CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This release may contain “forward-looking statements,” which include statements that are predictive in nature, depend upon or refer to future events or conditions, and usually include words such as “will,” “expects,” “anticipates,” “intends,” “plans,” “believes,” “predicts,” “estimates” or similar expressions. In addition, any statements concerning future financial performance, ongoing business strategies or prospects or possible future actions are also forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are subject to risks, uncertainties and the accuracy of assumptions concerning HEI and its subsidiaries, the performance of the industries in which they do business, and international, national and local economic, environmental, political and market factors, among other things. These forward-looking statements are not guarantees of future performance.

Risks, uncertainties and other important factors that could cause actual results to differ materially from those described in forward-looking statements and from historical results include, but are not limited to, the following:

- international, national and local economic and political conditions—including the state of the Hawaii tourism, defense and construction industries; the strength or weakness of the Hawaii and continental U.S. real estate markets (including the fair value and/or the actual performance of collateral underlying loans held by ASB, which could result in higher loan loss provisions and write-offs); decisions concerning the extent of the presence of the federal government and military in Hawaii; the implications and potential impacts of future Federal government shutdowns, including the impact to our customers to pay their electric bills and/or bank loans and the impact on the state of Hawaii economy; the implications and potential impacts of U.S. and foreign capital and credit market conditions and federal, state and international responses to those conditions; and the potential impacts of global developments (including global economic conditions and uncertainties; unrest; conflicts or other crisis; the effects of changes that have or may occur in U.S. policy, such as with respect to immigration and trade; terrorist acts; and potential pandemics);

- the effects of future actions or inaction of the U.S. government or related agencies, including those related to the U.S. debt ceiling or budget funding, monetary policy, trade policy and tariffs, and other policy and regulatory changes advanced or proposed by President Trump and his administration;

- weather, natural disasters (e.g., hurricanes, earthquakes, tsunamis, lightning strikes, lava flows and the increasing effects of climate change, such as more severe storms, droughts, heat waves, and rising sea levels) and wildfires, including their impact on the Company’s and Utilities’ operations and the economy;

- the timing, speed and extent of changes in interest rates and the shape of the yield curve;

- the ability of the Company and the Utilities to access the credit and capital markets (e.g., to obtain commercial paper and other short-term and long-term debt financing, including lines of credit, and, in the case of HEI, to issue common stock) under volatile and challenging market conditions, and the cost of such financings, if available;

- the risks inherent in changes in the value of the Company’s pension and other retirement plan assets and ASB’s securities available for sale; and the risks inherent in changes in the value of the Company’s pension liabilities, including changes driven by interest rates;

- changes in laws, regulations (including tax regulations), market conditions, interest rates and other factors that result in changes in assumptions used to calculate retirement benefits costs and funding requirements;

- the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) and of the rules and regulations that the Dodd-Frank Act requires to be promulgated, as amended by the Economic Growth, Regulatory Relief and Consumer Protection Act;

- increasing competition in the banking industry (e.g., increased price competition for deposits, or an outflow of deposits to alternative investments, which may have an adverse impact on ASB’s cost of funds);

- the potential delay by the Public Utilities Commission of the State of Hawaii (PUC) in considering (and potential disapproval of actual or proposed) renewable energy proposals and related costs; reliance by the Utilities on outside parties such as the state, independent power producers (IPPs) and developers; and uncertainties surrounding technologies, solar power, wind power, biofuels, environmental assessments required to meet renewable portfolio standards (RPS) goals and the impacts of implementation of the renewable energy proposals on future costs of electricity;

- the ability of the Utilities to develop, implement and recover the costs of implementing the Utilities’ action plans included in their updated Power Supply Improvement Plans (PSIPs), Demand Response Portfolio Plan, Distributed Generation Interconnection Plan, Grid Modernization Plans, and business model changes, which have been and are continuing to be developed and updated in response to the orders issued by the PUC, the PUC’s April 2014 statement of its inclinations on the future of Hawaii’s electric utilities and the vision, business strategies and regulatory policy changes required to align the Utilities’ business model with customer interests and the state’s public policy goals, and subsequent orders of the PUC;

- capacity and supply constraints or difficulties, especially if generating units (utility-owned or IPP-owned) fail or measures such as demand-side management, distributed generation (DG), combined heat and power or other firm capacity supply-side resources fall short of achieving their forecasted benefits or are otherwise insufficient to reduce or meet peak demand;

- fuel oil price changes, delivery of adequate fuel by suppliers and the continued availability to the electric utilities of their energy cost adjustment clauses (ECACs) and energy cost recovery clauses (ECRC);

- the continued availability to the electric utilities or modifications of other cost recovery mechanisms, including the purchased power adjustment clauses (PPACs), rate adjustment mechanisms (RAMs) and pension and postretirement benefits other than pensions (OPEB) tracking mechanisms, and the continued decoupling of revenues from sales to mitigate the effects of declining kilowatthour sales;

- the ability of the Utilities to recover increasing costs and earn a reasonable return on capital investments not covered by RAMs;

- the ability of the Utilities to achieve performance incentive goals currently in place;

- the impact from the PUC’s implementation of performance-based ratemaking for the Utilities pursuant to Act 005, Session Laws 2018, including the potential addition of new performance incentive mechanisms, third party proposals adopted by the PUC in its implementation of performance-based regulation (PBR), and the implications of not achieving performance incentive goals;

- the impact of fuel price levels and volatility on customer satisfaction and political and regulatory support for the Utilities;

- the risks associated with increasing reliance on renewable energy, including the availability and cost of non-fossil fuel supplies for renewable energy generation and the operational impacts of adding intermittent sources of renewable energy to the electric grid;

- the growing risk that energy production from renewable generating resources may be curtailed and the interconnection of additional resources will be constrained as more generating resources are added to the Utilities’ electric systems and as customers reduce their energy usage;

- the ability of IPPs to deliver the firm capacity anticipated in their power purchase agreements (PPAs);

- the potential that, as IPP contracts near the end of their terms, there may be less economic incentive for the IPPs to make investments in their units to ensure the availability of their units;
- the ability of the Utilities to negotiate, periodically, favorable agreements for significant resources such as fuel supply contracts and collective bargaining agreements;
- new technological developments that could affect the operations and prospects of the Utilities and ASB or their competitors such as the commercial development of energy storage and microgrids and banking through alternative channels;
- cybersecurity risks and the potential for cyber incidents, including potential incidents at HEI, its third-party vendors, and its subsidiaries (including at ASB branches and electric utility plants) and incidents at data processing centers used, to the extent not prevented by intrusion detection and prevention systems, anti-virus software, firewalls and other general IT controls;
- failure to achieve cost savings consistent with the minimum $246 million in ERP/EAM project-related benefits (including $150 million in operation and maintenance (O&M) benefits) to be delivered to customers over its 12-year estimated useful life;
- federal, state, county and international governmental and regulatory actions, such as existing, new and changes in laws, rules and regulations applicable to HEI, the Utilities and ASB (including changes in taxation, increases in capital requirements, regulatory policy changes, environmental laws and regulations (including resulting compliance costs and risks of fines and penalties and/or liabilities), the regulation of greenhouse gas emissions, governmental fees and assessments (such as Federal Deposit Insurance Corporation assessments), and potential carbon “cap and trade” legislation that may fundamentally alter costs to produce electricity and accelerate the move to renewable generation);
- developments in laws, regulations and policies governing protections for historic, archaeological and cultural sites, and plant and animal species and habitats, as well as developments in the implementation and enforcement of such laws, regulations and policies;
- discovery of conditions that may be attributable to historical chemical releases, including any necessary investigation and remediation, and any associated enforcement, litigation or regulatory oversight;
- decisions by the PUC in rate cases and other proceedings (including the risks of delays in the timing of decisions, adverse changes in final decisions from interim decisions and the disallowance of project costs as a result of adverse regulatory audit reports or otherwise);
- decisions by the PUC and by other agencies and courts on land use, environmental and other permitting issues (such as required corrective actions, restrictions and penalties that may arise, such as with respect to environmental conditions or RPS);
- potential enforcement actions by the Office of the Comptroller of the Currency (OCC), the Federal Reserve Board (FRB), the Federal Deposit Insurance Corporation (FDIC) and/or other governmental authorities (such as consent orders, required corrective actions, restrictions and penalties that may arise, for example, with respect to compliance deficiencies under existing or new banking and consumer protection laws and regulations or with respect to capital adequacy);
- the risks associated with the geographic concentration of HEI’s businesses and ASB’s loans, ASB’s concentration in a single product type (i.e., first mortgages) and ASB’s significant credit relationships (i.e., concentrations of large loans and/or credit lines with certain customers);
- changes in accounting principles applicable to HEI and its subsidiaries, including the adoption of new U.S. accounting standards, the potential discontinuance of regulatory accounting, the effects of potentially required consolidation of variable interest entities (VIEs), or required capital/finance lease or on-balance-sheet operating lease accounting for PPAs with IPPs;
- downgrades by securities rating agencies in their ratings of the securities of HEI and Hawaiian Electric and their impact on results of financing efforts;
- faster than expected loan prepayments that can cause an acceleration of the amortization of premiums on loans and investments and the impairment of mortgage-servicing assets of ASB;
- changes in ASB’s loan portfolio credit profile and asset quality and/or mix, which may increase or decrease the required level of provision for loan losses, allowance for loan losses and charge-offs;
- the adoption of FASB ASU No. 2016-13, “Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments” in 2020, which may require an increase in the allowance for loan losses, as well as the volatility in the level of the allowance for loans losses;
- changes in ASB’s deposit cost or mix which may have an adverse impact on ASB’s cost of funds;
- the final outcome of tax positions taken by HEI and its subsidiaries;
- the risks of suffering losses and incurring liabilities that are uninsured (e.g., damages to the Utilities’ transmission and distribution system and losses from business interruption) or underinsured (e.g., losses not covered as a result of insurance deductibles or other exclusions or exceeding policy limits);
- the ability of the Company’s non-regulated subsidiary, Pacific Current, LLC (Pacific Current), to achieve its performance and growth objectives, which in turn could affect its ability to service its non-recourse debt;
- the Company’s reliance on third parties and the risk of their non-performance;
- the impact of activism that could delay the construction, or preclude the completion, of third-party or Utility projects that are required to meet electricity demand and RPS goals; and
- other risks or uncertainties described elsewhere in this report and in other reports (e.g., “Item 1A. Risk Factors” in the Company’s Annual Report on Form 10-K) previously and subsequently filed by HEI and/or Hawaiian Electric with the Securities and Exchange Commission (SEC).

