Hawaiian Electric Industries, Inc.

January 2019

Catalyst for a better Hawai'i



Forward looking statements

Cautionary statements and risk factors that may affect future results
This presentation includes forward-looking statements within the meaning of the federal securities laws. Actual results could differ materially from such forward-looking statements. The factors that could cause actual results to differ are discussed in the Appendix that follows this presentation and in HEI's SEC filings.

Non-GAAP financial information
This presentation refers to certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (GAAP). For reconciliations of such non-GAAP financial measures to the most directly comparable GAAP financial measures, see the Appendix that follows this presentation.

Core results referred to in this presentation are non-GAAP financial measures. Core results exclude the impact of the federal tax reform act due to the adjustment of deferred tax asset balances and a one-time employee bonus paid by the bank related to federal tax reform.

HAWAIIAN ELECTRIC INDUSTRIES

A catalyst for a better Hawaii

Catalyst for a better Hawai‘i

HEI – Catalyst for a better Hawaii

- HEI's place-based strategy provides the resources to invest in strategic growth and Hawaii's sustainable future, while delivering shareholder value
- Efficient capital generation and optimized capital structure
- Leading Hawaii toward a 100% clean energy, carbon neutral future with Hawaiian Electric
- Efficient operations, solid growth & low-cost capital from American Savings Bank in attractive Hawaii banking market
- Pacific Current broadens investment opportunities in sustainable, Hawaii-based infrastructure
- Community and mission driven; Dedicated to creating a better Hawaii

HEI today

Supplying energy, investing in a sustainable future, and providing financial services

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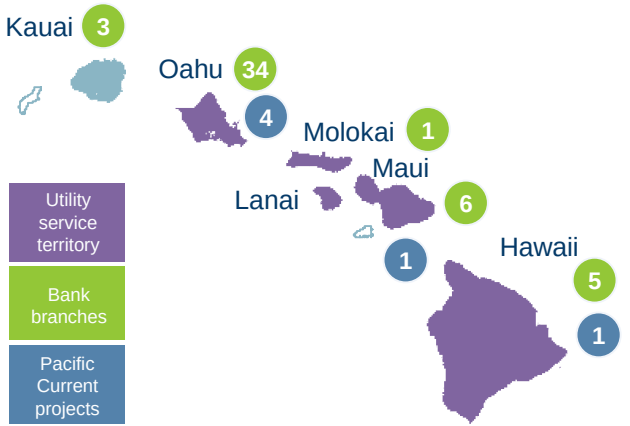
Hawaiian Electric
AMERICAN Savings Bank
PACIFIC CURRENT



$4.0B
Market capitalization[1]

3.4%
Dividend yield[1]

11%
5-year total return (CAGR%) for period ending 12/31/18

63% **(Utility)**

37% **(Bank)**
Subsidiary contributions to net income[2]

3,951
Employees[3]
(Including 2,741 utility employees and 1,162 bank employees)

Hawaii-focused
Serving the full state

Data above as of 9/30/2018 unless otherwise indicated
1 Market capitalization and dividend yield are based on the closing price of $36.62 on 12/31/18
2 Based on LTM 9/30/2018 earnings to common shareholders and excludes other companies' net loss
3 Represents total employees as of 12/31/2018.

Strategy to optimize value creation

Our success is inextricably linked to the health of Hawaii's communities and economy

HAWAIIAN ELECTRIC COMPANIES

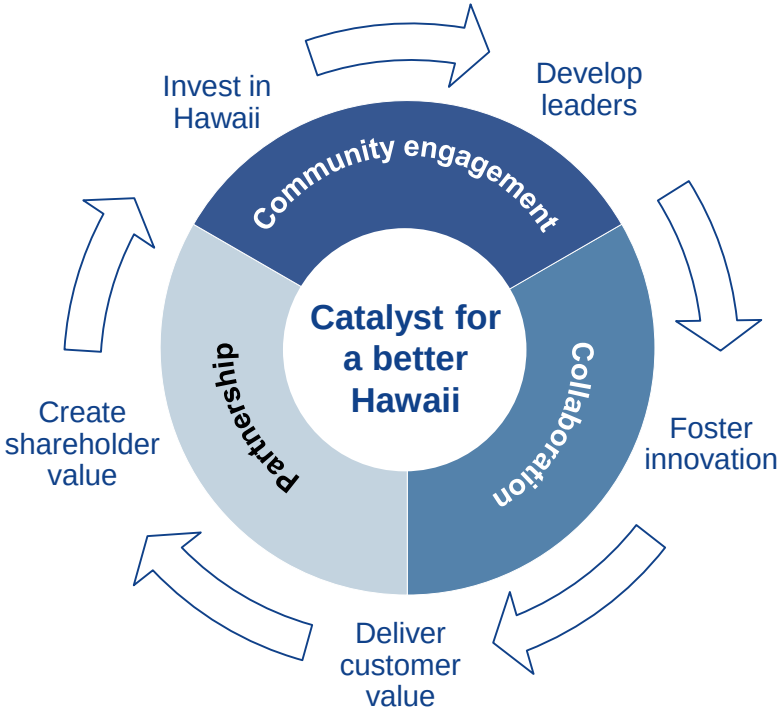
- Providing the energy that has fueled our islands' growth and prosperity for over 125 years
- Serving 95 percent of Hawaii through five separate island grids
- Creating strong communities and partnerships to achieve our climate goals

AMERICAN SAVINGS BANK

- $7 billion full service bank with 49 branches across the state
- Serving and investing in Hawaii's families, businesses and communities since 1925

PACIFIC CURRENT

- Sustainable and clean energy infrastructure investment platform
- Furthering Hawaii's environmental and economic goals

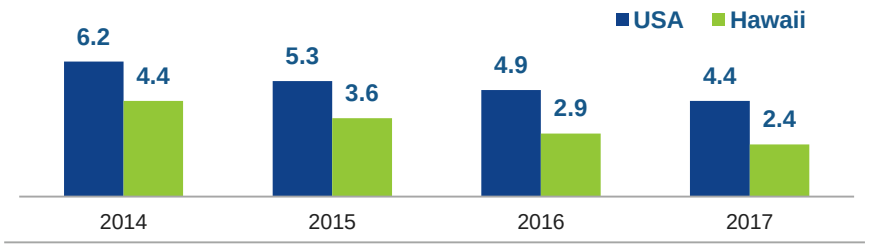


Our investments in Hawaii benefit our customers, employees, environment and economy and create value for our shareholders

Hawaii's economic trends are strong

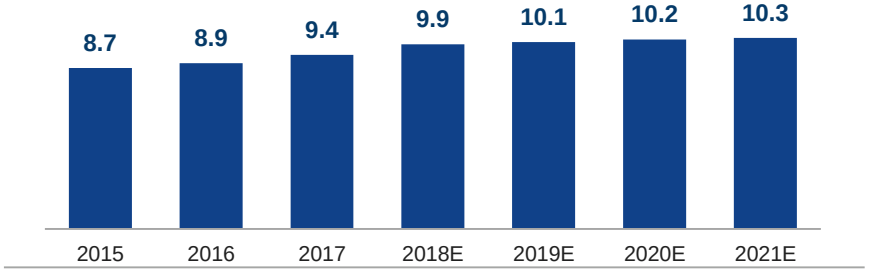
UNEMPLOYMENT RATE (%)

*As of December 2018 – Hawaii: **2.0%**; U.S.: **3.9%***



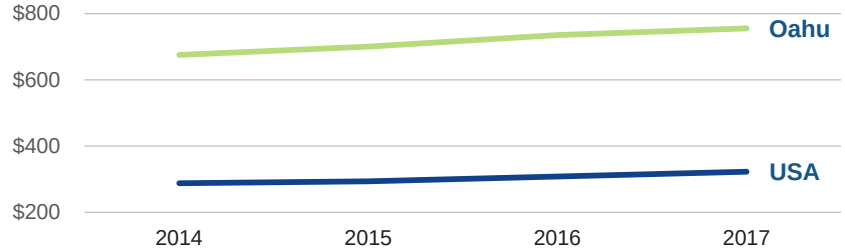
HAWAII VISITOR ARRIVALS (MILLIONS)

*November 2018 YTD arrivals **up 6.1%***



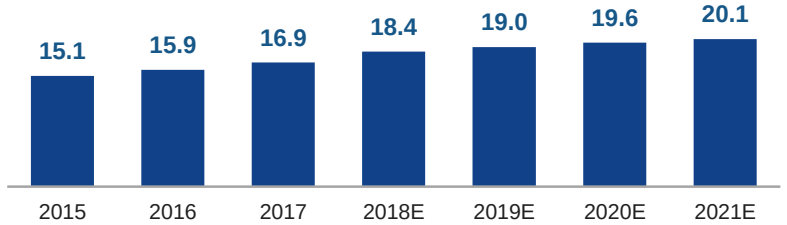
MEDIAN HOME PRICES[1] ('000s)

*November 2018 YTD Oahu **homes up 4.2%, condos up 4.9%***



HAWAII VISITOR EXPENDITURES (BILLIONS)

*November 2018 YTD expenditures **up 8.0%***



Source: U.S. Bureau of Labor Statistics, DBEDT, and United States Census Bureau

1 Oahu median home price data is for single family homes. USA median home price data is for new homes.

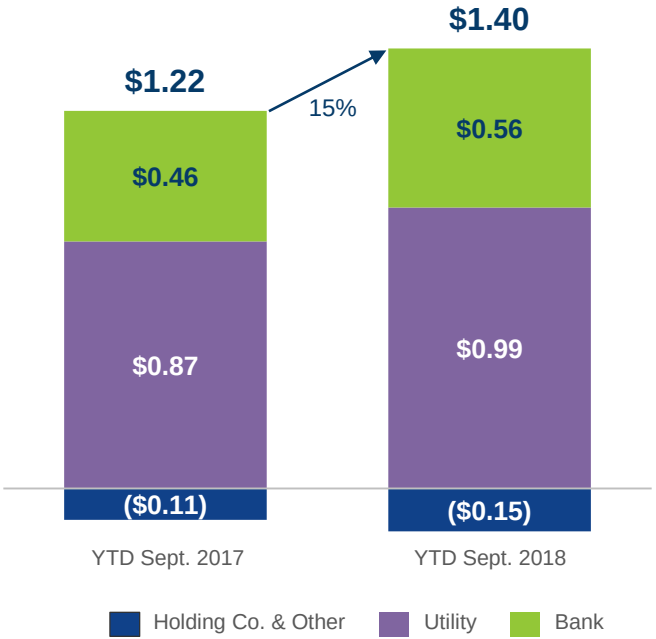
Sustained financial performance

15% year-on-year increase in both YTD EPS and net income

Continued bank ROE expansion

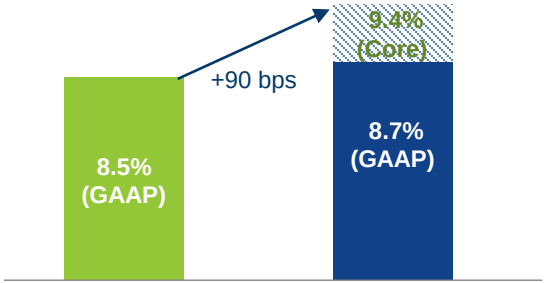
Efficient conversion of net income growth to EPS growth

EPS (DILUTED)



CONSOLIDATED HEI ROE

Twelve Months Ended September 30



	2017	2018
Utility	GAAP 7.2% **Core 7.2%**	GAAP 7.2% **Core 7.7%**
Bank	11.2%	12.7%

