



Matson[®]

First Quarter 2022 Earnings Conference Call

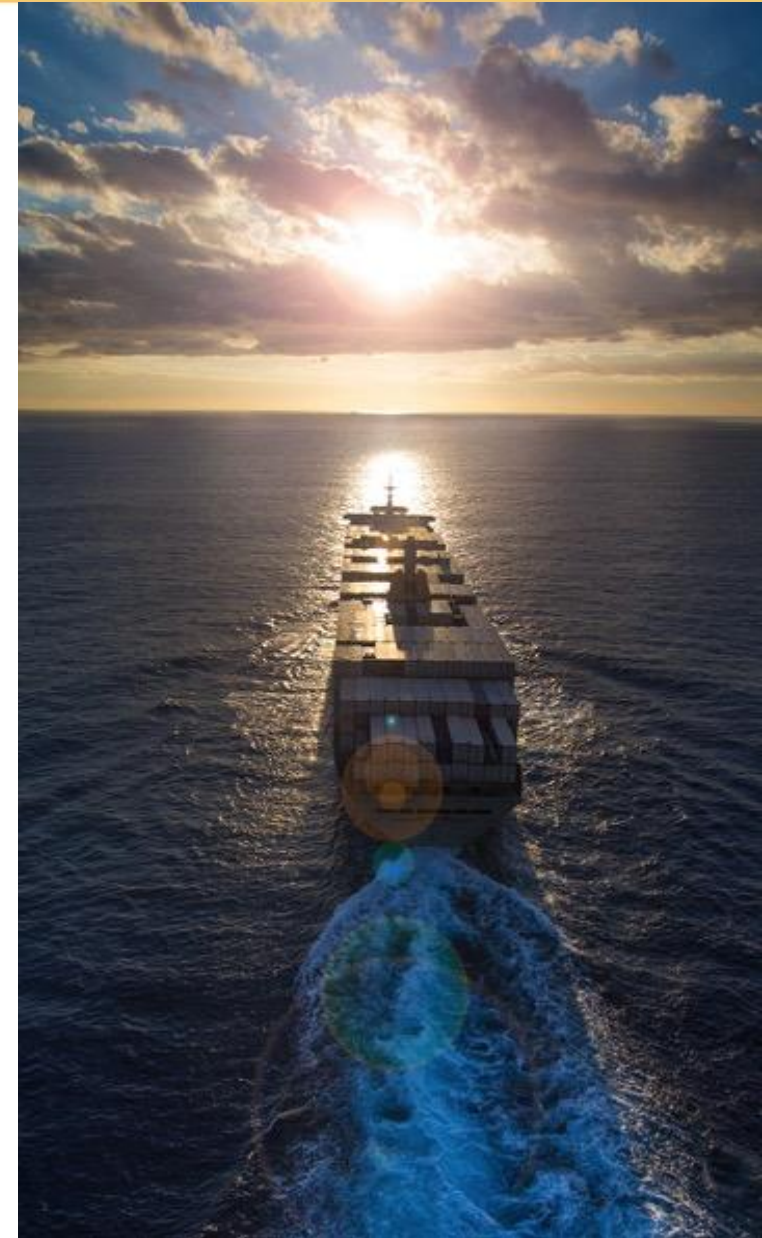
May 3, 2022

Forward-Looking Statements

Statements made during this presentation that set forth expectations, predictions, projections or are about future events are based on facts and situations that are known to us as of May 3, 2022.