Forward-looking statements in this release should be read in conjunction with the “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” discussions (which are incorporated by reference herein) set forth in HEI’s and Hawaiian Electric’s Annual Report on Form 10-K for the year ended December 31, 2018 and HEI’s and Hawaiian Electric’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 and HEI’s other periodic reports that discuss important factors that could cause HEI’s results to differ materially from those anticipated in such statements. These forward-looking statements speak only as of the date of the release, presentation or filing in which they are made. Except to the extent required by the federal securities laws, HEI, Hawaiian Electric, American Savings Bank and their subsidiaries undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Hawaiian Electric Industries, Inc.

4th Quarter & Full Year 2019 Financial Results; 2020 Outlook

February 13, 2020



2019 highlights

WHAT WE ACCOMPLISHED

- ✓ Achieved consolidated EPS growth of 8%
- ✓ Improved utility and consolidated ROE
- ✓ Hawaiian Electric continued to deliver on key priorities of its five-year transformation plan
- ✓ Hawaiian Electric named 2019 Utility of the Year by Utility Dive
- ✓ American Savings Bank achieved strong loan growth and maintained above-peer NIM despite lower interest rates
- ✓ American Savings Bank completed move to new campus and realized projected gains from exiting former properties
- ✓ Pacific Current continued to optimize existing portfolio and pursue additional project opportunities and partnerships

2019 utility achievements

Reflects strategic transformation plan priorities

HAWAIIAN ELECTRIC

Cost-effective, clean energy portfolio	• 28% of energy sales from renewable sources • 21% jump in solar generating capacity, largest single-year increase ever • Highest residential rooftop solar penetration in U.S. at 19% of customers • ~5% increase in rooftop solar versus 2018 • Secured lowest cost renewables to date for Hawaii customers; 7 PPAs approved for 260 MW solar and ~1 GWh storage • Launched one of the largest U.S. utility renewables procurement efforts; up to 900 MW renewables, 500 GWh storage, and 210 MW grid services • Renegotiated Puna Geothermal PPA; if approved by PUC, would decrease customer bills and increase RPS starting in 2022 • Completed 20 MW West Loch Solar project; will save customers at least $109 million, reduce fossil fuel use by up to 3 million gallons per year over 25 years
Customer experience & innovative energy solutions	• Top 30% among U.S. utilities in customer satisfaction[1] • Project Footprint, launched in Feb. 2019, driving greater customer engagement • Created dedicated Customer Energy Resources department to more effectively serve customers with rooftop solar and other devices that can interact with the electric grid • First Community-based Renewable Energy project approved

1 As per fourth quarter 2019 Escalent customer satisfaction results.

2019 utility achievements *(cont'd)*

Reflects strategic transformation plan priorities

HAWAIIAN ELECTRIC

Modern grid & technology platform	• First phase of multi-year grid modernization strategy gained PUC approval • Began targeted deployment of advanced meters • Awarded contract to own, operate and maintain electric distribution system serving the U.S. Army's 12 installations on Oahu
Stakeholder engagement	• Convened regional resilience workshops, developed action plans • Stakeholder workshops are core to Integrated Grid Planning, new phase of resource and grid planning
Regulatory transformation	• Initial Performance-based Regulation (PBR) proposal submitted; constructive collaboration with stakeholders continues, with implementation planned for 2021 • Earned additional revenue under performance incentives for procuring low-cost renewable energy for customers and for better reliability and call center performance
Strengthen safety and culture	• Completed "One Company" initiative, restructuring functions to improve operational efficiency; now operating under single name "Hawaiian Electric"
Maintain financial strength	• Improved return on equity and grew earnings • Progressed initiatives to increase cost efficiency, including facilities consolidation plan, expanded use of technologies to reduce costs, strategic procurement, benefit program evaluation

2019 bank accomplishments

Maintained strong margins despite challenging interest rate environment

AMERICAN SAVINGS BANK

- **Maintained consistent performance during a challenging year for interest rates**, delivering earnings growth over 2018, while growing dividend to holding company
- Maintained net interest margin well above peers
- Executed on the sale of two properties related to the new campus move, and realized a net gain as communicated in our 2019 guidance
- Completed move into new campus
- Continued focus on key initiatives:
  - Making banking easier for customers
  - Realizing the benefits of consolidation into new campus
  - Investing in technology to upgrade, automate and improve processes and system security

2019 Pacific Current accomplishments

PACIFIC CURRENT

Continued to optimize existing projects, evaluate new sustainable infrastructure opportunities

- Began using **locally-produced biofuels** as part of Hamakua Energy's fuel mix, advancing Hawaii Island energy independence and energy security
- Launched EverCharge Hawaii joint venture to help advance EV adoption by addressing multi-unit dwelling charging challenges
- Progressed construction of **5 solar + storage projects** across two islands

Hawaii economy remains stable

Moderate growth path expected

Tourism

	Dec. 2019 vs Dec. 2018	Full year 2019 vs full year 2018
Total arrivals	+6.0%	+5.4%
Total expenditures	+10.5%	+1.4%

Unemployment

- December 2019 – Hawaii: 2.6%; U.S.: 3.5%

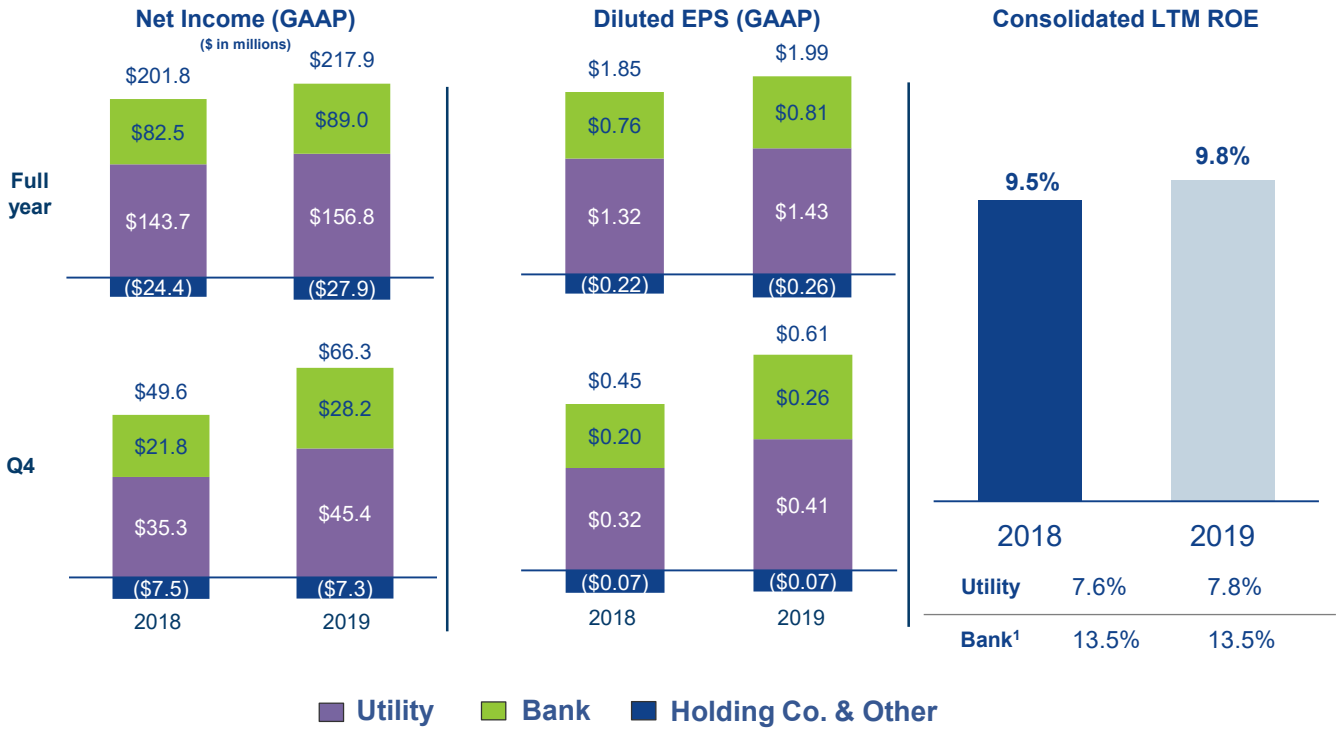
Real Estate

- YTD December 2019 Oahu sales volume vs PY:
  - Single family homes, up 3.9%; Condominiums, down 4.8%
- YTD December 2019 Oahu median sales prices vs PY:
  - Single family homes: $789,000, down 0.1%;
  - Condominiums: $425,000, up 1.2%

Real State GDP

- Expected to increase 0.9% in 2020, 1.1% in 2021

Full year 2019 financial performance

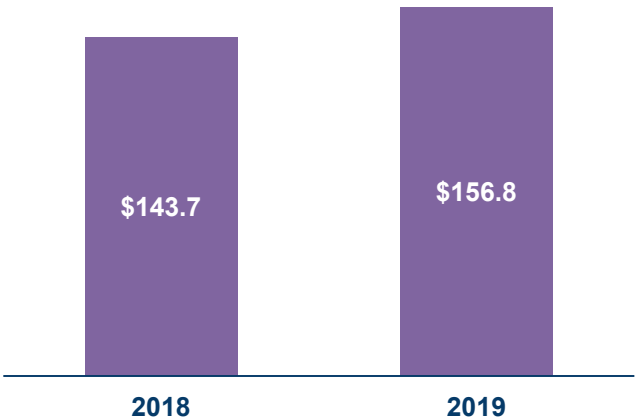


Note: Columns may not foot due to rounding.
1 Bank ROE based on daily weighted average common equity.