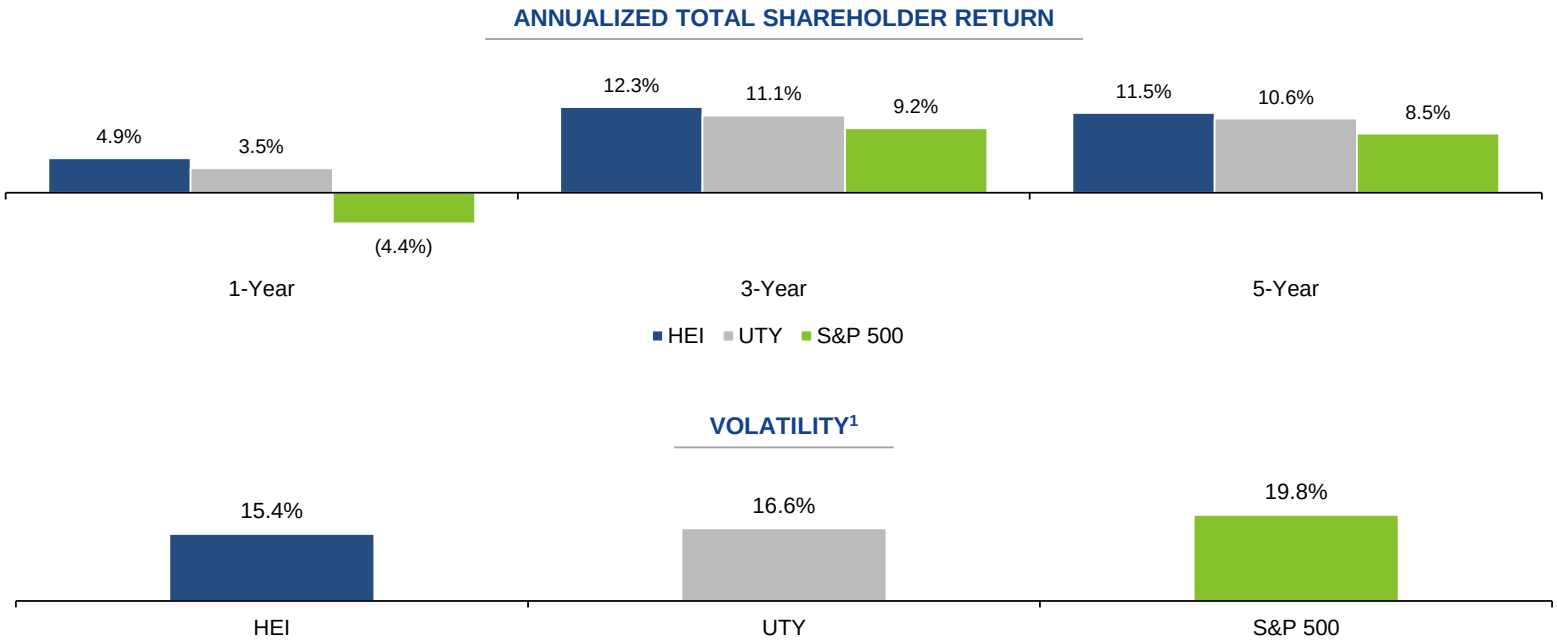
Note: Columns may not foot due to rounding

See the reconciliation of GAAP to Non-GAAP (Core) measures in appendix to this presentation

Note: All ROEs calculated using net income divided by average GAAP common equity, simple average method

HEI's proven strategy has outperformed the S&P 500 and utility indices, with lower volatility

Catalyst for a better Hawai'i



Note: Bloomberg as of 12/31/18; Assumes dividends are reinvested and returns are compounded

1. Daily volatility over a 2-year period according to Bloomberg's Historical Volatility Graph

Track record of delivering shareholder value

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Outperformed the S&P 500 and broader utility index over 1, 3 and 5 year periods with less volatility

Returned approximately $600 million in dividends to shareholders over the last 5 years

Sustained financial performance underlies ability to invest in Hawaii;
$2.1 billion invested in Hawaii infrastructure[1] and $7.8 billion loaned to Hawaii customers over last 5 years

Consolidated enterprise and efficient capital structure limit need for external equity

Strong investment grade balance sheet provides efficient access to growth capital

1. Includes Pacific Current investments, estimated utility capex through 2018 year end and ASB investment in new campus.

HAWAIIAN ELECTRIC

Advancing Hawaii's clean energy transition

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Hawaiian Electric Companies: Leading Hawaii toward a 100% clean energy, carbon neutral future…

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- ✓ #1 in the nation in rooftop solar adoption: 17% Hawaii vs. 2% national average
- ✓ #2 in per capita electric vehicle adoption as of 2017
- ✓ 27% of electricity sales from renewable sources as of 2017
- ✓ Cut fossil fuel usage by 19%, or 85 million gallons, since 2008
- ✓ Reduced greenhouse gas emissions by 19% since 2008
- ✓ Named 2018 Investor-Owned Utility of the Year by Smart Electric Power Alliance for our grid modernization initiative
- ✓ Invested >$1.5B in capital projects 2015-present to advance renewables, reliability and resilience
- ✓ ROE improvement through first rate cases in six years

2018 industry-leading solar-plus-storage procurement

- ✓ PPAs for 262 MW of solar and 1 GWh of storage across 3 islands, pending approval
- ✓ Met filing deadline to qualify for performance incentives
- ✓ Sets low-price benchmark for Hawaii
- ✓ Doubling fossil fuel reduction since 2008
- ✓ 2nd largest storage announcement to date
- ✓ Innovative renewable dispatchable PPA

"With prices like these, it's easy to understand the confidence of Hawaiian electric providers that their islands can hit 100 percent renewables ahead of the 2045 mandate."

-- Dan Finn-Foley, Wood Mackenzie Power & Renewables

"We in Hawaii are on the cutting edge."

-- Marco Mangelsdorf, ProVision Solar

Excerpted from: Hawaiian Electric Industries Announces 'Mind-Blowing' Solar-Plus-Storage Contracts, Greentech Media, 1/4/19

…while strengthening financial performance

Hawaiian Electric Companies: Near-term initiatives

✓ **Strengthening ROE through timely rate case execution**	• HELCO 2019 TY rate case: Filed Dec. 2018 ➔ Interim rates Nov. 2019 • HECO 2020 TY rate case: File July 2019 ➔ Interim rates June 2020 • MECO 2021 TY rate case: File July 2020 ➔ Interim rates June 2021
✓ **Improving efficiency**	• New enterprise system ($244M in benefits over 12 years) • Practice and procurement standardization across all utilities • Facilities consolidation • Staffing level management and benefit program evaluation
✓ **Engaging with stakeholders to align regulatory framework with policy goals**	• Performance-based ratemaking docket
✓ **Adding more renewables and storage**	• Filed for approval of PPAs representing 262 MWs solar and ~1 GWh of storage; RFP for additional 60 MW renewables to be issued in 2019
✓ **Investing in electrification of transportation**	Leading efforts to facilitate rapid expansion of EoT in Hawaii: • ~130 e-buses projected by 2023: Fossil fuel ↓1.3 million gallons / CO_2 emissions ↓ 15,000 tons • >1/2 of personal vehicles in Hawaii forecast to be electric by 2045
✓ **Promoting smart, sustainable, resilient communities**	• Grid modernization strategy approved ➔ targeted smart meter deployment • Filed Phase 1 of grid modernization implementation plan • Convening stakeholder discussions on resilience planning
✓ **Committing to aggressive targets**	**By 2022:** • 50% of electricity sales from renewable sources • Fossil fuel ↓ 47%, or 212 million gallons, since 2008 • CO_2 ↓ 47% vs 2008 **By 2030:** • More than tripling both rooftop solar systems and rooftop solar MW from 2018 base

Renewable energy and grid transformations advancing quickly with key frameworks in place

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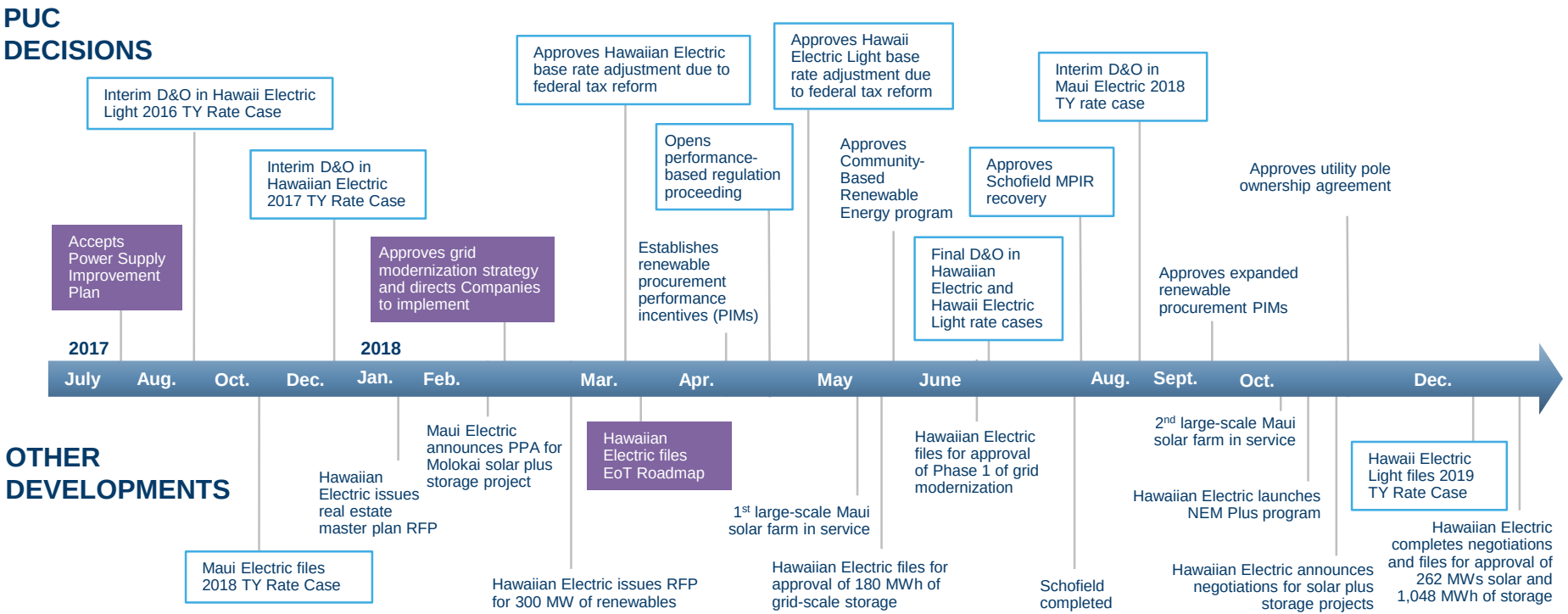

Rate cases/related proceedings

Key strategic frameworks

Utility regulatory mechanisms provide financial stability during renewable transition

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Mechanisms & what they do:

Sales decoupling
Provides predictable revenue stream by fixing net revenues at level approved in last rate case (revenues not linked to kWh sales)

Revenue adjustment mechanism (RAM)
Annually adjusts revenue to recover general "inflation" of operations and maintenance expenses and baseline plant additions between rate cases

Major Projects Interim Recovery adjustment mechanism (MPIR)
Permits recovery through the RBA of costs (net of benefits) for major capital projects including but not restricted to projects to advance transformational efforts

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; utility upside/downside capped at $2.5 million

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

Renewable energy infrastructure program
Permits recovery of renewable energy infrastructure projects through a surcharge

Hawaii oil prices are volatile and exceed mainland U.S.

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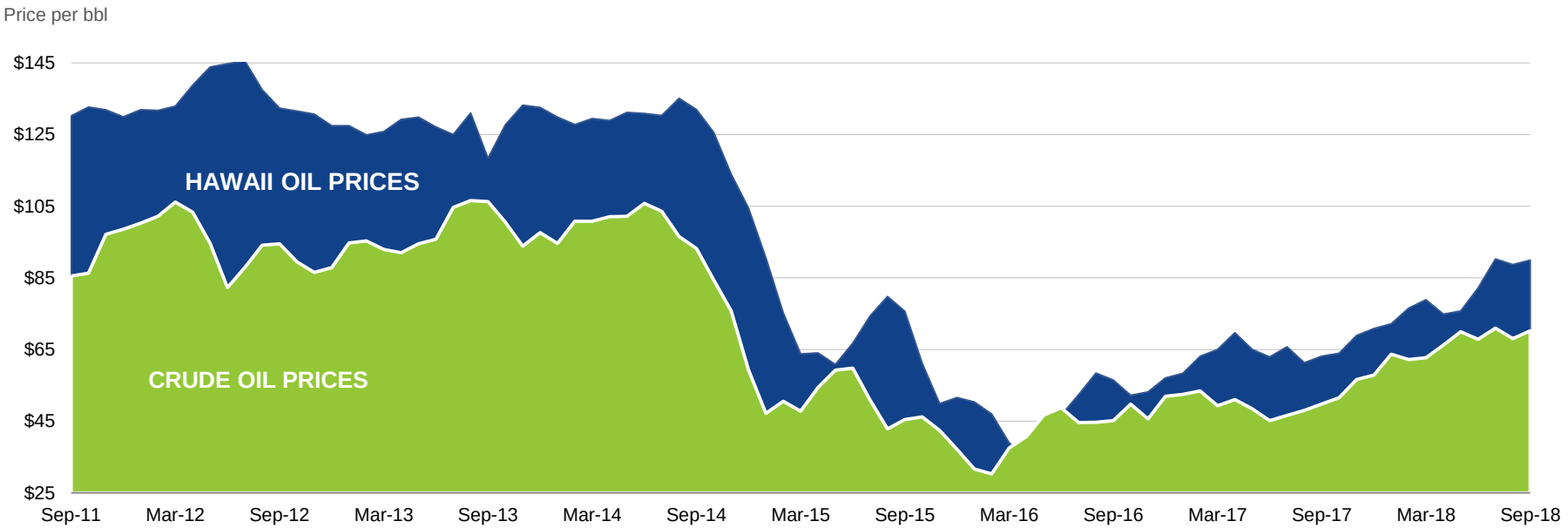
LOW SULFUR FUEL OIL VS. CRUDE OIL

