

**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): **February 20, 2024 (February 20, 2024)**

**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 February 20, 2024, Matson, Inc. (the "Company") issued a press release announcing the Company's 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 exhibits listed below are being furnished with this Form 8-K.

99.1 [Press Release issued by Matson, Inc., dated February 20, 2024](#)

99.2 [Investor Presentation, dated February 20, 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: February 20, 2024

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**FOR IMMEDIATE RELEASE**

**MATSON, INC. ANNOUNCES FOURTH QUARTER AND FULL YEAR 2023 RESULTS; PROVIDES 2024 OUTLOOK**

- 4Q23 EPS of \$1.78
- Full Year 2023 EPS of \$8.32
- Full Year 2023 Net Income and EBITDA of \$297.1 million and \$516.7 million, respectively
- 2024 Consolidated Operating Income expected to approximate 2023 level
- 1Q24 Consolidated Operating Income expected to be lower than 1Q23 level

HONOLULU, Hawaii (February 20, 2024) – Matson, Inc. (“Matson” or the “Company”) (NYSE: MATX), a leading U.S. carrier in the Pacific, today reported net income of \$62.4 million, or \$1.78 per diluted share, for the quarter ended December 31, 2023. Net income for the quarter ended December 31, 2022 was \$78.0 million, or \$2.10 per diluted share. Consolidated revenue for the fourth quarter 2023 was \$788.9 million compared with \$801.6 million for the fourth quarter 2022.

“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. Logistics operating income in the quarter also declined year-over-year, which contributed to the year-over-year decline in consolidated operating income. For the full year 2023, our consolidated operating income declined primarily due to lower volume and freight rates in our China service as the Transpacific marketplace transitioned from the pandemic period.”

Mr. Cox added, “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 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, leading to year-over-year growth in Ocean Transportation operating income. For Logistics in 2024, we expect challenging business conditions for transportation brokerage at least through the first half of the year, which we expect to lead to lower year-over-year business segment operating income. As such, for 2024 we expect consolidated operating income to approximate the level achieved last year.”

**Fourth Quarter 2023 Discussion and Outlook for 2024**

*Ocean Transportation:* The Company’s container volume in the Hawaii service in the fourth quarter 2023 was 1.9 percent lower year-over-year. The decrease was primarily due to lower general demand. According to UHERO’s most recent forecast report<sup>1</sup>, the Hawaii economy is projected to grow modestly despite challenged growth in visitor

<sup>1</sup> UHERO report dated December 15, 2023: [https://uhero.hawaii.edu/wp-content/uploads/2023/12/23Q4\\_Forecast.pdf](https://uhero.hawaii.edu/wp-content/uploads/2023/12/23Q4_Forecast.pdf)

arrivals primarily due to reduced tourism to Maui as a result of the wildfires last year and sluggish recovery of international tourism. The Company expects volume in 2024 to be comparable to the level in 2023, reflecting modest economic growth in Hawaii and stable market share.

In China, the Company's container volume in the fourth quarter 2023 increased 23.3 percent year-over-year. The increase was primarily due to higher demand for the China service resulting in higher volumes for both CLX and CLX+. The Company achieved lower freight rates in the fourth quarter 2023 as compared to the prior year period. Currently in the Transpacific marketplace, the Company continues to see steady U.S. consumer demand, which the Company expects to lead to similar demand for Matson's CLX and CLX+ services in 2024 as in 2023. The Company also expects average freight rates in 2024 to be modestly higher than the levels achieved in 2023.

In Guam, the Company's container volume in the fourth quarter 2023 increased 2.0 percent year-over-year primarily due to higher general demand. In the near-term, the Company expects continued improvement in the Guam economy with a low unemployment rate and a modest increase in tourism. For 2024, the Company expects volume to approximate the level achieved last year.

In Alaska, the Company's container volume for the fourth quarter 2023 decreased 0.6 percent year-over-year 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. In the near-term, the Company expects continued economic growth in Alaska supported by a low unemployment rate, jobs growth and lower levels of inflation. For 2024, the Company expects volume to approximate the level achieved last year.

The contribution in the fourth quarter 2023 from the Company's SSAT joint venture investment was \$4.1 million, or \$3.1 million higher than the fourth quarter 2022. For 2024, the Company expects the contribution from SSAT to be higher than the levels achieved in 2023 due to an expected increase in lift volumes.

Absent a significant change in trajectory of the U.S. economy, the Company expects trade dynamics across all its tradelanes in 2024 to be comparable to 2023 as consumer-related spending activity is expected to remain stable. As such, the Company expects full year 2024 Ocean Transportation operating income to be higher than the \$294.8 million achieved in 2023. In the first quarter 2024, the Company expects Ocean Transportation operating income to be lower than the \$27.8 million achieved in the first quarter 2023.

*Logistics:* In the fourth quarter 2023, operating income for the Company's Logistics segment was \$8.9 million, or \$3.9 million lower compared to the level achieved in the fourth quarter 2022. The decrease was primarily due to a lower contribution from transportation brokerage. For 2024, the Company expects challenging business conditions for transportation brokerage at least through the first half of the year, which the Company expects to lead to operating income being lower in 2024 than the level achieved in 2023. For the first quarter 2024, the Company expects Logistics operating income to be lower than the \$10.9 million achieved in the first quarter 2023.

*Consolidated Operating Income:* For full year 2024, the Company expects consolidated operating income to approximate the \$342.8 million achieved in 2023 and expects comparable seasonality to the prior year. For the first quarter 2024, the Company expects consolidated operating income to be lower than the \$38.7 million achieved in the first quarter 2023.

*Depreciation and Amortization:* For the full year 2024, the Company expects depreciation and amortization expense to be approximately \$180 million, inclusive of dry-docking amortization of approximately \$27 million.

*Interest Income:* The Company expects interest income for the full year 2024 to be approximately \$35 million.

*Interest Expense:* The Company expects interest expense for the full year 2024 to be approximately \$8 million.

*Other Income (Expense):* The Company expects full year 2024 other income (expense) to be approximately \$7 million in income, which is attributable to other component costs related to the Company's pension and post-retirement plans.

*Income Taxes:* In the fourth quarter 2023, the Company's effective tax rate was 26.0 percent. For the full year 2024, the Company expects its effective tax rate to be approximately 22.0 percent.

*Capital and Vessel Dry-docking Expenditures:* For the full year 2023, the Company made capital expenditure payments excluding new builds of \$195.5 million, capitalized vessel construction expenditures of \$52.9 million, and dry-docking payments of \$24.1 million. For the full year 2024, the Company expects to make other capital expenditure payments, including maintenance capital expenditures, of approximately \$180 to \$200 million, new vessel construction expenditures (including capitalized interest and owner's items) of approximately \$75 million, and dry-docking payments of approximately \$35 million.

