

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

FORM 8-K

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

Date of Report
(Date of earliest event reported)

October 23, 2023

BANK OF HAWAII CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

1-6887
(Commission File Number)

99-0148992
(IRS Employer Identification No.)

130 Merchant Street
(Address of principal executive offices)

Honolulu
(City)

Hawaii
(State)

96813
(Zip Code)

(888) 643-3888
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.01 per share	BOH	New York Stock Exchange
Depository Shares, Each Representing 1/40th Interest in a Share of 4.375% Fixed Rate Non-Cumulative Preferred Stock, Series A	BOH.PRA	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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

Emerging growth company

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

Item 2.02. Results of Operations and Financial Condition.

On October 23, 2023, Bank of Hawaii Corporation announced its results of operations for the quarter ended September 30, 2023. The public announcement was made by means of a press release, the text of which is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.

- | | |
|------|---|
| 99.1 | October 23, 2023 Press Release: Bank of Hawaii Corporation Third Quarter 2023 Financial Results. Any internet addresses provided in this release are for informational purposes only and are not intended to be hyperlinks. Furnished herewith. |
| 99.2 | Bank of Hawaii Corporation Third Quarter 2023 Financial Report |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |
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Signatures

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

Date: October 23, 2023

Bank of Hawaii Corporation

By: /s/ Patrick M. McGuirk

Patrick M. McGuirk

Vice Chair and Chief Administrative Officer



NewsRelease

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Bank of Hawai'i Corporation Third Quarter 2023 Financial Results

- **Diluted Earnings Per Common Share \$1.17**
- **Net Income \$47.9 Million**
- **Total Deposits Up 1.4% Linked Quarter**
- **Board of Directors Declares Dividend of \$0.70 Per Common Share**

FOR IMMEDIATE RELEASE

HONOLULU, HI (October 23, 2023) -- Bank of Hawai'i Corporation (NYSE: BOH) today reported diluted earnings per common share of \$1.17 for the third quarter of 2023, compared with diluted earnings per common share of \$1.12 in the previous quarter and \$1.28 in the same quarter of 2022. Net income for the third quarter of 2023 was \$47.9 million, up 4.0% from the previous quarter and down 9.3% from the same quarter of 2022. The return on average common equity for the third quarter of 2023 was 15.38% compared with 14.95% in the previous quarter and 16.98% in the same quarter of 2022.

"Bank of Hawai'i delivered another quarter of solid financial results," said Peter Ho, Chairman, President, and CEO. "Total deposits were up 1.4% linked quarter, and average deposits were up by 2.4%, driven by growth in core relationship deposits. Our credit quality remained strong, with non-performing assets of 0.08% at quarter end and net charge offs of 0.06% in the quarter. NIM declined modestly by 9 basis points, while our core noninterest income and operating expense remained steady. Finally, one of our key priorities this quarter was to support our clients, employees, and community as we coped with the tragic situation in Maui. Taking care of our community has always been a fundamental priority and we will continue to support our community as we build a stronger Maui."

Financial Highlights

Net interest income for the third quarter of 2023 was \$120.9 million, a decrease of 2.7% from the previous quarter and a decrease of 14.6% from the same quarter of 2022. The decrease in net interest income in the third quarter of 2023 was primarily due to higher funding costs, partially offset by higher earning asset yields.

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Net interest margin was 2.13% in the third quarter of 2023, a decrease of 9 basis points from the previous quarter and 47 basis points from the same quarter of 2022. The decrease in net interest margin was due to higher funding costs and increased liquidity, partially offset by higher earning asset yields.

The average yield on loans and leases was 4.34% in the third quarter of 2023, up 15 basis points from the prior quarter and up 85 basis points from the same quarter of 2022. The average yield on total earning assets was 3.72% in the third quarter of 2023, up 16 basis points from the prior quarter and up 88 basis points from the same quarter of 2022. The average cost of interest-bearing deposits was 1.95% in the third quarter of 2023, up 41 basis points from the prior quarter and up 165 basis points from the same quarter of 2022. The average cost of total deposits, including noninterest-bearing deposits, was 1.40%, up 32 basis points from the prior quarter and up 120 basis points from the same quarter of 2022. The changes in yields and rates over the linked quarter and year over year period reflected the higher rate environment, including higher benchmark interest rates.

Noninterest income was \$50.3 million in the third quarter of 2023, an increase of 16.4% from the previous quarter and an increase of 64.2% from the same period in 2022. Noninterest income in the third quarter of 2023 included a \$14.7 million gain from the early termination of private repurchase agreements, partially offset by a \$4.6 million net loss related to investment securities sales and a negative \$0.8 million adjustment related to a change in the Visa Class B conversion ratio. Noninterest income in the second quarter of 2023 included \$1.5 million from the sale of a low-income housing tax credit investment. Noninterest income in the third quarter of 2022 included a one-time pre-tax charge of \$6.9 million related to our agreement to sell assets that terminated certain leveraged leases and a negative \$0.9 million adjustment related to a change in the Visa Class B conversion ratio. Adjusted for these items, noninterest income in the third quarter of 2023 was \$41.0 million, down 1.6% from adjusted noninterest income in the previous quarter, and up 6.6% from adjusted noninterest income in the same period in 2022.

Noninterest expense was \$105.6 million in the third quarter of 2023, an increase of 1.5% from the previous quarter and a decrease of 0.1% from the same quarter of 2022. Noninterest expense in the third quarter of 2023 included separation expenses of \$2.1 million and extraordinary expenses related to the Maui wildfires of \$0.4 million. Noninterest expense in the third quarter of 2022 included \$1.8 million in separation expenses. Adjusted noninterest expense in the third quarter of 2023 was \$103.1 million, down 0.9% from the previous quarter and down 0.8% from adjusted noninterest expense in the same period in 2022.

The effective tax rate for the third quarter of 2023 was 24.76% compared with 24.57% in the previous quarter and 20.68% during the same quarter of 2022. The increase in the effective tax rate on a linked quarter basis was mainly due to a decrease in benefits from tax credit investments from the second quarter. The year over year increase was primarily due to tax benefits in the third quarter of 2022 related to the aforementioned agreement to sell assets that terminated certain leveraged leases.

Asset Quality

The Company's overall asset quality remained strong during the third quarter of 2023. Provision for credit losses for the third quarter of 2023 was \$2.0 million compared with \$2.5 million in the previous quarter. The Company had no provision for credit loss in the third quarter of 2022.

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Total non-performing assets were \$11.5 million at September 30, 2023, flat from June 30, 2023 and down \$2.3 million from September 30, 2022. Non-performing assets as a percentage of total loans and leases and foreclosed real estate were 0.08% at the end of the quarter, flat from the end of the prior quarter and a decrease of 2 basis points from the same quarter of 2022.

Net loan and lease charge-offs during the third quarter of 2023 were \$2.0 million or 6 basis points annualized of total average loans and leases outstanding. Net loan and lease charge-offs for the third quarter of 2023 were comprised of charge-offs of \$3.6 million partially offset by recoveries of \$1.6 million. Compared to the prior quarter, net loan and lease charge-offs increased by \$0.7 million or 2 basis points annualized on total average loans and leases outstanding. Compared to the same quarter of 2022, net loan and lease charge-offs increased by \$0.9 million or 3 basis points annualized on total average loans and leases outstanding.

The allowance for credit losses on loans and leases was \$145.3 million at September 30, 2023, a decrease of \$0.1 million from June 30, 2023 and a decrease of \$1.2 million from September 30, 2022. The ratio of the allowance for credit losses to total loans and leases outstanding was 1.04% at the end of the quarter, flat from the end of the prior quarter and down 6 basis points from the same quarter of 2022.

Balance Sheet

Total assets were \$23.5 billion at September 30, 2023, a decrease of 5.6% from June 30, 2023 and an increase of 1.8% from September 30, 2022. The decrease from the prior quarter was primarily due to a decrease in funds sold. The increase from the same period in 2022 was primarily due to an increase in our loans and leases.

Total funds sold and cash and due from banks was \$0.6 billion at September 30, 2023, a decrease of \$1.0 billion from June 30, 2023 and flat from September 30, 2022. The decrease was primarily due to termination of \$1.8 billion of wholesale funding during the quarter, including Federal Home Loan Bank advances and private repurchase agreements.

The investment securities portfolio was \$7.5 billion at September 30, 2023, a decrease of 5.0% from June 30, 2023 and a decrease of 5.2% from September 30, 2022. These decreases were due to sales of \$159.1 million of investment securities during the quarter and cashflows from the portfolio not being reinvested into securities. The investment portfolio remains largely comprised of securities issued by U.S. government agencies and U.S. government-sponsored enterprises.

Total loans and leases were \$13.9 billion at September 30, 2023, flat from June 30, 2023 and an increase of 4.5% from September 30, 2022. Total commercial loans were \$5.7 billion at September 30, 2023, an increase of 1.2% from the prior quarter and an increase of 7.3% from the same quarter of 2022. The increase from the same period in 2022 was primarily due to increases in our commercial mortgage and commercial and industrial portfolios. Total consumer loans were \$8.2 billion as of September 30, 2023, a decrease of 0.8% from the prior quarter and an increase of 2.7% from the same period in 2022. The increase from the same period in 2022 was primarily driven by increases in our residential mortgage and home equity portfolios.

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Total deposits were \$20.8 billion at September 30, 2023, an increase of 1.4% from June 30, 2023 and a decrease of 0.4% from September 30, 2022. Noninterest-bearing deposits made up 27% of total deposit balances as of September 30, 2023, down from 29% as of June 30, 2023, and down from 35% as of September 30, 2022. Average deposits were \$20.5 billion for the third quarter of 2023, up 2.4% from \$20.0 billion in the prior quarter, and down 1.8% from \$20.9 billion in the third quarter of 2022. As of September 30, 2023, insured and uninsured but collateralized deposits represent 58% of total deposit balances, down from 61% as of June 30, 2023, and up from 56% as of September 30, 2022. As of September 30, 2023, our readily available liquidity of \$9.6 billion exceeded total uninsured and uncollateralized deposits.

Capital and Dividends

The Company's capital levels increased quarter over quarter and remain well above regulatory well-capitalized minimums.

The Tier 1 Capital Ratio was 12.53% at September 30, 2023 compared with 12.21% at June 30, 2023 and 12.72% at September 30, 2022. The Tier 1 Leverage Ratio was 7.22% at September 30, 2023, up 1 basis point from 7.21% at June 30, 2023 and down 6 basis points from 7.28% at September 30, 2022. The increases from the prior quarter were due to an increase in Tier 1 capital as a result of retained earnings growth and a decrease in risk-weighted assets. The decreases from the same period in 2022 were due to an increase in risk-weighted assets and average total assets, as a result of loan growth over the period.

No shares of common stock were repurchased under the share repurchase program in the third quarter of 2023. Total remaining buyback authority under the share repurchase program was \$126.0 million at September 30, 2023.

The Company's Board of Directors declared a quarterly cash dividend of \$0.70 per share on the Company's outstanding common shares. The dividend will be payable on December 14, 2023 to shareholders of record at the close of business on November 30, 2023.

On October 5, 2023, the Company announced that the Board of Directors declared the quarterly dividend payment of \$10.94 per share, equivalent to \$0.2735 per depositary share, on its preferred stock. The depositary shares representing the Series A Preferred Stock are traded on the NYSE under the symbol "BOH.PRA." The dividend will be payable on November 1, 2023 to shareholders of record of the preferred stock as of the close of business on October 17, 2023.

Conference Call Information

The Company will review its third quarter financial results today at 8:00 a.m. Hawai'i Time (2:00 p.m. Eastern Time). The live call, including a slide presentation, will be accessible on the investor relations link of Bank of Hawai'i Corporation's website, www.boh.com. The webcast can be accessed via the link: <https://register.vevent.com/register/BId0e4643fbbd64cdfae5f15202d1ffbba>. A replay of the conference call will be available for one year beginning approximately 11:00 a.m. Hawai'i Time on Monday, October 23, 2023. The replay will be available on the Company's website, www.boh.com.

