



Matson Navigation Company, Inc.

Business Operations

Ocean transportation/shipping and third-party logistics provider

Ownership

A wholly-owned subsidiary of Alexander & Baldwin, Inc. (NYSE: ALEX)

Management

Stanley M. Kuriyama, Chairman of the Board
President & Chief Executive Officer, Alexander & Baldwin, Inc.
Matthew J. Cox, President
Ronald J. Forest, Senior Vice President, Operations
Dave L. Hoppes, Senior Vice President, Ocean Services
Kevin C. O'Rourke, Senior Vice President and General Counsel
Rusty K. Rolfe, Executive Vice President, Matson Integrated Logistics
Vic S. Angoco, Jr., Vice President, Pacific
Ronald P. Barrett, Vice President, Sales (U.S. Mainland)
John E. Dennen, Vice President and Controller
B. Bal Dreyfus, Vice President, West Coast Terminals and Vehicle Operations
Yolanda V. Gonzalez, Vice President, Human Resources
Dale B. Handler, Vice President, Corporate Development and Planning
Paul A. Londynsky, Vice President (Safety, Quality and Environmental Affairs) and
Chief Security Officer
Gary Y. Nakamatsu, Vice President, Sales (Hawaii)
Laura L. Rascon, Vice President, Customer Support
Steven T. Rubin, Vice President, Pricing
Jack W. Sullivan, Vice President, Vessel Operations
Peter F. Weis, Vice President and Chief Information Officer
Alyson J. Nakamura, Secretary

Major Subsidiaries

Matson Integrated Logistics, Inc. – *intermodal and logistic services*
Matson Global Distribution Services, Inc. – *third-party logistics services*
Matson Terminals, Inc. – *stevedoring & terminal services*

Values

As we work to achieve our mission we must measure the decisions each of us makes by principles that reflect our values. These principles will guide us as we seek to do the right thing by our customers, employees and in the communities we serve.

- Conduct all we do on behalf of Matson with the utmost integrity.
- Strive to fulfill commitments 100% of the time and when we fall short, acknowledge and recover from our mistakes as quickly and sensibly as possible.
- Be truthful and respectful so that there is a clear understanding of what we expect from one another.
- Honor our heritage.
- Embrace diversity and innovation as essential ingredients for success.
- Contribute positively to our communities and environment.
- Meet our financial goals and commitments, which will in turn enable new investment and opportunity.

Significant Measures	Ocean Transportation	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenue:	\$889 million	\$1.02 billion	\$1.01 billion	
Operating Profit:	\$58 million	\$106 million	\$127 million	
Operating Margin:	6.6%	10.3%	12.6%	
Logistics	<u>2009</u>	<u>2008</u>	<u>2007</u>	
Revenue:	\$321 million	\$436 million	\$434 million	
Operating Profit:	\$7 million	\$19 million	\$22 million	
Operating Margin:	2.1%	4.2%	5.0%	

Family of Companies

Matson Navigation Company, Inc. (Matson) is the principal carrier of containerized freight and automobiles between the U.S. Pacific Coast and Hawaii, Guam, and Micronesia. It also offers a premium service from China to the West Coast.

Matson is the parent company of:

- **Matson Integrated Logistics (MIL)** is a leading provider of multimodal transportation services to the North American market. MIL's capabilities include domestic intermodal rail service, international intermodal service, long haul and regional highway services, specialized hauling, and international air freight. MIL serves a broad range of customers and industries with customized transportation solutions and award-winning service.
- **Matson Global Distribution Services, Inc.** Established in 2007, Matson Global, a subsidiary of MIL, provides third-party logistics services such as freight-forwarding and warehousing to a global customer base.
- **Matson Terminals, Inc.** Established in 1921, Matson Terminals provides container stevedoring, terminal and equipment maintenance services for Matson in Honolulu. Stevedoring Services of America Terminals (SSAT), which is partly owned by Matson, manages the company's container stevedoring and terminal services in the West Coast ports of Los Angeles, Oakland and Seattle.

Ocean Freight Services

Matson's ocean transportation services are provided in the following areas:

- **Hawaii:** Matson reaches more Hawaii destinations, with more departures from the West Coast, than any other shipping company. Vessels depart twice weekly from Los Angeles and Oakland and weekly from Seattle to Honolulu. Matson's Hawaii service extends to the major ports of Hawaii's Neighbor Islands: Kahului, Maui; Nawiliwili, Kauai; and Hilo and Kawaihae on the Big Island of Hawaii.
- **Guam:** Matson offers a weekly service to Guam and a bi-weekly service to Micronesia. Matson's service commitment extends to all of Guam's neighboring islands, Saipan, Tinian, Rota, Yap, Chuuk, Pohnpei, Kosrae, Palau, Kwajalein, Ebeye and Majuro.
- **China:** Matson's China – Long Beach Express provides customers with premium, expedited service from the ports of Xiamen, Ningbo and Shanghai to Long Beach. Matson's service features fixed Sunday arrivals and next day cargo availability.

