

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 18, 2024 (January 18, 2024)**

Matson, Inc.

(Exact Name of Registrant as Specified in its Charter)

<p>Hawaii (State or Other Jurisdiction of Incorporation)</p>	<p>001-34187 (Commission File Number)</p>	<p>99-0032630 (I.R.S. Employer Identification No.)</p>
<p>1411 Sand Island Parkway Honolulu, Hawaii (Address of principal executive offices)</p>		<p>96819 (zip code)</p>

Registrant's telephone number, including area code: **(808) 848-1211**
(Former Name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, without par value	MATX	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On January 18, 2024, Matson, Inc. (the "Company") issued a press release announcing the Company's preliminary earnings for the quarter ended December 31, 2023. A copy of the press release is attached hereto as Exhibit 99.1. In addition, the Company posted an investor presentation to its website. A copy of the investor presentation is attached hereto as Exhibit 99.2.

The information in this report (including Exhibits 99.1 and 99.2) is being furnished pursuant to Item 2.02 and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits.

(a) - (c) Not applicable.

(d) Exhibits.

The exhibit listed below is being furnished with this Form 8-K.

99.1 [Press Release issued by Matson, Inc., dated January 18, 2024](#)

99.2 [Investor Presentation, dated January 18, 2024](#)

104 Cover Page Interactive Data File (formatted in Inline XBRL and included as Exhibit 101).

SIGNATURE

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

MATSON, INC.

/s/ Joel M. Wine

Joel M. Wine

Executive Vice President and Chief Financial Officer

Dated: January 18, 2024



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FOR IMMEDIATE RELEASE

MATSON ANNOUNCES PRELIMINARY 4Q23 RESULTS, PROVIDES BUSINESS UPDATE AND ANNOUNCES 4Q23 EARNINGS CALL DATE

- Expects 4Q23 operating income for Ocean Transportation to be \$61.0 to \$66.0 million
- Expects 4Q23 operating income for Logistics to be \$8.0 to \$9.0 million
- Expects 4Q23 net income and diluted EPS to be \$57.7 to \$62.2 million and \$1.65 to \$1.78, respectively
- Repurchased approximately 0.5 million shares in 4Q23
- Announces fourth quarter earnings call date on February 20, 2024

HONOLULU, Hawaii (January 18, 2024) – Matson, Inc. (“Matson” or the “Company”) (NYSE: MATX) today announces preliminary fourth quarter financial results, provides a business update and announces that its fourth quarter earnings call will be held on February 20, 2024.

“Matson’s Ocean Transportation and Logistics business segments performed well in the fourth quarter, capping off a solid year for both business segments” said Chairman and Chief Executive Officer Matt Cox. “Our China service experienced solid freight demand with higher year-over-year volume but lower year-over-year freight rates, which when combined with higher operating costs across all tradelanes resulted in a year-over-year decline in Ocean Transportation operating income. Currently in the Transpacific marketplace, we continue to see steady U.S. consumer demand, which we expect to lead to similar demand for Matson’s CLX and CLX+ services in 2024 as in 2023. Absent a significant change in the trajectory of the U.S. economy, we expect trade dynamics across all our tradelanes in 2024 to be comparable to 2023 as consumer-related spending activity is expected to remain stable.”

Mr. Cox added, “In our domestic ocean tradelanes, we saw lower year-over-year volumes in Hawaii and Alaska and higher year-over-year volume in Guam compared to the levels in the same period last year. The year-over-year volume declines in Hawaii and Alaska were primarily due to lower general demand and lower seafood volume, respectively. The year-over-year volume increase in Guam was primarily driven by higher general demand. In Logistics, operating income decreased year-over-year primarily due to a lower contribution from transportation brokerage. As a result, Matson expects fourth quarter operating income for Ocean Transportation of \$61.0 to \$66.0 million and Logistics operating income of \$8.0 to \$9.0 million. We also expect fourth quarter 2023 net income and diluted EPS to be \$57.7 to \$62.2 million and \$1.65 to \$1.78, respectively.”

