Catalyst for a better Hawai'i

Hawaiian Electric Industries, Inc.

Siebert Williams Shank West Coast Utilities Conference
March 18, 2020



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, including the Form 10-K filed with the SEC on February 28, 2019.

HAWAIIAN ELECTRIC INDUSTRIES

A catalyst for a better Hawaii

HEI

Catalyst for a better Hawai'i

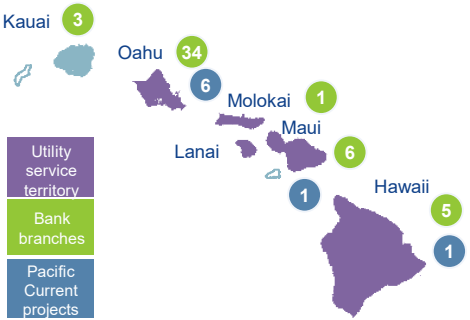
HEI overview

Hawaii's largest corporation with a diversified platform supplying energy, providing financial services to Hawaii communities and investing in a sustainable future

HEI

Catalyst for a better Hawai'i

- Hawaiian Electric
- AMERICAN Savings Bank
- PACIFIC CURRENT



$4.8B Market capitalization[1]	**3.0%** Dividend yield[1]	**11%** 5-year total return (CAGR%) for period ending 12/31/19[2]	**64% (Utility)** **36% (Bank)** Subsidiary contributions to net income[3]	**3,845** Full time employees[4] (Including 2,670 utility employees and 1,126 bank employees)	**Hawaii-focused** Serving the full state

Data above as of 12/31/2019 unless otherwise indicated.
1 Market capitalization and dividend yield are based on the closing price of $43.69 on 3/13/2020.
2 5-year period includes premium from proposed merger with NextEra Energy, which was announced on 12/4/15.
3 Based on LTM 12/31/2019 earnings to common shareholders and excludes other companies' net loss.
4 Full time employees as of 12/31/2019.

ESG is in our DNA, and our core strategies

Strength of our companies is inextricably linked to the health of our environment, economy and communities

Embedded in Core Strategies

Hawaiian Electric	Focused on achieving state's 100% renewable energy and carbon neutrality goals in a way that is reliable, resilient and affordable for customers
AMERICAN Savings Bank	Investing in Hawaii's economic growth; fostering innovation and entrepreneurship to diversify and expand state economy
PACIFIC CURRENT	Mission to advance Hawaii's sustainability goals through investment in clean energy, water, wastewater and agriculture

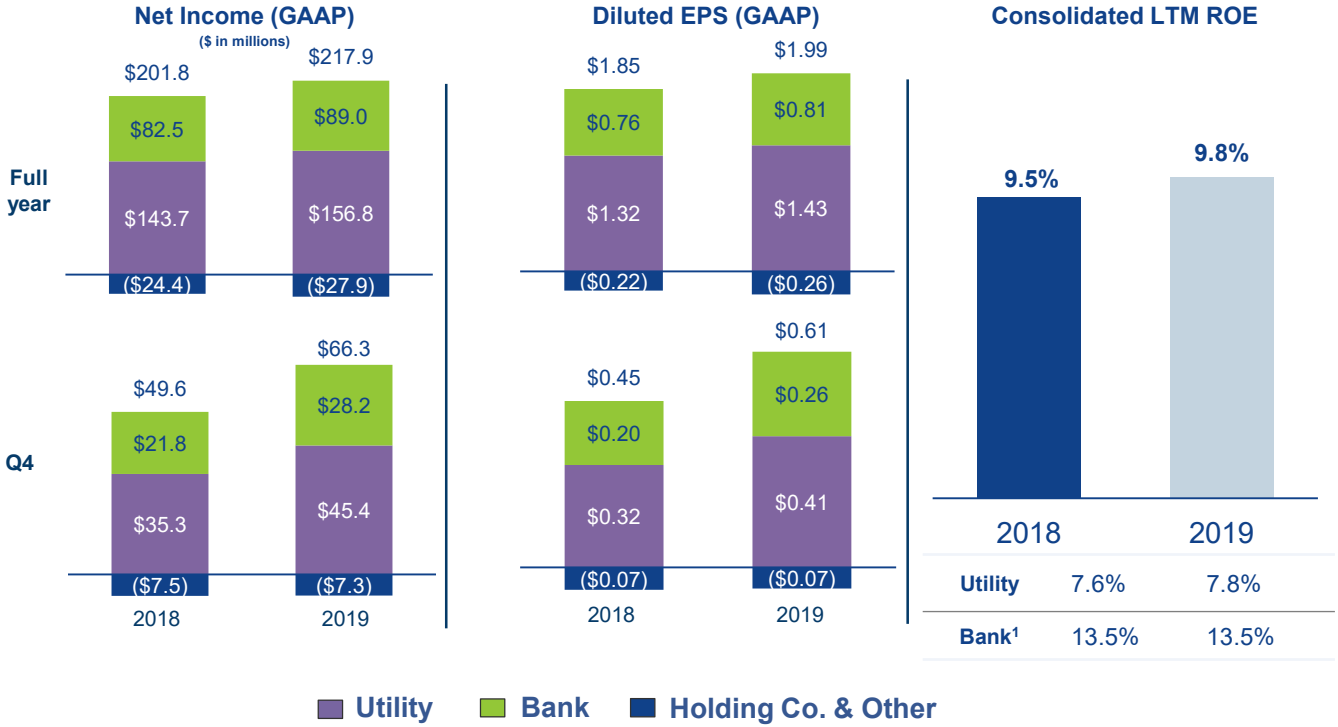
Deepening ESG Integration

Integrating ESG even further into our governance structures, decision-making processes and reporting

- ✓ Completed ESG materiality assessment for all HEI companies
- ✓ 2019 Board strategic retreat focused on ESG assessment and strategy
- ✓ Positioned to issue SASB-aligned report in 2020, followed by TCFD reporting[1]
- ✓ Executive compensation expressly linked to renewable energy goals

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

Full year 2019 financial performance



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

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 challenging interest rate environment
- ✓ 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

Track record of delivering exceptional value

Outperformed utility index and the S&P 500 over 1- and 3-year periods[1]

Strong consolidated investment grade balance sheet provides access to competitively priced growth capital

Efficient capital structure and growing dividends from subsidiaries limit need for external equity

3% dividend increase enhances history of uninterrupted dividends since 1901;
64% dividend payout ratio[2] in line with regulated utility industry peers

**Sustained financial performance drives ability to invest in Hawaii;
$2.0 billion invested in Hawaii infrastructure[3] and $8.7 billion loaned to Hawaii customers over last 5 years**

1 As of year-end 2019. Utility index represented by the PHLX Utility Sector Index..
2 Based on 2019 net income of ~$218 million and 2019 dividends of ~$139 million.
3 Includes Pacific Current investments, utility capex, and ASB investment in new campus through 2019 year end.

