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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): **January 11, 2021 (January 11, 2021)**

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 (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.

Item 2.02. Results of Operations and Financial Condition.

On January 11, 2021, Matson, Inc. (the "Company") issued a press release announcing the Company's preliminary earnings for the quarter ended December 31, 2020. A copy of the press release is attached hereto as Exhibit 99.1. In addition, the Company posted an investor presentation to its website. A copy of the investor presentation is attached hereto as Exhibit 99.2.

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

Item 9.01. Financial Statements and Exhibits.

(a) - (c) Not applicable.

(d) Exhibits.

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

99.1 [Press Release issued by Matson, Inc., dated January 11, 2021](#)

99.2 [Investor Presentation, dated January 11, 2021](#)

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

Senior Vice President and Chief Financial Officer

Dated: January 11, 2021

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FOR IMMEDIATE RELEASE**MATSON ANNOUNCES PRELIMINARY 4Q20 RESULTS, PROVIDES BUSINESS UPDATE AND ANNOUNCES 4Q20 EARNINGS CALL DATE**

- Expects 4Q20 operating income for Ocean Transportation to be \$100.0 to \$105.0 million vs. \$17.8 million in 4Q19
- Expects 4Q20 operating income for Logistics to be \$8.0 to \$9.0 million vs. \$7.6 million in 4Q19
- Expects 4Q20 net income and diluted EPS to be \$76.1 to \$81.6 million and \$1.74 to \$1.87, respectively
- Year-over-year increase in consolidated operating income driven primarily by China service strength
- Leverage ratio per debt agreements at quarter end of approximately 1.8x
- Announces fourth quarter earnings call date on February 23, 2021

HONOLULU, Hawaii (January 11, 2021) – Matson, Inc. (NYSE: MATX) today announces preliminary fourth quarter financial results, provides a business update and announces that its fourth quarter earnings call date will be held on February 23, 2021.

“Matson capped off a strong year with continued solid performance in the fourth quarter from Ocean Transportation and Logistics despite the ongoing challenges from the COVID-19 pandemic and related economic effects,” said Chairman and Chief Executive Officer Matt Cox. “Within Ocean Transportation, our China service saw significant demand for its CLX and CLX+ expedited ocean services through year end and was the primary driver of the increase in consolidated operating income year-over-year. We continued to see favorable supply and demand dynamics in the transpacific tradelane during the quarter, and we continue to expect largely all of these trends to remain favorable in the first half of 2021 as the pandemic persists. As the pandemic subsides with widespread vaccination, we expect some of the supply and demand factors that we are currently benefitting from to remain and continue to drive demand for our CLX and CLX+ services.”

Mr. Cox added, “In our other core tradelanes, we continued to see elevated demand for sustenance and home improvement goods lead to higher quarterly year-over-year volume growth in Hawaii, Alaska and Guam. Logistics operating income increased year-over-year as a result of elevated goods consumption and inventory restocking and tight supply and demand fundamentals in our core markets. We also continued to achieve cost benefits from our previously-announced cost management initiatives. As a result, Matson expects fourth quarter operating income for Ocean Transportation of \$100.0 to \$105.0 million and Logistics operating income of \$8.0 to \$9.0 million. We also expect fourth quarter 2020 net income and diluted EPS to be \$76.1 to \$81.6 million and \$1.74 to \$1.87, respectively.”

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

For the three months ended December 31, 2020 compared to the three months ended December 31, 2019 and on a FEU basis:

- Hawaii container volume increased 0.8 percent primarily due to an additional westbound sailing and higher demand for sustenance and home improvement goods, partially offset by lower tourism activity as a result of the pandemic;
- Alaska volume increased 18.9 percent as a result of higher northbound volume primarily due to two additional sailings and higher demand for sustenance and home improvement goods, and modestly higher southbound volume;
- China volume was 139.1 percent higher primarily due to volume from the CLX+ service in addition to higher volume on the CLX service as a result of our increased capacity in the tradelane;
- Guam volume was 4.2 percent higher primarily due to higher demand for sustenance and home improvement goods, partially offset by lower tourism activity as a result of the pandemic; and
- Other containers volume increased 16.7 percent.

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

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

Debt Outstanding

Total debt decreased by \$63.6 million during the three months to \$760.0 million as of December 31, 2020. Based on the midpoint of the operating income ranges for Ocean Transportation and Logistics, the leverage ratio under the debt agreements as of December 31, 2020 was approximately 1.8x.

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

Teleconference and Webcast

A conference call is scheduled on February 23, 2021 at 4:30 p.m. ET when Matt Cox, Chairman and Chief Executive Officer, and Joel Wine, Senior Vice President and Chief Financial Officer, will discuss Matson's fourth quarter results.

