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): **May 8, 2019**

MATSON, INC.
(Exact Name of Registrant as Specified in its Charter)

HAWAII	**001-34187**	**99-0032630**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1411 Sand Island Parkway Honolulu, Hawaii	**96819**
(Address of principal executive offices)	(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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. ☐

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

Item 2.02. Results of Operations and Financial Condition.

On May 8, 2019, Matson, Inc. (the "Company") issued a press release announcing the Company's earnings for the quarter ended March 31, 2019. 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 exhibits listed below are being furnished with this Form 8-K.

99.1 Press Release issued by Matson, Inc., dated May 8, 2019

99.2 Investor Presentation, dated May 8, 2019

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
Senior Vice President and Chief Financial Officer

Dated: May 8, 2019

Exhibit 99.1

Matson

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FOR IMMEDIATE RELEASE

MATSON, INC. ANNOUNCES FIRST QUARTER 2019 RESULTS; RAISES FULL YEAR 2019 OPERATING INCOME OUTLOOK

- 1Q19 EPS of $0.29
- 1Q19 Net Income of $12.5 million versus $14.2 million in 1Q18
- 1Q19 EBITDA of $49.3 million versus $62.1 million in 1Q18
- Raises Full Year 2019 Operating Income Outlook

HONOLULU, Hawaii (May 8, 2019) – Matson, Inc. (“Matson” or the “Company”) (NYSE: MATX), a leading U.S. carrier in the Pacific, today reported net income of $12.5 million, or $0.29 per diluted share, for the quarter ended March 31, 2019. Net income for the quarter ended March 31, 2018 was $14.2 million, or $0.33 per diluted share. Consolidated revenue for the first quarter 2019 was $532.4 million compared with $511.4 million for the first quarter 2018.

Matt Cox, Matson’s Chairman and Chief Executive Officer, commented, “We are off to a solid start for the year with Ocean Transportation operating income coming in as expected with a number of positive and negative factors, and Logistics posting stronger-than-expected operating income. Within Ocean Transportation, we saw continued strong demand in our China service and steady performance in SSAT, but we also faced significant weather-related issues that primarily affected our Hawaii service. In our Logistics segment, we performed exceptionally well with positive contributions across all service lines.”

Mr. Cox added, “As a result of the first quarter performance, we are raising our outlook for consolidated operating income in 2019. In Logistics, we expect full year operating income to be moderately higher than the level achieved in 2018. For Ocean Transportation, we are maintaining our prior full year operating income outlook and expect a higher contribution from Alaska, offset by lower contributions from our China service and at SSAT, both of which are coming off exceptionally strong years.”

First Quarter 2019 Discussion and Outlook for 2019

Ocean Transportation: The Company’s container volume in the Hawaii service in the first quarter 2019 was 2.2 percent lower year-over-year primarily due to one less westbound sailing and weather-related impacts. The Hawaii economy continues to show economic growth, supported primarily by healthy tourism activity and low unemployment. The Company expects volume in 2019 to approximate the level achieved in 2018, reflecting modest economic growth in Hawaii and stable market share.

In China, the Company’s container volume in the first quarter 2019 was 16.0 percent higher year-over-year largely due to one additional sailing and stronger volume post Lunar New Year. Matson continued to realize a sizeable rate premium in the first quarter 2019 and achieved average freight rates modestly higher than the first quarter 2018. For 2019, the Company expects volume to approximate the exceptional level achieved in 2018 and expects average freight rates to approach the levels achieved in 2018.

In Guam, the Company's container volume in the first quarter 2019 was higher on a year-over-year basis primarily due to typhoon relief-related volume. For 2019, the Company expects modestly lower volume as the highly competitive environment remains.

In Alaska, the Company's container volume for the first quarter 2019 was 5.7 percent lower year-over-year, primarily due to a decrease in northbound volume mainly related to the dry-docking of a competitor's vessel in the year ago period and one less northbound sailing. For 2019, the Company expects volume to be modestly higher than the level achieved in 2018 with higher northbound volume supported by improving economic conditions in Alaska and higher southbound seafood-related volume due to stronger seafood harvest levels than in 2018.

The contribution in the first quarter 2019 from the Company's SSAT joint venture investment was $2.0 million lower than the first quarter 2018 due primarily to the absence of favorable one-time items in the year ago period. For 2019, the Company expects the contribution from SSAT to be lower as a result of lower lift volume coming off an exceptionally strong lift volume level in 2018.

As a result of the first quarter performance and the outlook trends noted above, the Company expects full year 2019 Ocean Transportation operating income to approximate the $131.1 million achieved in 2018 after taking into account a full year net operating expense impact of $7.2 million associated with the sale and leaseback of *MV Maunalei*. In the second quarter 2019, the Company expects Ocean Transportation operating income to be moderately lower than the level achieved in the second quarter 2018.

Logistics: In the first quarter 2019, operating income for the Company's Logistics segment was $3.9 million higher compared to the operating income achieved in the first quarter 2018 due to improved performance across all of the service lines. For 2019, the Company expects Logistics operating income to be moderately higher than the level achieved in 2018 of $32.7 million. In the second quarter 2019, the Company expects operating income to be modestly higher than the level achieved in the second quarter 2018.

Depreciation and Amortization: For the full year 2019, the Company expects depreciation and amortization expense to be approximately $130 million, inclusive of dry-docking amortization of approximately $35 million.

EBITDA: While the Company expects net income in 2019 to decline year-over-year, we expect EBITDA in 2019 to be approximately $288 million, which is higher than the level achieved in 2018 after taking into account the full year impact in 2018 of the $12.0 million of lease expense related to the sale and leaseback of *MV Maunalei*.

Other Income (Expense): The Company expects full year 2019 other income (expense) to be approximately $2.7 million in income, which is attributable to other component costs related to the Company's pension and post-retirement plans.

Interest Expense: The Company expects interest expense for the full year 2019 to be approximately $25 million.