Coronavirus update

Well-positioned to address potential impacts

Hawaii's economy is driven by a diversity of sectors, although tourism is a substantial component

- Over 80% of Hawaii's jobs are from outside of the hospitality and leisure sectors
- However, recent forecasts estimate full year 2020 visitor arrivals to decline 7%, and real visitor spending to decline 10%
  - Unemployment is also expected to be impacted, particularly in service sector jobs sensitive to tourism

Both the utility and the bank are in solid positions to deal with impacts

- **Utility**
  - While some load reduction is anticipated, utility is fully decoupled, providing non-fuel revenue stability
  - Fuel is 98% pass-through, thus lower oil prices will flow through to customers
  - Utility has a strong capital position and ample liquidity, with no need for HEI-issued equity to fund capex program
- **Bank**
  - High quality, well capitalized balance sheet
  - Low risk loan portfolio supported by strong collateral values and prudent credit quality management
  - During the financial crisis ASB's net charge-off ratio increase was well below national levels

Taking prudent steps to ensure continuity of operations and support our customers, employees and communities

HAWAIIAN ELECTRIC

Advancing Hawaii's clean energy transition

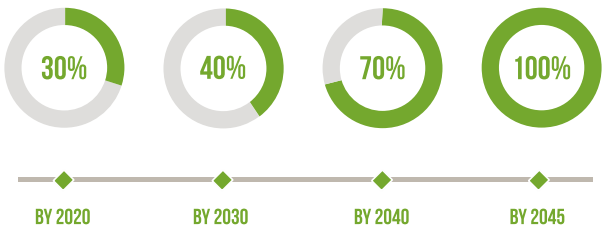
HEI

Catalyst for a better Hawai'i

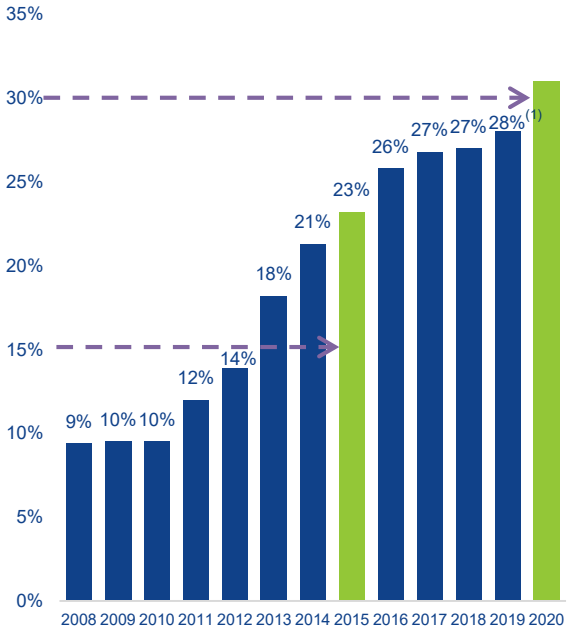
Committed to ambitious renewable energy goals

Strong progress and on track to meet or exceed next milestone

Hawaii's 100% by 2045 RPS goal is among the most ambitious in the nation



On course to meet or exceed 2020 target of 30%



1 2018 and 2019 Renewable Portfolio Standard (RPS) achievement was impacted by the outage of Hawaii Island's geothermal resource, third-party owned Puna Geothermal Venture (PGV), beginning in May 2018 as a result of the Kilauea volcanic eruption. 2018 and 2019 RPS achievement would have been 29% and more than 31%, respectively, had PGV produced at the same level as 2017.

Key elements of clean energy transformation

Foundational Plans in Place

Power Supply Improvement Plan

Long-range plan outlining scenarios and generation needs for achieving 100% RPS

Grid Modernization Strategy

Set forth path to modernize the grid to enable 100% RPS and more customer options

Electrification of Transportation Roadmap

Outlined strategy to increase adoption of electric vehicles and other electrification activities

Key Initiatives Underway

Aggressively procuring utility-scale renewable energy

Growing distributed energy resources

Implementing grid modernization strategy
- Deployment of smart meters, communications and data management systems to integrate more renewables
- PUC approved Phase 1
- Designing rates to deliver customer options, manage grid needs

Advancing electrification
- Initiated electric bus pilot providing time of use rates
- Filed near-term workplan focused on rates, make-ready infrastructure

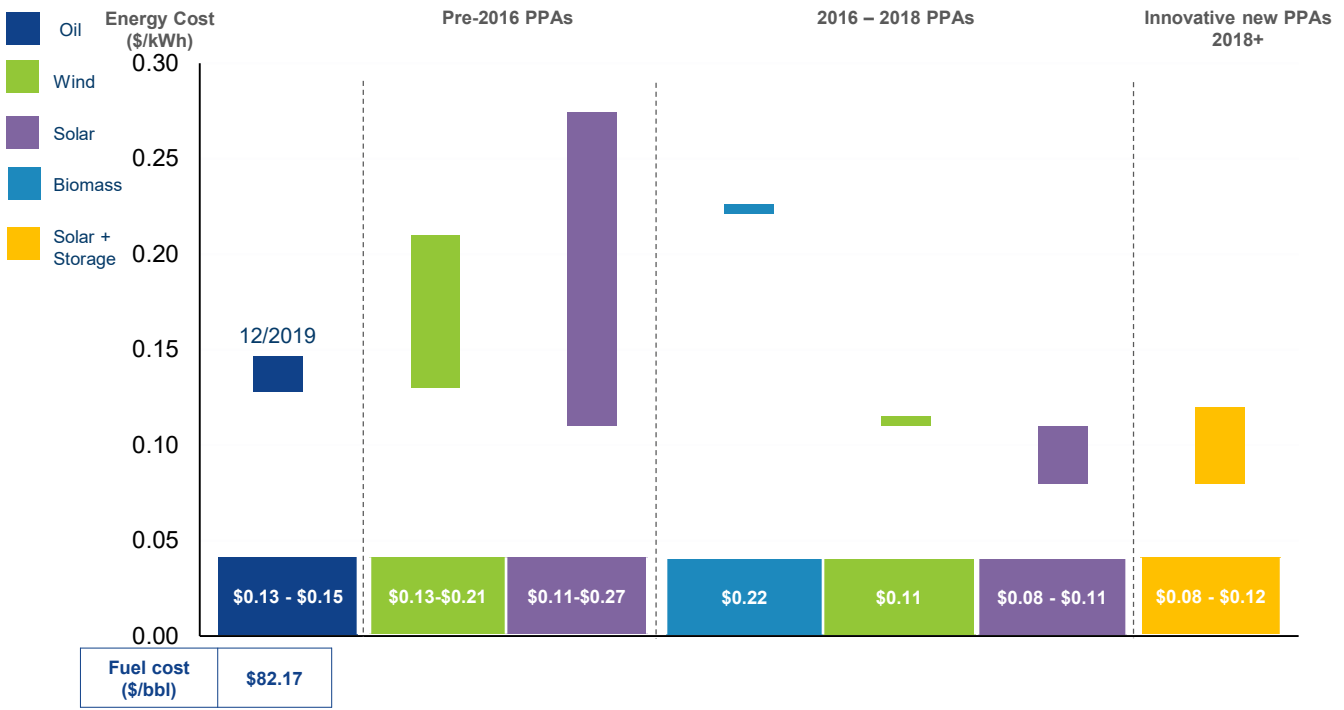
Evolving regulatory framework to achieve Hawaii's policy goals
- PUC decision on Phase 1 of PBR outlined conceptual framework
- Details being developed in Phase 2

