Pacific Century Financial Corporation First Quarter 2002 Financials

April 22, 2002

HONOLULU, Apr 22, 2002 (BUSINESS WIRE) -- Pacific Century Financial Corporation (NYSE:BOH)

-- Net Income $31.1 Million, or $0.41 per share
-- Board of Directors Declares Dividend of $0.18 per share

Pacific Century Financial Corporation (NYSE:BOH) today reported diluted earnings per share for first quarter 2002 of $0.41, compared to $0.42 in 2001. Net income for the quarter was $31.1 million, compared to $33.7 million reported in the first quarter of 2001. The return on average assets for first quarter was 1.21 percent, up from 0.99 percent in the same period last year. The return on average equity was 9.97 percent, compared to 10.42 percent in the first quarter of 2001.

"We are generally encouraged by the results in the first quarter of 2002," said Michael E. O'Neill, Chairman, CEO and President. "With the expense of our restructuring behind us, we can see marked improvements in our financial performance. We are increasingly focused on building stronger relationships in our core markets, while continuing to improve our efficiency and reducing our exposure to risk. Returning economic strength of the Hawaii economy is also a positive sign."

During the first quarter of 2002, the Company was able to maintain a stable margin and reduce its credit losses. Mortgage banking income rebounded from the previous quarter and expenses were reduced. Income taxes returned to a more traditional level and the efficiency ratio was improved. The share repurchase program slowed due to low trading volume during the quarter.

Core earnings, expressed on a diluted per share basis for the first quarter of 2002 were $0.43, up $0.05 from the same quarter last year and core net income for the first quarter of 2002 was $32.3 million, up $1.5 million from the first quarter of 2001. Non-core items in the first quarter of 2002 included restructuring expenses of $2.0 million relating primarily to completion of the Company's previously announced divestitures. Earnings for the first quarter of 2001 included non-core gains of $75.4 million from the sale of the Company's credit card portfolio and $20.9 million related to the sale of its ownership interest in Star Systems, Inc. Restructuring and other non-core activity expenses of $44.4 million, a special credit provision of $36.7 million, and impairment losses of $5.7 million partially offset the gains.

The presence of non-core items and the effects of business divestitures have a significant impact on the comparability of results with prior quarters. While comparisons are difficult, supplemental information has been supplied in Table 9, which summarizes the continuing core business results for the last five quarters.

Financial Highlights

Net interest income for the first quarter of 2002 on a fully taxable equivalent basis was $94.9 million, down $30.4 million from $125.3 million in the same quarter of last year and down $11.3 million from the previous quarter. The decrease in net interest income was primarily due to divestitures pertaining to the strategic plan, the wind down of the Asia business, and the managed reduction of loans to improve the Company's credit profile.

The Company's net interest margin of 3.93 percent for the first quarter of 2002 was down slightly from 3.96 percent in the comparable quarter last year and unchanged from 3.93 percent in the fourth quarter of 2001. The decrease from the previous year was primarily due to loan reductions and asset sales as well as lower returns earned on increased liquidity of the Company.

The provision for loan and lease losses was $8.3 million for the first quarter of 2002, down from $52.5 million in the same quarter of last year and down from $14.5 million in the previous quarter. The provision equaled net charge-offs for the quarter.

Non-interest income was $54.0 million for the quarter. The first quarter of 2001 included $93.1 million in previously mentioned significant items. Adjusted for these items, non-interest income decreased $13.4 million from the first quarter of 2001. This decrease was largely due to sales of the Company's credit card portfolio, Pacific Century Bank branch franchise and South Pacific entities, and the intentional downsizing of certain businesses. These reductions were partially offset by an increase in revenue from mortgage banking activities.

Non-interest expense for the first quarter of 2002 was $92.4 million, including $2.0 million in restructuring costs. First quarter 2001 non-interest expense included restructuring and other related costs of $44.4 million. Adjusting for these items, non-interest expense declined $37.4 million reflecting significant progress in the Company's plan to reduce expenses and reductions resulting from the divestitures. The first quarter 2002 efficiency ratio improved to 62.1 percent compared to 75.7 percent in the previous quarter.

The 35.6 percent effective tax rate for the first quarter of 2002 decreased from the prior year as the effective tax rate in the prior year reflected the impact from the divestitures and foreign taxes.

