# Pacific Century Financial Corporation Second Quarter 2001 Financials

July 23, 2001
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HONOLULU--(BUSINESS WIRE)--July 23, 2001--Pacific Century Financial (NYSE:BOH - news):

- Net Income $26.7 Million or $0.32 Per Share
- Core Net Income Increases to $30.9 Million or $0.37 Per Share
- Board of Directors Approves $70 Million Share Repurchase Program
- Board of Directors Declares Dividend of $0.18 Per Share

Pacific Century Financial Corporation (NYSE:BOH - news) today reported second quarter 2001 diluted earnings per share of $0.32, compared to $0.42 for the first quarter of 2001 and $0.08 for the second quarter of 2000. Net income for the period was $26.7 million, down $7.0 million from the $33.7 million reported in the first quarter of 2001 and up $20.0 million from the $6.7 million reported in the second quarter of 2000. Pacific Century Financial Corporation also announced its intention to repurchase $70 million of its common stock.

"The results of our second quarter clearly demonstrate that we are delivering on our commitment to position the company for improved future performance," said Michael E. O'Neill, Chairman and Chief Executive Officer. "We continued to improve our asset quality during the quarter and we made significant progress in implementing our strategic plan agenda. I am especially pleased that we are able to accelerate the timing of our share repurchases."

For the first six months of 2001, net income was $60.4 million or $0.74 per share, up 30 percent from net income of $46.5 million, or $0.58 per share for the same period last year. Year-to-date return on average assets was 0.91 percent compared to 0.66 percent for the first six months of 2000. Year-to-date return on average equity was 9.0 percent versus 7.65 percent for the first half of 2000.

Earnings for the quarter included a number of significant items related to the company's implementation of its previously announced strategic plan. These items reduced net income by $4.2 million, or $0.05 per share and included gains of $24.8 million from the sale of Pacific Century Bank's Arizona branches, $7.4 million related to the sale of its ownership interest in Star Systems, Inc. and $3.7 million from the sale of the company's holdings in the Bank of Queensland. Restructuring and related expenses of $39.0 million offset these gains. Adjusted for these items and their related tax impact, core earnings per share for the quarter were $0.37 and core net income was $30.9 million, up slightly from the previous quarter.

Financial Highlights

Pacific Century Financial Corporation's net interest income for the quarter on a fully taxable equivalent basis was $116.9 million, down $8.4 million from the previous quarter primarily due to the March 31, 2001 sale of the company's credit card portfolio. Net interest income was down $17.2 million from the same quarter last year. The additional decline was largely due to the company's managed effort to reduce risk, which resulted in a reduction in the level of commercial loans.

Adjusted to reflect the reclassification of interchange fees and mortgage banking income, the company's net interest margin for the second quarter of 2001 was 3.92 percent compared to 3.97 percent in the first quarter of 2001. The 5 basis point decline was primarily due to the credit card portfolio sale. The net interest margin was 4.11 percent in the second quarter last year.

The provision for loan and lease losses was $6.4 million for the second quarter 2001, approximating net charge-offs. The prior quarter and comparable quarter last year included provisions for loan and lease losses of $52.5 million and $83.4 million, respectively, which strengthened the allowance for loan and lease losses.

Non-interest income of $98.4 million for the quarter includes $35.9 million in previously mentioned gains on sales. Non-interest income of $79.2 million for the second quarter of 2000 included a gain on settlement of pension obligations of $11.9 million. Adjusted for these special items, non-interest income decreased $4.8 million from the prior year quarter and $5.2 million from the previous quarter. This decrease in non-interest income was largely due to implementation of the company's strategic plan that called for an intentional scaleback in certain businesses. The most significant components of the reduction were in fees, exchange and other service charges. Interchange fees were down as a result of the sale of the company's credit card portfolio and foreign exchange, trading and letter of credit fees declined due to the wind down in Asia. Trust and asset management income was down from the prior periods due to lower securities values.

Non-interest expense for the quarter was $161.8 million compared with $121.2 million for the same quarter last year. Special items during second quarter 2001 included $39.0 million of restructuring and related costs. The largest element of these expenses was $20.0 million in severance and other exit costs recognized due to the decision to exit certain businesses. Also included was a $15.5 million writedown of goodwill in anticipation of the company's pending sale of Pacific Century Bank, the company's subsidiary in California. Excluding these special items, core non-interest expense increased $1.7 million from the prior year quarter and decreased $5.4 million from core non-interest expense of $128.2 million in the first quarter 2001. The largest component of the decline from the previous quarter was due to an adjustment to the insurance claims reserve of the captive insurance company. In addition, other operating expense declined due to lower processing expenses as a result of the sale of the credit card portfolio.

The higher efficiency ratio for the quarter reflects the divesting businesses as revenues declined faster than the corresponding expense levels. The company anticipates that the efficiency ratio will return to a more normal level by the end of the year.

The effective tax rate of 43 percent for the second quarter of 2001 reflects a higher level of non-tax-deductible costs associated with the divestitures.

Net income for the continuing businesses increased to $30 million, or $0.36 per share, up $6 million from the previous quarter as decreases in net interest income were offset by higher non-interest income, lower expense levels and improved credit performance. Excluding the effects of restructuring, net income for the divested businesses was $1 million, or $0.01 per share largely due to declining revenues as the businesses were scaled back and higher credit losses that more than offset reductions in non-interest expense.

Asset Quality Improvement

Asset quality improved for the third consecutive quarter. Non-performing assets, exclusive of loans past due 90+ days, decreased to $118.9 million, down slightly from the previous quarter and down $91.7 million, or 43.5 percent from the same period last year. At June 30, 2001, the ratio of non-performing assets to loans was 1.55 percent compared to 1.41 percent at March 31, 2001 and 2.19 percent at June 30, 2000. The higher ratio in the second quarter of 2001 compared to the first quarter is due to an $0.8 billion decrease in loans, including approximately $220 million for the sale of the Arizona branches. Other reductions include $239 million in other commercial loans and $193 million in foreign loans.

Total exposure, including undrawn commitments, decreased $269 million to $439 million in Asia while syndicated loans declined $504 million to $2.2 billion. At June 30, 2001, outstanding Asia and syndicated loans were $346 million and $682 million, respectively. The company continued to reduce the level of internally criticized and classified assets during the quarter.

Non-accrual loans of $67.3 million at the end of the second quarter declined $28.2 million or 29.5 percent from the previous quarter and $138.4 million or 67.3 percent from the same period last year. Non-accrual loans as a percentage of total loans were 0.88 percent, a decrease from 1.13 percent in the previous quarter, and 2.14 percent in the same period last year. The decline from the previous quarter includes the transfer of two Hawaii loans to foreclosed real estate (OREO). This exposure will be reduced through the sale of the real estate assets.