Container/Freight Info

Matson owns about 23,500 containers, 14,300 container chassis, 900 auto-frames and other equipment. It also transports containers and equipment from other companies. Its principal freight between the U.S. and Hawaii and Guam includes:

- **Westbound:** dry containers of mixed commodities, refrigerated cargoes, packaged foods, building materials and motor vehicles.

- **Eastbound:** household goods, canned pineapple, refrigerated containers of fresh pineapple, motor vehicles and molasses.

Vessel Information

Matson's fleet includes containerships, combination container/roll on-roll off ships, one roll-on/roll-off barge, and three container barges equipped with cranes.

Diesel-powered containerships: *Maunalei* (2006), *Manulani* (2005), *Maunawili* (2004), *Manukai* (2003), *R. J. Pfeiffer* (1992), *Mokihana* (built 1983/modified to ro-ro/containership 2007), *Mahimahi* (1982) and *Manoa* (1982).

Steam-powered container and container/trailer ships: *Kauai* (built 1980/modified 1994), *Maui* (1978/1993), *Matsonia* (1973/1987), *Lurline* (1973/1982), *Lihue* (1971/1978).

Barges: *Waialeale* (ro-ro barge/1991), *Mauna Kea* (container barge/1988), *Mauna Loa* (container barge/1984), and *Haleakala* (container barge/1984).

History of Innovation

In 1882, Captain William Matson sailed his three-masted schooner from San Francisco to Hilo, Hawaii, carrying 300 tons of food, plantation supplies and general merchandise. That voyage launched Matson Navigation Company and a history of innovation.

Matson Firsts: Captain Matson's fleet led the way by introducing an impressive array of firsts, including cold storage plant for cargo, shipboard electric lights and the first oil burning cargo vessel in the Pacific.

Beginning in 1910, Matson introduced a passenger service to Hawaii that rivaled any in the world. By 1927, Matson's *S.S. Malolo* and the Royal Hawaiian Hotel provided first-class accommodation both ashore and afloat -- and proved to be a major stimulus to Hawaii tourism.

Matson's historic introduction of containerization in the Pacific in 1958 launched the development of a container freight system that became a model for carriers worldwide. Matson's *S.S. Hawaiian Citizen* was the world's first all-container vessel when it was converted in 1960. Many of Matson's innovations of that period are still in use today: cellular containerships, intermodal containers, specialized container equipment and container handling equipment. Matson's "A-frame" gantry crane reduced ship turnaround time in port from three weeks to 18 hours and became a prototype for the industry.

Matson today continues its innovative course and is recognized within the industry as a leader in the development of Automatic Equipment Identification (AEI), remote refrigerated container monitoring, and "open top" vessel design. It has also introduced modern GPS tracking systems at its terminal at Sand Island.

Zero Solid Waste Discharge Program: In 1993, Matson, working with the Center for Marine Conservation, implemented a stringent "Zero Solid Waste Discharge Policy." This policy far exceeds legal requirements. Matson's entire fleet recycles waste materials while at sea and dumps only food scraps overboard, reducing solid wastes disposed of at sea by more than 200 tons per year. All trash is separated at the source and stored in a special green container, which is off-loaded in port for recycling at garbage-to-energy generation plants.

Ka Ipu 'Aina (Container for the Land): Matson's community relations and environmental program is designed to benefit both Hawaii's non-profits and the environment. Under the program, Matson donates the use of container equipment in Hawaii for environmental clean-up initiatives organized by non-profits. When the clean-up is completed, Matson donates \$1,000 to the organizing non-profit.

Industry Recognition: Matson has received numerous industry honors for its quality service, including the prestigious "Quest for Quality" award (1994-1996, 1999, 2003-2009) by Logistics Management (formerly Distribution) magazine and the U.S. Coast Guard's 2006 Rear Admiral William M. Benkert Marine Environmental Award for Excellence. Matson Integrated Logistics received the award in 2001, 2002, 2003, 2004 and 2005 and placed first in the IMC category in 2001, '02 and '04.

Headquarters

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Hawaii Office

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Other Offices

Matson Navigation Company, Inc. has additional offices in Atlanta, Chicago, Detroit, Guam, Hilo (Hawaii), Kahului (Maui), Kansas City, Long Beach, Nawiliwili (Kauai), Ningbo, Oakland, Phoenix, Portland, Salt Lake City, Seattle, Shanghai and Xiamen.

Website

www.matson.com

Public Relations

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