisition of Span Alaska
  - Expect core businesses to continue to generate significant cash flow
  - Continue to evaluate ordering two additional new vessels to complete renewal of Hawaii fleet

Net Income, EBITDA, EPS – 2Q 2016



Impact of Acquisition related SG&A in excess of incremental run-rate target

Impact of costs related to Molasses Settlement

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

Net Income, EBITDA, EPS – YTD 2016

Impact of Acquisition related SG&A in excess of incremental run-rate target

Impact of costs related to Molasses Settlement

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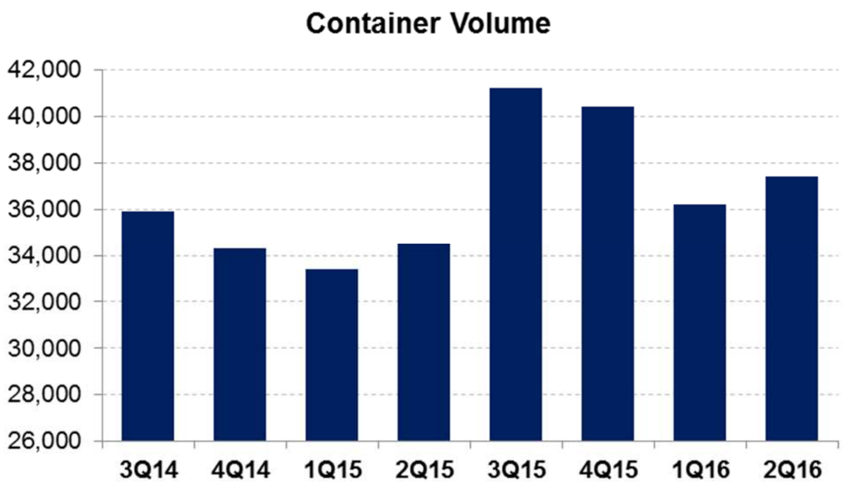
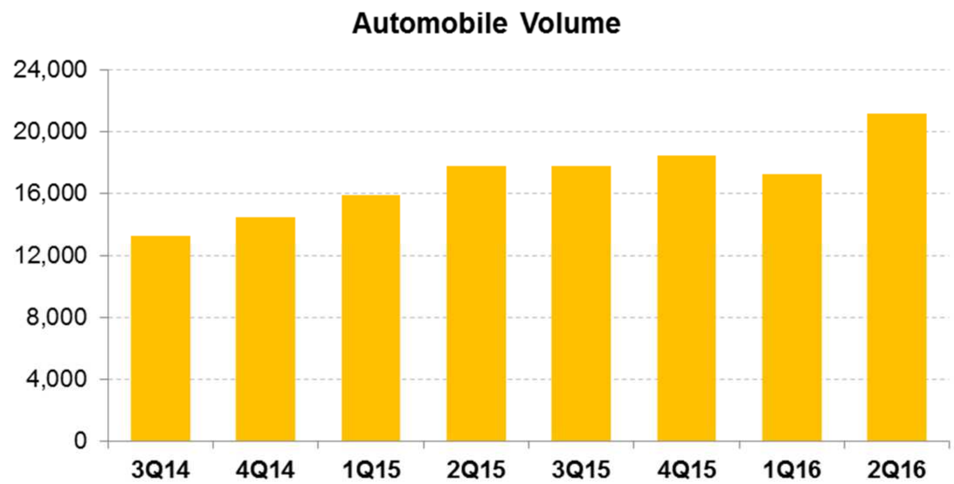
Hawaii Service





Second Quarter Performance

- YOY container volume growth
  - Competitive gains
  - Modest market growth
- 11-ship fleet deployed

Second Half 2016 Outlook

- Continued modest market growth expected
  - Construction activity expected to be a primary driver
  - Expect second half 2016 container volume to approximate the level achieved in the second half 2015