Net charge-offs for the second quarter of 2001 were $6.9 million or 0.34 percent of total loans (annualized). Charge-offs of $20.3 were partially offset by recoveries of $13.4 million. The most significant credit loss in the quarter was a $5.0 million charge-off in Pacific Century Bank. The allowance for loan and lease losses at June 30, 2001 was $199.8 million, unchanged from the prior quarter and down significantly from $246.6 million at June 30, 2000.

The ratio of the allowance for loan and lease losses to non-accrual loans was 297 percent at June 30, 2001, up from 209 percent at March 31, 2001 and up from 120 percent at June 30, 2000. The ratio of the allowance for loan and lease losses to total loans was 2.62 percent at the end of second quarter 2001 versus 2.37 percent at the end of first quarter 2001 and 2.56 percent at the end of the same quarter last year. The company expects to reevaluate the level of its allowance for loan and lease losses as it completes its divestitures and other risk reduction strategies.

Other Financial Highlights

Pacific Century Financial Corporation achieved significant progress during the second quarter 2001 in the execution of its strategic plan to return the focus of the company back to its core markets and maximize shareholder value over time. On June 5, 2001 the company announced the sale of Pacific Century Bank to U.S. Bancorp. The sale, which is subject to regulatory approvals, is expected to be completed in early September 2001, slightly ahead of the original schedule. The divestiture of the South Pacific locations is proceeding according to plan and information about those businesses has been distributed to interested potential buyers. The company continues to wind down its businesses in Asia. A representative office in Tokyo will be maintained.

Total assets were $12.8 billion at the end of June 30, 2001, which is currently on track with targeted reductions outlined in the company's strategic plan. The most significant reductions were in commercial loans, installment loans and commercial real estate loans. Asset reductions are on schedule with the sole exception of mortgage loan sales, now anticipated to commence in the third quarter of 2001.

Deposits at the end of the second quarter were $8.1 billion, down 8 percent from $8.8 billion at the end of the first quarter 2001 and down 11 percent from the second quarter of 2000. Compared with the first quarter 2001, domestic deposits declined primarily due to the sale of the Arizona branches in April, which reduced total deposits $0.4 million and a continued decline in foreign deposits resulting from the decision to exit certain foreign countries.

In addition to approval of the new stock repurchase program, the company's Board of Directors declared a quarterly cash dividend of $0.18 per share on the company's outstanding shares. The dividend will be payable on September 17, 2001 to shareholders of record at the close of business on August 24, 2001.

2001 Financial Outlook

Within a range of 2 percent, the company is maintaining its earnings guidance of $119 million or $1.51 per share for the full year. Net income for the continuing businesses is expected to be $102 million or $1.29 per share. It is apparent that the performance of the divesting businesses will be lower than originally projected. The aggregate cost of restructuring cannot be further refined until the sales price of the South Pacific banks is determined. Earnings per share projections were derived using certain assumptions of share price and repurchase timing. The current share price is higher than the price assumed in our projections. The company will provide guidance on the expected final outcome of restructuring when more information is available.

Hawaii's economists continue to forecast moderate economic expansion in 2001 with Hawaii real GSP growth estimates between 2.2 and 3.0 percent. The key drivers, according to the state's Council on Revenues are expected to be construction growth and rising real estate activity supported by low interest rates. Similar to the U.S. economy, Hawaii's year-to-date economic performance is slightly weaker than expected.

The company will review second quarter 2001 earnings today at 2:00 p.m. ET. The presentation will be accessible via teleconference and the investor relations link of Pacific Century Financial Corporation's web site, www.boh.com. The conference call number is 800/553-0327 in the U.S. or 612/332-0932 for international callers. A replay will be available for one week beginning at 6:00 p.m. ET on Monday, July 23, 2001 by calling 800/475-6701 (U.S.) or 320/365-3844 (International) and entering the number 593861 when prompted. A replay of the presentation will be available on the company's web site.

This news release contains forward-looking statements. All statements in this news release that address events or developments that we anticipate may occur in the future are forward-looking statements. We believe the assumptions underlying our forward-looking statements are reasonable. However, any of the assumptions could prove to be inaccurate and actual results may differ materially from those projected for a variety of reasons including, but not limited to: we may not complete implementation of the strategic plan within expected financial and time estimates; our credit markets may deteriorate; our credit quality initiatives may fall short of our goals; we may not achieve the expense reductions we expect; we may not be able to maintain our net interest margin; we may not be able to implement our proposed equity repurchases in the amount or at the times planned; implementing the strategic plan may cause unanticipated organizational disruptions; customer acceptance of our business as restructured may be less than expected; there may be economic or political volatility in the markets we serve; and there may be changes in business and economic conditions, competition, fiscal and monetary policies or legislation. Except where specified, we do not undertake any obligation to update any forward-looking statements to reflect later events or circumstances.

Pacific Century Financial Corporation is a regional financial services holding company with locations throughout the Pacific region. Pacific Century and its subsidiaries provide varied financial services to businesses, governments and consumers in four principal markets: Hawaii and the West Pacific, South Pacific, Asia and selected markets on the U.S. Mainland. Pacific Century's principal subsidiary, Bank of Hawaii, is the largest commercial bank in the state of Hawaii.

Pacific Century Financial Corporation and subsidiaries
Highlights (Unaudited) Table 1

(dollars in thousands except per share amounts)

| Earnings Highlights and Performance Ratios | 2001 | 2000 |
|---|---|---|
| Three Months Ended June 30 | | |
| Net Income | $26,739 | $ 6,707 |
| Basic Earnings Per Share | 0.33 | 0.08 |
| Diluted Earnings Per Share | 0.32 | 0.08 |
| Cash Dividends | 14,426 | 14,305 |
| Return on Average Assets | 0.83% | 0.19% |
| Return on Average Equity | 7.69% | 2.19% |
| Net Interest Margin | 3.92% * | 4.11% |
| Core Efficiency Ratio (a) | 68.74% | 60.57% |
| Six Months Ended June 30 | | |
| Net Income | $60,416 | $46,472 |
| Basic Earnings Per Share | 0.75 | 0.58 |
| Diluted Earnings Per Share | 0.74 | 0.58 |
| Cash Dividends | 28,790 | 27,845 |
| Return on Average Assets | 0.91% | 0.66% |
| Return on Average Equity | 9.00% | 7.65% |
| Net Interest Margin | 3.94% | 4.12% |
| Core Efficiency Ratio (a) | 66.98% | 61.26% |

| Summary of Results Excluding the Effect of Intangibles (b) | | |
|---|---|---|
| Three Months Ended June 30 | | |
| Net Income | $28,676 | $10,526 |
| Basic Earnings per Share | $0.36 | $0.13 |
| Diluted Earnings per Share | $0.35 | $0.13 |
| Return on Average Assets | 0.90% | 0.30% |
| Return on Average Equity | 9.41% | 4.10% |
| Core Efficiency Ratio (a) | 66.71% | 58.43% |
| Six Months Ended June 30 | | |
| Net Income | $67,383 | $53,973 |
| Basic Earnings per Share | $0.84 | $0.68 |

| | | |
|---|---|---|
| Diluted Earnings per Share | $0.82 | $0.67 |
| Return on Average Assets | 1.03% | 0.77% |
| Return on Average Equity | 11.59% | 10.66% |
| Core Efficiency Ratio (a) | 64.96% | 59.18% |

(a) Core earnings excludes restructuring and non-recurring transactions.

