Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
RETIREMENT PLAN FOR EMPLOYEES OF MATSON

1b Three-digit plan number (PN) ▶ 014

1c Effective date of plan 07/01/1951

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

MATSON, INC.

1411 SAND ISLAND PARKWAY
HONOLULU, HI 96819

1411 SAND ISLAND PARKWAY
HONOLULU, HI 96819

2b Employer Identification Number (EIN)
99-0032630

2c Sponsor's telephone number
510-628-4357

2d Business code (see instructions)
483000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2012	MARY NGAI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
MATSON, INC.

1411 SAND ISLAND PARKWAY
HONOLULU, HI 96819

3b Administrator's EIN
99-0032630

3c Administrator's telephone number
510-628-4357

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name
RETIREMENT PLAN FOR EMPLOYEES OF MATSON

4b EIN
94-0662400

4c PN
014

5	Total number of participants at the beginning of the plan year	**5**	1699
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	603
b	Retired or separated participants receiving benefits	**6b**	666
c	Other retired or separated participants entitled to future benefits	**6c**	443
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1712
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	1712
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	6
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)		**C** (Service Provider Information)
(5)	X	**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
RETIREMENT PLAN FOR EMPLOYEES OF MATSON

B Three-digit plan number (PN) ▶ 014

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
MATSON, INC.

D Employer Identification Number (EIN)
99-0032630

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2011			
2	Assets:			
a	Market value	**2a**		135776118
b	Actuarial value	**2b**		125811731
3	Funding target/participant count breakdown:		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	645	85392727
b	For terminated vested participants	**3b**	455	22208379
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		1702718
	(2) Vested benefits	**3c(2)**		45406973
	(3) Total active	**3c(3)**	599	47109691
d	Total	**3d**	1699	154710797
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]			
a	Funding target disregarding prescribed at-risk assumptions	**4a**		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**		
5	Effective interest rate	**5**		6.26 %
6	Target normal cost	**6**		4766898

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

	10/05/2012
Signature of actuary	Date
JENNIFER S.J. LUM-OTA, FSA,EA,MAAA	11-04070
Type or print name of actuary	Most recent enrollment number
BUCK CONSULTANTS, LLC	808-533-6002
Firm name	Telephone number (including area code)
1001 BISHOP ST., SUITE 700 HONOLULU, HI 96813-3696	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	1	5628314
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	1	5590321
9	Amount remaining (line 7 minus line 8)	0	37993
10	Interest on line 9 using prior year's actual return of 15.12%		5745
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of 6.66 % except as otherwise provided (see instructions)		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	43738

Part III Funding percentages

14	Funding target attainment percentage	14	81.29 %
15	Adjusted funding target attainment percentage	15	81.29 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	91.16 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2011	1397581				
07/15/2011	1397581				
10/14/2011	1397581				
01/13/2012	1397581				
03/23/2012	7010000				
09/14/2012	777000				
			Totals ► 18(b)	13377324	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	12580122

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
3.78%	6.31%	6.57 %	☐ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 4

22 Weighted average retirement age — **22**: 65

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment — **27**:

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years — **28**: 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) — **29**: 0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29) — **30**: 0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6) — **31a**: 4766898

b Excess assets, if applicable, but not greater than 31a — **31b**: 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	28942804	4898545
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount — **33**:

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) — **34**: 9665443

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	43738	43738

36 Additional cash requirement (line 34 minus line 35) — **36**: 9621705

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) — **37**: 12580122

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36) — **38a**: 2958417

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances — **38b**: 43738

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) — **39**: 0

40 Unpaid minimum required contributions for all years — **40**: 0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment — **42**:

43 Excess installment acceleration amount to be carried over to future plan years — **43**:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
RETIREMENT PLAN FOR EMPLOYEES OF MATSON

B Three-digit plan number (PN) ▶ 014

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
MATSON, INC.

D Employer Identification Number (EIN)
99-0032630

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: A&B, INC. RET. AND PEN. TRUST

b Name of sponsor of entity listed in (a): FIRST HAWAIIAN BANK

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions)
99-0268171-014	M	123848655

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
RETIREMENT PLAN FOR EMPLOYEES OF MATSON

B Three-digit plan number (PN) ▶ 014

C Plan sponsor's name as shown on line 2a of Form 5500
MATSON, INC.

D Employer Identification Number (EIN)
99-0032630

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		9184581
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	135776118	123848655
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	135776118	133033236
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	135776118	133033236

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	13377324	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		13377324
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-7055793
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		6321531
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	9064413	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		9064413
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		9064413
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-2742882
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: DELLOITTE & TOUCHE, LLP (2) EIN: 13-3891517

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	**4a**		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		20000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
RETIREMENT PLAN FOR EMPLOYEES OF MATSON

B Three-digit plan number (PN) ▶ 014

C Plan sponsor's name as shown on line 2a of Form 5500
MATSON, INC.

D Employer Identification Number (EIN)
99-0032630

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 99-0268171 22-1216770

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3** 0

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☒ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 72% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: 28%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Retirement Plan for Employees of Matson

Employer ID No: 99-0032630
Plan Number: 014

Financial Statements as of
December 31, 2011 and 2010, and
for the Year Ended December 31, 2011,
and Independent Auditors' Report

RETIREMENT PLAN FOR EMPLOYEES OF MATSON

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NOTE: All schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee and
the Investment Committee of
the Retirement Plan for Employees of Matson:

We were engaged to audit the financial statements of the Retirement Plan for Employees of Matson (the "Plan") as of December 31, 2011 and 2010, and for the year ended December 31, 2011, as listed in the Table of Contents. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by First Hawaiian Bank, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee that the information as of December 31, 2011 and 2010, and for the year ended December 31, 2011, provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to express, and we do not express, an opinion on the accompanying financial statements. The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Deloitte & Touche LLP

October 13, 2012

RETIREMENT PLAN FOR EMPLOYEES OF MATSON

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2011 AND 2010

	2011	2010
INVESTMENTS — Investment in Master Trust	$123,848,655	$135,776,118
RECEIVABLES — Contribution receivable from employer	9,184,581	
NET ASSETS AVAILABLE FOR BENEFITS	$133,033,236	$135,776,118

See notes to financial statements.

RETIREMENT PLAN FOR EMPLOYEES OF MATSON

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2011

ADDITIONS:	
Employer contributions	$ 13,377,324
DEDUCTIONS:	
Benefit payments	(9,064,413)
Depreciation from investment in Master Trust	(7,055,793)
Total deductions	(16,120,206)
NET DECREASE	(2,742,882)
NET ASSETS AVAILABLE FOR BENEFITS:	
Beginning of year	135,776,118
End of year	$133,033,236

See notes to financial statements.

1. PLAN DESCRIPTION

The following brief description of the Retirement Plan for Employees of Matson (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General — The Plan is a defined benefit pension plan covering employees of Matson Navigation Company, Inc.; Matson Terminals, Inc.; Matson Freight Agencies, Inc.; Matson Services Company, Inc.; Matson Intermodal System, Inc.; Matson Leasing Company, Inc.; and Matson Logistics Solutions, Inc. of Alexander & Baldwin, Inc. (the "Company"). The Retirement Committee of the Board of Directors of the Company controls and manages the operation and administration of the Plan. First Hawaiian Bank (the "Trustee") serves as the trustee of the Plan, and together with several investment managers, manages the Plan's investments. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Pension Benefits — Employees become eligible to participate in the Plan after one year of service. Effective January 1, 1968, the Plan became noncontributory. Normal retirement age is 65 (62 using the stevedore formula). There are provisions for early and postponed retirement with relative adjustments in benefits. Normal retirement benefits are based on years of service and compensation with various maximum and minimum levels. Employees become fully vested after five years of service. If employees terminate before rendering five years of continuous service, they forfeit the right to receive the portion of their accumulated plan benefits upon retirement.

Employee contributions made before the Plan became noncontributory are being credited annually with 5% interest since that date.

Employees hired after January 1, 2008 accrue benefits under the cash balance defined benefit pension formula. A hypothetical account is maintained for each participant in which contributions are credited for the benefit of the individual. Retirement benefits under the cash balance pension formula are based on a fixed percentage of employee eligible compensation, plus interest. The Plan's interest credit rate will vary from year-to-year based on the 10-year U.S. Treasury rate. Employees vest in these account balances after three years of credited service. Upon termination of employment, the vested account balance can be paid out in the form of a lump sum or as a monthly annuity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated Plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties — The Plan's investment in the Alexander & Baldwin Pension Master Trust (the "Master Trust") utilizes various investment securities, including common stocks, fixed-income securities, money market funds, limited partnership interests, and insurance contracts. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

Valuation of Investment in Master Trust — The Plan's investment in the Master Trust is stated at fair value, which has been determined based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, of the Master Trust. See Note 5 for description of valuation methods. Net depreciation includes the Plan's gains and losses on investment bought and sold as well as held during the year.

Expenses — Administrative expenses of the Plan are paid by the Master Trust, as provided in the Plan document.

Payment of Benefits — Benefit payments to participants are recorded upon distribution.

Subsequent Events — For the year ended December 31, 2011, subsequent events were evaluated through October 13, 2012, the date the financial statements were available to be issued.

New Accounting Standards Adopted

ASU No. 2010-06, Fair Value Measurements and Disclosures — In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-06, *Fair Value Measurements and Disclosures*, which amends ASC 820, *Fair Value Measurements and Disclosures*, adding a new disclosure requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis. This requirement is effective for fiscal years beginning after December 15, 2010. The adoption in 2011 did not materially affect the Plan's financial statements.

New Accounting Standards Not Yet Effective

ASU No. 2011-04 — In May 2011, the FASB issued ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS*, which amends ASC 820, *Fair Value Measurement*. This ASU also requires the categorization by level for items that are only required to be disclosed at fair value and information about transfers between Level 1 and Level 2. In addition, the ASU provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The ASU requires additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. The new guidance is effective for reporting periods beginning after December 15, 2011. The adoption will not have a material effect on the statements of net assets available for benefits and statement of changes in net assets available for benefits. Plan management has not determined the impact on the disclosures in the financial statements.

3. FUNDING POLICY

Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan in amounts as determined by the Plan's independent actuary. The Company met the minimum funding requirements of ERISA for the year ended December 31, 2011.

4. INTEREST IN MASTER TRUST

The Plan's investment assets are held in a trust account by the Trustee, and consist of an undivided interest in an investment account of the Master Trust, a master trust established by the Company and administered by the Trustee. Use of the Master Trust permits the commingling of trust assets with the assets of the Company's various pension plans for investment and administrative purposes. Although assets of multiple plans are commingled in the Master Trust, the Trustee maintains supporting records for the purpose of allocating the net gain or loss of the investment account to the participating plans. The net investment income of the investment assets is allocated by the Trustee to each participating plan based on the relationship of the interest of each plan to the total of the interests of the participating plans.