## Results By Segment

### Ocean Transportation — Three months ended December 31, 2023 compared with 2022

(Dollars in millions)	Three Months Ended December 31,			
	2023	2022	Change	
Ocean Transportation revenue	\$ 639.7	\$ 633.0	\$ 6.7	1.1 %
Operating costs and expenses	(573.3)	(553.2)	(20.1)	3.6 %
Operating income	\$ 66.4	\$ 79.8	\$ (13.4)	(16.8)%
Operating income margin	10.4 %	12.6 %		
Volume (Forty-foot equivalent units (FEU), except for automobiles) (1)				
Hawaii containers	35,400	36,100	(700)	(1.9)%
Hawaii automobiles	10,100	10,800	(700)	(6.5)%
Alaska containers	17,800	17,900	(100)	(0.6)%
China containers	34,900	28,300	6,600	23.3 %
Guam containers	5,000	4,900	100	2.0 %
Other containers (2)	4,700	5,000	(300)	(6.0)%

- (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 \$6.7 million, or 1.1 percent, during the three months ended December 31, 2023, compared with the three months ended December 31, 2022. The increase was primarily due to higher volume in China and higher revenue in Alaska and Hawaii, partially offset by lower freight rates in China and lower fuel-related surcharge revenue.

On a year-over-year FEU basis, Hawaii container volume decreased 1.9 percent primarily due to lower general demand; Alaska volume decreased 0.6 percent due to lower export seafood volume from the AAX, partially offset by higher northbound volume due to an additional sailing and higher southbound volume due to higher domestic seafood volume; China volume was 23.3 percent higher primarily due to higher demand resulting in higher volumes for both CLX and CLX+; Guam volume was 2.0 percent higher primarily due to higher general demand; and Other containers volume decreased 6.0 percent.

Ocean Transportation operating income decreased \$13.4 million during the three months ended December 31, 2023, compared with the three months ended December 31, 2022. The decrease was primarily due to lower freight rates in China and higher operating costs and expenses including fuel-related expenses, partially offset by higher volume in China and higher contributions from Alaska and Hawaii.

The Company's SSAT terminal joint venture investment contributed \$4.1 million during the three months ended December 31, 2023, compared to a contribution of \$1.0 million during the three months ended December 31, 2022. The increase was primarily driven by higher lift revenue, partially offset by lower demurrage revenue.

Ocean Transportation — Year ended December 31, 2023 compared with 2022

(Dollars in millions)	Years Ended December 31,			
	2023	2022	Change	
Ocean Transportation revenue	\$ 2,477.0	\$ 3,544.6	\$ (1,067.6)	(30.1)%
Operating costs and expenses	(2,182.2)	(2,263.4)	81.2	(3.6)%
Operating income	\$ 294.8	\$ 1,281.2	\$ (986.4)	(77.0)%
Operating income margin	11.9 %	36.1 %		
Volume (Forty-foot equivalent units (FEU), except for automobiles) (1)				
Hawaii containers	144,000	148,500	(4,500)	(3.0)%
Hawaii automobiles	39,400	41,300	(1,900)	(4.6)%
Alaska containers	80,000	84,900	(4,900)	(5.8)%
China containers	140,700	163,100	(22,400)	(13.7)%
Guam containers	20,100	21,100	(1,000)	(4.7)%
Other containers (2)	17,500	22,500	(5,000)	(22.2)%

- (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 decreased \$1,067.6 million, or 30.1 percent, during the year ended December 31, 2023, compared with the year ended December 31, 2022. The decrease was primarily due to lower average freight rates and volume in China.

On a year-over-year FEU basis, Hawaii container volume decreased 3.0 percent primarily due to lower general westbound demand and lower eastbound volume; Alaska volume decreased 5.8 percent due to lower export seafood volume from the AAX; China volume was 13.7 percent lower primarily due to CCX volume in the first nine months of 2022 (the CCX service was discontinued in the third quarter 2022); Guam volume was 4.7 percent lower primarily due to lower general demand; and Other containers volume decreased 22.2 percent.

Ocean Transportation operating income decreased \$986.4 million during the year ended December 31, 2023, compared with the year ended December 31, 2022. The decrease was primarily due to lower freight rates and volume in China and a lower contribution from SSAT, partially offset by lower operating costs and expenses including fuel-related expenses primarily related to the discontinuation of the CCX service and lower fuel costs and the timing of fuel-related surcharge collections.

The Company's SSAT terminal joint venture investment contributed \$2.2 million during the year ended December 31, 2023, compared to a contribution of \$83.1 million during the year ended December 31, 2022. The decrease was primarily driven by lower demurrage revenue.

**Logistics — Three months ended December 31, 2023 compared with 2022**

(Dollars in millions)	Three Months Ended December 31,		
	2023	2022	Change
Logistics revenue	\$ 149.2	\$ 168.6	\$ (19.4) (11.5)%
Operating costs and expenses	(140.3)	(155.8)	15.5 (9.9)%
Operating income	\$ 8.9	\$ 12.8	\$ (3.9) (30.5)%
Operating income margin	6.0 %	7.6 %	

Logistics revenue decreased \$19.4 million, or 11.5 percent, during the three months ended December 31, 2023, compared with the three months ended December 31, 2022. The decrease was primarily due to lower revenue in transportation brokerage.

Logistics operating income decreased \$3.9 million, or 30.5 percent, during the three months ended December 31, 2023, compared with the three months ended December 31, 2022. The decrease was primarily due to a lower contribution from transportation brokerage.

**Logistics — Year ended December 31, 2023 compared with 2022**

(Dollars in millions)	Years Ended December 31,		
	2023	2022	Change
Logistics revenue	\$ 617.6	\$ 798.4	\$ (180.8) (22.6)%
Operating costs and expenses	(569.6)	(726.0)	156.4 (21.5)%
Operating income	\$ 48.0	\$ 72.4	\$ (24.4) (33.7)%
Operating income margin	7.8 %	9.1 %	

Logistics revenue decreased \$180.8 million, or 22.6 percent, during the year ended December 31, 2023, compared with the year ended December 31, 2022. The decrease was primarily due to lower revenue in transportation brokerage.

Logistics operating income decreased \$24.4 million, or 33.7 percent, during the year ended December 31, 2023, compared with the year ended December 31, 2022. The decrease was primarily due to lower contributions from transportation brokerage and supply chain management.

**Liquidity, Cash Flows and Capital Allocation**

Matson's Cash and Cash Equivalents decreased by \$115.8 million from \$249.8 million at December 31, 2022 to \$134.0 million at December 31, 2023, which excludes \$599.4 million in cash and interest deposited in the Capital Construction Fund. Matson generated net cash from operating activities of \$510.5 million during the year ended December 31, 2023, compared to \$1,271.9 million during the year ended December 31, 2022. Capital expenditures totaled \$248.4 million for the year ended December 31, 2023, compared with \$209.3 million for the year ended December 31, 2022. Total debt decreased by \$76.9 million during the year to \$440.6 million as of December 31, 2023, of which \$400.9 million was classified as long-term debt.<sup>2</sup> As of December 31, 2023, Matson had available borrowings under its revolving credit facility of \$644.2 million.