Launched next phase of long-range planning → Integrated Grid Planning (IGP)
- Combines planning and procurement for generation, transmission and distribution, including non-wires alternatives

Renewable energy is key to customer affordability in Hawaii

UTILITY FOSSIL FUEL ENERGY COST
Subject to volatile oil prices

CONTRACTED RENEWABLE ENERGY COST[1]
Significant reduction in cost of utility-scale renewables



1 Chart excludes Puna Geothermal Venture ("PGV"), which is not currently in operation due to damage from lava flows in 2018. Although exact timing for its return to service is currently uncertain, a revised PPA was negotiated in January, 2020.

Aggressively pursuing utility-scale renewables

Record procurement initiatives underway

- **Launched among largest renewable procurement efforts ever undertaken by a US utility**
  - Challenging the market to deliver cost-effective projects for up to 900 MW renewable energy, 500 GWh storage, 210 MW grid services in Stage 2 RFP[1]; 75 bids received in Nov. 2019
  - Follows PUC approval of 7 PPAs for 260 MW solar and ~1 GWh storage in Stage 1 RFP
- **Innovative new PPA helping drive lower cost renewable energy, operational flexibility**
  - Fixed monthly payment reduces developer financing costs, reducing energy prices for customers
  - Utility able to dispatch solar, wind to match needs of grid at lowest cost
- **Replacing coal, oil-fired generation**
  - 180 MW AES coal plant contract expires Sept. 2022
  - Oil-fired Kahului Power Plant planned for retirement by 2024 (and potentially earlier)
  - Honolulu Power Plant deactivated in 2014
  - Revised Puna Geothermal PPA submitted for approval



If approved and completed on time, Stage 1 projects would help us reach **up to 50% RPS by 2022**

Stage 2 projects will help us reach even higher levels thereafter

Key determinants of how fast we can go:

→ Land availability

→ Market must deliver projects that are cost-effective for our customers

→ Community acceptance of projects

1 Represents maximum amounts being sought. Actual amounts procured will depend on the market delivering cost-effective results.

Encouraging rooftop PV, customer-sited resources

Providing management and infrastructure to integrate, and programs to incentivize DER

Our service territory has the nation's highest penetration of rooftop solar; 19% of residential customers have rooftop solar

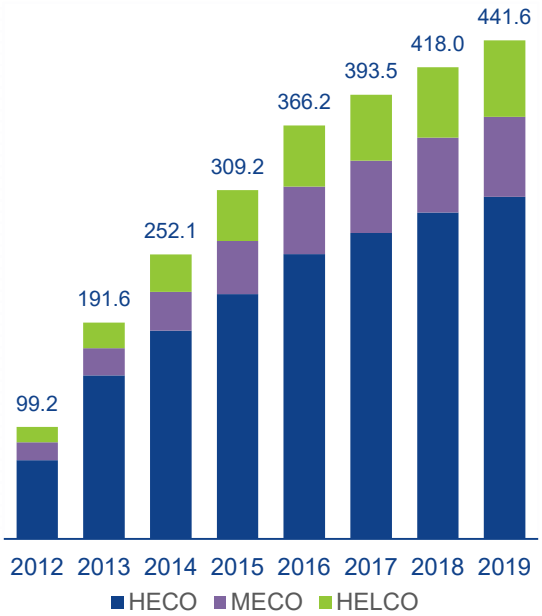
- Distributed energy resources (DER) are a key element of our plan for achieving 100% RPS

Hawaiian Electric is a national leader and innovator in integrating high levels of residential rooftop solar

- Managing grid to ensure reliability with high levels of variable, intermittent distributed sources
- Using innovative inverter technologies and smart meters to manage distributed resources
- Our expertise routinely sought by other utilities

Under our DER programs, residential PV systems have grown an average of 24% annually since programs began in 2012

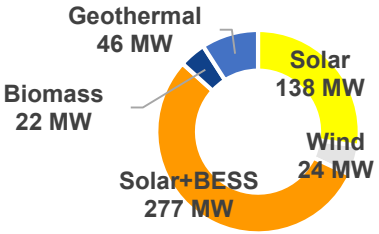
Cumulative residential PV installations
(in megawatts)



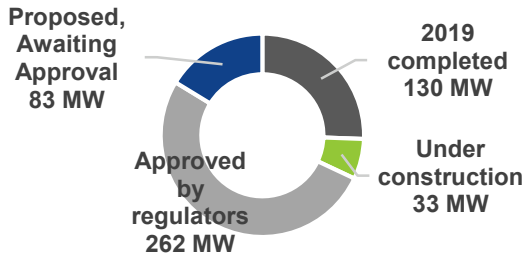
Renewable energy projects—status update

Near-term renewable projects represent diverse resource mix, contribute significantly to RPS

Near term (2019 – 2022) projects by technology (MW)[1,2]

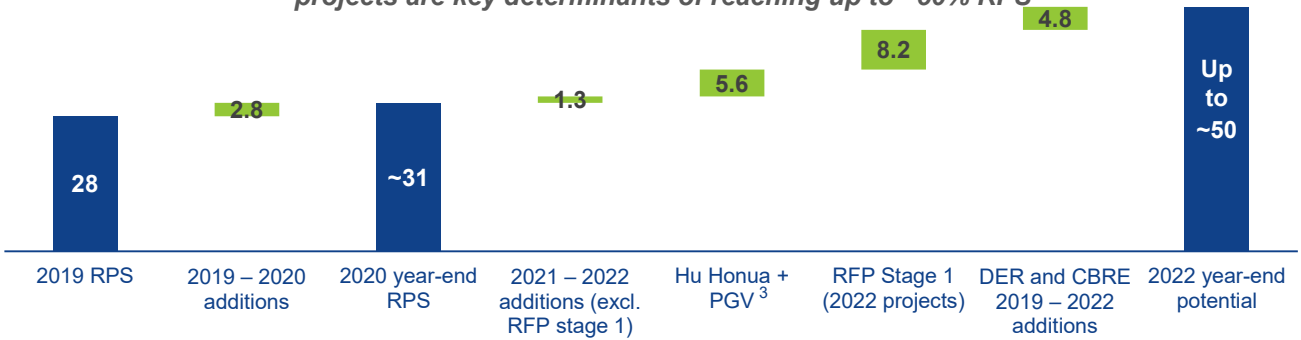


Near term (2019 – 2022) projects by status (MW)[1,2]



Near term projects, % RPS contribution by year

Community acceptance of projects, land availability and market's ability to deliver cost-effective projects are key determinants of reaching up to ~50% RPS



Note: Megawatts shown in charts at top of slide do not translate directly to RPS percentage points, as capacity factors of each technology must be factored in to get to RPS contribution.