The net assets and investments of the Master Trust at December 31, 2011 and 2010, are presented as follows:

	2011	2010
Investments — at fair value:		
Equity securities	$185,985,118	$206,660,112
Fixed income securities	44,084,341	45,234,091
Money market funds	9,872,833	17,131,019
Limited partnership interests	16,102,910	14,882,548
Insurance contracts — general accounts	1,373,753	1,321,818
Total investments	257,418,955	285,229,588
Receivables — securities sold and accrued income	510,455	525,305
Total assets	257,929,410	285,754,893
Payable for securities purchased	(1,240,813)	(456,732)
Net assets of the Master Trust	$256,688,597	$285,298,161
Plan's interest in net assets of the Master Trust	$123,848,655	$135,776,118
Plan's interest in the Master Trust as a percentage of the total	48 %	48 %

The net investment loss (including gains and losses on investments bought and sold, as well as held during the year) of the Master Trust for the year ended December 31, 2011, is summarized below:

Interest and dividends	$ 7,896,297
Net depreciation in investments — at fair value:	
Equity securities	(17,177,594)
Fixed income securities	(3,400,777)
Real estate partnerships	1,859,328
Private equity partnerships	(430,904)
Insurance contracts	(1,490)
Net depreciation in investments — at fair value	(19,151,437)
Net investment loss of Master Trust	$ (11,255,140)

The Master Trust's investments that represented 5% or more of the Master Trust's net assets available for benefits, include the Earnest Partner International Equity Fund, with a fair value of $17,612,903 as of December 31, 2011.

5. FAIR VALUE MEASUREMENTS

In accordance with GAAP, the Plan classifies its investments into Level 1, which refers to securities valued using quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market, but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The following table sets forth by level within the fair value hierarchy a summary of the Master Trust's investments measured at fair value on a recurring basis at December 31, 2011 and 2010.

	Master Trust Assets Fair Value Measurements at December 31, 2011			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 9,872,833	$ -	$ -	$ 9,872,833
Equity securities:				
U.S. large cap	102,830,652			102,830,652
U.S. mid/small cap	47,751,155			47,751,155
International large cap	28,055,289			28,055,289
International mid cap	7,348,022			7,348,022
Fixed-income securities:				
U.S. treasuries		559,623		559,623
Municipal bonds		169,860		169,860
Investment grade U.S. bonds		2,983,453		2,983,453
High yield U.S. corp. bonds		9,542,334		9,542,334
Mortgage-backed securities		30,829,071		30,829,071
Other types of investments:				
Real estate partnerships			14,446,711	14,446,711
Private equity partnerships			1,656,199	1,656,199
Insurance contracts			1,373,753	1,373,753
Total investments	$ 195,857,951	$ 44,084,341	$ 17,476,663	$ 257,418,955

	Master Trust Assets Fair Value Measurements at December 31, 2010			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 17,131,019	$ -	$ -	$ 17,131,019
Equity securities:				
U.S. large cap	136,196,287			136,196,287
U.S. mid/small cap	39,784,065			39,784,065
International large cap	30,679,760			30,679,760
Fixed-income securities:				
U.S. treasuries		1,148,629		1,148,629
Municipal bonds		238,806		238,806
Investment grade U.S. bonds		2,746,453		2,746,453
High-yield U.S. corp. bonds		8,016,165		8,016,165
Mortgage-backed securities		33,084,038		33,084,038
Other types of investments:				
Real estate partnerships			12,781,094	12,781,094
Private equity partnerships			2,101,454	2,101,454
Insurance contracts			1,321,818	1,321,818
Total investments	$ 223,791,131	$ 45,234,091	$ 16,204,366	$ 285,229,588

For the year ended December 31, 2011, there were no significant transfers in and out of Level 1, 2, and 3.

A reconciliation of the beginning and ending balances of the fair value measurements using significant unobservable inputs (Level 3) for the years ended December 31, 2011 and 2010, is as follows:

	Limited Partnership Interests	Unallocated Insurance Contracts	Real Estate Partnerships	Total
Beginning balance — January 1, 2010	$ 3,181,643	$ 1,320,819	$ 22,316,784	$ 26,819,246
Unrealized gain		999	3,187,363	3,188,362
Realized loss			(1,496,482)	(1,496,482)
Purchases, issuances, and settlements	(1,080,189)		(11,226,571)	(12,306,760)
Ending balance — December 31, 2010	2,101,454	1,321,818	12,781,094	16,204,366
Unrealized gain (loss)	(308,603)	(1,490)	1,958,567	1,648,474
Realized gain (loss)	(122,301)		(99,239)	(221,540)
Purchases, sales, and settlements:				
Purchases		1,408,359	1,430,583	2,838,942
Sales	(14,351)		(608,689)	(623,040)
Settlements		(1,354,934)	(1,015,605)	(2,370,539)
Ending balance — December 31, 2011	$ 1,656,199	$ 1,373,753	$ 14,446,711	$ 17,476,663

The Plan's investment in the Alexander & Baldwin, Inc. Pension Master Trust is presented at fair value, which has been determined based on the fair value of the underlying investments of the Master Trust.

Equity Securities — Domestic and international common stocks are valued by obtaining quoted prices on recognized and highly liquid exchanges.

Fixed-Income Securities — Corporate bonds and U.S. government treasury and agency securities are valued based upon the closing price reported in the active market in which the security is traded. U.S. government agency and corporate asset-backed securities may utilize models, such as a matrix pricing model, that incorporates other observable inputs, such as cash flow, security structure, or market information, when broker-dealer quotes are not available.

Real Estate and Private Equity Interests — The fair value of real estate and private equity funds are determined by the issuer based on the unit values of the funds. Unit values are determined by dividing the fund's net assets, as recorded in the fund's audited financial statements, by the number of units outstanding at the valuation date. Fair value for underlying investments in real estate is determined through independent property appraisals. Fair value of underlying investments in private equity assets is determined based on information provided by the general partner taking into consideration the purchase price of the underlying securities, developments concerning the investee company subsequent to the acquisition of the investment, financial data and projections of the investee company provided to the general partner, and such other factors as the general partner deems relevant.

Insurance Contracts — Insurance contracts are invested in group annuity contracts, which are valued based on the present value of expected future payments.

Below is a summary of the Plan's Master Trust investments at December 31, 2011 and 2010, where fair value is estimated based on the net asset value:

	Fair Value Estimated Using Net Asset Value per Share December 31, 2011			
Investment	**Fair Value**	**Unfunded Commitment**	**Redemption Frequency (If Currently Eligible)**	**Redemption Notice Period**
Real estate partnerships (a)	$ 14,446,711	$ -	Quarterly	45–90 days
Private equity partnerships (b)	1,656,199	550,000		
Insurance contracts (c)	1,373,753		No restriction	90 days
Total	$ 17,476,663	$ 550,000		

	Fair Value Estimated Using Net Asset Value per Share December 31, 2010			
Investment	**Fair Value**	**Unfunded Commitment**	**Redemption Frequency (If Currently Eligible)**	**Redemption Notice Period**
Real estate partnerships (a)	$ 12,781,094	$ -	Quarterly	45–90 days
Private equity partnerships (b)	2,101,454	550,000		
Insurance contracts (c)	1,321,818		No restriction	90 days
Total	$ 16,204,366	$ 550,000		

(a) This class includes investments in limited partnership interests that invest in U.S. commercial real estate assets. The fair values of the investments in this class have been estimated using the net asset value of the Plan's limited partnership interest in underlying assets of the investment. Distributions from the investment will be received following a withdrawal request by the Plan. The fair values of each individual property are based on independent property appraisals and it is probable that all of the investments in this class will be sold at an amount different from the net asset value of the Plan's partnership interest.

(b) This class includes private equity partnership interests that primarily invest in domestic technology companies. These investments cannot be redeemed. Instead, the nature of the investments in this class is that distributions are received through the liquidation of the underlying assets of the fund. As of December 31, 2011, it is probable that all of the investments in this class will be sold at an amount different from the net asset value of the Plan's ownership interest. The fair values of the investments in this class have been estimated using recent observable transaction information for similar investments, nonbinding bids received from potential buyers of the investments, developments concerning the investee company subsequent to the acquisition of the investment, financial data and projections of the investee company provided to the general partner, and such other factors as the general partner deems relevant.

(c) This class includes investments in group annuity insurance contracts. The fair value of the investment in this class has been estimated using the present value of expected future payments to the contract holder. As of December 31, 2011, it is probable that the actual distributions from the contract will be different than the present value of the expected future payments.

6. INFORMATION CERTIFIED BY TRUSTEE

The following is a summary of the unaudited information regarding the Plan as of December 31, 2011 and 2010, and for the year ended December 31, 2011, included in the Plan's financial statements that was prepared by or derived from information prepared by the Trustee of the Plan and furnished to the Plan administrator. The Plan administrator has obtained certifications from the Trustee that such information is complete and accurate.

	2011	2010
Statements of net assets available for benefits — investment in Master Trust	$123,848,655	$135,776,118
Statement of changes in net assets available for benefits — depreciation from investment in Master Trust	(7,055,793)	

Notes 4 and 5: All investment balances and investment information have been certified by the Trustee, excluding the classification of investments by level in Note 5.

7. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to service rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their last five years of credited service. The accumulated plan benefits for active employees are based on their average compensation during the five years ending on the date as of which the benefit information is presented (the valuation date). The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The following table presents the actuarial present value of accumulated plan benefits at December 31, 2011 and 2010, and changes in accumulated plan benefits for the year ended December 31, 2011:

	2011	2010
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	$ 74,920,369	$ 73,332,331
Other participants	54,859,931	56,363,589
Total vested benefits	129,780,300	129,695,920
Nonvested benefits	1,069,689	998,050
Total actuarial present value of accumulated plan benefits	$130,849,989	$130,693,970
Actuarial present value of accumulated plan benefits — beginning of year	$130,693,970	
Increase (decrease) during the year attributable to:		
Increase for interest due to the decrease in the discount period	10,415,755	
Benefits paid	(9,064,413)	
Present value of benefits accumulated	3,348,184	
Actuarial assumption changes	(4,696,829)	
Miscellaneous	153,322	
Actuarial present value of accumulated plan benefits — end of year	$130,849,989	

The significant actuarial assumptions used in the December 31, 2011 and 2010, valuations were as follows:

- Mortality: RP-2000 Mortality Table projected using Scale AA from 2000 to 7 years after 2012 for annuitants and 15 years after 2012 for nonannuitants
- Retirement age assumptions (representative annual rates of retirement were used)
- Investment return: 8.25% per annum

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

8. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal-age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

9. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain investments in the Master Trust are invested in securities managed by the Trustee, and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services are included as a reduction of the return on each fund.

