



July 9, 2020

Dear Valued Customer,

I am writing to give you an update on the various solutions we are pursuing to address the financial challenges Young Brothers continues to face and ensure we can maintain our long legacy of service for valued customers like you.

We continue to have open and honest discussions with the Public Utilities Commission (“PUC”) about our dire financial situation and how we can achieve a stronger future for Young Brothers. Yesterday, we filed an emergency request asking for a temporary rate increase to stem projected losses in 2020 of more than \$25 million amplified by the COVID-19 pandemic. We know this is an exceedingly challenging time for our community, and we pursued all avenues of relief before making the difficult decision to accelerate our request for higher rates. This emergency request follows our recent filing to continue a reduced sailing schedule to Hilo and Maui County. The PUC and the Consumer Advocate are currently reviewing both of these requests, and we remain hopeful that the PUC will approve these vital requests.

On Monday, the Senate Transportation Committee passed a resolution to help interisland shipping companies – like Young Brothers – who have been negatively impacted by the COVID-19 pandemic. The resolution calls for the Hawai’i Department of Transportation and Counties to provide at least \$15 million in aid funding by September 30, 2020 and includes limitations for how the service provider may use the funds. The resolution also sets up a working group to develop mid-term and long-term solutions to achieve a sustainable future for inter-island shipping and Young Brothers. We appreciate the thoughtful consideration by the legislature and will continue to pursue all avenues of relief from the state and counties.

Thank you for your support and understanding during these incredibly trying times. I am confident that we will find a way forward, and you can rest assured that I will keep you updated on our progress.

Mahalo nui loa,

Jay Ana
President