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

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



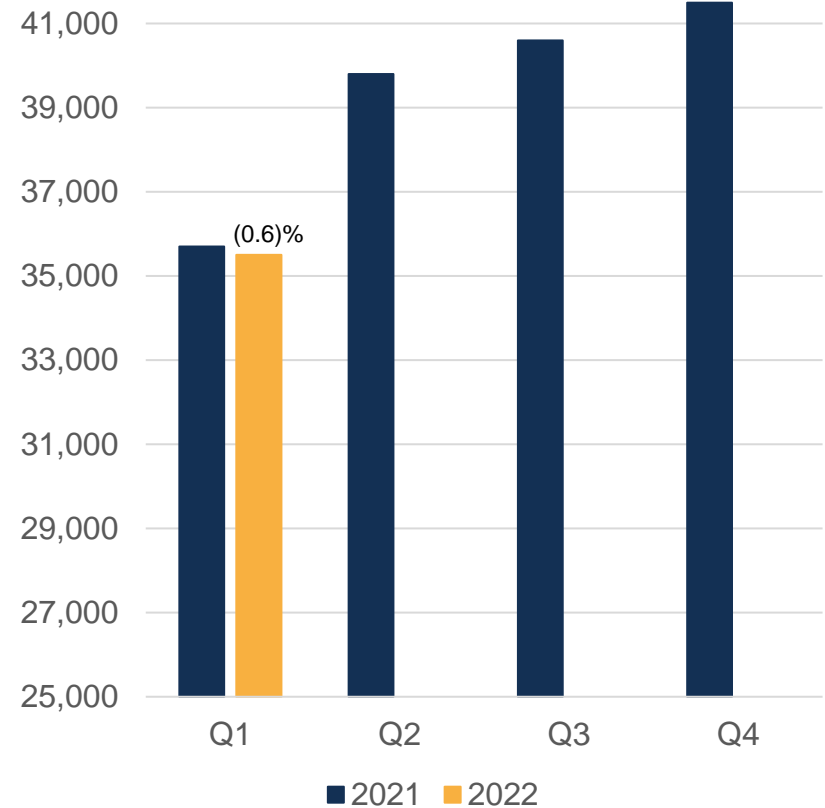
Opening Remarks

- Recap of Matson's 1Q22 results:
 - Matson is off to a solid start in 2022 with higher year-over-year operating income in both Ocean Transportation and Logistics
- Ocean Transportation:
 - China strength – continued strong demand for our expedited ocean services
 - Higher year-over-year volumes in Alaska and Guam, comparable level of demand in Hawaii
- Logistics:
 - Strength across all services
 - Continued to see elevated goods consumption, inventory restocking and favorable supply and demand fundamentals in our core markets

First Quarter 2022 Performance

- Container volume decreased 0.6% YoY
 - Primarily due to lower eastbound volume
 - Continued to see elevated hospitality-related demand
 - Strong domestic tourist arrivals and modest improvement in international tourist trends

Container Volume (FEU Basis)



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

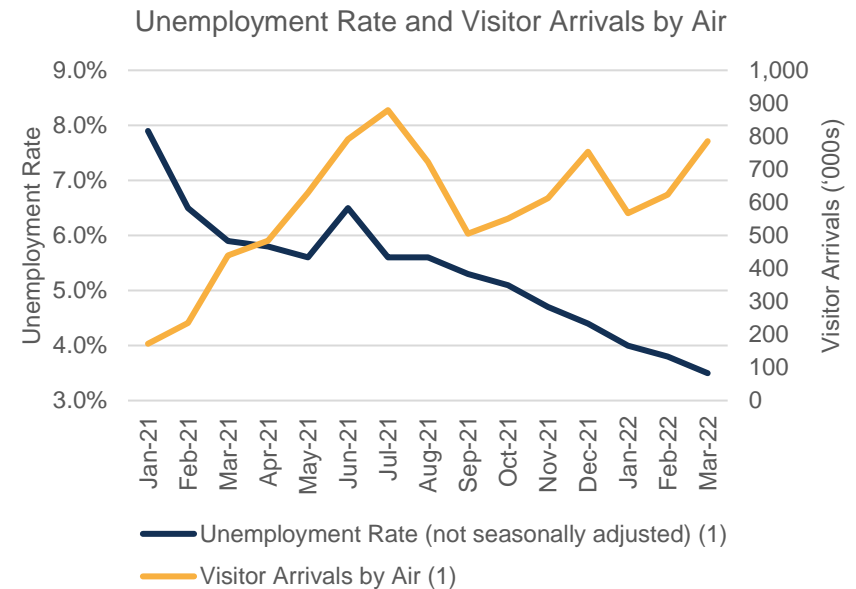
Hawaii Service – Current Business Trends