10. FEDERAL INCOME TAX STATUS

The Internal Revenue Service has determined and informed the employer, by letter dated May 29, 2002, that the Plan and related trust are designed in accordance with the applicable regulations of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Administrative Committee and the Investment Committee believe the Plan is currently designed and operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

11. SUBSEQUENT EVENTS

Separation — In December 2011, Alexander & Baldwin, Inc., a Hawaii corporation incorporated in 1900 announced that it would separate into two independent, publicly traded companies — Alexander & Baldwin, Inc. and Matson, Inc. Prior to this separation transaction, Matson Navigation Company, Inc. was a wholly owned subsidiary of Alexander & Baldwin, Inc. In connection with the separation, Alexander & Baldwin Holdings, Inc., a holding company, was formed, which became the parent company of Alexander & Baldwin, Inc., on June 6, 2012. On June 7, 2012, Alexander & Baldwin, Inc., was converted from a Hawaii corporation to a Hawaii limited liability company, and became known as "Alexander & Baldwin, LLC." Alexander & Baldwin, LLC is a wholly owned subsidiary of A & B II, Inc., which, in turn, was a wholly owned subsidiary of Alexander & Baldwin Holdings, Inc. On June 13, 2012, A & B II, Inc., was renamed "Alexander & Baldwin, Inc." On June 29, 2012, Alexander & Baldwin, Inc., and its subsidiary Alexander & Baldwin, LLC separated from Alexander & Baldwin Holdings, Inc., and its subsidiary Matson Navigation Company, Inc. Alexander & Baldwin Holdings, Inc., was renamed "Matson, Inc." Following this separation transaction, there were two independent, publicly traded companies — Alexander & Baldwin, Inc. (of which Alexander & Baldwin, LLC is a subsidiary) and Matson, Inc. (of which Matson Navigation Company, Inc., is a subsidiary). As a result of the separation, the Plan sponsor is Matson, Inc.

Plan Amendments — Effective January 1, 2012, the Company froze benefit accruals under its traditional defined benefit formula for non-bargaining unit employees hired before January 1, 2008, and instituted a cash balance defined benefit pension formula. The amendments were adopted after the date of the accumulated benefit information, and accordingly their effect was not included in the calculation.

* * * * * *

Schedule SB, line 22 - Description of Weighted Average Retirement Age

This age is derived by applying, for an employee with the characteristics of an average new entrant to the plan, the following formula, modified so that the "½" is not used for t = FRA-ERA.

$$\frac{\sum_{t=0}^{FRA-ERA} ({}_tp_{ERA}) * (q^r_{ERA+t}) * (ERA + t + ½)}{\sum_{t=0}^{FRA-ERA} ({}_tp_{ERA}) * (q^r_{ERA+t})}$$

where FRA = age everyone is assumed to retire
ERA = earliest retirement age
${}_tp_{ERA}$ = probability of surviving to age ERA + t
q^r_{ERA+t} = probability of retiring at age ERA + t

Annual rates of assumed retirement:

Age	Rate
55	.00
56	.00
57	.02
58	.02
59	.02
60	.04
61	.05
62	.05
63	.15
64	.12
65	.20
66	.30
67	.50
68	.30
69	.20
70	.20
71 & over	1.00

Weighted average retirement age for entire group was proportionately weighted based on the number of active participants covered under the respective retirement assumption as of January 1, 2011. (Please note that there are no Matson Special (Security) Officer active participants as of 1/1/11.)

Retirement Plan for Employees of Matson
EIN: 99-0032630 PN: 020

Schedule SB, line 24 – Change in Actuarial Assumptions

- For Matson Shoreside members with Cash Balance Accounts, updated cash balance interest credit rate assumption to current plan year's interest credit rate, i.e., arithmetic average of the month-end 10-year Treasury Constant Maturities for the months of August, September and October that immediately precede the plan year (from 3.37% for 2010 valuation to 2.54% for 2011 valuation).
- Updated IRC §417(e) mortality, used to convert cash balance accounts into equivalent annuities, to current plan year's IRC §417(e) mortality (from 2010 Applicable Mortality Table for 2010 valuation to 2011 Applicable Mortality Table for 2011 valuation).
- Annual rates of retirement for active members were changed from

For 2010 Valuation

Age	Rate
61 & Under	.00
62	.15
63	.10
64	.20
65	1.00

to

For 2011 Valuation

Age	Rate
55	.00
56	.00
57	.02
58	.02
59	.02
60	.04
61	.05
62	.05
63	.15
64	.12
65	.20
66	.30
67	.50
68	.30
69	.20
70	.20
71 & over	1.00

The above changes were made to better reflect the actuary's best estimate of anticipated experience under the Plan.

Schedule SB, line 26 - Schedule of Active Participant Data

Distribution of Active Participants by Completed Age and Credited Service as of January 1, 2011

Plan: Retirement Plan for Employees of Matson
EIN: 99-0032630
PN: 020

Schedule SB, Line 26 - Schedule of Active Participant Data											
Attained Age	**YEARS OF CREDITED SERVICE**										
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	1	2									**3**
25 to 29	1	16	7								**24**
30 to 34	1	26	33	2							**62**
35 to 39	1	16	27	12	3						**59**
40 to 44	3	8	42	13	7	3					**76**
45 to 49	1	10	46	8	12	14	1	1			**93**
50 to 54		15	32	12	8	30	11	6			**114**
55 to 59	1	8	25	13	9	14	3	11	4		**88**
60 to 64	1	6	13	8	8	6	2	8	10	1	**63**
65 to 69		1	4	2	1	3	1		2		**14**
70 & up		1				1				1	**3**
Total	**10**	**109**	**229**	**70**	**48**	**71**	**18**	**26**	**16**	**2**	**599**

Schedule SB, line 32 - Schedule of Amortization Bases

Summary of Shortfall Amortization Bases as of January 1, 2011

Plan:	Retirement Plan for Employees of Matson
EIN	99-0032630
PN:	020
Data Code Number:	2,12,33

Type of Base	Date Established	Initial Amount	Remaining Installments	Shortfall Amortization Installment	Present Value of Remaining Installments as of January 1, 2011
Shortfall	1/1/2010	$ 7,121,751	6	$ 1,198,534	$ 6,454,371
Shortfall	1/1/2011	22,488,433	7	3,700,011	22,488,433
				$ 4,898,545	$ 28,942,804

Retirement Plan for Employees of Matson:

Data Code Number		Covered Groups
2		Matson Shoreside
12		Matson Clerical BU (Honolulu)
33*		MTI Security Officers
2,12,33	-	Merged Matson

** MTI Security Officers group has no active or inactive members with deferred benefits.*

Prescribed Funding Assumptions and Methods

Funding Interest Rates: Segment Rates with four-month lookback:

First Segment Rate:	3.78%
Second Segment Rate:	6.31%
Third Segment Rate:	6.57%
Effective Interest Rate:	6.26%

Funding Mortality: Mortality tables mandated by PPA as specified in IRS Regulation 1.430(h)(3)-1, applied on a static basis, projected 7 years from the valuation date for annuitants and 15 years for non-annuitants.

Actuarial Cost Method: The Funding Target is the present value of accrued benefits based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected administrative expenses to be paid from plan assets during the year.

Interest Rate for Cash Balance Conversion to Annuities: Prescribed interest rates pursuant to IRS Regulation 1.430(d)-1(f)(5)(ii).

Non-Prescribed Funding Assumptions and Methods

Salary Increase: 4.00%

Cash Balance Interest Credit Rate: 2.54% (the current plan year's actual interest credit rate, i.e., arithmetic average of month-end 10-year Constant Maturities rate for the months of August, September and October that immediately precede the plan year.)

Mortality for Cash Balance Conversion to Annuities: IRC §417(e) mortality used for the plan year beginning on the valuation date.

Expenses: Expected plan administrative expenses equal to prior year's non-investment administrative expenses paid from plan assets ($664,830) are added to Target Normal Cost.

Non-Prescribed Funding Assumptions and Methods (continued)

Frequency of Optional Payment Forms for Traditional Pension Benefits: For **Matson Shoreside members**, 50% of members are assumed to elect a Single Life Annuity and 50% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse. For **Matson Clerical BU (Honolulu) members**, 70% of members are assumed to elect a Single Life Annuity and 30% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse.

Cash Balance Benefits: At retirement: 50% of members are assumed to elect an immediate lump sum; 25% of members are assumed to elect a Single Life Annuity; and 25% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse.

At termination before age 55: 80% of members are assumed to elect an immediate lump sum; 10% of members are assumed to elect a Single Life Annuity beginning at age 62; and 10% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse beginning at age 62.

At death before retirement: 100% of beneficiaries are assumed to elect an immediate lump sum.

Marital Percentage: For **Matson Shoreside members**, 68% of the members are assumed to be married, and males are assumed to be three years older than their spouses. **For Matson Clerical BU (Honolulu) members**, 67% of the members are assumed to be married, and males are assumed to be three years older than their spouses. **MTI Security Officers group** has no active or inactive members with deferred benefits.

Mortality: The mortality table is applied on a static basis. Separate annuitant and non-annuitant tables were used.

Turnover Rates: Representative annual rates of turnover are:

	Rates	
Age	Matson Shoreside	Matson Clerical BU (Honolulu)
20	.1746	.0925
25	.1851	.0775
30	.1219	.0625
35	.0878	.0500
40	.0700	.0375
45	.0621	.0250
50	.0563	.0125
55	.0000	.0000

MTI Security Officers group has no active members.

Non-Prescribed Funding Assumptions and Methods (continued)

Disability Rates: Representative annual rates of disability are:

	Rates	
Age	Matson Shoreside	Matson Clerical BU (Honolulu)
20	.0000	.0000
25	.0000	.0000
30	.0000	.0000
35	.0000	.0000
40	.0000	.0000
45	.0000	.0000
50	.0000	.0000
55	.0000	.0000
60	.0000	.0000

MTI Security Officers group has no active members.

Retirement Rates: Annual rates of retirement for **Matson Shoreside** and **Matson Clerical BU (Honolulu)** active members are:

Age	Rate
55	.00
56	.00
57	.02
58	.02
59	.02
60	.04
61	.05
62	.05
63	.15
64	.12
65	.20
66	.30
67	.50
68	.30
69	.20
70	.20
71 & over	1.00

MTI Security Officers group has no active members.

In addition, for purposes of determining at-risk Funding Target and at-risk Target Normal Cost, employees eligible to retire and receive a benefit in the next 11 years are assumed to retire when first eligible (but not before the end of the current plan year) and elect to receive the form of benefit producing the highest present value.

Retirement age for inactive members with deferred benefits:

Matson Shoreside	Age 62
Matson Clerical BU (Honolulu)	Age 60
MTI Security Officers	N/A

Non-Prescribed Funding Assumptions and Methods (continued)

Asset Valuation Method: Actuarial Value of Assets is market value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the gain/(loss) for each of the prior 2 years, respectively. The gain/(loss) for each period is determined as the actual return on market value during the period less the expected return on market value based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value, including discounted receivable contributions.

