



Bank of Hawaii Corporation First Quarter 2005 Financial Results

April 25, 2005

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HONOLULU, Apr 25, 2005 (BUSINESS WIRE) -- Bank of Hawaii Corporation (NYSE:BOH)

- Diluted Earnings Per Share \$0.83, Up 20% From 2004
- Net Income \$45.5 Million, Up 14% From 2004
- Board of Directors Increases Share Repurchase Authorization \$100 Million
- Board of Directors Declares Dividend of \$0.33 Per Share

Bank of Hawaii Corporation (NYSE:BOH) today reported diluted earnings per share of \$0.83 for the first quarter of 2005, an increase from diluted earnings per share of \$0.82 in the fourth quarter of 2004 and an increase from \$0.69 in the first quarter of 2004. Net income for the first quarter of 2005 was \$45.5 million, down \$0.7 million or 1.6 percent from net income of \$46.2 million in the previous quarter and up \$5.7 million or 14.4 percent from \$39.8 million reported in the same quarter last year.

Return on average assets for the first quarter of 2005 was 1.88 percent, down slightly from 1.89 percent in the fourth quarter of 2004, and up from 1.65 percent in the first quarter of 2004. Return on average equity was 23.66 percent for the first quarter of 2005, up from 23.63 percent in the previous quarter and up from 19.98 percent in the same quarter last year.

"I am very pleased with Bank of Hawaii Corporation's strong financial performance during the first quarter of 2005," said Allan R. Landon, Chairman and CEO. "We've been able to continue the momentum we established last year, our businesses are growing and our focus on customer service is really making a difference in building value at Bank of Hawaii."

Results for the fourth quarter of 2004 included a return to income of \$6.5 million before tax (\$4.1 million after tax or \$0.07 per diluted share), resulting from a release of the allowance for loan and lease losses due to improvement in the Company's credit quality and strong economic conditions. Excluding the release of reserves, results for the first quarter of 2005 increased \$3.4 million or \$0.08 per diluted share from the previous quarter.

Financial Highlights

Net interest income, on a taxable equivalent basis, for the first quarter of 2005 was \$100.7 million, up \$0.7 million from \$100.0 million in the fourth quarter of 2004 and up \$4.6 million from \$96.1 million in the first quarter last year. The increase in net interest income from the fourth quarter of 2004 was largely due to growth in total loans. The increase in net interest income from the first quarter of 2004 was largely due to higher volume in the investment portfolio. An analysis of the change in net interest income is included in Table 6.

The net interest margin was 4.43 percent for the first quarter of 2005, a 3 basis point increase from 4.40 percent in the previous quarter and a 13 basis point increase from 4.30 percent in the first quarter of 2004.

The Company did not recognize a provision for loan and lease losses during the first quarter of 2005 or during the first quarter of 2004. As previously mentioned, the Company returned to income \$6.5 million from a release of the allowance for loan and lease losses during the fourth quarter of 2004.

Non-interest income was \$52.3 million for the first quarter of 2005, an increase of \$4.0 million or 8.2 percent compared to non-interest income of \$48.4 million in the fourth quarter of 2004. Nearly every category experienced growth during the quarter. Compared to the same quarter last year non-interest income was up \$3.5 million or 7.1 percent.

Non-interest expense was \$80.9 million in the first quarter of 2005, down \$1.2 million or 1.5 percent from non-interest expense of \$82.1 million in the previous quarter and down \$2.2 million or 2.6 percent from \$83.0 million in the same quarter last year. Included in the first quarter of 2005 was a \$1.1 million gain on the sale of a foreclosed property. Separately, the Company recognized a \$1.3 million impairment of goodwill related to its insurance business. An analysis of salary and benefit expenses is included in Table 7.

The efficiency ratio for the first quarter of 2005 was 52.86 percent, an improvement from 55.37 percent in the previous quarter and from 57.31 percent in the same quarter last year.

The Company's business segments are defined as Retail Banking, Commercial Banking, Investment Services Group, and Treasury and Other

Corporate. Results are determined based on the Company's internal financial management reporting process and organizational structure. Previously reported results have been reclassified to conform to current methodologies. Business segment performance details are summarized in Table 11.

Asset Quality

Bank of Hawaii Corporation's overall asset quality continued to improve when compared to prior quarters. Non-performing assets were \$13.4 million at the end of the first quarter of 2005, a decrease of \$0.5 million, or 3.6 percent, compared to non-performing assets of \$13.9 million at the end of the previous quarter. Non-performing assets declined \$14.5 million, or 52.0 percent, compared to \$27.9 million at the end of the same quarter last year. At March 31, 2005 the ratio of non-performing assets to total loans, foreclosed real estate, and other investments was 0.22 percent compared with 0.23 percent at December 31, 2004 and 0.49 percent at March 31, 2004.

Non-accrual loans were \$12.5 million at March 31, 2005, a reduction of \$1.2 million, or 8.6 percent, from \$13.7 million at December 31, 2004 and down \$11.0 million, or 46.7 percent, from \$23.5 million at March 31, 2004. Non-accrual loans as a percentage of total loans were 0.21 percent at March 31, 2005, down from 0.23 percent at December 31, 2004 and down from 0.41 percent at March 31, 2004.

Net charge-offs for the first quarter of 2005 were \$3.7 million, or 0.25 percent (annualized) of total average loans, compared to \$4.6 million, or 0.31 percent (annualized) of total average loans in the fourth quarter of 2004. Net charge-offs during the first quarter of 2004 were \$1.9 million, or 0.13 percent (annualized) of total average loans. Net charge-offs in the first quarter of 2005 were comprised of \$5.8 million in charge-offs partially offset by recoveries of \$2.1 million.

The allowance for loan and lease losses was \$105.0 million at March 31, 2005, down from \$106.8 million at December 31, 2004 and down from \$127.2 million at March 31, 2004. The decrease in the allowance from the previous year is largely due to \$10.0 million returned to income from releases of the allowance for loan and lease losses during 2004. In addition, during the fourth quarter of 2004, \$6.8 million was reclassified from the allowance for loan and lease losses to other liabilities representing the estimate for probable credit losses inherent in unfunded commitments to extend credit. The \$1.8 million decrease in the allowance from the previous quarter was primarily due to net charge-offs of \$3.7 million. The allowance for unfunded commitments at March 31, 2005 was \$4.9 million, down from \$6.8 million at December 31, 2004.

The ratio of the allowance for loan and lease losses to total loans was 1.75 percent at March 31, 2005, down slightly from 1.78 percent at December 31, 2004 and down from 2.23 percent at March 31, 2004. If the allowance for unfunded commitments had been reclassified at March 31, 2004, the ratio of the allowance for loan and lease losses to total loans would have been 2.12 percent.

Credit exposure to the air transportation industry is summarized in Table 8.

Other Financial Highlights

Total assets were \$9.91 billion at March 31, 2005, up from \$9.77 billion at December 31, 2004 and down from \$10.01 billion at March 31, 2004. Total loans and leases were \$6.02 billion at March 31, 2005, up from \$5.99 billion at December 31, 2004 and up from \$5.71 billion at March 31, 2004. Commercial loans outstanding decreased slightly from the previous quarter as payoffs exceeded originations due to the continued strong economy and liquidity in the Hawaii market. Total commercial loans were \$2.10 billion at March 31, 2005, down from \$2.11 billion at December 31, 2004 and up from \$2.04 billion at March 31, 2004. Consumer lending remained strong during the quarter. Total consumer loans were \$3.91 billion at March 31, 2005, up from \$3.87 billion at the end of the previous quarter and up from \$3.68 billion at March 31, 2004. Total deposits at March 31, 2005 were \$7.76 billion, up from \$7.56 billion at December 31, 2004 and up from \$7.36 billion at March 31, 2004.