Asset Quality

Non-performing assets, exclusive of loans past due 90+ days, were $90.7 million at the end of the first quarter 2002, up from $79.7 million at the end of the fourth quarter 2001. Compared to the same quarter last year, non-performing assets were down $28.8 million, or 24.1 percent. At March 31, 2002 the ratio of non-performing assets to total loans plus foreclosed assets was 1.61 percent compared to 1.41 percent at December 31, 2001 and 1.41 percent at March 31, 2001. The increase in non-performing assets was largely due to the deterioration of a single, Hawaii-based company that has been a long-term customer. Subsequent to March 31, 2002 the Company sold its interest in a $7.8 million non-accruing loan, net of a $0.5 million loss recognized in first quarter.

Non-accrual loans were $63.7 million at March 31, 2002, up slightly from $60.8 million at December 31, 2001 due to the previously mentioned Hawaii-based credit, which was partially offset by the reclassification of $7.8 million to loans held for sale. Non-accrual loans at March 31, 2002 were down $31.8 million, or 33.3 percent from March 31, 2001. Non-accrual loans as a percentage of total loans were 1.14 percent, up from 1.08 percent in the previous quarter and essentially flat with the same period last year.

Foreclosed assets were $19.2 million at the end of the first quarter of 2002, up $2.0 million from the prior quarter and up from $11.2 million in the first quarter last year. The increase resulted primarily from the foreclosure of several small loans.

Net charge-offs for the first quarter of 2002 were $8.3 million or 0.6 percent of total average loans (annualized). Charge-offs of $13.1 million were partially offset by recoveries of $4.8 million. The allowance for loan and lease losses of $159.0 million at March 31, 2002 was unchanged from December 31, 2001 and down $40.8 million from March 31, 2001.

The allowance for loan and lease losses to total loans was 2.84 percent at the end of the first quarter 2002, up from 2.81 percent at the end of the fourth quarter 2001 and up from 2.37 percent at the end of the same quarter last year. The ratio of the allowance for loan and lease losses to non-accrual loans was 249 percent, down slightly from 262 percent in the previous quarter and up from 209 percent last year.

There was significant first quarter improvement in the asset quality of the Company as measured by its internal credit risk ratings, including its exposure to air transportation and hotel companies.

Air transportation exposure totaled $156 million at March 31, 2002 and consisted of $136 million in equity interests in leveraged leases and $20 million in lending exposure of which $6 million was undrawn. The Company's exposure to national hotel companies totaled $112 million at March 31, 2002 with undrawn commitments of $79 million. Exposure to Hawaii-based hotel companies included loans outstanding of $122 million and undrawn commitments of $20 million. In the West Pacific, loans outstanding to hotel companies totaled $43 million at the end of first quarter 2002. All of the Company's air transportation and hotel companies exposures remain current.

Syndicated loans outstanding decreased to $454 million during the first quarter of 2002. Syndicated exposure, consisting of loans and undrawn commitments, declined $168 million from the prior quarter to $1.4 billion at March 31, 2002.

Other Financial Highlights

Total assets were $10.2 billion at the end of March 31, 2002, down from $10.6 billion at December 31, 2001 and down from $13.7 billion at the end of March 31, 2001. The most significant reduction was in commercial loans and foreign loans resulting from the divestitures.

Deposits at the end of March 31, 2002 were $6.5 billion. The decline from March 31, 2001 was primarily due to sales of the Pacific Century Bank branch franchise and the South Pacific operations, as well as a managed decline in foreign deposits resulting from the Company's decision to exit Asia. During the first quarter of 2002, domestic deposits continued to reflect positive trends with growth in all demand and savings deposit categories. The Company continued to manage down its higher cost funds, including time deposits, purchased funds, short-term borrowings and long-term debt.

During the quarter ended March 31, 2002, the Company repurchased 0.7 million shares at an average cost of $24.46 for a total of $17.1 million. At March 31, 2002 the Company had repurchased for $212.8 million a total of 9.0 million shares under its previously announced share repurchase programs at an average cost of $23.64. Remaining buyback authority under the existing repurchase programs is $357.2 million.

The Company's capital and liquidity remains exceptionally strong. At March 31, 2002 Tier 1 leverage was 12.64 percent compared to 9.46 percent at March 31, 2001.

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 June 14, 2002 to shareholders of record at the close of business on May 24, 2002.

Economic Outlook

The Hawaii economy continues to show improvement. The recovery in tourism continues on the path toward normal visitor arrivals by mid-2002. Visitor counts from the mainland have recently returned to customary seasonal volumes and international visitor arrivals have returned to more than 90 percent of prior year levels. Hawaii's overall economic growth rate is anticipated to return to 3 percent after inflation as tourism recovers. Hawaii's unemployment rate fell from the post-September 11 spike of 5.7 percent to 4.7 percent during the quarter and is forecast to continue trending downward toward prior rates. Inflation is expected to remain substantially below national norms during 2002.

