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Matson Signs Contracts For A Total Of Six New And Upgraded Cranes For Honolulu Terminal

Investments tied to terminal expansion in preparation for new ships

HONOLULU, Aug. 23, 2017 /PRNewswire/ -- Matson, Inc. ("Matson"; NYSE: MATX) announced that a subsidiary of Matson Navigation Company, Inc., a leading U.S. carrier in the Pacific, has signed contracts with Paceco Corporation for the purchase of three new 65 long-ton capacity cranes and modifications to upgrade three existing cranes at its Sand Island Terminal in Honolulu Harbor. The investments are part of a broader \$60 million terminal expansion and modernization program Matson is undertaking to prepare its operational hub in Hawaii for the arrival of four new ships the company has on order with a combined value of approximately \$930 million and deliveries starting next year.



The new cranes will be built by Mitsui Engineering & Shipbuilding (MES), delivered next year and installed at Matson's Sand Island Terminal in Honolulu in early 2019. They will have greater lifting capacity, height and reach than Matson's existing cranes, enabling full service of the company's new larger Hawaii vessels going into service over the next three years. They are also more energy efficient, easier to maintain and will be equipped with fiber-optic cabling, enabling faster and more accurate communication of data used in Matson's container tracking system.

Matson will use the new cranes to replace three older and smaller cranes, while upgrading three other existing 40 long-ton cranes to the same 11.5 kv electrical system and fiber-optic cabling as the new cranes.

Matson's investments in these terminal improvements are a cornerstone of the State of Hawaii's Harbor Modernization Plan, which includes the reinforcement of berths in Honolulu Harbor to support the expansion of Matson's Sand Island Terminal.

"Having just marked our 135th year in Hawaii, these latest investments in our fleet and terminal infrastructure underscore Matson's long-standing commitment to serving our island communities with the most reliable, efficient and environmentally friendly operations in Hawaii for the long-term," said Matt Cox, chairman and chief executive officer. "Our new Aloha Class and Kanaloa Class ships are being built specifically to meet Hawaii's freight needs into the future while reducing our environmental impact and improving our efficiency for decades to come."

Matson has two Aloha Class ships under construction at Philly Shipyard in Philadelphia with deliveries scheduled for the third quarter of 2018 and first quarter of 2019, respectively. The 850-foot long, 3,600 TEU* vessels will be Matson's largest ships and the largest containerships ever built in the U.S. They will also be faster than any of Matson's current vessels, designed to operate at speeds in excess of 23 knots, helping ensure timely delivery of goods in Hawaii.

Matson has also ordered two Kanaloa Class vessels from General Dynamics NASSCO in San Diego with deliveries scheduled for the end of 2019 and mid-year 2020. These ships will be combination container and roll-on/roll-off ("Con-Ro") vessels built on a 3,500 TEU vessel platform 870 feet long and 115 feet wide, with enclosed garage space for up to 800

vehicles.

In addition, all four new vessels will have state-of-the-art green technology features, including a fuel efficient hull design, environmentally safe double hull fuel tanks, fresh water ballast systems and dual-fuel engines, meaning that they will be able to operate on either conventional fuel oils or liquefied natural gas ("LNG") with some adaptation for LNG. These advancements are important to Hawaii as a means to reduce fuel consumption, and will result in significant emissions reductions over time.

The larger capacity of the Aloha Class and Kanaloa Class vessels will allow Matson to return to an optimal nine-ship fleet deployment in Hawaii, increasing efficiency and lowering operating costs, a key objective of the company's infrastructure investments.

With delivery of the Kanaloa Class ships, along with its two new Aloha Class ships, Matson will have completed the renewal of its Hawaii fleet, allowing it to retire seven older vessels that will no longer comply with environmental regulations in 2020 without substantial modification.

* Twenty-foot Equivalent Units, the standard unit of measurement for container capacity

About Matson

Founded in 1882, Matson (NYSE: MATX) is a leading U.S. carrier in the Pacific. Matson provides a vital lifeline to the economies of Hawaii, Alaska, Guam, Micronesia and select South Pacific islands, and operates a premium, expedited service from China to Southern California. The Company's fleet of 21 owned vessels and six 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, and less-than-container load freight consolidation and forwarding to Alaska. Additional information about Matson, Inc. is available at www.matson.com.

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