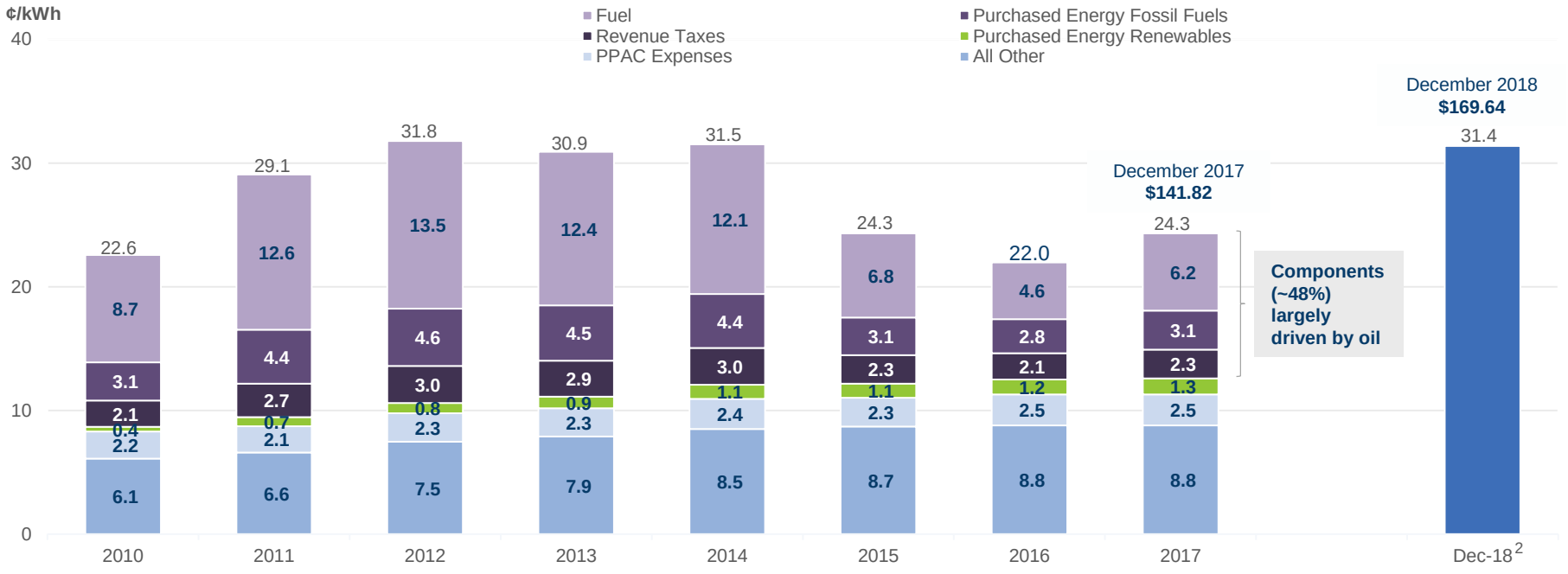
SEPTEMBER 2011 TO SEPTEMBER 2018



Oil is the primary driver of rates in Hawaii

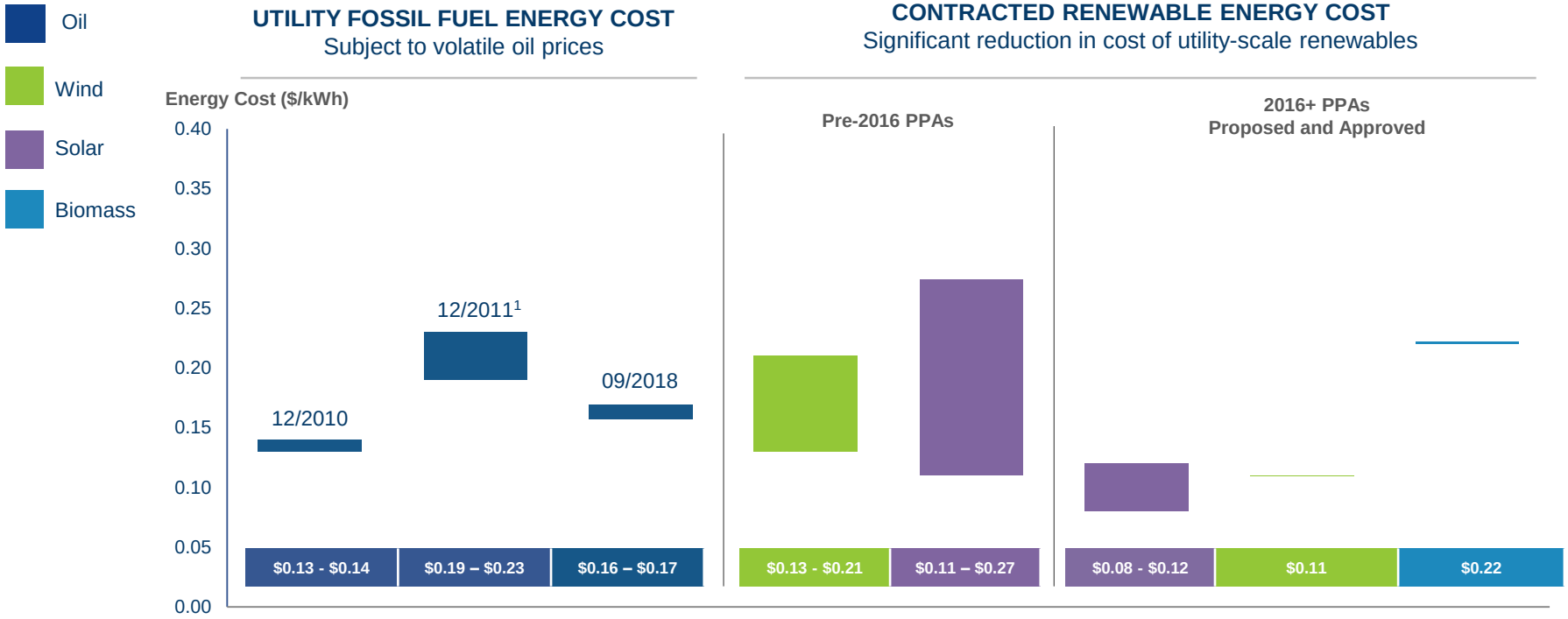
BREAKDOWN OF HAWAIIAN ELECTRIC RATES[1]

(typical residential bill)



1 Hawaiian Electric Oahu average revenue per kWh sold
2 Based on the December 2018 energy cost adjustment filing for residential customers only

Renewable energy is cost competitive in Hawaii



1 The 2011 fuel oil increase was largely driven by the nuclear disaster of the Fukushima power plant in March 2011 which increased the price of oil in Hawaii as our fuel oil purchases are largely driven by the Asia Pacific market.

Strong progress toward Hawaii's renewable energy goals

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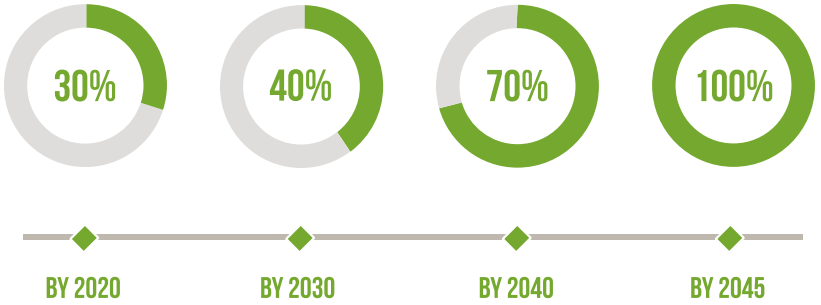
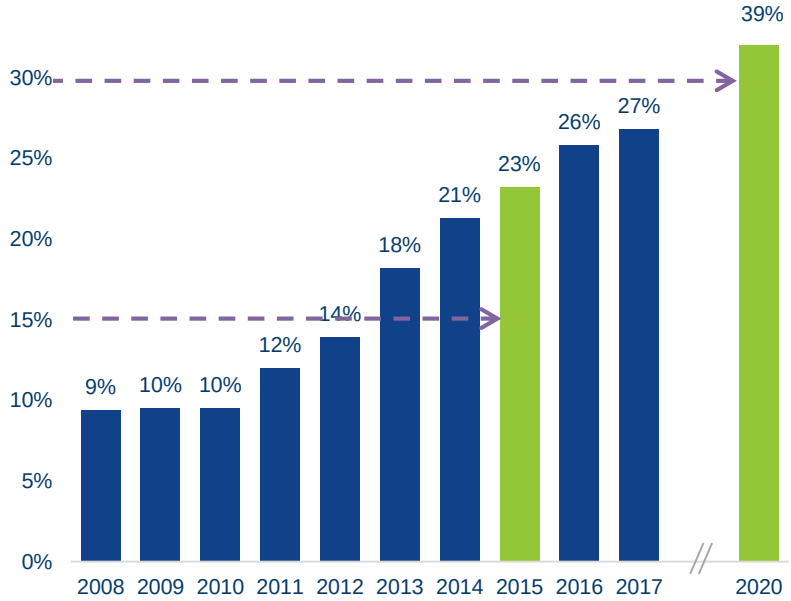
HAWAII'S 100% BY 2045 RPS GOAL IS AMONG THE MOST AMBITIOUS IN THE NATION



ON COURSE TO EXCEED 2020 TARGET OF 30%



YTD utility financial highlights
($ in millions)

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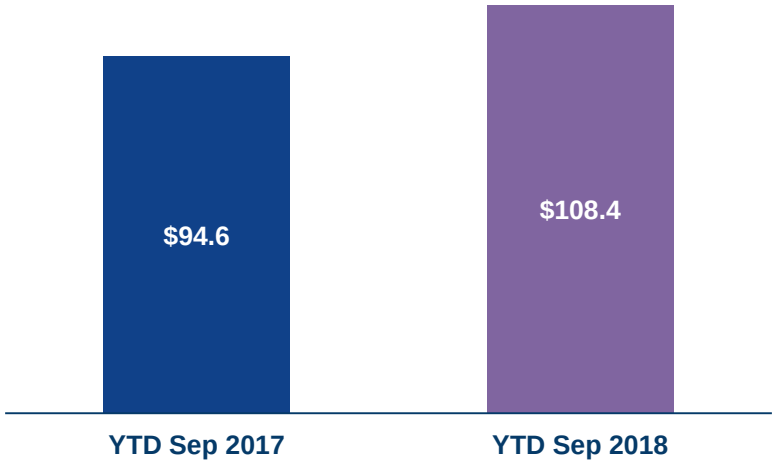
UTILITY NET INCOME



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

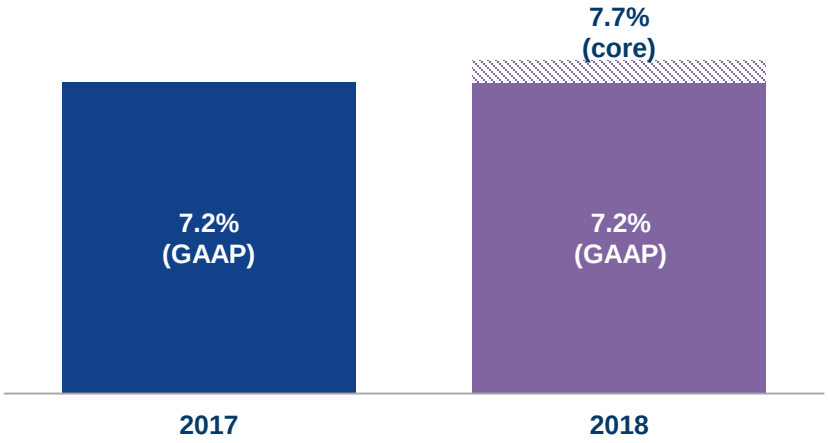
	YTD 2018 vs YTD 2017
RAM and MPIR revenues	24[1]
Rate relief for Hawaiian Electric, Hawaii Electric Light and Maui Electric	19
Operation & maintenance, excluding net income neutral items	(25)
Depreciation	(5)
Tax adjustments, net	5
Other	(4)