The expected return on plan assets for the applicable measurement periods was 8.25% per annum, limited by PPA to the applicable third segment rate as follows:

2010 measurement period:	6.82%
2009 measurement period:	6.69%

Summary of Changes from the January 1, 2010 Valuation

- The 3-segment interest rates with four-month lookback used for funding purposes were updated to the current valuation date. 2010 valuation used 3-segment interest rates (with four-month lookback) of 5.03% (first segment rate), 6.73% (second segment rate) and 6.82% (third segment rate), and effective interest rate of 6.66%.

- The mortality tables used for funding purposes were updated with projections specified by IRS Regulation 1.430(h)(3)-1.

- For Matson Shoreside group, 2010 valuation used actual 2010 interest credit rate of 3.37% as the assumed interest credit rate for all future years.

- For Matson Shoreside group, IRC §417(e) mortality, used to convert cash balance accounts into equivalent annuities, was updated to IRC §417(e) mortality used for the plan year beginning on the valuation date. 2010 valuation used the 2010 Applicable Mortality Table (IRC §417(e) mortality for 2010 plan year).

- The amount of expenses added to the Target Normal Cost was updated to the current valuation date. 2010 valuation used non-investment administrative expenses (paid from plan assets) of $477,821.

- 2010 valuation annual rates of retirement for **Matson Shoreside** and **Matson Clerical BU (Honolulu)** active members were:

Age	Rate
61 & Under	.00
62	.15
63	.10
64	.20
65	1.00

Changes in assumptions were made either in accordance with applicable law and regulations or to better reflect the actuary's best estimate of anticipated experience under the plan.

Retirement Plan for Employees of Matson:

Data Code Number	Covered Groups
2	Matson Shoreside
12	Matson Clerical BU (Honolulu)
33	MTI Security Officers
2,12,33	Merged Matson

Changes Since Last Valuation: None.

Matson Salaried NBU Members

Eligibility

All non-bargaining unit employees become members on the first day of the month coinciding with or next following completion of one year of service. (Former employees of Aquitaine Assets Ltd. or Aquitaine L.L.C. or TransAmerica Transportation Service LLC will not be eligible to participate in the plan unless they become an eligible employee.) Effective January 1, 2006, those non-bargaining unit employees who are first employed by Matson Integrated Logistics on or after January 1, 2006 will not be eligible to participate in the plan. Special rules apply for those non-bargaining employees who transfer employment to or from Matson Integrated Logistics.

All covered non-bargaining unit employees (described above) hired or rehired prior to January 1, 2008 and who became non-bargaining unit eligible employees prior to January 1, 2008 (excluding salaried NBU employees who were rehired on or after January 1, 2008), are eligible for "traditional" pension benefits.

Covered salaried non-bargaining unit employees hired or rehired on or after January 1, 2008, or who become salaried non-bargaining eligible employees on or after January 1, 2008, are eligible for Cash Balance Account benefits.

Normal Retirement Benefit

a) Eligibility: Age 65.

b) Amount of "Traditional" Pension Benefit: The monthly benefit is the greater of (1) or (2):

(1) (a) 1.45% of FAMC up to monthly Covered Compensation plus 1.85% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service up to 25,

plus

(b) .725% of FAMC up to monthly Covered Compensation plus .925% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service in excess over 25 (maximum 25),

plus

(c) .725% of FAMC times years of Credited Benefit Service over 50.

Final Average Monthly Compensation (FAMC) is the highest sixty-consecutive-month average of compensation (during most recent 120 months during which employee was an eligible employee), including base, overtime and one-year annual bonuses.

Credited Benefit Service consists of all periods of eligible employment, plus eligible service with Matcinal Corporation or American President Lines, Ltd.

(2) The accrued benefit determined on December 31, 1988 under the plan provisions in effect on that date.

c) Amount of Cash Balance Account Benefit: The sum of (1) Pay Credits and (2) Interest Credits:

(1) Pay Credit is the amount credited as of the last day of each Plan Year to the Cash Balance Account. Pay Credit for a Plan Year is equal to 5% of the member's Compensation paid during the Plan Year while an eligible employee. An additional Pay Credit of 5% of Compensation (earned while an eligible employee) will be credited for the Plan Year preceding the Plan Year the eligible employee becomes a member.

(2) Interest Credit for a Plan Year is equal to the member's Cash Balance Account as of January 1 of such Plan Year multiplied by the Interest Credit Rate for the Plan Year. Interest Credits are credited as of the last day of the Plan Year, or if earlier, the last day of the month preceding the member's Annuity Starting Date and on a simple interest basis.

(3) Interest Credit Rate for a Plan Year is the arithmetic average of the month-end 10-year Treasury Constant Maturities rate for the months of August, September, and October of the prior Plan Year.

Member's Cash Balance Account is converted into an equivalent monthly single life annuity that is of equivalent actuarial value to Cash Balance Account as of the last day of the month preceding member's annuity starting date.

Early Retirement Benefit

a) Eligibility: Age 55 and 5 years of service.

b) Amount of "Traditional" Pension Benefit: The Normal Retirement Benefit for service to the Early Retirement Date multiplied by the following early retirement factor:

Age	If Terminated Before Age 55	If Terminated At or After Age 55
55	.50	.64
56	.54	.70
57	.58	.76
58	.62	.82
59	.66	.88
60	.70	.94
61	.76	.97
62	.82	1.00
63	.88	1.00
64	.94	1.00

c) Amount of Cash Balance Account Benefit: Cash Balance Account converted into an equivalent monthly single life annuity that is of equivalent actuarial value to the Cash Balance Account as of the last day of the month preceding member's annuity starting date.

Deferred Retirement Benefit

a) Eligibility: Employed beyond age 65.

b) Amount of Benefit: Member continues to accrue benefits beyond Normal Retirement Date. Benefits commencing after the April 1 following the calendar year in which the member attains age 70½ are actuarially increased as required by law.

Disability

If a member eligible for "traditional" pension benefits is disabled and receiving benefits under the employer's long term disability plan, he will continue to accrue pension benefits based upon his rate of compensation when he became disabled.

If a member eligible for a Cash Balance Account benefit is disabled and continuously receiving benefits under the employer's sickness benefits plan or long term disability plan, he will continue to accrue credited vesting service until the earlier of the date he terminates employment or attains his Normal Retirement Age.

Vested Benefit

a) "Traditional" Pension Benefits:

(1) Eligibility: 5 years of service (or 3 years of service if any portion of accrued benefit under the plan is a Cash Balance Account benefit).

(2) Amount of Benefit: Commencing at age 65, the amount of Normal Retirement Benefit credited for service to the date of termination. Member may elect a reduced Early Retirement Benefit after age 55 if member had at least 5 years of service.

b) Cash Balance Account Benefits:

(1) Eligibility: 3 years of service.

(2) Amount of Benefit: Cash Balance Account credited with Pay Credits for service to date of termination and Interest Credits to last day of the month preceding the member's retirement date. Cash Balance Account is converted into a monthly single life annuity that is of equivalent actuarial value to his Cash Balance Account as of the last day of the month preceding member's retirement date. Member may elect to receive his benefit as early as the first day of the month following his date of termination. Cash Balance Account can be paid in the form of a lump sum or an immediate annuity (of equivalent actuarial value to his Cash Balance Account as of his annuity starting date).

Pre-Retirement Death Benefit

a) "Traditional" Pension Benefits:

(1) Eligibility: Married at least 1 year, with a vested benefit or eligible for retirement.

(2) Amount of Benefit:

(a) If the member was active and eligible for early retirement (age 55 with 5 years of service), the spouse receives an immediate monthly income equal to the following percentage of the Normal Retirement Benefit (but not less than surviving spouse's benefit described in (b) below):

Surviving Spouse's Age at Member's Date of Death	**Percentage of Normal Retirement Benefit**
53 and over	50%
45 through 52	45%
37 through 44	40%
30 through 36	35%
Under 30	30%

(b) If the member was active and either under age 55 or had less than 5 years of service, the spouse receives 1/2 of the reduced 50% Joint and Survivor benefit that would have been in effect had the member terminated on the date of death and survived to the date payments

commenced, and retired on that date. This benefit is deferred until the date the member would have reached age 65 (or if member had at least 5 years of service at death, at the spouse's election, any time after the date the member would have reached age 55).

(c) If the member was terminated before death, the spouse would receive the same benefit described in (b).

b) Cash Balance Account Benefits:

(1) Eligibility: 3 years of service or eligible for retirement.

(2) Amount of Benefit:

(a) If the member was married on his date of death, spouse receives a monthly single life annuity that is of equivalent actuarial value to the member's Cash Balance Account as of the last day of the month preceding the spouse's annuity starting date. In lieu of a monthly annuity, spouse may elect a lump sum payment equal to the member's Cash Balance Account as of the last day of the month preceding the spouse's annuity starting date. The spouse's benefit is deferred until member's Normal Retirement Date (or, at spouse's election, spouse can elect to receive payments commencing as of the first of any month following member's death).

(b) If the member was not married on his date of death, his designated beneficiary would receive a lump sum payment equal to the member's Cash Balance Account as of the last date of the month preceding the beneficiary's annuity starting date.

Employee Contributions None.

Forms of Payment

a) Automatic Form:

(1) "Traditional" Pension Benefits:
(a) Single life annuity for unmarried member.
(b) Reduced 50% Qualified Joint & Survivor annuity for married member.
(c) Lump sum of not more than $5,000.

(2) Cash Balance Account Benefits:
(a) Single life annuity (of equivalent actuarial value to Cash Balance Account) for unmarried member.
(b) Reduced 50% Qualified Joint & Survivor annuity (of equivalent actuarial value to Cash Balance Account) for married member.
(c) Lump sum of not more than $5,000.

b) Optional Forms:

(1) "Traditional" Pension Benefits:
(a) Single life annuity.
(b) 50%, 75% or 100% Joint & Survivor annuity.
(c) 66-2/3% Joint & Last Survivor annuity.

(2) Cash Balance Account Benefits:
(a) Single life annuity.
(b) 75% Joint & Survivor annuity with spouse
(c) 50%, 75% or 100% Joint & Survivor annuity (if at least age 55 with 5 years of service).
(d) Lump sum.

c) Conversion of Payment Forms

(1) For members with non-cash balance formula benefits:

The member's single life annuity is converted into an actuarially equivalent other form of payment using (except for lump sums) the Unisex Pension 1984 Mortality Table set back two years for members and seven years for contingent annuitants and an interest rate of 6.5% per year.

The lump sum form of payment is calculated as (1) for members not yet eligible for retirement, the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later) and (2) for members eligible for early retirement, the present value of the immediate early retirement benefit. In both cases, the present value is calculated using the Internal Revenue Code §417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year.

(2) For members with Cash Balance Accounts:

The member's Cash Balance Account is converted into an actuarially equivalent single life annuity or other form of payment using Internal Revenue Code Section 417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year.