During the fourth quarter 2023, Matson repurchased approximately 0.5 million shares for a total cost of \$47.9 million. As of the end of the fourth quarter 2023, there were approximately 2.5 million shares remaining in its share repurchase program. For the full year 2023, Matson repurchased approximately 2.1 million shares for a total cost of \$158.2 million. Matson's Board of Directors also declared a cash dividend of \$0.32 per share payable on March 7, 2024 to all shareholders of record as of the close of business on February 8, 2024.

<sup>2</sup> 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](http://www.matson.com), under Investors.

Participants may register for the conference call at:

<https://register.vevent.com/register/BI699bc0b39e6a47fc97bb30c15cb03937>

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](http://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 ports in Alaska 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](http://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").

## 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 operating income; depreciation and amortization, including dry-docking amortization; interest income; interest expense; other income (expense); tax rate; capital and vessel dry-docking expenditures; cash flow expectations and uses of cash and cash flows; volume, freight rates and demand; seasonality trends; consumer demand; consumer-related spending activity; trade dynamics; economic growth and drivers in Hawaii, Alaska and Guam; market share; tourism levels; recovery from the Maui wildfires; unemployment rates; job growth; inflation levels; supply chain disruptions; contribution from and lift volume at SSAT; business conditions for transportation brokerage; timing, amount and sources



of milestone payments; contributions to the CCF; vessel transit times; fleet deployment; timing of liquified natural gas installations on certain vessels; reflecting initiatives; timing and amount of tax refunds; energy-related exploration and production activity; infrastructure investments by the Federal government; oil prices; organic growth opportunities; and the timing, manner and volume of repurchases of common stock pursuant to the repurchase 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 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 Company's vessel construction agreements with Philly Shipyard; 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, INC. AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Income**  
(Unaudited)

(In millions, except per share amounts)	Three Months Ended December 31,		Years Ended December 31,	
	2023	2022	2023	2022
<b>Operating Revenue:</b>				
Ocean Transportation	\$ 639.7	\$ 633.0	\$ 2,477.0	\$ 3,544.6
Logistics	149.2	168.6	617.6	798.4
<b>Total Operating Revenue</b>	<b>788.9</b>	<b>801.6</b>	<b>3,094.6</b>	<b>4,343.0</b>
<b>Costs and Expenses:</b>				
Operating costs	(644.4)	(641.0)	(2,470.7)	(2,811.5)
Income from SSAT	4.1	1.0	2.2	83.1
Selling, general and administrative	(73.3)	(69.0)	(283.3)	(261.0)
<b>Total Costs and Expenses</b>	<b>(713.6)</b>	<b>(709.0)</b>	<b>(2,751.8)</b>	<b>(2,989.4)</b>
<b>Operating Income</b>	<b>75.3</b>	<b>92.6</b>	<b>342.8</b>	<b>1,353.6</b>
Interest income	9.8	6.9	36.0	8.2
Interest expense	(2.4)	(3.7)	(12.2)	(18.0)
Other income (expense), net	1.6	2.2	6.4	8.5
<b>Income before Taxes</b>	<b>84.3</b>	<b>98.0</b>	<b>373.0</b>	<b>1,352.3</b>
Income taxes	(21.9)	(20.0)	(75.9)	(288.4)
<b>Net Income</b>	<b>\$ 62.4</b>	<b>\$ 78.0</b>	<b>\$ 297.1</b>	<b>\$ 1,063.9</b>
<b>Basic Earnings Per Share</b>	<b>\$ 1.80</b>	<b>\$ 2.11</b>	<b>\$ 8.42</b>	<b>\$ 27.28</b>
<b>Diluted Earnings Per Share</b>	<b>\$ 1.78</b>	<b>\$ 2.10</b>	<b>\$ 8.32</b>	<b>\$ 27.07</b>
<b>Weighted Average Number of Shares Outstanding:</b>				
Basic	34.7	36.9	35.3	39.0
Diluted	35.1	37.2	35.7	39.3

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

(In millions)	December 31, 2023	December 31, 2022
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 134.0	\$ 249.8
Other current assets	468.3	509.8
Total current assets	<u>602.3</u>	<u>759.6</u>
Long-term Assets:		
Investment in SSAT	85.5	81.2
Property and equipment, net	2,089.9	1,962.5
Goodwill	327.8	327.8
Intangible assets, net	176.4	174.9
Capital Construction Fund	599.4	518.2
Other long-term assets	413.3	505.8
Total long-term assets	<u>3,692.3</u>	<u>3,570.4</u>
Total assets	<u>\$ 4,294.6</u>	<u>\$ 4,330.0</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current Liabilities:		
Current portion of debt	\$ 39.7	\$ 76.9
Other current liabilities	522.6	504.7
Total current liabilities	<u>562.3</u>	<u>581.6</u>
Long-term Liabilities:		
Long-term debt, net of deferred loan fees	389.3	427.7
Deferred income taxes	669.3	646.5
Other long-term liabilities	273.0	377.3
Total long-term liabilities	<u>1,331.6</u>	<u>1,451.5</u>
Total shareholders' equity	<u>2,400.7</u>	<u>2,296.9</u>
Total liabilities and shareholders' equity	<u>\$ 4,294.6</u>	<u>\$ 4,330.0</u>

