

**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): **October 17, 2022 (October 17, 2022)**

Matson, Inc.

(Exact Name of Registrant as Specified in its Charter)

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

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 October 17, 2022, Matson, Inc. (the “Company”) issued a press release announcing the Company’s preliminary earnings for the quarter ended September 30, 2022. A copy of the press release is attached hereto as Exhibit 99.1. In addition, the Company posted an investor presentation to its website. A copy of the investor presentation is attached hereto as Exhibit 99.2.

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

Item 9.01. Financial Statements and Exhibits.

(a) - (c) Not applicable.

(d) Exhibits.

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

99.1 [Press Release issued by Matson, Inc., dated October 17, 2022](#)

99.2 [Investor Presentation, dated October 17, 2022](#)

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

SIGNATURE

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

MATSON, INC.

/s/ Joel M. Wine

Joel M. Wine

Executive Vice President and Chief Financial Officer

Dated: October 17, 2022



Investor Relations inquiries:

Lee Fishman
 Matson, Inc.
 510.628.4227
 lfishman@matson.com

News Media inquiries:

Keoni Wagner
 Matson, Inc.
 510.628.4534
 kwagner@matson.com

FOR IMMEDIATE RELEASE

MATSON ANNOUNCES PRELIMINARY 3Q22 RESULTS, PROVIDES BUSINESS UPDATE AND ANNOUNCES 3Q22 EARNINGS CALL DATE

- Expects 3Q22 operating income for Ocean Transportation to be \$310.0 to \$315.0 million
- Expects 3Q22 operating income for Logistics to be \$19.0 to \$20.0 million
- Expects 3Q22 net income and diluted EPS to be \$257.3 to \$262.0 million and \$6.67 to \$6.79, respectively
- Year-over-year decrease in consolidated operating income driven primarily by lower volume in China service
- Repurchased approximately 1.1 million shares in 3Q22
- Announces third quarter earnings call date on November 2, 2022

HONOLULU, Hawaii (October 17, 2022) – Matson, Inc. (“Matson” or the “Company”) (NYSE: MATX) today announces preliminary third quarter financial results, provides a business update and announces that its third quarter earnings call will be held on November 2, 2022.

“Matson’s differentiated ocean services performed well in the third quarter 2022, but the Company achieved lower year-over-year consolidated operating income as we saw lower demand for expedited ocean services in the Transpacific tradelane compared to the high levels of freight demand during the pandemic in the year ago period,” said Chairman and Chief Executive Officer Matt Cox. “Within Ocean Transportation, our CLX, CLX+ and CCX services achieved lower year-over-year volumes which contributed to the decline in our consolidated operating income. As we mentioned on our second quarter earnings call, we believed rates had likely peaked in the Transpacific tradelane for this cycle and would be in a transitional decline from the pandemic highs. Additionally, due to less demand for expedited ocean services and easing port congestion in Southern California, we decided to end our temporary CCX service in early September, about six weeks earlier than expected. For the remainder of the year, we expect to experience lower year-over-year freight demand and a lower rate environment for our CLX and CLX+ services, but we expect to continue to earn a significant rate premium to the Shanghai Containerized Freight Index due to our differentiated, reliable and fast ocean services.”

Mr. Cox added, “In our domestic ocean tradelanes, we saw continued strength in Alaska with higher year-over-year volume and lower volumes in Hawaii and Guam compared to the year ago period. The year-over-year decline in Hawaii volume was impacted by the pandemic spike in demand experienced in the year ago period, and volumes for the quarter were higher than the pre-pandemic third quarter of 2019. In Logistics, operating income increased year-over-year with strength across all of the business lines as we continued to see favorable supply and demand fundamentals in our core markets. As a result, Matson expects third quarter operating income for Ocean Transportation of \$310.0 to \$315.0 million and Logistics operating income of \$19.0 to \$20.0 million. We also expect third quarter 2022 net income and diluted EPS to be \$257.3 to \$262.0 million and \$6.67 to \$6.79, respectively.”