Income Taxes: In the first quarter 2019, the Company's effective tax rate was 7.4 percent, which includes a favorable non-cash adjustment of $2.9 million related to the reversal of an expense adjustment in 2018 arising from the enactment of the Tax Cuts and Jobs Act of 2017. For the full year 2019, the Company expects its effective tax rate to be approximately 26.0 percent, which excludes the aforementioned positive non-cash adjustment of $2.9 million in the first quarter of 2019.

Capital and Vessel Dry-docking Expenditures: For the first quarter 2019, the Company made other capital expenditure payments of $13.5 million, capitalized vessel construction expenditures of $20.9 million, and dry-docking payments of $3.2 million. For the full year 2019, the Company expects to make other capital expenditure payments, including maintenance capital expenditures, of approximately $120 million, vessel construction expenditures (including capitalized interest and owner's items) of approximately $215 million, and dry-docking payments of approximately $12 million.

Results By Segment

Ocean Transportation — Three months ended March 31, 2019 compared with 2018

	Three Months Ended March 31,			
(Dollars in millions)	**2019**	**2018**	**Change**	
Ocean Transportation revenue	$ 397.9	$ 379.3	$ 18.6	4.9 %
Operating costs and expenses	(388.5)	(354.8)	(33.7)	9.5 %
Operating income	$ 9.4	$ 24.5	$ (15.1)	(61.6)%
Operating income margin	2.4 %	6.5 %		
Volume (Forty-foot equivalent units (FEU), except for automobiles) (1)				
Hawaii containers	34,900	35,700	(800)	(2.2)%
Hawaii automobiles	17,000	16,800	200	1.2 %
Alaska containers	16,400	17,400	(1,000)	(5.7)%
China containers	13,800	11,900	1,900	16.0 %
Guam containers	5,100	4,900	200	4.1 %
Other containers (2)	3,500	3,100	400	12.9 %

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

Ocean Transportation revenue increased $18.6 million, or 4.9 percent, during the three months ended March 31, 2019, compared with the three months ended March 31, 2018. This increase was primarily due to higher fuel surcharge revenue and higher revenue in China, partially offset by lower container volume in Alaska and Hawaii.

On a year-over-year FEU basis, Hawaii container volume decreased 2.2 percent primarily due to one less westbound sailing and weather-related impacts; Alaska volume decreased by 5.7 percent primarily due to lower northbound volume mainly related to the dry-docking of a competitor's vessel in the year ago period and one less sailing; China volume was 16.0 percent higher primarily due to one additional sailing and stronger volume post Lunar New Year; Guam volume was 4.1 percent higher primarily due to typhoon relief-related volume; and Other container volume increased 12.9 percent primarily due to the Japan service.

Ocean Transportation operating income decreased $15.1 million, or 61.6 percent, during the three months ended March 31, 2019, compared with the three months ended March 31, 2018. The decrease was primarily due to higher vessel operating costs, including weather-related impacts and *MV Maunalei* lease expense, higher terminal handling costs and lower container volume in Alaska and Hawaii, partially offset by a higher contribution from the China service.

The Company's SSAT terminal joint venture investment contributed $8.5 million during the three months ended March 31, 2019, compared to a contribution of $10.5 million during the three months ended March 31, 2018. The decrease was primarily attributable to the absence of favorable one-time items in the year ago period.

Logistics — Three months ended March 31, 2019 compared with 2018

(Dollars in millions)	Three Months Ended March 31, 2019	2018	Change	
Logistics revenue	$ 134.5	$ 132.1	$ 2.4	1.8 %
Operating costs and expenses	(126.4)	(127.9)	1.5	(1.2)%
Operating income	$ 8.1	$ 4.2	$ 3.9	92.9 %
Operating income margin	6.0 %	3.2 %		

Logistics revenue increased $2.4 million, or 1.8 percent, during the three months ended March 31, 2019, compared with the three months ended March 31, 2018. This increase was primarily due to higher freight forwarding revenue.

Logistics operating income increased $3.9 million, or 92.9 percent, for the three months ended March 31, 2019, compared with the three months ended March 31, 2018. The increase was due primarily to higher contributions from transportation brokerage and freight forwarding.

Liquidity, Cash Flows and Capital Allocation

Matson's Cash and Cash Equivalents decreased by $4.2 million from $19.6 million at December 31, 2018 to $15.4 million at March 31, 2019. Matson generated net cash from operating activities of $33.4 million during the three months ended March 31, 2019, compared to $29.9 million during the three months ended March 31, 2018. Capital expenditures, including capitalized vessel construction expenditures, totaled $34.4 million for the three months ended March 31, 2019, compared with $70.8 million for the three months ended March 31, 2018. Total debt increased by $11.7 million during the three months to $868.1 million as of March 31, 2019, of which $822.9 million was classified as long-term debt.

Matson's Net Income and EBITDA were $107.3 million and $284.5 million, respectively, for the twelve months ended March 31, 2019. The ratio of Matson's Net Debt to last twelve months EBITDA was 3.0 as of March 31, 2019.

As previously announced, Matson's Board of Directors declared a cash dividend of $0.21 per share payable on June 6, 2019 to all shareholders of record as of the close of business on May 9, 2019.

Teleconference and Webcast

A conference call is scheduled for 4:30 p.m. EDT when Matt Cox, Chairman and Chief Executive Officer, and Joel Wine, Senior Vice President and Chief Financial Officer, will discuss Matson's first quarter results.