Note: Columns may not foot due to rounding
1 Reflects the impact of the return, beginning in 2017, to recording Oahu RAM revenues from June 1 to May 31, compared to recording such revenues on a calendar year basis

Utility LTM ROE

CONSOLIDATED UTILITY ROE

TWELVE MONTHS ENDED SEPTEMBER 30



	Consolidated Utility	Hawaiian Electric	Hawaii Electric Light	Maui Electric
2018 GAAP	7.2%	7.0%	8.3%	7.1%
2017 GAAP	7.2%	7.3%	6.5%	7.0%
Allowed[1]	9.5%	9.5%	9.5%	9.5%

Note: Last base revenue increase: Hawaiian Electric: 2017 test year (final eff. 6/22/18); Hawaii Electric Light: 2016 test year (final eff. 6/29/18); Maui Electric: 2018 test year (interim eff. 8/23/18)
All ROEs calculated using net income divided by average GAAP common equity, simple average method
1 Based on regulatory calculation. Allowed ROEs reflect Public Utilities Commission decisions in effect on September 30, 2018

Utility LTM ROE reflects triennial rate case transition

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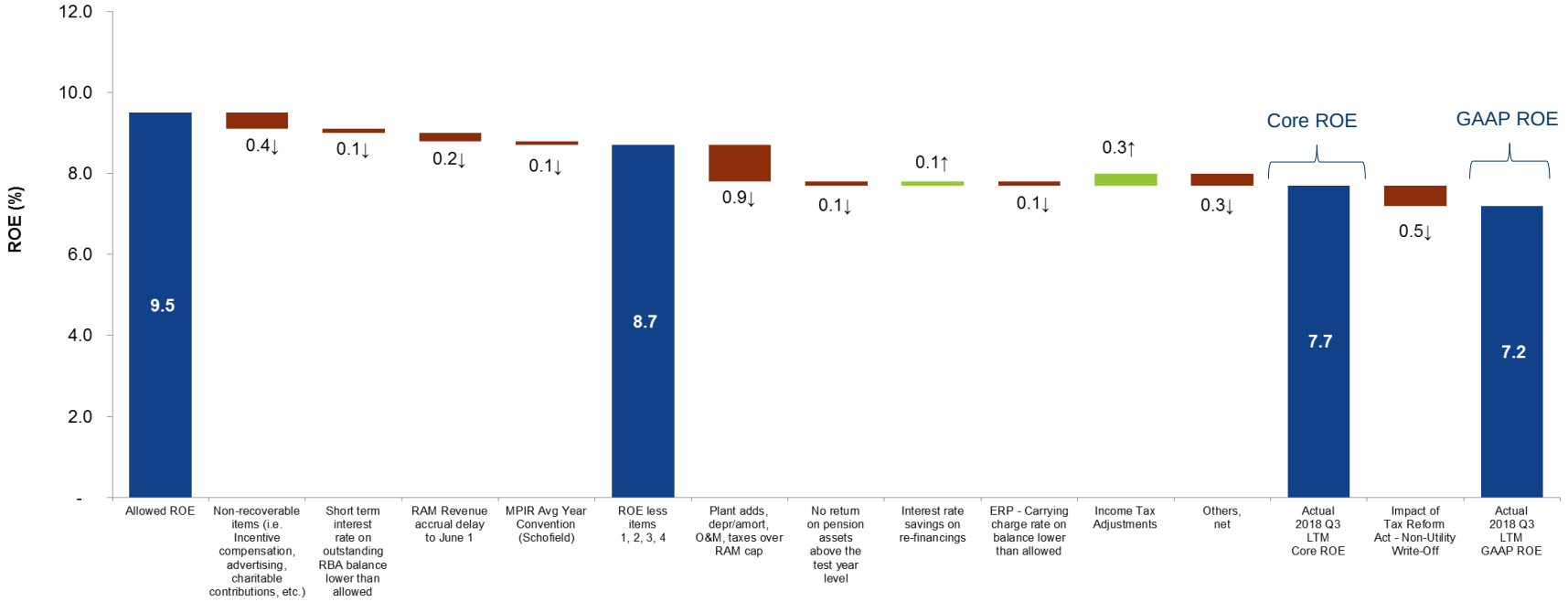
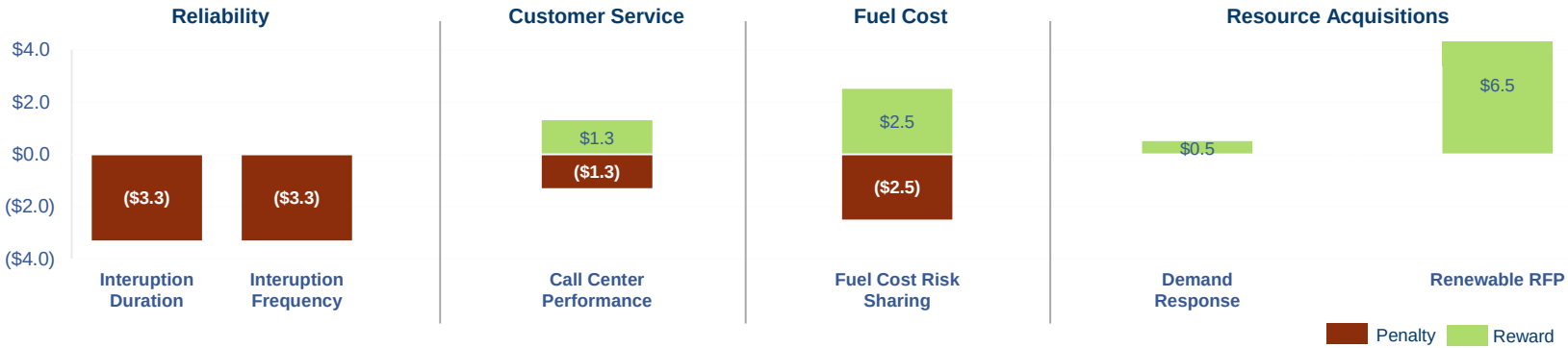
LTM 9/30/18 CONSOLIDATED UTILITY ROE



Performance Incentive Mechanisms (PIMs)

CURRENT PIMS[1] (in millions)



PIMS APPROVED BY PUC IN APRIL 2017 FOR ALL THREE COMPANIES

- **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 recovered/credited annually through RBA rate adjustment
- Reward/penalty amounts re-determined upon rate case interim or final orders

OTHER PIMS[2]

- **Demand Response**
  - One-time incentive for timely acquisition of cost-effective DR from RFP respondents
  - Incentive up to 5% of aggregate annual contract value, capped at $500,000
- **PUC will consider additional PIMs in Performance Based Regulation (PBR) docket**
- **Renewable RFP**
  - Phase 1 Renewable RFP, initially established by PUC in April 2018, expanded to $6.5 million in September 2018
  - 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 per kWh for renewable plus storage and 9.5 cents per kWh for renewable energy only projects
  - For PPAs submitted between 1/1/19 and 3/31/19, increasing portion of savings goes to customers
  - Total amount capped at $6.5 million
  - PUC is still determining details for Phase II

1 Apply to all companies, except for fuel cost sharing, which currently applies to Oahu only

2 In addition to the PIMs described here, PUC has established a Heat Rate incentive mechanism designed to incentivize efficient operation of units (and penalize inefficient operation of units). 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, in whole or in part, any applicable penalty to the company for failure to achieve these RPS targets for events or circumstances that are outside the control of the company.

Clean and reliable energy drives capital investment

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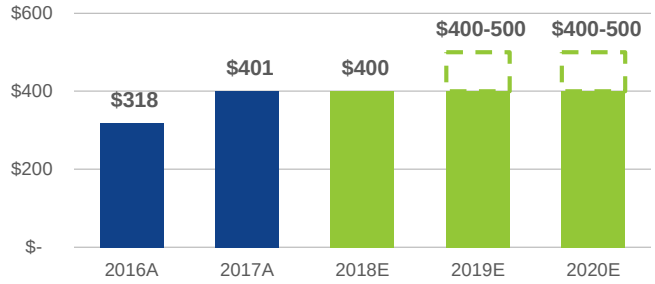
Compound annual growth rate of ~5-7% through 2020 as we invest in renewables, reliability and resilience

CAPITAL EXPENDITURES FORECAST

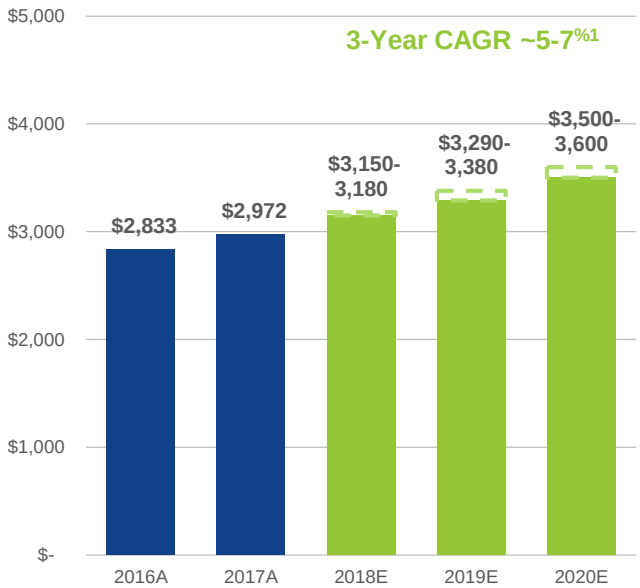
(in millions)



Major Capex Projects	Forecast 2018	Forecast 2019	Forecast 2020
Schofield [2]	27	-	-
ERP [2]	32	-	-
West Loch PV [2]	38	8	-
CIP Battery Storage [3]	3	47	54
West Loch Battery Storage [3]	-	37	6
Other Major Projects [3]	31	29	20
Grid Modernization Project Phase 1[3]	$86 between 2019 and 2023		
Baseline Projects	~$275	~$275	~$275

RATE BASE FORECAST

(in millions)



Note: Capex figures are net of CIAC.

1 Rate base is impacted primarily by plant additions but also includes other items (i.e., unamortized contributions in aid of construction, accumulated deferred income taxes, certain regulatory assets, etc.)

2 Schofield Generating Station (Schofield) was placed into service in June 2018; Enterprise Resource Planning (ERP) system was placed into service in 2018; West Loch PV (previously referred to as Joint Base Pearl Harbor-Hickam PV Solar Facility) forecasted to be placed into service in Q2 2019

3 Campbell Industrial Park (CIP) Battery Storage, West Loch Battery Storage, and Grid Modernization Phase 1, as well as other projects, are pending Commission approval

AMERICAN SAVINGS BANK

Serving and investing in Hawaii's families, businesses and communities

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American Savings Bank: Strong fundamentals and performance

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- One of Hawaii's largest financial institutions – full-service community bank with $7 billion in assets and 49 branches across the state
- Strong and consistent profitability with growth opportunities in attractive Hawaii banking market
- Track record of maintaining low risk profile, strong balance sheet and low-cost funding base
- Strengthening efficiency for both bank and customers with creation of new Honolulu campus

Maximizing shareholder value in a slower growth market

- ✓ Focus on market segments that are faster growing or where we are under penetrated
- ✓ Execute efficiently to get the most out of our growth
- ✓ Deliver strong, consistent return on equity
- ✓ Return the capital on which we can't earn the targeted returns

Key accomplishments & near-term initiatives

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ACCOMPLISHMENTS

- ✓ Achieved highest 2015-17 average earnings growth rate among Hawaii peers
- ✓ Driven efficiency ratio improvement from 64.9% in 2015 to 61.6% in 2017
- ✓ Sustained low cost of funds, less than 1/3rd of peer median YTD 2018
- ✓ Increased shareholder dividend by 33% 2015-17, with YTD 3Q18 28% higher than same period prior year
- ✓ Streamlined branch network and grew online transactions
  - 2011-18: 57 ➔ 49 branches
  - 2016-17: Online banking ↑13%
- ✓ Consolidated non-branch facilities, increasing operational efficiency and reducing occupancy cost:
  - 17 ➔ 2 locations, 52% reduction in square feet of office space

NEAR-TERM INITIATIVES

- ✓ Target sub-60% efficiency ratio over next 1-2 years
  - Upgrade ATM fleet and continue to grow eBanking adoption to reduce servicing costs
  - Strengthen efficiency for bank and its customers through consolidation of non-branch employees into new campus
  - Continue branch network optimization
  - Ongoing upgrade of IT infrastructure and tools
- ✓ Deliver low to mid-single digit earning asset growth
- ✓ Maintain low funding costs
- ✓ Grow business with mass affluent customers through broadened product offering