(b) Intangibles include goodwill, core deposit and trust Intangibles, and other intangibles.

| Statement of Condition Highlights | June 30 2001 | June 30 2000 |
|---|---|---|
| Total Assets | $12,755,511 | $14,294,625 |
| Net Loans | 7,418,607 | 9,368,718 |
| Total Deposits | 8,108,468 | 9,109,146 |
| Total Shareholders' Equity | 1,395,731 | 1,209,399 |
| Book Value Per Common Share | $17.24 | $15.23 |
| Allowance / Loans Outstanding | 2.62% | 2.56% |
| Average Equity / Average Assets | 10.08% | 8.59% |
| Employee (FTE) | 4,197 | 4,275 |
| Branches | 156 | 174 |
| Common Stock Price Range Quarter Ended | | |
| Closing | $25.79 | $14.63 |
| High | $25.80 | $23.19 |
| Low | $19.38 | $14.63 * |

* Revision made 7/27/01

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Pacific Century Financial Corporation and subsidiaries
Consolidated Statements of Income (Unaudited) Table 2

(dollars in thousands except per share amounts)

| | Three Months Ended June 30 2001 | Three Months Ended June 30 2000 | Six Months Ended June 30 2001 | Six Months Ended June 30 2000 |
|---|---|---|---|---|
| Interest Income | | | | |
| Interest on Loans | $154,641 | $188,233 | $336,943 | $371,656 |
| Income on Lease Financing | 9,174 | 9,747 | 16,031 | 17,726 |
| Interest and Dividends on Investment Securities | | | | |
| Taxable | 10,902 | 13,321 | 22,538 | 27,557 |
| Non-taxable | 144 | 243 | 284 | 522 |
| Income on Investment Securities Available for Sale | 36,146 | 41,161 | 75,447 | 82,194 |
| Deposits | 4,903 | 3,834 | 10,117 | 7,598 |
| Security Resale Agreements | 101 | 6 | 139 | 16 |
| Funds Sold | 1,252 | 485 | 2,311 | 958 |

| | | | | |
|---|---|---|---|---|
| Total Interest Income | 217,263 | 257,030 | 463,810 | 508,227 |
| Interest Expense | | | | |
| Deposits | 60,061 | 71,064 | 132,080 | 139,278 |
| Security Repurchase Agreements | 20,843 | 26,021 | 45,473 | 48,974 |
| Funds Purchased | 2,333 | 7,834 | 8,456 | 16,361 |
| Short-Term Borrowings | 2,764 | 6,514 | 5,994 | 11,046 |
| Long-Term Debt | 14,459 | 13,319 | 29,773 | 26,007 |
| Total Interest Expense | 100,460 | 124,752 | 221,776 | 241,666 |
| Net Interest Income | 116,803 | 132,278 | 242,034 | 266,561 |
| Provision for Loan Losses | 6,413 | 83,407 | 58,879 | 96,929 |
| Net Interest Income After Provision for Loan Losses | 110,390 | 48,871 | 183,155 | 169,632 |
| Non-Interest Income | | | | |
| Trust and Asset Management | 15,247 | 16,317 | 31,042 | 33,204 |
| Mortgage Banking | 4,606 | 2,799 | 9,683 | 4,878 |
| Service Charges on Deposit Accounts | 9,878 | 10,180 | 19,818 | 19,737 |
| Fees, Exchange, and Other Service Charges | 20,000 | 25,393 | 43,593 | 49,485 |
| Gain on Sale of Card Portfolio and Branches | 24,794 | -- | 100,208 | -- |
| Gain on Settlement of Pension Obligation | -- | 11,900 | -- | 11,900 |
| Investment Securities Gains (Losses) | 11,681 | (515) | 31,884 | (233) |
| Other Operating Income | 12,170 | 13,097 | 22,883 | 28,672 |
| Total Non-Interest Income | 98,376 | 79,171 | 259,111 | 147,643 |
| Non-Interest Expense | | | | |
| Salaries | 47,722 | 44,460 | 95,605 | 92,007 |
| Pensions and Other Employee Benefits | 12,543 | 10,788 | 26,896 | 25,418 |
| Net Occupancy Expense | 12,488 | 12,480 | 24,612 | 24,296 |
| Net Equipment Expense | 13,729 | 12,066 | 27,108 | 24,133 |
| Goodwill Amortization | 3,633 | 4,278 | 7,583 | 8,340 |
| Restructuring and Other Related Costs | 37,751 | -- | 82,189 | -- |
| Minority Interest | 84 | 107 | 163 | 176 |
| Other Operating Expense | 33,885 | 36,998 | 70,319 | 72,209 |
| Total Non-Interest Expense | 161,835 | 121,177 | 334,475 | 246,579 |
| Income Before Income Taxes | 46,931 | 6,865 | 107,791 | 70,696 |
| Provision for Income Taxes | 20,192 | 158 | 47,375 | 24,224 |
| Net Income | $26,739 | $ 6,707 | $60,416 | $46,472 |

Basic Earnings

| | | | | |
|---|---|---|---|---|
| Per Share | $0.33 | $0.08 | $0.75 | $0.58 |
| Diluted Earnings Per Share | $0.32 | $0.08 | $0.74 | $0.58 |
| Dividends Declared Per Share | $0.36 | $0.36 | $0.36 | $0.35 |
| Basic Weighted Average Shares | 80,516,216 | 79,425,245 | 80,120,449 | 79,623,305 |
| Diluted Weighted Average Shares | 82,975,267 | 80,002,989 | 82,030,085 | 79,975,904 |

Pacific Century Financial Corporation and subsidiaries
Consolidated Statements of Condition (Unaudited) Table 3