The lump sum form of payment is equal to the member's Cash Balance Account.

Matson Clerical BU (Honolulu) Members

Eligibility

All Matson Clerical BU (Honolulu) employees covered under the applicable collective bargaining agreement become members of the plan on the first day of the month coinciding with or next following completion of one year of service.

Normal Retirement Benefit

a) Eligibility: Age 65.

b) Amount of Benefit: The monthly benefit is the greater of (1) or (2):

(1) (a) 1.45% of FAMC up to monthly Covered Compensation plus 1.85% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service up to 25,

plus

(b) .725% of FAMC up to monthly Covered Compensation plus .925% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service in excess over 25 (maximum 25),

plus

(c) .725% of FAMC times years of Credited Benefit Service over 50.

Final Average Monthly Compensation (FAMC) is the highest sixty-consecutive-month average of compensation (during most recent 120 months during which employee was an eligible employee), including base, overtime and one-year annual bonuses.

Credited Benefit Service consists of all periods of eligible employment.

(2) The accrued benefit determined on December 31, 1988 (June 30, 1990 for Matson Clerical BU Honolulu members) under the plan provisions in effect on that date.

Early Retirement Benefit

a) Eligibility: Age 55 and 5 years of service.

b) Amount of benefit: The Normal Retirement Benefit for service to the Early Retirement Date multiplied by the following early retirement factor:

Age	If Terminated Before Age 55	If Terminated At or After Age 55
55	.50	.64
56	.54	.70
57	.58	.76
58	.62	.82
59	.66	.88
60	.70	.94
61	.76	.97
62	.82	1.00
63	.88	1.00
64	.94	1.00

Deferred Retirement Benefit

a) Eligibility: Employed beyond age 65.

b) Amount of Benefit: Member continues to accrue benefits beyond Normal Retirement Date. Benefits commencing after the April 1 following the calendar year in which the member attains age 70½ are actuarially increased as required by law.

Disability

If a member is disabled and receiving benefits under the employer's long term disability plan, he will continue to accrue pension benefits based upon his rate of compensation when he became disabled.

Vested Benefit

a) Eligibility: 5 years of service (or 3 years of service if any portion of accrued benefit under the plan is a Cash Balance Account benefit).

b) Amount of Benefit: Commencing at age 65, the amount of Normal Retirement Benefit credited for service to the date of termination. Member may elect a reduced Early Retirement Benefit after age 55 if member had at least 5 years of service.

Pre-Retirement Spouse Benefit

a) Eligibility: Married at least 1 year, with a vested benefit or eligible for retirement.

b) Amount of Benefit:

(1) If the member was active and eligible for early retirement (age 55 with 5 years of service), the spouse receives an immediate monthly income equal to the following percentage of the Normal Retirement Benefit (but not less than surviving spouse's benefit described in (2) below):

Surviving Spouse's Age at Member's Date of Death	Percentage of Normal Retirement Benefit
53 and over	50%
45 through 52	45%
37 through 44	40%
30 through 36	35%
Under 30	30%

(2) If the member was active and either under age 55 or had less than 5 years of service, the spouse receives 1/2 of the reduced 50% Joint and Survivor benefit that would have been in effect had the member terminated on the date of death and survived to the date payments commenced, and retired on that date. This benefit is deferred until the date the member would have reached age 65 (or if the member had at least 5 years of service at death, at the spouse's election, any time after the date the member would have reached age 55).

(3) If the member was terminated before death, the spouse would receive the same benefit described in (2).

Employee Contributions None.

Forms of Payment

a) Automatic Form:

(1) Single life annuity for unmarried member.
(2) Reduced 50% Qualified Joint & Survivor annuity for married member.
(3) Lump sum of not more than $5,000.

b) Optional Forms:

(1) Single life annuity.
(2) 50%, 75% or 100% Joint & Survivor annuity.

c) Conversion of Payment Forms

The member's single life annuity is converted into an actuarially equivalent other form of payment using (except for lump sums) the Unisex Pension 1984 Mortality Table set back two years for members and seven years for contingent annuitants and an interest rate of 6.5% per year.

The lump sum form of payment is calculated as (1) for members not yet eligible for retirement, the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later) and (2) for members eligible for early retirement, the present value of the immediate early retirement benefit. In both cases, the present value is calculated using the Internal Revenue Code §417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year.

MTI Security Officer Members (There are no remaining active members or inactive members with deferred vested benefits.)

Eligibility

All regular full-time employees who are covered under the applicable collective bargaining agreements and who have completed one year of service.

Normal Retirement Benefit

a) Eligibility: Age 62.

b) Amount of Benefit: The monthly benefit is the greater of (1) or (2):

(1) Basic Benefit:

1% of the average monthly compensation for each year of Credited Benefit Service earned after December 31, 1966.

(2) Minimum Benefit:

For a member who retires after June 30, 1999:

	For Each Year of Credited Benefit Service	Maximum Monthly Benefit
From July 1, 1999	$80.00	$2,800.00
From July 1, 2000	$90.00	$3,150.00
From July 1, 2001	$95.00	$3,325.00

Credited Benefit Service - One-twelfth of a year of Credited Benefit Service for each calendar month during which an eligible employee is credited with 1 hour of service as a member, but excluding those months in which the eligible employee did not receive credit for 1 hour of service

Early Retirement Benefit

a) Eligibility: Age 55 and 3 years of service.

b) Amount of Benefit:

(1) If age 60 or 5 years of service, accrued Normal Retirement Benefit reduced 5% per year before age 62.

(2) Otherwise, accrued Basic Benefit reduced 5% per year before age 62.

Deferred Retirement Benefit

a) Eligibility: Employed beyond age 62.

b) Amount of Benefit: Benefit is calculated based on compensation and credited benefit service to Deferred Retirement Date. Benefits commencing after the April 1 following the calendar year in which the member attains age 70½ are actuarially increased as required by law.

Disability

a) Eligibility: After 6 months of permanent disability, and not receiving any income continuance, sick leave or LTD.

b) Amount of Benefit:

(1) If the member is less than age 55 with less than 3 years of service, $125.00 per month.

(2) If the member is at least age 55 (but less than age 60) or has at least 3 (but less than 5) years of service, the greater of (i) $125.00 per month or (ii) Basic Benefit for service to date of disablement.

(3) If the member is at least age 60 or has at least 5 years of service, the greatest of (i) $125.00, (ii) Basic Benefit for service to date of disablement, or (iii) Minimum Benefit for service to date of disablement.

Bridge Benefit

a) Eligibility: Retirement from active employment before age 65.

b) Amount of Benefit:

(1) If age 62 or over, $200 per month until age 65.

(2) If under age 62, $200 per month actuarially reduced for early retirement. Bridge benefits commencing prior to attainment of age 62 are actuarially reduced for early retirement using the 1971 Group Annuity Mortality Table set back one year and an interest rate of 6% per year.

Pre-Retirement Spouse Benefit

a) Eligibility: Eligible for a vested benefit or retirement.

b) Amount of Benefit: The greatest of (1), (2), (3) or (4):

(1) If active, age 59 with 25 years of Credited Benefit Service, 1/2 of Normal Retirement Benefit.

(2) (a) If active, age 60 with under 25 years of Credited Benefit Service, or

(b) if active, with at least 5 years of service, age 55 regardless of the number of years of Credited Benefit Service, or

(c) if active, with at least 5 years of service, under age 55 with 25 years of Credited Benefit Service,

but not eligible for above benefits, 1/2 of Normal Retirement Benefit, reduced 5% per year for each year before age 62, subject to a maximum 35% reduction.

(3) If active, with less than 5 years of service, age 55 but not eligible for above benefits, 1/2 of Basic Retirement Income, reduced 5% per year for each year before age 62.

(4) (a) If active, under age 55 with at least 3 years of service, with under 25 years of Credited Benefit Service, or

(b) if a terminated vested member,

1/2 of the reduced 50% Joint & Survivor Early Retirement Benefit that would have been in effect had the member terminated on the date of death, (and, if under age 55, survived to age 55).

Vested Benefit

a) Eligibility: 3 years of service.

b) Amount of Benefit:

(1) If 5 years of service, accrued Normal Retirement Benefit commencing at age 62.

(2) If at least 3 but less than 5 years of service, accrued Basic Benefit commencing at age 62.

Member may elect an Early Retirement Benefit after age 55 (benefit reduced 5/9% per month for the first 60 months by which early retirement precedes age 62 and 5/18% per month for months over 60).

Employee Contributions None.

Forms of Payment

a) Automatic Form:

(1) Single life annuity for unmarried member.
(2) Reduced 50% Qualified Joint & Survivor annuity for married member. (This group only has retired members.)
(3) Lump sum of not more than 5,000.

b) Optional Forms:

(1) Single life annuity.
(2) 50%, 75% or 100% Joint & Survivor annuity.
(3) Repatriation benefit for employees hired prior to 1/1/1950.
(4) Lump sum payment for disability retirement.
(5) Lump sum payment for a member who is laid off due to a reduction in work force and who does not accept employment with another Stevedore employer in the State of Hawaii.

c) Conversion of Payment Forms

The member's single life annuity is converted into an actuarially equivalent other form of payment using (except for lump sums) the Unisex Pension 1984 Mortality Table set back two years for members and seven years for contingent annuitants and an interest rate of 6.5% per year.

The lump sum form of payment is calculated as (1) for members not yet eligible for retirement, the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later) and (2) for members eligible for early retirement, the present value of the immediate early retirement benefit. In both cases, the present value is calculated using the Internal Revenue Code §417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year. For disability retirement lump sums, present value factor applied to the monthly benefit shall not be less than 90.

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SB Actuary Signature

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan: Retirement Plan for Employees of Matson

B Three-digit plan number (PN) ▶ 020

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF: Matson, Inc.