Third consecutive quarter of strong bank net income growth

Driven by higher net interest income and net positive impact of tax reform

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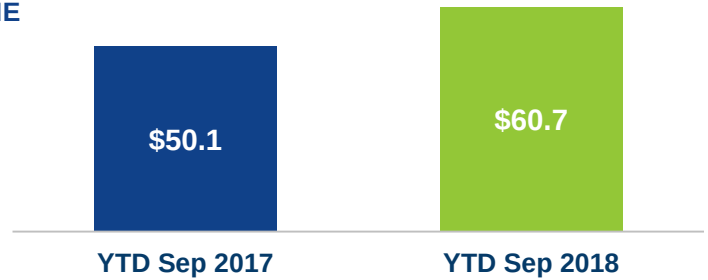
BANK NET INCOME
($ IN MILLIONS)



Key bank earnings drivers, after-tax fav/(unfav)	YTD 2018 vs YTD 2017
Net interest income	9
Provision for loan losses	(4)
Noninterest income	(3)
Noninterest expense	(1)
Lower tax expense (primarily driven by tax reform)	8

SUMMARY OF ASB CAPITAL ADEQUACY RATIOS
(SEPTEMBER 30, 2018)

	Common equity tier 1	Tier 1 capital	Total capital	Tier 1 leverage
As of 9/30/18	12.65%	12.65%	13.83%	8.62%
"Well capitalized"	6.50%	8.00%	10.00%	5.00%
Minimum requirements	4.50%	6.00%	8.00%	4.00%
Basel III 2019 minimum + buffers	7.00%	8.50%	10.50%	4.00%

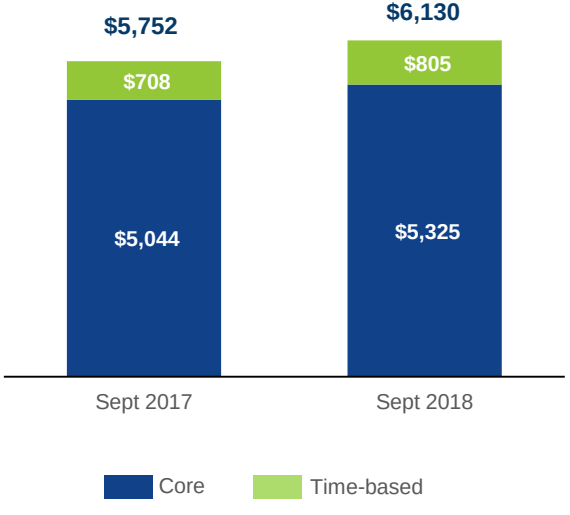
Note: Columns may not foot due to rounding

Revenue growth driven primarily by net interest income

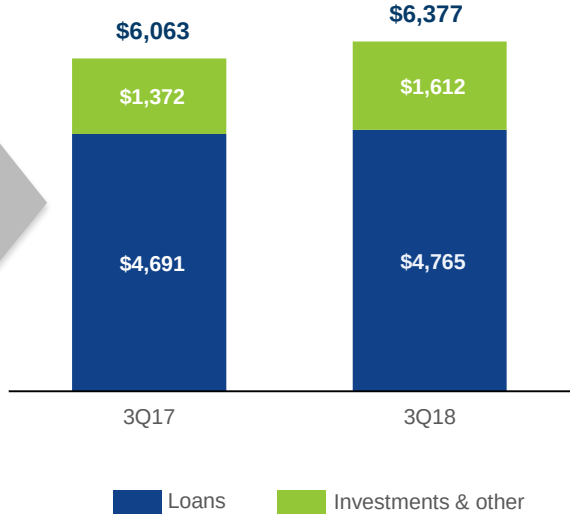
ASB has a track record of converting deposit growth to higher net interest income

($ in millions)

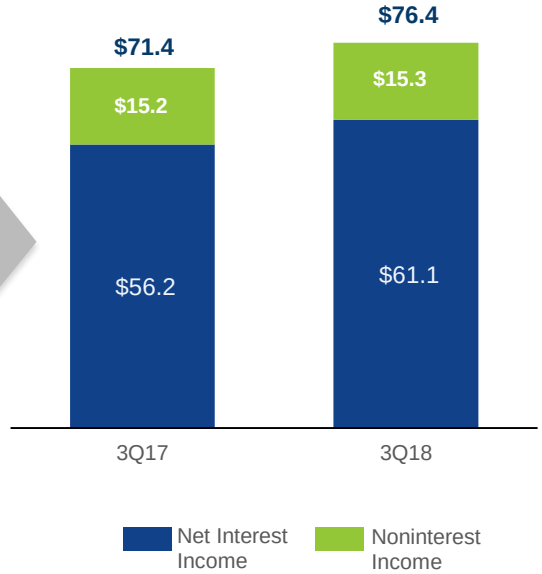
TOTAL DEPOSITS GREW 6.6%[1]



AVERAGE INTEREST-EARNING ASSETS INCREASED 5.2%



NET INTEREST INCOME INCREASED 8.9%



Note: Columns may not foot due to rounding

1 Including approximately $100 million in repurchase agreements that were transferred into deposit accounts. Excluding such transfers, deposit growth was 3.1%.

Strong net interest margin

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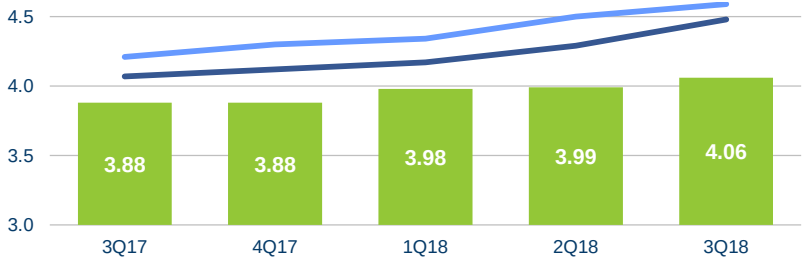
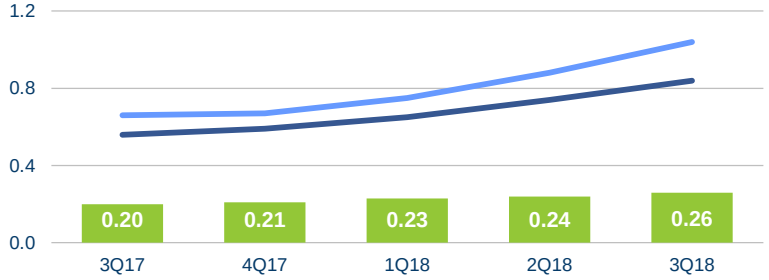
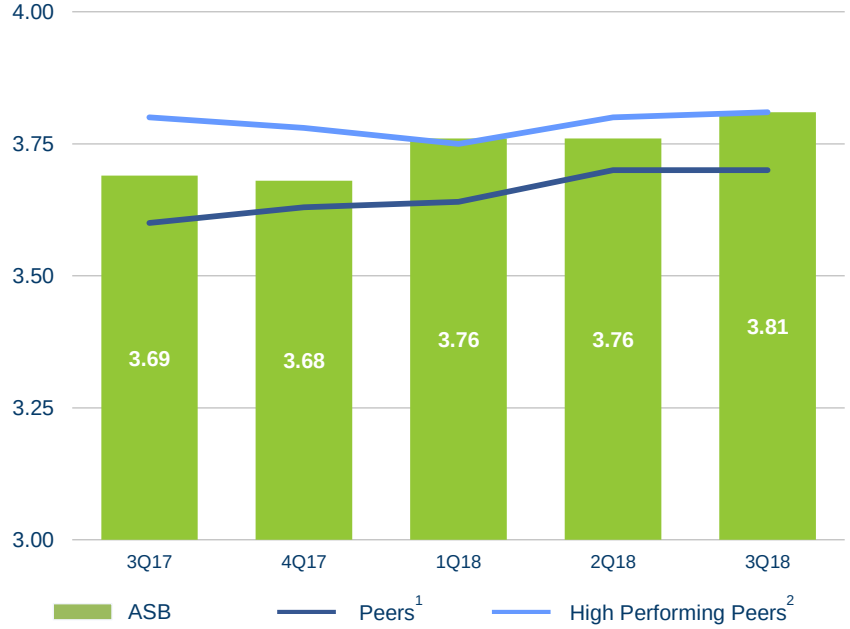
ASSET YIELD



COST OF FUNDS (%)



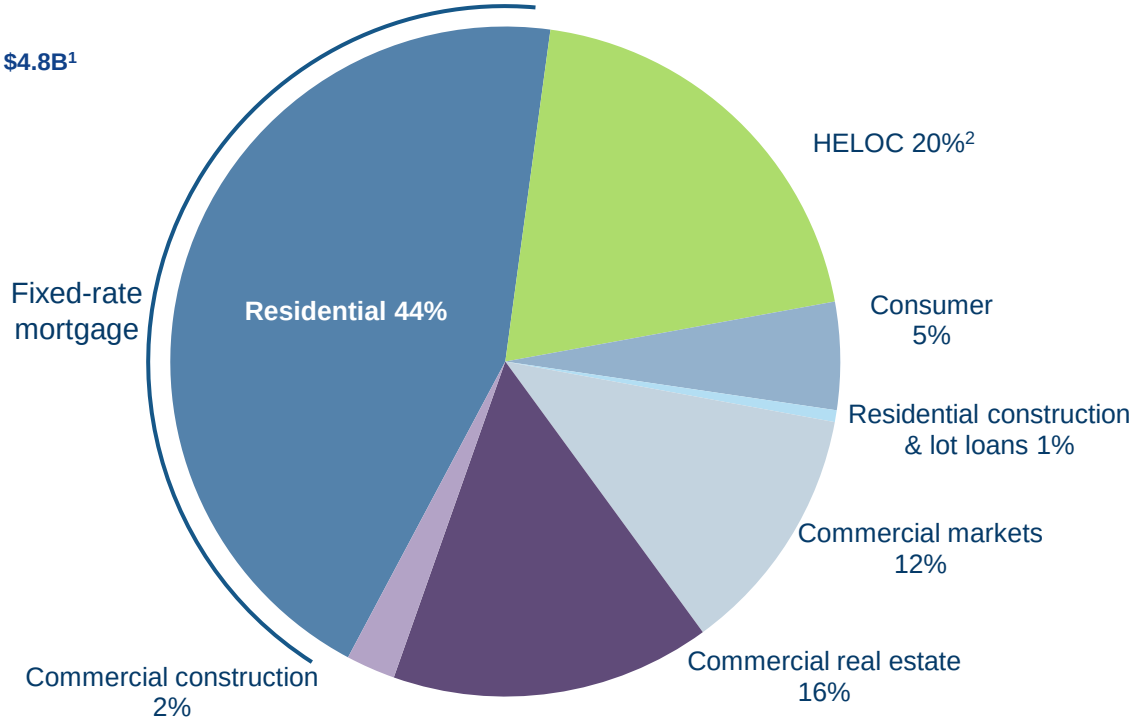
NET INTEREST MARGIN (%)



Source for peer data: SNL Financial (based on data available as of 1/7/2018)
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
2 Median for peer group of 17 high performing banks

Low-risk loan mix

TOTAL LOANS AT 9/30/18 - $4.8B[1]

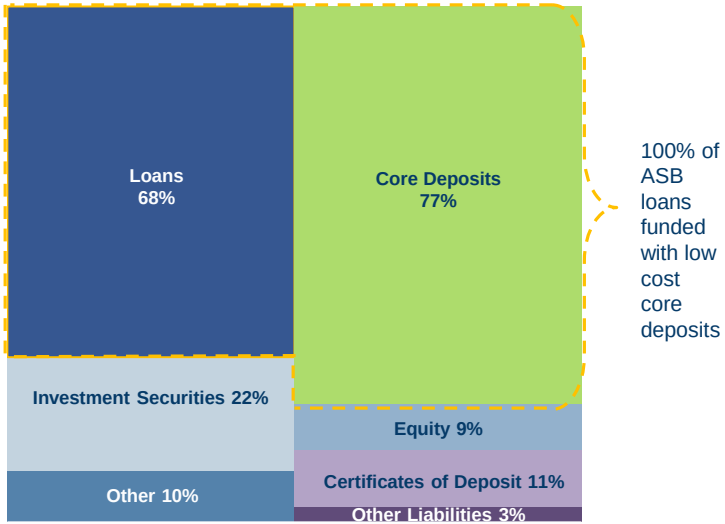


1 Before deferred fees, discounts and allowance for loan losses
2 Borrowers have a "Fixed Rate Loan Option" to convert a part of their available line of credit into a 5, 7, or 10-year fully amortizing fixed rate loan with level principal and interest payments. As of 9/30/2018, approximately 22% or ~$207 million of the portfolio balances were amortizing loans under the Fixed Rate Loan Option