Earnings Outlook

The Company anticipates that operating earnings for the second quarter of 2002 may be slightly lower than the first quarter as mortgage banking revenue is expected to return to a more customary level. The Company's previously published earnings guidance of $120 million in net income for the full year of 2002 remains unchanged. Earnings per share and return on equity projections are dependent upon the terms and timing of share repurchases.

The Company is currently evaluating proposals from technology service providers in an effort to reduce its operating costs over the long term. The evaluation process is expected to conclude within the next three months.

The Company will review its First Quarter 2002 earnings today at 2:00 p.m. ET. The presentation will be accessible via teleconference and via the investor relations link of Pacific Century Financial Corporation's web site, www.boh.com. The conference call number is (800) 360-9865 in the U.S. or (973) 694-6836 for international callers. A replay will be available for one week beginning at 6:00 p.m. ET on Monday, April 22, 2002 by calling (800) 428-6051 (U.S.) or (973) 709-2089 (International) and entering the number 235299 when prompted. A replay of the presentation will be also available on the Company's web site.

This news release contains forward-looking statements concerning anticipated revenues and expenses in 2002. 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: the Hawaii economy may not recover at the pace we anticipate; our refocused emphasis on our Hawaii market may not achieve the customer and revenue gains we anticipate; our credit markets may deteriorate and our credit quality 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; the economics or timing, or both, resulting from our current evaluation of data processing alternatives may not result in benefits sufficiently in excess of costs; the required level of reserves for loan and lease losses may increase or decrease due to changes in our credit quality or risk profile; customer acceptance of our business as restructured may be less than expected; there may be economic 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 company serving businesses, consumers and governments in Hawaii, American Samoa and the West Pacific. Pacific Century's principal subsidiary, Bank of Hawaii, was founded in 1897 and is the dominant 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	Quarter Ended March 31, 2002	March 31, 2001
Net Income	$ 31,056	$ 33,677
Basic Earnings Per Share	0.42	0.42
Diluted Earnings Per Share	0.41	0.42
Cash Dividends	13,177	14,363
Return on Average Assets	1.21%	0.99%
Return on Average Equity	9.97%	10.42%
Net Interest Margin	3.93%	3.96%
Efficiency Ratio	62.06%	60.33%

Statement of Condition Highlights and Performance Ratios	March 31, 2002	March 31, 2001
Total Assets	$ 10,244,773	$ 13,710,494
Net Loans	5,442,354	8,224,604
Total Deposits	6,543,536	8,815,367
Total Shareholders' Equity	1,265,907	1,371,942
Book Value Per Common Share	$17.24	$17.18
Allowance / Loans Outstanding	2.84%	2.37%
Average Equity / Average Assets	12.13%	9.47%
Employees (FTE)	3,082	4,249
Branches and offices	104	171
Market Price Per Share of Common Stock for the Quarter Ended		
Closing	$26.06	$19.00
High	$27.79	$20.99
Low	$23.79	$16.88

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

(dollars in thousands
except per share amounts)

Three Months Ended
March 31

	2002	2001
Interest Income		
Interest and Fees on Loan and Leases	$ 98,645	$ 188,905
Income on Investment Securities - Held to Maturity	5,198	10,017
Income on Investment Securities - Available for Sale	27,140	39,842
Deposits	5,047	5,384
Funds Sold and Security Resale Agreements	1,003	1,097
Other	1,332	1,217
Total Interest Income	138,365	246,462
Interest Expense		
Deposits	23,978	71,981
Security Repurchase Agreements	10,293	24,630
Funds Purchased	231	6,123
Short-Term Borrowings	649	3,230
Long-Term Debt	8,319	15,314
Total Interest Expense	43,470	121,278
Net Interest Income	94,895	125,184
Provision for Loan and Lease Losses	8,292	52,466
Net Interest Income After Provision for Loan and Lease Losses	86,603	72,718
Non-Interest Income		
Trust and Asset Management	14,818	15,796
Mortgage Banking	8,557	5,108
Service Charges on Deposit Accounts	8,410	9,939
Fees, Exchange, and Other Service Charges	12,078	23,466
Gain on Sales of Banking Operations, Net of Venture Investment Losses	--	72,114
Investment Securities Gains	--	20,203
Other	10,151	13,836
Total Non-Interest Income	54,014	160,462
Non-Interest Expense		
Salaries	39,950	49,982
Pensions and Other Employee Benefits	9,996	12,918
Net Occupancy Expense	9,593	12,127
Net Equipment Expense	10,121	13,382
Goodwill Amortization	--	3,949
Restructuring and Other Related Costs	1,979	44,439
Other	20,773	35,523
Total Non-Interest Expense	92,412	172,320
Income Before Income Taxes	48,205	60,860
Provision for Income Taxes	17,149	27,183
Net Income	$ 31,056	$ 33,677
Basic Earnings Per Share	$ 0.42	$ 0.42
Diluted Earnings Per Share	$ 0.41	$ 0.42
Dividends Declared Per Share	$ 0.18	$ 0.18
Basic Weighted Average Shares	73,312,573	79,720,284
Diluted Weighted Average Shares	75,199,181	81,124,713