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Investor Announcements

Investors and others should note that the Company intends to announce financial and other information to the Company's investors using the Company's investor relations website at <https://ir.boh.com>, social media channels, press releases, SEC filings and public conference calls and webcasts, all for purposes of complying with the Company's disclosure obligations under Regulation FD. Accordingly, investors should monitor these channels, as information is updated, and new information is posted.

Forward-Looking Statements

This news release, and other statements made by the Company in connection with it may contain "forward-looking statements" (as defined in the Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties that could cause results to be materially different from expectations. Forecasts of our financial results and condition, expectations for our operations and business prospects, and our assumptions used in those forecasts and expectations are examples of certain of these forward-looking statements. Do not unduly rely on forward-looking statements. Actual results might differ significantly from our forecasts and expectations because of a variety of factors. More information about these factors is contained in Bank of Hawai'i Corporation's Annual Report on Form 10-K for the year ended December 31, 2022 and its Form 10-Q for the fiscal quarter ended March 31, 2023 and June 30, 2023, which were filed with the U.S. Securities and Exchange Commission. These forward-looking statements are not guarantees of future performance and speak only as of the date made, and, except as required by law, the Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events, new information or future circumstances.

Bank of Hawai'i Corporation is an independent regional financial services company serving businesses, consumers, and governments in Hawaii and the West Pacific. The Company's principal subsidiary, Bank of Hawai'i, was founded in 1897. For more information about Bank of Hawai'i Corporation, see the Company's web site, www.boh.com. Bank of Hawai'i Corporation is a trade name of Bank of Hawaii Corporation

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Bank of Hawai'i Corporation and Subsidiaries

Financial Highlights

Table 1

	Three Months Ended			Nine Months Ended				
	September 30, 2023	June 30, 2023	September 30, 2022	2023	September 30, 2022			
(dollars in thousands, except per share amounts)								
For the Period:								
Operating Results								
Net Interest Income	\$ 120,937	\$ 124,348	\$ 141,655	\$ 381,240	\$ 399,820			
Provision for Credit Losses	2,000	2,500	-	6,500	(8,000)			
Total Noninterest Income	50,334	43,255	30,660	134,326	116,369			
Total Noninterest Expense	105,601	104,036	105,749	321,556	312,562			
Pre-Provision Net Revenue	65,670	63,567	66,566	194,010	203,627			
Net Income	47,903	46,061	52,801	140,806	164,497			
Net Income Available to Common Shareholders	45,934	44,092	50,832	134,899	158,590			
Basic Earnings Per Common Share	1.17	1.12	1.28	3.44	4.00			
Diluted Earnings Per Common Share	1.17	1.12	1.28	3.42	3.98			
Dividends Declared Per Common Share	0.70	0.70	0.70	2.10	2.10			
Performance Ratios								
Return on Average Assets	0.78 %	0.77 %	0.91 %	0.78 %	0.96 %			
Return on Average Shareholders' Equity	13.92	13.55	15.31	13.91	15.25			
Return on Average Common Equity	15.38	14.95	16.98	15.37	16.81			
Efficiency Ratio ¹	61.66	62.07	61.37	62.37	60.55			
Net Interest Margin ²	2.13	2.22	2.60	2.27	2.47			
Dividend Payout Ratio ³	59.83	62.50	54.69	61.05	52.50			
Average Shareholders' Equity to Average Assets	5.60	5.65	5.91	5.61	6.28			
Average Balances								
Average Loans and Leases	\$ 13,903,214	\$ 13,876,754	\$ 13,126,717	\$ 13,833,164	\$ 12,709,045			
Average Assets	24,387,421	24,114,443	23,135,820	24,124,360	22,959,246			
Average Deposits	20,492,082	20,018,601	20,863,681	20,314,079	20,621,310			
Average Shareholders' Equity	1,365,143	1,363,059	1,367,946	1,353,815	1,441,706			
Per Share of Common Stock								
Book Value	\$ 29.78	\$ 29.66	\$ 27.55	\$ 29.78	\$ 27.55			
Tangible Book Value	28.99	28.87	26.76	28.99	26.76			
Market Value								
Closing	49.69	41.23	76.12	49.69	76.12			
High	58.63	52.37	85.45	81.73	92.38			
Low	39.02	30.83	70.89	30.83	70.89			
		September 30, 2023	June 30, 2023	December 31, 2022	September 30, 2022			
As of Period End:								
Balance Sheet Totals								
Loans and Leases	\$	13,919,491	\$	13,914,889	\$	13,646,420	\$	13,321,606
Total Assets		23,549,785		24,947,936		23,606,877		23,134,040
Total Deposits		20,802,309		20,508,615		20,615,696		20,888,773
Other Debt		560,217		1,760,243		410,294		10,319
Total Shareholders' Equity		1,363,840		1,358,279		1,316,995		1,282,384
Asset Quality								
Non-Performing Assets	\$	11,519	\$	11,477	\$	12,647	\$	13,868
Allowance for Credit Losses - Loans and Leases		145,263		145,367		144,439		146,436
Allowance to Loans and Leases Outstanding ⁴		1.04 %		1.04 %		1.06 %		1.10 %
Capital Ratios ⁵								
Common Equity Tier 1 Capital Ratio		11.29 %		11.00 %		10.92 %		11.42 %
Tier 1 Capital Ratio		12.53		12.21		12.15		12.72
Total Capital Ratio		13.56		13.24		13.17		13.82
Tier 1 Leverage Ratio		7.22		7.21		7.37		7.28
Total Shareholders' Equity to Total Assets		5.79		5.44		5.58		5.54
Tangible Common Equity to Tangible Assets ⁶		4.90		4.60		4.69		4.64
Tangible Common Equity to Risk-Weighted Assets ⁶		8.10		7.97		7.76		7.97
Non-Financial Data								
Full-Time Equivalent Employees		1,919		2,025		2,076		2,115
Branches		51		51		51		51
ATMs		320		320		320		316

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

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

³ Dividend payout ratio is defined as dividends declared per common share divided by basic earnings per common share.

⁴ The numerator comprises the Allowance for Credit Losses - Loans and Leases.

⁵ Regulatory capital ratios as of September 30, 2023 are preliminary.

⁶ Tangible common equity to tangible assets and tangible common equity to risk-weighted assets are Non-GAAP financial measures.

Tangible common equity is defined by the Company as common shareholders' equity minus goodwill.

See Table 2 "Reconciliation of Non-GAAP Financial Measures".

Bank of Hawai'i Corporation and Subsidiaries
Reconciliation of Non-GAAP Financial Measures

Table 2

(dollars in thousands)	September 30, 2023	June 30, 2023	December 31, 2022	September 30, 2022
Total Shareholders' Equity	\$ 1,363,840	\$ 1,358,279	\$ 1,316,995	\$ 1,282,384
Less: Preferred Stock	180,000	180,000	180,000	180,000
Goodwill	31,517	31,517	31,517	31,517
Tangible Common Equity	\$ 1,152,323	\$ 1,146,762	\$ 1,105,478	\$ 1,070,867
Total Assets	\$ 23,549,785	\$ 24,947,936	\$ 23,606,877	\$ 23,134,040
Less: Goodwill	31,517	31,517	31,517	31,517
Tangible Assets	\$ 23,518,268	\$ 24,916,419	\$ 23,575,360	\$ 23,102,523
Risk-Weighted Assets, determined in accordance with prescribed regulatory requirements ¹	\$ 14,222,825	\$ 14,391,943	\$ 14,238,798	\$ 13,428,188
Total Shareholders' Equity to Total Assets	5.79 %	5.44 %	5.58 %	5.54 %
Tangible Common Equity to Tangible Assets (Non-GAAP)	4.90 %	4.60 %	4.69 %	4.64 %
Tier 1 Capital Ratio ¹	12.53 %	12.21 %	12.15 %	12.72 %
Tangible Common Equity to Risk-Weighted Assets (Non-GAAP) ¹	8.10 %	7.97 %	7.76 %	7.97 %

¹ Regulatory capital ratios as of September 30, 2023 are preliminary.

Bank of Hawai'i Corporation and Subsidiaries
Consolidated Statements of Income

Table 3

	Three Months Ended			Nine Months Ended	
	September 30, 2023	June 30, 2023	September 30, 2022	2023	September 30, 2022
(dollars in thousands, except per share amounts)					
Interest Income					
Interest and Fees on Loans and Leases	\$ 151,245	\$ 144,541	\$ 115,013	\$ 432,287	\$ 311,115
Income on Investment Securities					
Available-for-Sale	23,552	23,301	16,995	70,746	52,079
Held-to-Maturity	22,838	23,375	20,243	70,161	57,782
Deposits	18	18	10	63	19
Funds Sold	12,828	6,395	2,335	22,589	3,181
Other	1,464	2,121	322	4,182	877
Total Interest Income	211,945	199,751	154,918	600,028	425,053
Interest Expense					
Deposits	72,153	53,779	10,296	163,726	16,184
Securities Sold Under Agreements to Repurchase	4,034	5,436	2,745	14,847	8,311
Funds Purchased	-	184	40	888	99
Short-Term Borrowings	-	2,510	-	5,713	92
Other Debt	14,821	13,494	182	33,614	547
Total Interest Expense	91,008	75,403	13,263	218,788	25,233
Net Interest Income	120,937	124,348	141,655	381,240	399,820
Provision for Credit Losses	2,000	2,500	-	6,500	(8,000)
Net Interest Income After Provision for Credit Losses	118,937	121,848	141,655	374,740	407,820
Noninterest Income					
Trust and Asset Management	10,548	11,215	10,418	32,453	33,151
Mortgage Banking	1,059	1,176	1,002	3,239	4,989
Service Charges on Deposit Accounts	7,843	7,587	7,526	23,167	22,107
Fees, Exchange, and Other Service Charges	13,824	14,150	13,863	41,782	41,008
Investment Securities Losses, Net	(6,734)	(1,310)	(2,147)	(9,836)	(4,987)
Annuity and Insurance	1,156	1,038	1,034	3,465	2,695
Bank-Owned Life Insurance	2,749	2,876	2,486	8,467	7,493
Other	19,889	6,523	(3,522)	31,589	9,913
Total Noninterest Income	50,334	43,255	30,660	134,326	116,369
Noninterest Expense					
Salaries and Benefits	58,825	56,175	59,938	180,088	177,631
Net Occupancy	10,327	9,991	10,186	30,190	29,942
Net Equipment	9,477	10,573	9,736	30,425	28,432
Data Processing	4,706	4,599	4,616	13,888	13,783
Professional Fees	3,846	4,651	3,799	12,380	10,599
FDIC Insurance	3,361	3,173	1,680	9,768	4,772
Other	15,059	14,874	15,794	44,817	47,403
Total Noninterest Expense	105,601	104,036	105,749	321,556	312,562
Income Before Provision for Income Taxes	63,670	61,067	66,566	187,510	211,627
Provision for Income Taxes	15,767	15,006	13,765	46,704	47,130
Net Income	\$ 47,903	\$ 46,061	\$ 52,801	\$ 140,806	\$ 164,497
Preferred Stock Dividends	1,969	1,969	1,969	5,908	5,908
Net Income Available to Common Shareholders	\$ 45,934	\$ 44,092	\$ 50,832	\$ 134,898	\$ 158,589
Basic Earnings Per Common Share	\$ 1.17	\$ 1.12	\$ 1.28	\$ 3.44	\$ 4.00
Diluted Earnings Per Common Share	\$ 1.17	\$ 1.12	\$ 1.28	\$ 3.42	\$ 3.98
Dividends Declared Per Common Share	\$ 0.70	\$ 0.70	\$ 0.70	\$ 2.10	\$ 2.10
Basic Weighted Average Common Shares	39,274,626	39,241,559	39,567,047	39,264,450	39,670,409
Diluted Weighted Average Common Shares	39,420,531	39,317,521	39,758,209	39,392,433	39,848,795

Bank of Hawai'i Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income (Loss)