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

(In millions)	Years Ended December 31,		
	2023	2022	2021
<b>Cash Flows From Operating Activities:</b>			
Net income	\$ 297.1	\$ 1,063.9	\$ 927.4
Reconciling adjustments:			
Depreciation and amortization	144.4	141.3	135.9
Amortization of operating lease right of use assets	142.0	153.0	103.3
Deferred income taxes	19.6	90.2	33.2
Loss (Gain) on disposal of property and equipment	0.6	(1.5)	(0.8)
Share-based compensation expense	23.8	18.3	19.3
Income from SSAT	(2.2)	(83.1)	(56.3)
Distributions from SSAT	—	47.3	46.9
Other	(2.7)	—	—
Changes in assets and liabilities:			
Accounts receivable, net	(10.9)	74.6	(90.3)
Deferred dry-docking payments	(24.1)	(25.7)	(36.3)
Deferred dry-docking amortization	25.3	24.9	24.3
Prepaid expenses and other assets	33.5	(45.2)	(48.1)
Accounts payable, accruals and other liabilities	10.9	(31.7)	39.6
Operating lease liabilities	(144.8)	(154.1)	(99.7)
Other long-term liabilities	(2.0)	(0.3)	(14.3)
Net cash provided by operating activities	<u>510.5</u>	<u>1,271.9</u>	<u>984.1</u>
<b>Cash Flows From Investing Activities:</b>			
Capitalized vessel construction expenditures	(52.9)	(62.4)	(14.9)
Capital expenditures (excluding vessel construction expenditures)	(195.5)	(146.9)	(310.4)
Proceeds from disposal of property and equipment	1.2	1.2	1.9
Payments for intangible asset acquisitions	(12.4)	(3.0)	—
Cash and interest deposits into Capital Construction Fund	(128.5)	(582.8)	(31.2)
Withdrawals from Capital Construction Fund	49.9	64.6	31.2
Net cash used in investing activities	<u>(338.2)</u>	<u>(729.3)</u>	<u>(323.4)</u>
<b>Cash Flows From Financing Activities:</b>			
Repayments of debt	(76.9)	(111.5)	(59.3)
Proceeds from revolving credit facility	—	—	304.3
Repayments of revolving credit facility	—	—	(376.1)
Payment of financing costs	—	—	(3.0)
Dividends paid	(45.0)	(48.0)	(45.9)
Repurchase of Matson common stock	(155.2)	(397.0)	(198.3)
Tax withholding related to net share settlements of restricted stock units	(12.6)	(20.1)	(14.4)
Net cash used in financing activities	<u>(289.7)</u>	<u>(576.6)</u>	<u>(392.7)</u>
Net (Decrease) Increase in Cash, Cash Equivalents and Restricted Cash	(117.4)	(34.0)	268.0
Cash, Cash Equivalents and Restricted Cash, Beginning of the Year	253.7	287.7	19.7
Cash, Cash Equivalents and Restricted Cash, End of the Year	<u>\$ 136.3</u>	<u>\$ 253.7</u>	<u>\$ 287.7</u>
<b>Reconciliation of Cash, Cash Equivalents, and Restricted Cash, at End of the Year:</b>			
Cash and Cash Equivalents	\$ 134.0	\$ 249.8	\$ 282.4
Restricted Cash	2.3	3.9	5.3
Total Cash, Cash Equivalents and Restricted Cash, End of the Year	<u>\$ 136.3</u>	<u>\$ 253.7</u>	<u>\$ 287.7</u>
<b>Supplemental Cash Flow Information:</b>			
Interest paid, net of capitalized interest	\$ 11.1	\$ 16.2	\$ 19.3
Income tax paid, net of income tax refunds	\$ 7.5	\$ 215.2	\$ 241.6
<b>Non-cash Information:</b>			
Capital expenditures included in accounts payable, accruals and other liabilities	\$ 10.8	\$ 5.5	\$ 6.4
Non-cash payments for intangible asset acquisitions	\$ 2.7	\$ 2.2	\$ —

**MATSON, INC. AND SUBSIDIARIES**  
**Net Income to EBITDA Reconciliations**  
(Unaudited)

(In millions)	Three Months Ended December 31,		
	2023	2022	Change
Net Income	\$ 62.4	\$ 78.0	\$ (15.6)
Subtract: Interest income	(9.8)	(6.9)	(2.9)
Add: Interest expense	2.4	3.7	(1.3)
Add: Income taxes	21.9	20.0	1.9
Add: Depreciation and amortization	35.8	35.3	0.5
Add: Dry-dock amortization	6.7	6.3	0.4
EBITDA (1)	<u>\$ 119.4</u>	<u>\$ 136.4</u>	<u>\$ (17.0)</u>

(In millions)	Years Ended December 31,		
	2023	2022	Change
Net Income	\$ 297.1	\$ 1,063.9	\$ (766.8)
Subtract: Interest income	(36.0)	(8.2)	(27.8)
Add: Interest expense	12.2	18.0	(5.8)
Add: Income taxes	75.9	288.4	(212.5)
Add: Depreciation and amortization	142.2	139.2	3.0
Add: Dry-dock amortization	25.3	24.9	0.4
EBITDA (1)	<u>\$ 516.7</u>	<u>\$ 1,526.2</u>	<u>\$ (1,009.5)</u>

(1) EBITDA is defined as earnings before interest, income taxes, 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<sup>®</sup>**

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***Fourth Quarter 2023  
Earnings Conference Call***

February 20, 2024

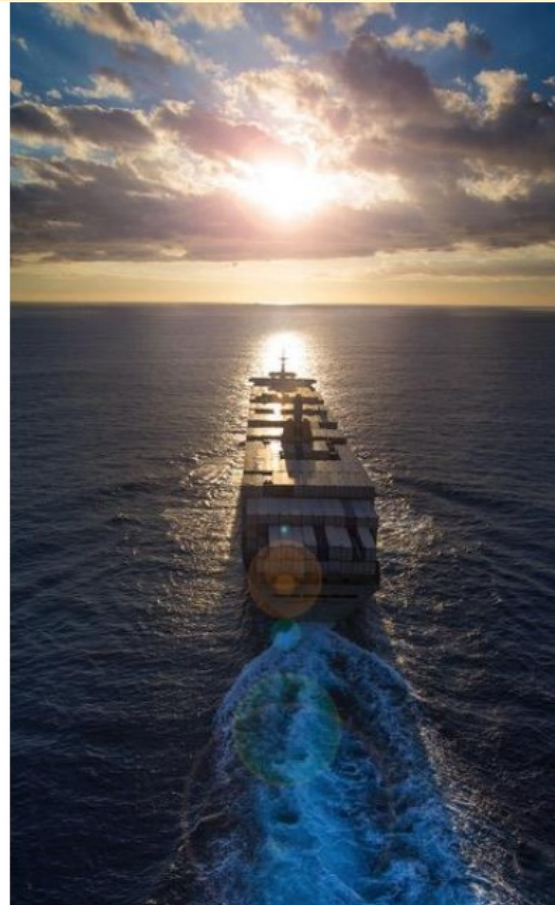
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## Forward-Looking Statements

*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 February 20, 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.*



## Opening Remarks

- Matson's Ocean Transportation and Logistics business segments performed well in 4Q23, capping off a solid year for both business segments
- Matson is in a solid operational and financial position
  - Leading expedited ocean freight provider in the Transpacific and well positioned for growth in Jones Act and logistics markets
  - “Low-cost” capital structure with low leverage
  - New Aloha Class vessel program two-thirds funded with ~\$600 million in CCF
  - Returned ~\$203 million in cash to shareholders in 2023 via share repurchases and dividends
- Ocean Transportation 4Q23:
  - Our China service experienced solid freight demand with higher YoY volume but lower YoY freight rates
  - Combined with higher operating costs across all tradelanes resulted in a YoY decline in operating income
- Logistics 4Q23:
  - Lower YoY operating income primarily due to a lower contribution from transportation brokerage



## 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
- Tourist arrivals in 4Q23 were modestly lower YoY; Maui tourism impacted by wildfires