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

(dollars in thousands)

	March 31 2002	December 31 2001	March 31 2001
Assets			
Interest-Bearing Deposits	$ 1,347,611	$ 1,101,974	$ 410,912
Investment Securities - Held to Maturity (Market Value of $354,187, $407,838 and $581,471, respectively)	344,723	396,216	571,923
Investment Securities - Available for Sale	1,980,378	2,001,420	2,389,086
Securities Purchased Under Agreements to Resell	--	--	377
Funds Sold	135,000	115,000	84,732
Loans Held for Sale	99,773	456,709	308,605
Loans	5,601,333	5,652,518	8,424,404
Allowance for Loan and Lease Losses	(158,979)	(158,979)	(199,800)
Net Loans	5,442,354	5,493,539	8,224,604
Total Earning Assets	9,349,839	9,564,858	11,990,239
Cash and Non-Interest Bearing Deposits	257,580	405,981	559,229
Premises and Equipment	192,291	196,171	251,746
Customers' Acceptance Liability	1,007	593	7,225
Accrued Interest Receivable	40,940	42,687	67,813
Foreclosed Real Estate	19,181	17,174	11,336
Mortgage Service Rights	30,501	27,291	16,656
Goodwill	36,216	36,216	169,657
Other Assets	317,218	336,826	636,593
Total Assets	$10,244,773	$10,627,797	$13,710,494
Liabilities			
Domestic Deposits			
Demand			
- Non-Interest Bearing	$ 1,592,709	$ 1,548,322	$ 1,685,149
- Interest Bearing	1,937,023	1,926,018	2,042,129
Savings	1,086,036	967,825	665,643
Time	1,807,015	1,927,778	2,948,232
Foreign Deposits			
Demand			
- Non-Interest Bearing	--	2	337,854
Time Due to Banks	42,261	230,247	196,495
Other Savings and Time	78,492	73,404	939,865
Total Deposits	6,543,536	6,673,596	8,815,367
Securities Sold Under Agreements to Repurchase	1,544,718	1,643,444	1,703,982
Funds Purchased	43,485	55,800	297,613
Current Maturities of Long-Term Debt	50,000	100,670	317,170
Short-Term Borrowings	35,619	134,222	278,442
Banker's Acceptances Outstanding	1,007	593	7,225
Retirement Expense Payable	37,055	36,175	34,867
Accrued Interest Payable	27,983	29,762	64,769
Taxes Payable	146,360	138,366	164,212
Other Liabilities	84,871	98,422	88,999
Long-Term Debt	464,232	469,735	565,906

Total Liabilities	8,978,866	9,380,785	12,338,552
Shareholders' Equity			
Common Stock ($.01 par value), authorized 500,000,000 shares; issued / outstanding: March 2002 - 81,346,027 / 73,409,966 Dec. 2001 - 81,377,241 / 73,218,326; March 2001 - 80,558,704 / 79,863,450	806	806	806
Capital Surplus	369,541	367,672	346,411
Accumulated Other Comprehensive Income	20,389	22,761	20,982
Retained Earnings	1,065,706	1,055,424	1,015,867
Deferred Stock Grants	(4,933)	(7,637)	853
Treasury Stock, at Cost (Shares: March 2002 - 7,936,061; December 2001 - 8,136,134; March 2001 - 695,254)	(185,602)	(192,014)	(12,977)
Total Shareholders' Equity	1,265,907	1,247,012	1,371,942
Total Liabilities and Shareholders' Equity	$10,244,773	$10,627,797	$13,710,494

