

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D. C. 20549

**FORM 8-K**

**CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of Report  
(Date of earliest event reported) **October 23, 2017**

**BANK OF HAWAII CORPORATION**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State of Incorporation)

**1-6887**  
(Commission  
File Number)

**99-0148992**  
(IRS Employer  
Identification No.)

**130 Merchant Street, Honolulu, Hawaii**  
(Address of principal executive offices)

**96813**  
(Zip Code)

(Registrant's telephone number,  
including area code)

**(888) 643-3888**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- Emerging growth company
  - If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.
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**Item 2.02. Results of Operations and Financial Condition.**

On October 23, 2017, Bank of Hawaii Corporation announced its results of operations for the quarter ended September 30, 2017. The public announcement was made by means of a press release, the text of which is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit No.

[99.1](#) October 23, 2017 Press Release: Bank of Hawaii Corporation Third Quarter 2017 Financial Results. Any internet addresses provided in this release are for informational purposes only and are not intended to be hyperlinks. Furnished herewith.

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**Signatures**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 23, 2017

Bank of Hawaii Corporation

By: /s/ Mark A. Rossi

Mark A. Rossi

Vice Chairman and Corporate Secretary



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## Bank of Hawaii Corporation Third Quarter 2017 Financial Results

- **Diluted Earnings Per Share \$1.08**
- **Net Income \$45.9 Million**
- **Board of Directors Declares Dividend of \$0.52 Per Share**
- **Board of Directors Increases Share Repurchase Authorization \$100 Million**

### FOR IMMEDIATE RELEASE

**HONOLULU, HI** (October 23, 2017) -- Bank of Hawaii Corporation (NYSE: BOH) today reported diluted earnings per share of \$1.08 for the third quarter of 2017, up from \$1.05 in the second quarter of 2017 and \$1.02 in the third quarter of 2016. Net income for the third quarter of 2017 was \$45.9 million, an increase of \$1.2 million from net income of \$44.7 million in the previous quarter and an increase of \$2.4 million from net income of \$43.5 million in the same quarter last year.

Loan and lease balances increased to \$9.6 billion at September 30, 2017, up 2.0 percent from June 30, 2017 and up 10.1 percent compared with September 30, 2016. Deposits grew to \$15.0 billion at the end of the third quarter of 2017, up 1.8 percent from the previous quarter and up 9.0 percent compared with the same quarter last year.

"Bank of Hawaii's financial results remained strong through the third quarter of 2017," said Peter S. Ho, Chairman, President and CEO. "Loan and deposit balances increased, asset quality remained solid, our net interest margin was stable, and our core expenses declined during the quarter."

The return on average assets for the third quarter of 2017 was 1.07 percent, down from 1.09 percent in the previous quarter and 1.09 percent in the same quarter last year. The return on average equity for the third quarter of 2017 was 14.89 percent, up from 14.87 percent for the second quarter of 2017 and equal to the return on average equity of 14.89 percent in the third quarter of 2016. The efficiency ratio for the third quarter of 2017 was 55.82 percent compared with 55.99 percent in the previous quarter and 57.58 percent in the same quarter last year.

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For the nine-month period ended September 30, 2017, net income was \$141.7 million, an increase of \$3.8 million from net income of \$137.9 million for the same period last year. Diluted earnings per share were \$3.32 for the nine-month period in 2017 compared with diluted earnings per share of \$3.21 for the same period in 2016. The 2017 year-to-date return on average assets was 1.14 percent compared with 1.17 percent for the same period in 2016. The 2017 year-to-date return on average equity was 15.77 percent compared with 16.09 percent for the nine months ended September 30, 2016. The efficiency ratio for the nine-month period ended September 30, 2017 declined to 55.05 percent compared with 56.57 percent for the same period last year.

### **Financial Highlights**

Net interest income, on a taxable equivalent basis, for the third quarter of 2017 was \$119.2 million, an increase of \$3.9 million from net interest income of \$115.3 million in the second quarter of 2017 and an increase of \$12.3 million from net interest income of \$106.9 million in the third quarter of last year. Net interest income in the third quarter of 2016 included a reversal of \$0.8 million for an interest recovery previously recorded in the second quarter of 2016. Net interest income for the nine-month period in 2017 was \$347.5 million, an increase of \$28.1 million from net interest income of \$319.4 million for the same period in 2016. Analyses of the changes in net interest income are included in Tables 8a, 8b, and 8c.

The net interest margin was 2.92 percent for the third quarter of 2017, unchanged from the second quarter of 2017 and a 12 basis point increase from the net interest margin of 2.80 percent in the third quarter of 2016. Adjusted for the interest reversal, the net interest margin in the third quarter of 2016 was 2.82 percent. The net interest margin for the first nine months of 2017 was 2.91 percent compared with 2.84 percent for the same nine-month period last year.

Results for the third quarter of 2017 included a provision for credit losses of \$4.0 million due to the continued strong growth of loans and leases. Second quarter of 2017 results included a provision for credit losses of \$4.3 million. Results for the third quarter of 2016 included a provision for credit losses of \$2.5 million. The provision for credit losses during the first nine months of 2017 was \$12.7 million compared with \$1.5 million during the same period in 2016. Provision expense in 2016 reflected a recovery of \$6.6 million related to one commercial client in Guam.

Noninterest income was \$42.4 million in the third quarter of 2017, down \$2.8 million from noninterest income of \$45.2 million in the second quarter of 2017 and down \$5.7 million from \$48.1 million in the same quarter last year. Mortgage banking income decreased to \$3.2 million in the third quarter of 2017 compared with \$3.8 million in the second quarter of 2017 and \$6.4 million in the third quarter last year. Noninterest income for the nine-months ended September 30, 2017 was \$143.6 million compared with noninterest income of \$150.8 million for the same period in 2016. The decrease from the previous year was primarily due to the decline in mortgage banking income, lower revenue from the customer derivative program and gains on sales of assets during 2016.

Noninterest expense was \$88.6 million in the third quarter of 2017, up \$0.4 million from noninterest expense of \$88.2 million in the previous quarter and up \$1.1 million from \$87.5 million in the same quarter last year. Noninterest expense in the third quarter of 2017 included \$2.1 million in severance which was partially offset by a reduction of \$0.9 million in share-based compensation. Noninterest expense for the nine-months ended September 30, 2017 was \$265.4 million compared with noninterest expense of \$261.0 million for the same period in 2016. An analysis of noninterest expenses related to salaries and benefits is included in Table 9.

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The effective tax rate for the third quarter of 2017 was 30.62 percent compared with 31.37 percent in the previous quarter and 29.84 percent during the same quarter last year. Taxes for the third quarter of 2016 included a \$0.7 million release of reserves. The effective tax rate for the nine-month period ended September 30, 2017 was 30.54 percent compared with 30.62 percent for the same period last year.

The Company's business segments are defined as Retail Banking, Commercial Banking, Investment Services, and Treasury & Other. Results are determined based on the Company's internal financial management reporting process and organizational structure. Selected financial information for the business segments is included in Tables 13a and 13b.

### **Asset Quality**

The Company's overall asset quality remained solid during the third quarter of 2017. Total non-performing assets were \$17.0 million at September 30, 2017 compared with \$16.4 million at June 30, 2017 and \$18.7 million at September 30, 2016. As a percentage of total loans and leases and foreclosed real estate, non-performing assets were 0.18 percent at September 30, 2017 compared with 0.17 percent at June 30, 2017 and 0.21 percent at September 30, 2016.

Accruing loans and leases past due 90 days or more were \$6.7 million at September 30, 2017 compared with \$7.0 million at June 30, 2017 and \$5.6 million at September 30, 2016. Restructured loans and leases not included in non-accrual loans or accruing loans past due 90 days or more were \$55.0 million at September 30, 2017 compared with \$53.2 million at June 30, 2017 and \$52.1 million at September 30, 2016. More information on non-performing assets and accruing loans and leases past due 90 days or more is presented in Table 11.

Net loans and leases charged off during the third quarter of 2017 were \$3.5 million or 0.15 percent annualized of total average loans and leases outstanding. Loan and lease charge-offs of \$6.2 million during the quarter were partially offset by recoveries of \$2.7 million. Net charge-offs during the second quarter of 2017 were \$3.0 million or 0.13 percent annualized of total average loans and leases outstanding and were comprised of \$5.5 million in charge-offs partially offset by recoveries of \$2.5 million. Net charge-offs during the third quarter of 2016 were \$2.4 million or 0.11 percent annualized of total average loans and leases outstanding and were comprised of \$4.9 million in charge-offs partially offset by recoveries of \$2.5 million. Net charge-offs in the nine-month period ended September 30, 2017 were \$10.0 million, or 0.15 percent annualized of total average loans and leases outstanding compared with net charge-offs of \$0.3 million, or 0.01 percent annualized of total average loans and leases outstanding for the same period in 2016. The lower charge-off rate during 2016 was largely due to the previously mentioned recovery of previously charged off loans to a commercial client in Guam.

The allowance for loan and lease losses increased to \$106.9 million at September 30, 2017 due to continued strong loan growth. The allowance for loan and lease losses was \$106.4 million at June 30, 2017 and \$104.0 million at September 30, 2016. The ratio of the allowance for loan and lease losses to total loans and leases outstanding was 1.12 percent at September 30, 2017, a decrease of 1 basis point from the previous quarter and down 8 basis points from the end of the same quarter last year. The reserve for unfunded commitments at September 30, 2017 of \$6.8 million was unchanged from June 30, 2017 and up from \$6.6 million at September 30, 2016. Details of loan and lease charge-offs, recoveries and the components of the total reserve for credit losses are summarized in Table 12.

### Other Financial Highlights

Total assets were \$17.3 billion at September 30, 2017, an increase of \$287.0 million from total assets of \$17.0 billion at June 30, 2017 and \$1.3 billion from total assets of \$16.0 billion at September 30, 2016. Average total assets were \$17.0 billion during the third quarter of 2017 compared with \$16.5 billion during the previous quarter and \$15.9 billion during the same quarter last year.

The investment securities portfolio was \$6.3 billion at September 30, 2017, reflecting increases of \$183.8 million from total securities of \$6.1 billion at June 30, 2017 and \$253.9 million from total securities of \$6.0 billion at September 30, 2016. The portfolio remains largely comprised of securities issued by U. S. government agencies and included \$4.0 billion in securities held to maturity and \$2.3 billion in securities available for sale at September 30, 2017.

Total loans and leases were \$9.6 billion at September 30, 2017, an increase of \$186.3 million from total loans and leases of \$9.4 billion at June 30, 2017 and \$879.9 million from total loans and leases of \$8.7 billion at September 30, 2016. Average total loans and leases increased to \$9.5 billion during the third quarter of 2017 compared with \$9.2 billion during the second quarter of 2017 and \$8.5 billion during the same quarter last year. The commercial loan portfolio increased to \$3.7 billion at the end of the third quarter of 2017, up slightly from the end of the previous quarter and up from \$3.5 billion at the end of the same quarter last year. Total consumer loans increased to \$5.8 billion at the end of the third quarter of 2017, up from \$5.7 billion at the end of the second quarter of 2017 and \$5.2 billion at the end of the third quarter of 2016. Loan and lease portfolio balances are summarized in Table 10.

Total deposits were \$15.0 billion at September 30, 2017, an increase of \$263.5 million from total deposits of \$14.8 billion at June 30, 2017 and \$1.2 billion from total deposits of \$13.8 billion at September 30, 2016. Average total deposits increased to \$14.7 billion during the third quarter of 2017 compared with \$14.3 billion during the previous quarter and \$13.7 billion during the same quarter last year. Consumer deposits were \$7.3 billion at the end of the third quarter of 2017, up slightly from the end of the previous quarter and up from \$6.8 billion at the end of the same quarter last year. Commercial deposits were \$6.1 billion at the end of the third quarter of 2017, up from \$5.9 billion at the end of the previous quarter and up from \$5.8 billion at the end of the same quarter last year. Other deposits, including public funds, were \$1.7 billion at the end of the third quarter of 2017, up from \$1.6 billion at the end of the previous quarter and up from \$1.3 billion at the end of the same quarter last year. Deposit balances are summarized in Tables 7 and 10.

During the third quarter of 2017, the Company repurchased 183.5 thousand shares of common stock at a total cost of \$14.8 million under its share repurchase program. The average cost was \$80.89 per share repurchased. From the beginning of the share repurchase program initiated during July 2001 through September 30, 2017, the Company repurchased 54.1 million shares and returned nearly \$2.1 billion to shareholders at an average cost of \$38.19 per share. The Company's Board of Directors increased the authorization under the share repurchase program by an additional \$100.0 million. From October 2 through October 20, 2017 the Company repurchased an additional 44.5 thousand shares of common stock at an average cost of \$83.97 per share. Remaining buyback authority under the share repurchase program was \$126.9 million at October 20, 2017.