(dollars in thousands)

| | June 30 2001 | December 31 2000 | June 30 2000 |
|---|---|---|---|
| Assets | | | |
| Interest-Bearing Deposits | $458,696 | $188,649 | $199,020 |
| Investment Securities - Held to Maturity (Market Value of $628,393, $676,621 and $721,617, respectively) | 616,412 | 670,038 | 730,445 |
| Investment Securities - Available for Sale | 2,202,718 | 2,507,076 | 2,493,066 |
| Securities Purchased Under Agreements to Resell | 7,688 | 3,969 | -- |
| Funds Sold | 318,182 | 134,644 | 50,646 |
| Loans Held for Sale | 571,395 | 179,229 | 128,720 |
| Loans | 7,874,205 | 9,489,061 | 9,942,797 |
| Unearned Income | (255,798) | (253,903) | (327,520) |
| Allowance for Loan Losses | (199,800) | (246,247) | (246,559) |
| Net Loans | 7,418,607 | 8,988,911 | 9,368,718 |
| Total Earning Assets | 11,593,698 | 12,672,516 | 12,970,615 |
| Cash and Non-Interest Bearing Deposits | 391,552 | 523,969 | 473,950 |
| Premises and Equipment | 242,040 | 254,621 | 259,037 |
| Customers' Acceptance Liability | 4,184 | 14,690 | 9,406 |
| Accrued Interest Receivable | 61,702 | 68,585 | 75,883 |
| Other Real Estate | 40,077 | 4,526 | 4,915 |
| Intangibles, including Goodwill | 157,515 | 192,264 | 198,363 |
| Other Assets | 264,743 | 282,645 | 302,456 |
| Total Assets | $12,755,511 | $14,013,816 | $14,294,625 |
| Liabilities | | | |
| Domestic Deposits | | | |
| Demand | | | |
| - Non-Interest Bearing | $1,591,824 | $1,707,724 | $1,696,106 |
| - Interest Bearing | 1,914,474 | 2,008,730 | 2,091,074 |
| Savings | 758,262 | 665,239 | 684,572 |
| Time | 2,602,035 | 2,836,083 | 2,781,868 |
| Foreign Deposits | | | |
| Demand | | | |

| | | | |
|---|---|---|---|
| - Non-Interest Bearing | 319,165 | 385,366 | 378,497 |
| Time Due to Banks | 265,768 | 535,126 | 442,678 |
| Other Savings and Time | 656,940 | 942,313 | 1,034,351 |
| Total Deposits | 8,108,468 | 9,080,581 | 9,109,146 |
| Securities Sold Under Agreements to Repurchase | 1,632,774 | 1,655,173 | 1,573,980 |
| Funds Purchased | 176,768 | 413,241 | 663,234 |
| Short-Term Borrowings | 242,781 | 211,481 | 530,231 |
| Bank's Acceptances Outstanding | 4,184 | 14,690 | 9,406 |
| Accrued Retirement Expense | 35,946 | 37,868 | 37,214 |
| Accrued Interest Payable | 59,559 | 72,460 | 64,579 |
| Accrued Taxes Payable | 170,815 | 130,766 | 83,343 |
| Minority Interest | 4,014 | 4,536 | 4,350 |
| Other Liabilities | 93,619 | 94,512 | 107,569 |
| Long-Term Debt | 830,852 | 997,152 | 902,174 |
| Total Liabilities | 11,359,780 | 12,712,460 | 13,085,226 |
| Shareholders' Equity | | | |
| Common Stock ($.01 par value), authorized 500,000,000 shares; issued / outstanding: June 2001 - 80,368,629 / 80,948,825; December 2000 - 80,558,811 / 79,612,178; June 2000 - 80,555,424 / 79,399,919 | 806 | 806 | 806 |
| Capital Surplus | 367,390 | 346,045 | 346,018 |
| Accumulated Other Comprehensive Income | 25,886 | (25,079) | (75,462) |
| Retained Earnings | 1,028,036 | 996,791 | 959,041 |
| Deferred Stock Grants | (17,891) | -- | -- |
| Treasury Stock, at Cost - (Shares: June 2001 - 419,804; December 2000 - 946,633; and June 2000 - 1,155,505) | (8,496) | (17,207) | (21,004) |
| Total Shareholders' Equity | 1,395,731 | 1,301,356 | 1,209,399 |
| Total Liabilities and Shareholders' Equity | $12,755,511 | $14,013,816 | $14,294,625 |

Pacific Century Financial Corporation and subsidiaries
Consolidated Statements of Shareholders' Equity (Unaudited) Table 4

| (in thousands of dollars) | Total | Common Stock | Capital Surplus | Accumulated Other Comprehensive Income |
|---|---|---|---|---|
| Balance at December 31, 2000 | $ 1,301,356 | $ 806 | $ 346,045 | $ (25,079) |
| Comprehensive Income | | | | |
| Net Income | 60,416 | -- | -- | -- |

| | | | | |
|---|---|---|---|---|
| Other Comprehensive Income, Net of Tax | | | | |
| Investment Securities, Net of Reclassification Adjustment | 22,775 | -- | -- | 22,775 |
| Foreign Currency Translation Adjustment | 27,496 | -- | -- | 27,496 |
| Pension Liability Adjustments | (159) | -- | -- | (159) |
| Total Comprehensive Income | | | | |
| Common Stock Issued | | | | |
| 32,942 Profit Sharing Plan | 725 | -- | 180 | -- |
| 416,413 Stock Option Plan | 7,073 | -- | 643 | -- |
| 64,791 Dividend Reinvestment Plan | 1,419 | -- | 326 | -- |
| 3,672 Directors' Restricted Shares and Deferred Compensation Plan | 343 | -- | 81 | -- |
| 741,000 Employees' Restricted Shares | 925 | -- | 18,816 | -- |
| 65,146 Hawaii Insurance Network | 1,299 | -- | 1,299 | -- |
| Stock Compensation | 853 | -- | -- | 853 |
| Cash Dividends Paid | (28,790) | -- | -- | -- |
| Balance at June 30, 2001 | $ 1,395,731 | $ 806 | $ 367,390 | $ 25,886 |
| Balance at December 31, 1999 | $ 1,212,330 | $ 806 | $ 345,851 | $(66,106) |
| Comprehensive Income | | | | |
| Net Income | 46,472 | -- | -- | -- |
| Other Comprehensive Income, Net of Tax | | | | |
| Investment Securities, Net of Reclassification Adjustment | (10,696) | -- | -- | (10,696) |
| Foreign Currency Translation Adjustment | 1,340 | -- | -- | 1,340 |
| Pension Liability Adjustments | -- | -- | -- | -- |
| Total Comprehensive Income | | | | |
| Common Stock Issued | | | | |
| 39,382 Profit Sharing Plan | 723 | -- | 18 | -- |
| 140,260 Stock Option Plan | 2,018 | -- | 3 | -- |
| 115,574 Dividend Reinvestment Plan | 1,899 | -- | 52 | -- |
| 4,696 Directors' Restricted Shares and Deferred Compensation Plan | 94 | -- | 94 | -- |

| | | | | |
|---|---|---|---|---|
| Treasury Stock Purchased | (16,936) | -- | -- | -- |
| Cash Dividends Paid | (27,845) | -- | -- | -- |
| Balance at June 30, 2000 | $ 1,209,399 | $ 806 | $ 346,018 | $ (75,462) |