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

For the three months ended September 30, 2022 compared to the three months ended September 30, 2021 and on a FEU basis:

- Hawaii container volume decreased 7.1 percent primarily due to lower retail-related demand;
- Alaska volume increased 10.6 percent primarily due to (i) higher export seafood volume from Alaska-Asia Express (“AAX”), (ii) higher northbound volume primarily due to higher retail-related demand and volume related to a competitor’s dry-docking and (iii) higher southbound volume primarily due to higher domestic seafood volume;
- China volume was 15.1 percent lower primarily due to (i) lower demand for the CLX, CLX+ and CCX services and (ii) one less sailing;
- Guam volume was 1.8 percent lower primarily due to lower retail-related demand; and
- Other containers volume increased 11.1 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.

Liquidity, Debt and Share Repurchases

During the third quarter of 2022, Matson contributed \$565.0 million in cash to the Capital Construction Fund. Matson’s cash and cash equivalents as of September 30, 2022 was approximately \$240.0 million, which excludes the aforementioned cash deposited into the Capital Construction Fund. Total debt (presented before any reduction for deferred loan fees as required by GAAP) as of September 30, 2022 was \$531.8 million. During the third quarter of 2022, Matson prepaid approximately \$50.4 million of outstanding principal on the 4.16% Prudential Series C-2 notes due 2027 and the 4.31% Prudential Series C-3 notes due 2032, which represented all of the remaining principal amount outstanding for both notes.

During the third quarter of 2022, Matson repurchased approximately 1.1 million shares for a total cost of \$88.4 million. As of September 30, 2022, the Company had approximately 3.0 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.

Teleconference and Webcast

A conference call is scheduled on November 2, 2022 at 4:30 p.m. ET when Matt Cox, Chairman and Chief Executive Officer, and Joel Wine, Executive Vice President and Chief Financial Officer, will discuss Matson’s third quarter results.

Date of Conference Call: Wednesday, November 2, 2022
Scheduled Time: 4:30 p.m. ET / 1:30 p.m. PT / 10:30 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/BId470887075974c638c7f980ef087a60f>

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

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, volume level and demand for Matson's CLX and CLX+ services, transition in the Transpacific tradelane, the rate environment and Matson's rate premium to the Shanghai Containerized Freight Index, and new vessel program. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to risks and uncertainties relating to repeal, substantial amendment or waiver of the Jones Act or its application, or our failure to maintain our status as a United States citizen under the Jones Act; changes in economic conditions or governmental policies, including from the COVID-19 pandemic; our ability to offer a differentiated service in China for which customers are willing to pay a significant premium; new or increased competition or improvements in competitors' service levels; our relationship with customers, agents, vendors and partners and changes in related agreements; fuel prices, our ability to collect fuel-related surcharges and/or the cost or limited availability of required fuels; evolving stakeholder expectations related to environmental, social and governance matters; timely or successful completion of fleet upgrade initiatives; the occurrence of poor weather, natural disasters, maritime accidents, spill events and other physical and operating risks, including those arising from climate change; transitional and other risks arising from climate change; the magnitude and timing of the impact of public health crises, including COVID-19; significant operating agreements and leases that may not be replaced on favorable terms; any unanticipated dry-dock or repair expenses; joint venture relationships; conducting business in a foreign shipping market, including the imposition of tariffs or a change in international trade policies; any delays or cost overruns related to the modernization of terminals; war, terrorist attacks or other acts of violence; consummating and integrating acquisitions; freight levels and increasing costs and availability of truck capacity or alternative means of transporting freight; relations with our unions; satisfactory negotiation and renewal of expired collective bargaining agreements without significant disruption to Matson's operations; loss of key personnel or failure to adequately manage human capital; the use of our information technology and communication systems and cybersecurity attacks; changes in our credit profile and our future financial performance; our ability to obtain future debt financings; continuation of the Title XI and CCF programs; costs to comply with and liability related to numerous safety, environmental, and other laws and regulations; and disputes, legal and other proceedings and government inquiries or investigations. These forward-looking statements are not guarantees of future performance. This release should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2021 and our other filings with the SEC through the date of this release, which identify important factors that could affect the forward-looking statements in this release. We do not undertake any obligation to update our forward-looking statements.