Total shareholders' equity was \$1.2 billion at September 30, 2017. The Tier 1 Capital Ratio was 13.27 percent at September 30, 2017 compared with 13.34 percent at June 30, 2017 and 13.40 percent at September 30, 2016. The Tier 1 leverage ratio at September 30, 2017 was 7.24 percent compared with 7.37 percent at June 30, 2017 and 7.25 percent at September 30, 2016.

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The Company's Board of Directors has declared a quarterly cash dividend of \$0.52 per share on the Company's outstanding shares. The dividend will be payable on December 14, 2017 to shareholders of record at the close of business on November 30, 2017.

### **Hawaii Economy**

General economic conditions in Hawaii remained positive during the third quarter of 2017. The statewide seasonally-adjusted unemployment rate continues to remain low, declining to 2.5 percent in September 2017 compared to 4.2 percent nationally. Tourism remained robust through the first eight months of 2017. Total visitor spending increased 8.5 percent due to growth of 4.7 percent in visitor arrivals and an increase of 3.9 percent in daily spending compared to the same eight-month period in 2016. The real estate market also remains strong. For the first nine months of 2017, the volume of single-family home sales on Oahu increased 5.0 percent and the volume of condominium sales on Oahu increased 5.8 percent compared with the same period in 2016. The median sales price of a single-family home on Oahu increased 3.4 percent and the median price of a condominium on Oahu increased 5.4 percent for the first nine months of 2017 compared to the same nine-month period in 2016. As of September 30, 2017, months of inventory of single-family homes and condominiums on Oahu were 2.4 months and 2.6 months, respectively. More information on current Hawaii economic trends is presented in Table 15.

### **Conference Call Information**

The Company will review its third quarter 2017 financial results today at 2:00 p.m. Eastern Time (8:00 a.m. Hawaii Time). The conference call will be accessible via teleconference and via the investor relations link of Bank of Hawaii Corporation's website, [www.boh.com](http://www.boh.com). The toll-free number is (844) 543-5235 in the United States and Canada and (703) 318-2209 for other international callers. Use the pass code "Bank of Hawaii" to access the call. A replay will be available for one week beginning approximately 11:00 a.m. Hawaii Time on Monday, October 23, 2017. The replay number is (855) 859-2056 in the United States and Canada and (404) 537-3406 from other international locations. Enter the pass code 95696390 when prompted. Participants can also dial 1 (800) 585-8367 to access the replay. In addition, a replay will be available on the Company's website, [www.boh.com](http://www.boh.com).

### **Forward-Looking Statements**

This news release, and other statements made by the Company in connection with it may contain "forward-looking statements", such as forecasts of our financial results and condition, expectations for our operations and business prospects, and our assumptions used in those forecasts and expectations. Do not unduly rely on forward-looking statements. Actual results might differ significantly from our forecasts and expectations because of a variety of factors. More information about these factors is contained in Bank of Hawaii Corporation's Annual Report on Form 10-K for the year ended December 31, 2016, which was filed with the U.S. Securities and Exchange Commission. We have not committed to update forward-looking statements to reflect later events or circumstances.

*Bank of Hawaii Corporation is an independent regional financial services company serving businesses, consumers and governments in Hawaii, American Samoa, and the West Pacific. The Company's principal subsidiary, Bank of Hawaii, was founded in 1897. For more information about Bank of Hawaii Corporation, see the Company's web site, [www.boh.com](http://www.boh.com).*

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Bank of Hawaii Corporation and Subsidiaries

Financial Highlights

Table 1

|   | Three Months Ended    |                      |                       | Nine Months Ended     |                       |
|---|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|
|   | September 30,<br>2017 | June 30,<br>2017     | September 30,<br>2016 | September 30,<br>2017 | September 30,<br>2016 |
| (dollars in thousands, except per share amounts)            |                       |                      |                       |                       |                       |
| <b>For the Period:</b>                                      |                       |                      |                       |                       |                       |
| <b>Operating Results</b>                                    |                       |                      |                       |                       |                       |
| Net Interest Income   | \$ 116,317            | \$ 112,279           | \$ 103,912            | \$ 338,468            | \$ 310,486            |
| Provision for Credit Losses                                 | 4,000                 | 4,250                | 2,500                 | 12,650                | 1,500                 |
| Total Noninterest Income                                    | 42,410                | 45,236               | 48,114                | 143,562               | 150,840               |
| Total Noninterest Expense                                   | 88,598                | 88,189               | 87,532                | 265,355               | 260,989               |
| Net Income  | 45,881                | 44,662               | 43,493                | 141,719               | 137,948               |
| Basic Earnings Per Share                                    | 1.09                  | 1.05                 | 1.02                  | 3.35                  | 3.23                  |
| Diluted Earnings Per Share                                  | 1.08                  | 1.05                 | 1.02                  | 3.32                  | 3.21                  |
| Dividends Declared Per Share                                | 0.52                  | 0.50                 | 0.48                  | 1.52                  | 1.41                  |
| <b>Performance Ratios</b>                                   |                       |                      |                       |                       |                       |
| Return on Average Assets                                    | 1.07 %                | 1.09 %               | 1.09 %                | 1.14 %                | 1.17 %                |
| Return on Average Shareholders' Equity                      | 14.89                 | 14.87                | 14.89                 | 15.77                 | 16.09                 |
| Efficiency Ratio <sup>1</sup>                               | 55.82                 | 55.99                | 57.58                 | 55.05                 | 56.57                 |
| Net Interest Margin <sup>2</sup>                            | 2.92                  | 2.92                 | 2.80                  | 2.91                  | 2.84                  |
| Dividend Payout Ratio <sup>3</sup>                          | 47.71                 | 47.62                | 47.06                 | 45.37                 | 43.65                 |
| Average Shareholders' Equity to Average Assets              | 7.21                  | 7.30                 | 7.30                  | 7.22                  | 7.30                  |
| <b>Average Balances</b>                                     |                       |                      |                       |                       |                       |
| Average Loans and Leases                                    | \$ 9,451,972          | \$ 9,217,779         | \$ 8,483,588          | \$ 9,231,615          | \$ 8,210,596          |
| Average Assets  | 16,972,202            | 16,495,925           | 15,906,760            | 16,636,213            | 15,695,251            |
| Average Deposits  | 14,727,469            | 14,253,149           | 13,687,186            | 14,401,698            | 13,492,609            |
| Average Shareholders' Equity                                | 1,222,885             | 1,204,837            | 1,161,655             | 1,201,850             | 1,145,094             |
| <b>Per Share of Common Stock</b>                            |                       |                      |                       |                       |                       |
| Book Value  | \$ 28.88              | \$ 28.45             | \$ 27.24              | \$ 28.88              | \$ 27.24              |
| Tangible Book Value   | 28.14                 | 27.72                | 26.50                 | 28.14                 | 26.50                 |
| <b>Market Value</b>   |                       |                      |                       |                       |                       |
| Closing   | 83.36                 | 82.97                | 72.62                 | 83.36                 | 72.62                 |
| High  | 86.19                 | 84.99                | 73.44                 | 90.80                 | 73.44                 |
| Low   | 74.72                 | 75.92                | 65.19                 | 74.72                 | 54.55                 |
|   |                       | <b>September 30,</b> | <b>June 30,</b>       | <b>December 31,</b>   | <b>September 30,</b>  |
|   |                       | <b>2017</b>          | <b>2017</b>           | <b>2016</b>           | <b>2016</b>           |
| <b>As of Period End:</b>                                    |                       |                      |                       |                       |                       |
| <b>Balance Sheet Totals</b>                                 |                       |                      |                       |                       |                       |
| Loans and Leases  | \$ 9,573,956          | \$ 9,387,613         | \$ 8,949,785          | \$ 8,949,785          | \$ 8,694,097          |
| Total Assets  | 17,268,302            | 16,981,292           | 16,492,367            | 16,492,367            | 16,014,643            |
| Total Deposits  | 15,048,160            | 14,784,649           | 14,320,240            | 14,320,240            | 13,808,365            |
| Other Debt  | 267,887               | 267,904              | 267,938               | 267,938               | 267,954               |
| Total Shareholders' Equity                                  | 1,227,893             | 1,213,757            | 1,161,537             | 1,161,537             | 1,163,859             |
| <b>Asset Quality</b>  |                       |                      |                       |                       |                       |
| Non-Performing Assets                                       | \$ 17,035             | \$ 16,368            | \$ 19,761             | \$ 19,761             | \$ 18,672             |
| Allowance for Loan and Lease Losses                         | 106,881               | 106,353              | 104,273               | 104,273               | 104,033               |
| Allowance to Loans and Leases Outstanding                   | 1.12 %                | 1.13 %               | 1.17 %                | 1.17 %                | 1.20 %                |
| <b>Capital Ratios</b>                                       |                       |                      |                       |                       |                       |
| Common Equity Tier 1 Capital Ratio                          | 13.27 %               | 13.34 %              | 13.24 %               | 13.24 %               | 13.40 %               |
| Tier 1 Capital Ratio  | 13.27                 | 13.34                | 13.24                 | 13.24                 | 13.40                 |
| Total Capital Ratio   | 14.51                 | 14.58                | 14.49                 | 14.49                 | 14.65                 |
| Tier 1 Leverage Ratio                                       | 7.24                  | 7.37                 | 7.21                  | 7.21                  | 7.25                  |
| Total Shareholders' Equity to Total Assets                  | 7.11                  | 7.15                 | 7.04                  | 7.04                  | 7.27                  |
| Tangible Common Equity to Tangible Assets <sup>4</sup>      | 6.94                  | 6.97                 | 6.86                  | 6.86                  | 7.08                  |
| Tangible Common Equity to Risk-Weighted Assets <sup>4</sup> | 12.96                 | 13.01                | 12.81                 | 12.81                 | 13.18                 |

**Non-Financial Data**

|                                |       |       |       |       |
|--------------------------------|-------|-------|-------|-------|
| Full-Time Equivalent Employees | 2,120 | 2,142 | 2,122 | 2,125 |
| Branches                       | 69    | 69    | 69    | 70    |
| ATMs                           | 388   | 388   | 449   | 450   |

<sup>1</sup> Efficiency ratio is defined as noninterest expense divided by total revenue (net interest income and total noninterest income).

<sup>2</sup> Net interest margin is defined as net interest income, on a taxable-equivalent basis, as a percentage of average earning assets.

<sup>3</sup> Dividend payout ratio is defined as dividends declared per share divided by basic earnings per share.

<sup>4</sup> Tangible common equity to tangible assets and tangible common equity to risk-weighted assets are Non-GAAP financial measures. See Table 2 "Reconciliation of Non-GAAP Financial Measures."

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**Bank of Hawaii Corporation and Subsidiaries**
**Reconciliation of Non-GAAP Financial Measures**
**Table 2**

| (dollars in thousands)  | September 30,<br>2017 | June 30,<br>2017 | December 31,<br>2016 | September 30,<br>2016 |
|---|-----------------------|------------------|----------------------|-----------------------|
| Total Shareholders' Equity  | \$ 1,227,893          | \$ 1,213,757     | \$ 1,161,537         | \$ 1,163,859          |
| Less: Goodwill  | 31,517                | 31,517           | 31,517               | 31,517                |
| Tangible Common Equity  | \$ 1,196,376          | \$ 1,182,240     | \$ 1,130,020         | \$ 1,132,342          |
| <br>  |                       |                  |                      |                       |
| Total Assets  | \$ 17,268,302         | \$ 16,981,292    | \$ 16,492,367        | \$ 16,014,643         |
| Less: Goodwill  | 31,517                | 31,517           | 31,517               | 31,517                |
| Tangible Assets   | \$ 17,236,785         | \$ 16,949,775    | \$ 16,460,850        | \$ 15,983,126         |
| <br>  |                       |                  |                      |                       |
| Risk-Weighted Assets, determined in accordance<br>with prescribed regulatory requirements | \$ 9,233,969          | \$ 9,087,057     | \$ 8,823,485         | \$ 8,591,440          |
| <br>  |                       |                  |                      |                       |
| Total Shareholders' Equity to Total Assets  | 7.11%                 | 7.15%            | 7.04%                | 7.27%                 |
| Tangible Common Equity to Tangible Assets (Non-GAAP)                                      | 6.94%                 | 6.97%            | 6.86%                | 7.08%                 |
| <br>  |                       |                  |                      |                       |
| Tier 1 Capital Ratio  | 13.27%                | 13.34%           | 13.24%               | 13.40%                |
| Tangible Common Equity to Risk-Weighted Assets (Non-GAAP)                                 | 12.96%                | 13.01%           | 12.81%               | 13.18%                |