Pacific Century Financial Corporation and subsidiaries
Consolidated Statements of Shareholders' Equity (Unaudited) Table 4 (cont)

| | Retained Earnings | Deferred Stock Grants | Treasury Stock | Comprehensive Income |
|---|---|---|---|---|
| Balance at December 31, 2000 | $ 996,791 | $ -- | $ (17,207) | |
| Comprehensive Income | | | | |
| Net Income | 60,416 | -- | -- | $60,416 |
| Other Comprehensive Income, Net of Tax | | | | |
| Investment Securities, Net of Reclassification Adjustment | -- | -- | -- | 22,775 |
| Foreign Currency Translation Adjustment | -- | -- | -- | 27,496 |
| Pension Liability Adjustments | -- | -- | -- | (159) |
| Total Comprehensive Income | | | | $110,528 |
| Common Stock Issued | | | | |
| 32,942 Profit Sharing Plan | -- | -- | 545 | |
| 416,413 Stock Option Plan | (381) | -- | 6,811 | |
| 64,791 Dividend Reinvestment Plan | -- | -- | 1,093 | |
| 3,672 Directors' Restricted Shares and Deferred Compensation Plan | -- | -- | 262 | |
| 741,000 Employees' Restricted Shares | -- | (17,891) | -- | |
| 65,146 Hawaii Insurance Network | -- | -- | -- | |
| Stock Compensation | -- | -- | -- | |
| Cash Dividends Paid | (28,790) | -- | -- | |
| Balance at June 30, 2001 | $1,028,036 | $ (17,891) | $ (8,496) | |
| Balance at December 31, 1999 | $ 942,177 | $ -- | $(10,398) | |
| Comprehensive Income | | | | |
| Net Income | 46,472 | -- | -- | $46,472 |
| Other Comprehensive Income, Net of Tax | | | | |
| Investment Securities, Net of | | | | |

| | | | | |
|---|---|---|---|---|
| Reclassification Adjustment | -- | -- | -- | (10,696) |
| Foreign Currency Translation Adjustment | -- | -- | -- | 1,340 |
| Pension Liability Adjustments | -- | -- | -- | -- |
| Total Comprehensive Income | | | | $37,116 |
| Common Stock Issued | | | | |
| 39,382 Profit Sharing Plan | (128) | -- | 833 | |
| 140,260 Stock Option Plan | (1,019) | -- | 3,034 | |
| 115,574 Dividend Reinvestment Plan | (616) | -- | 2,463 | |
| 4,696 Directors' Restricted Shares and Deferred Compensation Plan | -- | -- | -- | |
| Treasury Stock Purchased | -- | -- | (16,936) | |
| Cash Dividends Paid | (27,845) | -- | -- | |
| Balance at June 30, 2000 | $ 959,041 | $ -- | $ (21,004) | |

Pacific Century Financial Corporation and subsidiaries
Consolidated Average Balances and
Interest Rates Taxable Equivalent (Unaudited) Table 5

(dollars in millions)

| | Three Months Ended June 30, 2001 | | |
|---|---|---|---|
| | Average Balance | Income/ Expense | Yield/ Rate |
| Earning Assets | | | |
| Interest Bearing Deposits | $ 414.3 | $ 4.9 | 4.75% |
| Funds Sold | 120.3 | 1.4 | 4.51 |
| Investment Portfolio | | | |
| - Held-To-Maturity | 642.1 | 11.1 | 6.93 |
| - Available for Sale | 2,318.3 | 36.2 | 6.25 |
| Loans Held For Sale | 430.9 | 7.4 | 6.88 |
| Net Loans | | | |
| - Domestic | 6,910.9 | 137.1 | 7.96 |
| - Foreign | 1,136.9 | 19.3 | 6.80 |
| Total Loans | 8,047.8 | 156.4 | 7.79 |
| Total Earning Assets | 11,973.7 | 217.4 | 7.28 |
| Cash and Due From Banks | 367.6 | | |
| Other Assets | 655.1 | | |
| Total Assets | $ 12,996.4 | | |
| Interest Bearing Liabilities | | | |
| Domestic Deposits | | | |
| - Demand | $ 1,905.0 | 9.3 | 1.95 |
| - Savings | 698.8 | 3.7 | 2.14 |
| - Time | 2,654.1 | 37.3 | 5.64 |

| | | | |
|---|---|---|---|
| Total Domestic Deposits | 5,257.9 | 50.3 | 3.83 |
| Foreign Deposits | | | |
| - Time Due to Banks | 317.4 | 3.5 | 4.45 |
| - Other Time and Savings | 709.3 | 6.3 | 3.55 |
| Total Foreign Deposits | 1,026.7 | 9.8 | 3.83 |
| Total Interest Bearing Deposits | 6,284.6 | 60.1 | 3.83 |
| Short-Term Borrowings | 2,108.2 | 25.9 | 4.94 |
| Long-Term Debt | 864.5 | 14.5 | 6.71 |
| Total Interest Bearing Liabilities | 9,257.3 | 100.5 | 4.35 |
| Net Interest Income | | 116.9 | |
| Interest Rate Spread | | | 2.93% |
| Net Interest Margin | | | 3.92% |
| Demand Deposits - Domestic | 1,567.8 | | |
| - Foreign | 348.4 | | |
| Total Demand Deposits | 1,916.2 | | |
| Other Liabilities | 428.5 | | |
| Shareholders' Equity | 1,394.4 | | |
| Total Liabilities and Shareholders' Equity | $ 12,996.4 | | |
| Provision for Loan Losses | | 6.4 | |
| Net Overhead | | 63.5 | |
| Income Before Income Taxes | | 47.0 | |
| Provision for Income Taxes | | 20.2 | |
| Tax-Equivalent Adjustment | | 0.1 | |
| Net Income | | $ 26.7 | |

Pacific Century Financial Corporation and subsidiaries
Consolidated Average Balances and
Interest Rates Taxable Equivalent (Unaudited) Table 5 (cont)

(dollars in millions)

| | Three Months Ended March 31, 2001 Average Balance | Income/ Expense | Yield/ Rate |
|---|---|---|---|
| Earning Assets | | | |
| Interest Bearing Deposits | $ 332.3 | $ 5.2 | 6.36% |
| Funds Sold | 80.5 | 1.1 | 5.53 |
| Investment Portfolio | | | |
| - Held-To-Maturity | 656.3 | 11.9 | 7.35 |
| - Available for Sale | 2,479.9 | 39.3 | 6.43 |
| Loans Held For Sale | 201.7 | 3.6 | 7.24 |
| Net Loans | | | |
| - Domestic | 7,784.0 | 163.7 | 8.53 |
| - Foreign | 1,277.8 | 21.8 | 6.93 |
| Total Loans | 9,061.8 | 185.5 | 8.21 |
| Total Earning Assets | 12,812.5 | 246.6 | 7.81 |