Matson®

***Third Quarter 2022
Preliminary Earnings Supplement***

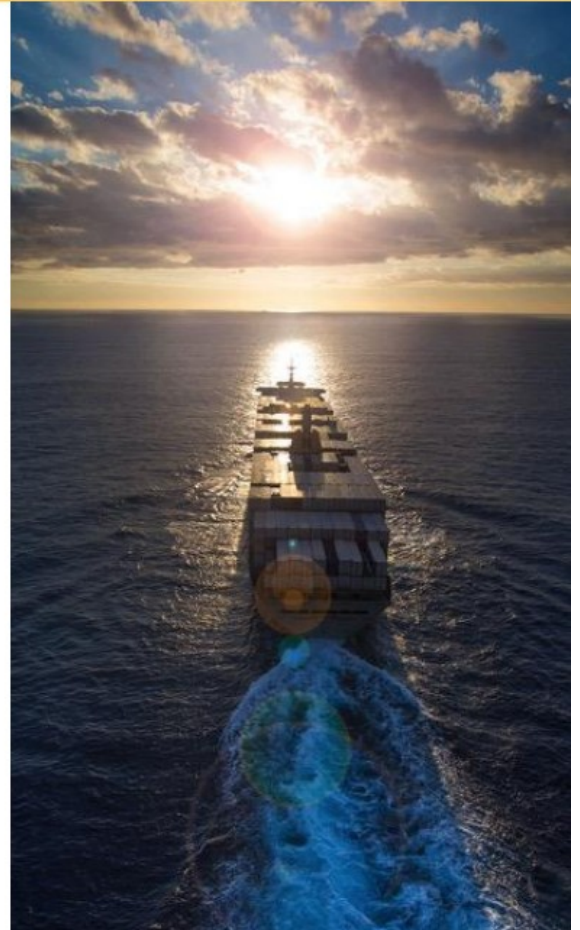
October 17, 2022

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 October 17, 2022.

We believe that our expectations and assumptions are reasonable. Actual results may differ materially, due to risks and uncertainties, such as those described on pages 13-24 of our Form 10-K filed on February 25, 2022 and other subsequent filings by Matson with the SEC. Statements made during this presentation are not guarantees of future performance.

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



Preliminary Third Quarter 2022 Results

- Matson's differentiated ocean services performed well in 3Q22, but the Company achieved lower year-over-year consolidated operating income
 - Lower demand for expedited ocean services in the Transpacific tradelane compared to the high levels of freight demand during the pandemic in the year ago period
- Ocean Transportation:
 - Our CLX, CLX+ and CCX services achieved lower year-over-year volumes which contributed to the decline in our consolidated operating income
 - Higher year-over-year volume in Alaska service; lower volumes in Hawaii and Guam services compared to year ago period
- Logistics:
 - Strength across all business lines
 - Continued to see favorable supply and demand fundamentals in our core markets
- In 3Q22, repurchased ~1.1 million shares for a total cost of \$88.4 million
- Continue to make progress in the evaluation of three new vessels for either the CLX or Alaska service
 - Estimated total cost of new vessel program ~\$1 billion
 - Contributed \$565.0 million in cash to Capital Construction Fund to fund new vessel program
- Prepaid ~\$50.4 million in outstanding principal on long-term debt

Preliminary Third Quarter 2022 Results (continued)

(\$ in millions, except per share data)	Quarter Ended September 30, 2021	Quarter Ended September 30, 2022 Preliminary Range	
INCOME STATEMENT			
Operating Income			
Ocean Transportation	\$ 361.9	\$ 310.0	- \$ 315.0
Logistics	16.0	19.0	- 20.0
Total operating income	377.9	329.0	- 335.0
Other income (expense), net	1.8	2.5	- 2.5
Interest income	-	1.3	- 1.3
Interest expense	(5.1)	(5.0)	- (5.0)
Income before taxes	374.6	327.8	- 333.8
Income taxes	91.4	70.5	- 71.8
<i>Effective income tax rate</i>	24.4%	21.5%	- 21.5%
Net income	\$ 283.2	\$ 257.3	- \$ 262.0
Diluted EPS	\$ 6.53	\$ 6.67	- \$ 6.79