Quality balance sheet and strong capital efficiency

ASB[1]

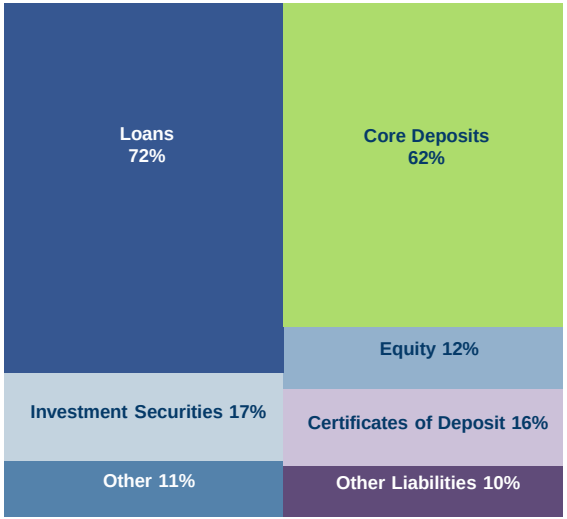
Average yield on earning assets	4.06%
Average cost of funds	0.26%
Return on average equity[3]	13.80%



100% of ASB loans funded with low cost core deposits

PEER BANKS[2]

Median of average yield on earning assets	4.48%
Median of average cost of funds	0.84%
Return on average equity	11.00%



Source for peer data: SNL Financial (based on data available as of November 5, 2018)
1 Yields for quarter ending 9/30/2018
2 Yields for quarter ending 9/30/2018. Peer group based on publicly traded banks and thrifts between $4B and $9B in total assets
3 Bank return on average equity calculated using weighted average daily common equity

PACIFIC CURRENT

Significant opportunity in Hawaii's sustainable infrastructure market

HEI

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New sustainable infrastructure investment platform

- Near-term focus on organizational build-out
- Strong leadership with broad, relevant experience
- Proof of strategy with first two projects proceeding well
- Initial project's earnings and cash flow helping fund Pacific Current start-up costs

Advancing Hawaii's Energy and Sustainability Goals through Competitive Investments

- Hawaii-based strategic capital
- Commercially viable & proven technology
- Ability to monetize tax credits
- Local relationships / partnerships

Sustainable Investment Strategy

- Invest in non-regulated clean energy and sustainability projects consistent with HEI's risk profile and value proposition
- Maintain investment grade business profile while investing in a portfolio of Hawaii-based infrastructure investments

Financial outlook

Catalyst for a better Hawai‘i

HEI 2018 EPS guidance
(as of November 7, 2018)

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HEI EPS: $1.80 - $2.00 PER SHARE

UTILITY EPS: $1.33 - $1.46

KEY ASSUMPTIONS:

- No change to decoupling or recovery mechanisms
- Schofield Generating Station investment recovery under MPIR
- No material impact from new fuel cost risk sharing mechanism
- O&M excluding pension[1]: forecasted at 5% above 2017 levels, exceeding inflationary increases primarily due to one-time items
- Fuel efficiency: similar to rate case levels, subject to changes due to demands on the system
- Rate base growth: 6-7% based on additional bonus depreciation and capex of $400 million
- Equity capitalization at approved rate case levels

BANK EPS: $0.68 - $0.74

KEY ASSUMPTIONS:

- Low to mid-single digit earning asset growth
- NIM: ~3.7% to 3.8%
- Provision expense: $14 million to $18 million
- ROA > 1.10%

No new equity issuances in 2018

Note: Holding company and other net loss estimated at $0.19 - $0.21.

1 Excludes operations and maintenance (O&M) expenses covered by surcharges or by third parties that are neutral to net income. Includes O&M on Schofield Generating Station pending recovery through MPIR.

Reference the cautionary note regarding forward-looking statements (FLS) accompanying this presentation which provides additional information on important factors that could cause results to differ. The company undertakes no obligation to publicly update or revise FLS, including EPS guidance, whether as a result of new information, future events, or otherwise. See also the FLS and risk factors in HEI's SEC Form 10-K for the year ended December 31, 2017 and SEC Form 10-Q for the quarter ended September 30, 2018.

HEI financing outlook 2018

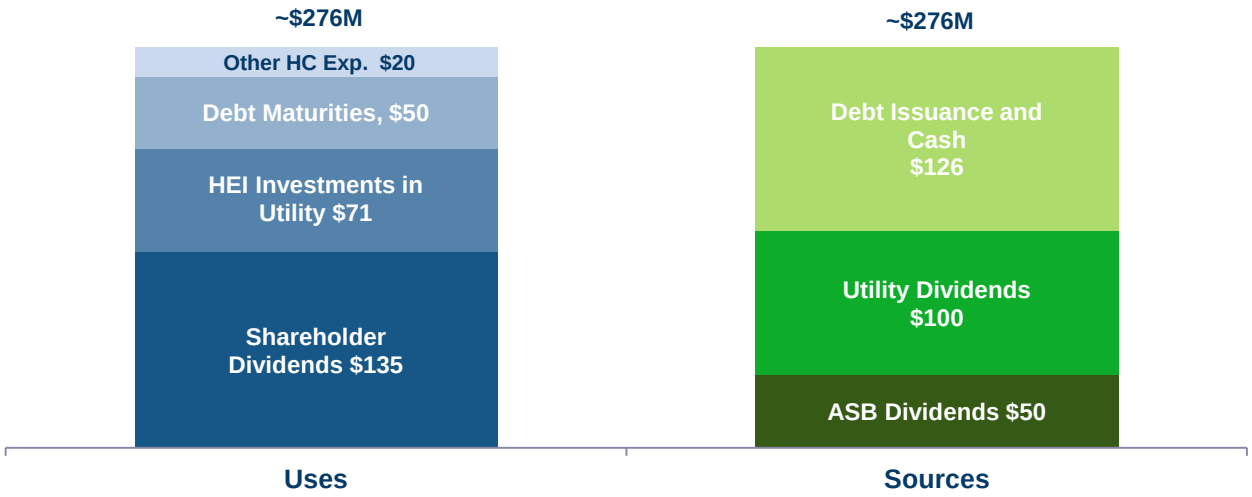
Catalyst for a better Hawai'i

Intend to maintain a consolidated investment grade profile

No new equity required

2018 HOLDING COMPANY SOURCES & USES OF CAPITAL

(in millions)

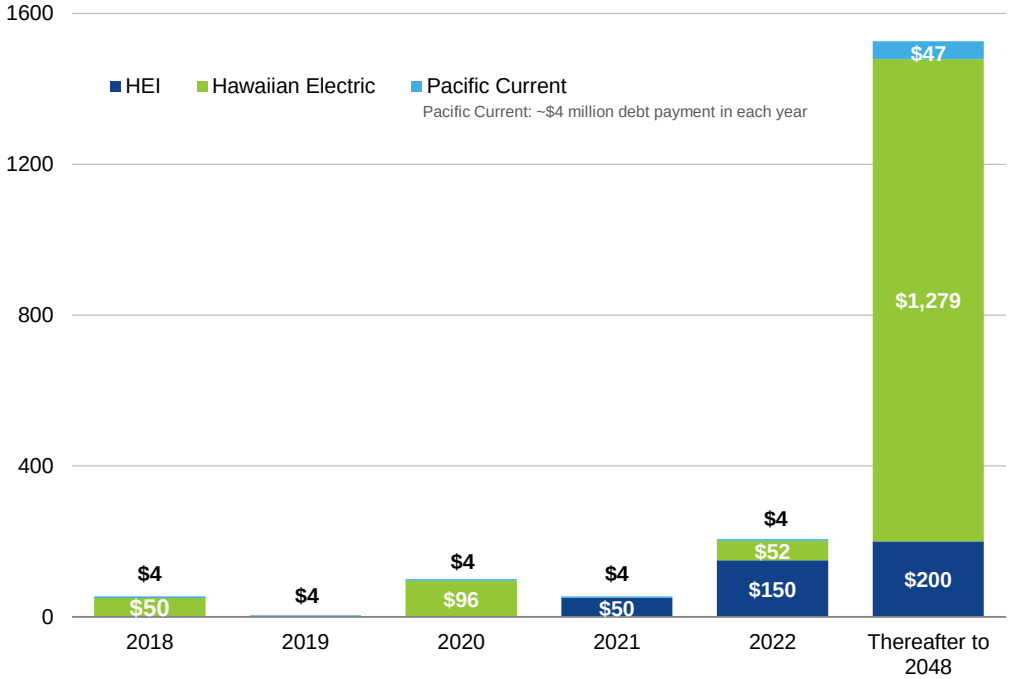


Appendices

Catalyst for a better Hawai‘i

Debt maturities[1] & credit ratings
($ in millions)

Credit Ratings	HEI	Hawaiian Electric	ASB
Moody's[2]	Unrated/Stable/P-3	Baa2/Stable/P-2	n/a
S&P[3]	BBB-/Stable/A-3	BBB-/Stable/A-3	BBB/Stable/A-2
Fitch[4]	BBB/Stable/F3	BBB+/Stable/F2	n/a



1 Debt maturities data as of September 30, 2018 except for HEI, which includes private placement closed on October 4, 2018 See** below
2 Source for ratings: August 2018 HEI & Hawaiian Electric Moody's reports; On February 10, 2017, Moody's withdrew ratings of ASB for its own business reasons
3 Source for ratings: February 2018 (HEI & Hawaiian Electric) & November 2017 (ASB) S&P reports
4 Source for ratings: September 2018 (HEI) & August 2018 (Hawaiian Electric) Fitch reports
* Excludes debt expenses of ~ $10 million (does not reflect the adoption of ASU No. 2015-03, Interest-Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs)
** Includes $150 million HEI private placement (in two tranches) closed on October 4, 2018 -- $50 million tranche funded at close and $100 million tranche to be funded in December 2018

HEI LTM ROE strengthens as triennial rate cases resume

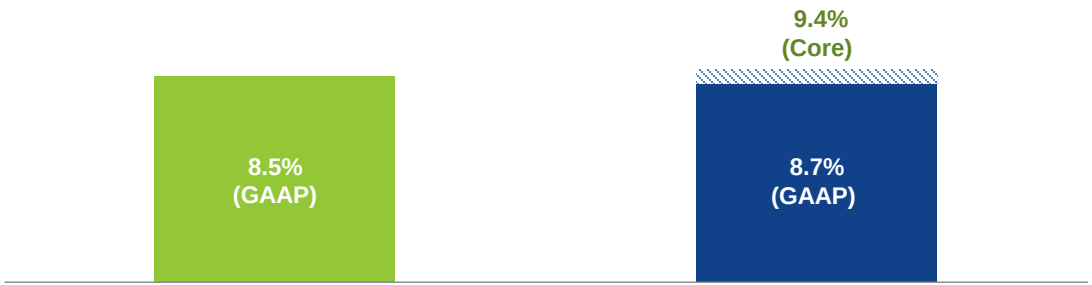
Catalyst for a better Hawai'i

Continued bank ROE expansion due to tax reform and net interest income growth

GAAP LTM 9/30/18 ROE includes 4Q17 tax reform impact

CONSOLIDATED HEI ROE

Twelve Months Ended September 30



	2017	2018
Utility	GAAP 7.2% / **Core 7.2%**	GAAP 7.2% / **Core 7.7%**
Bank	11.2%	12.7%

Core Earnings Adjustment

See the reconciliation of GAAP to Non-GAAP (Core) measures in appendix to this presentation

Note: All ROEs calculated using net income divided by average GAAP common equity, simple average method

Hawaii Electric Light rate case: Updates from latest filing (latest filing versus most recent approved rate case)

Hawaii PUC docket no. 2018-0368

	Final D&O (2016 Test Year) (6/29/18) (eff. 10/1/18)	Application (2019 Test Year) (12/14/18)
Amount requested	Commission approves Adjustment to Interim Increase as adjusted final revenue requirement	$13.4M (3.4% increase over revenues at current effective rates) [1]
Deprec. & amort. expenses	$37.7M	$38.0M
Return on average common equity	9.5% With mechanisms	10.50% with mechanisms
Common equity capitalization (%)	56.69%	56.91%
Return on rate base	7.80%	8.30%
Average rate base	$481.3M	$536.9M
GWh sales	1,040.7	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; Renewable Energy Infrastructure Program ("REIP") Surcharge and the Major Project Interim Recovery ("MPIR") mechanism.