**Bank of Hawaii Corporation and Subsidiaries**  
**Consolidated Statements of Income**

**Table 3**

|  | Three Months Ended    |                  |                       | Nine Months Ended     |                       |
|--|-----------------------|------------------|-----------------------|-----------------------|-----------------------|
|  | September 30,<br>2017 | June 30,<br>2017 | September 30,<br>2016 | September 30,<br>2017 | September 30,<br>2016 |
| (dollars in thousands, except per share amounts)             |                       |                  |                       |                       |                       |
| <b>Interest Income</b>                                       |                       |                  |                       |                       |                       |
| Interest and Fees on Loans and Leases                        | \$ 94,621             | \$ 90,909        | \$ 83,489             | \$ 273,467            | \$ 246,707            |
| <b>Income on Investment Securities</b>                       |                       |                  |                       |                       |                       |
| Available-for-Sale   | 11,987                | 11,835           | 10,313                | 34,906                | 31,648                |
| Held-to-Maturity   | 20,334                | 19,918           | 19,315                | 59,958                | 59,874                |
| Deposits   | 5                     | 2                | 1                     | 12                    | 7                     |
| Funds Sold   | 1,579                 | 696              | 695                   | 3,165                 | 2,066                 |
| Other  | 235                   | 208              | 166                   | 673                   | 531                   |
| <b>Total Interest Income</b>                                 | <b>128,761</b>        | <b>123,568</b>   | <b>113,979</b>        | <b>372,181</b>        | <b>340,833</b>        |
| <b>Interest Expense</b>                                      |                       |                  |                       |                       |                       |
| Deposits   | 6,663                 | 4,998            | 3,232                 | 15,352                | 9,199                 |
| Securities Sold Under Agreements to Repurchase               | 4,664                 | 5,079            | 5,713                 | 14,928                | 18,000                |
| Funds Purchased  | —                     | 39               | 3                     | 42                    | 9                     |
| Short-Term Borrowings  | —                     | 64               | —                     | 64                    | —                     |
| Other Debt   | 1,117                 | 1,109            | 1,119                 | 3,327                 | 3,139                 |
| <b>Total Interest Expense</b>                                | <b>12,444</b>         | <b>11,289</b>    | <b>10,067</b>         | <b>33,713</b>         | <b>30,347</b>         |
| <b>Net Interest Income</b>                                   | <b>116,317</b>        | <b>112,279</b>   | <b>103,912</b>        | <b>338,468</b>        | <b>310,486</b>        |
| Provision for Credit Losses                                  | 4,000                 | 4,250            | 2,500                 | 12,650                | 1,500                 |
| <b>Net Interest Income After Provision for Credit Losses</b> | <b>112,317</b>        | <b>108,029</b>   | <b>101,412</b>        | <b>325,818</b>        | <b>308,986</b>        |
| <b>Noninterest Income</b>                                    |                       |                  |                       |                       |                       |
| Trust and Asset Management                                   | 11,050                | 11,796           | 11,008                | 34,325                | 34,971                |
| Mortgage Banking   | 3,237                 | 3,819            | 6,362                 | 10,356                | 13,639                |
| Service Charges on Deposit Accounts                          | 8,188                 | 8,009            | 8,524                 | 24,522                | 25,117                |
| Fees, Exchange, and Other Service Charges                    | 13,764                | 13,965           | 14,023                | 41,061                | 41,445                |
| Investment Securities Gains (Losses), Net                    | (566)                 | (520)            | (328)                 | 11,047                | 10,540                |
| Annuity and Insurance  | 1,429                 | 2,161            | 1,653                 | 5,585                 | 5,560                 |
| Bank-Owned Life Insurance                                    | 1,861                 | 1,550            | 1,911                 | 4,908                 | 5,010                 |
| Other  | 3,447                 | 4,456            | 4,961                 | 11,758                | 14,558                |
| <b>Total Noninterest Income</b>                              | <b>42,410</b>         | <b>45,236</b>    | <b>48,114</b>         | <b>143,562</b>        | <b>150,840</b>        |
| <b>Noninterest Expense</b>                                   |                       |                  |                       |                       |                       |
| Salaries and Benefits  | 51,626                | 50,113           | 49,725                | 153,341               | 150,528               |
| Net Occupancy  | 7,727                 | 8,131            | 8,510                 | 24,026                | 22,671                |
| Net Equipment  | 5,417                 | 5,706            | 4,913                 | 16,624                | 15,387                |
| Data Processing  | 3,882                 | 3,881            | 3,620                 | 11,173                | 11,543                |
| Professional Fees  | 3,044                 | 2,592            | 2,396                 | 8,415                 | 7,082                 |
| FDIC Insurance   | 2,107                 | 2,097            | 2,104                 | 6,413                 | 6,600                 |
| Other  | 14,795                | 15,669           | 16,264                | 45,363                | 47,178                |
| <b>Total Noninterest Expense</b>                             | <b>88,598</b>         | <b>88,189</b>    | <b>87,532</b>         | <b>265,355</b>        | <b>260,989</b>        |
| Income Before Provision for Income Taxes                     | 66,129                | 65,076           | 61,994                | 204,025               | 198,837               |
| Provision for Income Taxes                                   | 20,248                | 20,414           | 18,501                | 62,306                | 60,889                |
| <b>Net Income</b>  | <b>\$ 45,881</b>      | <b>\$ 44,662</b> | <b>\$ 43,493</b>      | <b>\$ 141,719</b>     | <b>\$ 137,948</b>     |
| <b>Basic Earnings Per Share</b>                              |                       |                  |                       |                       |                       |
| Basic Earnings Per Share                                     | \$ 1.09               | \$ 1.05          | \$ 1.02               | \$ 3.35               | \$ 3.23               |
| <b>Diluted Earnings Per Share</b>                            |                       |                  |                       |                       |                       |
| Diluted Earnings Per Share                                   | \$ 1.08               | \$ 1.05          | \$ 1.02               | \$ 3.32               | \$ 3.21               |
| <b>Dividends Declared Per Share</b>                          |                       |                  |                       |                       |                       |
| Dividends Declared Per Share                                 | \$ 0.52               | \$ 0.50          | \$ 0.48               | \$ 1.52               | \$ 1.41               |
| <b>Basic Weighted Average Shares</b>                         |                       |                  |                       |                       |                       |
| Basic Weighted Average Shares                                | 42,251,541            | 42,353,976       | 42,543,122            | 42,336,441            | 42,730,571            |
| <b>Diluted Weighted Average Shares</b>                       |                       |                  |                       |                       |                       |
| Diluted Weighted Average Shares                              | 42,565,364            | 42,658,885       | 42,778,346            | 42,662,163            | 42,947,059            |

**Bank of Hawaii Corporation and Subsidiaries****Consolidated Statements of Comprehensive Income**

Table 4

| (dollars in thousands)                                 | Three Months Ended |           |               | Nine Months Ended |            |
|--|--------------------|-----------|---------------|-------------------|------------|
|  | September 30,      | June 30,  | September 30, | September 30,     |            |
|  | 2017               | 2017      | 2016          | 2017              | 2016       |
| Net Income   | \$ 45,881          | \$ 44,662 | \$ 43,493     | \$ 141,719        | \$ 137,948 |
| Other Comprehensive Income (Loss), Net of Tax:         |                    |           |               |                   |            |
| Net Unrealized Gains (Losses) on Investment Securities | 444                | 3,106     | (5,528)       | 8,444             | 8,323      |
| Defined Benefit Plans                                  | 146                | 147       | 140           | 439               | 422        |
| Total Other Comprehensive Income (Loss)                | 590                | 3,253     | (5,388)       | 8,883             | 8,745      |
| Comprehensive Income                                   | \$ 46,471          | \$ 47,915 | \$ 38,105     | \$ 150,602        | \$ 146,693 |

**Bank of Hawaii Corporation and Subsidiaries**  
**Consolidated Statements of Condition**

**Table 5**

| (dollars in thousands)  | September 30,<br>2017 | June 30,<br>2017     | December 31,<br>2016 | September 30,<br>2016 |
|---|-----------------------|----------------------|----------------------|-----------------------|
| <b>Assets</b>   |                       |                      |                      |                       |
| Interest-Bearing Deposits in Other Banks  | \$ 3,161              | \$ 3,913             | \$ 3,187             | \$ 4,181              |
| Funds Sold  | 512,868               | 742,221              | 707,343              | 506,604               |
| <b>Investment Securities</b>  |                       |                      |                      |                       |
| Available-for-Sale  | 2,322,668             | 2,316,728            | 2,186,041            | 2,213,482             |
| Held-to-Maturity (Fair Value of \$3,960,956; \$3,785,641; \$3,827,527; and \$3,893,542)       | 3,960,598             | 3,782,702            | 3,832,997            | 3,815,915             |
| Loans Held for Sale   | 9,752                 | 20,354               | 62,499               | 68,066                |
| Loans and Leases  | 9,573,956             | 9,387,613            | 8,949,785            | 8,694,097             |
| Allowance for Loan and Lease Losses   | (106,881)             | (106,353)            | (104,273)            | (104,033)             |
| Net Loans and Leases  | 9,467,075             | 9,281,260            | 8,845,512            | 8,590,064             |
| <b>Total Earning Assets</b>   | <b>16,276,122</b>     | <b>16,147,178</b>    | <b>15,637,579</b>    | <b>15,198,312</b>     |
| Cash and Due from Banks   | 245,487               | 128,093              | 169,077              | 127,326               |
| Premises and Equipment, Net   | 125,162               | 119,569              | 113,505              | 110,288               |
| Accrued Interest Receivable   | 51,526                | 46,595               | 46,444               | 46,925                |
| Foreclosed Real Estate  | 1,393                 | 1,991                | 1,686                | 1,747                 |
| Mortgage Servicing Rights   | 24,436                | 24,471               | 23,663               | 20,991                |
| Goodwill  | 31,517                | 31,517               | 31,517               | 31,517                |
| Bank-Owned Life Insurance   | 278,425               | 277,235              | 274,188              | 272,637               |
| Other Assets  | 234,234               | 204,643              | 194,708              | 204,900               |
| <b>Total Assets</b>   | <b>\$ 17,268,302</b>  | <b>\$ 16,981,292</b> | <b>\$ 16,492,367</b> | <b>\$ 16,014,643</b>  |
| <b>Liabilities</b>  |                       |                      |                      |                       |
| <b>Deposits</b>   |                       |                      |                      |                       |
| Noninterest-Bearing Demand  | \$ 4,825,643          | \$ 4,706,962         | \$ 4,772,727         | \$ 4,437,963          |
| Interest-Bearing Demand   | 2,896,559             | 3,029,549            | 2,934,107            | 2,777,095             |
| Savings   | 5,363,866             | 5,364,191            | 5,395,699            | 5,306,880             |
| Time  | 1,962,092             | 1,683,947            | 1,217,707            | 1,286,427             |
| <b>Total Deposits</b>   | <b>15,048,160</b>     | <b>14,784,649</b>    | <b>14,320,240</b>    | <b>13,808,365</b>     |
| Funds Purchased   | —                     | —                    | 9,616                | 9,616                 |
| Securities Sold Under Agreements to Repurchase  | 505,293               | 505,292              | 523,378              | 551,683               |
| Other Debt  | 267,887               | 267,904              | 267,938              | 267,954               |
| Retirement Benefits Payable   | 38,308                | 48,346               | 48,451               | 47,522                |
| Accrued Interest Payable  | 6,717                 | 5,105                | 5,334                | 6,115                 |
| Taxes Payable and Deferred Taxes  | 31,360                | 31,444               | 21,674               | 24,922                |
| Other Liabilities   | 142,684               | 124,795              | 134,199              | 134,607               |
| <b>Total Liabilities</b>  | <b>16,040,409</b>     | <b>15,767,535</b>    | <b>15,330,830</b>    | <b>14,850,784</b>     |
| <b>Shareholders' Equity</b>   |                       |                      |                      |                       |
| Common Stock (\$.01 par value; authorized 500,000,000 shares;                                 |                       |                      |                      |                       |
| issued / outstanding: September 30, 2017 - 57,958,200 / 42,513,348;                           |                       |                      |                      |                       |
| June 30, 2017 - 57,972,647 / 42,655,954; December 31, 2016 - 57,856,672 / 42,635,978;         |                       |                      |                      |                       |
| and September 30, 2016 - 57,854,843 / 42,733,513)   |                       |                      |                      |                       |
|   | 576                   | 576                  | 576                  | 576                   |
| Capital Surplus   | 558,530               | 556,409              | 551,628              | 549,064               |
| Accumulated Other Comprehensive Loss  | (25,023)              | (25,613)             | (33,906)             | (14,812)              |
| Retained Earnings   | 1,491,830             | 1,468,328            | 1,415,440            | 1,393,231             |
| Treasury Stock, at Cost (Shares: September 30, 2017 - 15,444,852; June 30, 2017 - 15,316,693; |                       |                      |                      |                       |
| December 31, 2016 - 15,220,694; and September 30, 2016 - 15,121,330)                          |                       |                      |                      |                       |
|   | (798,020)             | (785,943)            | (772,201)            | (764,200)             |
| <b>Total Shareholders' Equity</b>   | <b>1,227,893</b>      | <b>1,213,757</b>     | <b>1,161,537</b>     | <b>1,163,859</b>      |
| <b>Total Liabilities and Shareholders' Equity</b>   | <b>\$ 17,268,302</b>  | <b>\$ 16,981,292</b> | <b>\$ 16,492,367</b> | <b>\$ 16,014,643</b>  |