| | | | |
|---|---|---|---|
| Cash and Due From Banks | 438.2 | | |
| Other Assets | 595.1 | | |
| Total Assets | $ 13,845.8 | | |
| Interest Bearing Liabilities | | | |
| Domestic Deposits | | | |
| - Demand | $ 2,008.2 | 11.7 | 2.36 |
| - Savings | 665.7 | 3.4 | 2.04 |
| - Time | 2,902.7 | 43.1 | 6.03 |
| Total Domestic Deposits | 5,576.6 | 58.2 | 4.23 |
| Foreign Deposits | | | |
| - Time Due to Banks | 489.4 | 6.6 | 5.51 |
| - Other Time and Savings | 801.0 | 7.2 | 3.65 |
| Total Foreign Deposits | 1,290.4 | 13.8 | 4.35 |
| Total Interest Bearing Deposits | 6,867.0 | 72.0 | 4.25 |
| Short-Term Borrowings | 2,364.8 | 34.0 | 5.83 |
| Long-Term Debt | 916.0 | 15.3 | 6.78 |
| Total Interest Bearing Liabilities | 10,147.8 | 121.3 | 4.85 |
| Net Interest Income | | 125.3 | |
| Interest Rate Spread | | | 2.96% |
| Net Interest Margin | | | 3.97% |
| Demand Deposits - Domestic | 1,636.8 | | |
| - Foreign | 377.5 | | |
| Total Demand Deposits | 2,014.3 | | |
| Other Liabilities | 372.4 | | |
| Shareholders' Equity | 1,311.3 | | |
| Total Liabilities and Shareholders' Equity | $ 13,845.8 | | |
| Provision for Loan Losses | | 52.4 | |
| Net Overhead | | 11.9 | |
| Income Before Income Taxes | | 61.0 | |
| Provision for Income Taxes | | 27.2 | |
| Tax-Equivalent Adjustment | | 0.1 | |
| Net Income | | $ 33.7 | |

Pacific Century Financial Corporation and subsidiaries
Consolidated Average Balances and
Interest Rates Taxable Equivalent (Unaudited) Table 5 (cont)

(dollars in millions)

| | Three Months Ended June 30, 2000 | | |
|---|---|---|---|
| | Average Balance | Income/ Expense | Yield/ Rate |
| Earning Assets | | | |
| Interest Bearing Deposits | $ 220.0 | $ 3.6 | 6.49% |
| Funds Sold | 32.2 | 0.5 | 6.13 |

| | | | |
|---|---|---|---|
| Investment Portfolio | | | |
| - Held-To-Maturity | 731.6 | 13.7 | 7.53 |
| - Available for Sale | 2,514.8 | 41.2 | 6.58 |
| Loans Held For Sale | 123.7 | 2.3 | 7.48 |
| Net Loans | | | |
| - Domestic | 7,980.7 | 172.3 | 8.68 |
| - Foreign | 1,532.5 | 25.1 | 6.58 |
| Total Loans | 9,513.1 | 197.4 | 8.34 |
| Total Earning Assets | 13,135.5 | 258.6 | 7.92 |
| Cash and Due From Banks | 444.0 | | |
| Other Assets | 638.8 | | |
| Total Assets | $ 14,218.3 | | |
| Interest Bearing Liabilities | | | |
| Domestic Deposits | | | |
| - Demand | $ 2,097.8 | 12.3 | 2.36 |
| - Savings | 691.5 | 3.5 | 2.03 |
| - Time | 2,744.0 | 36.4 | 5.33 |
| Total Domestic Deposits | 5,533.3 | 52.1 | 3.79 |
| Foreign Deposits | | | |
| - Time Due to Banks | 422.0 | 6.2 | 5.91 |
| - Other Time and Savings | 1,133.8 | 12.4 | 4.40 |
| Total Foreign Deposits | 1,555.8 | 18.6 | 4.81 |
| Total Interest Bearing Deposits | 7,089.1 | 70.7 | 4.01 |
| Short-Term Borrowings | 2,728.1 | 40.4 | 5.95 |
| Long-Term Debt | 807.2 | 13.3 | 6.64 |
| Total Interest Bearing Liabilities | 10,624.3 | 124.4 | 4.71 |
| Net Interest Income | | 134.1 | |
| Interest Rate Spread | | | 3.21% |
| Net Interest Margin | | | 4.11% |
| Demand Deposits - Domestic | 1,666.5 | | |
| - Foreign | 366.0 | | |
| Total Demand Deposits | 2,032.5 | | |
| Other Liabilities | 331.5 | | |
| Shareholders' Equity | 1,230.0 | | |
| Total Liabilities and Shareholders' Equity | 14,218.3 | | |
| Provision for Loan Losses | | 83.3 | |
| Net Overhead | | 43.0 | |
| Income Before Income Taxes | | 7.8 | |
| Provision for Income Taxes | | 0.1 | |
| Tax-Equivalent Adjustment | | 1.0 | |
| Net Income | | $ 6.7 | |

Pacific Century Financial Corporation and subsidiaries
Loan Portfolio Balances (Unaudited) Table 6

(in millions of dollars)

| | June 30 2001 | March 31 2001 | December 31 2000 | June 30 2000 |
|---|---|---|---|---|
| Domestic Loans | | | | |
| Commercial and Industrial | $1,786.8 | $2,094.7 | $2,443.3 | $2,683.8 |
| Real Estate | | | | |
| Construction | | | | |
| -- Commercial | 213.6 | 284.0 | 282.4 | 294.3 |
| -- Residential | 32.4 | 28.9 | 25.0 | 21.9 |
| Mortgage | | | | |
| -- Commercial | 866.3 | 1,023.8 | 1,125.5 | 1,241.2 |
| -- Residential | 2,785.6 | 2,866.7 | 2,855.9 | 2,678.7 |
| Installment | 486.4 | 496.4 | 729.9 | 750.0 |
| Lease Financing | 738.0 | 731.2 | 725.5 | 782.7 |
| Total Domestic | 6,909.1 | 7,525.7 | 8,187.5 | 8,452.6 |
| Foreign Loans | 965.1 | 1,157.7 | 1,301.6 | 1,490.2 |
| Unearned Income | (255.8) | (258.4) | (253.9) | (327.5) |
| Total Loans | $7,618.4 | $8,425.0 | $9,235.2 | $9,615.3 |

Pacific Century Financial Corporation and subsidiaries
Consolidated Non-Performing Assets and Accruing Loans Past Due 90 Days or More (Unaudited) Table 7