Date of Conference Call:	Wednesday, May 8, 2019
Scheduled Time:	4:30 p.m. EDT / 1:30 p.m. PDT / 10:30 a.m. HST
Participant Toll Free Dial-In #:	1-877-312-5524
International Dial-In #:	1-253-237-1144

The conference call will be broadcast live along with a slide presentation on the Company's website at www.matson.com, under Investors. A replay of the conference call will be available approximately two hours after the call through May 15, 2019 by dialing 1-855-859-2056 or 1-404-537-3406 and using the conference number 4293279. The slides and audio webcast of the conference call will be archived for one full quarter on the Company's website 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 a premium, expedited service from China to Long Beach, California and provides services to Okinawa, Japan and various islands in the South Pacific. The Company's fleet of owned and chartered vessels includes containerships, combination container and roll-on/roll-off ships and various types of barges. Matson Logistics, established in 1987, extends the geographic reach of Matson's ocean transportation network throughout the continental U.S. Its integrated, asset-light logistics services include rail intermodal services, long-haul and regional highway brokerage, warehousing and distribution services, consolidation and freight forwarding services, supply chain management services, and other services. Additional information about the Company is available at www.matson.com.

GAAP to Non-GAAP Reconciliation

This press release, the Form 8-K and the information to be discussed in the conference call include non-GAAP measures. While 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, Income Taxes, Depreciation and Amortization ("EBITDA") and Net Debt-to-EBITDA.

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 earnings, net income, operating income, depreciation and amortization including dry-dock amortization, other income (expense), interest expense, profitability and cash flow expectations, fleet renewal progress, fleet deployments, fuel strategy and scrubber program, organic growth opportunities, economic effects of competitors’ services, expenses, rate premiums and market conditions in the China service, trends in volumes, economic growth and construction activity in Hawaii, Sand Island terminal upgrades, economic conditions and seafood harvest levels in Alaska, lift volumes at SSAT, timing and amount of SSAT cash distributions, vessel deployments and operating efficiencies, debt leverage levels and effective tax rates. 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 regional, national and international economic conditions; new or increased competition or improvements in competitors’ service levels; fuel prices, our ability to collect fuel surcharges and/or the cost or limited availability of low-sulfur fuel; delays or cost overruns related to the installation of scrubbers, our relationship with vendors, customers and partners and changes in related agreements; the actions of our competitors; our ability to offer a differentiated service in China for which customers are willing to pay a significant premium; the imposition of tariffs or a change in international trade policies; the ability of the NASSCO shipyard to construct and deliver the Kanaloa Class vessels on the contemplated timeframes; any unanticipated dry-dock or repair expenses; any delays or cost overruns related to the modernization of terminals; consummating and integrating acquisitions; changes in general economic and/or industry-specific conditions; competition and growth rates within the logistics industry; freight levels and increasing costs and availability of truck capacity or alternative means of transporting freight; changes in relationships with existing truck, rail, ocean and air carriers; changes in customer base due to possible consolidation among customers; conditions in the financial markets; 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; the impact of future and pending legislation, including environmental legislation; government regulations and investigations; 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; relations with our unions; satisfactory negotiation and renewal of expired collective bargaining agreements without significant disruption to Matson’s operations; war, terrorist attacks or other acts of violence; the use of our information technology and communication systems and cybersecurity attacks; and the occurrence of marine accidents, poor weather or natural disasters. 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 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, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Income
(Unaudited)

(In millions, except per-share amounts)	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Operating Revenue:		
Ocean Transportation	$ 397.9	$ 379.3
Logistics	134.5	132.1
Total Operating Revenue	532.4	511.4
Costs and Expenses:		
Operating costs	(467.1)	(439.3)
Equity in income of Terminal Joint Venture	8.5	10.5
Selling, general and administrative	(56.3)	(53.9)
Total Costs and Expenses	(514.9)	(482.7)
Operating Income	17.5	28.7
Interest expense	(4.6)	(5.0)
Other income (expense), net	0.6	0.8
Income before Income Taxes	13.5	24.5
Income taxes	(1.0)	(10.3)
Net Income	$ 12.5	$ 14.2
Basic Earnings Per-Share:	$ 0.29	$ 0.33
Diluted Earnings Per-Share:	$ 0.29	$ 0.33
Weighted Average Number of Shares Outstanding:		
Basic	42.8	42.6
Diluted	43.1	42.9

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

(In millions)	March 31, 2019	December 31, 2018
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 15.4	$ 19.6
Other current assets	291.2	298.8
Total current assets	306.6	318.4
Long-term Assets:		
Investment in Terminal Joint Venture	91.3	87.0
Property and equipment, net	1,386.2	1,366.6
Goodwill	327.8	327.8
Intangible assets, net	211.2	214.0
Other long-term assets	353.7	116.6
Total long-term assets	2,370.2	2,112.0
Total assets	$ 2,676.8	$ 2,430.4
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of debt	$ 45.2	$ 42.1
Other current liabilities	365.9	328.7
Total current liabilities	411.1	370.8
Long-term Liabilities:		
Long-term debt	822.9	814.3
Deferred income taxes	317.9	312.7
Other long-term liabilities	361.9	177.3
Total long-term liabilities	1,502.7	1,304.3
Total shareholders' equity	763.0	755.3
Total liabilities and shareholders' equity	$ 2,676.8	$ 2,430.4