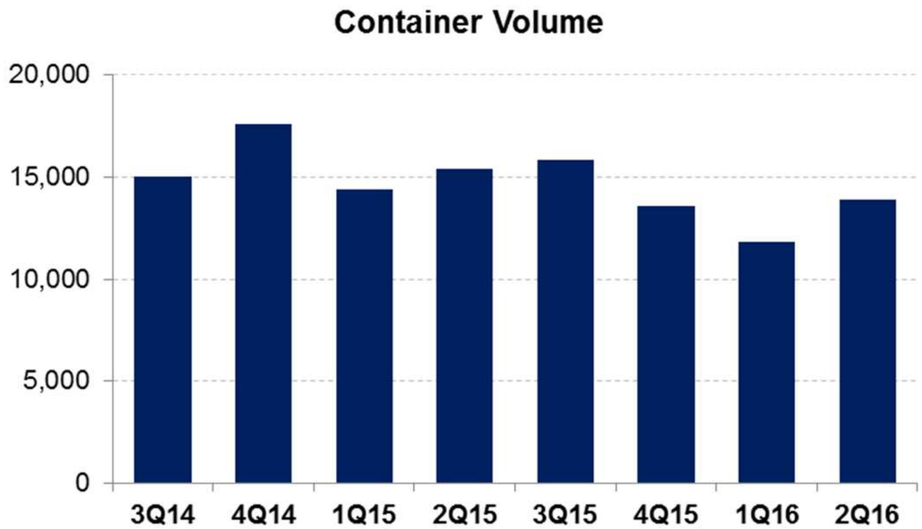
Hawaii Economic Indicators

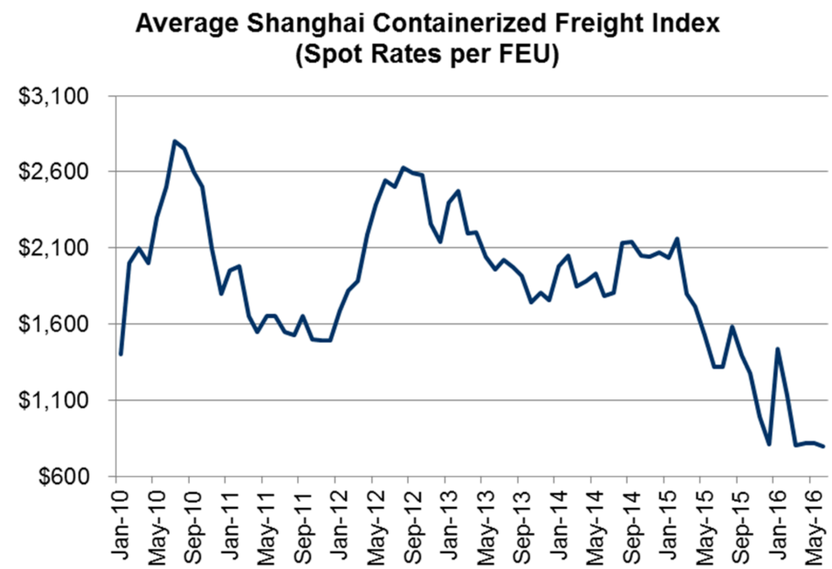
- Construction cycle continues to progress
  - Permitting and job creation picked up considerably in 2015
  - Beginning to see increased activity on the Neighbor Islands
- Year-to-date 2016, Hawaii's visitor industry tracking ahead of 2015 record pace
- Healthy labor market with low unemployment

Indicator (% Change YOY)	**2014**	**2015**	**2016F**	**2017F**	**2018F**
Real Gross Domestic Product	1.3	3.9	2.9	2.2	1.5
Visitor Arrivals	2.3	4.3	1.6	1.1	0.8
Construction Jobs	3.5	8.6	9.7	2.0	0.3
Unemployment Rate (%)	4.4	3.6	3.0	2.9	3.0
Residential Building Permits	(9.8)	59.3	5.9	5.1	1.1
Non-Residential Building Permits	28.8	(5.6)	11.0	4.3	(4.8)

Sources: UHERO: University of Hawaii Economic Research Organization; COUNTY FORECAST, May 20, 2016, http://www.uhero.hawaii.edu

China Expedited Service (CLX)