2019 utility performance

($ in millions)

UTILITY NET INCOME



KEY UTILITY EARNINGS DRIVERS, AFTER-TAX FAV/(UNFAV)

	2019 vs 2018
New rates and RAM revenues	$ 24
MPIR revenues	11
Performance incentives	2
Lower interest expense	2
Operation & maintenance (O&M)	(15)
Depreciation	(9)
2018 post-year end tax adjustment for 2017	(5)
Other	3

2019 bank performance

($ in millions)

BANK NET INCOME



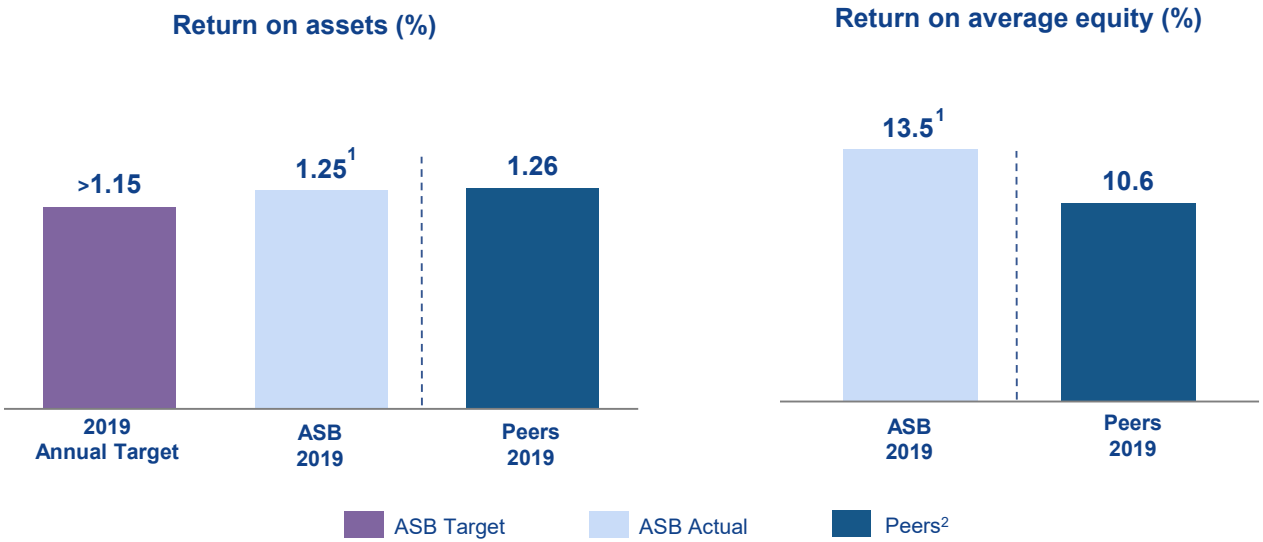
Key bank earnings drivers, after-tax fav/(unfav)	2019 vs 2018
Net interest income	$ 4
Provision for loan losses	(6)
Noninterest income	13
Noninterest expense	(6)

SUMMARY OF ASB CAPITAL ADEQUACY RATIOS
(DEC. 31, 2019)

	Common equity tier 1	Tier 1 capital	Total capital	Tier 1 leverage
As of 12/31/19	13.18%	13.18%	14.31%	9.06%
"Well capitalized"	6.50%	8.00%	10.00%	5.00%
Minimum requirements	4.5%	6.00%	8.00%	4.00%
Basel III 2019 minimum + buffers	7.00%	8.50%	10.50%	4.00%

1 Includes impact of after-tax gain of $5.5 million related to sales of properties, net of exit costs to transition to new campus. For full year 2019, the net gain on sale was comprised of after-tax gain on sales of properties of $7.9 million and after-tax campus transition costs of $2.4 million. Both Financial Plaza of the Pacific and Mililani Service Center were sold in 2019.

Bank profitability metrics



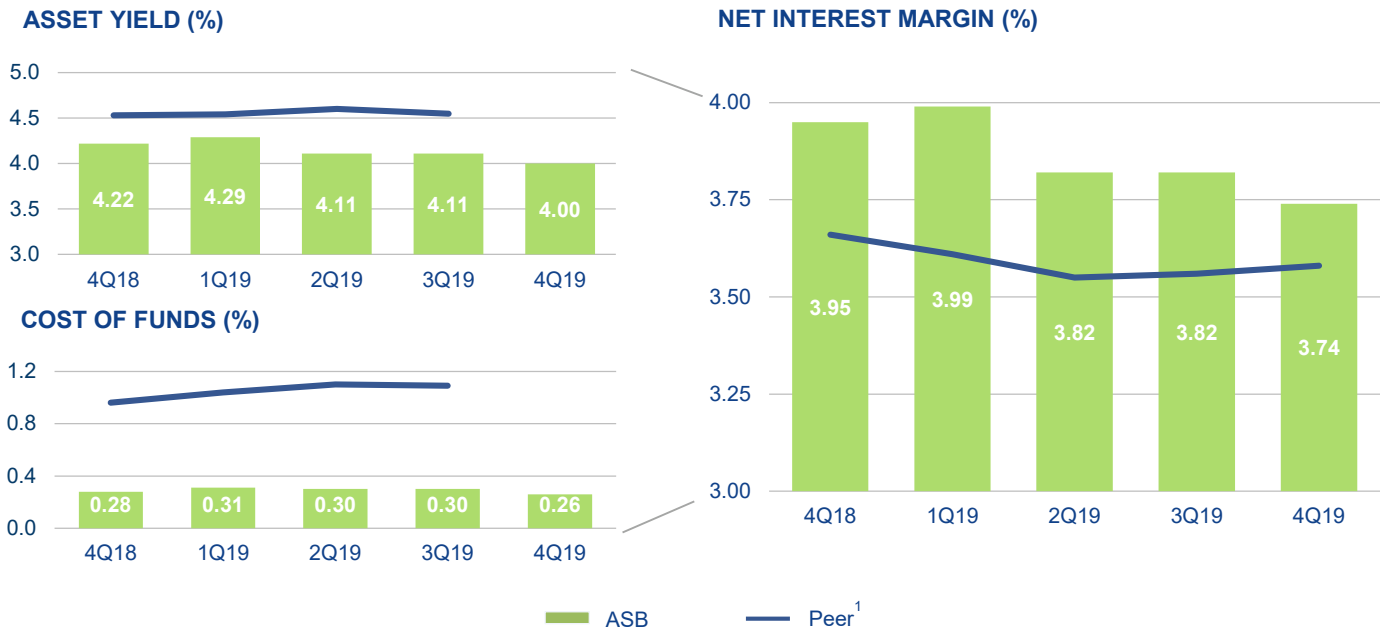
Source for peer data: SNL Financial (based upon data available as of February 11, 2020).

1 Includes impact of after-tax gain of $5.5 million related to sales of properties, net of exit costs to transition to new campus.

2 Median for peer group based on publicly traded banks and thrifts between $4B and $9B in total assets. See Appendix for ASB peer group information.

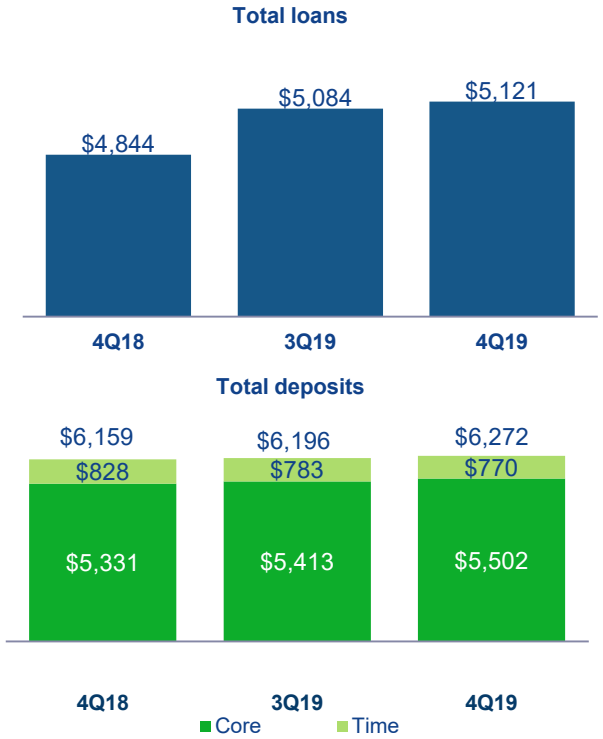
Net interest margin

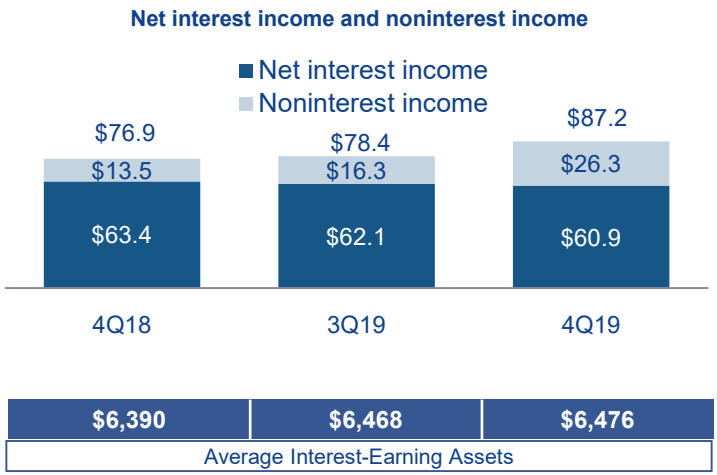
Full Year 2019 NIM 3.85%



Source for peer data: SNL Financial (based on data available as of February 11, 2020).
Asset Yield: Total interest income as a percentage of average interest-earning assets.
Cost of funds: Total interest expense as a percentage of average interest-bearing and non-interest bearing liabilities.
Net Interest Margin: Net interest income as a percentage of average interest-earning assets.
1 Median for peer group based on publicly traded banks and thrifts between $4B and $9B in total assets. See Appendix for ASB peer group information.