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

(In millions)	Three Months Ended March 31, 2019	2018
Cash Flows From Operating Activities:		
Net income	$ 12.5	$ 14.2
Reconciling adjustments:		
Depreciation and amortization	23.3	23.6
Non-cash operating lease expense	16.7	—
Deferred income taxes	3.8	6.4
Share-based compensation expense	3.2	2.7
Equity in income of Terminal Joint Venture	(8.5)	(10.5)
Distribution from Terminal Joint Venture	4.2	7.0
Other	(0.6)	(0.6)
Changes in assets and liabilities:		
Accounts receivable, net	5.8	(14.5)
Deferred dry-docking payments	(3.2)	(4.6)
Deferred dry-docking amortization	8.1	9.2
Prepaid expenses and other assets	4.8	8.2
Accounts payable, accruals and other liabilities	(20.4)	(11.0)
Operating lease liabilities	(16.7)	—
Other long-term liabilities	0.4	(0.2)
Net cash provided by operating activities	33.4	29.9
Cash Flows From Investing Activities:		
Capitalized vessel construction expenditures	(20.9)	(57.7)
Other capital expenditures	(13.5)	(13.1)
Proceeds from disposal of property and equipment	1.2	1.0
Cash deposits into Capital Construction Fund	(13.4)	(53.5)
Withdrawals from Capital Construction Fund	13.4	53.5
Net cash used in investing activities	(33.2)	(69.8)
Cash Flows From Financing Activities:		
Repayments of debt and capital leases	(8.2)	(2.5)
Proceeds from revolving credit facility	107.8	117.4
Repayments of revolving credit facility	(87.8)	(68.4)
Proceeds from issuance of capital stock	—	0.2
Dividends paid	(9.1)	(8.7)
Tax withholding related to net share settlements of restricted stock units	(3.1)	(4.2)
Net cash (used in) provided by financing activities	(0.4)	33.8
Net Decrease in Cash, Cash Equivalents and Restricted Cash	(0.2)	(6.1)
Cash, Cash Equivalents and Restricted Cash, Beginning of the Period	24.5	19.8
Cash, Cash Equivalents and Restricted Cash, End of the Period	$ 24.3	$ 13.7
Reconciliation of Cash, Cash Equivalents, and Restricted Cash, at End of the Period:		
Cash and Cash Equivalents	$ 15.4	$ 13.7
Restricted Cash	8.9	—
Total Cash, Cash Equivalents and Restricted Cash, End of the Period	$ 24.3	$ 13.7
Supplemental Cash Flow Information:		
Interest paid, net of capitalized interest	$ 4.8	$ 5.3
Income tax paid, net of income tax refunds	$ (5.4)	$ 0.2
Non-cash Information:		
Capital expenditures included in accounts payable, accruals and other liabilities	$ 5.5	$ 0.7

MATSON, INC. AND SUBSIDIARIES
Net Debt to EBITDA and EBITDA Reconciliations
(Unaudited)

NET DEBT RECONCILIATION

(In millions)	March 31, 2019
Total Debt:	$ 868.1
Less: Cash and cash equivalents	(15.4)
Net Debt	$ 852.7

EBITDA RECONCILIATION

(In millions)	Three Months Ended March 31, 2019	2018	Change	Last Twelve Months
Net Income	$ 12.5	$ 14.2	$ (1.7)	$ 107.3
Add: Income taxes	1.0	10.3	(9.3)	29.4
Add: Interest expense	4.6	5.0	(0.4)	18.3
Add: Depreciation and amortization	23.1	23.4	(0.3)	93.2
Add: Dry-dock amortization	8.1	9.2	(1.1)	36.3
EBITDA (1)	$ 49.3	$ 62.1	$ (12.8)	$ 284.5

(1) EBITDA is defined as the sum of net income plus income taxes, 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.

Matson

First Quarter 2019 Earnings Conference Call

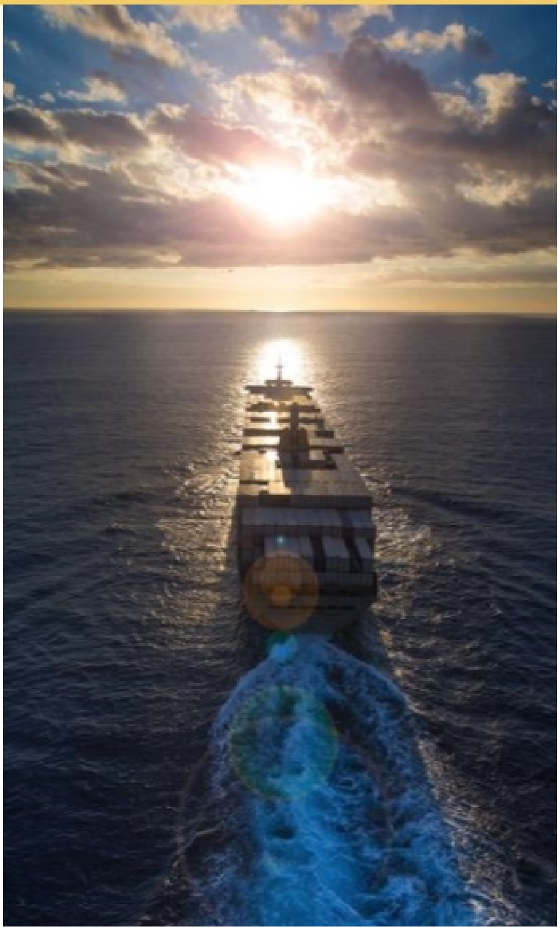
May 8, 2019

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 May 8, 2019.

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 11-20 of our 2018 Form 10-K filed on March 4, 2019 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.



Opening Remarks

- Recap of Matson's 1Q19 results:
  - Ocean Transportation came in as expected – positive and negative YoY factors
    - Strong demand in China
    - Steady performance in SSAT
    - Significant weather-related issues that primarily impacted our Hawaii service
  - Stronger-than-expected quarter for Logistics
    - All service lines performed well
- FY 2019 Outlook:
  - Maintains Ocean Transportation outlook
  - Raises Logistics outlook

Current Priorities

Priority	Commentary
Complete Hawaii service fleet renewal	• *Kaimana Hila* was delivered on March 28th and placed in service on April 18th • *Lurline* delivery on track for Q4 2019 • *Daniel K. Inouye* performing well
Upgrade Sand Island terminal	• The three new gantry cranes arrived at the terminal in April • Other infrastructure work in Phase I progressing well
Prepare for IMO 2020	• First of three CLX vessels to get scrubbers is in dry-dock • Board approved scrubbers on three additional vessels
De-lever the balance sheet beginning in 2020	• 1Q19 leverage covenant level below 3.0x • Cash flow remains strong
Organic growth opportunities	• Build upon Pacific hub and U.S. West Cost operations • Niche opportunities in Logistics • Additional terminal in SSAT portfolio

Matson.