During the first quarter of 2005, Bank of Hawaii Corporation repurchased 2.4 million shares of common stock at a total cost of \$112.6 million under its share repurchase program. The average cost was \$47.52 per share. From the beginning of the share repurchase program in July 2001 through March 31, 2005, the Company repurchased a total of 37.3 million shares and returned a total of \$1.2 billion to the shareholders at an average cost of \$32.17 per share.

The Company's Board of Directors has increased the authorization under the share repurchase program by an additional \$100 million. This new authorization, combined with the previously announced authorizations of \$1.25 billion, brings the total repurchase authority to \$1.35 billion. From April 1, 2005 through April 22, 2005, the Company repurchased an additional 0.5 million shares of common stock at an average cost of \$45.16 per share. Remaining buyback authority under the share repurchase program was \$127.2 million at April 22, 2005.

The Company's capital and liquidity remain strong. At March 31, 2005 the Tier 1 leverage ratio was 7.42 percent compared to 8.29 percent at December 31, 2004 and 7.88 percent at March 31, 2004.

The Company's Board of Directors has declared a quarterly cash dividend of \$0.33 per share on the Company's outstanding shares. The dividend will be payable on June 14, 2005 to shareholders of record at the close of business on May 31, 2005.

Financial Outlook

Bank of Hawaii Corporation revised its earnings estimate and now believes that net income for the full year of 2005 should be approximately \$176 million to \$179 million. Net income estimates for 2005 include a \$10 million provision for loan and lease losses. An analysis of credit quality is performed quarterly to determine the adequacy of the allowance for loan and lease losses. The results of this analysis determine the timing and amount of the provision for loan and lease losses. Earnings per share and return on equity projections continue to be dependent upon, among other things, the terms and timing of share repurchases.

Conference Call Information

The Company will review its first quarter 2005 financial results today at 8:00 a.m. Hawaii Time (2:00 p.m. Eastern Time). The presentation will be accessible via teleconference and via the Investor Relations link of Bank of Hawaii Corporation's web site, www.boh.com. The conference call number is 800-599-9829 in the United States or 617-847-8703 for international callers. No confirmation code is required to access the call. A replay will be available for one week beginning Monday, April 25, 2005 by calling 888-286-8010 in the United States or 617-801-6888 for international callers and entering the number 47730945 when prompted. A replay of the presentation will also be available via the Investor Relations link of the Company's web site.

Economy

Hawaii experienced new record heights for tourism volumes, home prices and payroll employment during the first quarter of 2005. Unemployment held steady at a seasonally-adjusted 3.0 percent. Inflation for 2004 was reported to be 3.3 percent, only slightly higher than the national rate. Renewed tourism growth in early 2005 augmented continuing strength in residential investment.

Bank of Hawaii Corporation is a 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 and is the largest independent financial institution in Hawaii. For more information about Bank of Hawaii Corporation, see the Company's web site, www.boh.com.

Forward-Looking Statements

This news release, including the statements under the caption "Financial Outlook," contains forward-looking statements concerning, among other things, the economic and business environment in our service area and elsewhere, credit quality, the expected level of loan and lease loss provisioning, anticipated net income and other financial and business matters in future periods. Our forward-looking statements are based on numerous assumptions, any of which could prove to be inaccurate and actual results may differ materially from those projected for a variety of reasons, including, but not limited to: 1) unanticipated changes in business and economic conditions, the competitive environment, fiscal and monetary policies, or legislation in Hawaii and the other markets we serve; 2) changes in our credit quality or risk profile which may increase or decrease the required level of allowance for loan and lease losses; 3) changes in market interest rates that may affect our credit markets and ability to maintain our net interest margin; 4) changes to the amount and timing of our proposed equity repurchases and repayment of maturing debt; 5) inability to achieve expected benefits of our business process improvements; 6) real or threatened acts of war or terrorist activity affecting business conditions; and 7) adverse weather and other natural conditions impacting our and our customers' operations. We do not undertake any obligation to update forward-looking statements to reflect later events or circumstances.

Bank of Hawaii Corporation and Subsidiaries Highlights (Unaudited)

Table 1

(dollars in thousands except per share
amounts)

2005

2004

At March 31,

Balance Sheet Totals

| | | |
|----------------------|-------------|--------------|
| Total Assets | \$9,908,030 | \$10,013,442 |
| Net Loans | 5,910,784 | 5,587,811 |
| Deposits | 7,760,662 | 7,363,922 |
| Long-Term Debt | 242,656 | 319,833 |
| Shareholders' Equity | 716,656 | 785,768 |

| | | |
|------------------------------|-----------|-----------|
| Average Assets | 9,845,765 | 9,677,903 |
| Average Loans and Leases | 6,000,572 | 5,742,368 |
| Average Deposits | 7,687,798 | 7,319,902 |
| Average Shareholders' Equity | 780,271 | 801,247 |

Three Months Ended March 31,

Operating Results

| | | |
|------------------------------|-----------|-----------|
| Interest Income | \$120,158 | \$111,756 |
| Net Interest Income | 100,658 | 96,031 |
| Net Income | 45,522 | 39,799 |
| Basic Earnings Per Share | 0.85 | 0.73 |
| Diluted Earnings Per Share | 0.83 | 0.69 |
| Dividends Declared Per Share | 0.33 | 0.30 |

Performance Ratios

| | | |
|---------------------------------------------------------------------|-------|-------|
| Net Income to Average Total Assets (ROA) | 1.88% | 1.65% |
| Net Income to Average Shareholders' Equity (ROE) | 23.66 | 19.98 |
| Net Interest Margin (1) | 4.43 | 4.30 |
| Efficiency Ratio (2) | 52.86 | 57.31 |
| Allowance for Loan and Lease Losses to Loans and Leases Outstanding | 1.75 | 2.23 |
| Dividend Payout Ratio | 38.82 | 41.10 |
| Book Value Per Common Share | 13.57 | 14.49 |
| Average Equity to Average Assets | 7.92 | 8.28 |
| Leverage Ratio | 7.42 | 7.88 |

| | | |
|----------------------|-------|-------|
| Employees (FTE) | 2,593 | 2,703 |
| Branches and offices | 87 | 89 |

Market Price Per Share of Common Stock for
the Quarter Ended:

| | | |
|---------|---------|---------|
| Closing | \$45.26 | \$46.33 |
| High | \$50.95 | \$47.45 |
| Low | \$44.33 | \$41.75 |

- (1) The net interest margin is defined as net interest income, annualized and on a fully-taxable equivalent basis, as a percentage of average earning assets.
- (2) The efficiency ratio is defined as non-interest expense divided by total revenue (net interest income and non-interest income).

Bank of Hawaii Corporation and Subsidiaries
Consolidated Statements of Income (Unaudited)

Table 2

| | Three Months Ended March 31, | |
|--------------------------------------------------------------------------|---------------------------------|----------------|
| (dollars in thousands except per share amounts) | 2005 | 2004 (1) |
| Interest Income | | |
| Interest and Fees on Loans and Leases | \$86,467 | \$81,428 |
| Income on Investment Securities - Available for Sale | 27,319 | 20,846 |
| Income on Investment Securities - Held to Maturity | 5,825 | 6,976 |
| Deposits | 23 | 1,231 |
| Funds Sold | 75 | 417 |
| Other | 449 | 858 |
| Total Interest Income | 120,158 | 111,756 |
| Interest Expense | | |
| Deposits | 11,604 | 9,200 |
| Securities Sold Under Agreements to Repurchase | 3,325 | 1,926 |
| Funds Purchased | 733 | 231 |
| Short-Term Borrowings | 32 | 15 |
| Long-Term Debt | 3,806 | 4,353 |
| Total Interest Expense | 19,500 | 15,725 |
| Net Interest Income | 100,658 | 96,031 |
| Provision for Loan and Lease Losses | - | - |
| Net Interest Income After Provision for Loan and Lease Losses | 100,658 | 96,031 |
| Non-Interest Income | | |
| Trust and Asset Management | 14,622 | 13,864 |
| Mortgage Banking | 2,590 | 1,977 |
| Service Charges on Deposit Accounts | 10,179 | 9,950 |
| Fees, Exchange, and Other Service Charges | 13,836 | 13,239 |
| Insurance | 5,788 | 4,658 |
| Other | 5,300 | 5,154 |
| Total Non-Interest Income | 52,315 | 48,842 |
| Non-Interest Expense | | |
| Salaries and Benefits | 44,769 | 46,001 |
| Net Occupancy Expense | 9,545 | 9,386 |