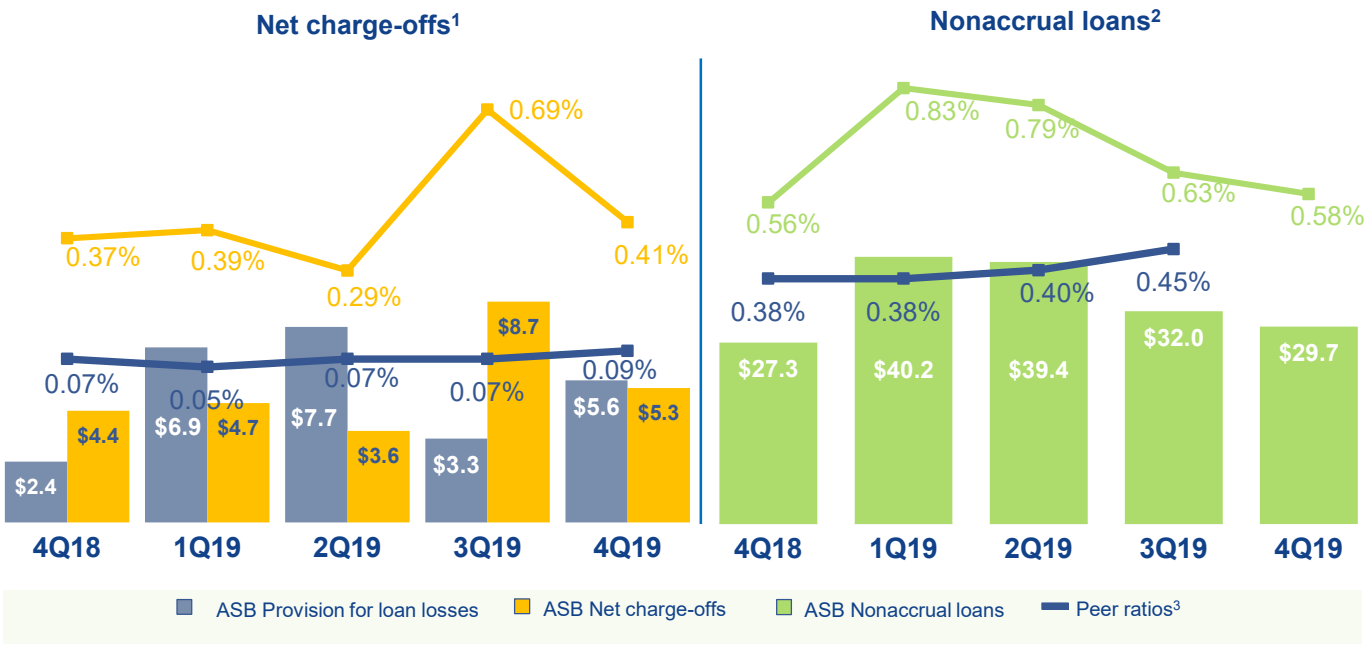
Net interest income
($ in millions)





Note: Columns may not foot due to rounding.

Prudent credit quality management



Source for peer data: SNL Financial (based upon data available as of February 11, 2020). Where available, Q4 2019 data has been used for peers. Otherwise Q3 2019 data used.

1 Quarterly net charge-off ratio reflected as a percentage of average loans held during the period.

2 Quarterly nonaccrual loans ratio reflected as a percentage of total loans.

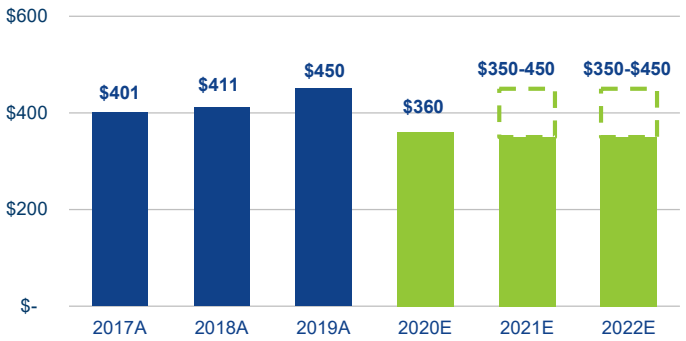
3 Median for peer group based on publicly traded banks and thrifts between $4B and $9B in total assets. See Appendix for ASB peer group information.

Renewables, reliability and resilience drive capital investment

Annual investment of ~2x depreciation to transform grid, integrate more renewables

CAPITAL EXPENDITURES FORECAST

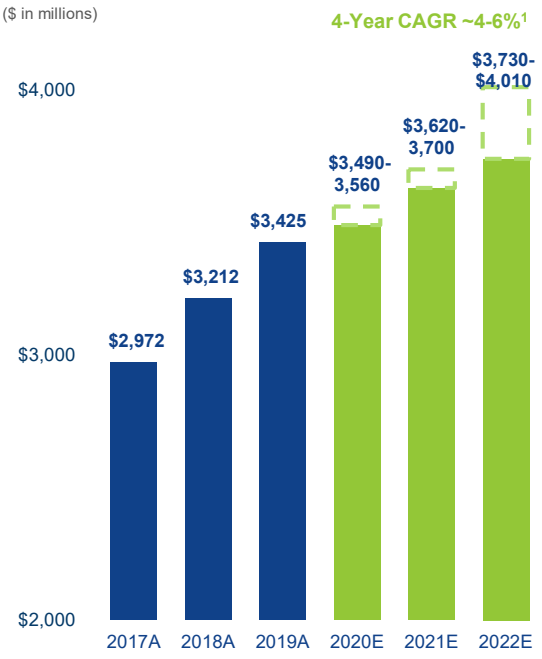
($ in millions)



Major Capex Projects	Forecast 2020	Forecast 2021	Forecast 2022
Grid Modernization Project Phase 1	$39	$15	$17
Grid Modernization Project Phase 2		$2	$36
Army Privatization			$16
Various Major Projects	~$6	~$28	~$68
Baseline Projects	~$315	~$315	~$315

RATE BASE FORECAST

($ in millions)



Note: Capital expenditure figures are net of contributions in aid of construction (CIAC).

1 Reflects 2019 – 2022 CAGR. Rate base is impacted primarily by plant additions but also includes other items (i.e., unamortized CIAC, accumulated deferred income taxes, certain regulatory assets, etc.).

HEI financing outlook 2020

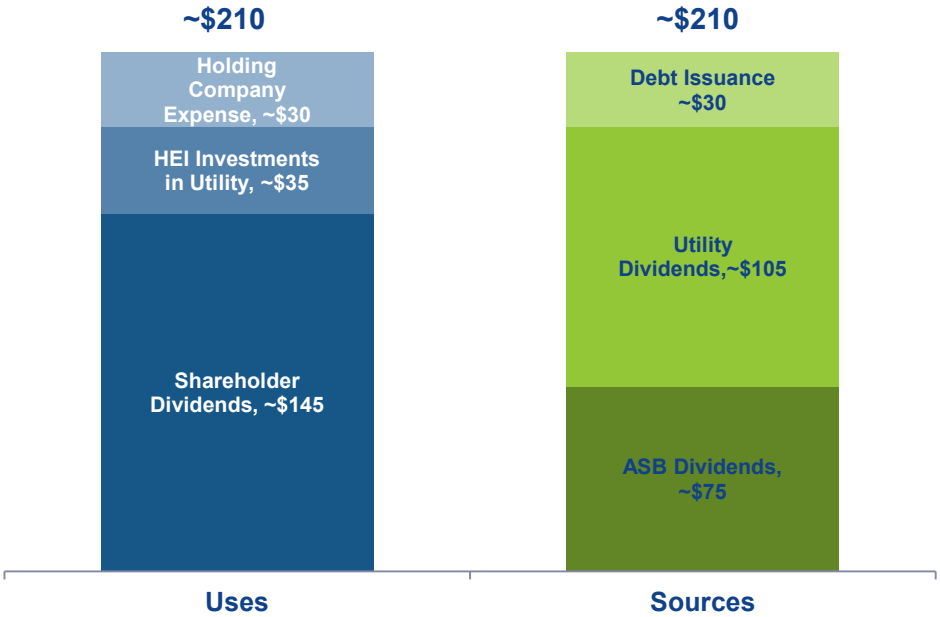
(As of February 13, 2020)

Intend to maintain a consolidated investment grade profile

Utility capex program equity needs funded without the need for HEI-issued equity

2020 HOLDING COMPANY SOURCES & USES OF CAPITAL

($ in millions)



HEI 2020 EPS guidance
(As of February 13, 2020)

HEI EPS: $1.90 - $2.10 PER SHARE

UTILITY EPS: $1.46 - $1.54

KEY ASSUMPTIONS:

- No change to decoupling or recovery mechanisms
- No material impact from PIM penalties and rewards
- O&M excluding pension[1] increase at or below inflation
- Rate base growth: ~4% over 2019
- 2020 capex of ~$360 million[2]
- Equity capitalization at approved rate case levels

BANK EPS: $0.73 - $0.80

KEY ASSUMPTIONS:

- Low to mid-single digit earning asset growth
- NIM: ~3.70% to 3.80%
- Provision expense: $17 million to $22 million
- ROA: >1.10%

No new equity issuances in 2020

Note: Holding company and other net loss estimated at $0.27 - $0.29.
[1] Also excludes O&M expenses covered by surcharges or by third parties that are neutral to net income.
[2] 2019-20 capex averages ~$400 million given acceleration of certain 2020 projects into 2019.

ESG is in our DNA

Focused on enterprise mission to be a catalyst for a better Hawaii

Our core strategies reflect our long-standing recognition that the strength of our companies is inextricably linked to the health of our environment, economy and communities

Recent developments

- ✓ Completed ESG materiality assessment for all HEI companies
- ✓ 2019 Board strategic retreat focused on development of ESG assessment and strategy
- ✓ Positioned to issue SASB-aligned report this year and timely TCFD reporting[1]
- ✓ Executive compensation expressly linked to renewable energy goals, as well as goals related to climate change, leadership and workforce development
- ✓ In upcoming proxy statement, Board proposing shareholder approval of majority voting and declassification of Board

1 "SASB" refers to Sustainability Accounting Standards Board and "TCFD" refers to Task Force on Climate-related Financial Disclosures.