Source: Shanghai Shipping Exchange

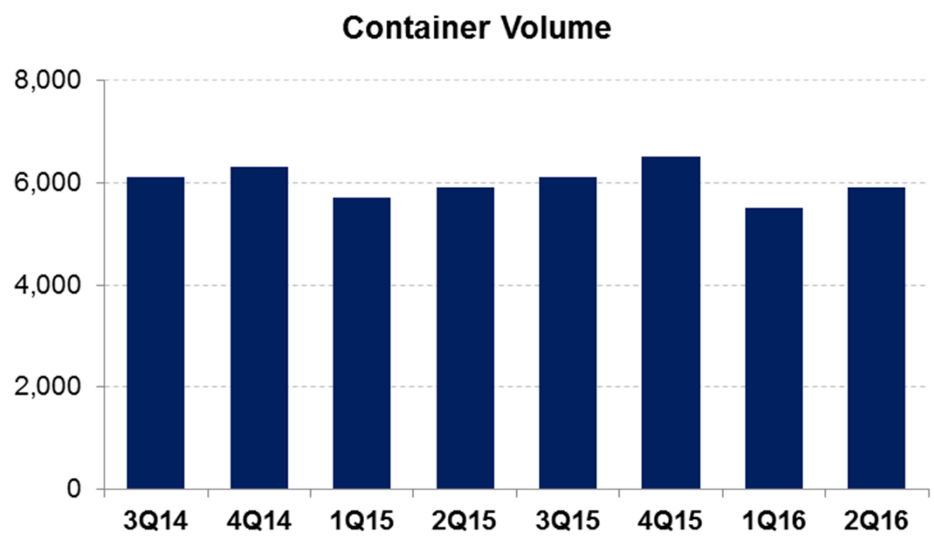
Second Quarter Performance

- Significantly lower China freight rates and lower volume
  - International ocean freight rates, as represented by the SCFI, at historic lows
  - Absence of exceptionally high demand related to the USWC labor disruption in 2015

Second Half 2016 Outlook

- Expect Matson's average freight rates significantly lower than 2015
- Expect Matson's rate premium to endure

Guam Service



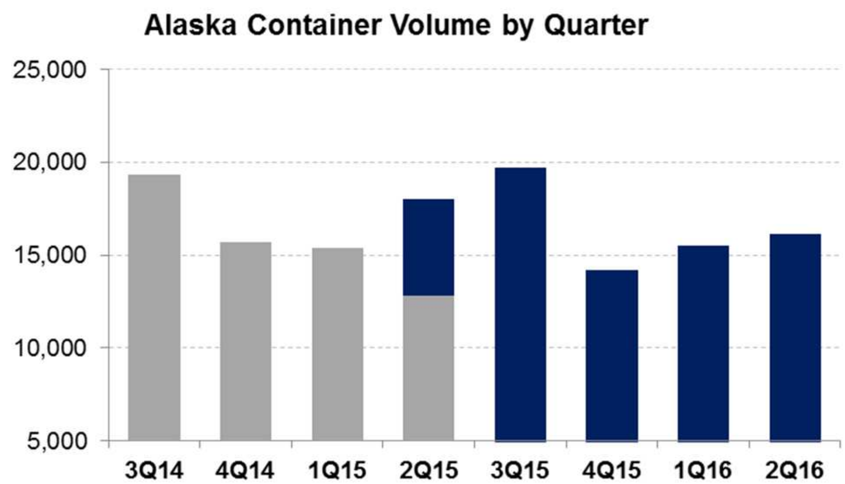
Second Quarter Performance

- Modest market growth was offset by competitive losses to bi-weekly U.S. flagged service that launched in January 2016

Second Half 2016 Outlook

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

Alaska Service



Volume included in Horizon's results

Volume included in Matson's results post-closing of Alaska Acquisition on May 29, 2015

Second Quarter Performance

- 2Q16 volume moderately lower than Horizon/Matson volume in 2Q15
  - Muted economic activity
- Substantially completed integration

Second Half 2016 Outlook

- Expect economic headwinds to continue
- Expect Matson's container volume to be modestly lower than second half 2015