Fourth Quarter Tradelane Volume (Forty-foot equivalent units (FEU)) (1)(2):

For the three months ended December 31, 2023 compared to the three months ended December 31, 2022 and on a FEU basis:

- Hawaii container volume decreased 1.9 percent primarily due to lower general demand;
- Alaska container volume decreased 0.6 percent due to lower export seafood volume from the Alaska-Asia Express service (“AAX”), partially offset by higher northbound volume due to an additional sailing and higher southbound volume due to higher domestic seafood volume;
- China container volume was 23.3 percent higher primarily due to higher demand for our China service resulting in higher volumes for both CLX and CLX+;
- Guam container volume was 2.0 percent higher primarily due to higher general demand; and
- Other container volume decreased 6.0 percent.

(1) Approximate volumes included for the period are based on the voyage departure date, but revenue and operating income are adjusted to reflect the percentage of revenue and operating income earned during the reporting period for voyages in transit at the end of each reporting period.

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

Effective Income Tax Rate, Liquidity, Debt and Share Repurchases

The effective income tax rate for the fourth quarter of 2023 is estimated to be approximately 26.0 percent, which is higher than the approximately 23 percent previously forecast primarily due to discrete tax adjustments.

Matson’s cash and cash equivalents as of December 31, 2023 was approximately \$134.0 million, which excludes \$599.4 million in cash on deposit within the Capital Construction Fund (“CCF”). Total debt as of December 31, 2023 was \$440.6 million.⁽³⁾

During the fourth quarter of 2023, Matson repurchased approximately 0.5 million shares for a total cost of \$47.9 million. As of December 31, 2023, the Company had approximately 2.5 million shares remaining in its share repurchase program.

A slide presentation that accompanies this press release is available on the Company’s website at www.matson.com, under Investors.

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

Teleconference and Webcast

A conference call is scheduled on February 20, 2024 at 4:30 p.m. ET when Matt Cox, Chairman and Chief Executive Officer, and Joel Wine, Executive Vice President and Chief Financial Officer, will discuss Matson’s fourth quarter results.

Date of Conference Call:	Tuesday, February 20, 2024
Scheduled Time:	4:30 p.m. ET / 1:30 p.m. PT / 11:30 a.m. HT

The conference call will be broadcast live along with an additional slide presentation on the Company’s website at www.matson.com, under Investors.

Participants may register for the conference call at:

<https://register.vevent.com/register/BI699bc0b39e6a47fc97bb30e15cb03937>

Registered participants will receive the conference call dial-in number and a unique PIN code to access the live event. While not required, it is recommended you join 10 minutes prior to the event starting time. A replay of the conference call will be available approximately two hours after the event by accessing the webcast link at www.matson.com, under Investors.

About the Company

Founded in 1882, Matson (NYSE: MATX) is a leading provider of ocean transportation and logistics services. Matson provides a vital lifeline of ocean freight transportation services to the domestic non-contiguous economies of Hawaii, Alaska, and Guam, and to other island economies in Micronesia. Matson also operates premium, expedited services from China to Long Beach, California, provides service to Okinawa, Japan and various islands in the South Pacific, and operates an international export service from Dutch Harbor to Asia. The Company's fleet of owned and chartered vessels includes containerships, combination container and roll-on/roll-off ships and custom-designed barges. Matson Logistics, established in 1987, extends the geographic reach of Matson's transportation network throughout North America and Asia. Its integrated, asset-light logistics services include rail intermodal, highway brokerage, warehousing, freight consolidation, supply chain management, and freight forwarding to Alaska. Additional information about the Company is available at www.matson.com.