**Bank of Hawaii Corporation and Subsidiaries**  
**Consolidated Statements of Shareholders' Equity**

**Table 6**

|  | Common Shares<br>Outstanding | Common<br>Stock | Capital<br>Surplus | Accum.<br>Other<br>Compre-<br>hensive<br>Income<br>(Loss) | Retained<br>Earnings | Treasury<br>Stock | Total        |
|--|------------------------------|-----------------|--------------------|---|----------------------|-------------------|--------------|
| <i>(dollars in thousands)</i>                        |                              |                 |                    |   |                      |                   |              |
| <b>Balance as of December 31, 2016</b>               | 42,635,978                   | \$ 576          | \$ 551,628         | \$ (33,906)   | \$ 1,415,440         | \$ (772,201)      | \$ 1,161,537 |
| Net Income   | —                            | —               | —                  | —   | 141,719              | —                 | 141,719      |
| Other Comprehensive Income                           | —                            | —               | —                  | 8,883   | —                    | —                 | 8,883        |
| Share-Based Compensation                             | —                            | —               | 5,332              | —   | —                    | —                 | 5,332        |
| <b>Common Stock Issued under Purchase and Equity</b> |                              |                 |                    |   |                      |                   |              |
| Compensation Plans and Related Tax Benefits          | 319,377                      | —               | 1,570              | —   | (383)                | 10,552            | 11,739       |
| Common Stock Repurchased                             | (442,007)                    | —               | —                  | —   | —                    | (36,371)          | (36,371)     |
| Cash Dividends Declared (\$1.52 per share)           | —                            | —               | —                  | —   | (64,946)             | —                 | (64,946)     |
| <b>Balance as of September 30, 2017</b>              | 42,513,348                   | \$ 576          | \$ 558,530         | \$ (25,023)   | \$ 1,491,830         | \$ (798,020)      | \$ 1,227,893 |
| <b>Balance as of December 31, 2015</b>               | 43,282,153                   | \$ 575          | \$ 542,041         | \$ (23,557)   | \$ 1,316,260         | \$ (719,059)      | \$ 1,116,260 |
| Net Income   | —                            | —               | —                  | —   | 137,948              | —                 | 137,948      |
| Other Comprehensive Income                           | —                            | —               | —                  | 8,745   | —                    | —                 | 8,745        |
| Share-Based Compensation                             | —                            | —               | 5,020              | —   | —                    | —                 | 5,020        |
| <b>Common Stock Issued under Purchase and Equity</b> |                              |                 |                    |   |                      |                   |              |
| Compensation Plans and Related Tax Benefits          | 224,018                      | 1               | 2,003              | —   | (314)                | 6,224             | 7,914        |
| Common Stock Repurchased                             | (772,658)                    | —               | —                  | —   | —                    | (51,365)          | (51,365)     |
| Cash Dividends Declared (\$1.41 per share)           | —                            | —               | —                  | —   | (60,663)             | —                 | (60,663)     |
| <b>Balance as of September 30, 2016</b>              | 42,733,513                   | \$ 576          | \$ 549,064         | \$ (14,812)   | \$ 1,393,231         | \$ (764,200)      | \$ 1,163,859 |

**Bank of Hawaii Corporation and Subsidiaries**
**Average Balances and Interest Rates - Taxable-Equivalent Basis**
**Table 7a**

| (dollars in millions)                             | Three Months Ended |                    |                | Three Months Ended |                    |                | Three Months Ended |                    |                |
|---|--------------------|--------------------|----------------|--------------------|--------------------|----------------|--------------------|--------------------|----------------|
|   | September 30, 2017 |                    |                | June 30, 2017      |                    |                | September 30, 2016 |                    |                |
|   | Average<br>Balance | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance | Income/<br>Expense | Yield/<br>Rate |
| <b>Earning Assets</b>                             |                    |                    |                |                    |                    |                |                    |                    |                |
| Interest-Bearing Deposits in Other Banks          | \$ 3.5             | \$ —               | 0.48 %         | \$ 3.6             | \$ —               | 0.29 %         | \$ 4.1             | \$ —               | 0.19 %         |
| Funds Sold  | 575.2              | 1.6                | 1.07           | 353.5              | 0.7                | 0.78           | 585.9              | 0.7                | 0.46           |
| Investment Securities                             |                    |                    |                |                    |                    |                |                    |                    |                |
| Available-for-Sale                                |                    |                    |                |                    |                    |                |                    |                    |                |
| Taxable   | 1,658.2            | 8.6                | 2.08           | 1,683.4            | 8.4                | 1.98           | 1,574.9            | 6.8                | 1.72           |
| Non-Taxable                                       | 636.7              | 5.2                | 3.26           | 658.9              | 5.4                | 3.26           | 687.1              | 5.4                | 3.16           |
| Held-to-Maturity                                  |                    |                    |                |                    |                    |                |                    |                    |                |
| Taxable   | 3,631.1            | 18.8               | 2.07           | 3,596.1            | 18.4               | 2.05           | 3,563.8            | 17.8               | 1.99           |
| Non-Taxable                                       | 239.9              | 2.4                | 3.87           | 240.9              | 2.3                | 3.88           | 243.7              | 2.4                | 3.90           |
| Total Investment Securities                       | 6,165.9            | 35.0               | 2.27           | 6,179.3            | 34.5               | 2.23           | 6,069.5            | 32.4               | 2.13           |
| Loans Held for Sale                               | 20.6               | 0.2                | 3.88           | 23.8               | 0.2                | 4.04           | 57.7               | 0.5                | 3.52           |
| Loans and Leases <sup>1</sup>                     |                    |                    |                |                    |                    |                |                    |                    |                |
| Commercial and Industrial                         | 1,251.5            | 11.3               | 3.58           | 1,251.2            | 10.9               | 3.51           | 1,192.0            | 9.8                | 3.26           |
| Commercial Mortgage                               | 2,015.0            | 19.6               | 3.87           | 1,946.3            | 18.4               | 3.80           | 1,730.2            | 15.4               | 3.55           |
| Construction                                      | 241.0              | 2.9                | 4.73           | 240.0              | 2.8                | 4.70           | 239.4              | 2.6                | 4.38           |
| Commercial Lease Financing                        | 204.7              | 1.2                | 2.30           | 208.0              | 1.2                | 2.27           | 195.1              | 1.2                | 2.38           |
| Residential Mortgage                              | 3,333.3            | 31.8               | 3.82           | 3,272.7            | 31.1               | 3.80           | 3,082.9            | 30.4               | 3.94           |
| Home Equity                                       | 1,502.9            | 13.8               | 3.65           | 1,445.8            | 13.1               | 3.62           | 1,254.4            | 11.3               | 3.59           |
| Automobile  | 493.2              | 5.9                | 4.71           | 474.1              | 5.9                | 4.97           | 426.2              | 5.5                | 5.15           |
| Other <sup>2</sup>                                | 410.4              | 8.2                | 7.98           | 379.7              | 7.6                | 8.06           | 363.4              | 7.0                | 7.69           |
| Total Loans and Leases                            | 9,452.0            | 94.7               | 3.99           | 9,217.8            | 91.0               | 3.96           | 8,483.6            | 83.2               | 3.91           |
| Other   | 40.2               | 0.2                | 2.34           | 41.0               | 0.2                | 2.03           | 39.9               | 0.1                | 1.66           |
| <b>Total Earning Assets</b> <sup>3</sup>          | <b>16,257.4</b>    | <b>131.7</b>       | <b>3.23</b>    | <b>15,819.0</b>    | <b>126.6</b>       | <b>3.21</b>    | <b>15,240.7</b>    | <b>116.9</b>       | <b>3.06</b>    |
| Cash and Due from Banks                           | 151.2              |                    |                | 120.8              |                    |                | 133.2              |                    |                |
| Other Assets                                      | 563.6              |                    |                | 556.1              |                    |                | 532.9              |                    |                |
| <b>Total Assets</b>                               | <b>\$ 16,972.2</b> |                    |                | <b>\$ 16,495.9</b> |                    |                | <b>\$ 15,906.8</b> |                    |                |
| <b>Interest-Bearing Liabilities</b>               |                    |                    |                |                    |                    |                |                    |                    |                |
| Interest-Bearing Deposits                         |                    |                    |                |                    |                    |                |                    |                    |                |
| Demand  | \$ 2,880.0         | 0.5                | 0.07           | \$ 2,862.7         | 0.5                | 0.07           | \$ 2,770.2         | 0.2                | 0.03           |
| Savings   | 5,374.4            | 1.8                | 0.13           | 5,376.9            | 1.6                | 0.12           | 5,208.3            | 1.1                | 0.09           |
| Time  | 1,788.2            | 4.4                | 0.97           | 1,480.5            | 2.9                | 0.78           | 1,272.6            | 1.9                | 0.59           |
| Total Interest-Bearing Deposits                   | 10,042.6           | 6.7                | 0.26           | 9,720.1            | 5.0                | 0.21           | 9,251.1            | 3.2                | 0.14           |
| Short-Term Borrowings                             | —                  | —                  | —              | 36.5               | 0.1                | 1.10           | 8.7                | —                  | 0.13           |
| Securities Sold Under Agreements to Repurchase    | 505.3              | 4.7                | 3.61           | 505.3              | 5.1                | 3.98           | 556.5              | 5.7                | 4.02           |
| Other Debt  | 267.9              | 1.1                | 1.66           | 267.9              | 1.1                | 1.66           | 268.0              | 1.1                | 1.66           |
| <b>Total Interest-Bearing Liabilities</b>         | <b>10,815.8</b>    | <b>12.5</b>        | <b>0.45</b>    | <b>10,529.8</b>    | <b>11.3</b>        | <b>0.43</b>    | <b>10,084.3</b>    | <b>10.0</b>        | <b>0.39</b>    |
| <b>Net Interest Income</b>                        |                    | <b>\$ 119.2</b>    |                |                    | <b>\$ 115.3</b>    |                |                    | <b>\$ 106.9</b>    |                |
| Interest Rate Spread                              |                    |                    | 2.78 %         |                    |                    | 2.78 %         |                    |                    | 2.67 %         |
| Net Interest Margin                               |                    |                    | 2.92 %         |                    |                    | 2.92 %         |                    |                    | 2.80 %         |
| Noninterest-Bearing Demand Deposits               | 4,684.9            |                    |                | 4,533.0            |                    |                | 4,436.1            |                    |                |
| Other Liabilities                                 | 248.6              |                    |                | 228.3              |                    |                | 224.7              |                    |                |
| Shareholders' Equity                              | 1,222.9            |                    |                | 1,204.8            |                    |                | 1,161.7            |                    |                |
| <b>Total Liabilities and Shareholders' Equity</b> | <b>\$ 16,972.2</b> |                    |                | <b>\$ 16,495.9</b> |                    |                | <b>\$ 15,906.8</b> |                    |                |

<sup>1</sup> Non-performing loans and leases are included in the respective average loan and lease balances. Income, if any, on such loans and leases is recognized on a cash basis.

<sup>2</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

<sup>3</sup> Interest income includes taxable-equivalent basis adjustments, based upon a federal statutory tax rate of 35%, of \$2,920,000, \$3,054,000 and \$2,967,000 for the three months ended September 30, 2017, June 30, 2017, and September 30, 2016, respectively.