New Arrivals

April was busy with the Kaimana Hila entering service and the new gantry cranes arriving at the Sand Island terminal.

Kaimana Hila entering the Port of Seattle.

New gantry cranes for Sand Island terminal.

Update on IMO 2020 Strategy

Matson will be 100% compliant with IMO 2020 guidelines.

- Commenced dry-dock and installation of scrubber on the first of three CLX vessels
  - Expect two of three CLX vessels to be back in service with scrubbers by year end
  - Expect third CLX vessel to be in dry-dock at year end
- Board has approved the installation of three additional scrubbers (two of the remaining CLX vessels and *Maunalei*)
  - Expect the installation on all three vessels to be complete by the end of 2020
  - Scrubber on *Maunalei* will allow it to operate as a reserve vessel for the CLX and Alaska services
  - Cost per scrubber installation is approximately $10 million

Hawaii Service

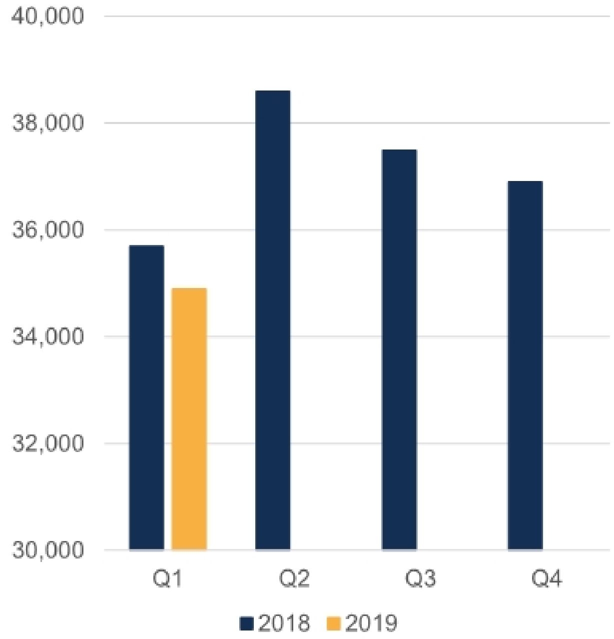
First Quarter 2019 Performance

- Container volume declined 2.2% YoY
  - One less WB sailing
  - Weather-related impacts
- Flattish container market environment
- Hawaii economy showing modest growth; some softening economic factors
  - Construction activity holding steady

Full Year 2019 Outlook

- Expect volume to approximate the level achieved in 2018, reflecting modest economic growth and stable market share

Container Volume (FEU Basis)



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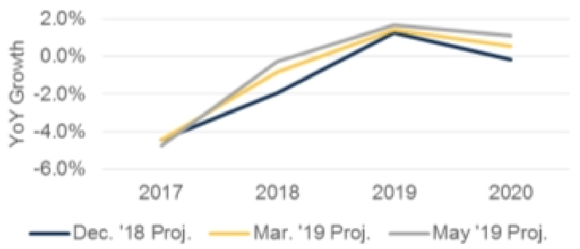
Hawaii Economic Indicators

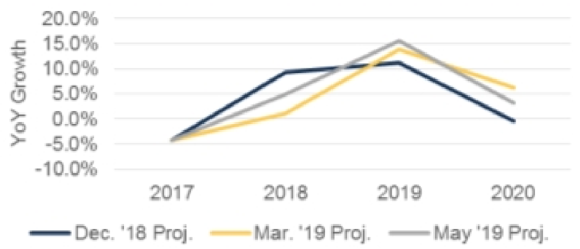
Hawaii's economic growth has slowed, but most economic indicators remain favorable for continued growth.

Real GDP Growth

Construction Jobs Growth



Real Building Permits Growth



"The construction industry has now settled on a plateau. Last year's 21% expansion of total permits, as well as anticipated gains for the next two years, will support a continuing high level of industry activity. Support will come from resort, residential, and public-sector projects."

– UHERO, May 3, 2019

Source: https://uhero.hawaii.edu/assets/19Q2_StateUpdate_Public.pdf

China Expedited Service (CLX)

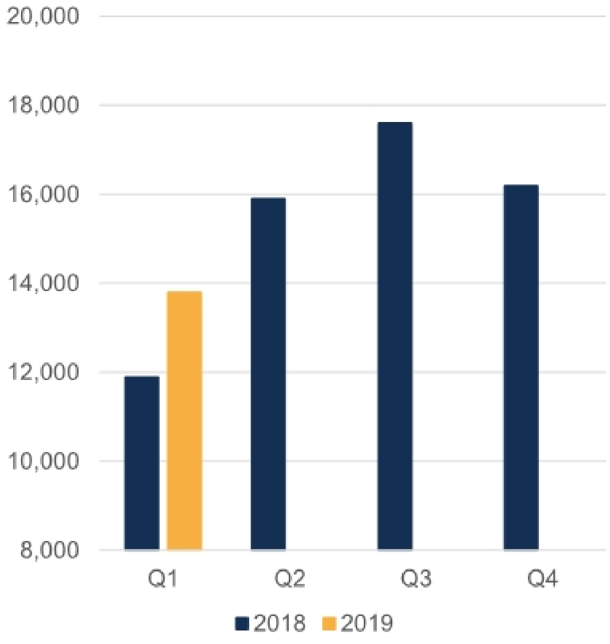
First Quarter 2019 Performance

- Container volume increased 16.0% YoY
  - One additional sailing
  - Stronger volume post Lunar New Year
- Continued to realize a sizeable rate premium

Full Year 2019 Outlook

- Expect volatility in transpacific capacity as it adjusts to demand as trade flow normalizes
- Expect CLX volume to approximate 2018 level
  - Expect stronger 1H19 than last year
  - 3Q19 and 4Q19 to reflect more traditional level of activity
- CLX average rates to approach the levels achieved in 2018
- Expect another strong year for Matson's highly differentiated service