1 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 estimated 2019 RAM period), RBA Provision (that would flow into the RBA in the 2019 test year primarily due to increase or decrease in electric sales since the 2016 test year) and other operating revenues.

Maui Electric rate case: 2018 test year

Hawaii PUC docket no. 2017-0150

	Application (10/12/17)	Adjustment for Tax Reform (2/26/18)	June 2018 Settlement Approved New Depreciation Rates	Interim D&O (8/9/18) (eff. 8/23/18)
Amount requested	$30.1M (9.3% increase over revenues at current effective rates) [1]	$21.2M (6.5% increase over revenues at current effective rates) Lower tax rate results in reduced requirements	$12.5M (3.8% increase over revenues at current effective rates)	$12.5M (3.8% increase over revenues at current effective rates)
Deprec. & amort. expenses	$24.6M	$23.9M	$29.6M	$29.6M
Return on average common equity	10.60% with mechanisms	10.60% with mechanisms	9.50% with mechanisms	9.50% with mechanisms
Common equity capitalization (%)	56.94%	56.94%	57.02%	57.02%
Return on rate base	8.05%	8.05%	7.43%	7.43%
Average rate base	$473.3M	$482.4M	$462.4M	$462.4M
GWh sales	1,047.0	1,047.0	1,073.2	1,073.2

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

1 Revenues at current effective rates include revenues based on the final rates approved in Maui Electric Company's 2012 test year rate case and revenues from the ECAC, PPAC, RAM Revenue Adjustment (based on the 2018 RAM period), RBA Provision (that would flow into the RBA in the 2018 test year primarily due to increase or decrease in electric sales since the 2012 test year) and other operating revenues.

Hawaiian Electric rate case: 2017 test year

Hawaii PUC docket no. 2016-0328

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	Application (12/16/16)	Settlement (11/15/17)	Interim D&O (12/15/17 as modified)	March 2018 Settlement/ Tax Reform Act Impact (3/5/18)	Final D&O (6/22/18) (eff. 9/1/18)
Amount requested	$106.4M (6.9% increase over revenues at current effective rates) [1]	Approximately $53.7M (at 9.5% ROE)-$58.8M (at 9.75% ROE) (3.5%-3.8% increase over revenues at current effective rates) [2]	Approximately $36.0M (at 9.5% ROE) [3] (2.3% increase over revenues at current effective rates) [4, 5]	Lower tax rate results in reduced requirements over interim D&O; Maintains 9.5% ROE [6]	Commission approves Parties' Stipulated Settlement Agreements filed on November 15, 2017 and March 5, 2018.
Deprec. & amort. expenses	$130.7M	$130.7M	$130.6M	$123.5M [7]	$123.5M
Return on average common equity	10.60% with mechanisms	9.5%-9.75% with mechanisms	9.5% with mechanisms	9.5% with mechanisms	9.5% with mechanisms
Common equity capitalization (%)	57.36%	57.10%	57.10%	57.10%	57.10%
Return on rate base	8.28%	7.57%-7.72%	7.57%	7.57%	7.57%
Average rate base	$2,002M	$1,990M	$1,980M	$1,993M	$1,993M
GWh sales	6,660.2	6,660.2	6,660.2	6,660.2	6,660.2

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

1 Revenues at current effective rates include base revenues, revenues from the ECAC, PPAC, RAM Revenue Adjustment (based on the estimated 2017 RAM period), RBA Provision (that would flow into the RBA in the 2017 test year primarily due to increase or decrease in electric sales since the 2011 test year) and other operating revenues.

2 In Settlement Agreement, Parties settled on all issues except whether the ROE of 9.75% should be reduced by up to 25 basis points for the impact of decoupling.

3 Interim D&O made 3 adjustments from the Settlement Letter filed by Hawaiian Electric and Consumer Advocate: (i) $6M reduction for customer benefit, (ii) $5M revenue reduction pending further examination of baseline plant additions and (iii) $5 million related to pension contributions in excess of pension expenses. PUC approved company's partial motion for reconsideration to ensure same customer benefits without requiring write off of pension regulatory asset.

4 Hawaiian Electric proposed interim revenue increase of $36.0M (adjusted downward from $38.4M interim) reflects the adjustment to remove the impact of the modifications to the ECAC and aligns with the change in total annual target revenues.

5 Interim rate increase became effective February 16, 2018.

6 In March 2018 Settlement, Parties resolved all issues included in the Amended Statement of Issues set by the Commission, except for the modifications to the ECAC. The settled issues include an ROE of 9.5% and the expedited recognition of Tax Reform Act benefits in addition to the items listed in Note 3 above. The Commission approved the March 2018 Settlement (results in -$0.6 million in revenues), cancelled the evidentiary hearing scheduled in the proceeding. Hawaiian Electric filed its updated tariffs March 16, 2018. PUC approved rates, effective April 13, 2018.

7 Assumes bonus depreciation beginning 4Q17 pending clarification from the Internal Revenue Service and/or Congress.

Major project infrastructure recovery (MPIR) mechanism

Hawaii PUC docket no. 2013-0141

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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 PUC approval of applicable project
- 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
  - Upon January 1 of the year after project is placed in service, may commence accrual of return and associated taxes on full amount of plant investment
- "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 all known and measureable net savings or benefits of project

Recovery of Schofield Generating Station (SGS) project capital costs through MPIR approved June 2018

- Project capital cost recovery capped at $142M
- SGS project O&M costs may be recoverable through MPIR upon company's filing of a business case containing acceptable cost estimates

Pending MPIR applications

- Joint Base Pearl Harbor Hickam PV project
- Joint Base Pearl Harbor Hickam Battery Energy Storage System (BESS) project
- Campbell Industrial Park Generating Station Contingency & Regulating Reserve BESS project
- Phase 1 of Grid Modernization project

Performance-based regulation (PBR) proceeding

Hawaii PUC docket no. 2018-0088 (opened 4/18/18)

- Aspects of traditional PBR already in effect include decoupling, multi-year rate plan (3-year rate case cycle), performance incentives relating to reliability, customer service, demand response, renewable energy procurement, renewable energy portfolio standards (RPS) targets, cost containment and generation unit operational efficiency (heat rate)
- Commission objectives include: Enhance alignment between utility and customer interests, greater cost control and reduced rate volatility, efficient investment and allocation of resources regardless of classification as capital or operating expense, fair distribution of risks between utilities and customers, fulfillment of State policy goals. Commission will follow regulatory principle of gradualism
- Docket to proceed in two phases:
  - Phase 1: Examine regulatory framework, identify areas of performance for further focus/performance incentive mechanisms
  - Phase 2: PUC said that it "…intends to work collaboratively with stakeholders to: streamline and/or refine elements of the existing regulatory framework; develop incentive mechanisms to better address specific objectives or areas of utility performance; and explore regulatory frameworks that result in more incentive-neutral utility investment decisions between capital- and service-based solutions."
- PUC Staff Report issued 7/10/18 provided initial set of proposed regulatory goals (i.e., enhance customer experience, improve utility performance, advance societal outcomes) and preliminary set of potential associated outcomes for focus in phase 2
- PUC Staff Report dated September 18, 2018 reviewed existing regulatory framework; revised list of potential outcomes; acknowledged "utility's financial integrity is a theme of critical importance."
- Key dates:
  - Initial technical workshop with stakeholders held 7/23-7/24/18 followed by Goals-Outcomes briefs filed 8//24/18
  - Second technical workshop held 9/27/18 followed by Regulatory Assessment briefs filed 10/25/18
  - Third technical workshop held 11/28/18 with Metrics briefs to be filed in December 2018
  - Phase 1 PUC Staff Proposal – January 2019
  - Statements of Position – February 2019
  - Reply Statements of Position – March 2019
  - Phase 1 Decision and Order – Subsequent to Reply Statements of Position
- SB 2939 SD2 (Hawaii Ratepayer Protection Act) signed into law 4/24/18 (Act 5)
  - Requires Commission to implement PBR by 1/1/20

Fossil fuel cost risk sharing

Part of Hawaiian Electric 2017 test year rate case final decision & order (D&O)
Hawaii PUC docket no. 2016-0328

- As part of the final D&O in Hawaiian Electric's 2017 rate case, the Commission established a new fossil fuel cost risk sharing mechanism to be part of the new Energy Cost Recovery Clause (which will replace existing Energy Cost Adjustment Clause)
  - Symmetrical mechanism
  - Applies to utility fossil fuel generation (not IPP generation or non-fossil fuels)
  - Variations in fossil fuel price above or below baseline price shared 98% customers / 2% utility
  - Utility annual upside / downside capped at $2.5 million

- Order No. 35927 filed December 7, 2018 approved Hawaiian Electric's July 2018 implementation proposal
  - Effective January 1, 2019
  - Baseline Prices: January fuel prices of each year for each fossil fuel type

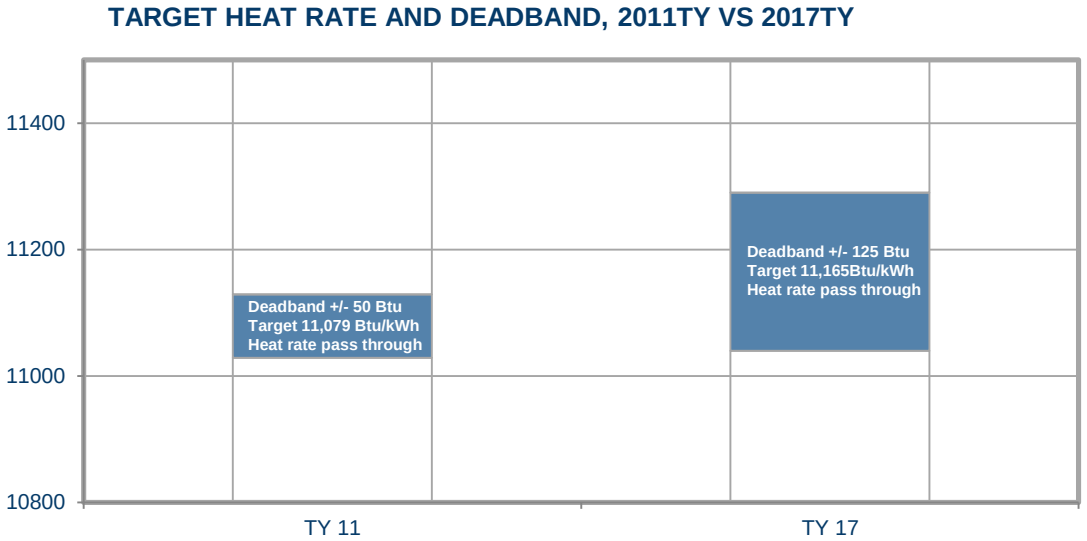
January 2019 fuel price: $83.76/bbl

Hawaiian Electric 2017 test year changes to fossil target heat rates and deadband

Part of Hawaiian Electric 2017 test year rate case final decision & order (D&O) Hawaii PUC docket no. 2016-0328

As part of the final D&O in Hawaiian Electric's 2017 test year rate case, the Commission approved:

- Increase to the low sulfur fuel oil (LSFO) heat rate to 11,165 from 11,079 Btu/kWh-sales
- Widened deadband to ±125 from ±50 Btu/kWh-sales
- Removed target heat rate for diesel and biodiesel (full heat rate pass through)
- Energy Cost Adjustment Clause tariff incorporating these changes filed July 23, approved by the PUC on August 30, and became effective September 1



Power supply improvement plan (PSIP) update

Hawaii PUC docket no. 2014-0183 (closed) accepted on July 14, 2017

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- Anticipates reaching 100% Renewable Portfolio Standard (RPS)[1] by 2040, 5 years ahead of mandate
- On track to meet or exceed 2020 milestone of 30%
- Plan stresses the need to stay flexible and not crowd out future technological advances
- Focus on near-term actions (2017 - 2021)
- Near-term plans to incorporate Distributed Energy Resources, Community-Based Renewable Energy, Demand Response and Energy Efficiency programs
- Includes continued growth of private rooftop solar to an estimated total of 165,000 private systems by 2030
- Includes an addition of ~360 megawatts of grid-scale solar, ~157 megawatts of grid-scale wind and ~115 megawatts from Demand Response (DR) programs
- Describes grid and generation modernization work needed to reliably integrate renewable energy resources while strengthening resilience
- In accepting the PSIP, the Commission required the utilities to file a report that details the planning approach and schedule for the next round of resource planning (i.e., Integrated Grid Planning)