(\$ in millions)	Quarter Ended September 30, 2022
BALANCE SHEET	
Total debt	
Private placement term loans	\$ 205.4
Title XI debt	326.4
Revolving credit facility	-
Total debt (1)	\$ 531.8
Cash and cash equivalents	~ \$ 240.0
Capital Construction Fund	\$ 565.0

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

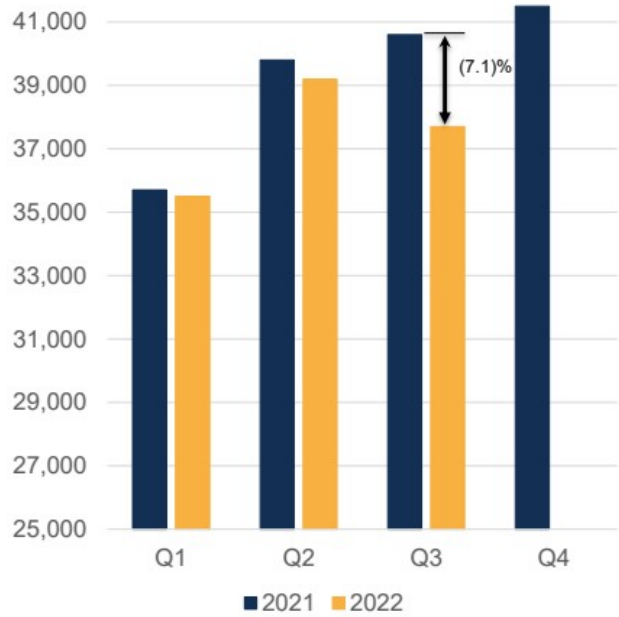
Commentary on the Transpacific Tradelane

- In 3Q22, saw lower demand for expedited ocean services in the Transpacific tradelane compared to the high levels of freight demand during the pandemic in the year ago period
 - With less demand for expedited ocean services and easing port congestion in Southern California, we ended our temporary CCX service in early September, about 6 weeks earlier than expected
- For the remainder of the year, we expect:
 - To experience lower YoY freight demand and a lower rate environment for our CLX and CLX+ services, but
 - To continue to earn a significant rate premium to the Shanghai Containerized Freight Index (SCFI) due to our differentiated, reliable and fast ocean services

Third Quarter 2022 Performance

- Container volume decreased 7.1% YoY primarily due to lower retail-related demand
 - YoY decline impacted by pandemic spike in demand in 3Q21
 - 3Q22 volume higher than volume achieved in 3Q19
- During 3Q22, tourist arrivals was strong and unemployment rate remained near pandemic lows

Container Volume (FEU Basis)

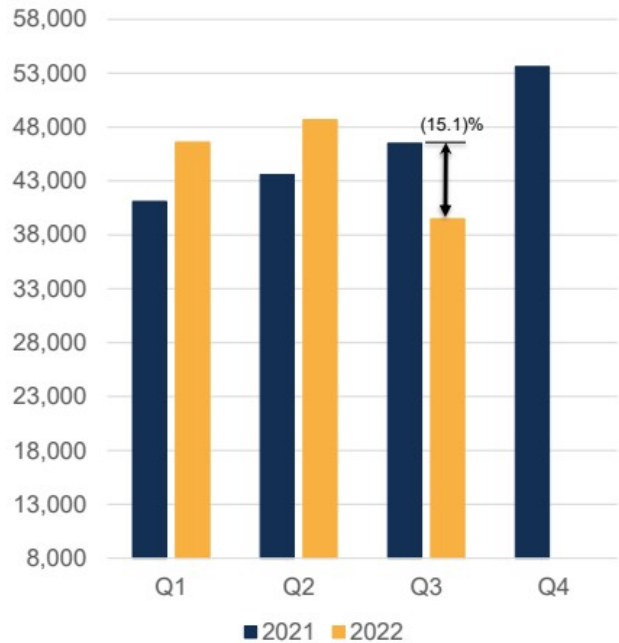


Note: 4Q21 volume figure includes the benefit of a 53rd week.