Container Volume (FEU Basis)



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Guam Service

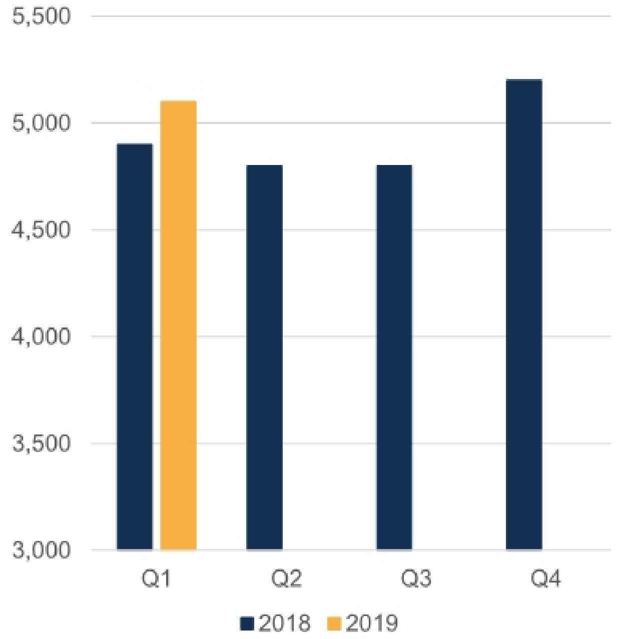
First Quarter 2019 Performance

- Container volume increased 4.1%
  - Primarily due to typhoon relief-related volume
- Market was flat YoY

Full Year 2019 Outlook

- Expect modestly lower volume as highly competitive environment remains
- Matson's transit advantage expected to remain with significantly better on-time performance

Container Volume (FEU Basis)



Alaska Service

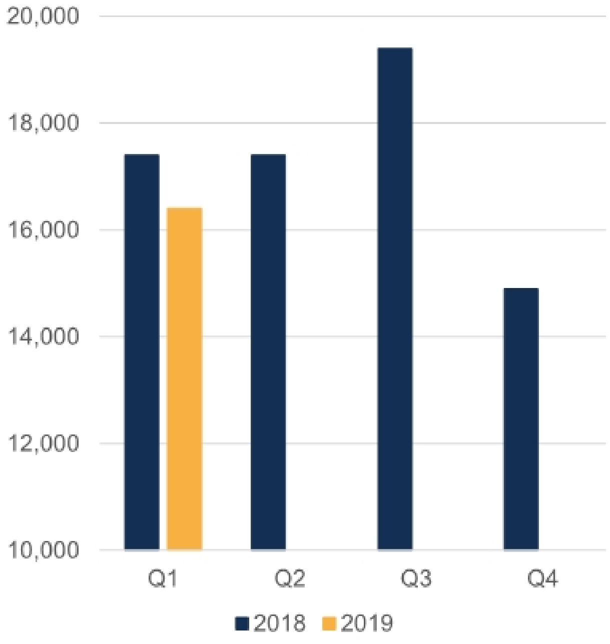
First Quarter 2019 Performance

- Container volume decreased 5.7% YoY
  - TOTE dry-dock volume in 1Q 2018
  - One less NB sailing
- Modest market growth supported by improving economic indicators in Alaska

Full Year 2019 Outlook

- Expect volume to be modestly higher than the level achieved in 2018
  - Improvement in NB volume as economic conditions improve
  - Stronger SB seafood harvest levels than in 2018

Container Volume (FEU Basis)



Note: 1Q 2018 volume figure includes volume related to a competitor's vessel dry-docking.

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SSAT Joint Venture

First Quarter 2019 Performance

- Terminal joint venture contribution was $8.5 million, $2.0 million lower than last year
  - YoY decline primarily due to the absence of favorable one-time items in the year ago period
  - Higher YoY lift volume

Full Year 2019 Outlook

- Expect terminal joint venture contribution to be lower than the 2018 level, which was a historic high
  - Normalization of import volume on the U.S. West Coast
- SSAT is the premier stevedore on the U.S. West Coast
- In April, Matson moved to T-5 in Seattle, SSAT's 8th terminal facility on the U.S. West Coast

Equity in Income of Joint Venture

Note: 1Q 2018 equity in income of JV includes favorable one-time items.

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Matson Logistics

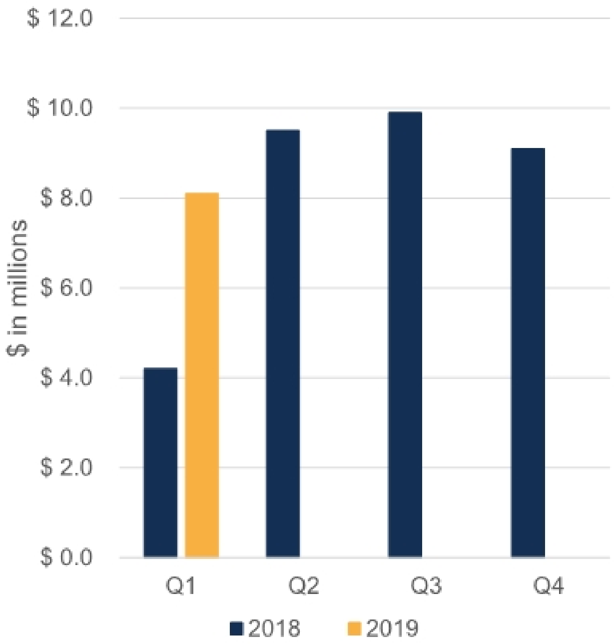
First Quarter 2019 Performance

- Operating income increased $3.9 million YoY to $8.1 million
  - All service lines performed well
  - YoY increase primarily driven by transportation brokerage and Span Alaska

Full Year 2019 Outlook

- Expect FY 2019 operating income to be moderately higher than 2018 level of $32.7 million, which was a historic high
- Expect 2Q 2019 operating income to be modestly higher than the $9.5 million achieved in the prior year period