- Cautiously optimistic on further economic recovery in Hawaii in 2022
 - Improving unemployment rate
 - Increasing tourism arrivals, including international visitors later in the year
 - Further waves of COVID-19 variants present possibility of economic slowdowns
 - Loss of federal stimulus coupled with inflation and higher interest rates may impact discretionary income
- Positive outlook from latest UHERO forecast
 - Expect tourism arrivals to reach 90% of pre-pandemic level by year end
 - Economy on good recovery trend with
 - (i) further gains in employment and
 - (ii) growth in construction jobs and GDP

(1) Source: http://files.hawaii.gov/dbedt/economic/data_reports/mei/2022-03-state.xls

(2) Source: https://uhero.hawaii.edu/wp-content/uploads/2022/03/22Q1_Forecast_r.pdf

Select Hawaii Economic Indicators



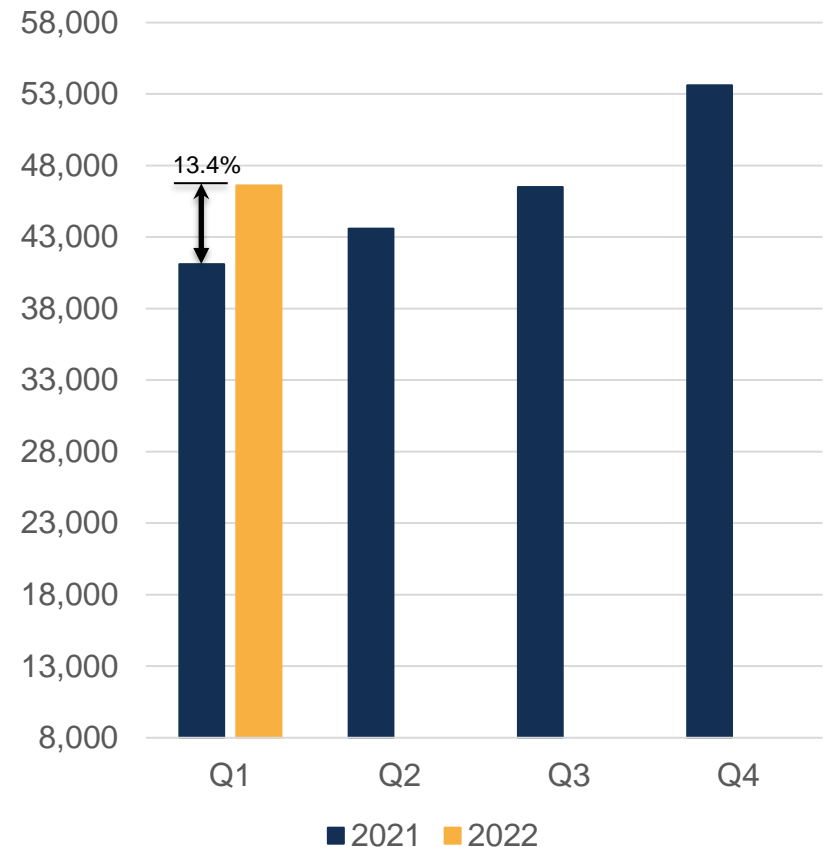
UHERO Projections (2)	2020	2021	2022P	2023P
Real GDP	(11.1)%	4.0%	3.8%	3.3%
Construction Jobs Growth	(2.4)%	1.1%	1.1%	3.4%
Population Growth	(0.3)%	(0.7)%	(0.3)%	(0.1)%
Unemployment Rate	11.8%	7.2%	5.1%	3.3%
Visitor Arrivals ('000s)	2,708.3	6,777.1	8,746.1	9,455.2
% change	(73.9)%	150.2%	29.1%	8.1%

China Service

First Quarter 2022 Performance

- Container volume increased 13.4% YoY
 - Total number of eastbound voyages increased by 5 YoY
- Demand driven by e-commerce, garments and other goods
 - Sustained and elevated consumption trends and low inventory levels led to increased demand for our expedited ocean services

Container Volume (FEU Basis)