1 Megawatts exclude BESS portion of Solar+BESS projects, which are tracked in megawatt-hours rather than megawatts.

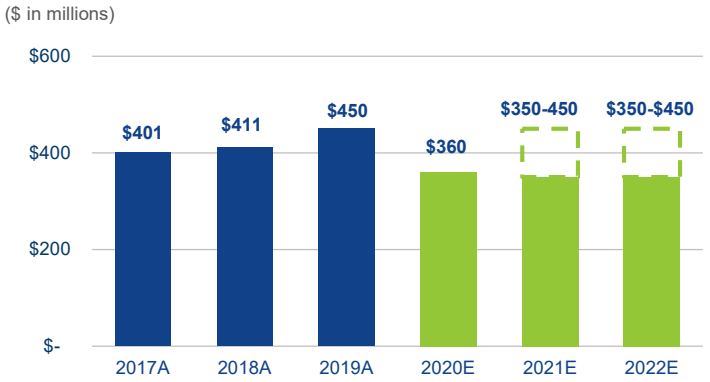
2 Excludes RFP Stage 2.

3 Puna Geothermal Venture ("PGV") was damaged by lava flows in 2018; timing for its return to service is currently uncertain. Chart assumes both PGV and Hu Honua are placed in service and PGV capacity is increased by the 8 MW included in the application for approval of the revised PGV PPA filed with the PUC.

Renewables, reliability and resilience drive capital investment

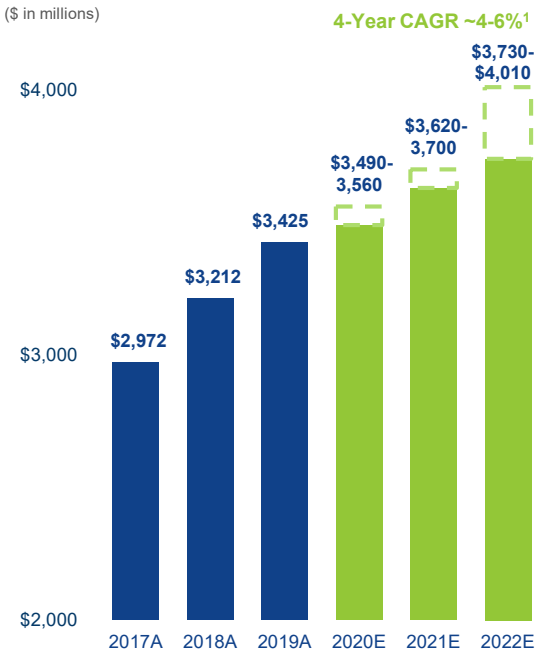
Annual investment of ~2x depreciation to transform grid, integrate more renewables

CAPITAL EXPENDITURES FORECAST



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



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.).

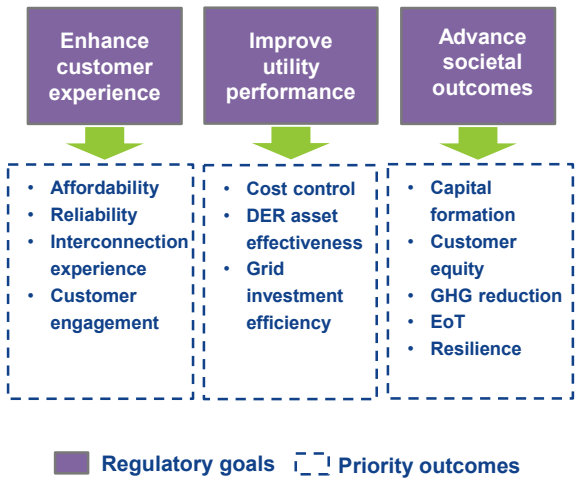
Phase 1 PBR D&O established conceptual framework

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

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***

AMERICAN SAVINGS BANK

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

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American Savings Bank: Efficient source of funding from consistent performance

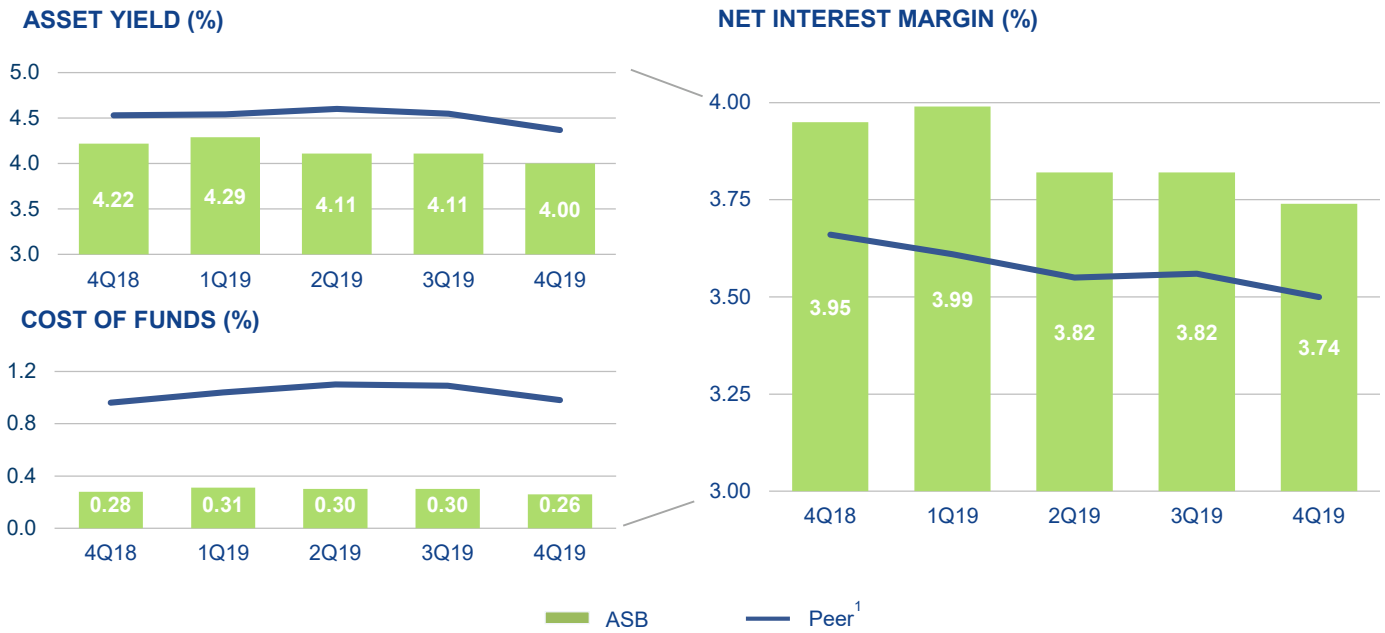
- One of Hawaii's largest financial institutions – full-service community bank with ~$7.2 billion in assets and 49 branches across the state
- Consistent profitability with growth opportunities in attractive Hawaii banking market
- Track record of maintaining low risk profile, strong balance sheet and low-cost funding base
- Strengthening efficiency for both bank and customers with consolidation in new Honolulu campus