D Employer Identification Number (EIN): 99-0032630

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2011

2 Assets:

a	Market value	2a	135,776,118
b	Actuarial value	2b	125,811,731

3 Funding target/participant count breakdown:

			(1) Number of participants	(2) Funding Target
a	For retired participants and beneficiaries receiving payment	3a	645	85,392,727
b	For terminated vested participants	3b	455	22,208,379
c	For active participants:			
	(1) Non-vested benefits	3c(1)		1,702,718
	(2) Vested benefits	3c(2)		45,406,973
	(3) Total active	3c(3)	599	47,109,691
d	Total	3d	1,699	154,710,797

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a	Funding target disregarding prescribed at-risk assumptions	4a	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	

5	Effective interest rate	5	6.26 %
6	Target normal cost	6	4,766,898

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Jennifer S.J. Lum-Ota JSLO
Signature of actuary

10/05/2012
Date

Jennifer S.J. Lum-Ota, FSA,EA,MAAA
Type or print name of actuary

11-04070
Most recent enrollment number

Buck Consultants, LLC
Firm name

(808) 533-6002
Telephone number (including area code)

1001 Bishop St., Suite 700
Honolulu HI 96813-3696
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

SB Actuary Signature

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	1	5,628,314
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	1	5,590,321
9	Amount remaining (line 7 minus line 8)	0	37,993
10	Interest on line 9 using prior year's actual return of 15.12%	0	5,745
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38 from prior year)		0
	b Interest on (a) using prior year's effective rate of 6.66% except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	43,738

Part III Funding percentages

14	Funding target attainment percentage	14	81.29 %
15	Adjusted funding target attainment percentage	15	81.29 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	91.16 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2011	1,397,581				
07/15/2011	1,397,581				
10/14/2011	1,397,581				
01/13/2012	1,397,581				
03/23/2012	7,010,000				
09/14/2012	777,000				
			Totals • 18(b)	13,377,324	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	12,580,122

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
3.78 %	6.31 %	6.57 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	65

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	4,766,898
b Excess assets, if applicable, but not greater than 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	28,942,804	4,898,545
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	9,665,443

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	43,738	43,738

36 Additional cash requirement (line 34 minus line 35)	**36**	9,621,705
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	12,580,122

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	2,958,417
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	43,738
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

Schedule SB, line 22 - Description of Weighted Average Retirement Age

This age is derived by applying, for an employee with the characteristics of an average new entrant to the plan, the following formula, modified so that the "½" is not used for t = FRA-ERA.

$$\frac{\sum_{t=0}^{FRA-ERA} ({}_tp_{ERA}) * (q^r_{ERA+t}) * (ERA + t + ½)}{\sum_{t=0}^{FRA-ERA} ({}_tp_{ERA}) * (q^r_{ERA+t})}$$

where FRA = age everyone is assumed to retire
ERA = earliest retirement age
${}_tp_{ERA}$ = probability of surviving to age ERA + t
q^r_{ERA+t} = probability of retiring at age ERA + t

Annual rates of assumed retirement:

Age	Rate
55	.00
56	.00
57	.02
58	.02
59	.02
60	.04
61	.05
62	.05
63	.15
64	.12
65	.20
66	.30
67	.50
68	.30
69	.20
70	.20
71 & over	1.00

Weighted average retirement age for entire group was proportionately weighted based on the number of active participants covered under the respective retirement assumption as of January 1, 2011. (Please note that there are no Matson Special (Security) Officer active participants as of 1/1/11.)

Retirement Plan for Employees of Matson:

Data Code Number		Covered Groups
2		Matson Shoreside
12		Matson Clerical BU (Honolulu)
33*		MTI Security Officers
2,12,33	-	Merged Matson

** MTI Security Officers group has no active or inactive members with deferred benefits.*

Prescribed Funding Assumptions and Methods

Funding Interest Rates: Segment Rates with four-month lookback:

First Segment Rate:	3.78%
Second Segment Rate:	6.31%
Third Segment Rate:	6.57%
Effective Interest Rate:	6.26%

Funding Mortality: Mortality tables mandated by PPA as specified in IRS Regulation 1.430(h)(3)-1, applied on a static basis, projected 7 years from the valuation date for annuitants and 15 years for non-annuitants.

Actuarial Cost Method: The Funding Target is the present value of accrued benefits based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected administrative expenses to be paid from plan assets during the year.

Interest Rate for Cash Balance Conversion to Annuities: Prescribed interest rates pursuant to IRS Regulation 1.430(d)-1(f)(5)(ii).

Non-Prescribed Funding Assumptions and Methods

Salary Increase: 4.00%

Cash Balance Interest Credit Rate: 2.54% (the current plan year's actual interest credit rate, i.e., arithmetic average of month-end 10-year Constant Maturities rate for the months of August, September and October that immediately precede the plan year.)

Mortality for Cash Balance Conversion to Annuities: IRC §417(e) mortality used for the plan year beginning on the valuation date.

Expenses: Expected plan administrative expenses equal to prior year's non-investment administrative expenses paid from plan assets ($664,830) are added to Target Normal Cost.

Non-Prescribed Funding Assumptions and Methods (continued)

Frequency of Optional Payment Forms for Traditional Pension Benefits: For **Matson Shoreside members**, 50% of members are assumed to elect a Single Life Annuity and 50% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse. For **Matson Clerical BU (Honolulu) members**, 70% of members are assumed to elect a Single Life Annuity and 30% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse.

Cash Balance Benefits: At retirement: 50% of members are assumed to elect an immediate lump sum; 25% of members are assumed to elect a Single Life Annuity; and 25% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse.

At termination before age 55: 80% of members are assumed to elect an immediate lump sum; 10% of members are assumed to elect a Single Life Annuity beginning at age 62; and 10% of members are assumed to elect a 50% Joint and Survivor Annuity with spouse beginning at age 62.

At death before retirement: 100% of beneficiaries are assumed to elect an immediate lump sum.

Marital Percentage: For **Matson Shoreside members**, 68% of the members are assumed to be married, and males are assumed to be three years older than their spouses. **For Matson Clerical BU (Honolulu) members**, 67% of the members are assumed to be married, and males are assumed to be three years older than their spouses. **MTI Security Officers group** has no active or inactive members with deferred benefits.

Mortality: The mortality table is applied on a static basis. Separate annuitant and non-annuitant tables were used.

Turnover Rates: Representative annual rates of turnover are:

	Rates	
Age	Matson Shoreside	Matson Clerical BU (Honolulu)
20	.1746	.0925
25	.1851	.0775
30	.1219	.0625
35	.0878	.0500
40	.0700	.0375
45	.0621	.0250
50	.0563	.0125
55	.0000	.0000

MTI Security Officers group has no active members.

Non-Prescribed Funding Assumptions and Methods (continued)

Disability Rates: Representative annual rates of disability are:

	Rates	
Age	Matson Shoreside	Matson Clerical BU (Honolulu)
20	.0000	.0000
25	.0000	.0000
30	.0000	.0000
35	.0000	.0000
40	.0000	.0000
45	.0000	.0000
50	.0000	.0000
55	.0000	.0000
60	.0000	.0000

MTI Security Officers group has no active members.

Retirement Rates: Annual rates of retirement for **Matson Shoreside** and **Matson Clerical BU (Honolulu)** active members are:

Age	Rate
55	.00
56	.00
57	.02
58	.02
59	.02
60	.04
61	.05
62	.05
63	.15
64	.12
65	.20
66	.30
67	.50
68	.30
69	.20
70	.20
71 & over	1.00

MTI Security Officers group has no active members.

In addition, for purposes of determining at-risk Funding Target and at-risk Target Normal Cost, employees eligible to retire and receive a benefit in the next 11 years are assumed to retire when first eligible (but not before the end of the current plan year) and elect to receive the form of benefit producing the highest present value.

Retirement age for inactive members with deferred benefits:

Matson Shoreside	Age 62
Matson Clerical BU (Honolulu)	Age 60
MTI Security Officers	N/A

Non-Prescribed Funding Assumptions and Methods (continued)

Asset Valuation Method: Actuarial Value of Assets is market value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the gain/(loss) for each of the prior 2 years, respectively. The gain/(loss) for each period is determined as the actual return on market value during the period less the expected return on market value based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value, including discounted receivable contributions.

The expected return on plan assets for the applicable measurement periods was 8.25% per annum, limited by PPA to the applicable third segment rate as follows:

2010 measurement period:	6.82%
2009 measurement period:	6.69%

Summary of Changes from the January 1, 2010 Valuation

- The 3-segment interest rates with four-month lookback used for funding purposes were updated to the current valuation date. 2010 valuation used 3-segment interest rates (with four-month lookback) of 5.03% (first segment rate), 6.73% (second segment rate) and 6.82% (third segment rate), and effective interest rate of 6.66%.

- The mortality tables used for funding purposes were updated with projections specified by IRS Regulation 1.430(h)(3)-1.

- For Matson Shoreside group, 2010 valuation used actual 2010 interest credit rate of 3.37% as the assumed interest credit rate for all future years.

- For Matson Shoreside group, IRC §417(e) mortality, used to convert cash balance accounts into equivalent annuities, was updated to IRC §417(e) mortality used for the plan year beginning on the valuation date. 2010 valuation used the 2010 Applicable Mortality Table (IRC §417(e) mortality for 2010 plan year).

- The amount of expenses added to the Target Normal Cost was updated to the current valuation date. 2010 valuation used non-investment administrative expenses (paid from plan assets) of $477,821.

- 2010 valuation annual rates of retirement for **Matson Shoreside** and **Matson Clerical BU (Honolulu)** active members were:

Age	Rate
61 & Under	.00
62	.15
63	.10
64	.20
65	1.00

Changes in assumptions were made either in accordance with applicable law and regulations or to better reflect the actuary's best estimate of anticipated experience under the plan.

Retirement Plan for Employees of Matson:

Data Code Number	Covered Groups
2	Matson Shoreside
12	Matson Clerical BU (Honolulu)
33	MTI Security Officers
2,12,33	Merged Matson

Changes Since Last Valuation: None.

Matson Salaried NBU Members

Eligibility

All non-bargaining unit employees become members on the first day of the month coinciding with or next following completion of one year of service. (Former employees of Aquitaine Assets Ltd. or Aquitaine L.L.C. or TransAmerica Transportation Service LLC will not be eligible to participate in the plan unless they become an eligible employee.) Effective January 1, 2006, those non-bargaining unit employees who are first employed by Matson Integrated Logistics on or after January 1, 2006 will not be eligible to participate in the plan. Special rules apply for those non-bargaining employees who transfer employment to or from Matson Integrated Logistics.

All covered non-bargaining unit employees (described above) hired or rehired prior to January 1, 2008 and who became non-bargaining unit eligible employees prior to January 1, 2008 (excluding salaried NBU employees who were rehired on or after January 1, 2008), are eligible for "traditional" pension benefits.

Covered salaried non-bargaining unit employees hired or rehired on or after January 1, 2008, or who become salaried non-bargaining eligible employees on or after January 1, 2008, are eligible for Cash Balance Account benefits.

Normal Retirement Benefit

a) Eligibility: Age 65.

b) Amount of "Traditional" Pension Benefit: The monthly benefit is the greater of (1) or (2):

(1) (a) 1.45% of FAMC up to monthly Covered Compensation plus 1.85% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service up to 25,

plus

(b) .725% of FAMC up to monthly Covered Compensation plus .925% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service in excess over 25 (maximum 25),

plus

(c) .725% of FAMC times years of Credited Benefit Service over 50.

Final Average Monthly Compensation (FAMC) is the highest sixty-consecutive-month average of compensation (during most recent 120 months during which employee was an eligible employee), including base, overtime and one-year annual bonuses.

Credited Benefit Service consists of all periods of eligible employment, plus eligible service with Matcinal Corporation or American President Lines, Ltd.