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

(dollars in thousands)	Total	Common Stock	Capital Surplus	Accum. Other Compre-hensive Income
Balance at December 31, 2001	$ 1,247,012	$ 806	$ 367,672	$ 22,761
Comprehensive Income				
Net Income	31,056	--	--	--
Other Comprehensive Income, Net of Tax				
Investment Securities	(1,913)	--	--	(1,913)
Foreign Currency Translation Adjustment	(459)	--	--	(459)
Total Comprehensive Income				
Common Stock Issued				
12,113 Profit Sharing Plan	325	--	37	--
884,893 Stock Option Plan	18,237	--	2,455	--
27,454 Dividend Reinvestment Plan	731	--	77	--
(114) Directors' Restricted Shares and Deferred Compensation Plan	(16)	--	(1)	--
(31,100) Employees' Restricted Shares	1,259	--	(699)	--
Treasury Stock Purchased 701,000 shares	(17,148)	--	--	--
Cash Dividends Paid	(13,177)	--	--	--

Balance at March 31, 2002	$ 1,265,907	$ 806	$ 369,541	$ 20,389
Balance at December 31, 2000	$ 1,301,356	$ 806	$ 346,045	$(25,079)
Comprehensive Income				
Net Income	33,677	--	--	--
Other Comprehensive Income, Net of Tax				
Investment Securities	19,510	--	--	19,510
Foreign Currency Translation Adjustment	26,710	--	--	26,710
Pension Liability Adjustments	(159)	--	--	(159)
Total Comprehensive Income				
Common Stock Issued				
18,317 Profit Sharing Plan	370	--	92	--
184,092 Stock Option Plan	3,853	--	114	--
34,904 Dividend Reinvestment Plan	700	--	163	--
893 Directors' Restricted Shares and Deferred Compensation Plan	288	--	(3)	--
Cash Dividends Paid	(14,363)	--	--	--
Balance at March 31, 2001	$ 1,371,942	$ 806	$ 346,411	$ 20,982

	Retained Earnings	Deferred Stock Grants	Treasury Stock	Comprehensive Income
Balance at December 31, 2001	$ 1,055,424	$(7,637)	$(192,014)	
Comprehensive Income				
Net Income	31,056	--	--	31,056
Other Comprehensive Income, Net of Tax				
Investment Securities	--	--	--	(1,913)
Foreign Currency Translation Adjustment	--	--	--	(459)
Total Comprehensive Income				28,684
Common Stock Issued				
12,113 Profit Sharing Plan	--	--	288	
884,893 Stock Option Plan	(7,595)	746	22,631	
27,454 Dividend Reinvestment Plan	(2)	--	656	
(114) Directors' Restricted Shares and Deferred Compensation Plan	--	--	(15)	
(31,100) Employees' Restricted Shares	--	1,958	--	

Treasury Stock Purchased 701,000 shares	--	--	(17,148)	
Cash Dividends Paid	(13,177)	--	--	
Balance at March 31, 2002	$ 1,065,706	$(4,933)	$(185,602)	
Balance at December 31, 2000	$ 996,791	$ --	$ (17,207)	
Comprehensive Income				
Net Income	33,677		--	33,677
Other Comprehensive Income, Net of Tax				
Investment Securities	--	--	--	19,510
Foreign Currency Translation Adjustment	--	--	--	26,710
Pension Liability Adjustments	--	--	--	(159)
Total Comprehensive Income				79,738
Common Stock Issued				
18,317 Profit Sharing Plan	--	--	278	
184,092 Stock Option Plan	(238)	853	3,124	
34,904 Dividend Reinvestment Plan	--	--	537	
893 Directors' Restricted Shares and Deferred Compensation Plan	--	--	291	
Cash Dividends Paid	(14,363)	--	--	
Balance at March 31, 2001	$ 1,015,867	$ 853	$ (12,977)	

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

(dollars in millions)

	Three Months Ended March 31, 2002			Three Months Ended(1) March 31, 2001		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning Assets						
Interest Bearing Deposits	$ 1,154.7	$ 5.1	1.77%	$ 332.3	$ 5.4	6.57%
Funds Sold	237.3	1.0	1.69	80.5	1.1	5.53
Investment Portfolio						
- Held-To-Maturity	368.5	5.3	5.72	580.4	10.1	7.05
- Available for Sale	1,939.3	27.1	5.60	2,479.9	39.8	6.52
Loans Held For Sale	340.9	5.7	6.75	201.7	3.6	7.24
Net Loans						
- Domestic	5,569.0	92.9	6.72	7,783.9	163.5	8.52
- Foreign	14.3	--	--	1,277.8	21.8	6.93