Maximizing shareholder value in the Hawaii 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

Net interest margin

Full year 2019 NIM 3.85%; above-peer NIM driven by low-cost funding

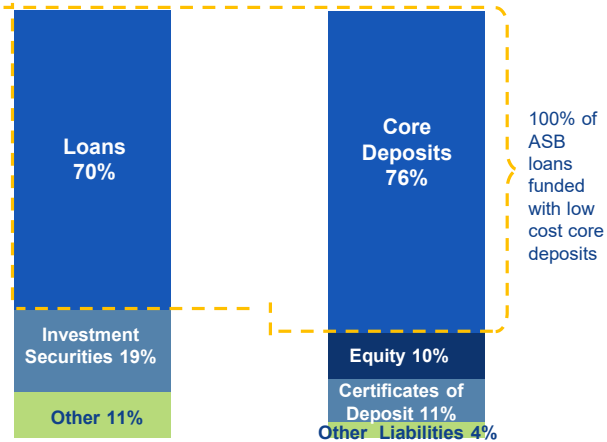


Source for peer data: SNL Financial (based on data available as of February 11, 2020).
Asset Yield: Total interest income as a percentage of average interest-earning assets.
Cost of funds: Total interest expense as a percentage of average interest-bearing and non-interest bearing liabilities.
Net Interest 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.

Quality balance sheet and capital efficiency

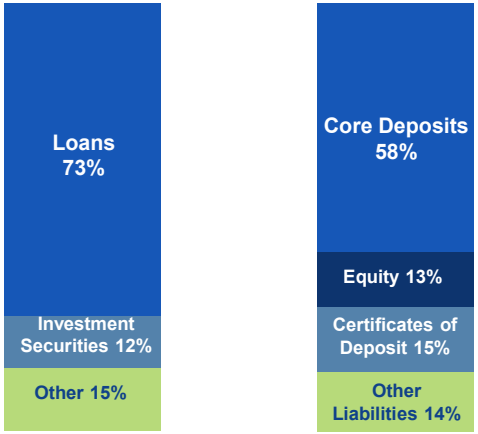
ASB[1]

Average yield on earning assets	4.14%
Average cost of funds	0.29%
Return on avg. equity[3]	13.5%



PEER BANKS[2]

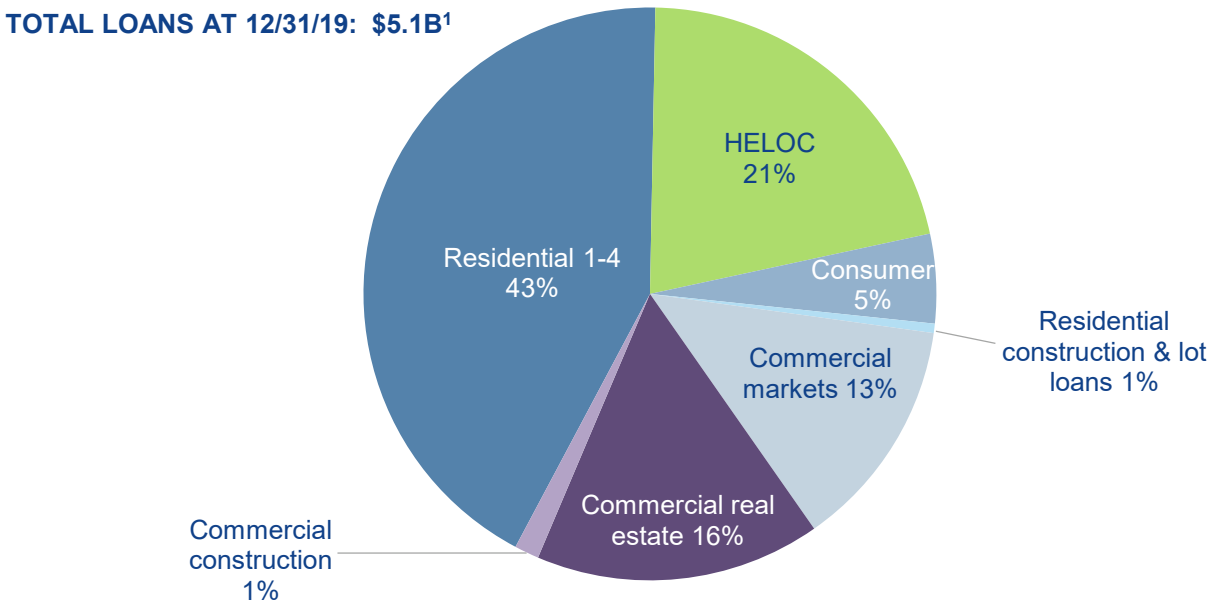
Median of avg. yield on earning assets	4.53%
Median of avg. cost of funds	1.05%
Return on avg. equity	10.6%



ASB CAPITAL ADEQUACY RATIOS	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%

Source for peer data: SNL Financial (based on data available as of February 24, 2020).
Columns may not foot due to rounding.
1 For year ending 12/31/2019.
2 For year ending 12/31/2019. Peer group based on publicly traded banks and thrifts between $4B and $9B in total assets. See Appendix for ASB peer group information.
3 Bank return on average equity calculated using weighted average daily common equity.

Low-risk loan mix



1 Before deferred fees, discounts and allowance for loan losses.

PACIFIC CURRENT

Pursuing opportunities in Hawaii's sustainable infrastructure market

HEI

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Pacific Current recent initiatives highlight focus on sustainability

- Contract to provide locally-produced biofuels for Hamakua Energy facility advances Hawaii Island energy independence and energy security, supports local economy
- 5 solar + storage projects with University of Hawaii continue through construction phase
- Launch of EverCharge Hawaii joint venture to help advance EV adoption by addressing multi-unit dwelling charging challenges
  - System does not require expensive building infrastructure upgrades, making EV charging installation more affordable and scalable





Financial outlook

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HEI 2020 EPS guidance

(As of February 13, 2020)[1]

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[2] increase at or below inflation
- Rate base growth: ~4% over 2019
- 2020 capex of ~$360 million[3]
- 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 Any updates will be provided during the first quarter 2020 earnings webcast.
2 Also excludes O&M expenses covered by surcharges or by third parties that are neutral to net income.
3 2019-20 capex averages ~$400 million given acceleration of certain 2020 projects into 2019.