Date of Conference Call:	Tuesday, February 23, 2021
Scheduled Time:	4:30 p.m. ET / 1:30 p.m. PT / 11:30 a.m. HT
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 an additional 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 March 2, 2021 by dialing 1-855-859-2056 or 1-404-537-3406 and using the conference number 4135479. 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 to the domestic non-contiguous economies of Hawaii, Alaska, and Guam, and to other island economies in Micronesia. Matson also operates two premium, expedited services from China to Long Beach, California, provides service to Okinawa, Japan and various islands in the South Pacific, and operates an international export service from Dutch Harbor to Asia. The Company's fleet of owned and chartered vessels includes containerships, combination container and roll-on/roll-off ships and custom-designed barges. Matson Logistics, established in 1987, extends the geographic reach of Matson's transportation network throughout the continental U.S. Its integrated, asset-light logistics services include rail intermodal, highway brokerage, warehousing, freight consolidation, Asia supply chain services, and forwarding to Alaska. Additional information about the Company is available at www.matson.com.

Forward-Looking Statements

Statements in this news release that are not historical facts are "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation those statements regarding operating income, net income, earnings per share, the COVID-19 pandemic and related economic effects, vaccinations, supply and demand dynamics in the transpacific trade lane, economic growth and drivers in Hawaii, Alaska and Guam, and cost management initiatives. 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; regional, national and international economic conditions; new or increased competition or improvements in competitors' service levels; fuel prices, our ability to collect fuel-related 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 magnitude and timing of the impact of public health crises, including COVID-19; 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; 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, our Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, and our other filings with the SEC through the date of this release, which identify important factors that could affect the forward-looking statements in this release. We do not undertake any obligation to update our forward-looking statements.



Matson[®]

***Fourth Quarter 2020
Preliminary Earnings Supplement***

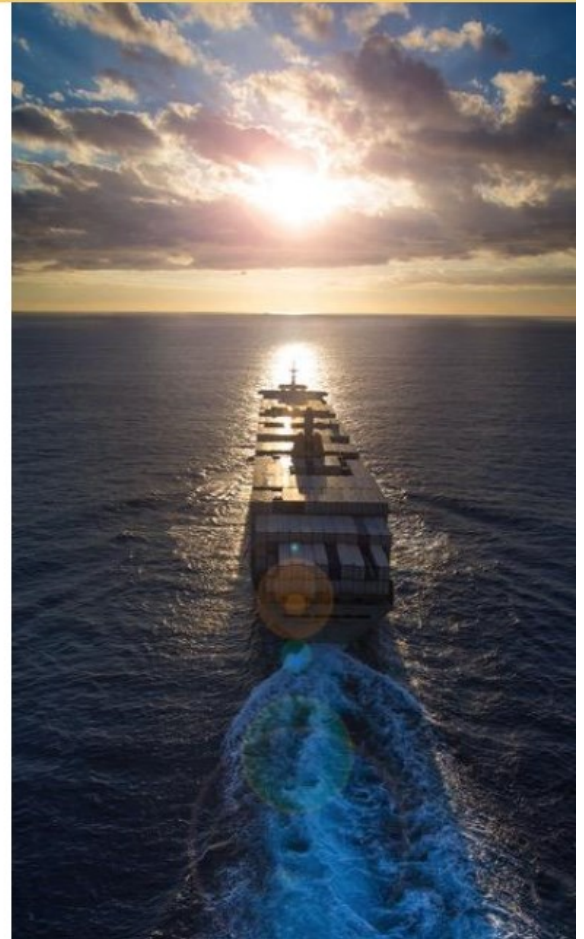
January 11, 2021

Forward-Looking Statements

Statements made during this presentation that set forth expectations, predictions, projections or are about future events are based on facts and situations that are known to us as of January 11, 2021.

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 24-34 of our Form 10-Q filed on November 2, 2020 and other subsequent filings by Matson with the SEC. Statements made during this presentation are not guarantees of future performance.

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



Preliminary Fourth Quarter 2020 Results

- Capped off a strong year with continued solid performance in Ocean Transportation and Logistics
- China service, consisting of CLX and CLX+, was the primary driver of the increase in consolidated operating income year-over-year
- Favorable macro supply and demand dynamics in the transpacific tradelane during the quarter
 - Expect macro supply and demand trends in transpacific tradelane to remain largely favorable in the first half of 2021 as pandemic persists
 - As pandemic subsides with widespread vaccination, expect some supply and demand factors that we are currently benefitting from to remain and continue to drive demand for CLX and CLX+
- Ocean Transportation
 - China strength – CLX+ voyages and increased capacity in the CLX service
 - In other core tradelanes, continued to see elevated demand for sustenance and home improvement goods lead to higher quarterly YoY volume growth
- Logistics
 - Improved performance as a result of elevated goods consumption and inventory restocking and tight supply and demand fundamentals in our core markets