Total Loans	5,583.3	92.9	6.71	9,061.7	185.3	8.29
Other	88.4	1.3	6.12	76.0	1.2	6.50
Total Earning Assets	9,712.4	138.4	5.74	12,812.5	246.5	7.80
Cash and Due From Banks	301.9			438.2		
Other Assets	400.5			595.1		
Total Assets	$10,414.8			$13,845.8		
Interest Bearing Liabilities						
Domestic Deposits						
- Demand	$ 1,935.0	4.3	0.92	$ 2,008.2	11.7	2.36
- Savings	1,037.0	3.9	1.52	665.7	3.4	2.04
- Time	1,909.4	14.8	3.13	2,902.7	43.1	6.03
Total Domestic Deposits	4,881.4	23.0	1.91	5,576.6	58.2	4.23
Foreign Deposits						
- Time Due to Banks	80.2	0.6	3.10	489.4	6.6	5.51
- Other Time and Savings	104.0	0.4	1.37	801.0	7.2	3.65
Total Foreign Deposits	184.2	1.0	2.12	1,290.4	13.8	4.35
Total Interest Bearing Deposits	5,065.6	24.0	1.92	6,867.0	72.0	4.25
Short-Term Borrowings	1,738.7	11.2	2.61	2,364.8	34.0	5.83
Long-Term Debt	538.2	8.3	6.27	916.0	15.2	6.78
Total Interest Bearing Liabilities	7,342.5	43.5	2.40	10,147.8	121.2	4.85
Net Interest Income		94.9			125.3	
Interest Rate Spread			3.34%			2.95%
Net Interest Margin			3.93%			3.96%
Non-Interest Bearing Demand Deposits						
- Domestic	1,506.9			1,636.8		
- Foreign	--			377.5		
Total Demand Deposits	1,506.9			2,014.3		
Other Liabilities	301.9			372.4		
Shareholders' Equity	1,263.5			1,311.3		
Total Liabilities and Shareholders						

Equity	$10,414.8			$13,845.8		
Provision for Loan and Lease Losses		8.2			52.5	
Net Overhead		38.4			11.8	
Income Before Income Taxes		48.3			61.0	
Provision for Income Taxes		17.1			27.2	
Tax-Equivalent Adjustment		0.1			0.1	
Net Income		$ 31.1			$ 33.7	

	Three Months Ended December 31, 2001			Twelve Months Ended December 31, 2001		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning Assets						
Interest Bearing Deposits	$ 1,236.2	$ 7.9	2.52%	$ 733.4	$ 27.6	3.76%
Funds Sold	150.5	0.8	2.09	136.7	5.1	3.63
Investment Portfolio						
- Held-To-Maturity	431.5	6.5	5.99	525.6	33.7	6.42
- Available for Sale	2,037.5	29.3	5.75	2,242.3	137.3	6.12
Loans Held For Sale	304.9	5.1	6.63	312.7	21.4	6.85
Net Loans						
- Domestic	5,752.6	104.0	7.20	6,693.2	525.5	7.85
- Foreign	777.0	14.6	7.48	1,026.4	72.5	7.07
Total Loans	6,529.6	118.6	7.23	7,719.6	598.0	7.75
Other	86.3	1.4	6.42	79.6	5.4	6.72
Total Earning Assets	10,776.5	169.6	6.27	11,749.9	828.5	7.05
Cash and Due From Banks	354.9			376.6		
Other Assets	480.7			554.5		
Total Assets	$11,612.1			$12,681.0		
Interest Bearing Liabilities						
Domestic Deposits						
- Demand	$ 1,774.7	5.1	1.15	$ 1,894.5	34.4	1.82
- Savings	958.3	4.6	1.89	780.3	16.2	2.08
- Time	2,048.2	19.7	3.81	2,506.7	129.6	5.17
Total Domestic Deposits	4,781.2	29.4	2.44	5,181.5	180.2	3.48
Foreign Deposits						
- Time Due to Banks	365.5	2.1	2.26	351.2	14.5	4.13
- Other Time and Savings	445.9	3.7	3.31	648.2	22.6	3.49