| | | |
|---------------------------------|------------|------------|
| Net Equipment Expense | 5,471 | 5,964 |
| Other | 21,078 | 21,671 |
| ----- | | |
| Total Non-Interest Expense | 80,863 | 83,022 |
| ----- | | |
| Income Before Income Taxes | 72,110 | 61,851 |
| Provision for Income Taxes | 26,588 | 22,052 |
| ----- | | |
| Net Income | \$45,522 | \$39,799 |
| ===== | | |
| Basic Earnings Per Share | \$0.85 | \$0.73 |
| Diluted Earnings Per Share | \$0.83 | \$0.69 |
| Dividends Declared Per Share | \$0.33 | \$0.30 |
| Basic Weighted Average Shares | 53,401,787 | 54,286,648 |
| Diluted Weighted Average Shares | 55,020,050 | 57,746,520 |
| ===== | | |

(1) Certain 2004 information has been reclassified to conform to 2005 presentation.

Bank of Hawaii Corporation and Subsidiaries
Consolidated Statements of Condition (Unaudited) Table 3

| (dollars in thousands) | March 31, 2005 | Dec. 31, 2004 | March 31, 2004 |
|-------------------------------------------------------|-------------------|------------------|-------------------|
| ----- | | | |
| Assets | | | |
| Interest-Bearing Deposits | \$5,897 | \$4,592 | \$479,882 |
| Investment Securities - Available for Sale | 2,495,447 | 2,483,719 | 1,995,713 |
| Investment Securities - Held to Maturity | | | |
| (Market Value of \$547,764, \$585,836, and \$719,308) | 558,834 | 589,908 | 717,867 |
| Funds Sold | 70,000 | 21,000 | 255,000 |
| Loans Held for Sale | 20,897 | 17,642 | 67,328 |
| Loans and Leases | 6,015,790 | 5,986,930 | 5,714,996 |
| Allowance for Loan and Lease Losses | (105,006) | (106,796) | (127,185) |
| ----- | | | |
| Net Loans | 5,910,784 | 5,880,134 | 5,587,811 |
| ----- | | | |
| Total Earning Assets | 9,061,859 | 8,996,995 | 9,103,601 |
| ----- | | | |
| Cash and Non-Interest-Bearing Deposits | 306,852 | 225,359 | 313,090 |
| Premises and Equipment | 141,615 | 146,095 | 155,488 |
| Customers' Acceptance Liability | 1,054 | 1,406 | 1,844 |
| Accrued Interest Receivable | 38,427 | 36,044 | 34,658 |
| Foreclosed Real Estate | 183 | 191 | 4,416 |
| Mortgage Servicing Rights | 18,510 | 18,769 | 21,138 |
| Goodwill | 34,959 | 36,216 | 36,216 |
| Other Assets | 304,571 | 305,116 | 342,991 |
| ----- | | | |
| Total Assets | \$9,908,030 | \$9,766,191 | \$10,013,442 |
| ===== | | | |
| Liabilities | | | |
| Deposits | | | |
| Non-Interest-Bearing Demand | \$1,943,616 | \$1,977,703 | \$1,915,678 |
| Interest-Bearing Demand | 1,702,158 | 1,536,323 | 1,407,494 |
| Savings | 2,968,624 | 2,960,351 | 2,888,877 |
| Time | 1,146,264 | 1,090,290 | 1,151,873 |
| ----- | | | |

| | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|--------------|
| Total Deposits | 7,760,662 | 7,564,667 | 7,363,922 |
| ----- | | | |
| Securities Sold Under Agreements to Repurchase | 664,206 | 568,981 | 1,039,204 |
| Funds Purchased | 76,100 | 149,635 | 98,370 |
| Short-Term Borrowings | 8,376 | 15,000 | 11,349 |
| Banker's Acceptances Outstanding | 1,054 | 1,406 | 1,844 |
| Retirement Benefits Payable | 66,233 | 65,708 | 62,298 |
| Accrued Interest Payable | 7,669 | 7,021 | 6,978 |
| Taxes Payable and Deferred Taxes | 274,164 | 229,928 | 228,785 |
| Other Liabilities | 90,254 | 96,373 | 95,091 |
| Long-Term Debt | 242,656 | 252,638 | 319,833 |
| ----- | | | |
| Total Liabilities | 9,191,374 | 8,951,357 | 9,227,674 |
| ----- | | | |
| Shareholders' Equity | | | |
| Common Stock (\$.01 par value); authorized 500,000,000 shares; issued / outstanding: March 2005 - 81,711,752 / 52,826,818, December 2004 - 81,711,752 / 54,960,857, March 2004 - 81,641,545 / 54,216,350 | 815 | 813 | 807 |
| Capital Surplus | 453,227 | 450,998 | 396,335 |
| Accumulated Other Comprehensive Income (Loss) | (33,469) | (12,917) | 4,289 |
| Retained Earnings | 1,310,070 | 1,282,425 | 1,222,602 |
| Deferred Stock Grants | (8,145) | (8,433) | (7,594) |
| Treasury Stock, at Cost (Shares: March 2005 - 28,884,934, December 2004 - 26,750,895, March 2004 - 27,425,195) | (1,005,842) | (898,052) | (830,671) |
| Total Shareholders' Equity | 716,656 | 814,834 | 785,768 |
| ----- | | | |
| Total Liabilities and Shareholders' Equity | \$9,908,030 | \$9,766,191 | \$10,013,442 |
| ===== | | | |

Bank of Hawaii Corporation and Subsidiaries
Consolidated Statements of Shareholders' Equity (Unaudited) Table 4

| | | Common | Capital | Accum. Other Compre- hensive Income |
|---------------------------------------------------------------------------------------|-----------|--------|-----------|-------------------------------------------------|
| (dollars in thousands) | Total | Stock | Surplus | (Loss) |
| ----- | | | | |
| Balance at December 31, 2004 | \$814,834 | \$813 | \$450,998 | \$(12,917) |
| Comprehensive Income: | | | | |
| Net Income | 45,522 | - | - | - |
| Other Comprehensive Income, Net of Tax: | | | | |
| Change in Unrealized Gains and Losses on Investment Securities | (20,552) | - | - | (20,552) |
| Total Comprehensive Income | | | | |
| | | | | |
| Common Stock Issued under Stock Plans and Related Tax Benefits (278,339 shares) | 9,027 | 2 | 2,229 | - |
| Treasury Stock Purchased (2,411,752 shares) | (114,580) | - | - | - |

| | | | | |
|---------------------------------------------------------------------------------|-----------|-------|-----------|------------|
| Cash Dividends Paid | (17,595) | - | - | - |
| ----- | | | | |
| Balance at March 31, 2005 | \$716,656 | \$815 | \$453,227 | \$(33,469) |
| ===== | | | | |
| Balance at December 31, 2003 | \$793,132 | \$807 | \$391,701 | \$(5,711) |
| Comprehensive Income: | | | | |
| Net Income | 39,799 | - | - | - |
| Other Comprehensive Income, Net of Tax: | | | | |
| Change in Unrealized Gains and Losses on Investment Securities | 10,000 | - | - | 10,000 |
| Total Comprehensive Income | | | | |
| Common Stock Issued under Stock Plans and Related Tax Benefits (611,820 shares) | 18,482 | - | 4,634 | - |
| Treasury Stock Purchased (1,323,050 shares) | (59,227) | - | - | - |
| Cash Dividends Paid | (16,418) | - | - | - |
| ----- | | | | |
| Balance at March 31, 2004 | \$785,768 | \$807 | \$396,335 | \$4,289 |
| ===== | | | | |