Preliminary Fourth Quarter 2020 Results (continued)

(\$ in millions, except per share data)	Quarter Ended December 31, 2019	Quarter Ended December 31, 2020 Preliminary Range
INCOME STATEMENT		
Operating Income		
Ocean Transportation	\$ 17.8	\$ 100.0 - \$ 105.0
Logistics	7.6	8.0 - 9.0
Total operating income	25.4	108.0 - 114.0
Other income (expense), net	0.3	1.2 - 1.2
Interest expense	(5.6)	(4.9) - (4.9)
Income before income taxes	20.1	104.3 - 110.3
Income taxes	4.5	28.2 - 28.7
<i>Effective income tax rate</i>	22.4%	27.0% - 26.0%
Net income	\$ 15.6	\$ 76.1 - \$ 81.6
Diluted EPS	\$ 0.36	\$ 1.74 - \$ 1.87

(\$ in millions)	Quarter Ended December 31, 2020
BALANCE SHEET	
Net debt	
Total debt (1)	\$ 760.0
Cash and cash equivalents	(14.4)
Net debt	\$ 745.6
Total debt	
Private placement term loans	\$ 329.2
Title XI debt	359.0
Revolving credit facility	71.8
Total debt (1)	\$ 760.0

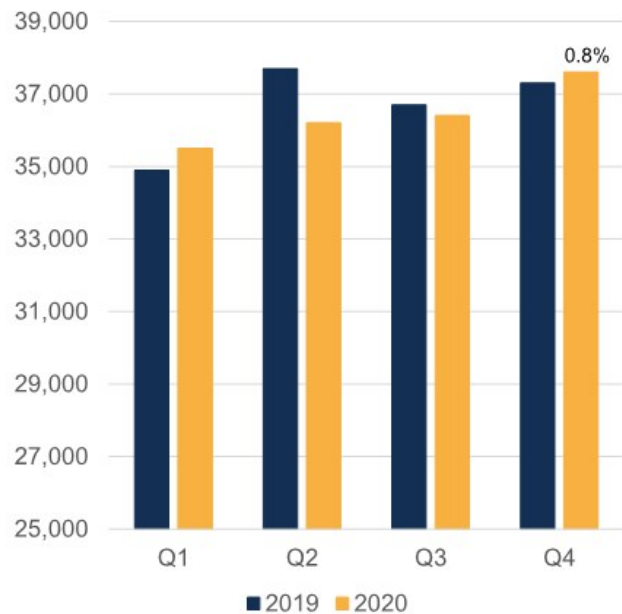
- Leverage ratio per debt agreements of approximately 1.8x⁽²⁾

(1) Total debt is presented before any adjustment for deferred loan fees as required by U.S. GAAP.
(2) Based on the midpoint of the operating income ranges for Ocean Transportation and Logistics.

Fourth Quarter 2020 Performance

- Container volume increased 0.8% YoY
 - An additional westbound sailing
 - Higher demand for sustenance and home improvement goods
 - Continued negative impact from low tourism activity
 - Pre-travel testing program provided uptick in tourist traffic in the quarter versus 3Q
- Hawaii economy remains in significant downturn
 - Tourism activity remains well below 2019 levels
 - Economic recovery trajectory remains highly uncertain
 - Unemployment remains elevated

Container Volume (FEU Basis)



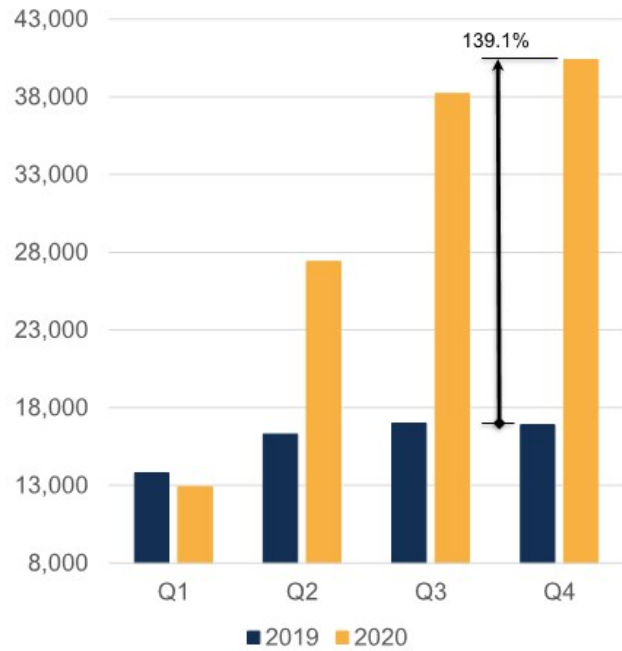
Note: 2Q 2020 volume figure includes volume related to Pasha's vessel dry-docking.

