



January 8, 2010

**Subject: Matson Raising Fuel Surcharge for Hawaii, Guam/CNMI and Micronesia by 3.5 Percentage Points**

Dear Matson Customer:

As a result of rapidly rising fuel related costs, Matson Navigation Company is raising its fuel surcharge by 3.5 percentage points, from 24 to 27.5 percent for its Hawaii service, and from 25.5 to 29 percent for its Guam/CNMI and Micronesia service, effective February 7.

“As many of our customers are aware, fuel prices have risen dramatically in recent months,” said Dave Hoppes, senior vice president, ocean services. “This is the first fuel surcharge increase Matson has initiated since July 2009. The company’s last adjustment was a decrease of four percentage points in October. Unfortunately, in the past several months fuel costs have increased significantly, necessitating this new upward adjustment. Fuel costs comprise a substantial component of Matson’s operating costs and are an unavoidable expense for transporting goods. We are hopeful that fuel prices will begin to moderate. However, if they do not decline soon, Matson will need to make further upward adjustments.”

If you have any questions, please contact your local account executive or our Customer Support Center. Thank you for shipping with Matson.