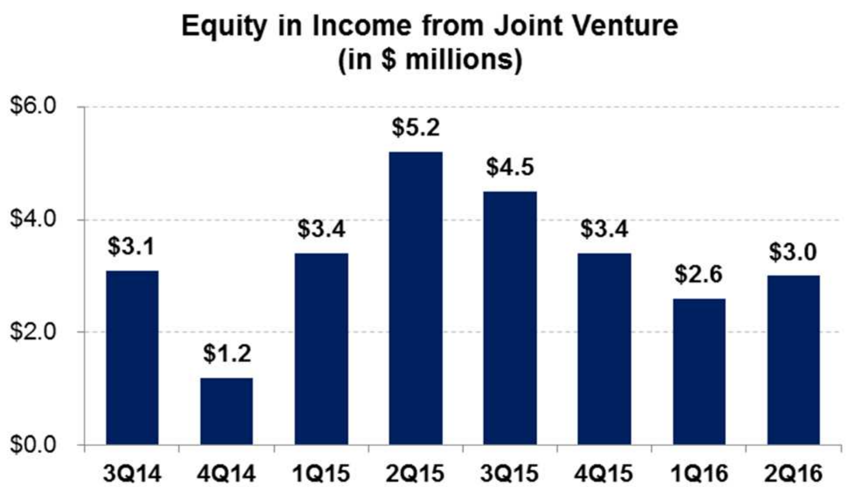
Alaska Economic Indicators – Anchorage Outlook

- Economic impact of sharp decline in oil prices has yet to fully materialize
- Economy more resilient and diversified than in 1986-88 recession
  - Unemployment remains low at 5.3 percent
  - Health Care sector and Visitor industry remain a source of growth and stability

Indicator (% Change YOY, except oil price)	**2014**	**2015**	**2016F**	**2017F**	**2018F**
Oil Price (ANS West Coast, $ per barrel)	98	52	40	50	53
Population	(0.2)	(0.5)	(0.5)	(0.5)	0.0
Employment (number of jobs)	(0.4)	0.7	(1.0)	(1.0)	0.0
Personal Income	5.1	3.8	(2.1)	1.1	3.2
Air Passenger Volumes	2.0	6.0	2.9	2.1	1.9
Building Permit Values	7.9	(19.4)	(4.9)	0.0	0.0

Sources: AEDC: Anchorage Economic Development Corporation; 2016 3-YEAR ECONOMIC OUTLOOK, July 27, 2016, http://aedcweb.com/project/anchorage-3-year-economic-outlook-2016/

SSAT Joint Venture



<u>Second Quarter Performance</u>

- Terminal joint venture contribution was $2.2 million lower YOY
- Improved lift volume more than offset by the absence of the benefits related to the clearing of international cargo volume after the U.S. West Coast labor disruptions in the second quarter 2015

<u>Second Half 2016 Outlook</u>

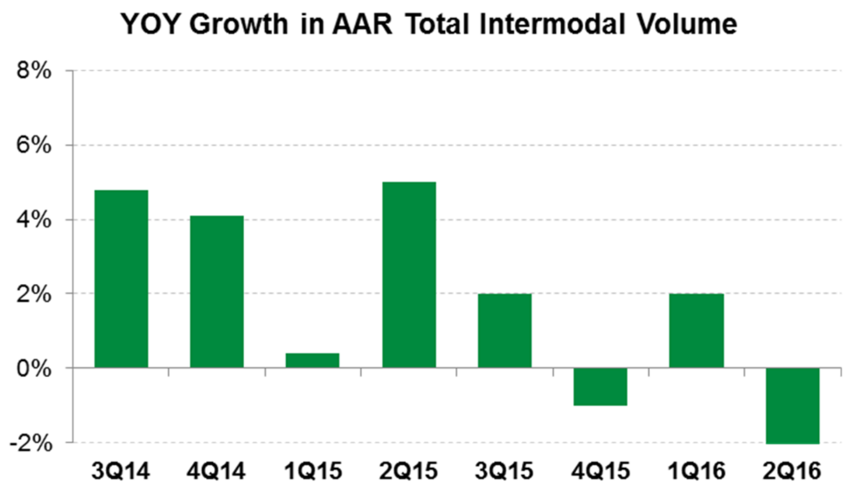
- Well positioned in Oakland for increased lift volumes due to closure of competitor's terminal
- Expect operating income contribution slightly higher than second half 2015

Matson Logistics to Acquire Span Alaska

- July 18, 2016 – Announced Matson Logistics to purchase 100% of Span Alaska
- Market leader providing Less-than-Container Load ("LCL") freight consolidation and forwarding services to the Alaska market
- Significantly expands Matson Logistics' asset light platform and enhances service offering
- Solidifies Matson's position as a critical freight transportation provider in the Alaska market