China Service

Fourth Quarter 2020 Performance

- Container volume increased 139.1% YoY
 - Approximately 86% of YoY volume increase driven by CLX+
- Continued dislocation in transpacific air freight markets led to strong demand for Matson's expedited services
 - CLX and CLX+ vessels sailed at capacity
- Demand driven by e-commerce and other high-demand goods
 - Continued inventory restocking in the U.S. and consumption of imported goods in lieu of services

Container Volume (FEU Basis)

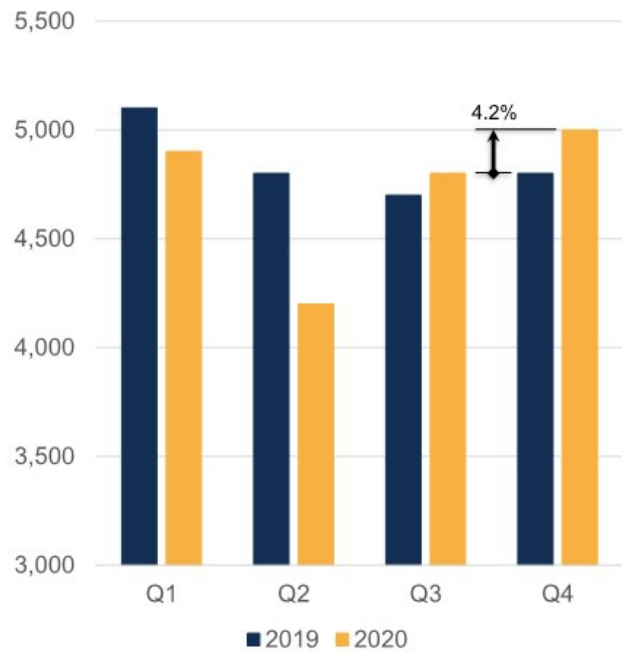


Note: 2Q 2020 volume figure includes volume related to seven CLX+ voyages. 3Q and 4Q 2020 volume figures include weekly CLX+ voyages.

Fourth Quarter 2020 Performance

- Container volume increased 4.2% YoY
 - Higher demand for sustenance and home improvement goods
- Guam economy in downturn as tourism levels remain depressed
 - Economic recovery trajectory remains highly uncertain
 - Unemployment remains elevated

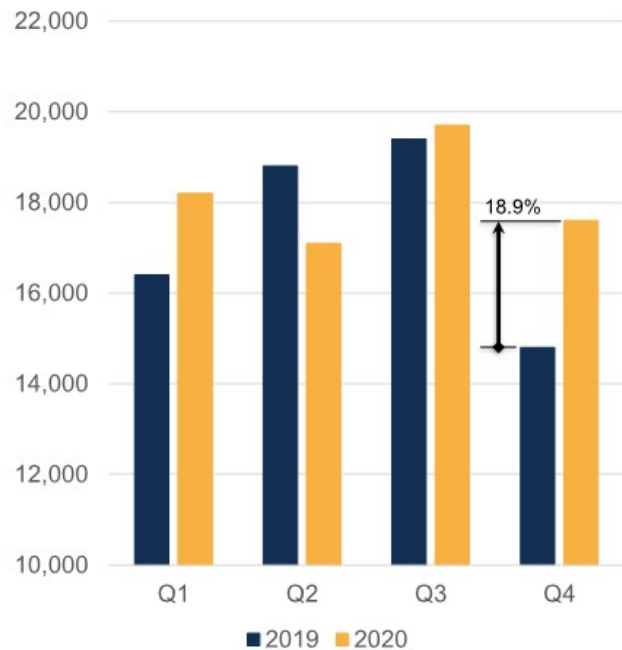
Container Volume (FEU Basis)



Fourth Quarter 2020 Performance

- Container volume increased 18.9% YoY
 - Higher northbound volume primarily due to:
 - Two additional sailings
 - Higher demand for sustenance and home improvement goods
 - Modestly higher southbound volume
- Alaska economic recovery trajectory remains highly uncertain
 - Unemployment remains elevated
 - Low oil price environment expected to continue to negatively impact oil exploration and production

Container Volume (FEU Basis)



Fourth Quarter 2020 Performance

- Operating income of \$8.0 to \$9.0 million; YoY change of \$0.4 to \$1.4 million
- Benefitted from:
 - Elevated goods consumption and inventory restocking
 - Tight supply and demand fundamentals in core markets

Operating Income