Summary

HEI

- Place-based strategy provides the financial resources to invest in our strategic growth and Hawaii's sustainable future

Hawaiian Electric

- Collaborating with stakeholders to advance 100% renewable energy and carbon neutral goals
- Focused on delivering customer value and ensuring affordability, reliability and resilience
- Scott Seu to succeed Alan Oshima as President and CEO of Hawaiian Electric

American Savings Bank

- Consistent performance in challenging interest rate environment
- Emphasis on disciplined growth and efficiency improvement
- Focused on making banking easier for customers and deepening customer relationships

Pacific Current

- Optimizing existing assets, and pursuing new investment opportunities to advance Hawaii's sustainability goals

HEI

Catalyst for a better Hawai'i



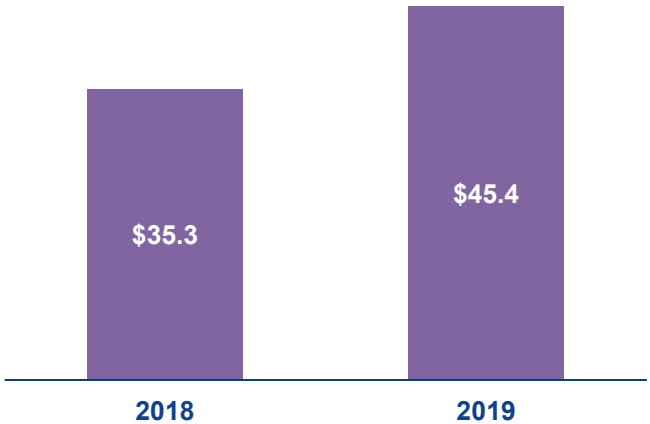
Appendix

HEI
Catalyst for a better Hawai'i

Q4 2019 utility performance

($ in millions)

UTILITY NET INCOME



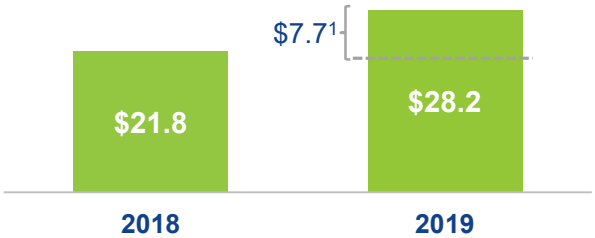
KEY UTILITY EARNINGS DRIVERS, AFTER-TAX FAV/(UNFAV)

	Q4 2019 vs Q4 2018
Lower operations and maintenance	$ 6
RAM for Hawaiian Electric, Hawaii Electric Light and Maui Electric, and new rates for Maui Electric	3
MPIR revenues	2
Performance incentives	2
Lower pole attachment fees	(2)
Higher depreciation	(2)

Q4 2019 bank performance

($ in millions)

BANK NET INCOME



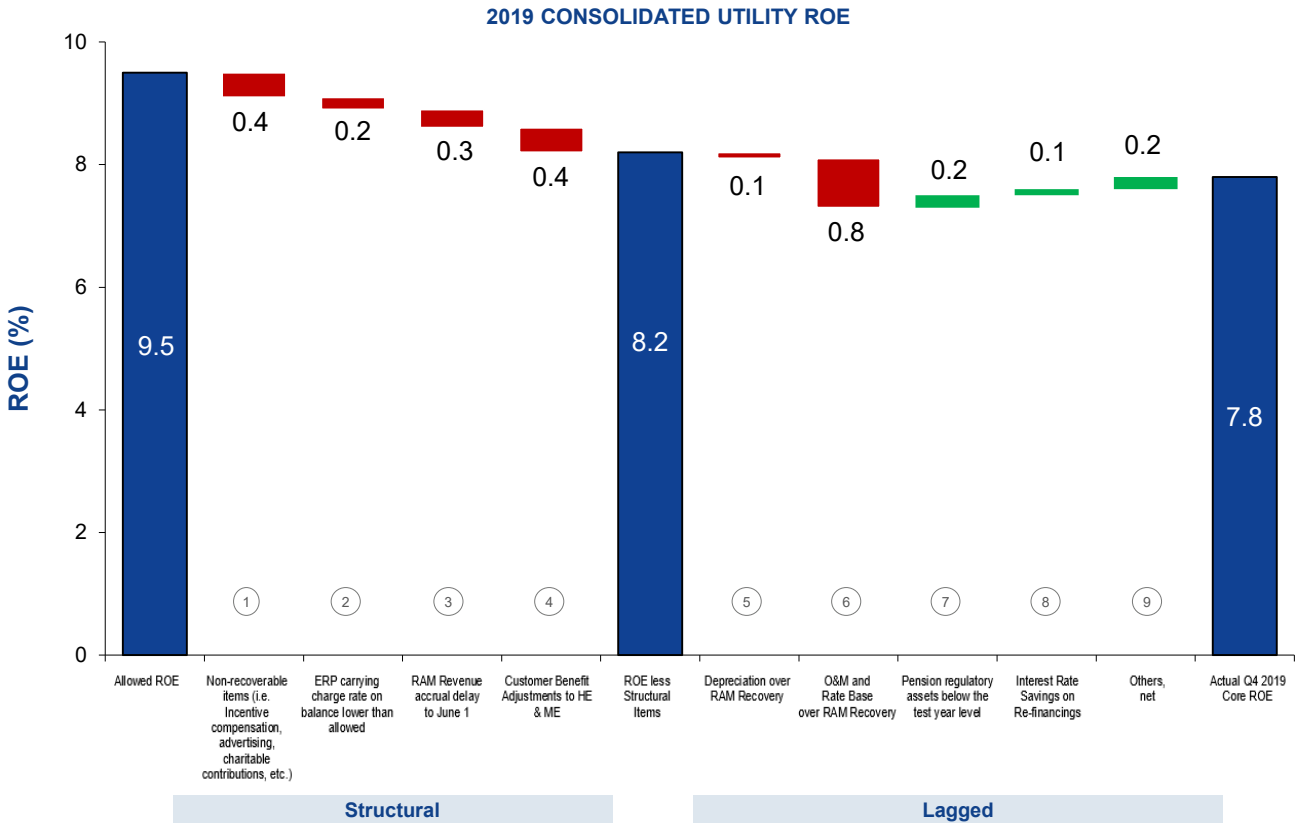
Key bank earnings drivers, after-tax fav/(unfav)	Q4 2019 vs Q4 2018
Net interest income	$ (2)
Provision for loan losses	(2)
Noninterest income	10
Noninterest expense	-

SUMMARY OF ASB CAPITAL ADEQUACY RATIOS
(DEC. 31, 2019)

	Common equity tier 1	Tier 1 capital	Total capital	Tier 1 leverage
As of 12/31/19	13.18%	13.18%	14.31%	9.06%
"Well capitalized"	6.50%	8.00%	10.00%	5.00%
Minimum requirements	4.5%	6.00%	8.00%	4.00%
Basel III 2019 minimum + buffers	7.00%	8.50%	10.50%	4.00%

1 For Q4 2019, the net gain on sale was comprised of after-tax gain on sale of properties of $7.9 million and after-tax campus transition costs of $0.2 million. The Q4 amount includes only one quarter of transition costs, compared to the full year amount, which includes four quarters of transition costs.

Utility LTM ROE reflects triennial rate case transition



Customer benefit adjustments in the Hawaiian Electric and Maui Electric rate cases

($ in millions)

	Hawaiian Electric Pension Adjustment		Hawaiian Electric Plant Adds Adjustment		Maui Electric Pension Adjustment		Total		
	Rev Req	Net Income	Rev Req	Net Income	Rev Req	Net Income	Rev Req	Net Income	Bps (ROE)
2018	$5,250	$3,552	$4,375	$2,960	$188	$127	$9,813	$6,638	35
2019	$6,000	$4,059	$5,000	$3,383	$450	$304	$11,450	$7,746	39
2020	$4,764	$3,223	$2,083	$1,409	$450	$304	$7,298	$4,937	24
2021	$3,882	$2,626			$378	$256	$4,260	$2,882	13
2022	$3,882	$2,626			$327	$221	$4,209	$2,847	13
2023	$1,617	$1,094			$327	$221	$1,944	$1,315	6
2024					$136	$92	$136	$92	-
Total	**$25,395**	**$17,180**	**$11,458**	**$7,752**	**$2,256**	**$1,526**	**$39,109**	**$26,459**	

Status of key open dockets

Subject and description	Docket #	Latest development	Next milestone
Performance-based regulation Develop new regulations aimed at lowering electricity costs, improving customer service, expanding customer choices, and cost-effectively meeting state clean energy goals	2018-0088	Parties filed updated comprehensive proposals	Workshop meetings Feb., March and April. Second proposal update due May 13
Stage 2 RFP Procurement of up to ~900 MW of new renewables and over 500 GWh of storage, as well as grid services	2017-0352	PIMs established in early Oct.; PIM clarification request filed late Oct.; bids due Nov. 5	Selection of final award group, April 2020
Integrated Grid Planning (IGP) Next phase of long-range planning, combining planning and procurement of traditional and non-traditional resources	2018-0165	In early stage; initial work plan accepted in March	Resource solution sourcing to begin in 2020
Grid Modernization Outlines plans to implement new technologies to increase utilization of DER while improving grid reliability and resilience	2017-0226; 2018-0141; 2019-0327	ADMS[1] application suspended in Dec. 2019 pending application for approval of field devices	Field devices application planned for second half of 2020
Electrification of Transportation Strategy for increasing adoption of electric vehicles and other electrification activities	2018-0135	Filed 18-mo. EoT workplan Oct. 29; focused on EV rate design and make-ready infrastructure	Workplan proposes filing requests for rates in Q2 2020, and make-ready infrastructure in Q2-Q3 2020
Enterprise Resource Planning Implementation of Utility's Enterprise Resource Planning/Enterprise Asset Management systems (ERP), including cost recovery and accounting treatment	2014-0170	In Oct. PUC accepted proposed stipulated benefits performance metrics	PUC has communicated "minimal need for 'pro active' measures going forward"
Hawaiian Electric rate case 2020 test year rate case for Oahu	2019-0085	Public hearing held Nov. 14, 2019	Filing of Consumer Advocate and Participants' direct testimonies, exhibits and workpapers in late Mar. 2020
Hawaii Electric Light rate case 2019 test year rate case for Hawaii island	2018-0368	Interim decision issued in Nov. 2019. In Jan. 2020, Company filed supplemental information for PUC's consideration	Opening and reply briefs in Feb. 2020

1 Advanced Distribution Management System

Regulatory evolution: Performance-based regulation (PBR)