**Bank of Hawaii Corporation and Subsidiaries**
**Average Balances and Interest Rates - Taxable-Equivalent Basis**
**Table 7b**

|   | Nine Months Ended<br>September 30, 2017 |                    |                | Nine Months Ended<br>September 30, 2016 |                    |                |
|---|---|--------------------|----------------|---|--------------------|----------------|
|   | Average<br>Balance                      | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance                      | Income/<br>Expense | Yield/<br>Rate |
| (dollars in millions)                             |   |                    |                |   |                    |                |
| <b>Earning Assets</b>                             |   |                    |                |   |                    |                |
| Interest-Bearing Deposits in Other Banks          | \$ 3.5                                  | \$ —               | 0.44 %         | \$ 4.2                                  | \$ —               | 0.26 %         |
| Funds Sold  | 491.1                                   | 3.2                | 0.85           | 586.8                                   | 2.0                | 0.46           |
| Investment Securities                             |   |                    |                |   |                    |                |
| Available-for-Sale                                |   |                    |                |   |                    |                |
| Taxable   | 1,655.8                                 | 24.6               | 1.98           | 1,594.3                                 | 20.9               | 1.75           |
| Non-Taxable                                       | 652.0                                   | 15.9               | 3.26           | 697.9                                   | 16.5               | 3.16           |
| Held-to-Maturity                                  |   |                    |                |   |                    |                |
| Taxable   | 3,605.8                                 | 55.4               | 2.05           | 3,627.4                                 | 55.2               | 2.03           |
| Non-Taxable                                       | 240.9                                   | 7.0                | 3.88           | 244.6                                   | 7.2                | 3.91           |
| Total Investment Securities                       | 6,154.5                                 | 102.9              | 2.23           | 6,164.2                                 | 99.8               | 2.16           |
| Loans Held for Sale                               | 24.9                                    | 0.7                | 3.98           | 30.0                                    | 0.8                | 3.58           |
| Loans and Leases <sup>1</sup>                     |   |                    |                |   |                    |                |
| Commercial and Industrial                         | 1,255.4                                 | 32.7               | 3.49           | 1,165.2                                 | 30.3               | 3.48           |
| Commercial Mortgage                               | 1,948.1                                 | 55.5               | 3.81           | 1,702.1                                 | 47.5               | 3.73           |
| Construction                                      | 246.7                                   | 8.6                | 4.66           | 206.9                                   | 6.9                | 4.47           |
| Commercial Lease Financing                        | 207.1                                   | 3.5                | 2.25           | 196.8                                   | 3.7                | 2.48           |
| Residential Mortgage                              | 3,269.7                                 | 93.8               | 3.82           | 3,002.6                                 | 90.0               | 4.00           |
| Home Equity                                       | 1,439.2                                 | 38.9               | 3.61           | 1,176.5                                 | 32.0               | 3.63           |
| Automobile  | 476.4                                   | 17.5               | 4.90           | 407.0                                   | 15.8               | 5.17           |
| Other <sup>2</sup>                                | 389.0                                   | 23.2               | 7.98           | 353.5                                   | 20.4               | 7.70           |
| Total Loans and Leases                            | 9,231.6                                 | 273.7              | 3.96           | 8,210.6                                 | 246.6              | 4.01           |
| Other   | 40.4                                    | 0.7                | 2.22           | 38.8                                    | 0.5                | 1.83           |
| <b>Total Earning Assets</b> <sup>3</sup>          | <b>15,946.0</b>                         | <b>381.2</b>       | <b>3.19</b>    | <b>15,034.6</b>                         | <b>349.7</b>       | <b>3.10</b>    |
| Cash and Due from Banks                           | 134.8                                   |                    |                | 128.2                                   |                    |                |
| Other Assets                                      | 555.4                                   |                    |                | 532.5                                   |                    |                |
| <b>Total Assets</b>                               | <b>\$ 16,636.2</b>                      |                    |                | <b>\$ 15,695.3</b>                      |                    |                |
| <b>Interest-Bearing Liabilities</b>               |   |                    |                |   |                    |                |
| Interest-Bearing Deposits                         |   |                    |                |   |                    |                |
| Demand  | \$ 2,869.7                              | 1.3                | 0.06           | \$ 2,756.7                              | 0.7                | 0.03           |
| Savings   | 5,385.7                                 | 4.7                | 0.12           | 5,177.0                                 | 3.4                | 0.09           |
| Time  | 1,529.2                                 | 9.4                | 0.82           | 1,232.1                                 | 5.1                | 0.55           |
| Total Interest-Bearing Deposits                   | 9,784.6                                 | 15.4               | 0.21           | 9,165.8                                 | 9.2                | 0.13           |
| Short-Term Borrowings                             | 15.3                                    | 0.1                | 0.91           | 7.9                                     | —                  | 0.14           |
| Securities Sold Under Agreements to Repurchase    | 507.7                                   | 14.9               | 3.88           | 582.0                                   | 18.0               | 4.06           |
| Other Debt  | 267.9                                   | 3.3                | 1.66           | 242.5                                   | 3.1                | 1.73           |
| <b>Total Interest-Bearing Liabilities</b>         | <b>10,575.5</b>                         | <b>33.7</b>        | <b>0.42</b>    | <b>9,998.2</b>                          | <b>30.3</b>        | <b>0.40</b>    |
| <b>Net Interest Income</b>                        |   | <b>\$ 347.5</b>    |                |   | <b>\$ 319.4</b>    |                |
| Interest Rate Spread                              |   |                    | 2.77 %         |   |                    | 2.70 %         |
| Net Interest Margin                               |   |                    | 2.91 %         |   |                    | 2.84 %         |
| Noninterest-Bearing Demand Deposits               | 4,617.1                                 |                    |                | 4,326.8                                 |                    |                |
| Other Liabilities                                 | 241.7                                   |                    |                | 225.2                                   |                    |                |
| Shareholders' Equity                              | 1,201.9                                 |                    |                | 1,145.1                                 |                    |                |
| <b>Total Liabilities and Shareholders' Equity</b> | <b>\$ 16,636.2</b>                      |                    |                | <b>\$ 15,695.3</b>                      |                    |                |

<sup>1</sup> Non-performing loans and leases are included in the respective average loan and lease balances. Income, if any, on such loans and leases is recognized on a cash basis.

<sup>2</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

<sup>3</sup> Interest income includes taxable-equivalent basis adjustments, based upon a federal statutory tax rate of 35%, of \$9,035,000 and \$8,957,000 for the nine months

ended September 30, 2017 and September 30, 2016, respectively.

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**Bank of Hawaii Corporation and Subsidiaries**  
**Analysis of Change in Net Interest Income - Taxable-Equivalent Basis**

**Table 8a**

| (dollars in millions)                                 | Three Months Ended September 30, 2017 |                   |               |
|---|---------------------------------------|-------------------|---------------|
|   | Compared to June 30, 2017             |                   |               |
|   | Volume <sup>1</sup>                   | Rate <sup>1</sup> | Total         |
| <b>Change in Interest Income:</b>                     |                                       |                   |               |
| Funds Sold  | \$ 0.6                                | \$ 0.3            | \$ 0.9        |
| <b>Investment Securities</b>                          |                                       |                   |               |
| Available-for-Sale                                    |                                       |                   |               |
| Taxable   | (0.2)                                 | 0.4               | 0.2           |
| Non-Taxable   | (0.2)                                 | —                 | (0.2)         |
| <b>Held-to-Maturity</b>                               |                                       |                   |               |
| Taxable   | 0.2                                   | 0.2               | 0.4           |
| Non-Taxable   | —                                     | 0.1               | 0.1           |
| <b>Total Investment Securities</b>                    | <b>(0.2)</b>                          | <b>0.7</b>        | <b>0.5</b>    |
| <b>Loans and Leases</b>                               |                                       |                   |               |
| Commercial and Industrial                             | —                                     | 0.4               | 0.4           |
| Commercial Mortgage                                   | 0.8                                   | 0.4               | 1.2           |
| Construction  | —                                     | 0.1               | 0.1           |
| Residential Mortgage                                  | 0.6                                   | 0.1               | 0.7           |
| Home Equity   | 0.6                                   | 0.1               | 0.7           |
| Automobile  | 0.3                                   | (0.3)             | —             |
| Other <sup>2</sup>                                    | 0.7                                   | (0.1)             | 0.6           |
| <b>Total Loans and Leases</b>                         | <b>3.0</b>                            | <b>0.7</b>        | <b>3.7</b>    |
| <b>Total Change in Interest Income</b>                | <b>3.4</b>                            | <b>1.7</b>        | <b>5.1</b>    |
| <b>Change in Interest Expense:</b>                    |                                       |                   |               |
| <b>Interest-Bearing Deposits</b>                      |                                       |                   |               |
| Savings   | —                                     | 0.2               | 0.2           |
| Time  | 0.7                                   | 0.8               | 1.5           |
| <b>Total Interest-Bearing Deposits</b>                | <b>0.7</b>                            | <b>1.0</b>        | <b>1.7</b>    |
| <b>Short-Term Borrowings</b>                          | <b>(0.1)</b>                          | <b>—</b>          | <b>(0.1)</b>  |
| <b>Securities Sold Under Agreements to Repurchase</b> | <b>—</b>                              | <b>(0.4)</b>      | <b>(0.4)</b>  |
| <b>Total Change in Interest Expense</b>               | <b>0.6</b>                            | <b>0.6</b>        | <b>1.2</b>    |
| <b>Change in Net Interest Income</b>                  | <b>\$ 2.8</b>                         | <b>\$ 1.1</b>     | <b>\$ 3.9</b> |

<sup>1</sup> The change in interest income and expense not solely due to changes in volume or rate has been allocated on a pro-rata basis to the volume and rate columns.

<sup>2</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

**Bank of Hawaii Corporation and Subsidiaries**
**Analysis of Change in Net Interest Income - Taxable-Equivalent Basis**
**Table 8b**

| (dollars in millions)                          | Three Months Ended September 30, 2017 |                   |             |
|--|---------------------------------------|-------------------|-------------|
|  | Compared to September 30, 2016        |                   |             |
|  | Volume <sup>1</sup>                   | Rate <sup>1</sup> | Total       |
| <b>Change in Interest Income:</b>              |                                       |                   |             |
| Funds Sold                                     | \$ —                                  | \$ 0.9            | 0.9         |
| <b>Investment Securities</b>                   |                                       |                   |             |
| Available-for-Sale                             |                                       |                   |             |
| Taxable  | 0.4                                   | 1.4               | 1.8         |
| Non-Taxable                                    | (0.4)                                 | 0.2               | (0.2)       |
| Held-to-Maturity                               |                                       |                   |             |
| Taxable  | 0.3                                   | 0.7               | 1.0         |
| <b>Total Investment Securities</b>             | <b>0.3</b>                            | <b>2.3</b>        | <b>2.6</b>  |
| Loans Held for Sale                            | (0.4)                                 | 0.1               | (0.3)       |
| <b>Loans and Leases</b>                        |                                       |                   |             |
| Commercial and Industrial                      | 0.5                                   | 1.0               | 1.5         |
| Commercial Mortgage                            | 2.7                                   | 1.5               | 4.2         |
| Construction                                   | 0.1                                   | 0.2               | 0.3         |
| Commercial Lease Financing                     | 0.1                                   | (0.1)             | —           |
| Residential Mortgage                           | 2.4                                   | (1.0)             | 1.4         |
| Home Equity                                    | 2.3                                   | 0.2               | 2.5         |
| Automobile                                     | 0.9                                   | (0.5)             | 0.4         |
| Other <sup>2</sup>                             | 0.9                                   | 0.3               | 1.2         |
| <b>Total Loans and Leases</b>                  | <b>9.9</b>                            | <b>1.6</b>        | <b>11.5</b> |
| Other  | —                                     | 0.1               | 0.1         |
| <b>Total Change in Interest Income</b>         | <b>9.8</b>                            | <b>5.0</b>        | <b>14.8</b> |
| <b>Change in Interest Expense:</b>             |                                       |                   |             |
| <b>Interest-Bearing Deposits</b>               |                                       |                   |             |
| Demand   | 0.1                                   | 0.2               | 0.3         |
| Savings  | —                                     | 0.7               | 0.7         |
| Time   | 1.0                                   | 1.5               | 2.5         |
| <b>Total Interest-Bearing Deposits</b>         | <b>1.1</b>                            | <b>2.4</b>        | <b>3.5</b>  |
| Securities Sold Under Agreements to Repurchase | (0.5)                                 | (0.5)             | (1.0)       |
| <b>Total Change in Interest Expense</b>        | <b>0.6</b>                            | <b>1.9</b>        | <b>2.5</b>  |
| <b>Change in Net Interest Income</b>           | <b>\$ 9.2</b>                         | <b>\$ 3.1</b>     | <b>12.3</b> |

<sup>1</sup> The change in interest income and expense not solely due to changes in volume or rate has been allocated on a pro-rata basis to the volume and rate columns.