Forward-Looking Statements

Statements in this news release that are not historical facts are "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation those statements regarding performance and financial results; consumer demand; consumer-related spending activity; economic uncertainty; trade dynamics; and demand for Matson's CLX and CLX+ services. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to risks and uncertainties relating to repeal, substantial amendment or waiver of the Jones Act or its application, or our failure to maintain our status as a United States citizen under the Jones Act; changes in macroeconomic conditions, geopolitical developments, or governmental policies, including from the COVID-19 pandemic; our ability to offer a differentiated service in China for which customers are willing to pay a significant premium; new or increased competition or improvements in competitors' service levels; our relationship with customers, agents, vendors and partners and changes in related agreements; fuel prices, our ability to collect fuel-related surcharges and/or the cost or limited availability of required fuels; evolving stakeholder expectations related to environmental, social and governance matters; timely or successful completion of fleet upgrade initiatives; the ability of Philly Shipyard to construct and deliver the new Aloha Class vessels on the contemplated timeframe; the occurrence of poor weather, natural disasters, maritime accidents, spill events and other physical and operating risks, including those arising from climate change; transitional and other risks arising from climate change; the magnitude and timing of the impact of public health crises, including COVID-19; significant operating agreements and leases that may not be replaced on favorable terms; any unanticipated dry-dock or repair expenses; joint venture relationships; conducting business in foreign shipping markets, including the imposition of tariffs or a change in international trade policies; any delays or cost overruns related to the modernization of terminals; war, terrorist attacks or other acts of violence; consummating and integrating acquisitions; relations with our unions; satisfactory negotiation and renewal of expired collective bargaining agreements without significant disruption to Matson's operations; loss of key personnel or failure to adequately manage human capital; the use of our information technology and communication systems and cybersecurity attacks; changes in our credit profile and our future financial performance; our ability to obtain future debt financings; continuation of the Title XI and CCF programs; costs to comply with and liability related to numerous safety, environmental, and other laws and regulations; and disputes, legal and other proceedings and government inquiries or investigations. These forward-looking statements are not guarantees of future performance. This release should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2022 and our other filings with the SEC through the date of this release, which identify important factors that could affect the forward-looking statements in this release. We do not undertake any obligation to update our forward-looking statements.



Matson[®]

***Fourth Quarter 2023
Preliminary Earnings Supplement***

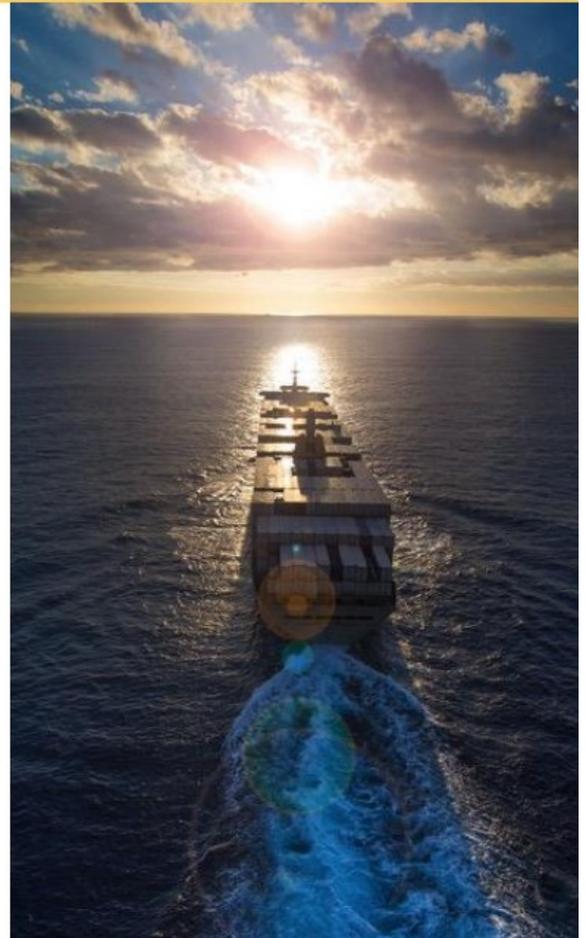
January 18, 2024

Forward-Looking Statements

Statements made during this presentation that set forth expectations, predictions, projections or are about future events are based on facts and situations that are known to us as of January 18, 2024.

We believe that our expectations and assumptions are reasonable. Actual results may differ materially, due to risks and uncertainties, such as those described on pages 14-24 of our Form 10-K filed on February 24, 2023 and other subsequent filings by Matson with the SEC. Statements made during this presentation are not guarantees of future performance.

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



Preliminary Fourth Quarter 2023 Results

- Matson's Ocean Transportation and Logistics business segments performed well in 4Q23, capping off a solid year for both business segments
- Ocean Transportation:
 - Our China service experienced solid freight demand with higher YoY volume but lower YoY freight rates, which when combined with higher operating costs across all tradelanes resulted in a YoY decline in operating income
 - Lower YoY volumes in Hawaii and Alaska and higher YoY volume in Guam
- Logistics:
 - Lower YoY operating income primarily due to a lower contribution from transportation brokerage
- In 4Q23:
 - Repurchased ~0.5 million shares for a total cost of \$47.9 million
- Expect to provide 2024 annual financial outlook with the release of 4Q23 earnings in February