Current Mechanisms	*Potential changes under PBR*
3-year rate case cycle Multi-year rate plans with interim adjustments	***5-year rate plan***
Sales decoupling Provides predictable revenue stream by fixing net revenues at level approved in last rate case (revenues not linked to kWh sales)	***stays in place***
Revenue adjustment mechanism (RAM) Annually adjusts revenue to recover general "inflation" of operations and maintenance expenses and baseline plant additions between rate cases	***replaced with annual revenue adjustment***
Major Projects Interim Recovery adjustment mechanism (MPIR) Permits recovery of costs for major capital projects including but not restricted to projects to advance transformational efforts	***stays in place, with possible modifications***
Energy cost and purchased power recovery/adjustment clauses Allow recovery of fuel and purchased power costs. Symmetrical fossil fuel cost risk sharing (98% customer/2% utility) mechanism established for Hawaiian Electric and Maui Electric	***stay in place***
Pension and post-employment benefit trackers Allow tracking of pension and post-employment benefit costs and contributions above or below the cost included in rates in a separate regulatory asset/liability account	***stay in place***
Renewable energy infrastructure program Available for recovery of renewable energy infrastructure projects through a surcharge	***stays in place***
Performance incentive mechanisms Performance incentive mechanisms for reliability, customer call center and renewable procurement	***additional PIMs***

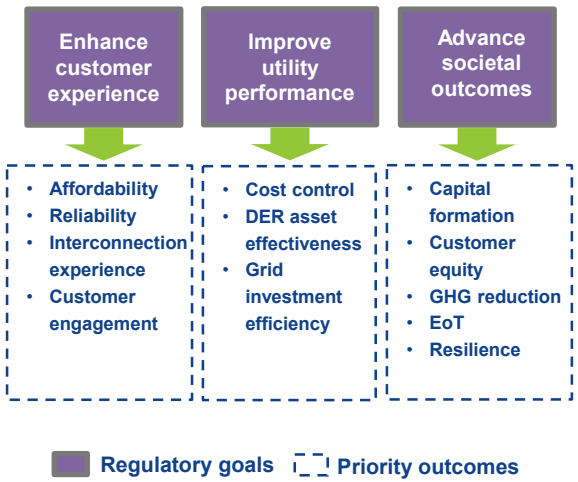
Phase 1 PBR D&O established conceptual framework

Conceptual framework established

Guiding principles

- **A customer-centric approach,** including immediate "day 1" savings
- **Administrative efficiency** to reduce regulatory burdens to the utility and stakeholders
- **Utility financial integrity** to maintain the utility's financial health, including access to low-cost capital

Goals and outcomes



PBR structure

Revenue adjustment mechanisms

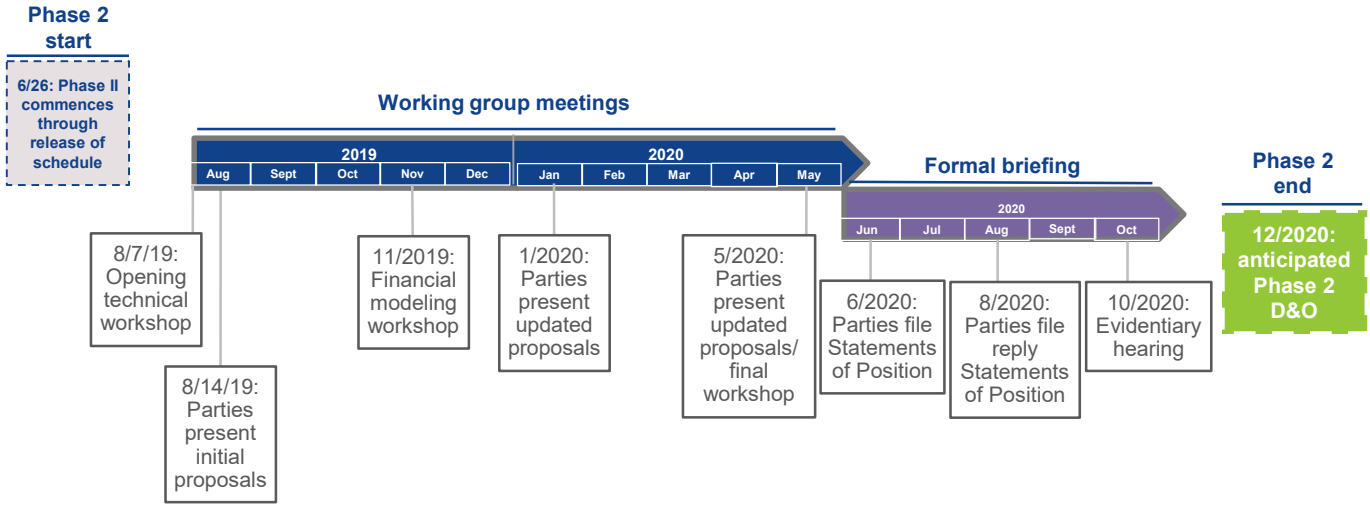
- ✓ **Maintain revenue decoupling and existing cost trackers**
- ✓ **5-year multi-year rate plan**
- ✓ **Annual formulaic revenue adjustment** (includes inflation and adjustments for productivity, unexpected costs outside utility's control, customer dividend)
- ✓ **Upside and downside earnings sharing mechanism**
- ✓ **Major Project Interim Recovery (MPIR)** maintained, but may be modified
- ✓ **Off-ramps** to provide for review of PBR mechanisms

Performance mechanisms

- ✓ **New Performance incentive mechanisms** to drive achievement on Interconnection Experience; Customer Engagement; and DER Asset Effectiveness
- ✓ **Shared savings mechanisms** to drive achievement on Grid Investment Efficiency and Cost Control, mitigation of capex bias, and cost effective solutions for customers
- ✓ **New scorecards and reporting metrics** to track progress/highlight performance across a variety of PBR outcomes

PBR—Phase 2 continues collaborative approach from Phase I

- Measured timeline shows PUC's commitment to gradualism in implementing PBR
- Collaborative format is focused on creating a thoughtful process that minimizes risk of unintended consequences
- Annual revenue adjustment mechanism has potential to eliminate lag in the current RAM
- New performance incentive mechanisms (PIMs) will supplement PIMs already in effect; PIMs will provide additional earnings opportunities



Hawaiian Electric 2020 rate case status

Hawaii PUC docket no. 2019-0085

	Final D&O (2017 test year) (6/22/18) (eff. 9/1/18)	Application (2020 Test Year) (8/21/19)
Amount requested	Commission approves Parties' Stipulated Settlement Agreements filed on November 15, 2017 and March 5, 2018	$77.6 million (4.1% increase over revenues at current effective rates)
Deprec. & amort. expenses	$123.5M	$137.1
Return on average common equity	9.5% with mechanisms	10.5% with mechanisms
Common equity capitalization (%)	57.10%	57.15%
Return on rate base	7.57%	7.97%
Average rate base	$1,993M	$2,477M
GWh sales	6,660.2	6,474.5

Rate case assumes existing Balancing Accounts, Trackers and/or Surcharges: Decoupling Revenue Balancing Account (RBA)/ Rate Adjustment Mechanism (RAM); Energy Cost Recovery Clause (ECRC); Purchase Power Adjustment Clause (PPAC); Pension/OPEB Tracking Mechanisms; Renewable Energy Infrastructure Program ("REIP") Surcharge and the Major Project Interim Recovery ("MPIR") mechanism.

Hawaii Electric Light 2019 rate case status

Hawaii PUC docket no. 2018-0368

	Application (2019 Test Year) (12/14/18)[1]	Interim D&O (11/13/19) (Eff. 1/1/20)[3, 4]
Amount requested	$13.4M (3.4% increase over revenues at current effective rates)[2]	$0M (0.0% increase over revenues at current effective rates)[2]
Deprec. & amort. expenses	$38.0M	$36.6M
Return on average common equity	10.50% with mechanisms	9.50% with mechanisms
Common equity capitalization (%)	56.91%	56.83%
Return on rate base	8.30%	7.52%
Average rate base	$536.9M	$534.4M
GWh sales	1,061.7	1,061.7

Rate case assumes existing Balancing Accounts, Trackers and/or Surcharges: Decoupling Revenue Balancing Account (RBA)/ Rate Adjustment Mechanism (RAM); Energy Cost Recovery Clause (ECRC); Purchase Power Adjustment Clause (PPAC); Pension/OPEB Tracking Mechanisms; and Renewable Energy Infrastructure Program ("REIP") Surcharge.

1 Includes Hu Honua in the 2019 test year.

2 Revenues at current effective rates include revenues based on the final rates approved in Hawaii Electric Light's 2016 test year rate case, revenues from the ECRC, PPAC, RAM Revenue Adjustment (based on the 2019 RAM period), RBA Provision (that would flow into the RBA in the 2019 test year primarily due to increases or decreases in electric sales since the 2016 test year) and other operating revenues.

3 Excluding Hu Honua from the 2019 test year.

4 In the Stipulated Partial Settlement Agreement, the Parties settled on all issues in this proceeding, except for ROE, capital structure, amortization period of state ITC, and symmetric or asymmetric automatic annual target heat rate adjustment. In response to the ID&O, the Parties agreed that, in lieu of an evidentiary hearing, these remaining issues can be decided based on the evidence in the record and to file opening and reply briefs in February 2020. Additionally, the Company requested to submit supplemental information, if any, in response to or in support of the Partial Settlement or remaining issues. There is no statutory deadline for the PUC to issue a final decision.