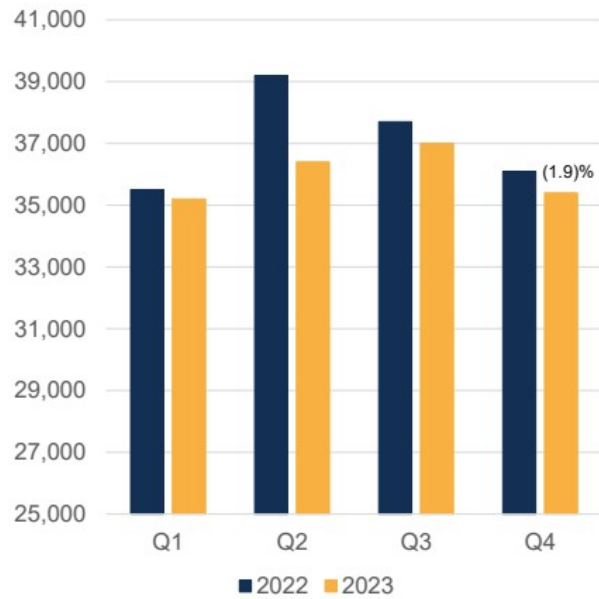
## Full Year 2023 Performance

- Container volume decreased 3.0% YoY primarily due to lower general westbound demand and lower eastbound volume

## Full Year 2024 Outlook

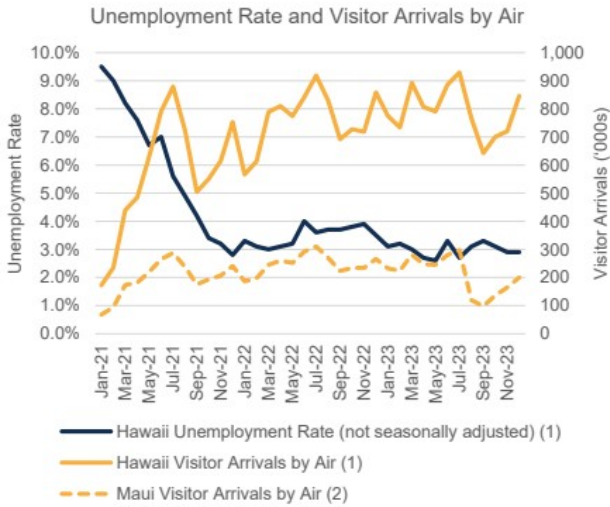
- Expect volume in 2024 to be comparable to the level in 2023
  - Modest economic growth in Hawaii and stable market share

## Container Volume (FEU Basis)



# Hawaii Service – Current Business Trends

## Select Hawaii Economic Indicators



(1) Source: [https://files.hawaii.gov/dbedt/economic/data\\_reports/mei/2023-12-state.xls](https://files.hawaii.gov/dbedt/economic/data_reports/mei/2023-12-state.xls)  
 (2) Source: [https://files.hawaii.gov/dbedt/economic/data\\_reports/mei/2023-12-maui.xls](https://files.hawaii.gov/dbedt/economic/data_reports/mei/2023-12-maui.xls)  
 (3) Source: [https://uhero.hawaii.edu/wp-content/uploads/2023/12/23Q4\\_Forecast.pdf](https://uhero.hawaii.edu/wp-content/uploads/2023/12/23Q4_Forecast.pdf)

## UHERO Projections (3)

	2023P	2024P	2025P
Real GDP	3.3%	1.7%	2.9%
Construction Jobs Growth	0.2%	3.8%	4.7%
Population Growth	(0.3)%	(0.1)%	0.0%
Unemployment Rate	3.1%	2.5%	2.3%
Visitor Arrivals ('000s)	9,597.0	9,588.1	10,126.6
% change	3.9%	(0.1)%	5.6%

## Commentary

- According to UHERO, the Hawaii economy is projected to grow modestly
  - Low unemployment rate
  - Easing inflation
- Near-term growth in visitor arrivals expected to be challenging
  - Reduced tourism to Maui as a result of the wildfires last year
  - Sluggish recovery of international tourism

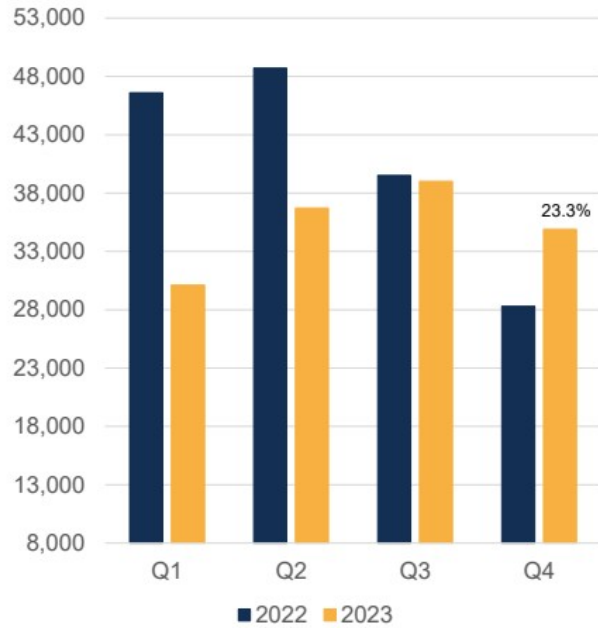
## Fourth Quarter 2023 Performance

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

## Full Year 2023 Performance

- Container volume decreased 13.7%
  - 2022 includes nine months of CCX service which was discontinued in 3Q22

## Container Volume (FEU Basis)



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

## China Service – Current Business Trends

- Currently in the Transpacific marketplace, we continue to see steady U.S. consumer demand
- Expect demand for our China service post Lunar New Year to be more traditional
  - Factories were closed for the holiday; expect volumes to gradually recover over a 4-6 week period after the holiday
  - As in prior year, decided not to sail CLX+ vessels from Shanghai for a few weeks because the cargo package could be accommodated with a weekly CLX departure
- FY 2024 outlook:
  - Expect similar demand for CLX and CLX+ services in 2024 as in 2023
  - Expect average freight rates in 2024 to be modestly higher than 2023 levels and above pre-pandemic freight rate levels
- To date, we have seen a very limited effect from the supply chain disruptions caused by the Panama Canal drought and the events in the Red Sea
- We are focused on maintaining the two fastest and most reliable ocean services in the Transpacific
- On February 18<sup>th</sup>, renamed CLX+ to Matson Asia Express (MAX) – rebranding reflects a highly differentiated service