Total Foreign Deposits	811.4	5.8	2.84	999.4	37.1	3.71
Total Interest Bearing Deposits	5,592.6	35.2	2.49	6,180.9	217.3	3.52
Short-Term Borrowings	1,942.4	16.6	3.40	2,105.6	97.4	4.63
Long-Term Debt	678.9	11.6	6.79	800.5	53.9	6.73
Total Interest Bearing Liabilities	8,213.9	63.4	3.06	9,087.0	368.6	4.06
Net Interest Income		106.2			459.9	
Interest Rate Spread			3.21%			2.99%
Net Interest Margin			3.93%			3.91%
Non-Interest Bearing Demand Deposits						
- Domestic	1,397.8			1,527.1		
- Foreign	328.0			346.0		
Total Demand Deposits	1,725.8			1,873.1		
Other Liabilities	390.3			376.8		
Shareholders' Equity	1,282.1			1,344.1		
Total Liabilities and Shareholders Equity	$11,612.1			$12,681.0		
Provision for Loan and Lease Losses		14.5			74.3	
Net Overhead		61.4			145.5	
Income Before Income Taxes		30.3			240.1	
Provision for Income Taxes		3.9			122.2	
Tax-Equivalent Adjustment		0.1			0.2	
Net Income		$ 26.3			$117.7	

(1) Adjusted to reflect the reclassification of interchange fees, mortgage banking income and other interest income.

Pacific Century Financial Corporation and subsidiaries

Loan Portfolio Balances (Unaudited) Table 6

(dollars in millions)

	March 31 2002	December 31 2001	March 31 2001
Domestic Loans			
Commercial	$ 1,120.5	$ 1,175.5	$ 2,073.7
Real Estate			

Construction	161.4	169.6	312.9
Mortgage			
- Commercial	617.6	640.7	1,023.8
- Residential	2,409.1	2,419.4	2,574.8
Installment	759.3	729.7	764.1
Lease Financing	504.7	493.4	549.0
Total Domestic	5,572.6	5,628.3	7,298.3
Foreign Loans	28.7	24.2	1,126.1
Total Loans	$ 5,601.3	$ 5,652.5	$ 8,424.4

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)

	March 31 2002	December 31 2001	March 31 2001
Non-Accrual Loans			
Commercial	$ 27.4	$ 18.9	$ 23.8
Real Estate			
Construction	1.0	9.3	6.3
Mortgage			
- Residential	15.7	15.4	18.5
- Commercial	15.1	16.3	29.7
Installment	0.1	0.1	0.1
Lease Financing	4.4	0.8	0.2
Foreign	--	--	16.9
Total Non-Accrual Loans	63.7	60.8	95.5
Non-Accrual Loans Held For Sale	7.8	1.7	12.8
Foreclosed Real Estate			
Domestic	19.2	17.2	10.9
Foreign	--	--	0.3
Total Foreclosed Real Estate	19.2	17.2	11.2
Total Non-Performing Assets	$ 90.7	$ 79.7	$ 119.5
Accruing Loans Past Due 90 Days or More			
Commercial	$ 0.2	$ 0.1	$ 3.9
Real Estate			
Construction	--	--	--
Mortgage			
- Residential	2.1	3.8	3.3
- Commercial	1.2	--	0.9
Installment	0.7	0.9	2.7
Lease Financing	0.1	0.1	0.1
Foreign	--	--	0.2
Total Accruing and Past Due	$ 4.3	$ 4.9	$ 11.1
Total Loans	$5,601.3	$5,652.5	$8,424.4
Ratio of Non-Accrual Loans to Total Loans	1.14%	1.08%	1.13%
Ratio of Non-Performing Assets to Total Loans, Foreclosed Real Estate and Non-Performing Loans Held for Sale	1.61%	1.41%	1.41%

Ratio of Non-Performing Assets and Accruing Loans Past Due 90 Days or More to Total Loans	1.70%	1.50%	1.55%

Quarter to Quarter Changes in Non-Performing Assets			
Balance at Beginning of Quarter	$ 79.7	$ 106.4	$ 183.0
Additions	36.4	43.8	43.1
Reductions			
Payments and Sales of Loans	(12.9)	(40.9)	(63.7)
Return to Accrual	(6.3)	(3.6)	(3.0)
Sales of Foreclosed Assets	(0.9)	(21.9)	(3.0)
Charge-offs	(5.3)	(4.1)	(36.9)
Total Reductions	(25.4)	(70.5)	(106.6)
Balance at End of Quarter	$ 90.7	$ 79.7	$ 119.5

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

(dollars in millions)

