

Matson, Inc.  
Form 10-K  
February 28, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2013

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-34187

**Matson, Inc.**

(Exact name of registrant as specified in its charter)

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**Hawaii**  
(State or other jurisdiction of  
incorporation or organization)

**99-0032630**  
(I.R.S. Employer  
Identification No.)

**1411 Sand Island Parkway**

**Honolulu, HI 96819**

(Address of principal executive offices and zip code)

**(808) 848-1211**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Name of each exchange on which registered</b>
Common Stock, without par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

**None**

Number of shares of Common Stock outstanding at February 26, 2014:

**42,935,493**

Aggregate market value of Common Stock held by non-affiliates at June 30, 2013:

**\$1,054,012,599**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

### Documents Incorporated By Reference

**The following document is incorporated by reference in Part III of the Annual Report on Form 10-K: Proxy statement for the annual meeting of shareholders of Matson, Inc. to be held April 24, 2014.**

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**MATSON, INC.**

**FORM 10-K**

**Annual Report for the Fiscal Year**

**Ended December 31, 2013**

**PART I**

**ITEM 1. BUSINESS**

Matson, Inc., a holding company incorporated in January 2012, in the State of Hawaii, and its subsidiaries ( *Matson* or the *Company* ), is a leading provider of ocean transportation and logistics services.

***Ocean Transportation:*** *Matson*'s ocean transportation business is conducted through Matson Navigation Company, Inc. ( *MatNav* ), a wholly-owned subsidiary of *Matson, Inc.* Founded in 1882, *MatNav* is an asset-based business that provides a vital lifeline of ocean freight transportation services to the island economies of Hawaii, Guam and Micronesia, and also operates a premium, expedited service from China to Long Beach, California. In January 2013, *Matson* began providing ocean services to various islands in the South Pacific including New Zealand, Fiji, Samoa, American Samoa, Tonga and the Cook Islands, and later expanded service to include Australia to the Solomon Islands. *Matson*'s fleet consists of 18 owned and three chartered vessels including containerships, combination container/roll-on/roll-off ships, and custom-designed barges.

*Matson* also provides container stevedoring, container equipment maintenance and other terminal services for *MatNav* and other ocean carriers through *Matson Terminals, Inc.* ( *Matson Terminals* ), a wholly-owned subsidiary of *MatNav*, on the islands of Oahu, Hawaii, Maui and Kauai.

*Matson* has a 35 percent ownership interest in *SSA Terminals, LLC* ( *SSAT* ) through a joint venture between *Matson Ventures, Inc.*, a wholly-owned subsidiary of *MatNav*, and *SSA Ventures, Inc.* ( *SSA* ), a subsidiary of *Carrix, Inc.* *SSAT* provides terminal and stevedoring services to various carriers at six terminal facilities on the United States of America ( *U.S.* ) Pacific Coast, including to *MatNav* at several of those facilities. *Matson* records its share of income in the joint venture in operating expenses within the ocean transportation segment due to the nature of *SSAT*'s operations.

***Logistics:*** *Matson*'s logistics business is conducted through *Matson Logistics, Inc.* ( *Matson Logistics* or *Logistics* ), a wholly-owned subsidiary of *MatNav*. Established in 1987, *Matson Logistics* is an asset-light business that provides multimodal transportation, including domestic and

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international rail intermodal service ( Intermodal ); long-haul and regional highway brokerage, specialized hauling, flat-bed and project work, less-than-truckload services, expedited freight services (collectively Highway ); and warehousing and distribution services. The warehousing and distribution services are provided in the U.S. by Matson Logistics Warehousing, Inc. ( Matson Logistics Warehousing ), a wholly-owned subsidiary of Matson Logistics.

**Separation Transaction:** On December 1, 2011, Alexander & Baldwin, Inc., the former parent company of MatNav (the Former Parent Company ), announced that its Board of Directors unanimously approved a plan to pursue the separation (the Separation ) of the Former Parent Company to create two independent, publicly traded companies:

- Matson, Inc.; and
- Alexander & Baldwin, Inc. ( A&B ), a Hawaii-based land company with interests in real estate development, commercial real estate and agriculture.

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As part of the Separation, a holding company, Alexander & Baldwin, Holdings, Inc. ( Holdings ) was formed to facilitate the organization and segregation of the assets of the two businesses. The Separation was completed on June 29, 2012. In the Separation, the shareholders of Holdings received one share of common stock of A&B for every share of Holdings held of record as of June 18, 2012. Immediately following the Separation, Holdings changed its name to Matson, Inc. For accounting purposes, Matson is the successor company to the Former Parent Company.

**A. BUSINESS DESCRIPTION**

**(1) Ocean Transportation**

Matson's Hawaii service provides ocean freight services (lift-on/lift-off, roll-on/roll-off and conventional services) between the ports of Long Beach, Oakland, Seattle, and the major ports in Hawaii on the islands of Oahu, Kauai, Maui and Hawaii. Matson is the principal carrier of ocean cargo between the U.S. Pacific Coast and Hawaii. Westbound cargo carried by Matson to Hawaii includes dry containers of mixed commodities, refrigerated commodities, packaged foods, building materials, automobiles an