Appendices

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HEI financing outlook 2020

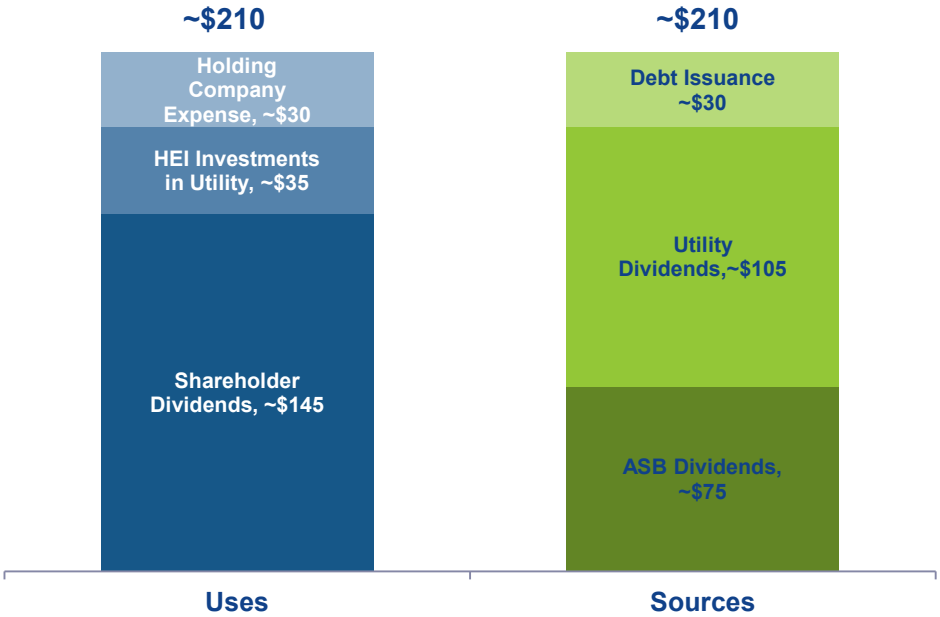
(As of February 13, 2020)[1]

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)



1 Any updates will be provided during the first quarter 2020 earnings webcast.

Our Board of Directors

Knowledgeable, engaged leaders committed to Hawaii and advancing our strategy

Jeff Watanabe
Chairman, HEI



- Connection to Hawaii and meaningful knowledge of HEI and its subsidiaries
- Public directorship experience at Matson and Alexander & Baldwin

KEY SKILLS
- Corporate Governance
- Government
- Legal

Celeste Connors
Executive Director, Hawaii Green Growth Local2030 Hub



- Expertise in environmental, energy and economic policy
- Deep understanding of the business, government and non-profit communities in Hawaii

KEY SKILLS
- Energy, Utilities
- Sustainability
- Community Relations
- Government & Regulation

Richard Dahl
Chairman, Former President & CEO, James Campbell Co.



- Experience in banking and utilities
- Senior executive experience at Dole Food and Bank of Hawaii
- Public directorship experience at Idacorp and Dine Brands

KEY SKILLS
- Strategic & Operational Management
- Energy & Utilities
- Banking & Finance

Adm. Thomas Fargo
Former Commander, U.S. Pacific Command



- Brings a deep knowledge of the U.S. military, a key driver of Hawaii's economy
- Vice Chairman, United Services Automobile Association (USAA)

KEY SKILLS
- Corporate Governance
- Finance
- Strategic Planning
- Risk Management

Peggy Fowler
Former President & CEO, Portland General Electric (PGE)



- Recognized leader in the utilities industry, having served as CEO, COO & President at PGE
- Public directorship and banking experience at Umpqua Holdings

KEY SKILLS
- Renewables, Energy & Utilities
- Strategic & Operational Management
- Financial Oversight
- Banking

Micah Kane
President and CEO, Hawaiian Community Foundation



- Significant private and public trust leadership, including as CEO of Hawaii Community Foundation
- Government affairs, policy and native Hawaiian community expertise

KEY SKILLS
- Community Relations
- Government & Regulation
- Strategic & Operational Management

Constance Lau
President & CEO, HEI



- Intimate knowledge of the Company as an executive of HEI and its subsidiaries for 30+ years
- Deep understanding of local Hawaii communities

KEY SKILLS
- Strategic & Operational Management
- Renewables, Energy & Utilities
- Banking
- Infrastructure

Mary Powell
Former President & CEO, Green Mountain Power



- Strategic and operational management expertise having served as President and CEO of Green Mountain Power

KEY SKILLS
- Renewables
- Energy & Utilities
- Banking
- Strategic & Operational Management

Keith Russell
President, Russell Financial



- Banking experience at Mellon Financial (Vice Chairman), Glendale Federal Bank (COO) and Security Pacific National Bank (SVP)
- President of Russell Financial

KEY SKILLS
- Risk Management
- Banking
- Finance & Accounting
- Strategic Planning

Jim Scilacci
Former EVP & CFO, Edison International



- Financial, leadership and operational management expertise from serving as CFO at Edison International, and its utility and power generation subsidiaries

KEY SKILLS
- Finance & Accounting
- Strategic & Operational Management
- Renewables, Energy & Utilities
- Risk Management

Eva Zlotnicka
Managing Director, ValueAct Spring Fund; Head of Stewardship, ValueAct Capital



- Significant expertise in sustainable investing and corporate governance
- Public directorship experience at Unifi, Inc.

KEY SKILLS
- Sustainability
- Corporate Governance
- Investment Management
- Finance & Accounting

AUDIT & RISK · COMPENSATION · EXECUTIVE · NOMINATING & CORPORATE GOVERNANCE · JOINED BOARD WITHIN LAST 12 MONTHS

Hawaii's economy is driven by diverse factors

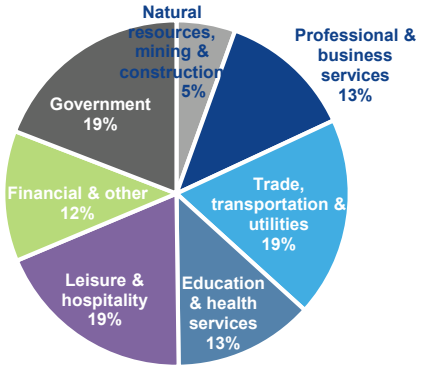
Federal defense spending, tourism from diverse economies drive economic stability

Exposure to a diverse range of economies and regions provides stability to tourism growth

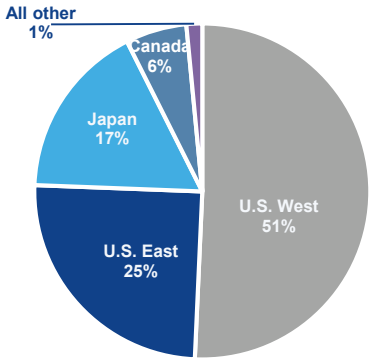
Federal government jobs, primarily military, have historically been steady and predictable, and are expected to remain at ~33k through ~2026

Federal defense spending is a larger portion of GDP than in any state except Virginia, providing GDP stability