(dollars in millions)

| | June 30 2001 | March 31 2001 | Dec 31 2000 |
|---|---|---|---|
| Non-Accrual Loans | | | |
| Commercial and Industrial | $11.8 | $23.8 | $55.4 |
| Real Estate | | | |
| Construction | 5.8 | 6.3 | 6.4 |
| Commercial | 14.4 | 29.7 | 60.1 |
| Residential | 16.2 | 18.5 | 22.7 |
| Installment | 0.2 | 0.1 | -- |
| Leases | 0.4 | 0.2 | 0.4 |
| Total Domestic | 48.8 | 78.6 | 145.0 |
| Foreign | 18.5 | 16.9 | 33.5 |
| Subtotal | 67.3 | 95.5 | 178.5 |
| Loans Held for Sale | 11.5 | 12.8 | -- |
| Foreclosed Real Estate | | | |
| Domestic | 39.8 | 10.9 | 4.2 |
| Foreign | 0.3 | 0.3 | 0.3 |
| Subtotal | 40.1 | 11.2 | 4.5 |
| Total Non-Performing Assets | 118.9 | 119.5 | 183.0 |
| Accruing Loans Past Due 90 Days or More | | | |
| Commercial and Industrial | 0.2 | 3.9 | 5.0 |
| Real Estate | | | |
| Construction | -- | -- | -- |
| Commercial | -- | 0.9 | 1.3 |

| | | | |
|---|---|---|---|
| Residential | 3.7 | 3.3 | 3.3 |
| Installment | 1.8 | 2.7 | 5.6 |
| Leases | 0.1 | 0.1 | 0.4 |
| Total Domestic | 5.8 | 10.9 | 15.6 |
| Foreign | 0.4 | 0.2 | 3.2 |
| Subtotal | 6.2 | 11.1 | 18.8 |
| Total | $125.1 | $130.6 | $201.8 |
| Total Loans | $7,618 | $8,425 | $9,235 |
| Ratio of Non-Accrual Loans to Total Loans | 0.88% | 1.13% | 1.93% |
| Ratio of Non-Performing Assets to Total Loans, Foreclosed Real Estate and Non-Performing Loans Held for Sale | 1.55% | 1.41% | 1.98% |
| Ratio of Non-Performing Assets and Accruing Loans Past Due 90 Days or More to Total Loans | 1.64% | 1.55% | 2.19% |

Pacific Century Financial Corporation and subsidiaries
Consolidated Non-Performing Assets and Accruing
Loans Past Due 90 Days or More (Unaudited)

Table 7
(cont)

(dollars in millions)

| | Sept 30 2000 | June 30 2000 |
|---|---|---|
| Non-Accrual Loans | | |
| Commercial and Industrial | $49.0 | $52.7 |
| Real Estate | | |
| Construction | 8.1 | 8.0 |
| Commercial | 86.8 | 62.2 |
| Residential | 22.0 | 23.2 |
| Installment | 0.1 | 0.1 |
| Leases | 0.2 | 0.3 |
| Total Domestic | 166.2 | 146.5 |
| Foreign | 48.3 | 59.2 |
| Subtotal | 214.5 | 205.7 |
| Loans Held for Sale | -- | -- |
| Foreclosed Real Estate | | |
| Domestic | 4.9 | 4.6 |
| Foreign | 0.2 | 0.3 |
| Subtotal | 5.1 | 4.9 |
| Total Non-Performing Assets | 219.6 | 210.6 |
| Accruing Loans Past Due 90 Days or More | | |

| | | |
|---|---|---|
| Commercial and Industrial | 2.2 | 4.7 |
| Real Estate | | |
| Construction | 0.1 | -- |
| Commercial | 4.9 | 2.0 |
| Residential | 7.2 | 3.5 |
| Installment | 4.6 | 4.0 |
| Leases | 0.1 | 1.5 |
| Total Domestic | 19.1 | 15.7 |
| Foreign | 1.5 | 1.3 |
| Subtotal | 20.6 | 17.0 |
| Total | $240.2 | $227.6 |
| Total Loans | $9,339 | $9,614 |
| Ratio of Non-Accrual Loans to Total Loans | 2.30% | 2.14% |
| Ratio of Non-Performing Assets to Total Loans, Foreclosed Real Estate and Non-Performing Loans Held for Sale | 2.35% | 2.19% |
| Ratio of Non-Performing Assets and Accruing Loans Past Due 90 Days or More to Total Loans | 2.57% | 2.37% |

Pacific Century Financial Corporation and subsidiaries
Consolidated Allowance for Loan Losses (Unaudited) Table 8

(dollars in millions)

| | Second Quarter 2001 | First Quarter 2001 | Second Quarter 2000 |
|---|---|---|---|
| Average Loans Outstanding | $8,047.8 | $9,061.8 | $9,513.1 |
| Balance of Allowance for Loan Losses at Beginning of Period | $199.8 | $246.2 | $195.4 |
| Loans Charged-Off | | | |
| Commercial and Industrial | 8.9 | 75.5 | 12.4 |
| Real Estate | | | |
| Construction | -- | -- | 0.5 |
| Commercial | 1.6 | 11.9 | 7.7 |
| Residential | 1.7 | 2.5 | 1.4 |
| Installment | 4.2 | 5.4 | 5.2 |
| Leases | -- | 0.1 | 0.2 |
| Total Domestic | 16.4 | 95.4 | 27.4 |
| Foreign | 3.9 | 10.0 | 9.1 |
| Total Charged-Off | 20.3 | 105.4 | 36.5 |
| Recoveries on Loans Previously Charged-Off | | | |
| Commercial and Industrial | 4.3 | 2.7 | 1.2 |
| Real Estate | | | |
| Construction | -- | -- | -- |

| | | | |
|---|---|---|---|
| Commercial | 0.8 | 0.3 | 0.1 |
| Residential | 0.3 | 0.2 | 0.2 |
| Installment | 1.6 | 1.8 | 1.9 |
| Leases | 0.1 | 0.1 | -- |
| Total Domestic | 7.1 | 5.1 | 3.4 |
| Foreign | 6.3 | 2.6 | 0.2 |
| Total Recoveries | 13.4 | 7.7 | 3.6 |
| Net Charge-Offs | (6.9) | (97.7) | (32.9) |
| Provision for Loan Losses | 6.4 | 52.5 | 83.4 |
| Other Net Additions (Reductions)(1) | 0.5 | (1.2) | 0.7 |
| Balance at End of Period | $199.8 | $199.8 | $246.6 |
| Ratio of Net Charge-Offs to Average Loans Outstanding (annualized) | 0.34% | 4.31% | 1.38% |
| Ratio of Allowance to Loans Outstanding | 2.62% | 2.37% | 2.56% |

(1) Includes balance transfers, reserves acquired, and foreign currency translation adjustments.

Pacific Century Financial Corporation and subsidiaries
Consolidated Allowance for Loan Losses (Unaudited) Table 8 (cont)

(dollars in millions)

| | First Six Months 2001 | First Six Months 2000 |
|---|---|---|
| Average Loans Outstanding | $8,552.0 | $9,439.6 |
| Balance of Allowance for Loan Losses at Beginning of Period | $246.2 | $194.2 |
| Loans Charged-Off | | |
| Commercial and Industrial | 84.4 | 9.7 |
| Real Estate | | |
| Construction | -- | 0.5 |
| Commercial | 13.5 | 11.5 |
| Residential | 4.2 | 3.7 |
| Installment | 9.6 | 9.9 |
| Leases | 0.1 | 0.2 |
| Total Domestic | 111.8 | 35.5 |
| Foreign | 13.9 | 17.1 |
| Total Charged-Off | 125.7 | 52.6 |
| Recoveries on Loans Previously Charged-Off | | |
| Commercial and Industrial | 7.0 | 2.9 |
| Real Estate | | |
| Construction | -- | -- |
| Commercial | 1.1 | 0.2 |
| Residential | 0.5 | 0.7 |
| Installment | 3.4 | 3.6 |
| Leases | 0.2 | -- |

| | | |
|---|---|---|
| Total Domestic | 12.2 | 7.4 |
| Foreign | 8.9 | 1.0 |
| Total Recoveries | 21.1 | 8.4 |
| Net Charge-Offs | (104.6) | (44.2) |
| Provision for Loan Losses | 58.9 | 96.9 |
| Other Net Additions (Reductions)(1) | (0.7) | (0.3) |
| Balance at End of Period | $199.8 | $246.6 |
| Ratio of Net Charge-Offs to Average Loans Outstanding (annualized) | 2.45% | 0.94% |
| Ratio of Allowance to Loans Outstanding | 2.62% | 2.56% |

(1) Includes balance transfers, reserves acquired, and foreign currency translation adjustments.