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

China Service – Current Business Trends

- Transpacific tradelane is currently experiencing:
 - Supply chain challenges in China
 - Continued supply chain constraints and congestion on the U.S. West Coast
 - Elevated consumption trends
 - Inventory restocking
- Managing our China business with customers as a portfolio of expedited ocean services
 - Provide customers multiple options for freight management given the supply-demand challenges in the tradelane
- For 2022, expect a combination of the current supply and demand factors to remain largely in place through at least the October peak season
 - Expect elevated demand for our China service for most of this year
 - Expect to keep CCX service at least through October 2022 peak season



Source: <https://www.census.gov/mtis/www/data/text/timeseries1.xlsx>

Guam Service

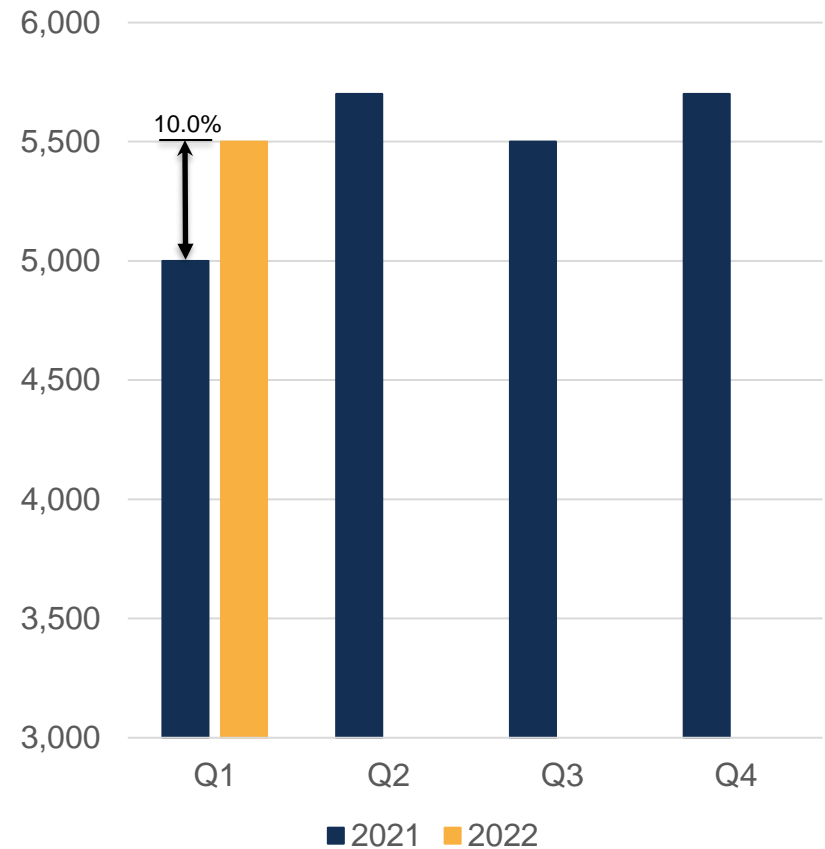
First Quarter 2022 Performance

- Container volume increased 10.0% YoY
 - Higher retail-related demand

Current Business Trends

- Cautiously optimistic on further economic recovery in Guam in 2022
 - Expect improvement in tourism traffic as the year progresses

Container Volume (FEU Basis)