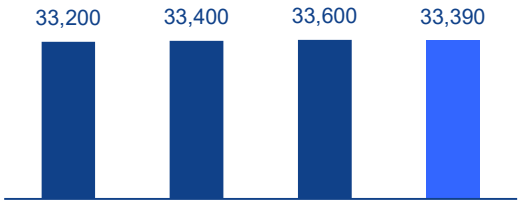
JOBS BY INDUSTRY (%)[1]



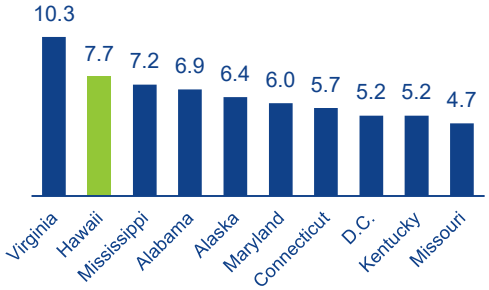
TOURISM BY SOURCE[2]



FEDERAL GOVERNMENT JOBS[3]



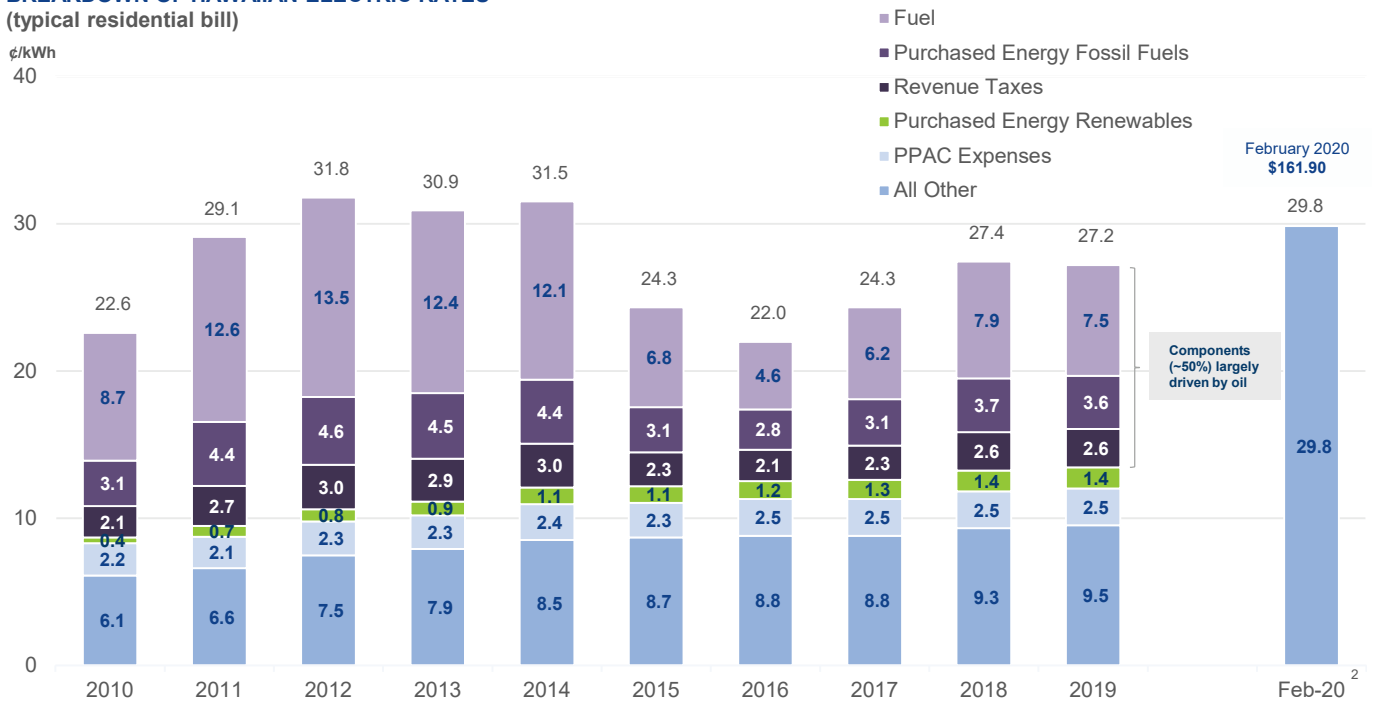
DEFENSE SPENDING % OF GDP[4]



1 2018 data. Source: Hawaii Department of Labor and Industrial Relations. "Other" category in "Financial & Other" includes manufacturing, information technology, and other professional services.
2 2019 Data. Source: DBEDT.
3 Source: Hawaii Department of Labor and Industrial Relations.
4 2018 data. Source: Department of Defense Office of Economic Adjustment "Defense Spending by State" report, revised March 2019.

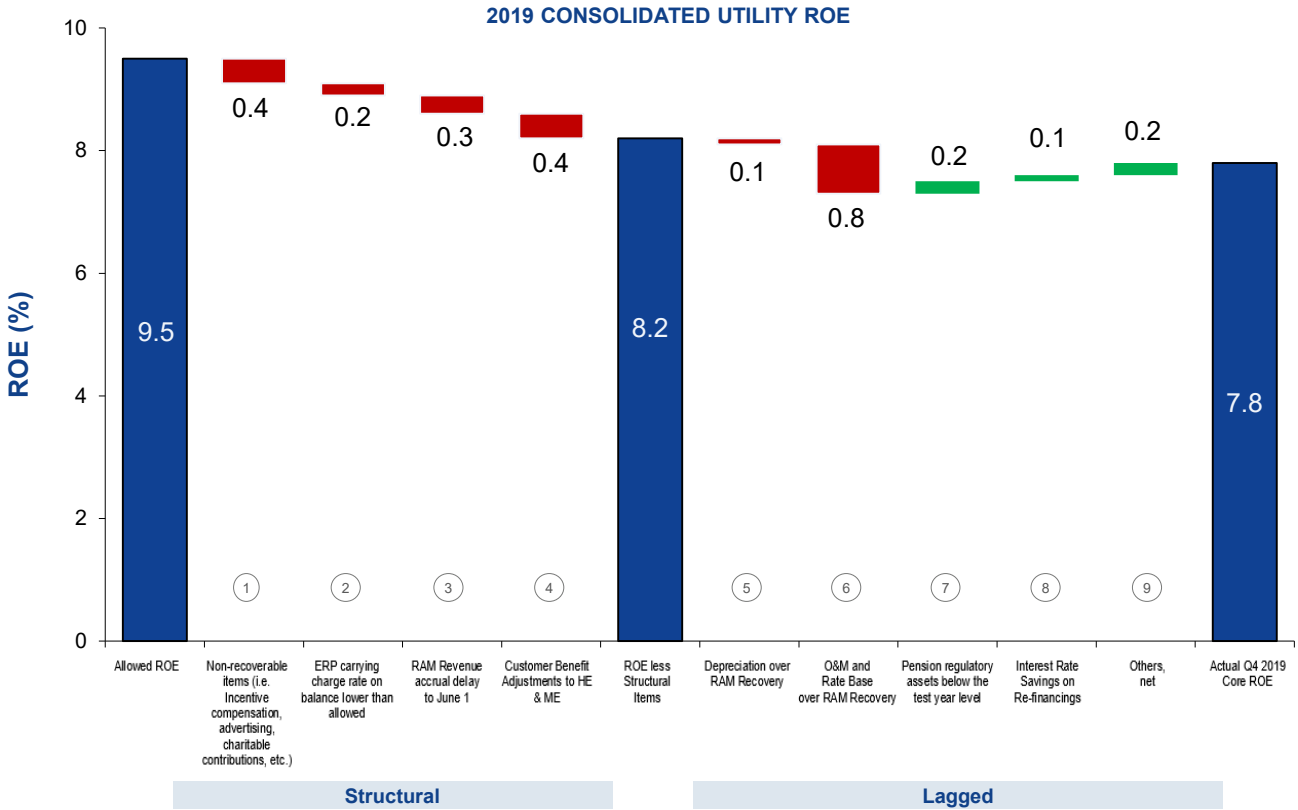
Oil is the primary driver of rates in Hawaii