Table 4

	Three Months Ended			Nine Months Ended	
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
(dollars in thousands)					
Net Income	\$ 47,903	\$ 46,061	\$ 52,801	\$ 140,806	\$ 164,497
Other Comprehensive Loss, Net of Tax:					
Net Unrealized Losses on Investment Securities	(18,264)	(18,217)	(79,600)	(7,205)	(382,371)
Defined Benefit Plans	84	84	354	252	1,059
Other Comprehensive Loss	(18,180)	(18,133)	(79,246)	(6,953)	(381,312)
Comprehensive Income (Loss)	\$ 29,723	\$ 27,928	\$ (26,445)	\$ 133,853	\$ (216,815)

Bank of Hawai'i Corporation and Subsidiaries
Consolidated Statements of Condition

Table 5

(dollars in thousands)	September 30, 2023	June 30, 2023	December 31, 2022	September 30, 2022
Assets				
Interest-Bearing Deposits in Other Banks	\$ 4,676	\$ 2,261	\$ 3,724	\$ 5,429
Funds Sold	386,086	1,273,109	81,364	402,714
Investment Securities				
Available-for-Sale	2,387,324	2,666,723	2,844,823	2,424,608
Held-to-Maturity (Fair Value of \$4,104,469; \$4,411,003; \$4,615,393; and \$4,668,074)	5,088,013	5,202,698	5,414,139	5,461,160
Loans Held for Sale	1,450	3,359	1,035	418
Loans and Leases	13,919,491	13,914,889	13,646,420	13,321,606
Allowance for Credit Losses	(145,263)	(145,367)	(144,439)	(146,436)
Net Loans and Leases	13,774,228	13,769,522	13,501,981	13,175,170
Total Earning Assets	21,641,777	22,917,672	21,847,066	21,469,499
Cash and Due from Banks	261,464	398,072	316,679	247,506
Premises and Equipment, Net	196,094	200,297	206,777	208,251
Operating Lease Right-of-Use Assets	86,896	89,286	92,307	94,613
Accrued Interest Receivable	65,541	64,720	61,002	50,143
Foreclosed Real Estate	1,040	1,040	1,040	1,040
Mortgage Servicing Rights	21,273	21,626	22,619	23,104
Goodwill	31,517	31,517	31,517	31,517
Bank-Owned Life Insurance	458,260	456,889	453,882	451,407
Other Assets	785,923	766,817	573,988	556,960
Total Assets	\$ 23,549,785	\$ 24,947,936	\$ 23,606,877	\$ 23,134,040
Liabilities				
Deposits				
Noninterest-Bearing Demand	\$ 5,687,442	\$ 5,968,344	\$ 6,714,982	\$ 7,300,157
Interest-Bearing Demand	3,925,469	4,119,166	4,232,567	4,399,625
Savings	8,530,384	7,756,426	7,962,410	7,954,006
Time	2,659,014	2,664,679	1,705,737	1,234,985
Total Deposits	20,802,309	20,508,615	20,615,696	20,888,773
Securities Sold Under Agreements to Repurchase	150,490	725,490	725,490	425,490
Other Debt	560,217	1,760,243	410,294	10,319
Operating Lease Liabilities	95,453	97,768	100,526	102,705
Retirement Benefits Payable	26,074	26,434	26,991	37,053
Accrued Interest Payable	33,434	26,737	9,698	3,405
Taxes Payable	6,965	132	7,104	13,527
Other Liabilities	511,003	444,238	394,083	370,384
Total Liabilities	22,185,945	23,589,657	22,289,882	21,851,656
Shareholders' Equity				
Preferred Stock (\$0.01 par value; authorized 180,000 shares;				
issued / outstanding: September 30, 2023; June 30, 2023; December 31, 2022;				
and September 30, 2022 - 180,000)	180,000	180,000	180,000	180,000
Common Stock (\$0.01 par value; authorized 500,000,000 shares;				
issued / outstanding: September 30, 2023 - 58,767,820 / 39,748,700;				
June 30, 2023 - 58,771,036 / 39,725,348; December 31, 2022 - 58,733,625 / 39,835,750;				
and September 30, 2022 - 58,728,796 / 40,011,473)	583	583	582	582
Capital Surplus	632,425	628,202	620,578	615,985
Accumulated Other Comprehensive Loss	(441,611)	(423,431)	(434,658)	(447,694)
Retained Earnings	2,108,702	2,091,289	2,055,912	2,024,641
Treasury Stock, at Cost (Shares: September 30, 2023 - 19,019,120; June 30, 2023 - 19,045,688;				
December 31, 2022 - 18,897,875; and September 30, 2022 - 18,717,323)	(1,116,259)	(1,118,364)	(1,105,419)	(1,091,130)
Total Shareholders' Equity	1,363,840	1,358,279	1,316,995	1,282,384
Total Liabilities and Shareholders' Equity	\$ 23,549,785	\$ 24,947,936	\$ 23,606,877	\$ 23,134,040

Bank of Hawai'i Corporation and Subsidiaries
Consolidated Statements of Shareholders' Equity

Table 6

(dollars in thousands)	Preferred Shares Outstanding	Preferred Stock	Common Shares Outstanding	Common Stock	Capital Surplus	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock	Total
Balance as of December 31, 2022	180,000	\$ 180,000	39,835,750	\$ 582	\$ 620,578	\$ (434,658)	\$ 2,055,912	\$ (1,105,419)	\$ 1,316,995
Net Income	-	-	-	-	-	-	140,806	-	140,806
Other Comprehensive Loss	-	-	-	-	-	(6,953)	-	-	(6,953)
Share-Based Compensation	-	-	-	-	11,979	-	-	-	11,979
Common Stock Issued under Purchase and	-	-	-	-	-	-	-	-	-
Equity Compensation Plans	-	-	121,040	1	(132)	-	1,716	3,216	4,801
Common Stock Repurchased	-	-	(208,090)	-	-	-	-	(14,056)	(14,056)
Cash Dividends Declared Common Stock (\$2.10 per share)	-	-	-	-	-	-	(83,824)	-	(83,824)
Cash Dividends Declared Preferred Stock	-	-	-	-	-	-	(5,908)	-	(5,908)
Balance as of September 30, 2023	180,000	\$ 180,000	39,748,700	\$ 583	\$ 632,425	\$ (441,611)	\$ 2,108,702	\$ (1,116,259)	\$ 1,363,840
Balance as of December 31, 2021	180,000	\$ 180,000	40,253,193	\$ 581	\$ 602,508	\$ (66,382)	\$ 1,950,375	\$ (1,055,471)	\$ 1,611,611
Net Income	-	-	-	-	-	-	164,497	-	164,497
Other Comprehensive Loss	-	-	-	-	-	(381,312)	-	-	(381,312)
Share-Based Compensation	-	-	-	-	11,947	-	-	-	11,947
Common Stock Issued under Purchase and	-	-	-	-	-	-	-	-	-
Equity Compensation Plans	-	-	247,966	1	1,530	-	256	3,889	5,676
Common Stock Repurchased	-	-	(489,686)	-	-	-	-	(39,548)	(39,548)
Cash Dividends Declared Common Stock (\$2.10 per share)	-	-	-	-	-	-	(84,579)	-	(84,579)
Cash Dividends Declared Preferred Stock	-	-	-	-	-	-	(5,908)	-	(5,908)
Balance as of September 30, 2022	180,000	\$ 180,000	40,011,473	\$ 582	\$ 615,985	\$ (447,694)	\$ 2,024,641	\$ (1,091,130)	\$ 1,282,384

Bank of Hawai'i Corporation and Subsidiaries
Average Balances and Interest Rates - Taxable-Equivalent Basis ¹

Table 7a

	Three Months Ended September 30, 2023			Three Months Ended June 30, 2023			Three Months Ended September 30, 2022		
	Average Balance	Income / Expense ²	Yield / Rate	Average Balance	Income / Expense ²	Yield / Rate	Average Balance	Income / Expense ²	Yield / Rate
(dollars in millions)									
Earning Assets									
Interest-Bearing Deposits in Other Banks	\$ 2.9	\$ -	2.40 %	\$ 5.1	\$ -	1.48 %	\$ 2.9	\$ -	1.32 %
Funds Sold	944.8	12.8	5.31	500.1	6.4	5.06	411.8	2.3	2.22
Investment Securities									
Available-for-Sale									
Taxable	2,605.4	23.5	3.60	2,741.1	23.2	3.39	3,481.9	17.0	1.95
Non-Taxable	3.5	-	3.21	9.6	0.1	4.40	2.5	-	1.56
Held-to-Maturity									
Taxable	5,118.6	22.7	1.77	5,231.3	23.2	1.78	4,645.7	20.1	1.73
Non-Taxable	35.0	0.2	2.10	35.2	0.2	2.10	35.6	0.2	2.10
Total Investment Securities	7,762.5	46.4	2.39	8,017.2	46.7	2.33	8,165.7	37.3	1.82
Loans Held for Sale	3.8	0.1	6.28	2.7	-	5.50	4.3	0.1	4.46
Loans and Leases ³									
Commercial and Industrial	1,515.0	18.9	4.96	1,456.1	17.5	4.82	1,353.8	12.5	3.66
Paycheck Protection Program	13.1	-	1.32	14.5	-	1.30	28.0	0.2	3.02
Commercial Mortgage	3,792.6	51.1	5.35	3,814.9	49.3	5.19	3,530.9	33.3	3.74
Construction	241.9	3.7	6.09	246.8	3.5	5.70	233.0	2.8	4.81
Commercial Lease Financing	62.6	0.3	1.84	65.4	0.3	1.67	89.1	0.4	1.58
Residential Mortgage	4,715.3	42.8	3.62	4,704.0	41.2	3.50	4,526.6	37.4	3.30
Home Equity	2,283.5	20.1	3.49	2,272.3	19.0	3.35	2,144.8	16.4	3.04
Automobile	868.0	8.2	3.75	879.3	7.7	3.53	795.5	6.4	3.19
Other ⁴	411.2	6.5	6.24	423.5	6.4	6.04	425.0	5.9	5.48
Total Loans and Leases	13,903.2	151.6	4.34	13,876.8	144.9	4.19	13,126.7	115.3	3.49
Other	91.6	1.5	6.40	94.8	2.2	8.94	36.9	0.3	3.49
Total Earning Assets	22,708.8	212.4	3.72	22,496.7	200.2	3.56	21,748.3	155.3	2.84
Cash and Due from Banks	289.8			316.6			233.5		
Other Assets	1,388.8			1,301.1			1,154.0		
Total Assets	\$ 24,387.4			\$ 24,114.4			\$ 23,135.8		
Interest-Bearing Liabilities									
Interest-Bearing Deposits									
Demand	\$ 3,929.7	6.6	0.67	\$ 4,037.4	7.5	0.75	\$ 4,286.0	1.4	0.13
Savings	7,952.6	39.1	1.95	7,667.6	26.6	1.39	7,962.0	6.6	0.33
Time	2,767.8	26.5	3.79	2,296.1	19.7	3.44	1,146.9	2.3	0.79
Total Interest-Bearing Deposits	14,650.1	72.2	1.95	14,001.1	53.8	1.54	13,394.9	10.3	0.30
Funds Purchased	-	-	-	14.6	0.2	5.00	4.9	0.1	3.17
Short-Term Borrowings	-	-	-	195.2	2.5	5.09	-	-	-
Securities Sold Under Agreements to Repurchase	528.5	4.0	2.99	725.5	5.4	2.96	425.5	2.7	2.52
Other Debt	1,365.7	14.8	4.31	1,255.8	13.5	4.31	10.3	0.2	7.05
Total Interest-Bearing Liabilities	16,544.3	91.0	2.18	16,192.2	75.4	1.87	13,835.6	13.3	0.38
Net Interest Income		\$ 121.4			\$ 124.8			\$ 142.0	
Interest Rate Spread			1.54 %			1.69 %			2.46 %
Net Interest Margin			2.13 %			2.22 %			2.60 %
Noninterest-Bearing Demand Deposits	5,842.0			6,017.5			7,468.8		
Other Liabilities	636.0			541.6			463.5		
Shareholders' Equity	1,365.1			1,363.1			1,367.9		
Total Liabilities and Shareholders' Equity	\$ 24,387.4			\$ 24,114.4			\$ 23,135.8		

¹ Due to rounding, the amounts presented in this table may not tie to other amounts presented elsewhere in this report.