Alaska Service

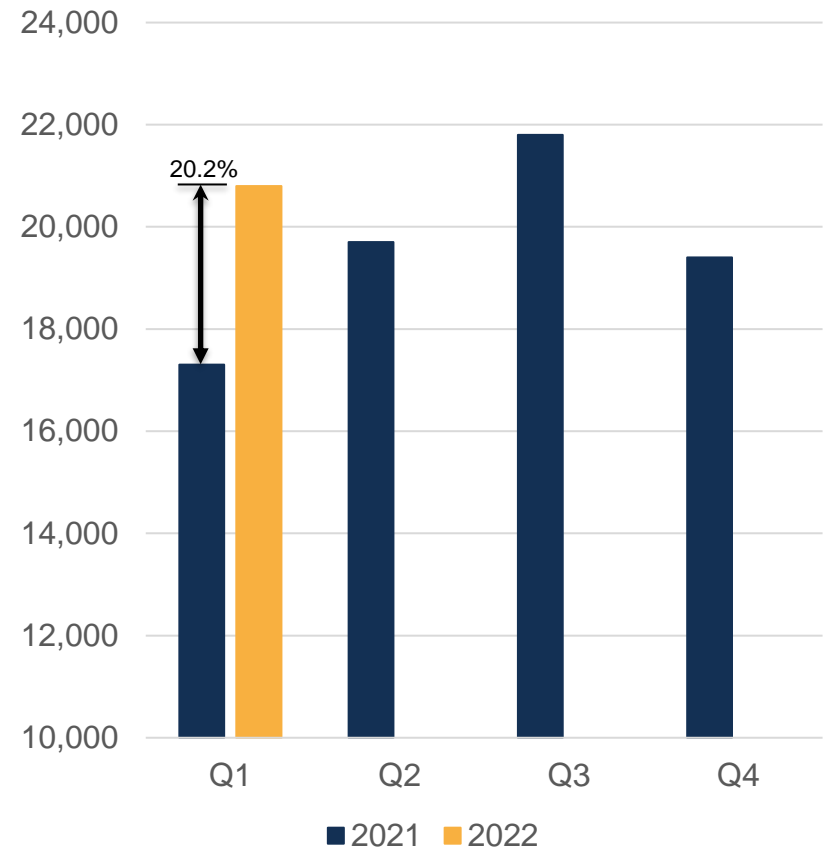
First Quarter 2022 Performance

- Container volume increased 20.2% YoY
 - Increase in AAX seafood volume
 - Higher northbound volume primarily due to:
 - Higher retail-related demand
 - TOTE dry-dock volume
 - Higher southbound volume primarily due to higher seafood volume

Current Business Trends

- Improving economic trends in Alaska, but economic recovery trajectory remains uncertain
 - High energy prices spurring exploration and production activity
 - Resumption of summer tourism

Container Volume (FEU Basis)



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

SSAT Joint Venture

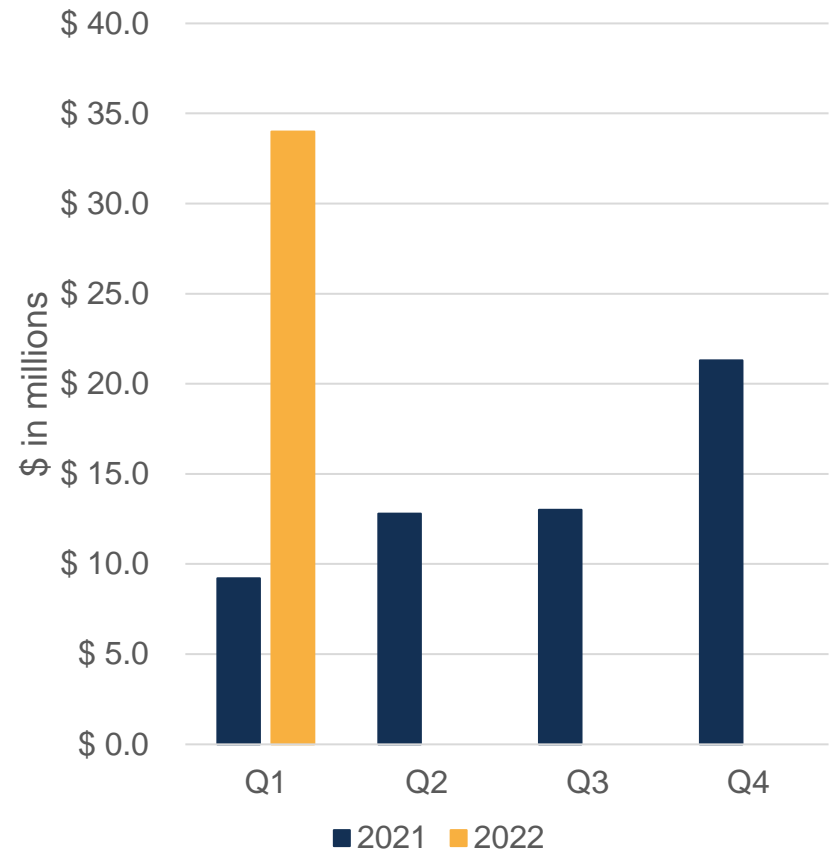
First Quarter 2022 Performance

- Terminal joint venture contribution was \$34.0 million; YoY change of \$24.8 million
 - Primarily due to higher other terminal revenue

