



## **Bank of Hawaii Negotiating Sale of French Polynesia and New Caledonia Operations with Caisse Nationale des Caisses d'Epargne**

October 29, 2001

HONOLULU, Oct 29, 2001 (BUSINESS WIRE) -- Bank of Hawaii (BOH), the principal subsidiary of Pacific Century Financial Corporation (PCFC), announced today it has entered into exclusive negotiations to sell its approximately 95% share interest in its French Polynesia and New Caledonia operations to France-based Caisse Nationale des Caisses d'Epargne (CNCE). The move is part of Bank of Hawaii's previously announced divestiture program aimed at returning the bank's focus to its core markets: Hawaii, the West Pacific and American Samoa.

The transaction is anticipated to be completed before the end of 2001, subject to consultation with French workers' councils, the signing of a definitive agreement, and approval by French regulatory agencies. Details about the transaction will be provided when an agreement is reached.

Bank of Hawaii's operations in French Polynesia include 17 branches of its subsidiary bank, Banque de Tahiti, and approximately 265 employees. Its operations in New Caledonia include eight branches of subsidiary bank, Bank of Hawaii-Nouvelle Caledonie, and approximately 190 employees. Both subsidiary banks offer a full range of consumer, private and business banking services.

CNCE announced that this acquisition would enable it to strengthen its position in the French Overseas Departments and Territories (DOM-TOM), where it already maintains a presence in the French West Indies, Reunion island and Saint-Pierre-et-Miquelon. CNCE pointed out that the acquisition of Bank of Hawaii -- Nouvelle Caledonie, in particular -- would complement its financial institution in New Caledonia, Caisse d'Epargne de Nouvelle Caledonie, which is active in consumer banking.

Bank of Hawaii first entered French Polynesia in 1969 when the bank, together with other investors, established the Banque de Tahiti. In 1996, Bank of Hawaii acquired the majority interest in Banque de Tahiti. Bank of Hawaii's presence in New Caledonia dates back to 1974 when the bank, together with Credit Lyonnais and other investors, established the Banque de Nouvelle-Caledonie. In 1996, Bank of Hawaii acquired the majority interest in Bank of Hawaii-Nouvelle Caledonie.

On October 3, 2001, Bank of Hawaii announced it reached a definitive agreement to sell its operations in Papua New Guinea, Vanuatu and Fiji to Australia-based Australia and New Zealand Banking Group, Ltd. (ANZ).

Groupe Caisse d'Epargne is the third largest banking network in France with 4,800 branches and 26 million customers. It has total loans of 112.4 billion Euros and total deposits of 241.2 billion Euros; total assets of 264 billion Euros and 10 billion Euros equity with a ROE of 9.5 percent; and earnings which have increased by 24 percent in 2000 amounting to 826 million Euros.

Bank of Hawaii is the principal subsidiary of Pacific Century Financial Corporation (NYSE:BOH), a regional financial services company headquartered in Honolulu, Hawaii, with total assets of approximately \$11.9 billion as of September 30, 2001.

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