BREAKDOWN OF HAWAIIAN ELECTRIC RATES[1]
(typical residential bill)



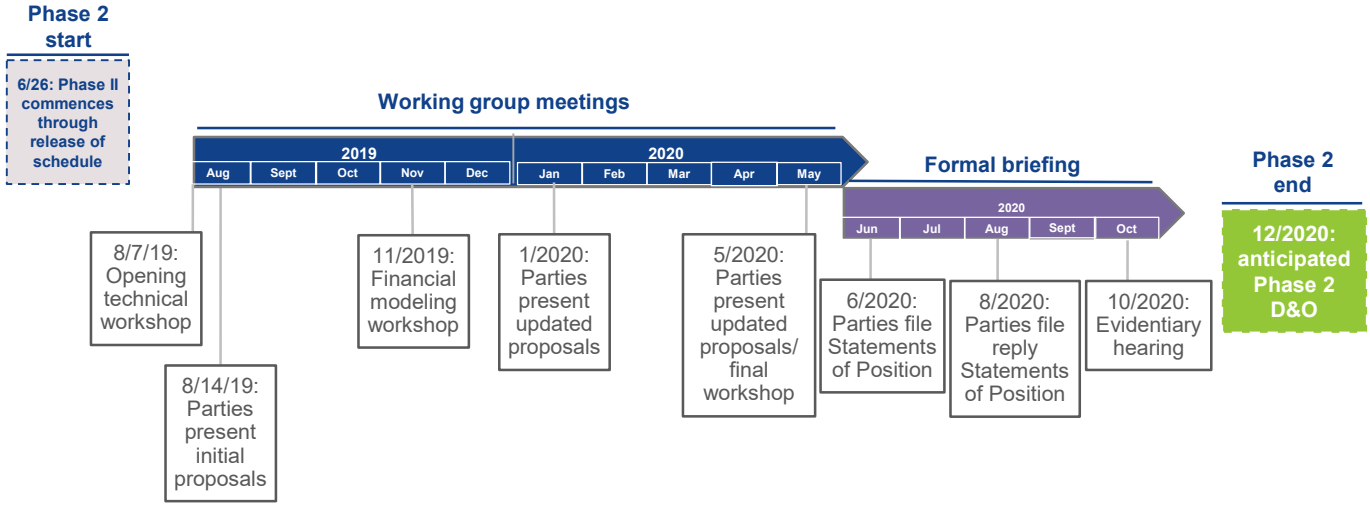
1 Hawaiian Electric Oahu average revenue per kWh sold.
2 Based on the February 2020 energy cost recovery factor for residential customers only.

2019 Utility LTM ROE improved over prior year



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 thoughtful process to minimize risk of unintended consequences
- Annual revenue adjustment mechanism has potential to eliminate lag in current RAM
- New performance incentive mechanisms (PIMs) will supplement PIMs already in effect; PIMs will provide additional earnings opportunities



PBR initial utility proposal

Filed August 14: offers ideas and encourages stakeholder discussion

KEY ASPECTS OF UTILITY'S INITIAL PROPOSAL

Multi-year rate plan (MRP) and rate cases

- 5-year rate period (provided an adequate Annual Revenue Adjustment formula and modified MPIR mechanism are approved)
- Initial base rates set in next rate cases: HELCO 2019, HECO 2020, MECO 2021 test years
- New MRP in place in time for HELCO and HECO first Adjusted Revenue Target to be effective 1/1/2021
- ARA would be filed in time for Adjusted Revenue Target to be effective Jan. 1 of each adjustment year, eliminating lag in the current RAM
- Utility would file consolidated rate case (all three utilities) based on a 2025 test year, as early as May 1, 2024

Cost of capital

- Cost of capital determined in separate consolidated proceeding, and adjusted in between each proceeding. A Cost of Capital (CoC) Factor would be included in the target revenue adjustment formula or the Z-factor
- CoC factor would be determined using a new CoC Adjustment Mechanism, which would be used to periodically determine the CoC used in establishing the revenue requirement in rate cases, and the revenue requirement impact of capital projects

Adjustment mechanisms

- MPIR modified to allow recovery on full investment amount in rate base in year project goes into service
- Decoupling, existing cost trackers, and existing pass-through mechanisms would continue to operate
- Symmetric earnings sharing mechanism, with return on common equity used in the ESM determined on a ratemaking basis

Annual Revenue Adjustment (ARA) formula

ARA = Inflation factor − X factor + Z factor − Customer dividend

Inflation factor	X factor	Z factor	Customer dividend
Based on GDPPI, with the difference between GDPPI and actual cost inflation accounted for in the "X" factor	*Initially proposing a value of -1.41%, reflecting industry productivity trend and an inflation differential between GDPPI and industry*	*Would account for exceptional circumstances not in the utility's direct control (e.g., tax law changes)*	*Not supportive of a customer dividend, but if it must be adopted, initially proposing a value of 0.22%*

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 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 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 and local developments (including economic conditions and uncertainties; unrest, terrorist acts, wars, conflicts, political protests, deadly virus epidemic, potential pandemic or other crisis; the effects of changes that have or may occur in U.S. policy, such as with respect to immigration and trade);
- 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, flooding, 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, 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 recovery clauses (ECRCs);
- 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 (PIMs), 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 and avoid or mitigate labor disputes and work stoppages;
- 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 Enterprise Resource Planning/Enterprise Asset Management

  (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;

Cautionary note regarding forward looking statements

- 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 (ALL) and charge-offs;
- the adoption of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" on January 1, 2020, which may result in more volatility in the provision for loan losses prospectively;
- changes in ASB's deposit cost or mix which may have an adverse impact on ASB's cost of funds;
- unanticipated changes from the expected discontinuance of LIBOR and the transition to an alternative reference rate, which may include adverse impacts to the Company's cost of capital, loan portfolio and interest income on loans;
- 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 (e.g., Item 1A. Risk Factors) and in other reports 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.



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