Current Business Trends

- Continue to see elevated import volume into U.S. West Coast

Equity in Income of Joint Venture



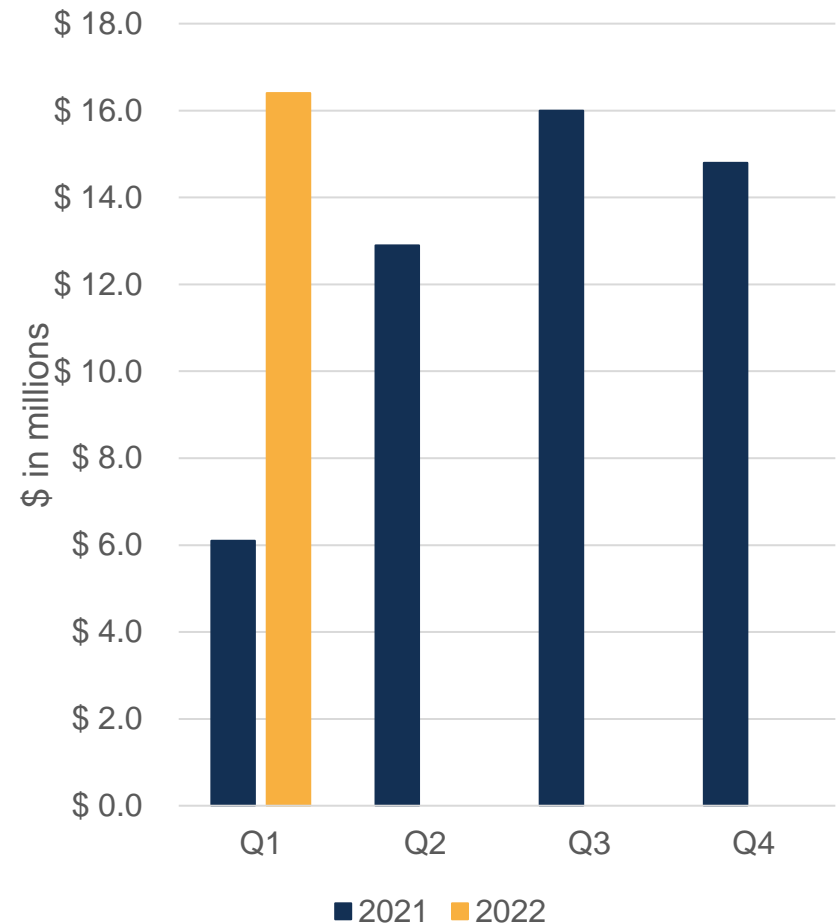
First Quarter 2022 Performance

- Operating income of \$16.4 million; YoY change of \$10.3 million
- Higher YoY operating income contributions from all services
- Benefitted from:
 - Elevated goods consumption and inventory restocking
 - Favorable supply and demand fundamentals in core markets

Current Business Trends

- Some business lines continue to benefit from elevated container volumes into Southern California