² Interest income includes taxable-equivalent basis adjustments, based upon a federal statutory tax rate of 21%, of \$437,000, \$471,000, and \$343,000 for the three months ended September 30, 2023, June 30, 2023, and September 30, 2022, respectively.

³ Non-performing loans and leases are included in the respective average loan and lease balances. Income, if any, on such loans and leases is recognized on a cash basis.

⁴ Comprised of other consumer revolving credit, installment, and consumer lease financing.

Bank of Hawai'i Corporation and Subsidiaries
Average Balances and Interest Rates - Taxable-Equivalent Basis ¹

Table 7b

(dollars in millions)	Nine Months Ended September 30, 2023			Nine Months Ended September 30, 2022		
	Average Balance	Income / Expense ²	Yield / Rate	Average Balance	Income / Expense ²	Yield / Rate
Earning Assets						
Interest-Bearing Deposits in Other Banks	\$ 3.2	\$ 0.1	2.60 %	\$ 3.3	\$ -	0.76 %
Funds Sold	582.7	22.6	5.11	308.6	3.2	1.36
Investment Securities						
Available-for-Sale						
Taxable	2,721.5	70.6	3.46	3,998.2	52.0	1.74
Non-Taxable	7.6	0.2	4.22	2.8	-	1.84
Held-to-Maturity						
Taxable	5,227.8	69.7	1.78	4,530.4	57.4	1.69
Non-Taxable	35.2	0.6	2.10	35.7	0.6	2.10
Total Investment Securities	7,992.1	141.1	2.36	8,567.1	110.0	1.71
Loans Held for Sale	2.7	0.1	5.82	8.1	0.2	3.43
Loans and Leases ³						
Commercial and Industrial	1,461.2	52.7	4.82	1,339.0	31.4	3.13
Paycheck Protection Program	14.8	0.2	1.70	51.7	2.5	6.59
Commercial Mortgage	3,781.7	145.6	5.15	3,350.3	81.3	3.25
Construction	256.2	11.1	5.81	227.7	7.3	4.30
Commercial Lease Financing	64.9	0.5	1.11	94.0	1.0	1.49
Residential Mortgage	4,695.4	123.8	3.51	4,439.1	108.6	3.26
Home Equity	2,265.2	57.3	3.38	2,026.5	44.1	2.91
Automobile	873.0	23.2	3.55	764.2	18.4	3.21
Other ⁴	420.8	19.0	6.04	416.5	17.0	5.44
Total Loans and Leases	13,833.2	433.4	4.19	12,709.0	311.6	3.27
Other	84.6	4.1	6.59	37.2	0.9	3.14
Total Earning Assets	22,498.5	601.4	3.57	21,633.3	425.9	2.63
Cash and Due from Banks	308.4			235.0		
Other Assets	1,317.5			1,090.9		
Total Assets	\$ 24,124.4			\$ 22,959.2		
Interest-Bearing Liabilities						
Interest-Bearing Deposits						
Demand	\$ 4,060.0	19.3	0.64 %	\$ 4,459.9	2.6	0.08 %
Savings	7,876.1	86.3	1.46	7,733.3	9.5	0.16
Time	2,288.2	58.1	3.40	1,023.6	4.1	0.53
Total Interest-Bearing Deposits	14,224.3	163.7	1.54	13,216.8	16.2	0.16
Funds Purchased	24.8	0.9	4.72	12.4	0.1	1.05
Short-Term Borrowings	152.4	5.7	4.94	11.5	0.1	1.06
Securities Sold Under Agreements to Repurchase	659.1	14.8	2.97	441.1	8.3	2.48
Other Debt	1,043.6	33.7	4.31	10.3	0.6	7.05
Total Interest-Bearing Liabilities	16,104.2	218.8	1.81	13,692.1	25.3	0.25
Net Interest Income		\$ 382.6			\$ 400.6	
Interest Rate Spread			1.76 %			2.38 %
Net Interest Margin			2.27 %			2.47 %
Noninterest-Bearing Demand Deposits	6,089.8			7,404.5		
Other Liabilities	576.6			420.9		
Shareholders' Equity	1,353.8			1,441.7		
Total Liabilities and Shareholders' Equity	\$ 24,124.4			\$ 22,959.2		

¹ Due to rounding, the amounts presented in this table may not tie to other amounts presented elsewhere in this report.

² Interest income includes taxable-equivalent basis adjustments, based upon a federal statutory tax rate of 21%, of \$1,403,000 and \$818,000 for the nine months ended September 30, 2023 and September 30, 2022, respectively.

³ Non-performing loans and leases are included in the respective average loan and lease balances. Income, if any, on such loans and leases is recognized on a cash basis.

⁴ Comprised of other consumer revolving credit, installment, and consumer lease financing.

Bank of Hawai'i Corporation and Subsidiaries
Analysis of Change in Net Interest Income - Taxable-Equivalent Basis

Table 8a

(dollars in millions)	Three Months Ended September 30, 2023 Compared to June 30, 2023		
	Volume ¹	Rate ¹	Total
Change in Interest Income:			
Funds Sold	\$ 6.1	\$ 0.3	\$ 6.4
Investment Securities			
Available-for-Sale			
Taxable	(1.1)	1.4	0.3
Non-Taxable	(0.1)	-	(0.1)
Held-to-Maturity			
Taxable	(0.5)	-	(0.5)
Non-Taxable	-	-	-
Total Investment Securities	(1.7)	1.4	(0.3)
Loans Held for Sale	0.1	-	0.1
Loans and Leases			
Commercial and Industrial	0.8	0.6	1.4
Paycheck Protection Program	-	-	-
Commercial Mortgage	(0.2)	2.0	1.8
Construction	(0.1)	0.3	0.2
Commercial Lease Financing	-	-	-
Residential Mortgage	0.2	1.4	1.6
Home Equity	0.1	1.0	1.1
Automobile	(0.1)	0.6	0.5
Other ²	(0.2)	0.3	0.1
Total Loans and Leases	0.5	6.2	6.7
Other	(0.1)	(0.6)	(0.7)
Total Change in Interest Income	4.9	7.3	12.2
Change in Interest Expense:			
Interest-Bearing Deposits			
Demand	(0.2)	(0.7)	(0.9)
Savings	1.1	11.4	12.5
Time	4.5	2.3	6.8
Total Interest-Bearing Deposits	5.4	13.0	18.4
Funds Purchased	(0.2)	-	(0.2)
Short-Term Borrowings	(2.5)	-	(2.5)
Securities Sold Under Agreements to Repurchase	(1.4)	-	(1.4)
Other Debt	1.3	-	1.3
Total Change in Interest Expense	2.6	13.0	15.6
Change in Net Interest Income	\$ 2.3	\$ (5.7)	\$ (3.4)

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

² Comprised of other consumer revolving credit, installment, and consumer lease financing.

Bank of Hawai'i Corporation and Subsidiaries
Analysis of Change in Net Interest Income - Taxable-Equivalent Basis

Table 8b

(dollars in millions)	Three Months Ended September 30, 2023 Compared to September 30, 2022		
	Volume ¹	Rate ¹	Total
Change in Interest Income:			
Funds Sold	\$ 5.1	\$ 5.4	\$ 10.5
Investment Securities			
Available-for-Sale			
Taxable	(5.1)	11.6	6.5
Non-Taxable	-	-	-
Held-to-Maturity			
Taxable	2.1	0.5	2.6
Non-Taxable	-	-	-
Total Investment Securities	(3.0)	12.1	9.1
Loans Held for Sale	-	-	-
Loans and Leases			
Commercial and Industrial	1.6	4.8	6.4
Paycheck Protection Program	(0.1)	(0.1)	(0.2)
Commercial Mortgage	2.6	15.2	17.8
Construction	0.1	0.8	0.9
Commercial Lease Financing	(0.2)	0.1	(0.1)
Residential Mortgage	1.7	3.7	5.4
Home Equity	1.2	2.5	3.7
Automobile	0.6	1.2	1.8
Other ²	(0.2)	0.8	0.6
Total Loans and Leases	7.3	29.0	36.3
Other	0.7	0.5	1.2
Total Change in Interest Income	10.1	47.0	57.1
Change in Interest Expense:			
Interest-Bearing Deposits			
Demand	(0.1)	5.3	5.2
Savings	-	32.5	32.5
Time	6.6	17.6	24.2
Total Interest-Bearing Deposits	6.5	55.4	61.9
Funds Purchased	(0.1)	-	(0.1)
Short-Term Borrowings	-	-	-
Securities Sold Under Agreements to Repurchase	0.7	0.6	1.3
Other Debt	14.7	(0.1)	14.6
Total Change in Interest Expense	21.8	55.9	77.7
Change in Net Interest Income	\$ (11.7)	\$ (8.9)	\$ (20.6)

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

² Comprised of other consumer revolving credit, installment, and consumer lease financing.

Bank of Hawai'i Corporation and Subsidiaries
Analysis of Change in Net Interest Income - Taxable-Equivalent Basis

Table 8c

(dollars in millions)	Nine Months Ended September 30, 2023 Compared to September 30, 2022		
	Volume ¹	Rate ¹	Total
Change in Interest Income:			
Interest-Bearing Deposits in Other Banks	\$ 0.1	\$ -	0.1
Funds Sold	4.7	14.7	19.4
Investment Securities			
Available-for-Sale			
Taxable	(20.6)	39.2	18.6
Non-Taxable	0.1	0.1	0.2
Held-to-Maturity			
Taxable	9.2	3.1	12.3
Non-Taxable	-	-	-
Total Investment Securities	(11.3)	42.4	31.1
Loans Held for Sale	(0.2)	0.1	(0.1)
Loans and Leases			
Commercial and Industrial	3.1	18.2	21.3
Paycheck Protection Program	(1.2)	(1.1)	(2.3)
Commercial Mortgage	11.6	52.7	64.3
Construction	1.0	2.8	3.8
Commercial Lease Financing	(0.4)	(0.1)	(0.5)
Residential Mortgage	6.5	8.7	15.2
Home Equity	5.6	7.6	13.2
Automobile	2.7	2.1	4.8
Other ²	0.1	1.9	2.0
Total Loans and Leases	29.0	92.8	121.8
Other	1.7	1.5	3.2
Total Change in Interest Income	24.0	151.5	175.5
Change in Interest Expense:			
Interest-Bearing Deposits			
Demand	(0.3)	17.0	16.7
Savings	0.2	76.6	76.8
Time	10.0	44.0	54.0
Total Interest-Bearing Deposits	9.9	137.6	147.5
Funds Purchased	0.2	0.6	0.8
Short-Term Borrowings	4.3	1.3	5.6
Securities Sold Under Agreements to Repurchase	4.7	1.8	6.5
Other Debt	33.4	(0.3)	33.1
Total Change in Interest Expense	52.5	141.0	193.5
Change in Net Interest Income	\$ (28.5)	\$ 10.5	(18.0)

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

² Comprised of other consumer revolving credit, installment, and consumer lease financing.