Purchase Price	• Cash purchase price of $197.6 million; no assumed debt • Present value of tax benefit related to step-up in tax basis of assets estimated at approximately $35 million
Transaction Multiples	• ~9.4x estimated current annual run-rate EBITDA of approximately $21 million • ~7.7x estimated current annual run-rate EBITDA net of estimated tax benefit
EPS Accretion	• Immediate EPS accretion (excl. one-time items): – Expect approximately $0.10 to $0.12 annual EPS accretion
Timing	• HSR early termination has been received; Expect to close in early August, subject to customary closing conditions

Matson Logistics



Source: Association of American Railroads

Second Quarter Performance

- Lower intermodal yield
- Partially offset by higher volume

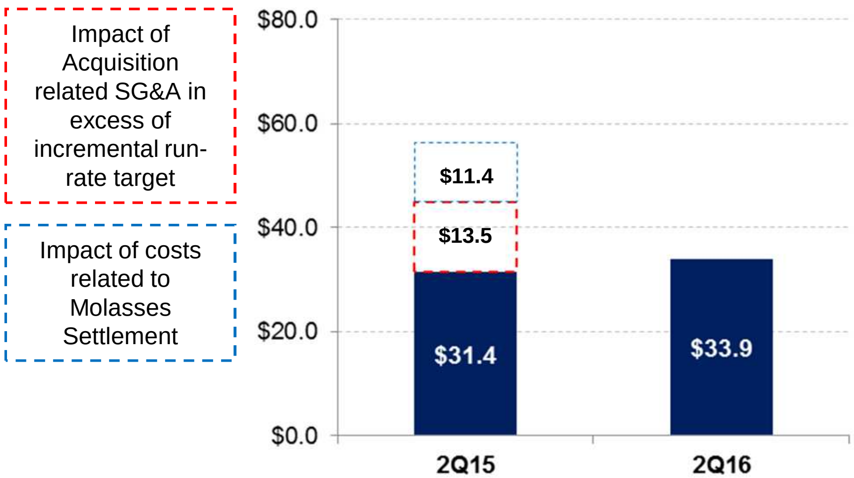
Second Half 2016 Outlook

- Focus on closing and integrating the Span Alaska acquisition
- Expect 2016 operating income to modestly exceed the 2015 level of $8.5 million (excluding any future effects of the pending transaction with Span Alaska)

2Q2016 Operating Income

2Q16 Consolidated Operating Income of $36.1 million versus $33.7 million in 2Q15

Ocean Transportation
2Q Operating Income
(in $ millions)



Logistics
2Q Operating Income
(in $ millions)

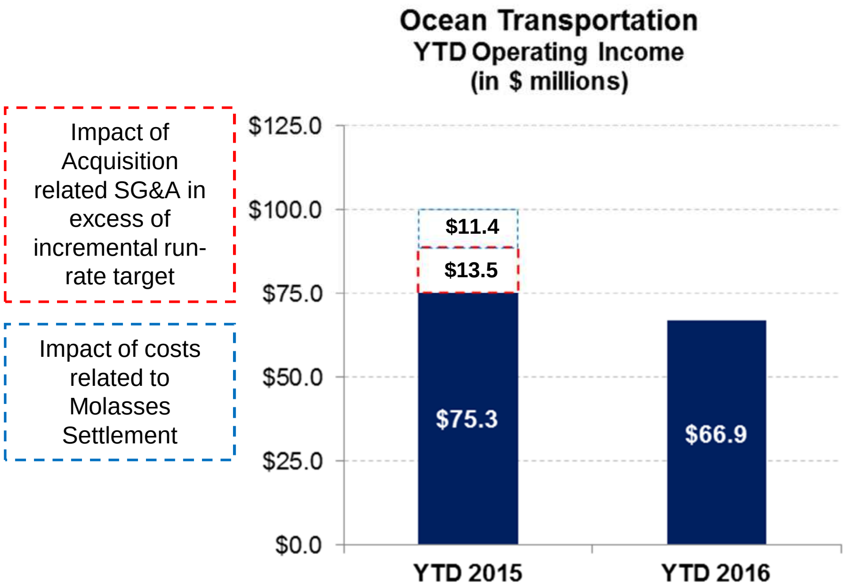
	2Q15	2Q16	Change
Revenue	**$346.7**	**$370.9**	**$24.2**
Operating Income	**$31.4**	**$33.9**	**$2.5**
Oper. Income Margin	**9.1%**	**9.1%**	