Operating Income



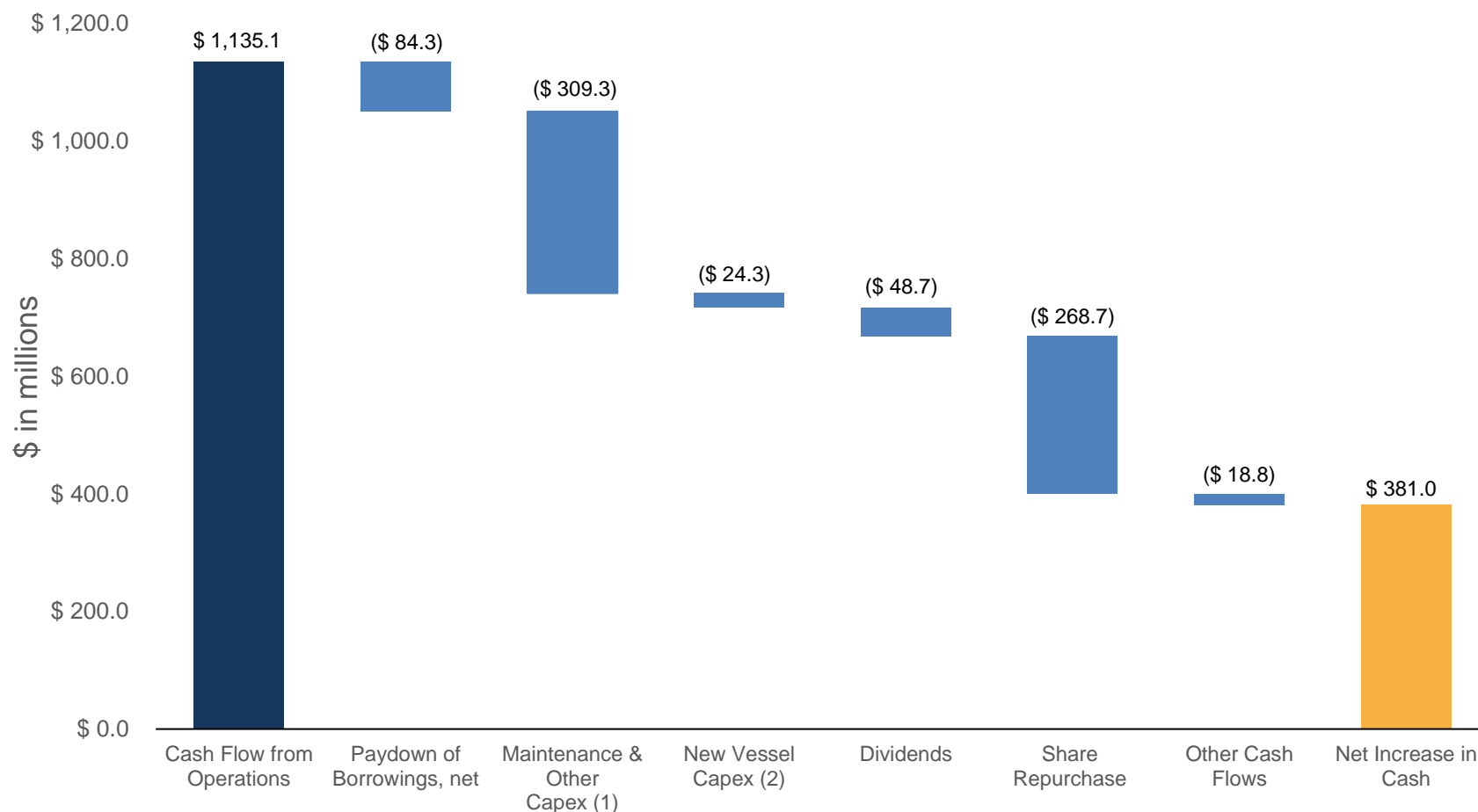
Financial Results – Summary Income Statement

(\$ in millions, except per share data)	First Quarter		
	Quarters Ended 3/31		Δ
	2022	2021	\$
Revenue			
Ocean Transportation	\$ 943.9	\$ 560.5	\$ 383.4
Logistics	221.6	151.3	70.3
Total Revenue	\$ 1,165.5	\$ 711.8	\$ 453.7
Operating Income			
Ocean Transportation	\$ 416.2	\$ 114.1	\$ 302.1
Logistics	16.4	6.1	10.3
Total Operating Income	\$ 432.6	\$ 120.2	\$ 312.4
Interest expense	(4.8)	(7.3)	
Other income (expense), net	2.0	1.4	
Income taxes	(90.6)	(27.1)	
Net Income	\$ 339.2	\$ 87.2	\$ 252.0
GAAP EPS, diluted	\$ 8.23	\$ 1.99	\$ 6.24
Depreciation and Amortization (incl. dry-dock amortization)	\$ 41.8	\$ 38.9	\$ 2.9
EBITDA	\$ 476.4	\$ 160.5	\$ 315.9

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

Cash Generation and Uses of Cash

Last Twelve Months Ended March 31, 2022



(1) Includes \$117.3 million of early buy-out and operating lease termination payments.