Bank of Hawai'i Corporation and Subsidiaries
Salaries and Benefits

Table 9

(dollars in thousands)	Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	
	2023	2023	2022	2023	2022
Salaries	\$ 39,426	\$ 37,962	\$ 37,792	\$ 116,005	\$ 109,445
Incentive Compensation	2,956	2,984	5,885	9,937	18,069
Share-Based Compensation	4,072	4,096	3,558	11,327	11,319
Commission Expense	676	775	1,005	2,098	3,878
Retirement and Other Benefits	3,809	3,489	4,448	13,186	13,177
Payroll Taxes	2,921	3,310	2,826	12,079	10,804
Medical, Dental, and Life Insurance	2,835	3,568	2,605	10,267	8,430
Separation Expense	2,130	(9)	1,819	5,189	2,509
Total Salaries and Benefits	\$ 58,825	\$ 56,175	\$ 59,938	\$ 180,088	\$ 177,631

Bank of Hawai'i Corporation and Subsidiaries

Loan and Lease Portfolio Balances

Table 10

(dollars in thousands)	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Commercial					
Commercial and Industrial	\$ 1,569,572	\$ 1,502,676	\$ 1,425,916	\$ 1,389,066	\$ 1,368,966
Paycheck Protection Program	12,529	13,789	15,175	19,579	22,955
Commercial Mortgage	3,784,339	3,796,769	3,826,283	3,725,542	3,591,943
Construction	251,507	236,428	232,903	260,825	236,498
Lease Financing	61,522	62,779	65,611	69,491	73,989
Total Commercial	5,679,469	5,612,441	5,565,888	5,464,503	5,294,351
Consumer					
Residential Mortgage	4,699,140	4,721,976	4,691,298	4,653,072	4,585,723
Home Equity	2,285,974	2,278,105	2,260,001	2,225,950	2,185,484
Automobile	856,113	878,767	877,979	870,396	820,640
Other ¹	398,795	423,600	429,356	432,499	435,408
Total Consumer	8,240,022	8,302,448	8,258,634	8,181,917	8,027,255
Total Loans and Leases	\$ 13,919,491	\$ 13,914,889	\$ 13,824,522	\$ 13,646,420	\$ 13,321,606

¹ Comprised of other revolving credit, installment, and lease financing.

Deposits

(dollars in thousands)	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Consumer	\$ 10,036,261	\$ 10,018,931	\$ 10,158,833	\$ 10,304,335	\$ 10,507,946
Commercial	8,564,536	8,019,971	8,594,441	8,569,670	8,841,781
Public and Other	2,201,512	2,469,713	1,738,026	1,741,691	1,539,046
Total Deposits	\$ 20,802,309	\$ 20,508,615	\$ 20,491,300	\$ 20,615,696	\$ 20,888,773

Average Deposits

(dollars in thousands)	Three Months Ended				
	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Consumer	\$ 9,963,690	\$ 9,977,239	\$ 10,178,988	\$ 10,295,563	\$ 10,485,895
Commercial	8,288,891	8,138,358	8,611,960	8,588,198	9,002,432
Public and Other	2,239,501	1,903,004	1,639,934	1,457,566	1,375,354
Total Deposits	\$ 20,492,082	\$ 20,018,601	\$ 20,430,882	\$ 20,341,327	\$ 20,863,681

Bank of Hawai'i Corporation and Subsidiaries
Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More

Table 11

(dollars in thousands)	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Non-Performing Assets					
Non-Accrual Loans and Leases					
Commercial					
Commercial and Industrial	\$ 43	\$ 17	\$ 31	\$ 37	\$ 49
Commercial Mortgage	2,996	3,107	3,216	3,309	3,396
Total Commercial	3,039	3,124	3,247	3,346	3,445
Consumer					
Residential Mortgage	3,706	3,504	4,199	4,239	4,945
Home Equity	3,734	3,809	3,638	4,022	4,438
Total Consumer	7,440	7,313	7,837	8,261	9,383
Total Non-Accrual Loans and Leases	10,479	10,437	11,084	11,607	12,828
Foreclosed Real Estate	1,040	1,040	1,040	1,040	1,040
Total Non-Performing Assets	\$ 11,519	\$ 11,477	\$ 12,124	\$ 12,647	\$ 13,868
Accruing Loans and Leases Past Due 90 Days or More					
Consumer					
Residential Mortgage	\$ 3,519	\$ 3,560	\$ 4,566	\$ 2,429	\$ 3,279
Home Equity	2,172	2,022	1,723	1,673	1,061
Automobile	393	577	598	589	467
Other ¹	643	633	632	683	513
Total Consumer	6,727	6,792	7,519	5,374	5,320
Total Accruing Loans and Leases Past Due 90 Days or More	6,727	6,792	7,519	5,374	5,320
Total Loans and Leases	\$ 13,919,491	\$ 13,914,889	\$ 13,824,522	\$ 13,646,420	\$ 13,321,606
Ratio of Non-Accrual Loans and Leases to Total Loans and Leases	0.08 %	0.08 %	0.08 %	0.09 %	0.10 %
Ratio of Non-Performing Assets to Total Loans and Leases and Foreclosed Real Estate	0.08 %	0.08 %	0.09 %	0.09 %	0.10 %
Ratio of Non-Performing Assets to Total Assets	0.05 %	0.04 %	0.05 %	0.05 %	0.06 %
Ratio of Commercial Non-Performing Assets to Total Commercial Loans and Leases and Commercial Foreclosed Real Estate	0.05 %	0.06 %	0.06 %	0.06 %	0.07 %
Ratio of Consumer Non-Performing Assets to Total Consumer Loans and Leases and Consumer Foreclosed Real Estate	0.10 %	0.10 %	0.11 %	0.11 %	0.13 %
Ratio of Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More to Total Loans and Leases and Foreclosed Real Estate	0.13 %	0.13 %	0.14 %	0.13 %	0.14 %
Quarter to Quarter Changes in Non-Performing Assets					
Balance at Beginning of Quarter	\$ 11,477	\$ 12,124	\$ 12,647	\$ 13,868	\$ 15,493
Additions	1,318	1,116	552	704	489
Reductions					
Payments	(1,017)	(226)	(778)	(1,605)	(706)
Return to Accrual Status	(259)	(1,527)	(297)	(301)	(116)
Sales of Foreclosed Real Estate	-	-	-	-	(1,292)
Charge-offs / Write-downs	-	(10)	-	(19)	-
Total Reductions	(1,276)	(1,763)	(1,075)	(1,925)	(2,114)
Balance at End of Quarter	\$ 11,519	\$ 11,477	\$ 12,124	\$ 12,647	\$ 13,868

¹ Comprised of other revolving credit, installment, and lease financing.

Bank of Hawai'i Corporation and Subsidiaries
Reserve for Credit Losses

Table 12

(dollars in thousands)	Three Months Ended			Nine Months Ended		
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	
Balance at Beginning of Period	\$ 151,702	\$ 150,579	\$ 154,098	\$ 151,247	\$ 164,297	
Loans and Leases Charged-Off						
Commercial						
Commercial and Industrial	(294)	(203)	(147)	(758)	(729)	
Consumer						
Residential Mortgage	-	(6)	-	(6)	(80)	
Home Equity	(13)	(5)	-	(68)	(90)	
Automobile	(1,353)	(1,293)	(794)	(4,309)	(3,481)	
Other ¹	(1,957)	(2,004)	(1,924)	(6,296)	(5,739)	
Total Loans and Leases Charged-Off	(3,617)	(3,511)	(2,865)	(11,437)	(10,119)	
Recoveries on Loans and Leases Previously Charged-Off						
Commercial						
Commercial and Industrial	72	103	45	225	465	
Consumer						
Residential Mortgage	69	58	156	188	1,130	
Home Equity	131	578	367	893	1,298	
Automobile	721	777	441	2,170	1,864	
Other ¹	575	618	709	1,867	2,098	
Total Recoveries on Loans and Leases Previously Charged-Off	1,568	2,134	1,718	5,343	6,855	
Net Charged-Off - Loans and Leases	(2,049)	(1,377)	(1,147)	(6,094)	(3,264)	
Net Charged-Off - Accrued Interest Receivable	-	-	-	-	(47)	
Provision for Credit Losses:						
Loans and Leases	1,945	3,167	(929)	6,918	(8,121)	
Accrued Interest Receivable	-	-	-	-	(367)	
Unfunded Commitments	55	(667)	905	(418)	429	
Total Provision for Credit Losses	2,000	2,500	(24)	6,500	(8,059)	
Balance at End of Period	\$ 151,653	\$ 151,702	\$ 152,927	\$ 151,653	\$ 152,927	
Components						
Allowance for Credit Losses - Loans and Leases	\$ 145,263	\$ 145,367	\$ 146,436	\$ 145,263	\$ 146,436	
Reserve for Unfunded Commitments	6,390	6,335	6,491	6,390	6,491	
Total Reserve for Credit Losses	\$ 151,653	\$ 151,702	\$ 152,927	\$ 151,653	\$ 152,927	
Average Loans and Leases Outstanding	\$ 13,903,214	\$ 13,876,754	\$ 13,126,717	\$ 13,833,164	\$ 12,709,045	
Ratio of Net Loans and Leases Charged-Off to						
Average Loans and Leases Outstanding (annualized)	0.06 %	0.04 %	0.03 %	0.06 %	0.03 %	
Ratio of Allowance for Credit Losses to Loans and Leases Outstanding ²	1.04 %	1.04 %	1.10 %	1.04 %	1.10 %	

¹ Comprised of other revolving credit, installment, and lease financing.

² The numerator comprises the Allowance for Credit Losses - Loans and Leases.

Bank of Hawai'i Corporation and Subsidiaries
Business Segments Selected Financial Information

Table 13a

(dollars in thousands)	Consumer Banking		Commercial Banking		Treasury and Other		Consolidated Total	
Three Months Ended September 30, 2023								
Net Interest Income (Loss)	\$	100,913	\$	53,823	\$	(33,799)	\$	120,937
Provision for Credit Losses		1,974		74		(48)		2,000
Net Interest Income (Loss) After Provision for Credit Losses		98,939		53,749		(33,751)		118,937
Noninterest Income		31,027		8,483		10,824		50,334
Noninterest Expense		(81,377)		(18,937)		(5,287)		(105,601)
Income (Loss) Before Income Taxes		48,589		43,295		(28,214)		63,670
Provision for Income Taxes		(12,582)		(10,987)		7,802		(15,767)
Net Income (Loss)	\$	36,007	\$	32,308	\$	(20,412)	\$	47,903
Total Assets as of September 30, 2023	\$	8,584,221	\$	5,719,577	\$	9,245,987	\$	23,549,785
Three Months September 30, 2022¹								
Net Interest Income (Loss)	\$	85,658	\$	56,251	\$	(254)	\$	141,655
Provision for Credit Losses		1,148		(1)		(1,147)		-
Net Interest Income After Provision for Credit Losses		84,510		56,252		893		141,655
Noninterest Income (Loss)		30,974		(911)		597		30,660
Noninterest Expense		(83,408)		(17,330)		(5,011)		(105,749)
Income (Loss) Before Income Taxes		32,076		38,011		(3,521)		66,566
Provision for Income Taxes		(8,067)		(9,206)		3,508		(13,765)
Net Income (Loss)	\$	24,009	\$	28,805	\$	(13)	\$	52,801
Total Assets as of September 30, 2022	\$	8,399,068	\$	5,486,330	\$	9,248,642	\$	23,134,040

¹ Certain prior period information has been reclassified to conform to current presentation.

Bank of Hawai'i Corporation and Subsidiaries
Business Segments Selected Financial Information

Table 13b

(dollars in thousands)	Consumer Banking		Commercial Banking		Treasury and Other		Consolidated Total	
Nine Months Ended September 30, 2023								
Net Interest Income (Loss)	\$	298,512	\$	164,202	\$	(81,474)	\$	381,240
Provision for Credit Losses		6,035		59		406		6,500
Net Interest Income (Loss) After Provision for Credit Losses		292,477		164,143		(81,880)		374,740
Noninterest Income		94,126		25,072		15,128		134,326
Noninterest Expense		(247,543)		(58,528)		(15,485)		(321,556)
Income (Loss) Before Income Taxes		139,060		130,687		(82,237)		187,510
Provision for Income Taxes		(35,838)		(32,490)		21,624		(46,704)
Net Income (Loss)	\$	103,222	\$	98,197	\$	(60,613)	\$	140,806
Total Assets as of September 30, 2023	\$	8,584,221	\$	5,719,577	\$	9,245,987	\$	23,549,785
Nine Months Ended September 30, 2022 ¹								
Net Interest Income	\$	232,646	\$	152,394	\$	14,780	\$	399,820
Provision for Credit Losses		3,463		(200)		(11,263)		(8,000)
Net Interest Income After Provision for Credit Losses		229,183		152,594		26,043		407,820
Noninterest Income		94,811		17,650		3,908		116,369
Noninterest Expense		(247,854)		(53,014)		(11,694)		(312,562)
Income Before Income Taxes		76,140		117,230		18,257		211,627
Provision for Income Taxes		(19,114)		(28,654)		638		(47,130)
Net Income	\$	57,026	\$	88,576	\$	18,895	\$	164,497
Total Assets as of September 30, 2022	\$	8,399,068	\$	5,486,330	\$	9,248,642	\$	23,134,040

¹ Certain prior period information has been reclassified to conform to current presentation.