| (dollars in thousands) | Retained Earnings | Deferred Stock Grants | Treasury Stock | Comprehensive Income |
|----------------------------------------------------------------|-------------------|-----------------------|----------------|----------------------|
| ----- | | | | |
| Balance at December 31, 2004 | \$1,282,425 | \$(8,433) | \$(898,052) | |
| Comprehensive Income: | | | | |
| Net Income | 45,522 | - | - | \$45,522 |
| Other Comprehensive Income, Net of Tax: | | | | |
| Change in Unrealized Gains and Losses on Investment Securities | - | - | - | (20,552) |
| Total Comprehensive Income | | | | \$24,970 |
| | | | | ===== |

| | | | | |
|---------------------------------------------------------------------------------|-------------|-----------|---------------|--|
| Common Stock Issued under Stock Plans and Related Tax Benefits (278,339 shares) | (282) | 288 | 6,790 | |
| Treasury Stock Purchased (2,411,752 shares) | - | - | (114,580) | |
| Cash Dividends Paid | (17,595) | - | - | |
| ----- | | | | |
| Balance at March 31, 2005 | \$1,310,070 | \$(8,145) | \$(1,005,842) | |
| ===== | | | | |

| | | | | |
|----------------------------------------------------------------|-------------|-----------|-------------|----------|
| Balance at December 31, 2003 | \$1,199,077 | \$(8,309) | \$(784,433) | |
| Comprehensive Income: | | | | |
| Net Income | 39,799 | - | - | \$39,799 |
| Other Comprehensive Income, Net of Tax: | | | | |
| Change in Unrealized Gains and Losses on Investment Securities | - | - | - | 10,000 |
| | | | | ----- |

| | | | |
|---------------------|--|--|----------|
| Total Comprehensive | | | |
| Income | | | \$49,799 |
| | | | ===== |

| | | | |
|------------------------------------------------------------------------------------------|-------------|-----------|-------------|
| Common Stock Issued under Stock Plans and Related Tax Benefits (611,820 shares) | 144 | 715 | 12,989 |
| Treasury Stock Purchased (1,323,050 shares) | - | - | (59,227) |
| Cash Dividends Paid | (16,418) | - | - |
| Balance at March 31, 2004 | \$1,222,602 | \$(7,594) | \$(830,671) |
| | ===== | | |

Bank of Hawaii Corporation and Subsidiaries
Consolidated Average Balances and Interest Rates - Taxable
Equivalent Basis (Unaudited) Table 5

| (dollars in millions) | Three Months Ended March 31, 2005 | | |
|----------------------------------------|--------------------------------------|--------------------|----------------|
| | Average Balance | Income/ Expense | Yield/ Rate |
| Earning Assets | | | |
| Interest-Bearing Deposits | \$4.8 | \$- | 1.93% |
| Funds Sold | 12.6 | 0.1 | 2.37 |
| Investment Securities | | | |
| Available for Sale | 2,491.1 | 27.4 | 4.40 |
| Held to Maturity | 574.6 | 5.8 | 4.06 |
| Loans Held for Sale | 13.2 | 0.2 | 5.40 |
| Loans and Leases (2) | | | |
| Commercial and Industrial | 904.3 | 13.2 | 5.90 |
| Construction | 124.1 | 1.7 | 5.44 |
| Commercial Mortgage | 605.9 | 8.5 | 5.73 |
| Residential Mortgage | 2,332.1 | 32.6 | 5.59 |
| Installment | 736.8 | 15.0 | 8.27 |
| Home Equity | 678.8 | 9.5 | 5.65 |
| Purchased Home Equity | 116.8 | 1.0 | 3.54 |
| Lease Financing | 501.8 | 4.8 | 3.88 |
| Total Loans and Leases | 6,000.6 | 86.3 | 5.80 |
| Other | 53.9 | 0.4 | 3.38 |
| Total Earning Assets (3) | 9,150.8 | 120.2 | 5.29 |
| Cash and Non-Interest-Bearing Deposits | 315.6 | | |
| Other Assets | 379.4 | | |
| Total Assets | \$9,845.8 | | |
| | ===== | | |
| Interest-Bearing Liabilities | | | |
| Interest-Bearing Deposits | | | |
| Demand | \$1,618.1 | 1.7 | 0.42 |
| Savings | 2,972.3 | 4.4 | 0.60 |
| Time | 1,114.7 | 5.5 | 2.02 |
| Total Interest-Bearing Deposits | 5,705.1 | 11.6 | 0.82 |
| Short-Term Borrowings | 706.2 | 4.1 | 2.35 |
| Long-Term Debt | 248.7 | 3.8 | 6.14 |

| | | | |
|------------------------------------|---------|------|------|
| Total Interest-Bearing Liabilities | 6,660.0 | 19.5 | 1.19 |
|------------------------------------|---------|------|------|

| | | | |
|---------------------|---------|--|--|
| Net Interest Income | \$100.7 | | |
|---------------------|---------|--|--|

=====

| | | | |
|----------------------|--|--|-------|
| Interest Rate Spread | | | 4.10% |
|----------------------|--|--|-------|

| | | | |
|---------------------|--|--|-------|
| Net Interest Margin | | | 4.43% |
|---------------------|--|--|-------|

| | | | |
|--------------------------------------|---------|--|--|
| Non-Interest-Bearing Demand Deposits | 1,982.7 | | |
|--------------------------------------|---------|--|--|

| | | | |
|-------------------|-------|--|--|
| Other Liabilities | 422.8 | | |
|-------------------|-------|--|--|

| | | | |
|----------------------|-------|--|--|
| Shareholders' Equity | 780.3 | | |
|----------------------|-------|--|--|

| | | | |
|--------------------------------------------|-----------|--|--|
| Total Liabilities and Shareholders' Equity | \$9,845.8 | | |
|--------------------------------------------|-----------|--|--|

=====

Three Months Ended
December 31, 2004 (1)
Average Income/ Yield/
Balance Expense Rate

(dollars in millions)

Earning Assets

| | | | |
|---------------------------|--------|-------|-------|
| Interest-Bearing Deposits | \$21.0 | \$0.1 | 2.05% |
|---------------------------|--------|-------|-------|

| | | | |
|------------|------|-----|------|
| Funds Sold | 74.3 | 0.4 | 1.92 |
|------------|------|-----|------|

Investment Securities

| | | | |
|--------------------|---------|------|------|
| Available for Sale | 2,444.9 | 26.4 | 4.32 |
|--------------------|---------|------|------|

| | | | |
|------------------|-------|-----|------|
| Held to Maturity | 615.1 | 6.1 | 4.00 |
|------------------|-------|-----|------|

| | | | |
|---------------------|------|-----|------|
| Loans Held for Sale | 15.9 | 0.2 | 5.72 |
|---------------------|------|-----|------|