## 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

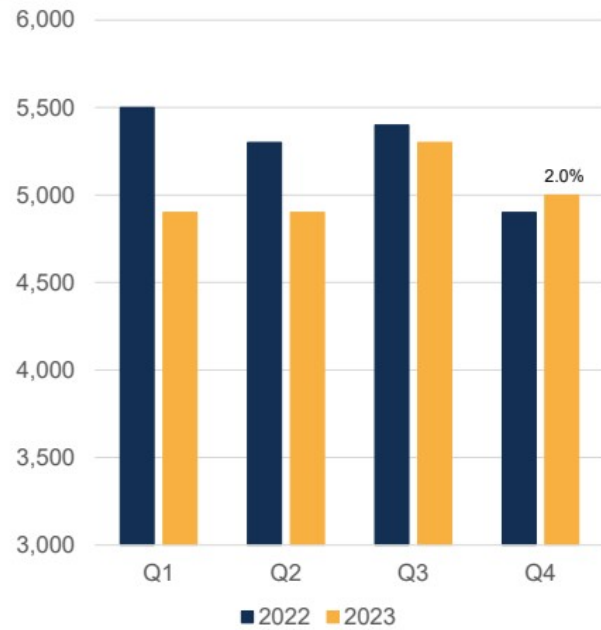
## Full Year 2023 Performance

- Container volume decreased 4.7% YoY primarily due to lower general demand

## Full Year 2024 Outlook

- Expect continued improvement in the economy with a low unemployment rate and a modest increase in tourism
- Expect volume to approximate the level achieved last year

## 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

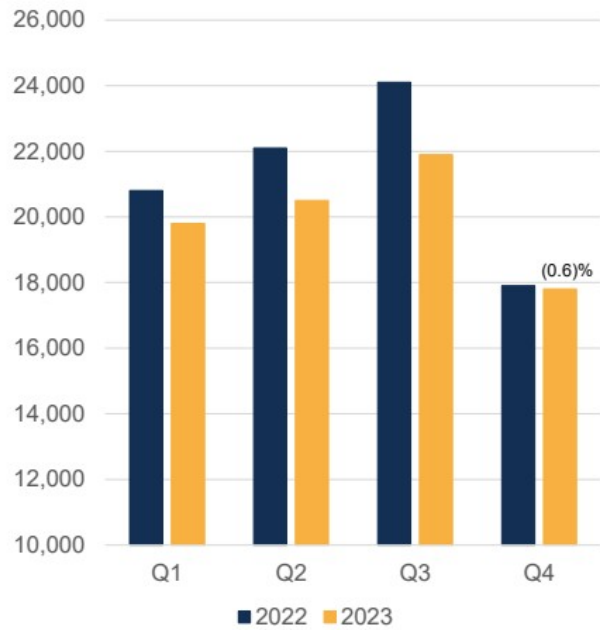
## Full Year 2023 Performance

- Container volume decreased 5.8% YoY
  - Lower export seafood volume from the AAX

## Full Year 2024 Outlook

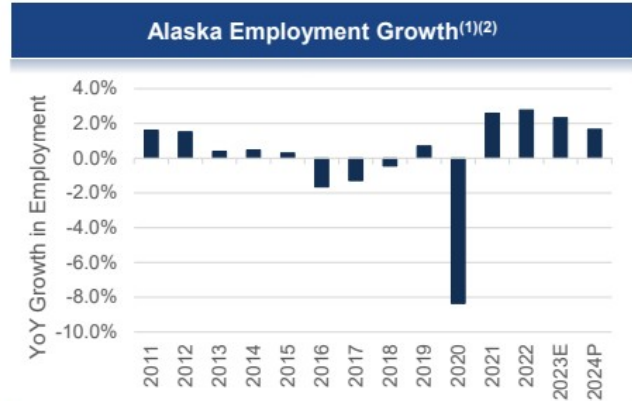
- Expect volume to approximate the level achieved last year

## Container Volume (FEU Basis)



# Alaska Service – Current Business Trends

- Alaska economy continues to show good growth across key indicators despite flattish growth in population
  - Low unemployment rate
  - Widespread job growth
- In the near-term, we expect the Alaska economy to grow
  - Supported by low unemployment rate, jobs growth and lower levels of inflation
  - Increased energy-related exploration and production activity
  - Significant infrastructure investment expected from Federal government



(1) Source: <https://live.laborstats.alaska.gov/trends-magazine/2024/January/outlook-for-alaska-jobs-in-2024>  
 (2) Source: <https://live.laborstats.alaska.gov/labforce/000000/01/ces.html>  
 (3) Source: <https://live.laborstats.alaska.gov/pop/estimates/data/ComponentsOfChangeAK.xls>

# SSAT Joint Venture

## Fourth Quarter 2023 Performance

- Terminal joint venture contribution was \$4.1 million; YoY increase of \$3.1 million
  - Primarily due to higher lift revenue, partially offset by lower demurrage revenue

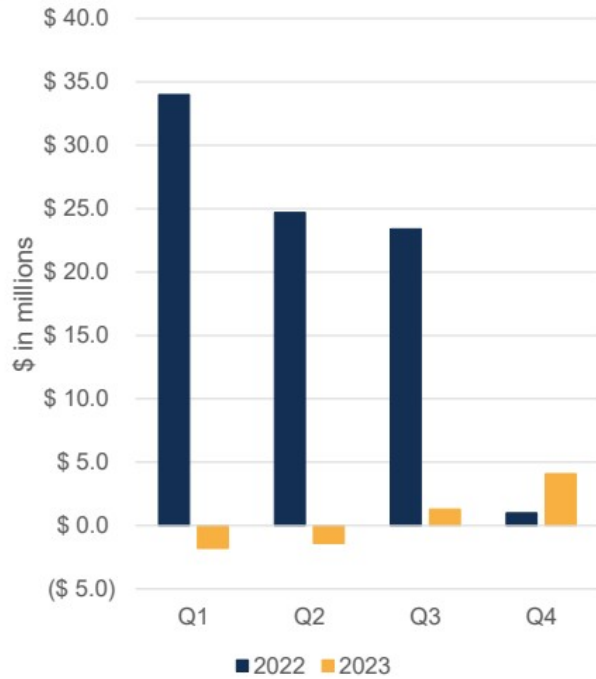
## Full Year 2023 Performance

- Terminal joint venture contribution was \$2.2 million; YoY decrease of \$80.9 million
  - Primarily due to lower demurrage revenue

## Full Year 2024 Outlook

- Expect contribution to be higher than 2023 due to an expected increase in lift volumes

## Equity in Income of Joint Venture





## Fourth Quarter 2023 Performance

- Operating income of \$8.9 million; YoY decrease of approximately \$3.9 million
  - Lower contribution from transportation brokerage

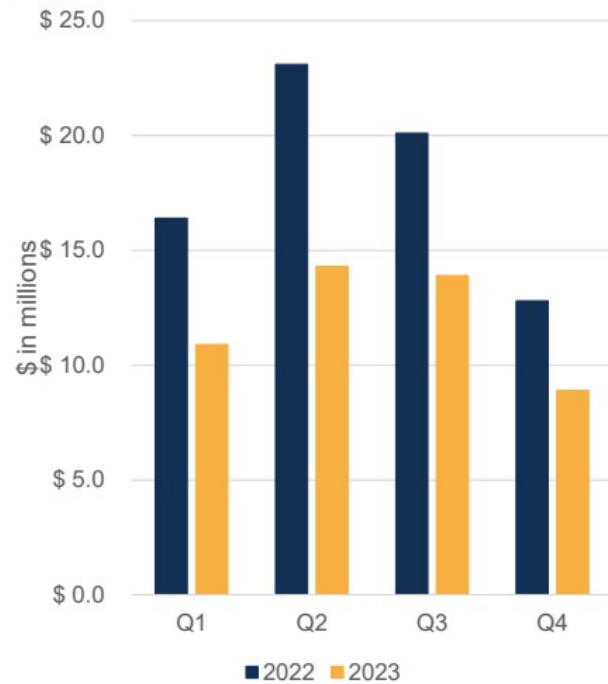
## Full Year 2023 Performance

- Operating income of \$48.0 million; YoY decrease of \$24.4 million
  - Lower contributions from transportation brokerage and supply chain management