Bank of Hawai'i Corporation and Subsidiaries
Selected Quarterly Financial Data

Table 14

	Three Months Ended				
	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
(dollars in thousands, except per share amounts)					
Quarterly Operating Results					
Interest Income					
Interest and Fees on Loans and Leases	\$ 151,245	\$ 144,541	\$ 136,501	\$ 128,683	\$ 115,013
Income on Investment Securities					
Trading					
Available-for-Sale	23,552	23,301	23,893	18,476	16,995
Held-to-Maturity	22,838	23,375	23,948	23,708	20,243
Deposits	18	18	27	13	10
Funds Sold	12,828	6,395	3,366	1,093	2,335
Other	1,464	2,121	597	340	322
Total Interest Income	211,945	199,751	188,332	172,313	154,918
Interest Expense					
Deposits	72,153	53,779	37,794	23,494	10,296
Securities Sold Under Agreements to Repurchase	4,034	5,436	5,377	4,289	2,745
Funds Purchased	-	184	704	318	40
Short-Term Borrowings	-	2,510	3,203	1,978	-
Other Debt	14,821	13,494	5,299	1,496	182
Total Interest Expense	91,008	75,403	52,377	31,575	13,263
Net Interest Income	120,937	124,348	135,955	140,738	141,655
Provision for Credit Losses	2,000	2,500	2,000	200	-
Net Interest Income After Provision for Credit Losses	118,937	121,848	133,955	140,538	141,655
Noninterest Income					
Trust and Asset Management	10,548	11,215	10,690	10,652	10,418
Mortgage Banking	1,059	1,176	1,004	991	1,002
Service Charges on Deposit Accounts	7,843	7,587	7,737	7,513	7,526
Fees, Exchange, and Other Service Charges	13,824	14,150	13,808	13,906	13,863
Investment Securities Losses, Net	(6,734)	(1,310)	(1,792)	(1,124)	(2,147)
Annuity and Insurance	1,156	1,038	1,271	1,087	1,034
Bank-Owned Life Insurance	2,749	2,876	2,842	2,475	2,486
Other	19,889	6,523	5,177	5,672	(3,522)
Total Noninterest Income	50,334	43,255	40,737	41,172	30,660
Noninterest Expense					
Salaries and Benefits	58,825	56,175	65,088	57,639	59,938
Net Occupancy	10,327	9,991	9,872	9,499	10,186
Net Equipment	9,477	10,573	10,375	9,942	9,736
Data Processing	4,706	4,599	4,583	4,579	4,616
Professional Fees	3,846	4,651	3,883	3,958	3,799
FDIC Insurance	3,361	3,173	3,234	1,774	1,680
Other	15,059	14,874	14,884	15,312	15,794
Total Noninterest Expense	105,601	104,036	111,919	102,703	105,749
Income Before Provision for Income Taxes	63,670	61,067	62,773	79,007	66,566
Provision for Income Taxes	15,767	15,006	15,931	17,700	13,765
Net Income	\$ 47,903	\$ 46,061	\$ 46,842	\$ 61,307	\$ 52,801
Preferred Stock Dividends	1,969	1,969	1,969	1,969	1,969
Net Income Available to Common Shareholders	\$ 45,934	\$ 44,092	\$ 44,873	\$ 59,338	\$ 50,832
Basic Earnings Per Common Share					
Basic Earnings Per Common Share	\$ 1.17	\$ 1.12	\$ 1.14	\$ 1.51	\$ 1.28
Diluted Earnings Per Common Share	\$ 1.17	\$ 1.12	\$ 1.14	\$ 1.50	\$ 1.28
Balance Sheet Totals					
Loans and Leases	\$ 13,919,491	\$ 13,914,889	\$ 13,824,522	\$ 13,646,420	\$ 13,321,606
Total Assets	23,549,785	24,947,936	23,931,977	23,606,877	23,134,040
Total Deposits	20,802,309	20,508,615	20,491,300	20,615,696	20,888,773
Total Shareholders' Equity	1,363,840	1,358,279	1,354,430	1,316,995	1,282,384
Performance Ratios					
Return on Average Assets	0.78 %	0.77 %	0.80 %	1.05 %	0.91 %
Return on Average Shareholders' Equity	13.92	13.55	14.25	18.91	15.31
Return on Average Common Equity	15.38	14.95	15.79	21.28	16.98
Efficiency Ratio ¹	61.66	62.07	63.34	56.46	61.37
Net Interest Margin ²	2.13	2.22	2.47	2.60	2.60

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

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

Bank of Hawai'i Corporation and Subsidiaries

Hawaii Economic Trends

Table 15

(dollars in millions; jobs in thousands)	Eight Months Ended		Year Ended							
	August 31, 2023		December 31, 2022		December 31, 2021					
Hawaii Economic Trends										
State General Fund Revenues ¹	\$	6,461.9	(3.5) %	\$	9,441.3	16.0 %	\$	8,137.9	26.9 %	
General Excise and Use Tax Revenue ¹		3,027.8	5.9		4,263.4	18.3		3,604.3	18.6	
Jobs ²		657.3			654.5			642.6		
Unemployment, seasonally adjusted ³										
Statewide					2.8 %			3.7 %	3.2 %	
Honolulu County					2.2			3.3	3.7	
Hawaii County					2.2			4.7	1.8	
Maui County					6.4			4.5	2.4	
Kauai County					2.0			4.7	2.7	
Housing Trends (Single Family Oahu) ⁴										
(1-year percentage change, except months of inventory)					September 30, 2023			December 31, 2022	December 31, 2021	December 31, 2020
Median Home Price					(5.4) %			11.6 %	19.3 %	5.2 %
Home Sales Volume (units)					(30.5) %			(23.2) %	17.9 %	2.3 %
Months of Inventory					2.7			2.1	0.8	1.4
Tourism ⁵										
(in thousands, except percent change)					Monthly Visitor Arrivals, Not Seasonally Adjusted			Percentage Change from Previous Year		
August 31, 2023								766.0	(7.7) %	
July 31, 2023								929.4	1.2	
June 30, 2023								886.0	5.3	
May 31, 2023								790.5	2.1	
April 30, 2023								806.2	(0.4)	
March 31, 2023								892.2	13.6	
February 28, 2023								733.6	17.6	
January 31, 2023								775.1	36.7	
December 31, 2022								858.1	14.0	
November 30, 2022								725.5	18.2	
October 31, 2022								726.1	31.8	
September 30, 2022								691.8	37.1	
August 31, 2022								829.8	14.8	
July 31, 2022								918.6	4.4	
June 30, 2022								841.8	6.4	
May 31, 2022								774.1	22.9	
April 30, 2022								809.6	67.3	
March 31, 2022								785.7	78.7	
February 28, 2022								623.7	165.1	
January 31, 2022								567.2	229.8	
December 31, 2021								752.8	219.3	
November 30, 2021								614.0	234.1	
October 31, 2021								550.8	618.2	
September 30, 2021								504.6	2,641.0	
August 31, 2021								723.0	2,995.6	

¹ Source: Hawaii Department of Business, Economic Development & Tourism

² Source: U.S. Bureau of Labor Statistics

³ Source: University of Hawaii Economic Research Organization (UHERO)

⁴ Source: Honolulu Board of Realtors

⁵ Source: Hawaii Tourism Authority

Bank of Hawai'i Corporation
third quarter 2023
financial report

October 23, 2023

forward-looking statements

this presentation, and other statements made by the Company in connection with it, may contain forward-looking statements concerning, among other things, forecasts of our financial results and condition, expectations for our operations and business prospects, and our assumptions used in those forecasts and expectations. we have not committed to update forward-looking statements to reflect later events or circumstances

quality balance
sheet performance

strong liquidity

strong credit

earnings highlights

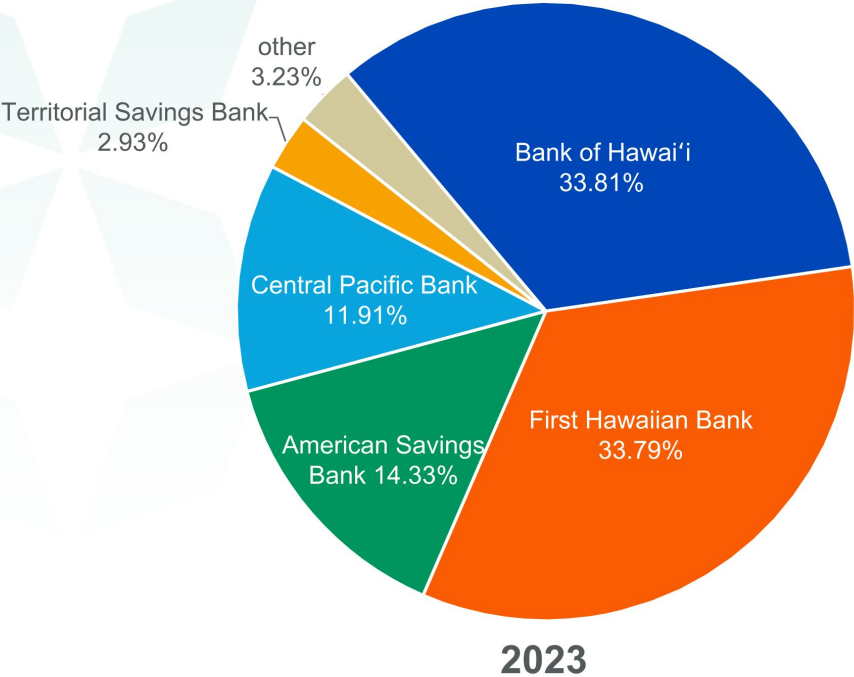
- period end total deposits increased 1.4%
 - average deposits increased 2.4%
 - growth attributed to increase in core customer deposits
 - wholesale funding decreased by \$1.8 billion
-
- \$9.6 billion in readily available liquidity exceeds uninsured/uncollateralized deposits
-
- 0.06% net charge-off rate
 - 0.08% non-performing assets level
 - 79% of loan portfolio real-estate secured with combined wtd avg LTV of 55%
 - CRE portfolio comprises 27% of total loans
 - wtd avg LTV of 55%;
 - only 8% maturing prior to 2025;
 - CRE office exposure only 3% of total loans
-
- \$1.17 earnings per diluted share
 - 1.40% average cost of total deposits
 - 15.38% return on average common equity

our deposits

through our 125 year history in the islands, Bank of Hawai'i has developed an exceptionally seasoned deposit base, built one relationship at a time, over many years, and in neighborhoods and communities we understand

- ✓ unique marketplace
- ✓ diversified
- ✓ long tenured

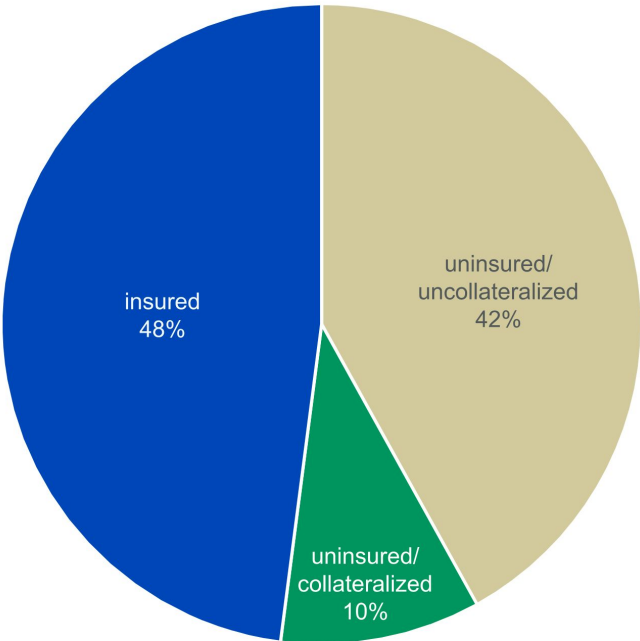
unique deposit market



the leader in a unique deposit market with five local competitors holding 97% of the bank deposit market