Loans and Leases (2)

| | | | |
|---------------------------|-------|------|------|
| Commercial and Industrial | 790.7 | 11.4 | 5.71 |
|---------------------------|-------|------|------|

| | | | |
|--------------|-------|-----|------|
| Construction | 115.2 | 1.5 | 5.10 |
|--------------|-------|-----|------|

| | | | |
|---------------------|-------|-----|------|
| Commercial Mortgage | 624.4 | 8.6 | 5.47 |
|---------------------|-------|-----|------|

| | | | |
|----------------------|---------|------|------|
| Residential Mortgage | 2,304.9 | 32.3 | 5.61 |
|----------------------|---------|------|------|

| | | | |
|-------------|-------|------|------|
| Installment | 721.1 | 15.4 | 8.51 |
|-------------|-------|------|------|

| | | | |
|-------------|-------|-----|------|
| Home Equity | 632.6 | 8.4 | 5.25 |
|-------------|-------|-----|------|

| | | | |
|-----------------------|-------|-----|------|
| Purchased Home Equity | 134.4 | 1.2 | 3.71 |
|-----------------------|-------|-----|------|

| | | | |
|-----------------|-------|-----|------|
| Lease Financing | 511.1 | 5.1 | 3.97 |
|-----------------|-------|-----|------|

| | | | |
|------------------------|---------|------|------|
| Total Loans and Leases | 5,834.4 | 83.9 | 5.73 |
|------------------------|---------|------|------|

| | | | |
|-------|------|-----|------|
| Other | 60.7 | 0.3 | 1.74 |
|-------|------|-----|------|

| | | | |
|--------------------------|---------|-------|------|
| Total Earning Assets (3) | 9,066.3 | 117.4 | 5.17 |
|--------------------------|---------|-------|------|

| | | | |
|----------------------------------------|-------|--|--|
| Cash and Non-Interest-Bearing Deposits | 307.5 | | |
|----------------------------------------|-------|--|--|

| | | | |
|--------------|-------|--|--|
| Other Assets | 369.2 | | |
|--------------|-------|--|--|

| | | | |
|--------------|-----------|--|--|
| Total Assets | \$9,743.0 | | |
|--------------|-----------|--|--|

=====

Interest-Bearing Liabilities

Interest-Bearing Deposits

| | | | |
|--------|-----------|-----|------|
| Demand | \$1,500.0 | 1.3 | 0.33 |
|--------|-----------|-----|------|

| | | | |
|---------|---------|-----|------|
| Savings | 2,998.5 | 3.6 | 0.48 |
|---------|---------|-----|------|

| | | | |
|------|---------|-----|------|
| Time | 1,063.7 | 5.1 | 1.92 |
|------|---------|-----|------|

| | | | |
|---------------------------------|---------|------|------|
| Total Interest-Bearing Deposits | 5,562.2 | 10.0 | 0.71 |
|---------------------------------|---------|------|------|

| | | | |
|-----------------------|-------|-----|------|
| Short-Term Borrowings | 776.0 | 3.5 | 1.82 |
|-----------------------|-------|-----|------|

| | | | |
|----------------|-------|-----|------|
| Long-Term Debt | 252.6 | 3.9 | 6.16 |
|----------------|-------|-----|------|

| | | | |
|------------------------------------|---------|------|------|
| Total Interest-Bearing Liabilities | 6,590.8 | 17.4 | 1.05 |
|------------------------------------|---------|------|------|

| | | | |
|---------------------|---------|--|--|
| Net Interest Income | \$100.0 | | |
|---------------------|---------|--|--|

=====

| | | | |
|----------------------|--|--|-------|
| Interest Rate Spread | | | 4.12% |
|----------------------|--|--|-------|

| | | | |
|---------------------|--|--|-------|
| Net Interest Margin | | | 4.40% |
|---------------------|--|--|-------|

| | | | |
|--------------------------------------|---------|--|--|
| Non-Interest-Bearing Demand Deposits | 1,954.2 | | |
|--------------------------------------|---------|--|--|

| | |
|--------------------------------------------|-----------|
| Other Liabilities | 419.4 |
| Shareholders' Equity | 778.6 |
| | ----- |
| Total Liabilities and Shareholders' Equity | \$9,743.0 |
| | ===== |

| Three Months Ended March 31, 2004 (1) | | | |
|--------------------------------------------|--------------------|--------------------|----------------|
| (dollars in millions) | Average Balance | Income/ Expense | Yield/ Rate |
| ----- | | | |
| Earning Assets | | | |
| Interest-Bearing Deposits | \$249.6 | \$1.2 | 1.98% |
| Funds Sold | 168.9 | 0.4 | 0.99 |
| Investment Securities | | | |
| Available for Sale | 1,988.5 | 20.8 | 4.20 |
| Held to Maturity | 719.6 | 7.0 | 3.88 |
| Loans Held for Sale | 15.4 | 0.2 | 5.33 |
| Loans and Leases (2) | | | |
| Commercial and Industrial | 844.5 | 10.1 | 4.81 |
| Construction | 100.4 | 1.1 | 4.31 |
| Commercial Mortgage | 634.1 | 8.6 | 5.45 |
| Residential Mortgage | 2,317.5 | 33.3 | 5.75 |
| Installment | 650.9 | 14.3 | 8.84 |
| Home Equity | 489.2 | 5.8 | 4.75 |
| Purchased Home Equity | 204.9 | 2.7 | 5.18 |
| Lease Financing | 500.9 | 5.4 | 4.33 |
| ----- | | | |
| Total Loans and Leases | 5,742.4 | 81.3 | 5.68 |
| ----- | | | |
| Other | 77.5 | 0.9 | 4.45 |
| ----- | | | |
| Total Earning Assets (3) | 8,961.9 | 111.8 | 5.00 |
| ----- | | | |
| Cash and Non-Interest-Bearing Deposits | 327.6 | | |
| Other Assets | 388.4 | | |
| ----- | | | |
| Total Assets | \$9,677.9 | | |
| ===== | | | |
| Interest-Bearing Liabilities | | | |
| Interest-Bearing Deposits | | | |
| Demand | \$1,370.0 | 0.5 | 0.15 |
| Savings | 2,871.6 | 3.3 | 0.46 |
| Time | 1,188.8 | 5.4 | 1.83 |
| ----- | | | |
| Total Interest-Bearing Deposits | 5,430.4 | 9.2 | 0.68 |
| ----- | | | |
| Short-Term Borrowings | 862.3 | 2.2 | 1.01 |
| Long-Term Debt | 320.9 | 4.3 | 5.44 |
| ----- | | | |
| Total Interest-Bearing Liabilities | 6,613.6 | 15.7 | 0.96 |
| ----- | | | |
| Net Interest Income | \$96.1 | | |
| | ===== | | |
| Interest Rate Spread | | | 4.04% |
| Net Interest Margin | | | 4.30% |
| Non-Interest-Bearing Demand Deposits | 1,889.5 | | |
| Other Liabilities | 373.6 | | |
| Shareholders' Equity | 801.2 | | |
| ----- | | | |
| Total Liabilities and Shareholders' Equity | \$9,677.9 | | |
| ===== | | | |

(1) Certain 2004 information has been reclassified to conform to 2005

presentation.

- (2) Non-performing loans are included in the respective average loan balances. Income, if any, on such loans is recognized on a cash basis.
- (3) Interest income includes taxable-equivalent basis adjustment based upon a statutory tax rate of 35%.

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

Table 6

| Three Months Ended March 31, 2005 Compared to December 31, 2004 | | | | |
|--------------------------------------------------------------------|------------|----------|----------|---------|
| (dollars in millions) | Volume (1) | Rate (1) | Time (1) | Total |
| Change in Interest Income: | | | | |
| Interest-Bearing Deposits | \$(0.1) | \$- | \$- | \$(0.1) |
| Funds Sold | (0.4) | 0.1 | - | (0.3) |
| Investment Securities | | | | |
| Available for Sale | 0.5 | 0.5 | - | 1.0 |
| Held to Maturity | (0.4) | 0.1 | - | (0.3) |
| Loans and Leases | | | | |
| Commercial and Industrial | 1.7 | 0.3 | (0.2) | 1.8 |
| Construction | 0.1 | 0.1 | - | 0.2 |
| Commercial Mortgage | (0.3) | 0.4 | (0.2) | (0.1) |
| Residential Mortgage | 0.4 | (0.1) | - | 0.3 |
| Installment | 0.3 | (0.4) | (0.3) | (0.4) |
| Home Equity | 0.7 | 0.6 | (0.2) | 1.1 |
| Purchased Home Equity | (0.2) | - | - | (0.2) |
| Lease Financing | (0.1) | (0.1) | (0.1) | (0.3) |
| Total Loans and Leases | 2.6 | 0.8 | (1.0) | 2.4 |
| Other | (0.1) | 0.2 | - | 0.1 |
| Total Change in Interest Income | 2.1 | 1.7 | (1.0) | 2.8 |
| Change in Interest Expense: | | | | |
| Interest-Bearing Deposits | | | | |
| Demand | 0.1 | 0.3 | - | 0.4 |
| Savings | - | 0.9 | (0.1) | 0.8 |
| Time | 0.2 | 0.3 | (0.1) | 0.4 |
| Total Interest-Bearing Deposits | 0.3 | 1.5 | (0.2) | 1.6 |
| Short-Term Borrowings | (0.3) | 1.0 | (0.1) | 0.6 |
| Long-Term Debt | (0.1) | - | - | (0.1) |
| Total Change in Interest Expense | (0.1) | 2.5 | (0.3) | 2.1 |
| Change in Net Interest Income | \$2.2 | \$(0.8) | \$(0.7) | \$0.7 |

- (1) The changes for each category of interest income and expense are allocated between the portion of changes attributable to the variance in volume, rate or time for that category.