## Full Year 2024 Outlook

- Expect challenging business conditions for transportation brokerage at least through the first half of 2024
- Expect operating income to be lower in 2024 than the level achieved in in 2023

## Operating Income



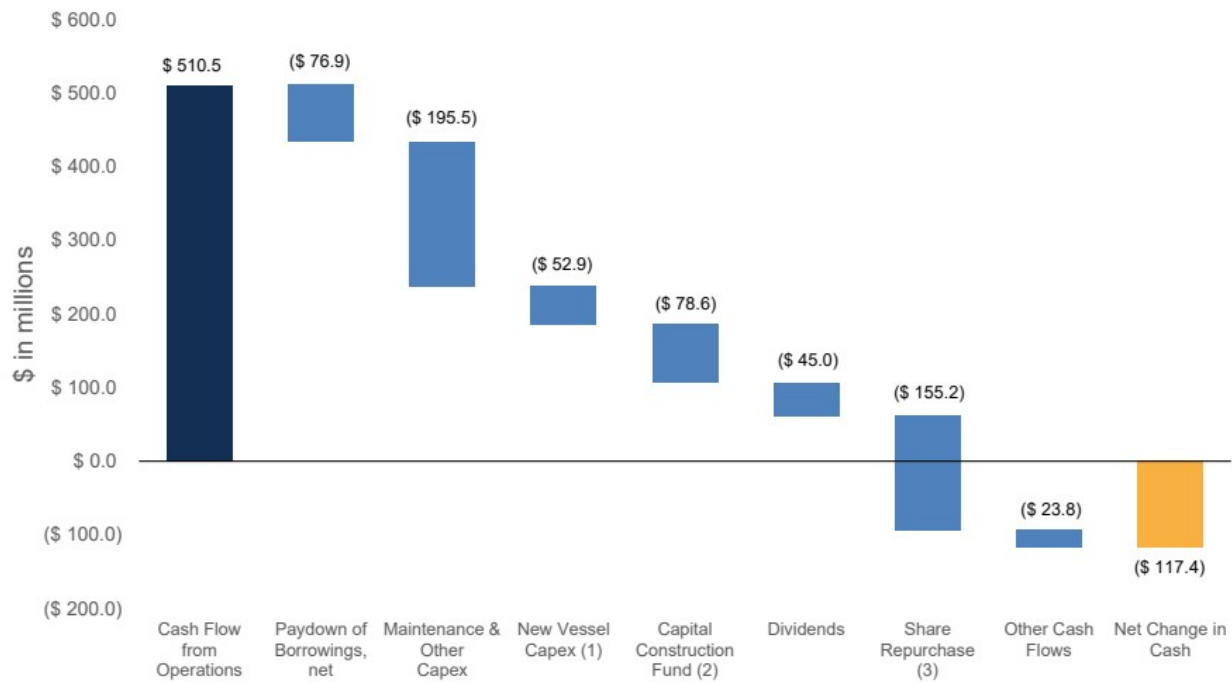
# Financial Results – Summary Income Statement

(\$ in millions, except per share data)	Year-to-Date			Fourth Quarter		
	YTD Ended 12/31		Δ	Quarters Ended 12/31		Δ
	2023	2022	\$	2023	2022	\$
<b>Revenue</b>						
Ocean Transportation	\$ 2,477.0	\$ 3,544.6	(\$ 1,067.6)	\$ 639.7	\$ 633.0	\$ 6.7
Logistics	617.6	798.4	( 180.8)	149.2	168.6	( 19.4)
<b>Total Revenue</b>	<b>\$ 3,094.6</b>	<b>\$ 4,343.0</b>	<b>(\$ 1,248.4)</b>	<b>\$ 788.9</b>	<b>\$ 801.6</b>	<b>(\$ 12.7)</b>
<b>Operating Income</b>						
Ocean Transportation	\$ 294.8	\$ 1,281.2	(\$ 986.4)	\$ 66.4	\$ 79.8	(\$ 13.4)
Logistics	48.0	72.4	( 24.4)	8.9	12.8	( 3.9)
<b>Total Operating Income</b>	<b>\$ 342.8</b>	<b>\$ 1,353.6</b>	<b>(\$ 1,010.8)</b>	<b>\$ 75.3</b>	<b>\$ 92.6</b>	<b>(\$ 17.3)</b>
Interest income	36.0	8.2	27.8	9.8	6.9	2.9
Interest expense	( 12.2)	( 18.0)	5.8	( 2.4)	( 3.7)	1.3
Other income (expense), net	6.4	8.5	( 2.1)	1.6	2.2	( 0.6)
Income taxes	( 75.9)	( 288.4)	212.5	( 21.9)	( 20.0)	( 1.9)
<b>Net Income</b>	<b>\$ 297.1</b>	<b>\$ 1,063.9</b>	<b>(\$ 766.8)</b>	<b>\$ 62.4</b>	<b>\$ 78.0</b>	<b>(\$ 15.6)</b>
<b>GAAP EPS, diluted</b>	<b>\$ 8.32</b>	<b>\$ 27.07</b>	<b>(\$ 18.75)</b>	<b>\$ 1.78</b>	<b>\$ 2.10</b>	<b>(\$ 0.32)</b>
Depreciation and Amortization (incl. dry-dock amortization)	\$ 167.5	\$ 164.1	\$ 3.4	\$ 42.5	\$ 41.6	\$ 0.9
EBITDA	\$ 516.7	\$ 1,526.2	(\$ 1,009.5)	\$ 119.4	\$ 136.4	(\$ 17.0)

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

# Cash Generation and Uses of Cash

## Last Twelve Months Ended December 31, 2023



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

(2) Includes cash deposits into CCF and interest income on cash deposits in CCF, net of withdrawals for milestone payments.

(3) Includes taxes.

