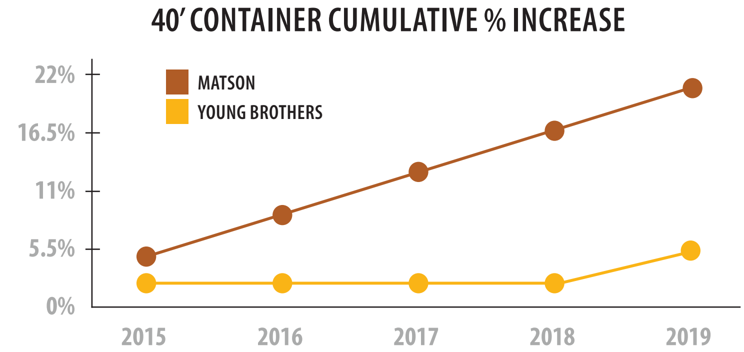
YOUNG BROTHERS

COMPARISON OF RATE INCREASES

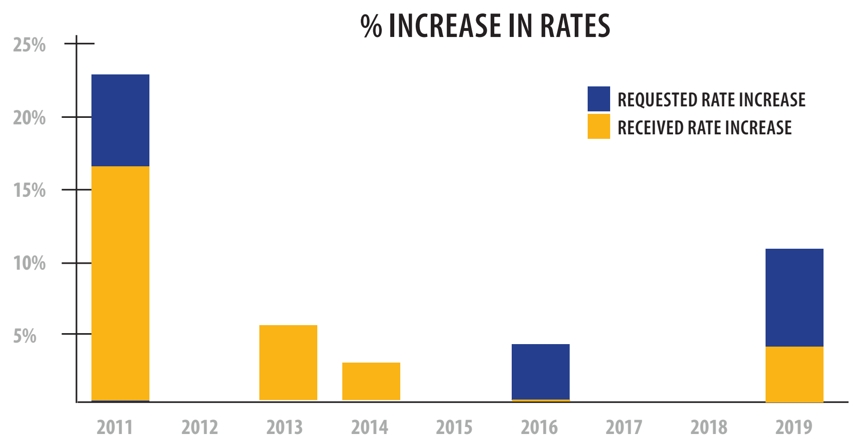
Between 2014 - 2019, the PUC has approved a cumulative rate increase of just 4.9% for YB. Over the same period, Matson increased rates by 20.9%.



RATES TO MATCH YB'S TRUE COST OF SERVING HAWAI'I

Young Brothers is asking the PUC to approve a rate that matches our true cost of business and enables us to earn a reasonable return.

We have been unable to raise additional revenue, with the exception of negligible increases of $88,000 in 2017 and $3.4 million in 2018 – not enough to break-even, let alone support investments in our operations.

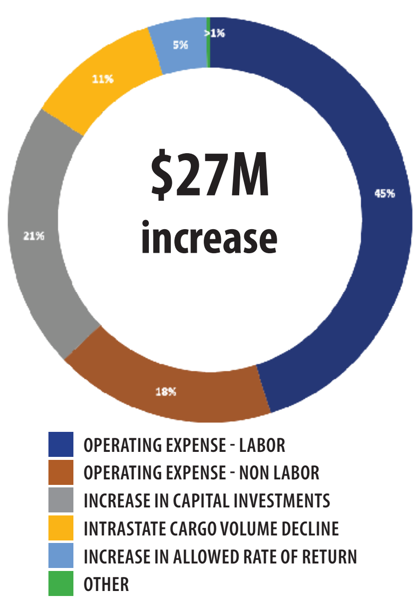


RISING COSTS AND DECLINING SHIPPING VOLUME

Young Brothers continues to implement efficiencies; however, expenses have continued to exceed revenues amid declining intrastate volume. The result – a slim profit margin has been reduced to year-over-year losses.

DRIVERS OF YB'S PROPOSED INCREASE

Primary drivers of YB's need to raise an additional $27.0 revenue are a substantial increase of $17 million in operating expenses, $5.8 million from critical investments in four new Kāpena-class tugs and replacement of other aging equipment, and declining revenue from intrastate cargo operations.



DECLINING PROFITS SINCE 2016

Young Brothers current rates do not generate enough revenue to cover necessary operating expenses to permit YB to earn a fair return and provide its current level of service to customers.

Since 2016, YB's profits have been steadily declining year-over-year – from $2.5 million in 2016 to $0.6 million in 2017, to losses of $11.4 million in 2018, $8.9 million in 2019, and projected losses of $12.3 million in 2020. This financial situation is clearly unsustainable for Young Brothers.