Major project interim recovery (MPIR) mechanism

Hawaii PUC Docket No. 2013-0141

MPIR adjustment mechanism established by PUC April 2017

- Allows recovery for eligible major projects in between rate cases through the revenue balancing account (RBA) rate adjustment
- Request for MPIR recovery to be included in application for project approval
- Accrual of revenues commences upon certification of project in-service date
  - ½ of project's costs included in basis for determining return on investment and associated taxes during year project goes into service
  - On January 1 of the year after project is placed in service, may commence accrual of return and associated taxes on full amount of plant invested, depreciation and associated taxes
- "Eligible Projects" defined in MPIR Guidelines include, but not limited to:
  - Infrastructure to connect renewable energy projects
  - Projects that make it possible to accept more renewable energy
  - Projects that encourage clean energy choices and/or customer control to shift or conserve energy use
  - Projects implementing PUC approved or accepted plans, initiatives and programs
  - Utility scale renewable generation
  - Grid modernization projects
- Routine replacements, relocations, restorations of existing facilities or business as usual projects not eligible
- Recovery offset by known and measurable net savings or benefits of project

Schofield Generating Station project

- Capital cost recovery approved June 2018
- Net O&M cost recovery approved Dec. 2018, with accrual commencing Oct. 1, 2018

Grid Modernization Strategy (GMS) Phase 1 project

- PUC approved proposed MPIR recovery methods, subject to certain conditions

West Loch PV project

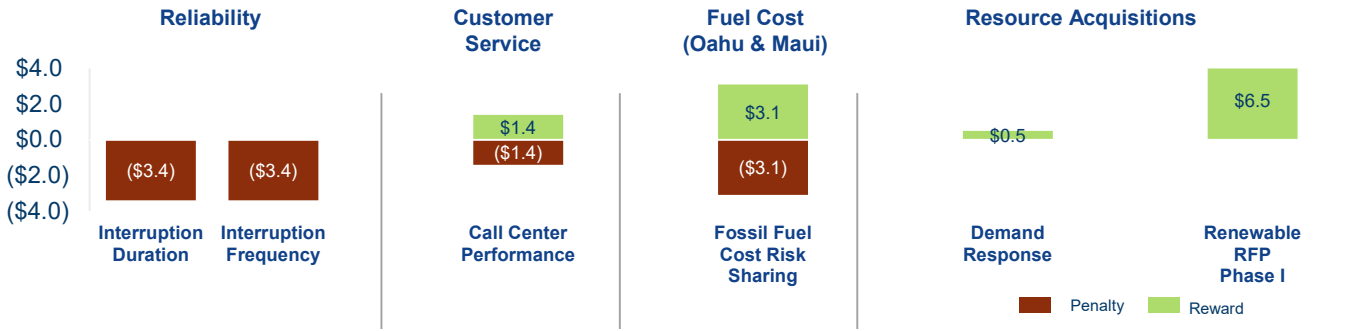
- PUC approved MPIR recovery for this project in December 2019

Advanced Distribution Management System project (part of GMS Phase 2)

- PUC suspended the Companies' application in December 2019 and will resume the docket upon the filing of an application for approval to deploy field devices (Companies plan to file in the second half of 2020)

Performance Incentive Mechanisms (PIMs)

Current PIMs[1] ($ in millions)



PIMS APPROVED BY PUC IN APRIL 2017 FOR ALL THREE COMPANIES[2]

- **Reliability**
  - System Average **Interruption Duration** Index, or "SAIDI"
  - System Average **Interruption Frequency** Index, or "SAIFI"
- **Customer Service Call Center Performance** (% calls answered within 30 seconds)
- Reward/penalty amounts graduated, subject to deadband
- Reward/penalty assessed and applied annually through RBA rate adjustment
- Reward/penalty amounts re-determined upon rate case interim or final orders

OTHER PIMS[3]

- **Demand Response**
  - The PUC supports and may consider PIMs to reward the Companies' successful acquisition of cost-effective DR resources in the future
- **The PUC will consider additional PIMs in Performance Based Regulation (PBR) docket**

- **Stage 1 Renewable RFP (capped at $6.5 million)**
  - For each PPA submitted for approval prior to 12/31/18, incentive is based on 80% customer/20% utility split of savings, compared to benchmark of 11.5 cents/kWh for renewable + storage and 9.5 cents/kWh for renewable energy only projects
  - Accrued first half of PIMs in 1Q19, second tranche to be accrued one year after projects placed in service
- **Stage 2 Renewable RFP (capped at $10 million)**
  - For renewable energy & renewable + storage PPAs: Same 80/20 split for PPAs submitted by 9/15/20, vs benchmarks of 9.0 cents/kWh for renewable + storage and 5.5 cents/kWh for renewable energy only.
  - For grid services and standalone storage: Same 80/20 split for standalone storage PPAs submitted by 9/15/20 and grid services contracts submitted by 5/9/20, compared to benchmarks TBD.

Note: slide reflects performance incentive mechanisms in effect for 2020.

1 Apply to all companies, except for fossil fuel cost risk sharing, which currently applies to Hawaiian Electric and Maui Electric only. A D&O on Hawai'i Electric Light's proposed fossil fuel cost risk sharing is pending.

2 In May 2019 the Companies filed an application to modify certain PIM provisions, including the exclusion of scheduled maintenance interruptions from performance for the SAIDI and SAIFI PIMs.

3 In addition to the PIMs described here, the PUC has established a Heat Rate incentive mechanism designed to incentivize efficient operation of units (and penalize inefficient operation of units). The PUC has also established RPS penalties of up to $20/MWh or about $2M for every 1% the company is short of the RPS requirement. The PUC has the discretion to waive any penalty for failure to achieve the RPS targets for events/circumstances outside the company's control.

Fossil fuel cost risk sharing

Approved for Hawaiian Electric and Maui Electric; included in Hawai‘i Electric Light 2019 test year settlement

- Hawaiian Electric: Final D&O in 2017 rate case established fossil fuel cost risk sharing mechanism as part of Energy Cost Recovery Clause
  - Symmetrical mechanism, with utility annual upside / downside capped at $2.5 million
  - Variations in fossil fuel price above or below baseline price shared 98% customers / 2% utility
  - Applies to utility fossil fuel generation (not IPP generation or non-fossil fuels) and includes fuel efficiency impacts
  - Effective Jan. 1, 2019
  - Baseline price for Hawaiian Electric: Jan. fuel prices of each year for each fossil fuel type

January 2020 fuel price:
LSFO: $75.48/bbl
Diesel: $86.75/bbl

- Maui Electric: Final D&O in 2018 rate case established fossil fuel cost risk sharing mechanism
  - Features similar to those at Hawaiian Electric
  - Utility annual upside / downside capped at $633k (2019 prorated based on calendar days remaining in year from effective date)
  - Baseline price for Maui Electric: Jan. fuel prices of each year for each fossil fuel type

Maui January 2020 fuel prices:
IFO: $55.68/bbl
Diesel: $89.36/bbl

- Hawaii Electric Light: The fossil fuel cost risk sharing mechanism and its specifics will be determined in the Commission’s final decision in the Hawaii Electric Light 2019 test year rate case

2019 ASB peer group

1st Source Corporation	SRCE	First Busey Corporation	BUSE	OFG Bancorp	OFG
Ameris Bancorp	ABCB	First Commonwealth Financial Corporation	FCF	Oritani Financial Corp.	ORIT
Axos Financial, Inc.	AX	First Financial Bankshares, Inc.	FFIN	Pacific Premier Bancorp, Inc.	PPBI
BancFirst Corporation	BANF	First Foundation Inc.	FFWM	Park National Corporation	PRK
Bancorp, Inc.	TBBK	First Merchants Corporation	FRME	Peapack-Gladstone Financial Corporation	PGC
Bridge Bancorp, Inc.	BDGE	Flushing Financial Corporation	FFIC	QCR Holdings, Inc.	QCRH
Brookline Bancorp, Inc.	BRKL	Great Southern Bancorp, Inc.	GSBC	Republic Bancorp, Inc.	RBCA.A
Bryn Mawr Bank Corporation	BMTC	Hanmi Financial Corporation	HAFC	S&T Bancorp, Inc.	STBA
Camden National Corporation	CAC	Heritage Financial Corporation	HFWA	Sandy Spring Bancorp, Inc.	SASR
CenterState Bank Corporation	CSFL	HomeStreet, Inc.	HMST	Seacoast Banking Corporation of Florida	SBCF
Central Pacific Financial Corp.	CPF	Independent Bank Corp.	INDB	ServisFirst Bancshares, Inc.	SFBS
Century Bancorp, Inc.	CNBK.A	Independent Bank Group, Inc.	IBTX	Southside Bancshares, Inc.	SBSI
City Holding Company	CHCO	Kearny Financial Corp.	KRNY	Tompkins Financial Corporation	TMP
Community Trust Bancorp, Inc.	CTBI	Lakeland Bancorp, Inc.	LBAI	TriCo Bancshares	TCBK
ConnectOne Bancorp, Inc.	CNOB	Lakeland Financial Corporation	LKFN	TrustCo Bank Corp NY	TRST
Dime Community Bancshares, Inc.	DCOM	LegacyTexas Financial Group, Inc.	LTXB	United Financial Bancorp, Inc.	UBNK
Eagle Bancorp, Inc.	EGBN	Meridian Bancorp, Inc.	EBSB	Univest Financial Corporation	UVSP
Enterprise Financial Services Corp	EFSC	Meta Financial Group, Inc.	CASH	W.T.B. Financial Corporation	WTBF.B
Fidelity Southern Corporation	LION	National Bank Holdings Corporation	NBHC	Washington Trust Bancorp, Inc.	WASH
Financial Institutions, Inc.	FISI	Northfield Bancorp, Inc.	NFBK	Westamerica Bancorporation	WABC
First Bancorp	FBNC	OceanFirst Financial Corp.	OCFC	WSFS Financial Corporation	WSFS

Note: Based on publicly traded banks, savings and thrifts in the U.S. that have total average assets between $4 billion and $9 billion for the years 2016-2018 (based upon data available in SNL as of March 13, 2019). Any institution whose business is not directly comparable with ASB or did not have data present for all 3 years was excluded. The peer group is updated annually and banks that no longer report as a separate entity (e.g. mergers, acquisitions, failed banks, etc.) are not included in the median calculations from the time of the transaction or failure.

Cautionary note regarding forward looking statements

This release may contain “forward-looking statements,” which include statements that are predictive in nature, depend upon or refer to future events or conditions, and usually include words such as “will,” “expects,” “anticipates,” “intends,” “plans,” “believes,” “predicts,” “estimates” or similar expressions. In addition, any statements concerning future financial performance, ongoing business strategies or prospects or possible future actions are also forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are subject to risks, uncertainties and the accuracy of assumptions concerning HEI and its subsidiaries, the performance of the industries in which they do business, and international, national and local economic, environmental, political and market factors, among other things. These forward-looking statements are not guarantees of future performance.