	Three Months Ended March 31, 2002	Year Ended December 31, 2001	Three Months Ended March 31, 2001
Balance of Allowance for Loan and Lease Losses			
Beginning of Period	$ 159.0	$ 246.2	$ 246.2
Loans Charged-Off			
Commercial	(7.3)	(97.5)	(75.5)
Real Estate:			
Construction	(0.5)	(0.1)	--
Mortgage			
- Commercial	--	(19.2)	(11.9)
- Residential	(1.4)	(8.9)	(2.5)
Installment	(3.9)	(20.5)	(5.4)
Foreign	--	(22.0)	(10.0)
Lease Financing	--	(0.8)	(0.1)
Total Charge-Offs	(13.1)	(169.0)	(105.4)
Recoveries on Loans Previously Charged-Off			
Commercial	0.7	11.1	2.7
Real Estate:			
Construction	--	--	--
Mortgage			
- Commercial	1.8	3.2	0.3
- Residential	0.3	1.0	0.2
Installment	1.9	8.0	1.8
Foreign	0.1	24.1	2.6
Lease Financing	--	0.2	0.1
Total Recoveries	4.8	47.6	7.7
Net Loan Charge-Offs	(8.3)	(121.4)	(97.7)
Provision for Loan and Lease Losses	8.3	74.3	52.5
Allowance Related to Divestitures	--	(40.2)	--
Foreign Currency Translation	--	0.1	(1.2)

Balance at End of Period	$ 159.0	$ 159.0	$ 199.8
Average Loans Outstanding	$5,583.3	$7,719.6	$9,061.7
Ratio of Net Charge-Offs to Average Loans Outstanding (annualized)	0.60%	1.57%	4.37%
Ratio of Allowance to Loans and Leases Outstanding	2.84%	2.81%	2.37%

Pacific Century Financial Corporation and subsidiaries
Quarterly Summary of Selected Consolidated
Financial Data (Unaudited) Table 9

(dollars in millions except per share amounts)	March 31 2002	December 31 2001	September 30 2001
Balance Sheet Totals			
Total Assets	$ 10,244.8	$ 10,627.8	$ 11,944.2
Net Loans	5,442.4	5,493.5	6,583.5
Deposits	6,543.5	6,673.6	7,399.7
Shareholders' Equity	1,265.9	1,247.0	1,371.1
Quarterly Operating Results			
Net Interest Income	$ 94.9	$ 106.1	$ 111.7
Provision for Loan and Lease Losses	8.3	14.5	0.9
Non-Interest Income	54.0	79.9	113.4
Non-Interest Expense	92.4	140.8	122.6
Net Income	31.1	26.3	31.1
Basic Earnings Per Share	$ 0.42	$ 0.35	$ 0.39
Diluted Earnings Per Share	$ 0.41	$ 0.34	$ 0.37
Return on Average Assets	1.21%	0.90%	1.00%
Return on Average Equity	9.97%	8.14%	8.88%
Efficiency Ratio	62.06%	75.73%	54.46%
Continuing Business Operating Results(1)			
Net Interest Income	$ 94.9	$ 93.8	$ 91.0
Provision for Loan and Lease Losses	8.3	16.6	6.4
Non-Interest Income	54.0	44.7	53.7
Non-Interest Expense(2)	90.4	100.2	88.3
Net Income(2)	32.3	21.3	31.4
Diluted Earnings Per Share(2)	$ 0.43	$ 0.28	$ 0.38
Return on Average Equity(2)	10.37%	6.59%	8.96%
Efficiency Ratio(2)	60.73%	72.36%	61.03%

	June 30 2001	March 31 2001
Balance Sheet Totals		
Total Assets	$ 12,755.5	$ 13,710.5
Net Loans	7,418.0	8,224.6
Deposits	8,108.5	8,815.4
Shareholders' Equity	1,395.7	1,371.9

Quarterly Operating Results		
Net Interest Income	$ 116.7	$ 125.2
Provision for Loan and Lease Losses	6.4	52.5
Non-Interest Income	98.0	160.5
Non-Interest Expense	161.3	172.3
Net Income	26.7	33.7
Basic Earnings Per Share	$ 0.33	$ 0.42
Diluted Earnings Per Share	$ 0.32	$ 0.42
Return on Average Assets	0.83%	0.99%
Return on Average Equity	7.69%	10.42%
Efficiency Ratio	75.15%	60.33%
Continuing Business Operating Results(1)		
Net Interest Income	$ 87.8	$ 92.2
Provision for Loan and Lease Losses	2.6	12.1
Non-Interest Income	54.9	54.6
Non-Interest Expense(2)	89.3	86.4
Net Income(2)	32.6	28.3
Diluted Earnings Per Share(2)	$ 0.39	$ 0.35
Return on Average Equity(2)	9.37%	8.76%
Efficiency Ratio(2)	62.58%	58.88%

(1) Excludes divested businesses and restructuring and non-core transactions. 2001 Quarterly information has been reclassified to conform to December 31, 2001 presentation.
(2) Adjusted to exclude goodwill amortization expense in 2001.

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