Operating Income



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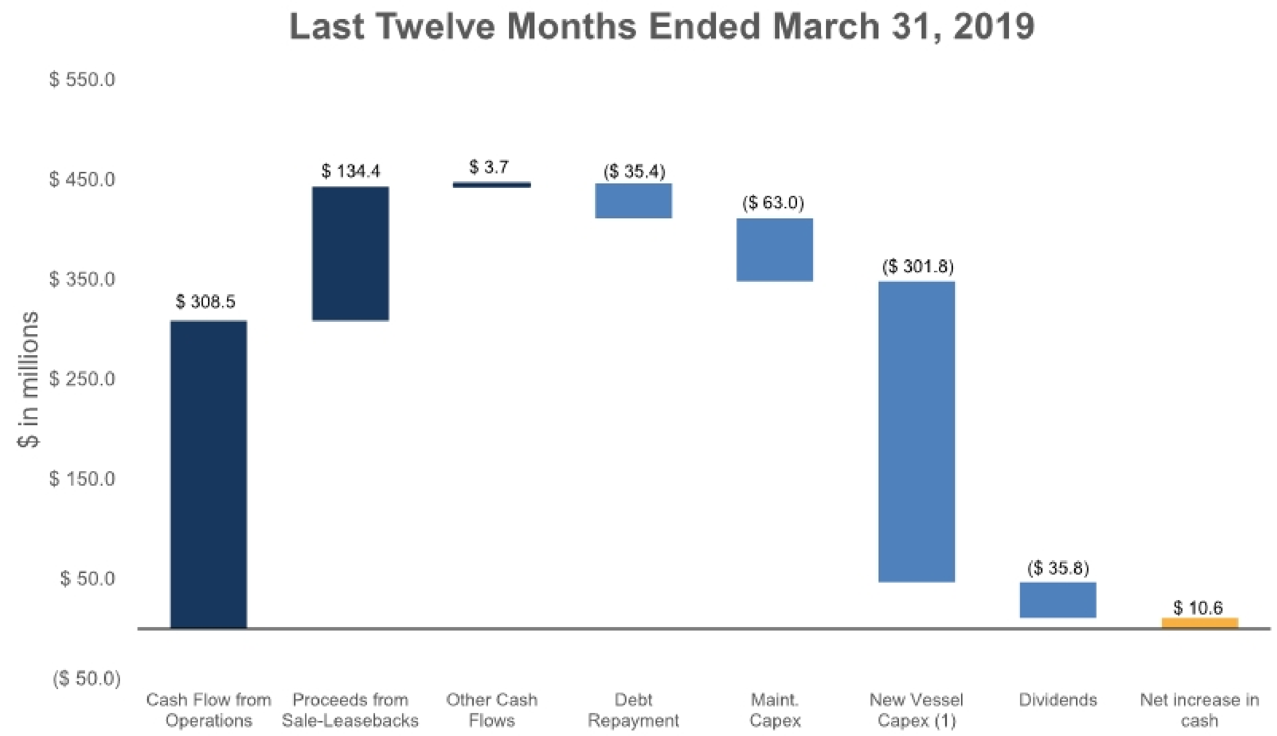
Financial Results – Summary Income Statement

($ in millions, except per share data)	First Quarter			
	Quarters Ended 3/31		Δ	
	2019	2018	$	%
Revenue				
Ocean Transportation	$ 397.9	$ 379.3	$ 18.6	4.9%
Logistics	134.5	132.1	2.4	1.8%
Total Revenue	$ 532.4	$ 511.4	$ 21.0	4.1%
Operating Income				
Ocean Transportation	$ 9.4	$ 24.5	($ 15.1)	-61.6%
Logistics	8.1	4.2	3.9	92.9%
Total Operating Income	**$ 17.5**	**$ 28.7**	**($ 11.2)**	**-39.0%**
Interest Expense	(4.6)	(5.0)		
Other income (expense), net	0.6	0.8		
Income Taxes	(1.0) (1)	(10.3) (2)		
Net Income	**$ 12.5**	**$ 14.2**		
GAAP EPS, diluted	**$ 0.29**	**$ 0.33**		
Depreciation and Amortization (incl. dry-dock amortization)	$ 31.2	$ 32.6	($ 1.4)	(4.3)%
EBITDA	$ 49.3	$ 62.1	($ 12.8)	(20.6)%

See the Addendum for a reconciliation of GAAP to non-GAAP Financial Metrics.
(1) Includes a non-cash tax expense reversal of $2.9 million resulting from discrete adjustments in applying the provisions of the Tax Cuts and Jobs Act of 2017 ("Tax Act").
(2) Includes a non-cash tax expense of $3.3 million resulting from discrete adjustments in applying the provisions of the Tax Act.

Cash Generation and Uses of Cash



(1) Includes capitalized interest and owner's items.

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Financial Results – Summary Balance Sheet

($ in millions)	March 31, 2019	December 31, 2018
ASSETS		
Cash and cash equivalents	$ 15.4	$ 19.6
Other current assets	291.2	298.8
Total current assets	306.6	318.4
Investment in Terminal Joint Venture	91.3	87.0
Property and equipment, net	1,386.2	1,366.6
Intangible assets, net	211.2	214.0
Goodwill	327.8	327.8
Other long-term assets	353.7	116.6
Total assets	**$ 2,676.8**	**$ 2,430.4**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current portion of debt	$ 45.2	$ 42.1
Other current liabilities	365.9	328.7
Total current liabilities	411.1	370.8
Long-term debt	822.9	814.3
Other long-term liabilities	679.8	490.0
Total long-term liabilities	1,502.7	1,304.3
Total shareholders' equity	763.0	755.3
Total liabilities and shareholders' equity	**$ 2,676.8**	**$ 2,430.4**

Debt Levels

- Total debt of $868.1 million
- Net debt of $852.7 million
- Net debt-to-LTM EBITDA of 3.0x

New Lease Accounting

- Operating lease right of use assets in long-term assets
- Short-term and long-term operating lease liabilities
- No impact on leverage covenants

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

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New Vessel Payments and Percent of Completion

Vessel Construction Expenditures

($ in millions)	FY 2019 1Q[1]
Cash Capital Expenditures	$ 16.2
Capitalized Interest	4.7
Capitalized Vessel Construction Expenditures	$ 20.9

House top installation *on Lurline*, April 2019.