Risks, uncertainties and other important factors that could cause actual results to differ materially from those described in forward-looking statements and from historical results include, but are not limited to, the following:

- international, national and local economic and political conditions—including the state of the Hawaii tourism, defense and construction industries; the strength or weakness of the Hawaii and continental U.S. real estate markets (including the fair value and/or the actual performance of collateral underlying loans held by ASB, which could result in higher loan loss provisions and write-offs); decisions concerning the extent of the presence of the federal government and military in Hawaii; the implications and potential impacts of future Federal government shutdowns, including the impact to our customers to pay their electric bills and/or bank loans and the impact on the state of Hawaii economy; the implications and potential impacts of U.S. and foreign capital and credit market conditions and federal, state and international responses to those conditions; and the potential impacts of global developments (including global economic conditions and uncertainties; unrest; conflicts or other crisis; the effects of changes that have or may occur in U.S. policy, such as with respect to immigration and trade; terrorist acts; and potential pandemics);
- the effects of future actions or inaction of the U.S. government or related agencies, including those related to the U.S. debt ceiling or budget funding, monetary policy, trade policy and tariffs, and other policy and regulatory changes advanced or proposed by President Trump and his administration;
- weather, natural disasters (e.g., hurricanes, earthquakes, tsunamis, lightning strikes, lava flows and the increasing effects of climate change, such as more severe storms, droughts, heat waves, and rising sea levels) and wildfires, including their impact on the Company’s and Utilities’ operations and the economy;
- the timing, speed and extent of changes in interest rates and the shape of the yield curve;
- the ability of the Company and the Utilities to access the credit and capital markets (e.g., to obtain commercial paper and other short-term and long-term debt financing, including lines of credit, and, in the case of HEI, to issue common stock) under volatile and challenging market conditions, and the cost of such financings, if available;
- the risks inherent in changes in the value of the Company’s pension and other retirement plan assets and ASB’s securities available for sale; and the risks inherent in changes in the value of the Company’s pension liabilities, including changes driven by interest rates;
- changes in laws, regulations (including tax regulations), market conditions, interest rates and other factors that result in changes in assumptions used to calculate retirement benefits costs and funding requirements;
- the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) and of the rules and regulations that the Dodd-Frank Act requires to be promulgated, as amended by the Economic Growth, Regulatory Relief and Consumer Protection Act;
- increasing competition in the banking industry (e.g., increased price competition for deposits, or an outflow of deposits to alternative investments, which may have an adverse impact on ASB’s cost of funds);
- the potential delay by the Public Utilities Commission of the State of Hawaii (PUC) in considering (and potential disapproval of actual or proposed) renewable energy proposals and related costs; reliance by the Utilities on outside parties such as the state, independent power producers (IPPs) and developers; and uncertainties surrounding technologies, solar power, wind power, biofuels, environmental assessments required to meet renewable portfolio standards (RPS) goals and the impacts of implementation of the renewable energy proposals on future costs of electricity;

Cautionary note regarding forward looking statements

- the ability of the Utilities to develop, implement and recover the costs of implementing the Utilities' action plans included in their updated Power Supply Improvement Plans (PSIPs), Demand Response Portfolio Plan, Distributed Generation Interconnection Plan, Grid Modernization Plans, and business model changes, which have been and are continuing to be developed and updated in response to the orders issued by the PUC, the PUC's April 2014 statement of its inclinations on the future of Hawaii's electric utilities and the vision, business strategies and regulatory policy changes required to align the Utilities' business model with customer interests and the state's public policy goals, and subsequent orders of the PUC;
- capacity and supply constraints or difficulties, especially if generating units (utility-owned or IPP-owned) fail or measures such as demand-side management, distributed generation (DG), combined heat and power or other firm capacity supply-side resources fall short of achieving their forecasted benefits or are otherwise insufficient to reduce or meet peak demand;
- fuel oil price changes, delivery of adequate fuel by suppliers and the continued availability to the electric utilities of their energy cost adjustment clauses (ECACs) and energy cost recovery clauses (ECRC);
- the continued availability to the electric utilities or modifications of other cost recovery mechanisms, including the purchased power adjustment clauses (PPACs), rate adjustment mechanisms (RAMs) and pension and postretirement benefits other than pensions (OPEB) tracking mechanisms, and the continued decoupling of revenues from sales to mitigate the effects of declining kilowatthour sales;
- the ability of the Utilities to recover increasing costs and earn a reasonable return on capital investments not covered by RAMs;
- the ability of the Utilities to achieve performance incentive goals currently in place;
- the impact from the PUC's implementation of performance-based ratemaking for the Utilities pursuant to Act 005, Session Laws 2018, including the potential addition of new performance incentive mechanisms, third party proposals adopted by the PUC in its implementation of performance-based regulation (PBR), and the implications of not achieving performance incentive goals;
- the impact of fuel price levels and volatility on customer satisfaction and political and regulatory support for the Utilities;
- the risks associated with increasing reliance on renewable energy, including the availability and cost of non-fossil fuel supplies for renewable energy generation and the operational impacts of adding intermittent sources of renewable energy to the electric grid;
- the growing risk that energy production from renewable generating resources may be curtailed and the interconnection of additional resources will be constrained as more generating resources are added to the Utilities' electric systems and as customers reduce their energy usage;
- the ability of IPPs to deliver the firm capacity anticipated in their power purchase agreements (PPAs);
- the potential that, as IPP contracts near the end of their terms, there may be less economic incentive for the IPPs to make investments in their units to ensure the availability of their units;
- the ability of the Utilities to negotiate, periodically, favorable agreements for significant resources such as fuel supply contracts and collective bargaining agreements;
- new technological developments that could affect the operations and prospects of the Utilities and ASB or their competitors such as the commercial development of energy storage and microgrids and banking through alternative channels;
- cybersecurity risks and the potential for cyber incidents, including potential incidents at HEI, its third-party vendors, and its subsidiaries (including at ASB branches and electric utility plants) and incidents at data processing centers used, to the extent not prevented by intrusion detection and prevention systems, anti-virus software, firewalls and other general IT controls;
- failure to achieve cost savings consistent with the minimum $246 million in ERP/EAM project-related benefits (including $150 million in operation and maintenance (O&M) benefits) to be delivered to customers over its 12-year estimated useful life;
- federal, state, county and international governmental and regulatory actions, such as existing, new and changes in laws, rules and regulations applicable to HEI, the Utilities and ASB (including changes in taxation, increases in capital requirements, regulatory policy changes, environmental laws and regulations (including resulting compliance costs and risks of fines and penalties and/or liabilities), the regulation of greenhouse gas emissions, governmental fees and assessments (such as Federal Deposit Insurance Corporation assessments), and potential carbon "cap and trade" legislation that may fundamentally alter costs to produce electricity and accelerate the move to renewable generation);
- developments in laws, regulations and policies governing protections for historic, archaeological and cultural sites, and plant and animal species and habitats, as well as developments in the implementation and enforcement of such laws, regulations and policies;

Cautionary note regarding forward looking statements

- discovery of conditions that may be attributable to historical chemical releases, including any necessary investigation and remediation, and any associated enforcement, litigation or regulatory oversight;
- decisions by the PUC in rate cases and other proceedings (including the risks of delays in the timing of decisions, adverse changes in final decisions from interim decisions and the disallowance of project costs as a result of adverse regulatory audit reports or otherwise);
- decisions by the PUC and by other agencies and courts on land use, environmental and other permitting issues (such as required corrective actions, restrictions and penalties that may arise, such as with respect to environmental conditions or RPS);
- potential enforcement actions by the Office of the Comptroller of the Currency (OCC), the Federal Reserve Board (FRB), the Federal Deposit Insurance Corporation (FDIC) and/or other governmental authorities (such as consent orders, required corrective actions, restrictions and penalties that may arise, for example, with respect to compliance deficiencies under existing or new banking and consumer protection laws and regulations or with respect to capital adequacy);
- the risks associated with the geographic concentration of HEI's businesses and ASB's loans, ASB's concentration in a single product type (i.e., first mortgages) and ASB's significant credit relationships (i.e., concentrations of large loans and/or credit lines with certain customers);
- changes in accounting principles applicable to HEI and its subsidiaries, including the adoption of new U.S. accounting standards, the potential discontinuance of regulatory accounting, the effects of potentially required consolidation of variable interest entities (VIEs), or required capital/finance lease or on-balance-sheet operating lease accounting for PPAs with IPPs;
- downgrades by securities rating agencies in their ratings of the securities of HEI and Hawaiian Electric and their impact on results of financing efforts;
- faster than expected loan prepayments that can cause an acceleration of the amortization of premiums on loans and investments and the impairment of mortgage-servicing assets of ASB;
- changes in ASB's loan portfolio credit profile and asset quality and/or mix, which may increase or decrease the required level of provision for loan losses, allowance for loan losses and charge-offs;
- the adoption of FASB ASU No. 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" in 2020, which may require an increase in the allowance for loan losses, as well as the volatility in the level of the allowance for loans losses;
- changes in ASB's deposit cost or mix which may have an adverse impact on ASB's cost of funds;
- the final outcome of tax positions taken by HEI and its subsidiaries;
- the risks of suffering losses and incurring liabilities that are uninsured (e.g., damages to the Utilities' transmission and distribution system and losses from business interruption) or underinsured (e.g., losses not covered as a result of insurance deductibles or other exclusions or exceeding policy limits);
- the ability of the Company's non-regulated subsidiary, Pacific Current, LLC (Pacific Current), to achieve its performance and growth objectives, which in turn could affect its ability to service its non-recourse debt;
- the Company's reliance on third parties and the risk of their non-performance;
- the impact of activism that could delay the construction, or preclude the completion, of third-party or Utility projects that are required to meet electricity demand and RPS goals; and
- other risks or uncertainties described elsewhere in this report and in other reports (e.g., "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K) previously and subsequently filed by HEI and/or Hawaiian Electric with the Securities and Exchange Commission (SEC).

Forward-looking statements in this release should be read in conjunction with the "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" discussions (which are incorporated by reference herein) set forth in HEI's and Hawaiian Electric's Annual Report on Form 10-K for the year ended December 31, 2018 and HEI's and Hawaiian Electric's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 and HEI's other periodic reports that discuss important factors that could cause HEI's results to differ materially from those anticipated in such statements. These forward-looking statements speak only as of the date of the release, report, presentation or filing in which they are made. Except to the extent required by the federal securities laws, HEI, Hawaiian Electric, American Savings Bank and their subsidiaries undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.