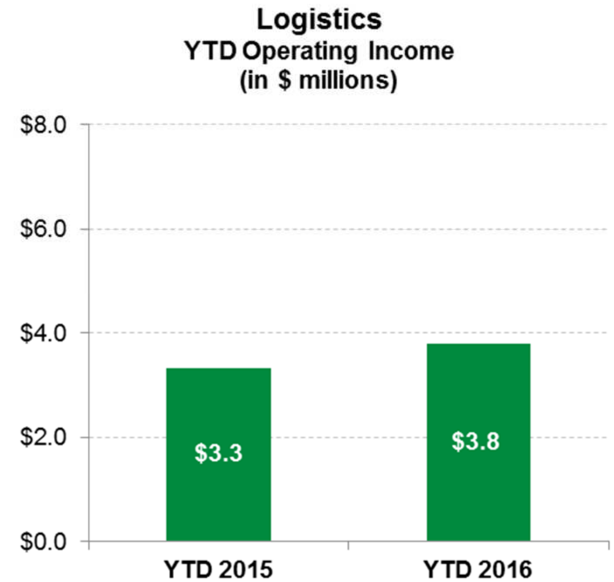
SSAT had a $3.0 million contribution in 2Q16 compared to a $5.2 million contribution in 2Q15

	2Q15	2Q16	Change
Revenue	**$100.9**	**$96.8**	**$(4.1)**
Operating Income	**$2.3**	**$2.2**	**$(0.1)**
Oper. Income Margin	**2.3%**	**2.3%**	

YTD 2016 Operating Income

YTD 2016 Consolidated Operating Income of $70.7 million versus $78.6 million in YTD 2015





	YTD15	YTD16	Change
Revenue	$652.2	$737.0	$84.8
Operating Income	$75.3	$66.9	$(8.4)
Oper. Income Margin	11.5%	9.1%	

SSAT had a $5.6 million contribution in YTD16 compared to a $8.6 million contribution in YTD15

	YTD15	YTD16	Change
Revenue	$193.6	$184.9	$(8.7)
Operating Income	$3.3	$3.8	$0.5
Oper. Income Margin	1.7%	2.1%	

Liquidity and Debt Levels

- Total debt of $462.8 million, Net debt of $443.6 million
  - Net debt to LTM EBITDA of 1.4x
- During 2Q16, Matson repurchased 340,001 shares at an average price of $34.85 per share
- July 18, 2016, entered into a commitment letter to issue $200 million of 15-year senior unsecured notes in early September 2016
  - Weighted average life of approximately 8.5 years
  - Interest rate of 3.14 percent
  - Proceeds are expected to be used to pay down the Company’s revolving credit facility and for general corporate purposes
  - Removes need for future financings to fund construction of the two Aloha Class vessels in progress; but still pursuing Title XI financing as an attractive add-on financing alternative
  - Maintains Matson’s financial flexibility and low leverage to allow for additional access to capital in future years should Matson decide to order additional new vessels to complete Hawaii fleet renewal

Pro Forma Capitalization – Span Alaska Acquisition

- Pro Forma Debt / EBITDA (Before Horizon acquisition SG&A and Molasses Settlement) below long-term targeted level of "low 2x's"
- Approximately $345 million of unused capacity under $400 million revolving credit facility

Pro Forma Capitalization as of 6/30/16				
($ in millions)	**MATX**	**SPAN Transaction [3]**	**Private Placement Financing [2]**	**Pro Forma**
Revolving Credit Facility	$44.0	$202.6	($200.0)	$46.6
Term Loans	$359.3		$200.0	$559.3
Title XI Bonds	$57.2			$57.2
Capital Leases	$2.3	$1.3		$3.6
Total Debt	**$462.8**			**$666.7**
Less: Cash and Cash Equivalents	$19.2	$0.0	$0.0	$19.2
Net Debt	**$443.6**			**$647.5**
LTM EBITDA (Before Horizon Acquisition SG&A and Molasses Settlement) [1]	**$355.3**	**$21.0**		**$376.3**
Net Debt / EBITDA (Before Horizon Acquisition SG&A and Molasses Settlement) [1]	**1.2x**			**1.7x**
Debt / EBITDA (Before Horizon Acquisition SG&A and Molasses Settlement) [1]	**1.3x**			**1.8x**