Preliminary Fourth Quarter 2023 Results (continued)

(\$ in millions, except per share data)	Quarter Ended December 31, 2022	Quarter Ended December 31, 2023 Preliminary Range	(\$ in millions)	Quarter Ended December 31, 2023
INCOME STATEMENT			BALANCE SHEET	
Operating Income			Total debt	
Ocean transportation	\$ 79.8	\$ 61.0 - \$ 66.0	Private placement term loans	\$ 160.6
Logistics	12.8	8.0 - 9.0	Title XI debt	280.0
Total operating income	92.6	69.0 - 75.0	Revolving credit facility	-
Other income (expense), net	2.2	1.6 - 1.6	Total debt (1)	\$ 440.6
Interest income	6.9	9.8 - 9.8	Cash and cash equivalents	\$ 134.0
Interest expense	(3.7)	(2.4) - (2.4)	Capital Construction Fund	\$ 599.4
Income before taxes	98.0	78.0 - 84.0		
Income taxes	20.0	20.3 - 21.8		
Effective income tax rate	20.4%	26.0% - 26.0%		
Net income	\$ 78.0	\$ 57.7 - \$ 62.2		
Diluted EPS	\$ 2.10	\$ 1.65 - \$ 1.78		

- The effective income tax rate for 4Q23 is estimated to be higher than the approximately 23 percent previously forecast primarily due to discrete tax adjustments

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

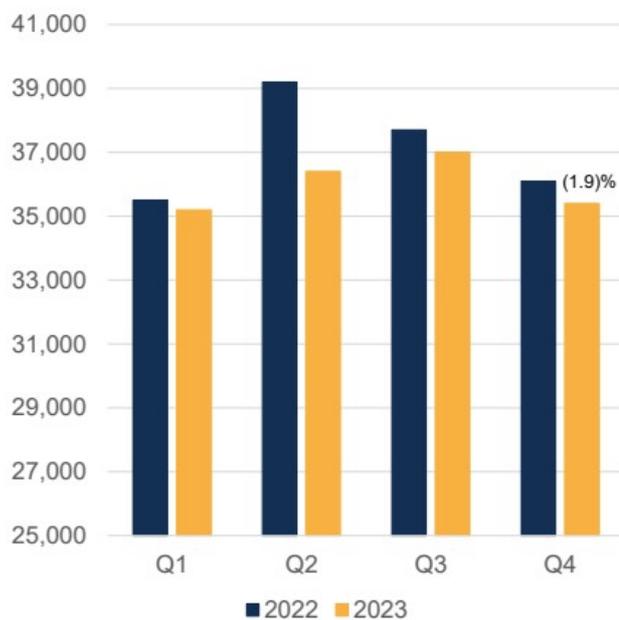
Additional Commentary

- Currently in the Transpacific marketplace, we continue to see steady U.S. consumer demand, which we expect to lead to similar demand for Matson's CLX and CLX+ services in 2024 as in 2023
- Absent a significant change in the trajectory of the U.S. economy, we expect trade dynamics across all our tradelanes in 2024 to be comparable to 2023 as consumer-related spending activity is expected to remain stable

Fourth Quarter 2023 Performance

- Container volume decreased 1.9% YoY due to lower general demand
 - 4Q23 volume was 5.1% lower than volume achieved in 4Q19

Container Volume (FEU Basis)

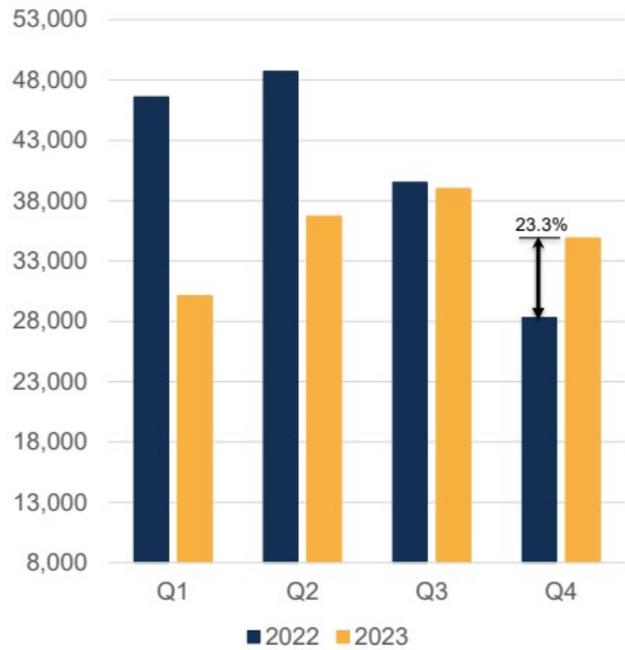


China Service

Fourth Quarter 2023 Performance

- Container volume increased 23.3% YoY
 - Higher volumes for both CLX and CLX+
- Lower average freight rates YoY, but higher than in 4Q19