Bank of Hawaii Corporation and Subsidiaries
 Salaries and Benefits (Unaudited)

Table 7

| (dollars in thousands) | Three Months Ended | |
|-------------------------------------|--------------------|----------|
| | March 31, 2005 | 2004 |
| Salaries | \$26,053 | \$27,204 |
| Incentive Compensation | 3,968 | 3,816 |
| Stock-Based Compensation | 1,715 | 2,896 |
| Commission Expense | 2,252 | 1,627 |
| Retirement and Other Benefits | 4,768 | 4,357 |
| Payroll Taxes | 3,453 | 3,430 |
| Medical, Dental, and Life Insurance | 2,231 | 2,104 |
| Separation Expense | 329 | 567 |
| Total Salaries and Benefits | \$44,769 | \$46,001 |

Bank of Hawaii Corporation and Subsidiaries
Loan Portfolio Balances (Unaudited)

Table 8

| (dollars in thousands) | March 31, 2005 | December 31, 2004 (1) | March 31, 2004 (1) |
|---------------------------|-------------------|--------------------------|-----------------------|
| Commercial | | | |
| Commercial and Industrial | \$918,878 | \$909,264 | \$822,655 |
| Commercial Mortgage | 609,689 | 602,678 | 650,565 |
| Construction | 107,403 | 122,355 | 91,002 |
| Lease Financing | 468,349 | 479,100 | 474,288 |
| Total Commercial | 2,104,319 | 2,113,397 | 2,038,510 |
| Consumer | | | |
| Residential Mortgage | 2,342,062 | 2,326,385 | 2,273,333 |
| Home Equity | 694,261 | 657,164 | 510,378 |
| Purchased Home Equity | 109,632 | 122,728 | 191,066 |
| Other Consumer | 734,836 | 734,721 | 666,893 |
| Lease Financing | 30,680 | 32,535 | 34,816 |
| Total Consumer | 3,911,471 | 3,873,533 | 3,676,486 |
| Total Loans and Leases | \$6,015,790 | \$5,986,930 | \$5,714,996 |

Air Transportation Credit Exposure (Unaudited)

| (dollars in thousands) | Outstanding | March 31, 2005 | Dec. 31, 2004 | Mar. 31, 2004 |
|------------------------|-------------|-------------------|------------------|------------------|
| | | Unused | Total | Total |
| Air Transportation | | | | |
| United States | | | | |
| Regional | | | | |
| Passenger | | | | |
| Carriers | \$40,388 | \$10,131 | \$50,519 | \$52,764 |
| United States | | | | |
| National | | | | |
| Passenger | | | | |
| Carriers | 39,834 | - | 39,834 | 39,594 |

| | | | | | |
|----------------|-----------|----------|-----------|-----------|-----------|
| Passenger | | | | | |
| Carriers | | | | | |
| Based Outside | | | | | |
| United States | 24,888 | - | 24,888 | 25,910 | 30,475 |
| Cargo Carriers | 13,475 | - | 13,475 | 13,771 | 14,122 |
| ----- | | | | | |
| Total Air | | | | | |
| Transportation | \$118,585 | \$10,131 | \$128,716 | \$132,039 | \$140,186 |
| ===== | | | | | |

Exposure includes loans, leveraged leases and operating leases.

(1) Certain 2004 information has been reclassified to conform to 2005 presentation.

Bank of Hawaii Corporation and Subsidiaries

Consolidated Non-Performing Assets and Accruing Loans

Past Due 90 Days or More (Unaudited)

Table 9

| (dollars in thousands) | March 31, 2005 | Dec. 31, 2004 | Sept. 30, 2004 | June 30, 2004 | March 31, 2004 |
|-----------------------------|----------------|---------------|----------------|---------------|----------------|
| ----- | | | | | |
| Non-Performing Assets | | | | | |
| Non-Accrual Loans | | | | | |
| Commercial | | | | | |
| Commercial and Industrial | \$470 | \$683 | \$775 | \$680 | \$6,009 |
| Commercial Mortgage | 1,922 | 2,106 | 5,552 | 5,649 | 7,388 |
| Lease Financing | 2,418 | 2,973 | 1,913 | 1,948 | 1,962 |
| ----- | | | | | |
| Total Commercial | 4,810 | 5,762 | 8,240 | 8,277 | 15,359 |
| ----- | | | | | |
| Consumer | | | | | |
| Residential Mortgage | 7,503 | 7,688 | 7,278 | 7,688 | 7,685 |
| Home Equity | 185 | 218 | 251 | 306 | 406 |
| ----- | | | | | |
| Total Consumer | 7,688 | 7,906 | 7,529 | 7,994 | 8,091 |
| ----- | | | | | |
| Total Non-Accrual Loans | 12,498 | 13,668 | 15,769 | 16,271 | 23,450 |
| ----- | | | | | |
| Foreclosed Real Estate | 183 | 191 | 208 | 4,889 | 4,416 |
| Other Investments | 684 | - | - | - | - |
| ----- | | | | | |
| Total Non-Performing Assets | \$13,365 | \$13,859 | \$15,977 | \$21,160 | \$27,866 |
| ===== | | | | | |

Accruing Loans

Past Due 90 Days or More
Commercial

| | | | | | |
|-------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Commercial and Industrial | \$29 | \$52 | \$65 | \$19 | \$707 |
| Commercial Mortgage | 2,243 | - | 688 | 693 | 702 |
| ----- | | | | | |
| Total Commercial | 2,272 | 52 | 753 | 712 | 1,409 |
| ----- | | | | | |
| Consumer Residential Mortgage | 604 | 387 | 2,588 | 698 | 595 |
| Purchased Home Equity | 70 | 183 | 97 | 32 | 107 |
| Other Consumer | 1,417 | 1,433 | 1,533 | 1,142 | 1,180 |
| Lease Financing | - | 30 | 32 | 57 | - |
| ----- | | | | | |
| Total Consumer | 2,091 | 2,033 | 4,250 | 1,929 | 1,882 |
| ----- | | | | | |
| Total Accruing Loans Past Due 90 Days or More | \$4,363 | \$2,085 | \$5,003 | \$2,641 | \$3,291 |
| ===== | | | | | |
| Total Loans and Leases | \$6,015,790 | \$5,986,930 | \$5,815,575 | \$5,787,314 | \$5,714,996 |
| ===== | | | | | |
| Ratio of Non- Accrual Loans to Total Loans | 0.21% | 0.23% | 0.27% | 0.28% | 0.41% |
| ----- | | | | | |
| Ratio of Non- Performing Assets to Total Loans, Foreclosed Real Estate and Other Investments | 0.22% | 0.23% | 0.27% | 0.37% | 0.49% |
| ----- | | | | | |
| Ratio of Non- Performing Assets and Accruing Loans Past Due 90 Days or More to Total Loans | 0.29% | 0.27% | 0.36% | 0.41% | 0.55% |
| ----- | | | | | |
| Quarter to Quarter Changes in Non-Performing Assets Balance at Beginning of Quarter | \$13,859 | \$15,977 | \$21,160 | \$27,866 | \$31,724 |

| | | | | | |
|----------------|----------|----------|----------|----------|----------|
| Additions | 2,796 | 5,164 | 2,094 | 3,909 | 3,293 |
| Reductions | | | | | |
| Payments | (2,202) | (6,435) | (1,386) | (4,232) | (4,555) |
| Return to | | | | | |
| Accrual | (698) | (456) | (1,122) | (2,700) | (1,444) |
| Sales of | | | | | |
| Foreclosed | | | | | |
| Assets | (129) | (206) | (682) | (147) | (310) |
| Charge- | | | | | |
| offs/ | | | | | |
| Write- | | | | | |
| downs | (261) | (185) | (88) | (3,536) | (842) |
| Transfer to | | | | | |
| Premises | - | - | (3,999) | - | - |
| ----- | | | | | |
| Total | | | | | |
| Reductions | (3,290) | (7,282) | (7,277) | (10,615) | (7,151) |
| ----- | | | | | |
| Balance at End | | | | | |
| of Quarter | \$13,365 | \$13,859 | \$15,977 | \$21,160 | \$27,866 |
| ===== | | | | | |