<sup>2</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

**Bank of Hawaii Corporation and Subsidiaries**
**Analysis of Change in Net Interest Income - Taxable-Equivalent Basis**
**Table 8c**

| (dollars in millions)                          | Nine Months Ended September 30, 2017 |                   |                |
|--|--------------------------------------|-------------------|----------------|
|  | Compared to September 30, 2016       |                   |                |
|  | Volume <sup>1</sup>                  | Rate <sup>1</sup> | Total          |
| <b>Change in Interest Income:</b>              |                                      |                   |                |
| Funds Sold                                     | \$ (0.4)                             | \$ 1.6            | \$ 1.2         |
| <b>Investment Securities</b>                   |                                      |                   |                |
| Available-for-Sale                             |                                      |                   |                |
| Taxable  | 0.9                                  | 2.8               | 3.7            |
| Non-Taxable                                    | (1.1)                                | 0.5               | (0.6)          |
| Held-to-Maturity                               |                                      |                   |                |
| Taxable  | (0.3)                                | 0.5               | 0.2            |
| Non-Taxable                                    | (0.1)                                | (0.1)             | (0.2)          |
| <b>Total Investment Securities</b>             | <b>(0.6)</b>                         | <b>3.7</b>        | <b>3.1</b>     |
| <b>Loans Held for Sale</b>                     | <b>(0.2)</b>                         | <b>0.1</b>        | <b>(0.1)</b>   |
| <b>Loans and Leases</b>                        |                                      |                   |                |
| Commercial and Industrial                      | 2.3                                  | 0.1               | 2.4            |
| Commercial Mortgage                            | 6.9                                  | 1.1               | 8.0            |
| Construction                                   | 1.4                                  | 0.3               | 1.7            |
| Commercial Lease Financing                     | 0.2                                  | (0.4)             | (0.2)          |
| Residential Mortgage                           | 7.8                                  | (4.0)             | 3.8            |
| Home Equity                                    | 7.1                                  | (0.2)             | 6.9            |
| Automobile                                     | 2.6                                  | (0.9)             | 1.7            |
| Other <sup>2</sup>                             | 2.1                                  | 0.7               | 2.8            |
| <b>Total Loans and Leases</b>                  | <b>30.4</b>                          | <b>(3.3)</b>      | <b>27.1</b>    |
| Other  | —                                    | 0.2               | 0.2            |
| <b>Total Change in Interest Income</b>         | <b>29.2</b>                          | <b>2.3</b>        | <b>31.5</b>    |
| <b>Change in Interest Expense:</b>             |                                      |                   |                |
| <b>Interest-Bearing Deposits</b>               |                                      |                   |                |
| Demand   | 0.1                                  | 0.5               | 0.6            |
| Savings  | 0.1                                  | 1.2               | 1.3            |
| Time   | 1.5                                  | 2.8               | 4.3            |
| <b>Total Interest-Bearing Deposits</b>         | <b>1.7</b>                           | <b>4.5</b>        | <b>6.2</b>     |
| Short-Term Borrowings                          | —                                    | 0.1               | 0.1            |
| Securities Sold Under Agreements to Repurchase | (2.3)                                | (0.8)             | (3.1)          |
| Other Debt                                     | 0.3                                  | (0.1)             | 0.2            |
| <b>Total Change in Interest Expense</b>        | <b>(0.3)</b>                         | <b>3.7</b>        | <b>3.4</b>     |
| <b>Change in Net Interest Income</b>           | <b>\$ 29.5</b>                       | <b>\$ (1.4)</b>   | <b>\$ 28.1</b> |

<sup>1</sup> The change in interest income and expense not solely due to changes in volume or rate has been allocated on a pro-rata basis to the volume and rate columns.

<sup>2</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

**Bank of Hawaii Corporation and Subsidiaries**

**Salaries and Benefits**

**Table 9**

|                                     | Three Months Ended    |                  |                       | Nine Months Ended     |                       |
|-------------------------------------|-----------------------|------------------|-----------------------|-----------------------|-----------------------|
|                                     | September 30,<br>2017 | June 30,<br>2017 | September 30,<br>2016 | September 30,<br>2017 | September 30,<br>2016 |
| (dollars in thousands)              |                       |                  |                       |                       |                       |
| Salaries                            | \$ 31,224             | \$ 30,553        | \$ 29,401             | \$ 91,202             | \$ 87,339             |
| Incentive Compensation              | 4,857                 | 5,125            | 5,743                 | 15,756                | 17,625                |
| Share-Based Compensation            | 1,962                 | 2,879            | 2,968                 | 7,144                 | 8,024                 |
| Commission Expense                  | 1,439                 | 1,791            | 2,051                 | 5,066                 | 5,559                 |
| Retirement and Other Benefits       | 4,279                 | 4,159            | 3,866                 | 13,479                | 12,912                |
| Payroll Taxes                       | 2,353                 | 2,427            | 2,224                 | 8,724                 | 8,089                 |
| Medical, Dental, and Life Insurance | 3,444                 | 3,136            | 3,366                 | 9,859                 | 10,130                |
| Separation Expense                  | 2,068                 | 43               | 106                   | 2,111                 | 850                   |
| <b>Total Salaries and Benefits</b>  | <b>\$ 51,626</b>      | <b>\$ 50,113</b> | <b>\$ 49,725</b>      | <b>\$ 153,341</b>     | <b>\$ 150,528</b>     |

**Bank of Hawaii Corporation and Subsidiaries**
**Loan and Lease Portfolio Balances**
**Table 10**

| (dollars in thousands)        | <b>September 30,<br/>2017</b> | <b>June 30,<br/>2017</b> | <b>March 31,<br/>2017</b> | <b>December 31,<br/>2016</b> | <b>September 30,<br/>2016</b> |
|-------------------------------|-------------------------------|--------------------------|---------------------------|------------------------------|-------------------------------|
| <b>Commercial</b>             |                               |                          |                           |                              |                               |
| Commercial and Industrial     | \$ 1,252,238                  | \$ 1,241,953             | \$ 1,250,006              | \$ 1,249,791                 | \$ 1,217,849                  |
| Commercial Mortgage           | 2,050,998                     | 2,009,886                | 1,909,064                 | 1,889,551                    | 1,807,190                     |
| Construction                  | 232,487                       | 248,030                  | 262,660                   | 270,018                      | 263,079                       |
| Lease Financing               | 204,240                       | 205,043                  | 208,765                   | 208,332                      | 201,436                       |
| <b>Total Commercial</b>       | <b>3,739,963</b>              | <b>3,704,912</b>         | <b>3,630,495</b>          | <b>3,617,692</b>             | <b>3,489,554</b>              |
| <b>Consumer</b>               |                               |                          |                           |                              |                               |
| Residential Mortgage          | 3,366,634                     | 3,317,179                | 3,224,206                 | 3,163,073                    | 3,098,936                     |
| Home Equity                   | 1,528,353                     | 1,473,123                | 1,411,489                 | 1,334,163                    | 1,295,993                     |
| Automobile                    | 506,102                       | 484,092                  | 468,078                   | 454,333                      | 437,659                       |
| Other <sup>1</sup>            | 432,904                       | 408,307                  | 379,541                   | 380,524                      | 371,955                       |
| <b>Total Consumer</b>         | <b>5,833,993</b>              | <b>5,682,701</b>         | <b>5,483,314</b>          | <b>5,332,093</b>             | <b>5,204,543</b>              |
| <b>Total Loans and Leases</b> | <b>\$ 9,573,956</b>           | <b>\$ 9,387,613</b>      | <b>\$ 9,113,809</b>       | <b>\$ 8,949,785</b>          | <b>\$ 8,694,097</b>           |

**Deposits**

| (dollars in thousands) | <b>September 30,<br/>2017</b> | <b>June 30,<br/>2017</b> | <b>March 31,<br/>2017</b> | <b>December 31,<br/>2016</b> | <b>September 30,<br/>2016</b> |
|------------------------|-------------------------------|--------------------------|---------------------------|------------------------------|-------------------------------|
| Consumer               | \$ 7,303,546                  | \$ 7,278,536             | \$ 7,196,781              | \$ 6,997,482                 | \$ 6,781,371                  |
| Commercial             | 6,091,800                     | 5,903,639                | 6,051,721                 | 6,110,189                    | 5,751,184                     |
| Public and Other       | 1,652,814                     | 1,602,474                | 1,228,031                 | 1,212,569                    | 1,275,810                     |
| <b>Total Deposits</b>  | <b>\$ 15,048,160</b>          | <b>\$ 14,784,649</b>     | <b>\$ 14,476,533</b>      | <b>\$ 14,320,240</b>         | <b>\$ 13,808,365</b>          |

<sup>1</sup> Comprised of other revolving credit, installment, and lease financing.



# Bank of Hawaii Corporation and Subsidiaries

## Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More

Table 11

|  | September 30,<br>2017 | June 31,<br>2017    | March 31,<br>2017   | December 31,<br>2016 | September 30,<br>2016 |
|--|-----------------------|---------------------|---------------------|----------------------|-----------------------|
| (dollars in thousands)   |                       |                     |                     |                      |                       |
| <b>Non-Performing Assets</b>   |                       |                     |                     |                      |                       |
| Non-Accrual Loans and Leases   |                       |                     |                     |                      |                       |
| Commercial   |                       |                     |                     |                      |                       |
| Commercial and Industrial  | \$ 901                | \$ 175              | \$ 228              | \$ 151               | \$ 201                |
| Commercial Mortgage  | 1,425                 | 1,460               | 973                 | 997                  | 1,023                 |
| Total Commercial   | 2,326                 | 1,635               | 1,201               | 1,148                | 1,224                 |
| Consumer   |                       |                     |                     |                      |                       |
| Residential Mortgage   | 9,188                 | 9,337               | 11,756              | 13,780               | 12,735                |
| Home Equity  | 4,128                 | 3,405               | 3,517               | 3,147                | 2,966                 |
| Total Consumer   | 13,316                | 12,742              | 15,273              | 16,927               | 15,701                |
| Total Non-Accrual Loans and Leases   | 15,642                | 14,377              | 16,474              | 18,075               | 16,925                |
| Foreclosed Real Estate   | 1,393                 | 1,991               | 2,529               | 1,686                | 1,747                 |
| <b>Total Non-Performing Assets</b>   | <b>\$ 17,035</b>      | <b>\$ 16,368</b>    | <b>\$ 19,003</b>    | <b>\$ 19,761</b>     | <b>\$ 18,672</b>      |
| <b>Accruing Loans and Leases Past Due 90 Days or More</b>  |                       |                     |                     |                      |                       |
| Commercial   |                       |                     |                     |                      |                       |
| Commercial and Industrial  | \$ 5                  | \$ —                | \$ —                | \$ —                 | \$ —                  |
| Total Commercial   | 5                     | —                   | —                   | —                    | —                     |
| Consumer   |                       |                     |                     |                      |                       |
| Residential Mortgage   | 2,933                 | 2,269               | 2,313               | 3,127                | 2,583                 |
| Home Equity  | 1,392                 | 2,343               | 1,133               | 1,457                | 1,210                 |
| Automobile   | 806                   | 539                 | 673                 | 894                  | 578                   |
| Other 1  | 1,528                 | 1,859               | 1,738               | 1,592                | 1,273                 |
| Total Consumer   | 6,659                 | 7,010               | 5,857               | 7,070                | 5,644                 |
| <b>Total Accruing Loans and Leases Past Due 90 Days or More</b>  | <b>\$ 6,664</b>       | <b>\$ 7,010</b>     | <b>\$ 5,857</b>     | <b>\$ 7,070</b>      | <b>\$ 5,644</b>       |
| <b>Restructured Loans on Accrual Status and Not Past Due 90 Days or More</b>   |                       |                     |                     |                      |                       |
|  | \$ 55,038             | \$ 53,158           | \$ 52,965           | \$ 52,208            | \$ 52,095             |
| <b>Total Loans and Leases</b>  | <b>\$ 9,573,956</b>   | <b>\$ 9,387,613</b> | <b>\$ 9,113,809</b> | <b>\$ 8,949,785</b>  | <b>\$ 8,694,097</b>   |
| Ratio of Non-Accrual Loans and Leases to Total Loans and Leases  | 0.16%                 | 0.15%               | 0.18%               | 0.20%                | 0.19%                 |
| Ratio of Non-Performing Assets to Total Loans and Leases and Foreclosed Real Estate  | 0.18%                 | 0.17%               | 0.21%               | 0.22%                | 0.21%                 |
| Ratio of Commercial Non-Performing Assets to Total Commercial Loans and Leases and Commercial Foreclosed Real Estate                       | 0.06%                 | 0.04%               | 0.03%               | 0.03%                | 0.04%                 |
| Ratio of Consumer Non-Performing Assets to Total Consumer Loans and Leases and Consumer Foreclosed Real Estate                             | 0.25%                 | 0.26%               | 0.32%               | 0.35%                | 0.34%                 |
| Ratio of Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More to Total Loans and Leases and Foreclosed Real Estate | 0.25%                 | 0.25%               | 0.27%               | 0.30%                | 0.28%                 |
| <b>Quarter to Quarter Changes in Non-Performing Assets</b>   |                       |                     |                     |                      |                       |
| <b>Balance at Beginning of Quarter</b>   | \$ 16,368             | \$ 19,003           | \$ 19,761           | \$ 18,672            | \$ 16,280             |
| Additions  | 2,212                 | 1,572               | 1,221               | 2,142                | 3,730                 |
| Reductions   |                       |                     |                     |                      |                       |
| Payments   | (199)                 | (497)               | (1,017)             | (252)                | (501)                 |
| Return to Accrual Status   | (305)                 | (1,370)             | (645)               | (653)                | (701)                 |
| Sales of Foreclosed Real Estate  | (951)                 | (1,883)             | —                   | (61)                 | —                     |
| Charge-offs/Write-downs  | (90)                  | (457)               | (317)               | (87)                 | (136)                 |
| Total Reductions   | (1,545)               | (4,207)             | (1,979)             | (1,053)              | (1,338)               |
| <b>Balance at End of Quarter</b>   | <b>\$ 17,035</b>      | <b>\$ 16,368</b>    | <b>\$ 19,003</b>    | <b>\$ 19,761</b>     | <b>\$ 18,672</b>      |

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<sup>1</sup> Comprised of other revolving credit, installment, and lease financing.