# Financial Results – Summary Balance Sheet

(\$ in millions)	December 31, 2023	December 31, 2022
<b>ASSETS</b>		
Cash and cash equivalents	\$ 134.0	\$ 249.8
Other current assets	468.3	509.8
<b>Total current assets</b>	<b>602.3</b>	<b>759.6</b>
Investment in SSAT	85.5	81.2
Property and equipment, net	2,089.9	1,962.5
Intangible assets, net	176.4	174.9
Capital Construction Fund (CCF)	599.4	518.2
Goodwill	327.8	327.8
Other long-term assets	413.3	505.8
<b>Total assets</b>	<b>\$ 4,294.6</b>	<b>\$ 4,330.0</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current portion of debt	\$ 39.7	\$ 76.9
Other current liabilities	522.6	504.7
<b>Total current liabilities</b>	<b>562.3</b>	<b>581.6</b>
Long-term debt, net of deferred loan fees	389.3	427.7
Other long-term liabilities	942.3	1,023.8
<b>Total long-term liabilities</b>	<b>1,331.6</b>	<b>1,451.5</b>
<b>Total shareholders' equity</b>	<b>2,400.7</b>	<b>2,296.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 4,294.6</b>	<b>\$ 4,330.0</b>

## Share Repurchase

- 4Q23: ~0.5 million shares repurchased for total cost of \$47.9 million
- FY2023: ~2.1 million shares repurchase for a total cost of \$158.2 million

## Debt Levels

- Total Debt of \$440.6 million<sup>(1)</sup>
  - In 2023, reduced total debt by \$76.9 million

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

## Other Financial Updates

- CCF cash balance on December 31, 2023 of \$599.4 million
  - Nearly two-thirds of remaining milestone payments to be funded with restricted cash in CCF<sup>(1)</sup>
  - Expect to make milestone payments of \$35.5 million in 2Q24 and 4Q24 for new vessels
- Recently executed a strategy to term out a portion of CCF cash deposits that were held in short-term U.S. government money market funds
  - Purchased ~\$450 million of fixed-rate U.S. Treasuries to align with milestone payments in 2025, 2026 and 2027
  - Effective yield of fixed rate portfolio is 4.53%
- We expect a general corporate tax refund of \$119 million for 2021 federal taxes

(1) Based on remaining milestone payments on December 31, 2023 of \$899.1 million. Excludes any interest income on cash deposits that may be earned in future years.

## Review of 2023 Capital Expenditures

	FY 2023	Comments
<b>Capitalized vessel construction expenditures</b>	\$52.9 million	<ul style="list-style-type: none"><li>• \$49.9 million for new vessel milestone payment in 2Q23</li></ul>
<b>Maintenance and other capital expenditures</b>	\$195.5 million	<ul style="list-style-type: none"><li>• \$66.1 million in capex for LNG installations on <i>Daniel K. Inouye</i>, <i>Kaimana Hila</i> and <i>Manukai</i></li><li>• \$71.9 million in equipment capex to support network requirements and growth</li><li>• \$57.5 million in maintenance and other capex</li></ul>
<b>Total capital expenditures</b>	<b>\$248.4 million</b>	

## Capital Expenditures Update

(\$ in millions)	FY 2024	FY 2025	FY 2026	Comments
<b>Maintenance and other capital expenditures</b>	\$110 – 120	\$100 – 110	\$80 – 90	<ul style="list-style-type: none"> <li>Includes Phase II and III work at Sand Island, Honolulu</li> </ul>
<b>LNG installations and reengining on existing vessels</b>	\$70 – 80	\$10 – 15	-	<ul style="list-style-type: none"> <li><i>Manukai</i> currently in drydock for installation of new engine and equipment to operate on LNG and conventional fuels (current estimated total cost \$72 million) – currently scheduled to exit drydock in 2H24</li> <li><i>Kaimana Hila</i> LNG install currently expected to start in 2Q24 and last ~5 months (current estimated total cost \$47 million)</li> </ul>
<b>Sub-total maintenance and other capex</b>	\$180 – 200	\$110 – 125	\$80 – 90	
<b>New vessel construction milestone payments and related costs</b>	\$75	\$380	\$360	<ul style="list-style-type: none"> <li>Includes owner's items and capitalized interest expense</li> </ul>
<b>Total</b>	<b>\$255 – 275</b>	<b>\$490 – 505</b>	<b>\$440 – 450</b>	

## FY 2024 Outlook Items

	Full Year	First Quarter
<b>Operating Income:</b>		
Ocean Transportation	To be higher than the \$294.8 million achieved in 2023	To be lower than the \$27.8 million achieved in the 1Q23
Logistics	To be lower than the \$48.0 million achieved in 2023	To be lower than the \$10.9 million achieved in 1Q23
Consolidated	To approximate \$342.8 million achieved in 2023	To be lower than the \$38.7 million achieved in 2023
<b>Depreciation and Amortization</b>	Approximately \$180 million, including \$24 million in dry-dock amortization	-
<b>Interest Income</b>	Approximately \$35 million	-
<b>Interest Expense</b> (excluding capitalized interest)	Approximately \$8 million	-
<b>Other Income/(Expense)</b>	Approximately \$7 million	-
<b>GAAP Effective Tax Rate</b>	Approximately 22%	-
<b>Dry-docking Payments</b>	Approximately \$35 million	-



## Closing Thoughts

- Matson is in a very good position operationally and financially
  - Leverage the Matson brand and our portfolio of high-quality businesses to drive new opportunities
  - Strong financial position
    - Low-cost, investment grade balance sheet is a competitive advantage
    - Two-thirds of current remaining milestone payments for Aloha Class vessels funded with cash deposits in CCF
- We remain focused on what we can control
  - Focused on vessel schedule integrity, reliability of operations and delivering high-quality service for our customers
  - Continue to maintain discipline in our capital allocation strategy
    - Invest for the long-term to create value for shareholders
    - Pursue organic growth and acquisition opportunities
    - Expect to be a steady buyer of our shares
      - Since August 2021, we have reduced our outstanding shares by nearly 22% for approximately \$755 million



Matson®

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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”).

### MATSON, INC. AND SUBSIDIARIES Net Income to EBITDA Reconciliations (Unaudited)

(In millions)	Three Months Ended December 31,		
	2023	2022	Change
Net Income	\$ 62.4	\$ 78.0	\$ (15.6)
Subtract: Interest income	(9.8)	(6.9)	(2.9)
Add: Interest expense	2.4	3.7	(1.3)
Add: Income taxes	21.9	20.0	1.9
Add: Depreciation and amortization	35.8	35.3	0.5
Add: Dry-dock amortization	6.7	6.3	0.4
EBITDA (1)	\$ 119.4	\$ 136.4	\$ (17.0)

(In millions)	Years Ended December 31,		
	2023	2022	Change
Net Income	\$ 297.1	\$ 1,063.9	\$ (766.8)
Subtract: Interest income	(36.0)	(8.2)	(27.8)
Add: Interest expense	12.2	18.0	(5.8)
Add: Income taxes	75.9	288.4	(212.5)
Add: Depreciation and amortization	142.2	139.2	3.0
Add: Dry-dock amortization	25.3	24.9	0.4
EBITDA (1)	\$ 516.7	\$ 1,526.2	\$ (1,009.5)

- (1) EBITDA is defined as earnings before interest, income taxes, 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.