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

Financial Results – Summary Balance Sheet

(\$ in millions)	March 31, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	\$ 392.8	\$ 282.4
Other current assets	482.0	422.1
Total current assets	874.8	704.5
Investment in SSAT	92.7	58.7
Property and equipment, net	1,894.6	1,878.3
Intangible assets, net	178.5	181.1
Goodwill	327.8	327.8
Other long-term assets	609.1	542.7
Total assets	\$ 3,977.5	\$ 3,693.1
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current portion of debt	\$ 65.0	\$ 65.0
Other current liabilities	545.2	547.4
Total current liabilities	610.2	612.4
Long-term debt, net of deferred loan fees	535.7	549.7
Other long-term liabilities	920.9	863.6
Total long-term liabilities	1,456.6	1,413.3
Total shareholders' equity	1,910.7	1,667.4
Total liabilities and shareholders' equity	\$ 3,977.5	\$ 3,693.1

Share Repurchase

- January 27, 2022: announced an additional 3 million shares to existing repurchase program
- 1Q22: ~0.7 million shares repurchased for total cost of \$68.6 million

Debt Levels

- Total Debt of \$614.7 million⁽¹⁾
- Net Debt of \$221.9 million⁽²⁾

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

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

(2) Net Debt is Total Debt of \$614.7 million less cash and cash equivalents of \$392.8 million.

Update on New Vessel and LNG Projects

- Continue to evaluate refueling options for the Alaska trade lane
 - Either three new purpose-built vessels for Alaska, or
 - Three new LNG-ready Aloha Class vessels for the CLX and move three smaller, older CLX vessels into the Alaska service allowing us to upsize the CLX service by approximately 500 containers of capacity per vessel
- LNG installation projects remain on track
 - *Daniel K. Inouye* LNG install currently scheduled for 1Q23 and to last ~5 months (current estimated total cost ~\$35 million)
 - Re-engine *Manukai* to operate on LNG and conventional fuels (current estimated total cost ~\$60 million) – currently scheduled following *Daniel K. Inouye* install and to take ~1 year to complete
- Continue to evaluate LNG installation projects on *Kaimana Hila*, *Lurline* and *Matsonia*
 - Total estimated LNG installation costs for all 3 vessels is ~\$115 million
- Reiterate 2022 capex of \$160 to \$180 million

Closing Remarks

- Supply chain issues likely to persist globally and potentially longer than many expect – expedited freight solutions will be in high demand to manage through this difficult supply chain environment
 - Consumer spending picture remains positive
 - Low inventories, production disrupted in China
 - Labor shortages throughout the supply chain infrastructure
 - Labor contract renewals
 - Higher fuel costs
- Matson is better positioned to react and adapt to an evolving operating environment such as this
 - Own and control key assets (e.g., vessels, equipment)
 - Competitive advantages in China service provide differentiated expedited ocean services
 - Experience in managing through difficult periods, maintaining a high level of service and delivering on commitments to customers



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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.

NET DEBT RECONCILIATION

(In millions)	March 31, 2022
Total Debt (1):	\$ 614.7
Less: Cash and cash equivalents	(392.8)
Net Debt	<u>\$ 221.9</u>

EBITDA RECONCILIATION

(In millions)	Three Months Ended			Last Twelve Months
	2022	March 31, 2021	Change	
Net Income	\$ 339.2	\$ 87.2	\$ 252.0	\$ 1,179.4
Add: Income taxes	90.6	27.1	63.5	307.4
Add: Interest expense	4.8	7.3	(2.5)	20.1
Add: Depreciation and amortization	35.1	32.3	2.8	134.9
Add: Dry-dock amortization	6.7	6.6	0.1	24.4
EBITDA (2)	<u>\$ 476.4</u>	<u>\$ 160.5</u>	<u>\$ 315.9</u>	<u>\$ 1,666.2</u>

- (1) Total Debt is presented before any reduction for deferred loan fees as required by GAAP.
- (2) 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.