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**Bank of Hawaii Corporation and Subsidiaries**
**Reserve for Credit Losses**
**Table 12**

|  | Three Months Ended  |                     |                     | Nine Months Ended   |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | September 30,       | June 30,            | September 30,       | September 30,       |                     |
|  | 2017                | 2017                | 2016                | 2017                | 2016                |
| (dollars in thousands)   |                     |                     |                     |                     |                     |
| <b>Balance at Beginning of Period</b>  | \$ 113,175          | \$ 111,636          | \$ 110,504          | \$ 110,845          | \$ 108,952          |
| <b>Loans and Leases Charged-Off</b>  |                     |                     |                     |                     |                     |
| Commercial   |                     |                     |                     |                     |                     |
| Commercial and Industrial  | (611)               | (124)               | (209)               | (909)               | (670)               |
| Consumer   |                     |                     |                     |                     |                     |
| Residential Mortgage   | (36)                | (506)               | (104)               | (725)               | (388)               |
| Home Equity  | (129)               | (282)               | (222)               | (774)               | (848)               |
| Automobile   | (1,921)             | (1,512)             | (1,703)             | (5,723)             | (4,635)             |
| Other <sup>1</sup>   | (3,521)             | (3,063)             | (2,678)             | (9,278)             | (7,017)             |
| <b>Total Loans and Leases Charged-Off</b>                                    | <b>(6,218)</b>      | <b>(5,487)</b>      | <b>(4,916)</b>      | <b>(17,409)</b>     | <b>(13,558)</b>     |
| <b>Recoveries on Loans and Leases Previously Charged-Off</b>                 |                     |                     |                     |                     |                     |
| Commercial   |                     |                     |                     |                     |                     |
| Commercial and Industrial  | 597                 | 265                 | 282                 | 1,198               | 7,552               |
| Commercial Mortgage  | —                   | —                   | 14                  | —                   | 42                  |
| Construction   | —                   | —                   | —                   | —                   | 23                  |
| Lease Financing  | 1                   | 1                   | —                   | 2                   | 2                   |
| Consumer   |                     |                     |                     |                     |                     |
| Residential Mortgage   | 89                  | 264                 | 517                 | 457                 | 997                 |
| Home Equity  | 837                 | 838                 | 618                 | 2,183               | 1,453               |
| Automobile   | 692                 | 607                 | 615                 | 1,919               | 1,748               |
| Other <sup>1</sup>   | 530                 | 551                 | 471                 | 1,608               | 1,394               |
| <b>Total Recoveries on Loans and Leases Previously Charged-Off</b>           | <b>2,746</b>        | <b>2,526</b>        | <b>2,517</b>        | <b>7,367</b>        | <b>13,211</b>       |
| Net Loans and Leases Charged-Off   | (3,472)             | (2,961)             | (2,399)             | (10,042)            | (347)               |
| Provision for Credit Losses  | 4,000               | 4,250               | 2,500               | 12,650              | 1,500               |
| Provision for Unfunded Commitments   | —                   | 250                 | —                   | 250                 | 500                 |
| <b>Balance at End of Period <sup>2</sup></b>                                 | <b>\$ 113,703</b>   | <b>\$ 113,175</b>   | <b>\$ 110,605</b>   | <b>\$ 113,703</b>   | <b>\$ 110,605</b>   |
| <b>Components</b>  |                     |                     |                     |                     |                     |
| Allowance for Loan and Lease Losses  | \$ 106,881          | \$ 106,353          | \$ 104,033          | \$ 106,881          | \$ 104,033          |
| Reserve for Unfunded Commitments   | 6,822               | 6,822               | 6,572               | 6,822               | 6,572               |
| <b>Total Reserve for Credit Losses</b>                                       | <b>\$ 113,703</b>   | <b>\$ 113,175</b>   | <b>\$ 110,605</b>   | <b>\$ 113,703</b>   | <b>\$ 110,605</b>   |
| <b>Average Loans and Leases Outstanding</b>                                  | <b>\$ 9,451,972</b> | <b>\$ 9,217,779</b> | <b>\$ 8,483,588</b> | <b>\$ 9,231,615</b> | <b>\$ 8,210,596</b> |
| <b>Ratio of Net Loans and Leases Charged-Off to</b>                          |                     |                     |                     |                     |                     |
| Average Loans and Leases Outstanding (annualized)                            | 0.15%               | 0.13%               | 0.11%               | 0.15%               | 0.01%               |
| Ratio of Allowance for Loan and Lease Losses to Loans and Leases Outstanding | 1.12%               | 1.13%               | 1.20%               | 1.12%               | 1.20%               |

<sup>1</sup> Comprised of other revolving credit, installment, and lease financing.

<sup>2</sup> Included in this analysis is activity related to the Company's reserve for unfunded commitments, which is separately recorded in other liabilities in the Consolidated Statements of Condition.

**Bank of Hawaii Corporation and Subsidiaries**  
**Business Segments Selected Financial Information**

**Table 13a**

|   | Retail  |           | Commercial |           | Investment Services |          | Treasury     | Consolidated  |
|---|---------|-----------|------------|-----------|---------------------|----------|--------------|---------------|
|   | Banking |           | Banking    |           | Private Banking     |          | and Other    | Total         |
| (dollars in thousands)                                |         |           |            |           |                     |          |              |               |
| <b>Three Months Ended September 30, 2017</b>          |         |           |            |           |                     |          |              |               |
| Net Interest Income                                   | \$      | 67,128    | \$         | 43,438    | \$                  | 7,321    | \$ (1,570)   | \$ 116,317    |
| Provision for Credit Losses                           |         | 3,512     |            | (35)      |                     | (5)      | 528          | 4,000         |
| Net Interest Income After Provision for Credit Losses |         | 63,616    |            | 43,473    |                     | 7,326    | (2,098)      | 112,317       |
| Noninterest Income                                    |         | 21,287    |            | 5,137     |                     | 13,593   | 2,393        | 42,410        |
| Noninterest Expense                                   |         | (51,507)  |            | (17,721)  |                     | (14,925) | (4,445)      | (88,598)      |
| Income Before Provision for Income Taxes              |         | 33,396    |            | 30,889    |                     | 5,994    | (4,150)      | 66,129        |
| Provision for Income Taxes                            |         | (11,908)  |            | (10,891)  |                     | (2,218)  | 4,769        | (20,248)      |
| <b>Net Income</b>                                     | \$      | 21,488    | \$         | 19,998    | \$                  | 3,776    | \$ 619       | \$ 45,881     |
| <b>Total Assets as of September 30, 2017</b>          | \$      | 5,758,799 | \$         | 3,695,606 | \$                  | 305,015  | \$ 7,508,882 | \$ 17,268,302 |
| <b>Three Months Ended September 30, 2016</b>          |         |           |            |           |                     |          |              |               |
| Net Interest Income                                   | \$      | 61,747    | \$         | 38,613    | \$                  | 6,029    | \$ (2,477)   | \$ 103,912    |
| Provision for Credit Losses                           |         | 2,574     |            | (168)     |                     | (7)      | 101          | 2,500         |
| Net Interest Income After Provision for Credit Losses |         | 59,173    |            | 38,781    |                     | 6,036    | (2,578)      | 101,412       |
| Noninterest Income                                    |         | 24,786    |            | 6,977     |                     | 13,662   | 2,689        | 48,114        |
| Noninterest Expense                                   |         | (51,892)  |            | (17,449)  |                     | (14,579) | (3,612)      | (87,532)      |
| Income Before Provision for Income Taxes              |         | 32,067    |            | 28,309    |                     | 5,119    | (3,501)      | 61,994        |
| Provision for Income Taxes                            |         | (11,329)  |            | (10,073)  |                     | (1,894)  | 4,795        | (18,501)      |
| <b>Net Income</b>                                     | \$      | 20,738    | \$         | 18,236    | \$                  | 3,225    | \$ 1,294     | \$ 43,493     |
| <b>Total Assets as of September 30, 2016</b>          | \$      | 5,206,442 | \$         | 3,428,424 | \$                  | 290,207  | \$ 7,089,570 | \$ 16,014,643 |

**Bank of Hawaii Corporation and Subsidiaries**  
**Business Segments Selected Financial Information**

**Table 13b**

|   | Retail    |                  | Commercial |                  | Investment Services |                | Treasury  |                  | Consolidated |                   |
|---|-----------|------------------|------------|------------------|---------------------|----------------|-----------|------------------|--------------|-------------------|
|   | Banking   |                  | Banking    |                  | Private Banking     |                | and Other |                  | Total        |                   |
| <b>Nine Months Ended September 30, 2017</b>           |           |                  |            |                  |                     |                |           |                  |              |                   |
| Net Interest Income                                   | \$        | 198,633          | \$         | 127,106          | \$                  | 20,685         | \$        | (7,956)          | \$           | 338,468           |
| Provision for Credit Losses                           |           | 10,413           |            | (355)            |                     | (16)           |           | 2,608            |              | 12,650            |
| Net Interest Income After Provision for Credit Losses |           | 188,220          |            | 127,461          |                     | 20,701         |           | (10,564)         |              | 325,818           |
| Noninterest Income                                    |           | 64,132           |            | 16,451           |                     | 43,389         |           | 19,590           |              | 143,562           |
| Noninterest Expense                                   |           | (155,786)        |            | (54,483)         |                     | (45,692)       |           | (9,394)          |              | (265,355)         |
| Income Before Provision for Income Taxes              |           | 96,566           |            | 89,429           |                     | 18,398         |           | (368)            |              | 204,025           |
| Provision for Income Taxes                            |           | (34,323)         |            | (31,472)         |                     | (6,807)        |           | 10,296           |              | (62,306)          |
| <b>Net Income</b>                                     | <b>\$</b> | <b>62,243</b>    | <b>\$</b>  | <b>57,957</b>    | <b>\$</b>           | <b>11,591</b>  | <b>\$</b> | <b>9,928</b>     | <b>\$</b>    | <b>141,719</b>    |
| <b>Total Assets as of September 30, 2017</b>          | <b>\$</b> | <b>5,758,799</b> | <b>\$</b>  | <b>3,695,606</b> | <b>\$</b>           | <b>305,015</b> | <b>\$</b> | <b>7,508,882</b> | <b>\$</b>    | <b>17,268,302</b> |
| <b>Nine Months Ended September 30, 2016</b>           |           |                  |            |                  |                     |                |           |                  |              |                   |
| Net Interest Income                                   | \$        | 179,798          | \$         | 115,112          | \$                  | 18,518         | \$        | (2,942)          | \$           | 310,486           |
| Provision for Credit Losses                           |           | 7,415            |            | (7,052)          |                     | (18)           |           | 1,155            |              | 1,500             |
| Net Interest Income After Provision for Credit Losses |           | 172,383          |            | 122,164          |                     | 18,536         |           | (4,097)          |              | 308,986           |
| Noninterest Income                                    |           | 67,364           |            | 21,015           |                     | 43,632         |           | 18,829           |              | 150,840           |
| Noninterest Expense                                   |           | (155,391)        |            | (52,479)         |                     | (44,786)       |           | (8,333)          |              | (260,989)         |
| Income Before Provision for Income Taxes              |           | 84,356           |            | 90,700           |                     | 17,382         |           | 6,399            |              | 198,837           |
| Provision for Income Taxes                            |           | (29,958)         |            | (32,337)         |                     | (6,431)        |           | 7,837            |              | (60,889)          |
| <b>Net Income</b>                                     | <b>\$</b> | <b>54,398</b>    | <b>\$</b>  | <b>58,363</b>    | <b>\$</b>           | <b>10,951</b>  | <b>\$</b> | <b>14,236</b>    | <b>\$</b>    | <b>137,948</b>    |
| <b>Total Assets as of September 30, 2016</b>          | <b>\$</b> | <b>5,206,442</b> | <b>\$</b>  | <b>3,428,424</b> | <b>\$</b>           | <b>290,207</b> | <b>\$</b> | <b>7,089,570</b> | <b>\$</b>    | <b>16,014,643</b> |