(2) The accrued benefit determined on December 31, 1988 under the plan provisions in effect on that date.

c) Amount of Cash Balance Account Benefit: The sum of (1) Pay Credits and (2) Interest Credits:

(1) Pay Credit is the amount credited as of the last day of each Plan Year to the Cash Balance Account. Pay Credit for a Plan Year is equal to 5% of the member's Compensation paid during the Plan Year while an eligible employee. An additional Pay Credit of 5% of Compensation (earned while an eligible employee) will be credited for the Plan Year preceding the Plan Year the eligible employee becomes a member.

(2) Interest Credit for a Plan Year is equal to the member's Cash Balance Account as of January 1 of such Plan Year multiplied by the Interest Credit Rate for the Plan Year. Interest Credits are credited as of the last day of the Plan Year, or if earlier, the last day of the month preceding the member's Annuity Starting Date and on a simple interest basis.

(3) Interest Credit Rate for a Plan Year is the arithmetic average of the month-end 10-year Treasury Constant Maturities rate for the months of August, September, and October of the prior Plan Year.

Member's Cash Balance Account is converted into an equivalent monthly single life annuity that is of equivalent actuarial value to Cash Balance Account as of the last day of the month preceding member's annuity starting date.

Early Retirement Benefit

a) Eligibility: Age 55 and 5 years of service.

b) Amount of "Traditional" Pension Benefit: The Normal Retirement Benefit for service to the Early Retirement Date multiplied by the following early retirement factor:

Age	If Terminated Before Age 55	If Terminated At or After Age 55
55	.50	.64
56	.54	.70
57	.58	.76
58	.62	.82
59	.66	.88
60	.70	.94
61	.76	.97
62	.82	1.00
63	.88	1.00
64	.94	1.00

c) Amount of Cash Balance Account Benefit: Cash Balance Account converted into an equivalent monthly single life annuity that is of equivalent actuarial value to the Cash Balance Account as of the last day of the month preceding member's annuity starting date.

Deferred Retirement Benefit

a) Eligibility: Employed beyond age 65.

b) Amount of Benefit: Member continues to accrue benefits beyond Normal Retirement Date. Benefits commencing after the April 1 following the calendar year in which the member attains age 70½ are actuarially increased as required by law.

Disability

If a member eligible for "traditional" pension benefits is disabled and receiving benefits under the employer's long term disability plan, he will continue to accrue pension benefits based upon his rate of compensation when he became disabled.

If a member eligible for a Cash Balance Account benefit is disabled and continuously receiving benefits under the employer's sickness benefits plan or long term disability plan, he will continue to accrue credited vesting service until the earlier of the date he terminates employment or attains his Normal Retirement Age.

Vested Benefit

a) "Traditional" Pension Benefits:

(1) Eligibility: 5 years of service (or 3 years of service if any portion of accrued benefit under the plan is a Cash Balance Account benefit).

(2) Amount of Benefit: Commencing at age 65, the amount of Normal Retirement Benefit credited for service to the date of termination. Member may elect a reduced Early Retirement Benefit after age 55 if member had at least 5 years of service.

b) Cash Balance Account Benefits:

(1) Eligibility: 3 years of service.

(2) Amount of Benefit: Cash Balance Account credited with Pay Credits for service to date of termination and Interest Credits to last day of the month preceding the member's retirement date. Cash Balance Account is converted into a monthly single life annuity that is of equivalent actuarial value to his Cash Balance Account as of the last day of the month preceding member's retirement date. Member may elect to receive his benefit as early as the first day of the month following his date of termination. Cash Balance Account can be paid in the form of a lump sum or an immediate annuity (of equivalent actuarial value to his Cash Balance Account as of his annuity starting date).

Pre-Retirement Death Benefit

a) "Traditional" Pension Benefits:

(1) Eligibility: Married at least 1 year, with a vested benefit or eligible for retirement.

(2) Amount of Benefit:

(a) If the member was active and eligible for early retirement (age 55 with 5 years of service), the spouse receives an immediate monthly income equal to the following percentage of the Normal Retirement Benefit (but not less than surviving spouse's benefit described in (b) below):

Surviving Spouse's Age at Member's Date of Death	**Percentage of Normal Retirement Benefit**
53 and over	50%
45 through 52	45%
37 through 44	40%
30 through 36	35%
Under 30	30%

(b) If the member was active and either under age 55 or had less than 5 years of service, the spouse receives 1/2 of the reduced 50% Joint and Survivor benefit that would have been in effect had the member terminated on the date of death and survived to the date payments

commenced, and retired on that date. This benefit is deferred until the date the member would have reached age 65 (or if member had at least 5 years of service at death, at the spouse's election, any time after the date the member would have reached age 55).

(c) If the member was terminated before death, the spouse would receive the same benefit described in (b).

b) Cash Balance Account Benefits:

(1) Eligibility: 3 years of service or eligible for retirement.

(2) Amount of Benefit:

(a) If the member was married on his date of death, spouse receives a monthly single life annuity that is of equivalent actuarial value to the member's Cash Balance Account as of the last day of the month preceding the spouse's annuity starting date. In lieu of a monthly annuity, spouse may elect a lump sum payment equal to the member's Cash Balance Account as of the last day of the month preceding the spouse's annuity starting date. The spouse's benefit is deferred until member's Normal Retirement Date (or, at spouse's election, spouse can elect to receive payments commencing as of the first of any month following member's death).

(b) If the member was not married on his date of death, his designated beneficiary would receive a lump sum payment equal to the member's Cash Balance Account as of the last date of the month preceding the beneficiary's annuity starting date.

Employee Contributions None.

Forms of Payment

a) Automatic Form:

(1) "Traditional" Pension Benefits:
(a) Single life annuity for unmarried member.
(b) Reduced 50% Qualified Joint & Survivor annuity for married member.
(c) Lump sum of not more than $5,000.

(2) Cash Balance Account Benefits:
(a) Single life annuity (of equivalent actuarial value to Cash Balance Account) for unmarried member.
(b) Reduced 50% Qualified Joint & Survivor annuity (of equivalent actuarial value to Cash Balance Account) for married member.
(c) Lump sum of not more than $5,000.

b) Optional Forms:

(1) "Traditional" Pension Benefits:
(a) Single life annuity.
(b) 50%, 75% or 100% Joint & Survivor annuity.
(c) 66-2/3% Joint & Last Survivor annuity.

(2) Cash Balance Account Benefits:
(a) Single life annuity.
(b) 75% Joint & Survivor annuity with spouse
(c) 50%, 75% or 100% Joint & Survivor annuity (if at least age 55 with 5 years of service).
(d) Lump sum.

c) Conversion of Payment Forms

(1) For members with non-cash balance formula benefits:

The member's single life annuity is converted into an actuarially equivalent other form of payment using (except for lump sums) the Unisex Pension 1984 Mortality Table set back two years for members and seven years for contingent annuitants and an interest rate of 6.5% per year.

The lump sum form of payment is calculated as (1) for members not yet eligible for retirement, the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later) and (2) for members eligible for early retirement, the present value of the immediate early retirement benefit. In both cases, the present value is calculated using the Internal Revenue Code §417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year.

(2) For members with Cash Balance Accounts:

The member's Cash Balance Account is converted into an actuarially equivalent single life annuity or other form of payment using Internal Revenue Code Section 417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year.

The lump sum form of payment is equal to the member's Cash Balance Account.

Matson Clerical BU (Honolulu) Members

Eligibility

All Matson Clerical BU (Honolulu) employees covered under the applicable collective bargaining agreement become members of the plan on the first day of the month coinciding with or next following completion of one year of service.

Normal Retirement Benefit

a) Eligibility: Age 65.

b) Amount of Benefit: The monthly benefit is the greater of (1) or (2):

(1) (a) 1.45% of FAMC up to monthly Covered Compensation plus 1.85% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service up to 25,

plus

(b) .725% of FAMC up to monthly Covered Compensation plus .925% of FAMC in excess of monthly Covered Compensation, times years of Credited Benefit Service in excess over 25 (maximum 25),

plus

(c) .725% of FAMC times years of Credited Benefit Service over 50.

Final Average Monthly Compensation (FAMC) is the highest sixty-consecutive-month average of compensation (during most recent 120 months during which employee was an eligible employee), including base, overtime and one-year annual bonuses.

Credited Benefit Service consists of all periods of eligible employment.

(2) The accrued benefit determined on December 31, 1988 (June 30, 1990 for Matson Clerical BU Honolulu members) under the plan provisions in effect on that date.

Early Retirement Benefit

a) Eligibility: Age 55 and 5 years of service.

b) Amount of benefit: The Normal Retirement Benefit for service to the Early Retirement Date multiplied by the following early retirement factor:

Age	If Terminated Before Age 55	If Terminated At or After Age 55
55	.50	.64
56	.54	.70
57	.58	.76
58	.62	.82
59	.66	.88
60	.70	.94
61	.76	.97
62	.82	1.00
63	.88	1.00
64	.94	1.00

Deferred Retirement Benefit

a) Eligibility: Employed beyond age 65.

b) Amount of Benefit: Member continues to accrue benefits beyond Normal Retirement Date. Benefits commencing after the April 1 following the calendar year in which the member attains age 70½ are actuarially increased as required by law.

Disability

If a member is disabled and receiving benefits under the employer's long term disability plan, he will continue to accrue pension benefits based upon his rate of compensation when he became disabled.

Vested Benefit

a) Eligibility: 5 years of service (or 3 years of service if any portion of accrued benefit under the plan is a Cash Balance Account benefit).

b) Amount of Benefit: Commencing at age 65, the amount of Normal Retirement Benefit credited for service to the date of termination. Member may elect a reduced Early Retirement Benefit after age 55 if member had at least 5 years of service.

Pre-Retirement Spouse Benefit

a) Eligibility: Married at least 1 year, with a vested benefit or eligible for retirement.

b) Amount of Benefit:

(1) If the member was active and eligible for early retirement (age 55 with 5 years of service), the spouse receives an immediate monthly income equal to the following percentage of the Normal Retirement Benefit (but not less than surviving spouse's benefit described in (2) below):

Surviving Spouse's Age at Member's Date of Death	Percentage of Normal Retirement Benefit
53 and over	50%
45 through 52	45%
37 through 44	40%
30 through 36	35%
Under 30	30%

(2) If the member was active and either under age 55 or had less than 5 years of service, the spouse receives 1/2 of the reduced 50% Joint and Survivor benefit that would have been in effect had the member terminated on the date of death and survived to the date payments commenced, and retired on that date. This benefit is deferred until the date the member would have reached age 65 (or if the member had at least 5 years of service at death, at the spouse's election, any time after the date the member would have reached age 55).

(3) If the member was terminated before death, the spouse would receive the same benefit described in (2).

Employee Contributions None.