Bank of Hawaii Corporation and Subsidiaries
Consolidated Reserve for Credit Losses (Unaudited) Table 10

| (dollars in thousands) | Three Months Ended | | |
|--------------------------------|--------------------|------------------|-------------------|
| | March 31, 2005 | Dec. 31, 2004 | March 31, 2004 |
| ----- | | | |
| Balance at Beginning of Period | \$113,596 | \$124,651 | \$129,080 |
| Loans Charged-Off | | | |
| Commercial | | | |
| Commercial and Industrial | 574 | 465 | 387 |
| Commercial Mortgage | - | - | 574 |
| Lease Financing | - | 774 | 228 |
| Consumer | | | |
| Residential Mortgage | 315 | 128 | 145 |
| Purchased Home Equity | 292 | 343 | 90 |
| Other Consumer | 4,582 | 4,903 | 4,655 |
| Lease Financing | 34 | 47 | 36 |
| ----- | | | |
| Total Loans Charged-Off | 5,797 | 6,660 | 6,115 |
| ----- | | | |
| Recoveries on Loans Previously | | | |
| Charged-Off | | | |
| Commercial | | | |
| Commercial and Industrial | 541 | 542 | 980 |
| Commercial Mortgage | 62 | 119 | 689 |
| Construction | - | - | 435 |
| Lease Financing | 32 | 1 | 15 |
| Consumer | | | |
| Residential Mortgage | 106 | 109 | 294 |
| Home Equity | 25 | 5 | 39 |
| Purchased Home Equity | 35 | 16 | - |
| Other Consumer | 1,287 | 1,267 | 1,663 |
| Lease Financing | 19 | 23 | 55 |
| Foreign | - | 23 | 50 |
| ----- | | | |
| Total Recoveries on Loans | | | |
| Previously Charged-Off | 2,107 | 2,105 | 4,220 |
| ----- | | | |
| Net Loan Charge-Offs | (3,690) | (4,555) | (1,895) |
| Provision for Loan and Lease | | | |

| | | | |
|----------------------------------|-------------|-------------|-------------|
| Losses | - | (6,500) | - |
| Balance at End of Period (1) | \$109,906 | \$113,596 | \$127,185 |
| Components | | | |
| Allowance for Loan and Lease | | | |
| Losses | \$105,006 | \$106,796 | \$127,185 |
| Reserve for Unfunded Commitments | | | |
| (2) | 4,900 | 6,800 | - |
| Total Reserve for Credit Losses | \$109,906 | \$113,596 | \$127,185 |
| Average Loans Outstanding | \$6,000,572 | \$5,834,379 | \$5,742,368 |
| Ratio of Net Loan Charge-Offs to | | | |
| Average Loans Outstanding | | | |
| (annualized) | 0.25% | 0.31% | 0.13% |
| Ratio of Allowance for Loan and | | | |
| Lease Losses to Loans and Leases | | | |
| Outstanding (2) | 1.75% | 1.78% | 2.23% |

(1) 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.

(2) The reclassification of the reserve for unfunded commitments to other liabilities occurred in the fourth quarter of 2004 on a prospective basis. Thus, March 31, 2004 allowance for loan and lease losses and reserve for unfunded commitments were reported together. At March 31, 2004, the reserve for unfunded commitments was \$6.2 million.

Bank of Hawaii Corporation and Subsidiaries
Business Segment Selected Financial Information (Unaudited) Table 11

| (dollars in thousands) | Retail Banking | Commercial Banking | Investment Services Group | Treasury and Other Corporate | Consolidated Total |
|------------------------|----------------|--------------------|---------------------------|------------------------------|--------------------|
| Three Months Ended | | | | | |
| March 31, 2005 | | | | | |
| Net Interest | | | | | |
| Income | \$52,351 | \$34,562 | \$2,888 | \$10,857 | \$100,658 |
| Provision for | | | | | |
| Loan and | | | | | |
| Lease Losses | 3,485 | 416 | - | (3,901) | - |
| Net Interest | | | | | |
| Income After | | | | | |
| Provision | | | | | |
| for Loan and | | | | | |
| Lease Losses | 48,866 | 34,146 | 2,888 | 14,758 | 100,658 |
| Non-Interest | | | | | |
| Income | 24,242 | 11,531 | 14,626 | 1,916 | 52,315 |
| | 73,108 | 45,677 | 17,514 | 16,674 | 152,973 |
| Non-Interest | | | | | |
| Expense | (43,049) | (22,560) | (13,219) | (2,035) | (80,863) |
| Income Before | | | | | |

| | | | | | |
|---------------------------------------------------------------------------|-------------|-------------|-----------|-------------|-------------|
| Income Taxes | 30,059 | 23,117 | 4,295 | 14,639 | 72,110 |
| Provision for Income Taxes | (11,122) | (8,598) | (1,590) | (5,278) | (26,588) |
| ----- | | | | | |
| Allocated Net Income | 18,937 | 14,519 | 2,705 | 9,361 | 45,522 |
| ----- | | | | | |
| Allowance Funding Value | (162) | (602) | (6) | 770 | - |
| GAAP Provision | 3,485 | 416 | - | (3,901) | - |
| Economic Provision | (3,505) | (2,458) | (90) | (2) | (6,055) |
| Tax Effect of Adjustments | 67 | 978 | 36 | 1,159 | 2,240 |
| ----- | | | | | |
| Income Before Capital Charge | 18,822 | 12,853 | 2,645 | 7,387 | 41,707 |
| Capital Charge | (5,456) | (4,636) | (1,341) | (10,027) | (21,460) |
| ----- | | | | | |
| Net Income (Loss) After Capital Charge (NIACC) | \$13,366 | \$8,217 | \$1,304 | \$(2,640) | \$20,247 |
| ===== | | | | | |
| RAROC (ROE for the Company) | 38% | 31% | 22% | 20% | 24% |
| ===== | | | | | |
| Total Assets at March 31, 2005 | \$3,796,459 | \$2,390,204 | \$137,698 | \$3,583,669 | \$9,908,030 |
| ===== | | | | | |
| Three Months Ended March 31, 2004 (1) | | | | | |
| Net Interest Income | \$50,157 | \$34,019 | \$2,812 | \$9,043 | \$96,031 |
| Provision for Loan and Lease Losses | 2,747 | (253) | 49 | (2,543) | - |
| ----- | | | | | |
| Net Interest Income After Provision for Loan and Lease Losses | 47,410 | 34,272 | 2,763 | 11,586 | 96,031 |
| Non-Interest Income | 21,016 | 10,432 | 14,442 | 2,952 | 48,842 |
| ----- | | | | | |
| | 68,426 | 44,704 | 17,205 | 14,538 | 144,873 |
| Non-Interest Expense | (43,217) | (23,144) | (13,030) | (3,631) | (83,022) |
| ----- | | | | | |
| Income Before Income Taxes | 25,209 | 21,560 | 4,175 | 10,907 | 61,851 |
| Provision for Income Taxes | (9,327) | (7,958) | (1,545) | (3,222) | (22,052) |