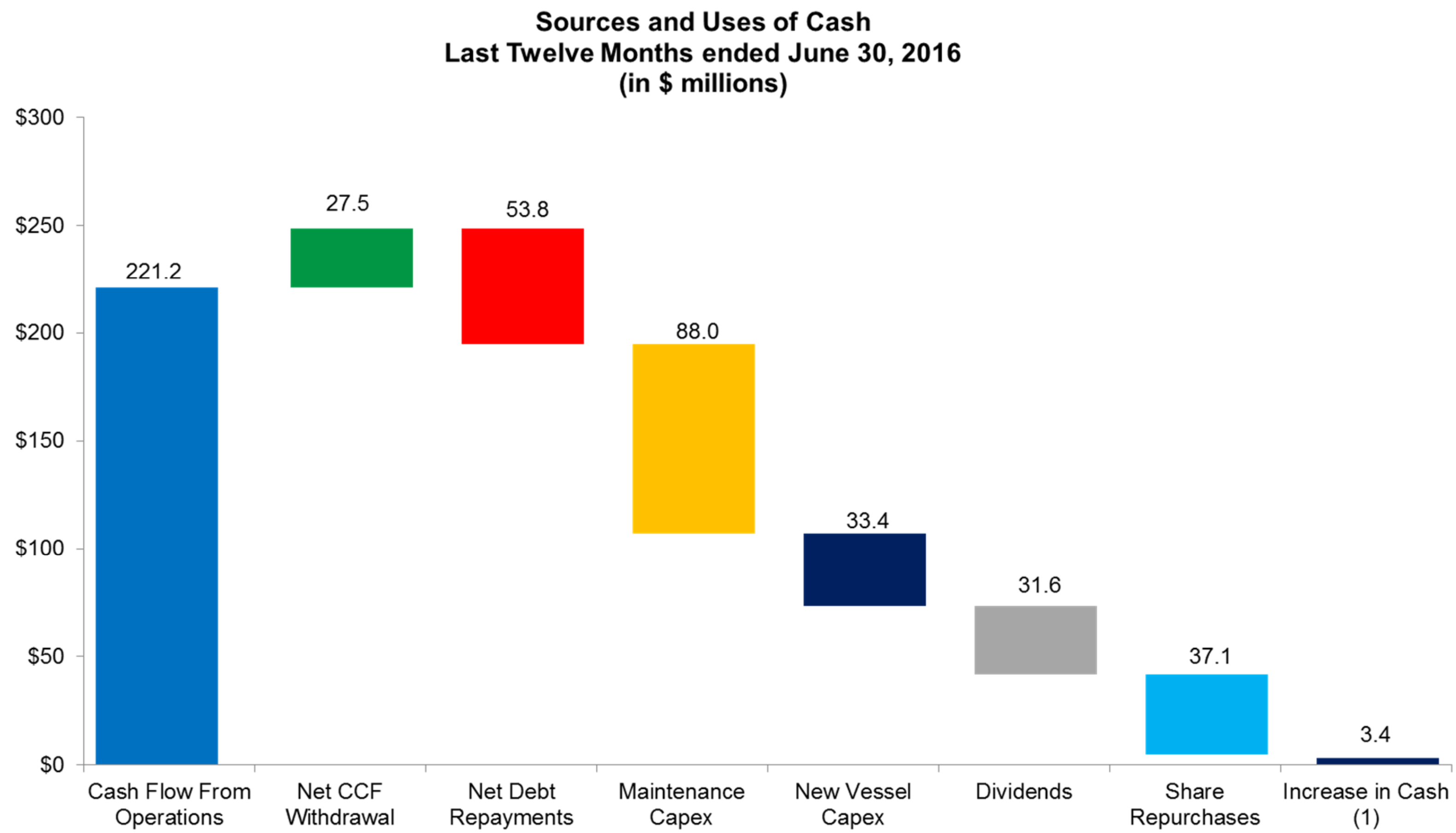
(1) Based on Matson's LTM EBITDA (before Horizon acquisition related SG&A and Molasses Settlement) as of June 30, 2016 and current estimated annual run-rate EBITDA for SPAN