**Bank of Hawaii Corporation and Subsidiaries**  
**Selected Quarterly Financial Data**

**Table 14**

|  | Three Months Ended    |                  |                   |                      |                       |
|--|-----------------------|------------------|-------------------|----------------------|-----------------------|
|  | September 30,<br>2017 | June 30,<br>2017 | March 31,<br>2017 | December 31,<br>2016 | September 30,<br>2016 |
| (dollars in thousands, except per share amounts)             |                       |                  |                   |                      |                       |
| <b>Quarterly Operating Results</b>                           |                       |                  |                   |                      |                       |
| Interest Income  |                       |                  |                   |                      |                       |
| Interest and Fees on Loans and Leases                        | \$ 94,621             | \$ 90,909        | \$ 87,937         | \$ 86,532            | \$ 83,489             |
| Income on Investment Securities                              |                       |                  |                   |                      |                       |
| Available-for-Sale   | 11,987                | 11,835           | 11,084            | 10,244               | 10,313                |
| Held-to-Maturity   | 20,334                | 19,918           | 19,706            | 19,213               | 19,315                |
| Deposits   | 5                     | 2                | 5                 | 2                    | 1                     |
| Funds Sold   | 1,579                 | 696              | 890               | 795                  | 695                   |
| Other  | 235                   | 208              | 230               | 281                  | 166                   |
| <b>Total Interest Income</b>                                 | <b>128,761</b>        | <b>123,568</b>   | <b>119,852</b>    | <b>117,067</b>       | <b>113,979</b>        |
| Interest Expense   |                       |                  |                   |                      |                       |
| Deposits   | 6,663                 | 4,998            | 3,691             | 3,448                | 3,232                 |
| Securities Sold Under Agreements to Repurchase               | 4,664                 | 5,079            | 5,185             | 5,406                | 5,713                 |
| Funds Purchased  | —                     | 39               | 3                 | 3                    | 3                     |
| Short-Term Borrowings  | —                     | 64               | —                 | —                    | —                     |
| Other Debt   | 1,117                 | 1,109            | 1,101             | 1,117                | 1,119                 |
| <b>Total Interest Expense</b>                                | <b>12,444</b>         | <b>11,289</b>    | <b>9,980</b>      | <b>9,974</b>         | <b>10,067</b>         |
| <b>Net Interest Income</b>                                   | <b>116,317</b>        | <b>112,279</b>   | <b>109,872</b>    | <b>107,093</b>       | <b>103,912</b>        |
| Provision for Credit Losses                                  | 4,000                 | 4,250            | 4,400             | 3,250                | 2,500                 |
| <b>Net Interest Income After Provision for Credit Losses</b> | <b>112,317</b>        | <b>108,029</b>   | <b>105,472</b>    | <b>103,843</b>       | <b>101,412</b>        |
| Noninterest Income   |                       |                  |                   |                      |                       |
| Trust and Asset Management                                   | 11,050                | 11,796           | 11,479            | 11,232               | 11,008                |
| Mortgage Banking   | 3,237                 | 3,819            | 3,300             | 6,256                | 6,362                 |
| Service Charges on Deposit Accounts                          | 8,188                 | 8,009            | 8,325             | 8,537                | 8,524                 |
| Fees, Exchange, and Other Service Charges                    | 13,764                | 13,965           | 13,332            | 13,731               | 14,023                |
| Investment Securities Gains (Losses), Net                    | (566)                 | (520)            | 12,133            | (337)                | (328)                 |
| Annuity and Insurance  | 1,429                 | 2,161            | 1,995             | 1,457                | 1,653                 |
| Bank-Owned Life Insurance                                    | 1,861                 | 1,550            | 1,497             | 1,551                | 1,911                 |
| Other  | 3,447                 | 4,456            | 3,855             | 4,076                | 4,961                 |
| <b>Total Noninterest Income</b>                              | <b>42,410</b>         | <b>45,236</b>    | <b>55,916</b>     | <b>46,503</b>        | <b>48,114</b>         |
| Noninterest Expense  |                       |                  |                   |                      |                       |
| Salaries and Benefits  | 51,626                | 50,113           | 51,602            | 50,622               | 49,725                |
| Net Occupancy  | 7,727                 | 8,131            | 8,168             | 7,581                | 8,510                 |
| Net Equipment  | 5,417                 | 5,706            | 5,501             | 5,191                | 4,913                 |
| Data Processing  | 3,882                 | 3,881            | 3,410             | 3,665                | 3,620                 |
| Professional Fees  | 3,044                 | 2,592            | 2,779             | 2,990                | 2,396                 |
| FDIC Insurance   | 2,107                 | 2,097            | 2,209             | 2,015                | 2,104                 |
| Other  | 14,795                | 15,669           | 14,899            | 17,525               | 16,264                |
| <b>Total Noninterest Expense</b>                             | <b>88,598</b>         | <b>88,189</b>    | <b>88,568</b>     | <b>89,589</b>        | <b>87,532</b>         |
| Income Before Provision for Income Taxes                     | 66,129                | 65,076           | 72,820            | 60,757               | 61,994                |
| Provision for Income Taxes                                   | 20,248                | 20,414           | 21,644            | 17,244               | 18,501                |
| <b>Net Income</b>  | <b>\$ 45,881</b>      | <b>\$ 44,662</b> | <b>\$ 51,176</b>  | <b>\$ 43,513</b>     | <b>\$ 43,493</b>      |
| Basic Earnings Per Share                                     |                       |                  |                   |                      |                       |
| Basic Earnings Per Share                                     | \$ 1.09               | \$ 1.05          | \$ 1.21           | \$ 1.03              | \$ 1.02               |
| Diluted Earnings Per Share                                   |                       |                  |                   |                      |                       |
| Diluted Earnings Per Share                                   | \$ 1.08               | \$ 1.05          | \$ 1.20           | \$ 1.02              | \$ 1.02               |
| <b>Balance Sheet Totals</b>                                  |                       |                  |                   |                      |                       |
| Loans and Leases   | \$ 9,573,956          | \$ 9,387,613     | \$ 9,113,809      | \$ 8,949,785         | \$ 8,694,097          |
| Total Assets   | 17,268,302            | 16,981,292       | 16,664,215        | 16,492,367           | 16,014,643            |
| Total Deposits   | 15,048,160            | 14,784,649       | 14,476,533        | 14,320,240           | 13,808,365            |
| Total Shareholders' Equity                                   | 1,227,893             | 1,213,757        | 1,193,137         | 1,161,537            | 1,163,859             |
| <b>Performance Ratios</b>                                    |                       |                  |                   |                      |                       |

|  |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
| Return on Average Assets               | 1.07 % | 1.09 % | 1.26 % | 1.07 % | 1.09 % |
| Return on Average Shareholders' Equity | 14.89  | 14.87  | 17.63  | 14.90  | 14.89  |
| Efficiency Ratio <sup>1</sup>          | 55.82  | 55.99  | 53.42  | 58.33  | 57.58  |
| Net Interest Margin <sup>2</sup>       | 2.92   | 2.92   | 2.89   | 2.83   | 2.80   |

<sup>1</sup> Efficiency ratio is defined as noninterest expense divided by total revenue (net interest income and noninterest income).

<sup>2</sup> Net interest margin is defined as net interest income, on a taxable-equivalent basis, as a percentage of average earning assets.

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**Bank of Hawaii Corporation and Subsidiaries**
**Hawaii Economic Trends**
**Table 15**

| (\$ in millions; jobs in thousands)                     | Eight Months Ended |         |       | Year Ended                |              |                    |                  |
|---|--------------------|---------|-------|---------------------------|--------------|--------------------|------------------|
|   | August 31, 2017    |         |       | December 31, 2016         |              | December 31, 2015  |                  |
| <b>Hawaii Economic Trends</b>                           |                    |         |       |                           |              |                    |                  |
| State General Fund Revenues <sup>1</sup>                | \$                 | 4,357.2 | 4.5 % | \$                        | 6,215.4      | 3.6 %              | \$ 5,998.6 8.4 % |
| General Excise and Use Tax Revenue <sup>1</sup>         | \$                 | 2,250.2 | 4.8 % | \$                        | 3,205.7      | 2.0 %              | \$ 3,141.5 5.4 % |
| Jobs <sup>2</sup>                                       |                    | 672.4   |       |                           | 671.7        |                    | 658.8            |
| <b>Unemployment <sup>3</sup></b>                        |                    |         |       |                           |              |                    |                  |
| (spot rates)  |                    |         |       |                           |              | September 30,      | December 31,     |
|   |                    |         |       |                           |              | 2017               | 2016 2015        |
| <b>Statewide, seasonally adjusted</b>                   |                    |         |       |                           |              |                    |                  |
|   |                    |         |       |                           |              | 2.5 %              | 2.9 % 3.2 %      |
| <b>Oahu</b>   |                    |         |       |                           |              |                    |                  |
|   |                    |         |       |                           |              | 2.3                | 2.4 2.7          |
| <b>Island of Hawaii</b>                                 |                    |         |       |                           |              |                    |                  |
|   |                    |         |       |                           |              | 2.8                | 3.1 3.7          |
| <b>Maui</b>   |                    |         |       |                           |              |                    |                  |
|   |                    |         |       |                           |              | 2.5                | 2.7 3.1          |
| <b>Kauai</b>  |                    |         |       |                           |              |                    |                  |
|   |                    |         |       |                           |              | 2.3                | 2.8 3.5          |
| <b>Housing Trends (Single Family Oahu) <sup>4</sup></b> |                    |         |       |                           |              |                    |                  |
| (percentage change, except months of inventory)         |                    |         |       | September 30,             | December 31, |                    |                  |
|   |                    |         |       | 2017                      | 2016         | 2015               | 2014             |
| <b>Median Home Price</b>                                |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 3.4 %                     | 5.0 %        | 3.7 %              | 3.8 %            |
| <b>Home Sales Volume (units)</b>                        |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 5.0 %                     | 6.5 %        | 5.2 %              | (0.8) %          |
| <b>Months of Inventory</b>                              |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 2.4                       | 2.5          | 2.6                | 2.6              |
| <b>Tourism <sup>5</sup></b>                             |                    |         |       |                           |              |                    |                  |
| (in thousands)  |                    |         |       | Monthly Visitor Arrivals, |              | Percentage Change  |                  |
|   |                    |         |       | Not Seasonally Adjusted   |              | from Previous Year |                  |
| <b>August 31, 2017</b>                                  |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 818.6                     |              | 4.8                |                  |
| <b>July 31, 2017</b>                                    |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 891.9                     |              | 6.8                |                  |
| <b>June 30, 2017</b>                                    |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 835.9                     |              | 4.5                |                  |
| <b>May 31, 2017</b>                                     |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 751.2                     |              | 4.5                |                  |
| <b>April 30, 2017</b>                                   |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 753.0                     |              | 7.5                |                  |
| <b>March 31, 2017</b>                                   |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 802.8                     |              | 2.1                |                  |
| <b>February 28, 2017</b>                                |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 700.4                     |              | 1.7                |                  |
| <b>January 31, 2017</b>                                 |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 756.3                     |              | 4.9                |                  |
| <b>December 31, 2016</b>                                |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 828.5                     |              | 3.6                |                  |
| <b>November 30, 2016</b>                                |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 696.9                     |              | 4.7                |                  |
| <b>October 31, 2016</b>                                 |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 717.5                     |              | 4.3                |                  |
| <b>September 30, 2016</b>                               |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 666.6                     |              | 3.0                |                  |
| <b>August 31, 2016</b>                                  |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 780.7                     |              | 3.1                |                  |
| <b>July 31, 2016</b>                                    |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 835.4                     |              | 2.1                |                  |
| <b>June 30, 2016</b>                                    |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 800.3                     |              | 4.2                |                  |
| <b>May 31, 2016</b>                                     |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 718.9                     |              | 1.3                |                  |
| <b>April 30, 2016</b>                                   |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 700.6                     |              | 3.4                |                  |
| <b>March 31, 2016</b>                                   |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 786.3                     |              | 0.8                |                  |
| <b>February 29, 2016</b>                                |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 688.8                     |              | 4.1                |                  |
| <b>January 31, 2016</b>                                 |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 721.0                     |              | 6.2                |                  |
| <b>December 31, 2015</b>                                |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 799.5                     |              | 4.4                |                  |
| <b>November 30, 2015</b>                                |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 665.9                     |              | 4.4                |                  |
| <b>October 31, 2015</b>                                 |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 687.7                     |              | 4.0                |                  |
| <b>September 30, 2015</b>                               |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 647.2                     |              | 3.9                |                  |
| <b>August 31, 2015</b>                                  |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 757.5                     |              | 3.1                |                  |
| <b>July 31, 2015</b>                                    |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 818.5                     |              | 5.9                |                  |
| <b>June 30, 2015</b>                                    |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 767.9                     |              | 6.0                |                  |
| <b>May 31, 2015</b>                                     |                    |         |       |                           |              |                    |                  |
|   |                    |         |       | 709.7                     |              | 9.3                |                  |



|                   |       |       |
|-------------------|-------|-------|
| April 30, 2015    | 677.8 | 2.3   |
| March 31, 2015    | 780.1 | 7.0   |
| February 28, 2015 | 661.7 | 2.3   |
| January 31, 2015  | 678.9 | (0.6) |

<sup>1</sup> Source: Hawaii Department of Business, Economic Development & Tourism

<sup>2</sup> Source: U. S. Bureau of Labor

<sup>3</sup> Source: Hawaii Department of Labor and Industrial Relations, County jobs data not seasonally adjusted.

<sup>4</sup> Source: Honolulu Board of REALTORS

<sup>5</sup> Source: Hawaii Tourism Authority

Note: Certain prior period seasonally adjusted information has been revised.