Forms of Payment

a) Automatic Form:

(1) Single life annuity for unmarried member.
(2) Reduced 50% Qualified Joint & Survivor annuity for married member.
(3) Lump sum of not more than $5,000.

b) Optional Forms:

(1) Single life annuity.
(2) 50%, 75% or 100% Joint & Survivor annuity.

c) Conversion of Payment Forms

The member's single life annuity is converted into an actuarially equivalent other form of payment using (except for lump sums) the Unisex Pension 1984 Mortality Table set back two years for members and seven years for contingent annuitants and an interest rate of 6.5% per year.

The lump sum form of payment is calculated as (1) for members not yet eligible for retirement, the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later) and (2) for members eligible for early retirement, the present value of the immediate early retirement benefit. In both cases, the present value is calculated using the Internal Revenue Code §417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year.

MTI Security Officer Members (There are no remaining active members or inactive members with deferred vested benefits.)

Eligibility

All regular full-time employees who are covered under the applicable collective bargaining agreements and who have completed one year of service.

Normal Retirement Benefit

a) Eligibility: Age 62.

b) Amount of Benefit: The monthly benefit is the greater of (1) or (2):

(1) Basic Benefit:

1% of the average monthly compensation for each year of Credited Benefit Service earned after December 31, 1966.

(2) Minimum Benefit:

For a member who retires after June 30, 1999:

	For Each Year of Credited Benefit Service	Maximum Monthly Benefit
From July 1, 1999	$80.00	$2,800.00
From July 1, 2000	$90.00	$3,150.00
From July 1, 2001	$95.00	$3,325.00

Credited Benefit Service - One-twelfth of a year of Credited Benefit Service for each calendar month during which an eligible employee is credited with 1 hour of service as a member, but excluding those months in which the eligible employee did not receive credit for 1 hour of service

Early Retirement Benefit

a) Eligibility: Age 55 and 3 years of service.

b) Amount of Benefit:

(1) If age 60 or 5 years of service, accrued Normal Retirement Benefit reduced 5% per year before age 62.

(2) Otherwise, accrued Basic Benefit reduced 5% per year before age 62.

Deferred Retirement Benefit

a) Eligibility: Employed beyond age 62.

b) Amount of Benefit: Benefit is calculated based on compensation and credited benefit service to Deferred Retirement Date. Benefits commencing after the April 1 following the calendar year in which the member attains age 70½ are actuarially increased as required by law.

Disability

a) Eligibility: After 6 months of permanent disability, and not receiving any income continuance, sick leave or LTD.

b) Amount of Benefit:

(1) If the member is less than age 55 with less than 3 years of service, $125.00 per month.

(2) If the member is at least age 55 (but less than age 60) or has at least 3 (but less than 5) years of service, the greater of (i) $125.00 per month or (ii) Basic Benefit for service to date of disablement.

(3) If the member is at least age 60 or has at least 5 years of service, the greatest of (i) $125.00, (ii) Basic Benefit for service to date of disablement, or (iii) Minimum Benefit for service to date of disablement.

Bridge Benefit

a) Eligibility: Retirement from active employment before age 65.

b) Amount of Benefit:

(1) If age 62 or over, $200 per month until age 65.

(2) If under age 62, $200 per month actuarially reduced for early retirement. Bridge benefits commencing prior to attainment of age 62 are actuarially reduced for early retirement using the 1971 Group Annuity Mortality Table set back one year and an interest rate of 6% per year.

Pre-Retirement Spouse Benefit

a) Eligibility: Eligible for a vested benefit or retirement.

b) Amount of Benefit: The greatest of (1), (2), (3) or (4):

(1) If active, age 59 with 25 years of Credited Benefit Service, 1/2 of Normal Retirement Benefit.

(2) (a) If active, age 60 with under 25 years of Credited Benefit Service, or

(b) if active, with at least 5 years of service, age 55 regardless of the number of years of Credited Benefit Service, or

(c) if active, with at least 5 years of service, under age 55 with 25 years of Credited Benefit Service,

but not eligible for above benefits, 1/2 of Normal Retirement Benefit, reduced 5% per year for each year before age 62, subject to a maximum 35% reduction.

(3) If active, with less than 5 years of service, age 55 but not eligible for above benefits, 1/2 of Basic Retirement Income, reduced 5% per year for each year before age 62.

(4) (a) If active, under age 55 with at least 3 years of service, with under 25 years of Credited Benefit Service, or

(b) if a terminated vested member,

1/2 of the reduced 50% Joint & Survivor Early Retirement Benefit that would have been in effect had the member terminated on the date of death, (and, if under age 55, survived to age 55).

Vested Benefit

a) Eligibility: 3 years of service.

b) Amount of Benefit:

(1) If 5 years of service, accrued Normal Retirement Benefit commencing at age 62.

(2) If at least 3 but less than 5 years of service, accrued Basic Benefit commencing at age 62.

Member may elect an Early Retirement Benefit after age 55 (benefit reduced 5/9% per month for the first 60 months by which early retirement precedes age 62 and 5/18% per month for months over 60).

Employee Contributions None.

Forms of Payment

a) Automatic Form:

(1) Single life annuity for unmarried member.
(2) Reduced 50% Qualified Joint & Survivor annuity for married member. (This group only has retired members.)
(3) Lump sum of not more than 5,000.

b) Optional Forms:

(1) Single life annuity.
(2) 50%, 75% or 100% Joint & Survivor annuity.
(3) Repatriation benefit for employees hired prior to 1/1/1950.
(4) Lump sum payment for disability retirement.
(5) Lump sum payment for a member who is laid off due to a reduction in work force and who does not accept employment with another Stevedore employer in the State of Hawaii.

c) Conversion of Payment Forms

The member's single life annuity is converted into an actuarially equivalent other form of payment using (except for lump sums) the Unisex Pension 1984 Mortality Table set back two years for members and seven years for contingent annuitants and an interest rate of 6.5% per year.

The lump sum form of payment is calculated as (1) for members not yet eligible for retirement, the present value of the accrued benefit payable at Normal Retirement Date (or actual retirement date, if later) and (2) for members eligible for early retirement, the present value of the immediate early retirement benefit. In both cases, the present value is calculated using the Internal Revenue Code §417(e)(3) assumptions with a lookback month for the applicable interest rate for the fourth full calendar month preceding the plan year. For disability retirement lump sums, present value factor applied to the monthly benefit shall not be less than 90.

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Retirement Plan for Employees of Matson
EIN: 99-0032630 PN: 020

Schedule SB, line 24 – Change in Actuarial Assumptions

- For Matson Shoreside members with Cash Balance Accounts, updated cash balance interest credit rate assumption to current plan year's interest credit rate, i.e., arithmetic average of the month-end 10-year Treasury Constant Maturities for the months of August, September and October that immediately precede the plan year (from 3.37% for 2010 valuation to 2.54% for 2011 valuation).
- Updated IRC §417(e) mortality, used to convert cash balance accounts into equivalent annuities, to current plan year's IRC §417(e) mortality (from 2010 Applicable Mortality Table for 2010 valuation to 2011 Applicable Mortality Table for 2011 valuation).
- Annual rates of retirement for active members were changed from

For 2010 Valuation

Age	Rate
61 & Under	.00
62	.15
63	.10
64	.20
65	1.00

to

For 2011 Valuation

Age	Rate
55	.00
56	.00
57	.02
58	.02
59	.02
60	.04
61	.05
62	.05
63	.15
64	.12
65	.20
66	.30
67	.50
68	.30
69	.20
70	.20
71 & over	1.00

The above changes were made to better reflect the actuary's best estimate of anticipated experience under the Plan.

Schedule SB, line 26 - Schedule of Active Participant Data

Distribution of Active Participants by Completed Age and Credited Service as of January 1, 2011

Plan: Retirement Plan for Employees of Matson
EIN: 99-0032630
PN: 020

Schedule SB, Line 26 - Schedule of Active Participant Data											
Attained Age	**YEARS OF CREDITED SERVICE**										
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	1	2									**3**
25 to 29	1	16	7								**24**
30 to 34	1	26	33	2							**62**
35 to 39	1	16	27	12	3						**59**
40 to 44	3	8	42	13	7	3					**76**
45 to 49	1	10	46	8	12	14	1	1			**93**
50 to 54		15	32	12	8	30	11	6			**114**
55 to 59	1	8	25	13	9	14	3	11	4		**88**
60 to 64	1	6	13	8	8	6	2	8	10	1	**63**
65 to 69		1	4	2	1	3	1		2		**14**
70 & up		1				1				1	**3**
Total	**10**	**109**	**229**	**70**	**48**	**71**	**18**	**26**	**16**	**2**	**599**

Schedule SB, line 32 - Schedule of Amortization Bases

Summary of Shortfall Amortization Bases as of January 1, 2011

Plan:	Retirement Plan for Employees of Matson
EIN	99-0032630
PN:	020
Data Code Number:	2,12,33

Type of Base	Date Established	Initial Amount	Remaining Installments	Shortfall Amortization Installment	Present Value of Remaining Installments as of January 1, 2011
Shortfall	1/1/2010	$ 7,121,751	6	$ 1,198,534	$ 6,454,371
Shortfall	1/1/2011	22,488,433	7	3,700,011	22,488,433
				$ 4,898,545	$ 28,942,804

RETIREMENT PLAN FOR EMPLOYEES OF MATSON

EIN: 99-0032630; PN: 020
Schedule SB Notes for 2011 Plan Year

In preparing this Schedule SB, the actuary relied on the following information which was provided by other parties:

(a) Contribution information, as provided by the employer.

(b) Asset information, as provided by the trustee and insurance companies.

(c) Data on people covered by the Plan, as provided by employer. While not verifying the data at the source, the actuary performed tests for consistency and reasonability. Compensation information also provided by the employer.

(d) Plan provisions summarized in the attachment that fairly reflect the most recent restated plan document adopted December 27, 2010.

The information in (b) and (c) was audited by the independent certified public accountants for the Plan Sponsor.

The plan name, EIN and PN on the 2011 Schedule SB are the same used for the 2011 Form 5500. These reflect the new plan name, EIN and PN effective 6/29/12 due to a change in the plan sponsor's structure.

RETIREMENT PLAN FOR EMPLOYEES OF MATSON

EIN: 99-0032630; PN: 020
Schedule SB Notes for 2011 Plan Year

In preparing this Schedule SB, the actuary relied on the following information which was provided by other parties:

(a) Contribution information, as provided by the employer.

(b) Asset information, as provided by the trustee and insurance companies.

(c) Data on people covered by the Plan, as provided by employer. While not verifying the data at the source, the actuary performed tests for consistency and reasonability. Compensation information also provided by the employer.

(d) Plan provisions summarized in the attachment that fairly reflect the most recent restated plan document adopted December 27, 2010.

The information in (b) and (c) was audited by the independent certified public accountants for the Plan Sponsor.

The plan name, EIN and PN on the 2011 Schedule SB are the same used for the 2011 Form 5500. These reflect the new plan name, EIN and PN effective 6/29/12 due to a change in the plan sponsor's structure.