Pacific Century Financial Corporation and subsidiaries
Analysis of Earnings (Unaudited)
Three Months Ended June 30, 2001 Table 9

(dollars in millions except per share amounts)

| | Allocated | | | |
|---|---|---|---|---|
| | Restructuring Impact | Divesting Businesses | Continuing Businesses | Reported Amounts |
| Net Revenue | $ 36 | $ 37 | $ 142 | $ 215 |
| Non-Interest Expense | 39 | 31 | 92 | 162 |
| | (3) | 6 | 50 | 53 |
| Provision for Loan Losses | -- | 4 | 2 | 6 |
| Income Before Income Taxes | (3) | 2 | 48 | 47 |
| Provision for Income Taxes | 1 | 1 | 18 | 20 |
| Net Income | $ (4) | $ 1 | $ 30 | $ 27 |
| Earnings Per Share-Diluted | $ (0.05) | $ 0.01 | $ 0.36 | $ 0.32 |

Continuing Business Outlook
Year Ending 2001

(dollars in millions except per share amounts)

| | Historical Amounts | | Current Outlook | | Previous Outlook |
|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 & Q4 | Full Year | |
| Net Revenue | $ 147 | $ 142 | $ 289 | $ 578 | $ 581 |
| Non-Interest Expense | 96 | 92 | 185 | 373 | 373 |

| | | | | | |
|---|---|---|---|---|---|
| | 51 | 50 | 104 | 205 | 208 |
| Provision for Loan Losses | 12 | 2 | 21 | 35 | 45 |
| Income Before Income Taxes | 39 | 48 | 83 | 170 | 163 |
| Provision for Income Taxes | 15 | 18 | 35 | 68 | 61 |
| Allocated Net Income | $ 24 | $ 30 | $ 48 | $ 102 | $ 102 |
| Allocated Earnings Per Share-Diluted | $ 0.29 | $ 0.36 | | | $ 1.29 |

This information is based on estimates of current and future performance of identified business units within a range of 2%. Readers are reminded to refer to the guidance regarding forward looking information.

Pacific Century Financial Corporation and subsidiaries
Quarterly Summary of Selected
Consolidated Financial Data (Unaudited) Table 10

| (dollars in millions except per share amounts) | June 30 2001 | Mar. 31 2001 | Dec. 31 2000 |
|---|---|---|---|
| Balance Sheet Totals | | | |
| Total Assets | $ 12,755.5 | $ 13,710.7 | $ 14,013.8 |
| Net Loans | 7,418.6 | 8,225.2 | 8,988.9 |
| Deposits | 8,108.5 | 8,815.5 | 9,080.6 |
| Long-Term Debt | 830.9 | 882.7 | 997.2 |
| Shareholders' Equity | 1,395.7 | 1,371.9 | 1,301.4 |
| Quarterly Operating Results | | | |
| Net Interest Income | $ 116.8 | $ 125.2 | $ 132.1 |
| Provision for Loan Losses | 6.4 | 52.5 | 25.8 |
| Non-Interest Income | 98.4 | 160.7 | 70.6 |
| Non-Interest Expense | 161.8 | 172.6 | 123.1 |
| Net Income | 26.7 | 33.7 | 32.6 |
| Basic Earnings Per Share | $0.33 | $0.42 | $0.41 |
| Diluted Earnings Per Share | $0.32 | $0.42 | $0.41 |
| Return on Average Assets | 0.83% | 0.99% | 0.94% |
| Return on Average Equity | 7.69% | 10.42% | 10.24% |
| Core Efficiency Ratio | 68.74% | 54.21% | 60.37% |
| Excluding the Effects of Intangibles (1) | | | |
| Net Income | $28.7 | $38.7 | $36.2 |
| Basic Earnings Per Share | $0.36 | $0.49 | $0.46 |
| Diluted Earnings Per Share | $0.35 | $0.48 | $0.45 |
| Return on Average Assets | 0.90% | 1.15% | 1.06% |
| Return on Average Equity | 9.41% | 14.01% | 13.42% |
| Core Efficiency Ratio | 66.71% | 52.54% | 58.19% |

(1) Intangibles include goodwill, core deposit and trust intangibles, and other intangibles.

Pacific Century Financial Corporation and subsidiaries
Quarterly Summary of Selected
Consolidated Financial Data (Unaudited) Table 10 (cont)

| (dollars in millions except per share amounts) | Sept. 30 2000 | June 30 2000 |
|---|---|---|

---

| Balance Sheet Totals | | |
|---|---|---|
| Total Assets | $ 13,939.9 | $ 14,294.6 |
| Net Loans | 9,094.3 | 9,368.7 |
| Deposits | 8,820.7 | 9,109.1 |
| Long-Term Debt | 999.7 | 902.2 |
| Shareholders' Equity | 1,250.1 | 1,209.4 |
| | | |
| Quarterly Operating Results | | |
| Net Interest Income | $ 132.8 | $ 132.3 |
| Provision for Loan Losses | 20.1 | 83.4 |
| Non-Interest Income | 67.0 | 79.2 |
| Non-Interest Expense | 124.2 | 121.2 |
| Net Income | 34.6 | 6.7 |
| | | |
| Basic Earnings Per Share | $0.44 | $0.08 |
| Diluted Earnings Per Share | $0.44 | $0.08 |
| | | |
| Return on Average Assets | 0.98% | 0.19% |
| Return on Average Equity | 11.20% | 2.19% |
| Core Efficiency Ratio | 62.12% | 60.57% |
| | | |
| Excluding the Effects of Intangibles (1) | | |
| Net Income | $38.3 | $10.5 |
| Basic Earnings Per Share | $0.48 | $0.13 |
| Diluted Earnings Per Share | $0.48 | $0.13 |
| Return on Average Assets | 1.10% | 0.30% |
| Return on Average Equity | 14.76% | 4.10% |
| Core Efficiency Ratio | 59.83% | 58.43% |

(1) Intangibles include goodwill, core deposit and trust intangibles, and other intangibles.

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