| | | | | | |
|---------------|---------|---------|---------|-----------|----------|
| Allocated Net | | | | | |
| Income | 15,882 | 13,602 | 2,630 | 7,685 | 39,799 |
| Allowance | | | | | |
| Funding | | | | | |
| Value | (128) | (737) | (8) | 873 | - |
| GAAP | | | | | |
| Provision | 2,747 | (253) | 49 | (2,543) | - |
| Economic | | | | | |
| Provision | (3,396) | (2,777) | (94) | (4) | (6,271) |
| Tax Effect of | | | | | |
| Adjustments | 287 | 1,394 | 20 | 620 | 2,321 |
| Income Before | | | | | |
| Capital | | | | | |
| Charge | 15,392 | 11,229 | 2,597 | 6,631 | 35,849 |
| Capital | | | | | |
| Charge | (5,771) | (5,266) | (1,283) | (9,720) | (22,040) |
| Net Income | | | | | |
| (Loss) After | | | | | |
| Capital | | | | | |
| Charge | | | | | |
| (NIACC) | \$9,621 | \$5,963 | \$1,314 | \$(3,089) | \$13,809 |
| RAROC (ROE | | | | | |
| for the | | | | | |
| Company) | 29% | 24% | 22% | 25% | 20% |

| | | | | | |
|--------------|-------------|-------------|-----------|-------------|--------------|
| Total Assets | | | | | |
| at March 31, | | | | | |
| 2004 | \$3,694,709 | \$2,295,748 | \$116,791 | \$3,906,194 | \$10,013,442 |

(1) Certain 2004 information has been reclassified to conform to 2005 presentation.

Bank of Hawaii Corporation and Subsidiaries
Quarterly Summary of Selected Consolidated Financial Data
(Unaudited) Table 12

| (dollars in | | Three Months Ended | | | |
|----------------|-----------|--------------------|-----------|----------|-----------|
| thousands | | | | | |
| except per | March 31, | Dec. 31, | Sept. 30, | June 30, | March 31, |
| share amounts) | 2005 | 2004 | 2004(1) | 2004(1) | 2004(1) |
| Quarterly | | | | | |
| Operating | | | | | |
| Results | | | | | |
| Interest | | | | | |
| Income | | | | | |
| Interest and | | | | | |
| Fees on | | | | | |
| Loans and | | | | | |
| Leases | \$86,467 | \$84,100 | \$82,079 | \$80,346 | \$81,428 |
| Income on | | | | | |
| Investment | | | | | |
| Securities | | | | | |
| - Available | | | | | |
| for Sale | 27,319 | 26,394 | 24,543 | 21,745 | 20,846 |

| | | | | | |
|---------------------------------------------------------------------------|---------|---------|---------|---------|---------|
| Income on Investment Securities - Held to Maturity | 5,825 | 6,147 | 6,370 | 6,711 | 6,976 |
| Deposits | 23 | 107 | 496 | 1,646 | 1,231 |
| Funds Sold | 75 | 356 | 108 | 177 | 417 |
| Other | 449 | 267 | 801 | 865 | 858 |
| <hr/> | | | | | |
| Total Interest Income | 120,158 | 117,371 | 114,397 | 111,490 | 111,756 |
| <hr/> | | | | | |
| Interest Expense | | | | | |
| Deposits | 11,604 | 9,993 | 8,990 | 8,560 | 9,200 |
| Securities Sold Under Agreements to Repurchase Funds | 3,325 | 3,120 | 2,085 | 2,222 | 1,926 |
| Purchased | 733 | 395 | 683 | 506 | 231 |
| Short-Term Borrowings | 32 | 39 | 15 | 13 | 15 |
| Long-Term Debt | 3,806 | 3,893 | 3,845 | 4,340 | 4,353 |
| <hr/> | | | | | |
| Total Interest Expense | 19,500 | 17,440 | 15,618 | 15,641 | 15,725 |
| <hr/> | | | | | |
| Net Interest Income | 100,658 | 99,931 | 98,779 | 95,849 | 96,031 |
| Provision for Loan and Lease Losses | - | (6,500) | - | (3,500) | - |
| <hr/> | | | | | |
| Net Interest Income After Provision for Loan and Lease Losses | 100,658 | 106,431 | 98,779 | 99,349 | 96,031 |
| <hr/> | | | | | |
| Non-Interest Income | | | | | |
| Trust and Asset Management | 14,622 | 13,934 | 12,672 | 12,995 | 13,864 |
| Mortgage Banking | 2,590 | 1,516 | 1,711 | 2,808 | 1,977 |
| Service Charges on Deposit Accounts | 10,179 | 10,155 | 9,472 | 9,540 | 9,950 |
| Fees, Exchange, and Other Service Charges | 13,836 | 13,684 | 13,741 | 14,243 | 13,239 |
| Investment Securities Gains (Losses) | - | (757) | - | (37) | - |
| Insurance | 5,788 | 4,234 | 5,423 | 4,926 | 4,658 |
| Other | 5,300 | 5,584 | 10,035 | 10,373 | 5,154 |
| <hr/> | | | | | |

| | | | | | |
|--------------------------------------------------|-------------|-------------|-------------|-------------|--------------|
| Total Non-Interest Income | 52,315 | 48,350 | 53,054 | 54,848 | 48,842 |
| ----- | | | | | |
| Non-Interest Expense | | | | | |
| Salaries and Benefits | 44,769 | 45,043 | 46,566 | 46,689 | 46,001 |
| Net Occupancy Expense | 9,545 | 9,606 | 9,812 | 9,543 | 9,386 |
| Net Equipment Expense | 5,471 | 6,316 | 5,847 | 5,799 | 5,964 |
| Other | 21,078 | 21,138 | 21,965 | 23,094 | 21,671 |
| ----- | | | | | |
| Total Non-Interest Expense | 80,863 | 82,103 | 84,190 | 85,125 | 83,022 |
| ----- | | | | | |
| Income Before Income Taxes | 72,110 | 72,678 | 67,643 | 69,072 | 61,851 |
| Provision for Income Taxes | 26,588 | 26,437 | 24,576 | 24,840 | 22,052 |
| ----- | | | | | |
| Net Income | \$45,522 | \$46,241 | \$43,067 | \$44,232 | \$39,799 |
| ===== | | | | | |
| | | | | | |
| Basic Earnings Per Share | \$0.85 | \$0.86 | \$0.82 | \$0.84 | \$0.73 |
| Diluted Earnings Per Share | \$0.83 | \$0.82 | \$0.78 | \$0.79 | \$0.69 |
| | | | | | |
| Balance Sheet Totals | | | | | |
| Total Assets | \$9,908,030 | \$9,766,191 | \$9,594,809 | \$9,688,769 | \$10,013,442 |
| Net Loans | 5,910,784 | 5,880,134 | 5,690,924 | 5,662,410 | 5,587,811 |
| Total Deposits | 7,760,662 | 7,564,667 | 7,413,240 | 7,469,288 | 7,363,922 |
| Total Shareholders' Equity | 716,656 | 814,834 | 756,707 | 699,438 | 785,768 |
| | | | | | |
| Performance Ratios | | | | | |
| Net Income to Average Total Assets (ROA) | 1.88% | 1.89% | 1.77% | 1.80% | 1.65% |
| Net Income to Average Shareholders' Equity (ROE) | 23.66 | 23.63 | 23.42 | 24.28 | 19.98 |
| Efficiency Ratio (2) | 52.86 | 55.37 | 55.45 | 56.49 | 57.31 |

(1) Certain 2004 information has been reclassified to conform to 2005 presentation.

(2) The efficiency ratio is defined as non-interest expense divided by total revenue (net interest income and non-interest income).

SOURCE: Bank of Hawaii Corporation

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