1 Electrical energy generated using renewable resources as a percentage of total sales

Grid modernization strategy update

Hawaii PUC docket no. 2017-0226

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- In February 2018 the PUC approved the strategy and directed the Companies to implement the grid modernization strategy with project applications to follow
- Customer and stakeholder engagement used to define grid modernization goals; engagement to continue as implementation applications developed
- Enables grid to interconnect distributed energy resources (DER) levels consistent with the accepted PSIP
- Provides customer choice through customer energy options (DER, demand response, time-of-use rates, etc.) and customer portal
- Uses new technologies to increase utilization of DER while improving reliability and resiliency of the grid
- $205 million in upgrades and enhancements to the grid over the next six years included in current capex forecast
- Applied for first phase of implementation ($86.3 million)

Electrification of transportation (EoT) strategic roadmap

Hawaii PUC docket no. 2018-0135

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- Proposes role of the utility and identifies partners to increase adoption of electric vehicles (EV) and other electrification activities
- Customer and stakeholder engagement used to define and develop plans; engagement and partnership development to continue
- Initiatives include:
  - Increasing EV adoption by helping lower cost and educating consumers
  - Accelerating buildout of charging infrastructure
  - Supporting electrification of buses and other heavy equipment
  - Incentivizing charging at times that align with grid needs and save customers money
- EoT expansion:
  - Assists with integration of renewable energy to help meet state's 100% RPS goal
  - Increases Hawaii's energy security and reduces greenhouse gas emissions
  - Provides long-term value and benefits to all customers whether or not they own an EV
- Coordinated with other utility initiatives, including grid modernization, power supply improvement plan, integrated grid planning, distributed energy resources and demand response programs
- Related upcoming filings include electric bus tariff application to support early electric bus fleet conversions, network planning for minimum charging backbone infrastructure, and greater public outreach and education
- Overwhelmingly positive response reflected in public comments from residents, commercial customers, private industry and advocacy groups

Distributed energy resources (DER) update

Hawaii PUC docket no. 2014-0192

- In February 2018, the Companies launched two new DER programs:
  - Smart Export: Intended for customers installing a rooftop PV system combined with a battery energy storage system. Customers may export energy between 4pm – 9am for credit, but are not credited for energy exported during daytime hours.
  - CGS+: Intended for customers installing a rooftop PV system only (no storage required). Customers can export energy to the grid during the daytime for credit, but they are required to utilize advanced equipment that allows the utility to control the system to maintain grid stability in a system emergency. The controllability function can be accomplished through a second meter installed by the Companies ("Utility Option") or through a third-party aggregator ("Aggregator Option").
- In October 2018, the Commission approved new NEM Plus program for existing Net Energy Metering (NEM) customers to add non-exporting systems to their current systems, and still remain NEM customers
- The Commission has suspended the Market Track of the DER proceeding. The Market Track is expected to address issues relating to rate reform, rate unbundling, cost allocation, secure data sharing, and sunsets and transitions of existing DER programs

ASB peer group – 2018

*	1st Source Corp.	SRCE
	Ameris Bancorp	ABCB
*	BancFirst Corp.	BANF
	Bancorp Inc	TBBK
	Beneficial Bancorp Inc	BNCL
*	BofI Holding Inc.	BOFI
	Brookline Bancorp Inc.	BRKL
	Cadence Bancorp.	CADE
	Carter Bank & Trust	CARE
	CenterState Bank Corp.	CSFL
	Central Pacific Financial Corp	CPF
	Century Bancorp Inc.	CNBK.A
	ConnectOne Bancorp, Inc.	CNOB
*	CVB Financial Corp.	CVBF
	Dime Community Bancshares Inc.	DCOM
*	Eagle Bancorp Inc	EGBN
*	Enterprise Financial Services	EFSC
	F&M Bank of Long Beach	FMBL
*	FB Financial Corp.	FBK
	Fidelity Southern Corp.	LION
	First Bancorp	FBNC
	First Busey Corp.	BUSE
	First Commonwealth Financial	FCF
	First Financial Bancorp.	FFBC
*	First Financial Bankshares	FFIN
*	First Merchants Corp.	FRME
	Flushing Financial Corp.	FFIC
*	Great Southern Bancorp Inc.	GSBC
*	Hanmi Financial Corp.	HAFC
	Heartland Financial USA Inc.	HTLF
	HomeStreet Inc.	HMST
	Independent Bank Corp.	INDB
	Independent Bk Group Inc.	IBTX
	Kearny Financial Corp.	KRNY
	Lakeland Bancorp	LBAI
*	Lakeland Financial Corp.	LKFN
*	LegacyTexas Finl Group Inc	LTXB
*	Luther Burbank Corp.	LBC
	Mechanics Bank	MCHB
	Meridian Bancorp Inc.	EBSB
	Midland States Bancorp Inc.	MSBI
	National Bank Holdings Corp.	NBHC
	NBT Bancorp Inc.	NBTB
	OceanFirst Financial Corp.	OCFC
	OFG Bancorp	OFG
	Opus Bank	OPB
	Pacific Premier Bancorp	PPBI
*	Park National Corp.	PRK
	Renasant Corp.	RNST
	Republic Bancorp Inc.	RBCA.A
	S&T Bancorp Inc.	STBA
	Sandy Spring Bancorp Inc.	SASR
	Seacoast Banking Corp. of FL	SBCF
*	ServisFirst Bancshares Inc.	SFBS
	Southside Bancshares Inc.	SBSI
	State Bank Finl Corp.	STBZ
	Tompkins Financial Corporation	TMP
	TowneBank	TOWN
	TriCo Bancshares	TCBK
	TrustCo Bank Corp NY	TRST
	United Financial Bancorp	UBNK
	W.T.B. Financial Corp.	WTBF.B
*	Washington Trust Bancorp Inc.	WASH
	Westamerica Bancorp.	WABC
	WSFS Financial Corp.	WSFS

Note: Based on publicly traded banks, savings and thrifts in the U.S. that have a total average assets between $4 billion and $9 billion for the years 2015-2017 (based upon data available in SNL as of April 18, 2018). Any institution whose business is not directly comparable with ASB or did not have data present for all 3 years were 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.

** Subset of 17 banks representing ASB's high performing peer group, based on a 3-year average return on average assets rank equal or above the 75th percentile.

Proven strategy, with two well-structured, valuable projects in portfolio

PACIFIC CURRENT

Hamakua Energy Combined Cycle Power Plant (Acquired Nov. 2017)

- Critical generation resource for Hawaii Island
- Supplying needed power while third-party owned geothermal plant out of service due to lava activity
- 60 MW; 2 GE LM 2500 gas turbine generators and 1 Mitsubishi steam turbine
- Evaluating conversion to locally sourced biofuels/ biofuel blend
- Redevelopment opportunities with additional land, valuable transmission interconnection at site
- Fully contracted through 12/31/2030 with Hawaii Island electric utility as off-taker
- Contracted cash flows and non-recourse financing support investment-grade profile

University of Hawaii (UH) Solar + Storage (Acquired Mar. 2018)

- Large solar plus battery storage systems at 5 campuses in UH system
- 8.21 MW, SunPower SPR-470 PV capacity and 42.3 MWh, Johnson Controls (JCI) BU-5000 lithium-ion battery storage system
- Pacific Current selected in competitive process
- JCI, investment grade corporate, leader in battery technology and energy service contractor, is project developer
- Systems are in construction phase
- 15 year PPA with UH (AA-rated state entity) as off-taker
- Contracted cash flows and non-recourse financing support investment-grade profile

Explanation of HEI's use of certain unaudited non-GAAP measures

HEI and Hawaiian Electric Company management use certain non-GAAP measures to evaluate the performance of HEI and the utility. Management believes these non-GAAP measures provide useful information and are a better indicator of the companies' core operating activities than the corresponding GAAP measures given the non-recurring nature of certain items. Non-GAAP core measures presented here may not be comparable to similarly titled measures used by other companies. The accompanying tables provide the return on average common equity (ROACE) and adjusted non-GAAP core ROACE for HEI and the utility.

The reconciling adjustments from GAAP earnings to core earnings used in the calculation of the twelve months ended September 30, 2018 ROACE exclude the impact of the federal tax reform act recorded in the fourth quarter of 2017 due to the adjustment of deferred tax balances and the $1,000 employee bonuses paid by the bank related to federal tax reform. Management does not consider these items to be representative of the company's fundamental core earnings and has shown the non-GAAP (core) ROACE in order to provide better comparability between periods.

The accompanying table also provides the calculation of utility GAAP other operation and maintenance (O&M) expense adjusted for "O&M-related net income neutral items," which are O&M expenses covered by specific surcharges or by third parties. These "O&M-related net income neutral items" are grossed-up in revenue and expense and do not impact net income.

Reconciliation of GAAP to Non-GAAP Measures

Catalyst for a better Hawai'i

RECONCILIATION OF GAAP[1] TO NON-GAAP MEASURES

Hawaiian Electric Industries, Inc. and Subsidiaries (HEI)

(Unaudited)

	Twelve months ended September 30	
	2018	2017
HEI CONSOLIDATED RETURN ON AVERAGE COMMON EQUITY (ROACE) (simple average)		
Based on GAAP	8.7%	8.5%
Based on non-GAAP (core)[2]	9.4%	8.5%

Hawaiian Electric Company, Inc. and Subsidiaries

	Twelve months ended September 30	
	2018	2017
HAWAIIAN ELECTRIC CONSOLIDATED RETURN ON AVERAGE COMMON EQUITY (ROACE) (simple average)		
Based on GAAP	7.22%	7.16%
Based on non-GAAP (core)[2]	7.71%	7.16%

	Three months ended September 30		Nine months ended September 30	
($ in millions)	2018	2017	2018	2017
HAWAIIAN ELECTRIC CONSOLIDATED OTHER OPERATION AND MAINTENANCE (O&M) EXPENSE				
GAAP (as reported)	$ 113.6	$ 98.7	$ 333.8	$ 302.4
Excluding other O&M-related net income neutral items[3]	0.2	0.7	0.7	2.7
Non-GAAP (Adjusted other O&M expense)	$ 113.3	$ 98.0	$ 333.1	$ 299.7

Note: Columns may not foot due to rounding

[1] Accounting principles generally accepted in the United States of America

[2] Calculated as core net income divided by average GAAP common equity

[3] Expenses covered by surcharges or by third parties recorded in revenues

Cautionary note regarding forward looking statements

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This presentation made by Hawaiian Electric Industries, Inc. (HEI) and Hawaiian Electric Company, Inc. (Hawaiian Electric) and their subsidiaries 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 (collectively, the Company), the performance of the industries in which they do business and economic, 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 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; the conflict in Syria; the effects of changes that have or may occur in U.S. policy, such as with respect to immigration and trade; terrorist acts; potential conflict or crisis with North Korea; 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, monetary policy, trade policy and tariffs, and other policy and regulation changes advanced or proposed by President Trump and his administration;
- weather and natural disasters (e.g., hurricanes, earthquakes, tsunamis, lightning strikes, lava flows and the potential effects of climate change, such as more severe storms and rising sea levels), including their impact on the Company's and Utilities' operations and the economy;
- the timing 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;
- changes in laws, regulations (including tax regulations), market conditions 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;
- 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, 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);
- 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 achieve performance incentive mechanisms currently in place;
- the impact from the PUC's implementation of performance-based ratemaking for the Utilities pursuant to Senate Bill No. 2939 SD2, including the potential addition of new performance incentive mechanisms, third party proposals adopted by the PUC in its implementation of PBR, and the implications of not achieving performance incentive goals;
- the impact of fuel price 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;
- cyber security 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 they use, to the extent not prevented by intrusion detection and prevention systems, anti-virus software, firewalls and other general information technology controls;
- failure in addressing issues in the stabilization of the ERP/EAM system implementation could adversely affect the Utilities' ability to timely and accurately report financial information and make payments to vendors and employees;
- 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 ability of the Utilities to recover increasing costs and earn a reasonable return on capital investments not covered by RAMs;
- 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 and 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;
- changes by securities rating agencies in their ratings of the securities of HEI and Hawaiian Electric and the 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 which may increase or decrease the required level of provision for loan losses, allowance for loan losses and charge-offs;
- 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, 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; 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 speak only as of the date of the presentation or filing in which they are made. Except to the extent required by the federal securities laws, HEI, Hawaiian Electric, ASB, Pacific Current and their subsidiaries undertake no obligation to publicly update or revise any forward-looking statements, whether written or oral and whether as a result of new information, future events or otherwise.

Catalyst for a better Hawai‘i

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