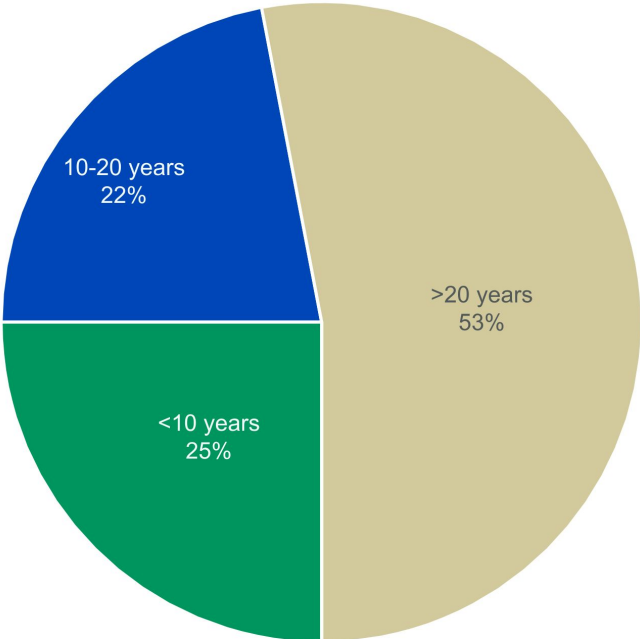
source: FDIC Annual Summary of Deposits as of June 30, 2023

insured/collateralized deposits



note: as of September 30, 2023

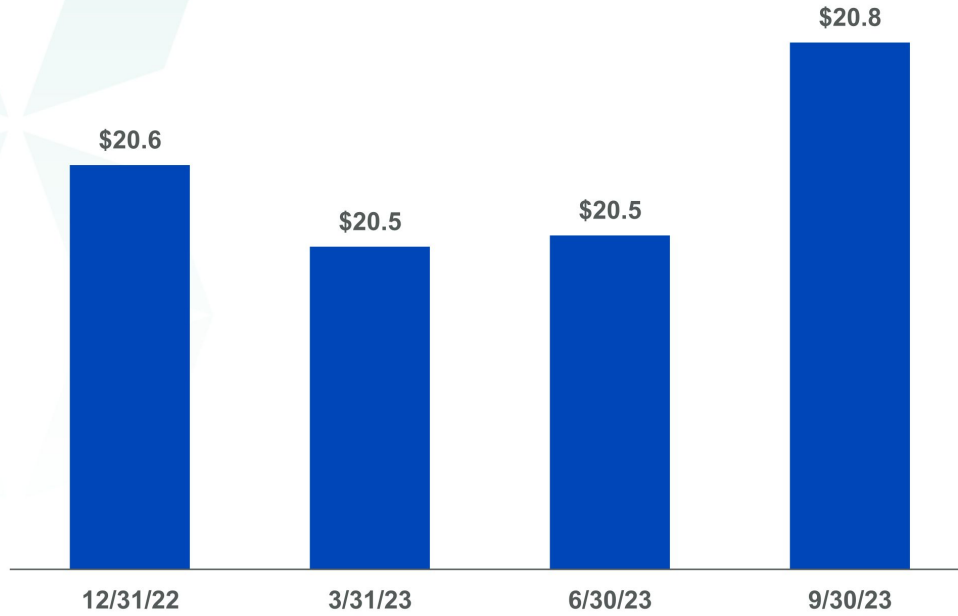
long tenured deposit base



note: as of September 30, 2023

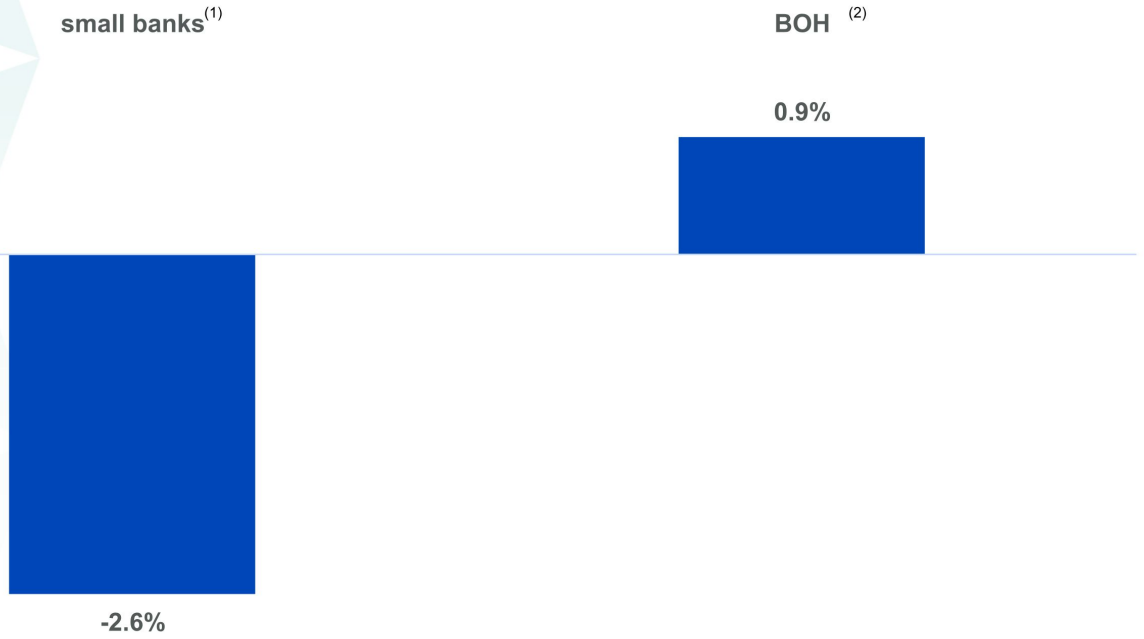
stable deposit balances

\$ in billions



- spot balance increased by 1.4%
- average balance increased by 2.4%

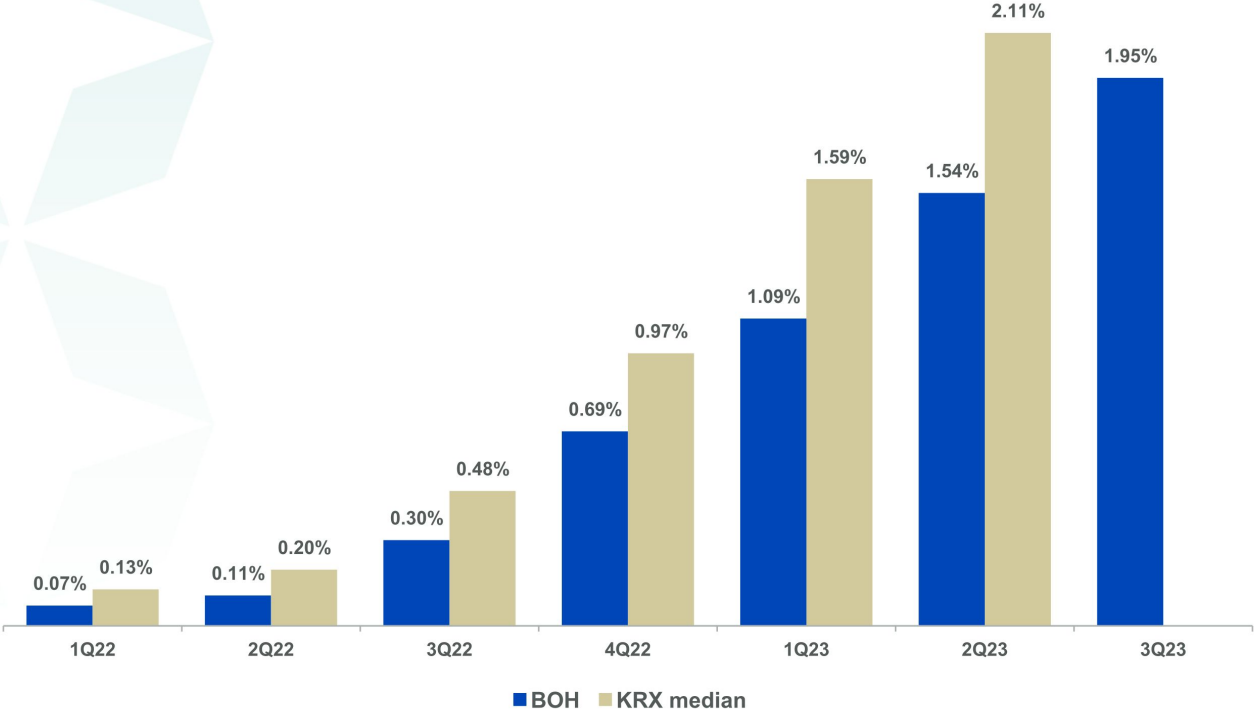
2023 deposit balances change



(1) compares 9/27/23 vs. 12/28/22; small banks data derived from H.8 Assets and Liabilities of Commercial Banks in the United States, Table 9 - Assets and Liabilities of Small Domestically Chartered Commercial Banks in the United States, not seasonally adjusted