Third Quarter 2022 Performance

- Container volume decreased 15.1% YoY
 - Lower demand for our CLX, CLX+ and CCX services
 - One less sailing
- For the remainder of the year, we expect:
 - To experience lower YoY freight demand and a lower rate environment for our CLX and CLX+ services, but
 - To continue to earn a significant rate premium to the Shanghai Containerized Freight Index (SCFI) due to our differentiated, reliable and fast ocean services
- Expect lower YoY volume in 4Q22
 - No CCX service in 4Q22

Container Volume (FEU Basis)

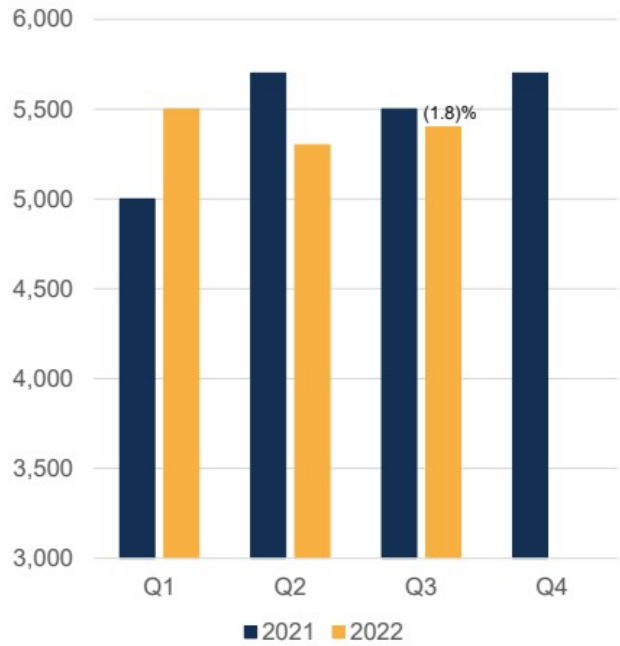


Note: CCX service started in 3Q21 and ended in 3Q22. 4Q21 volume figure includes the benefit of a 53rd week.

Third Quarter 2022 Performance

- Container volume decreased 1.8% YoY primarily due to lower retail-related demand
 - 3Q22 volume higher than volume achieved in 3Q19

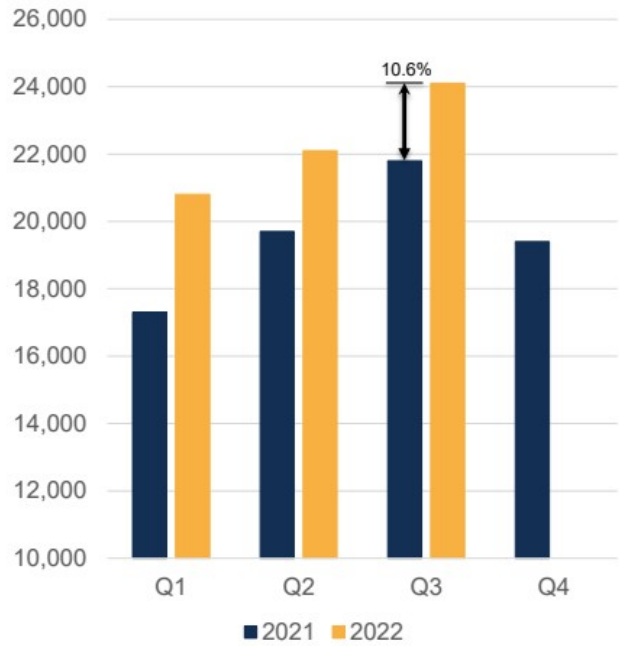
Container Volume (FEU Basis)



Third Quarter 2022 Performance

- Container volume increased 10.6% YoY
 - Higher AAX export seafood volume
 - Higher northbound volume primarily due to higher retail-related demand and volume related to a competitor's dry-docking
 - Higher southbound volume primarily due to higher domestic seafood volume

Container Volume (FEU Basis)



Note: 4Q21 volume figure includes the benefit of a 53rd week.

Third Quarter 2022 Performance

- Operating income of \$19 to \$20 million; YoY change of approximately \$3.0 to \$4.0 million
- Higher YoY operating income contributions from all business lines
- Benefitted from favorable supply and demand fundamentals in core markets

Operating Income