(2) Excludes private placement transaction fees

(3) Purchase price of $197.6 million plus estimated one-time pre-tax transaction closing and integration costs of approximately $5.0 million

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

Cash Generation and Uses of Cash



(1) Does not include $1.4 million in other sources of Cash

2016 Outlook

- Outlook is being provided relative to 2015 operating income and excludes any future effects of the pending transaction with Span Alaska
- Ocean Transportation operating income for full year 2016 is expected to be approximately 15 to 20 percent lower than the $187.8 million achieved in 2015; 3Q16 is expected to be approximately 25 percent lower than the $68.9 million achieved in 3Q15
  - Significantly lower average freight rates in China
  - Higher depreciation and amortization expense due to increased capital and vessel dry-dock spending
  - Hawaii container volume in second half 2016 to approximate second half 2015 level
  - Competitive volume losses in Guam
  - Modestly lower full year contribution from SSAT joint venture
  - Moderately lower Alaska container volume
  - Absence of acquisition related incremental SG&A and Molasses Settlement costs
- Logistics operating income for full year 2016 expected to modestly exceed 2015 level of $8.5 million
- Interest expense for full year 2016 expected to be approximately $23 million
- Effective tax rate for full year 2016 expected to be approximately 39 percent
- For full year 2016, expect maintenance capex of approximately $85 million, new vessel construction progress payments of $67.2 million, and dry-docking payments of approximately $60 million
- For full year 2016, expect depreciation and amortization to total approximately $133 million inclusive of dry-docking amortization of approximately $35 million

Summary Remarks

- Second quarter 2016 was in-line with our expectations
- Focus for the remainder of 2016
  - Closing and integrating the Span Alaska acquisition
  - Continuing to evaluate ordering two additional new vessels to complete renewal of Hawaii fleet
  - Delivering on our commitment as the service leader in our markets
- Matson's core businesses continue to generate substantial cash flow that, combined with strong balance sheet, provides ample capacity to:
  - Close the pending Span Alaska acquisition
  - Fund fleet and equipment investments
  - Continue to return capital to shareholders

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)		June 30, 2016
Total Debt:	$	462.8
Less: Cash and cash equivalents		(19.2)
Net Debt	$	443.6

Addendum – Non-GAAP Measures

EBITDA RECONCILIATION

(In millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Change	Last Twelve Months
Net Income	$ 18.0	$ 9.9	$ 8.1	$ 104.2
Add: Income tax expense	11.6	19.2	(7.6)	63.2
Add: Interest expense	6.5	4.6	1.9	21.0
Add: Depreciation and amortization	23.6	18.6	5.0	94.8
Add: Dry-dock amortization	9.1	5.6	3.5	29.2
EBITDA (1)	$ 68.8	$ 57.9	$ 10.9	$ 312.4

(In millions)	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015	Change
Net Income	$ 36.1	$ 34.9	$ 1.2
Add: Income tax expense	23.2	34.8	(11.6)
Add: Interest expense	11.4	8.9	2.5
Add: Depreciation and amortization	47.3	35.2	12.1
Add: Dry-dock amortization	17.2	11.1	6.1
EBITDA (1)	$ 135.2	$ 124.9	$ 10.3

(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 – Non-GAAP Measures

EBITDA (before Horizon Acquisition SG&A and Molasses Settlement) RECONCILIATION *(In millions)*		**Last Twelve Months Ended 6/30/16**
Net Income		$104.2
Add:	Income tax expense	63.2
Add:	Interest expense	21.0
Add:	Depreciation and amortization	94.8
Add:	Dry-dock amortization	29.2
EBITDA		$312.4
Add:	Horizon Acquisition related SG&A in excess of run-rate target	29.6
Add:	Molasses Settlement	13.3
EBITDA (before Horizon Acquisition SG&A and Molasses Settlement)		$355.3