Container Volume (FEU Basis)

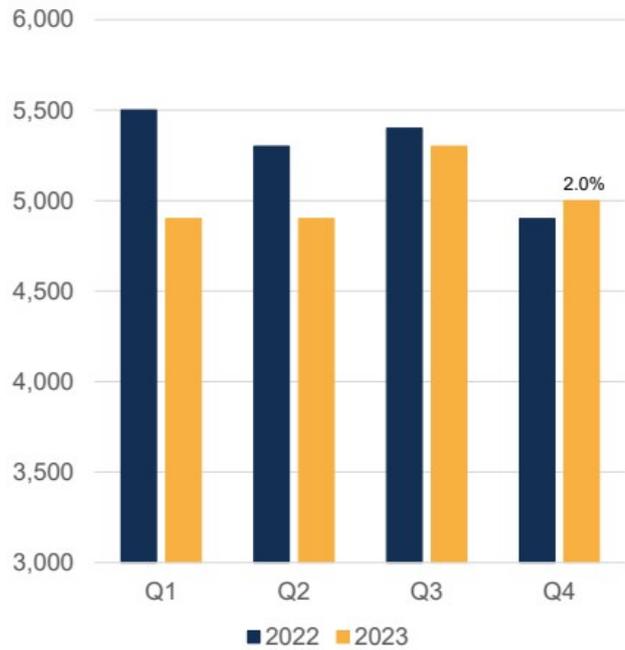


Note: CCX service started in 3Q21 and ended in 3Q22.

Fourth Quarter 2023 Performance

- Container volume increased 2.0% YoY primarily due to higher general demand
 - 4Q23 volume 4.2% higher than volume achieved in 4Q19

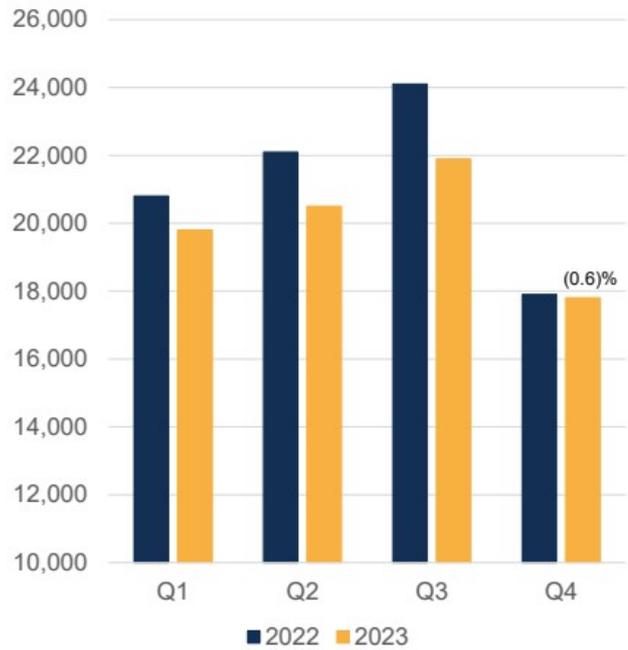
Container Volume (FEU Basis)



Fourth Quarter 2023 Performance

- Container volume decreased 0.6% YoY
 - Lower export seafood volume on AAX
 - Higher northbound volume due to an additional sailing
 - Higher southbound volume due to higher domestic seafood volume
- 4Q23 volume 20.3% higher than volume achieved in 4Q19

Container Volume (FEU Basis)



Fourth Quarter 2023 Performance

- Operating income of \$8.0 to \$9.0 million; YoY decrease of approximately \$3.8 to \$4.8 million
 - Lower contribution from transportation brokerage

Operating Income