Updated Vessel Timing and Percent of Completion

	Percent of Completion[2]	Current Delivery Timing
Lurline	85%	4Q '19
Matsonia	18%	3Q '20

Actual and Estimated Vessel Progress Payments[3]

($ in millions)	Cumulative through 03/31/19	Remaining 9-months 2019	FY 2020	Total
Two Aloha Class Containerships [4]	$ 400.3	$ 4.3	$ 4.0	$ 408.6
Two Kanaloa Class Con-Ro Vessels	290.7	168.2	57.8	516.7
Total New Vessel Progress Payments	$ 691.0	$ 172.5	$ 61.8	$ 925.3

(1) Excludes $4.0 million in restricted cash related to final milestone payment and other cost items on *Kaimana Hila*.
(2) As of May 3, 2019.
(3) Excludes owner's items, capitalized interest and other cost items associated with final milestone payments.
(4) Remaining progress payments on Aloha Class vessels held in restricted cash on balance sheet.

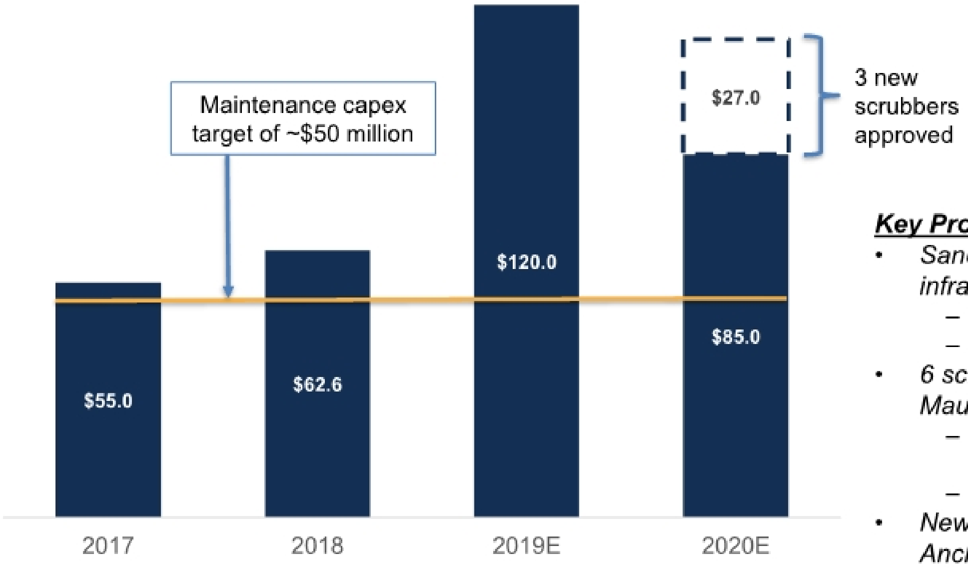
2019 Outlook

	FY 2019 Outlook Items	
	Full Year	**Second Quarter**
Operating Income:		
Ocean Transportation	To approximate $131.1 million achieved in FY 2018 after adjusting 2018 result for full year impact of vessel sale-leaseback	Moderately lower than the 2Q18 level of $36.5 million
Logistics	Moderately higher than FY 2018 level of $32.7 million	Modestly higher than the 2Q18 level of $9.5 million
Depreciation and Amortization	Approximately $130 million, including $35 million in dry-dock amortization	-
EBITDA	To approximate $288 million or higher than 2018 level after adjusting 2018 result for full year impact of vessel sale-leaseback	-
Other Income/(Expense)	Approximately $2.7 million	-
Interest Expense (excluding capitalized interest)	Approximately $25 million	-
GAAP Effective Tax Rate	Approximately 26%, excluding positive non-cash tax adjustment of $2.9 million in 1Q 2019	-

Actual and Estimated Other Capital Expenditures

($ in millions)

Actual and Estimated Other Capital Expenditures (including maintenance capex)(1)



Key Projects:

- *Sand Island cranes and related infrastructure*
  - *Cost ~ $60 million*
  - *Timing: 2018 to 2020*
- *6 scrubbers (5 CLX vessels and Maunalei)*
  - *Cost ~$9-10 million per vessel*
  - *Timing: 2019 and 2020*
- *New Span Alaska facility in Anchorage*
  - *Cost ~ $26 million*
  - *Timing: 2018 and 2019*

(1) Cost and timing of projects subject to change.

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Appendix

Appendix – 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, Income Taxes, Depreciation and Amortization ("EBITDA"), and Net Debt/EBITDA.

NET DEBT RECONCILIATION

(In millions)	March 31, 2019
Total Debt:	$ 868.1
Less: Cash and cash equivalents	(15.4)
Net Debt	$ 852.7

EBITDA RECONCILIATION

(In millions)	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018	Change	Last Twelve Months
Net Income	$ 12.5	$ 14.2	$ (1.7)	$ 107.3
Add: Income taxes	1.0	10.3	(9.3)	29.4
Add: Interest expense	4.6	5.0	(0.4)	18.3
Add: Depreciation and amortization	23.1	23.4	(0.3)	93.2
Add: Dry-dock amortization	8.1	9.2	(1.1)	36.3
EBITDA (1)	$ 49.3	$ 62.1	$ (12.8)	$ 284.5

(1) EBITDA is defined as the sum of net income plus income taxes, 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.