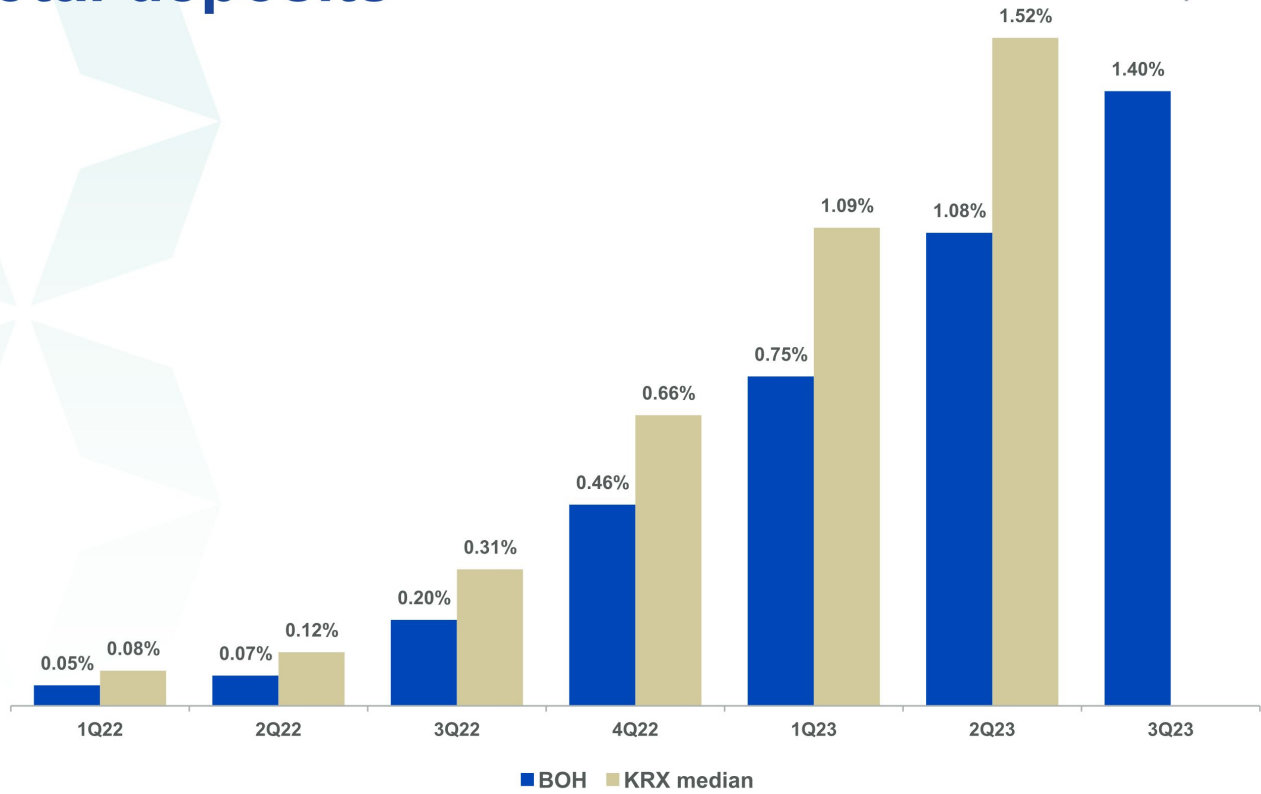
(2) compares 9/30/23 vs. 12/31/22

cost of funds interest-bearing deposits



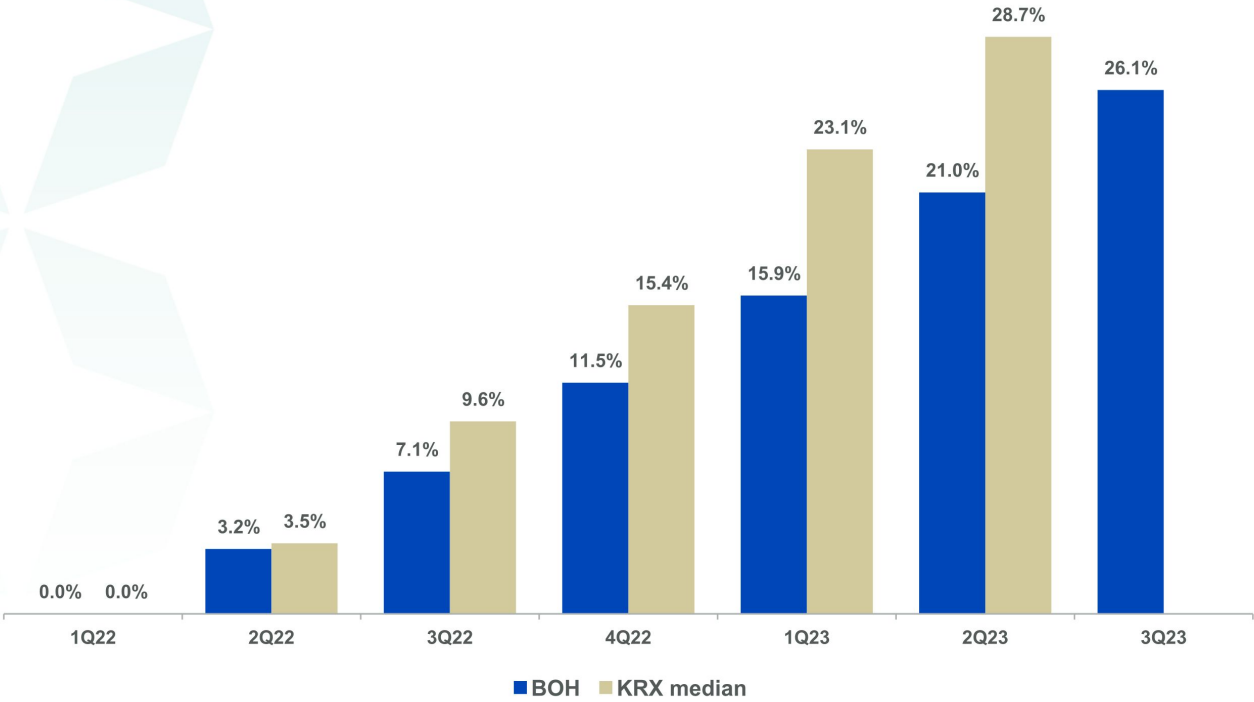
source: S&P Capital IQ; KBW Regional Banking Index (KRX) as of 1/3/23

cost of funds total deposits



source: S&P Capital IQ; KBW Regional Banking Index (KRX) as of 1/3/23

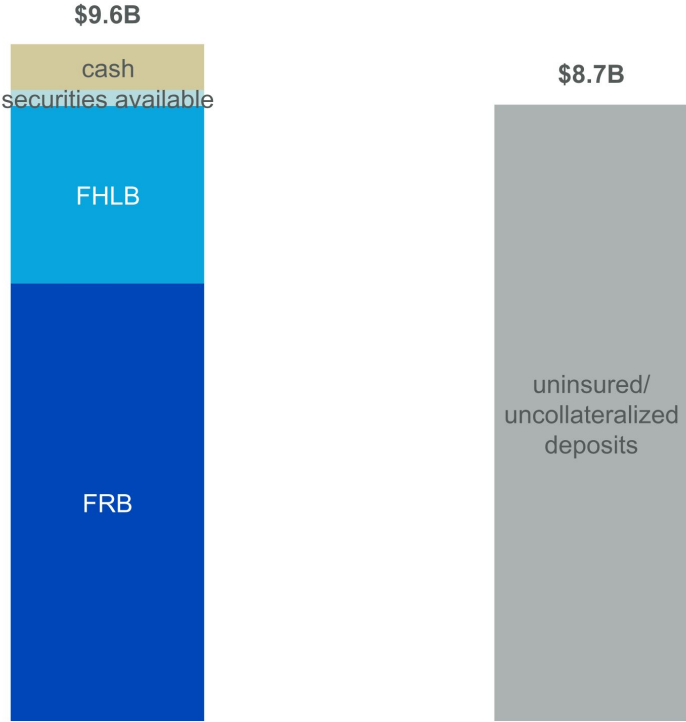
deposit beta performance



source: S&P Capital IQ; KBW Regional Banking Index (KRX) as of 1/3/23

readily available liquidity

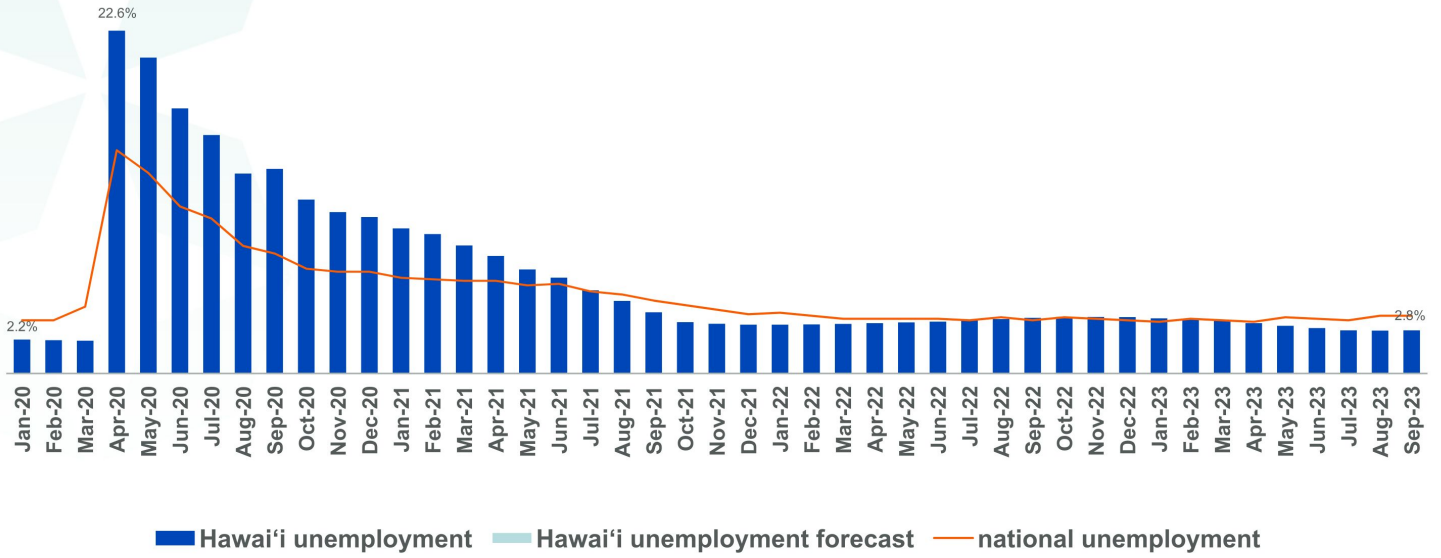
Bank of Hawai'i carries substantial liquidity lines and equivalents for both day-to-day operational and liquidity backstop purposes



note: as of September 30, 2023, FRB borrowing capacity includes Bank Term Funding Program margins, cash includes fed funds sold and cash and due from banks, and securities available includes unencumbered investment securities

unemployment

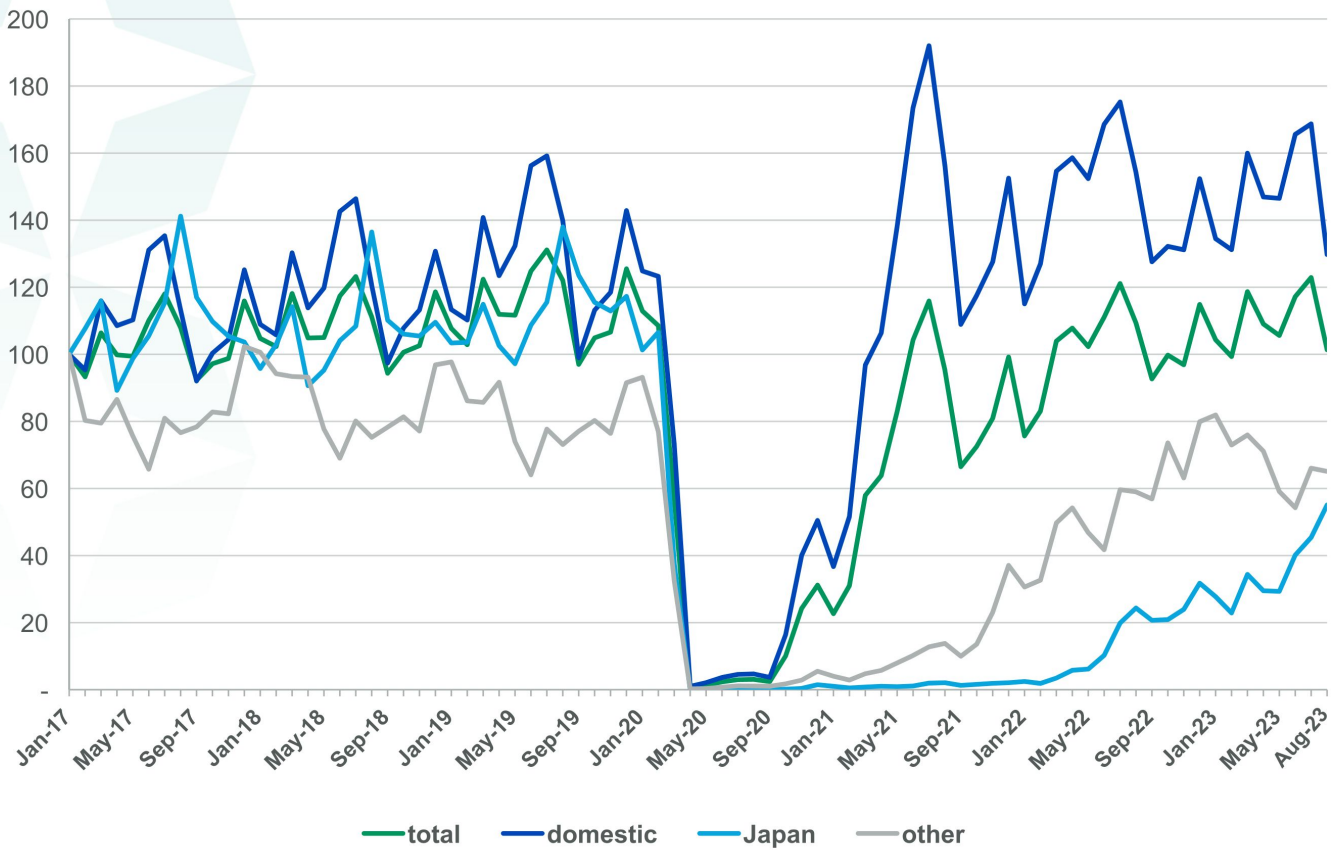
experience & forecast



source for Hawai'i unemployment: University of Hawaii Economic Research Organization (UHERO), seasonally adjusted
 source for national unemployment: Bureau of Labor Statistics, seasonally adjusted

visitor arrivals

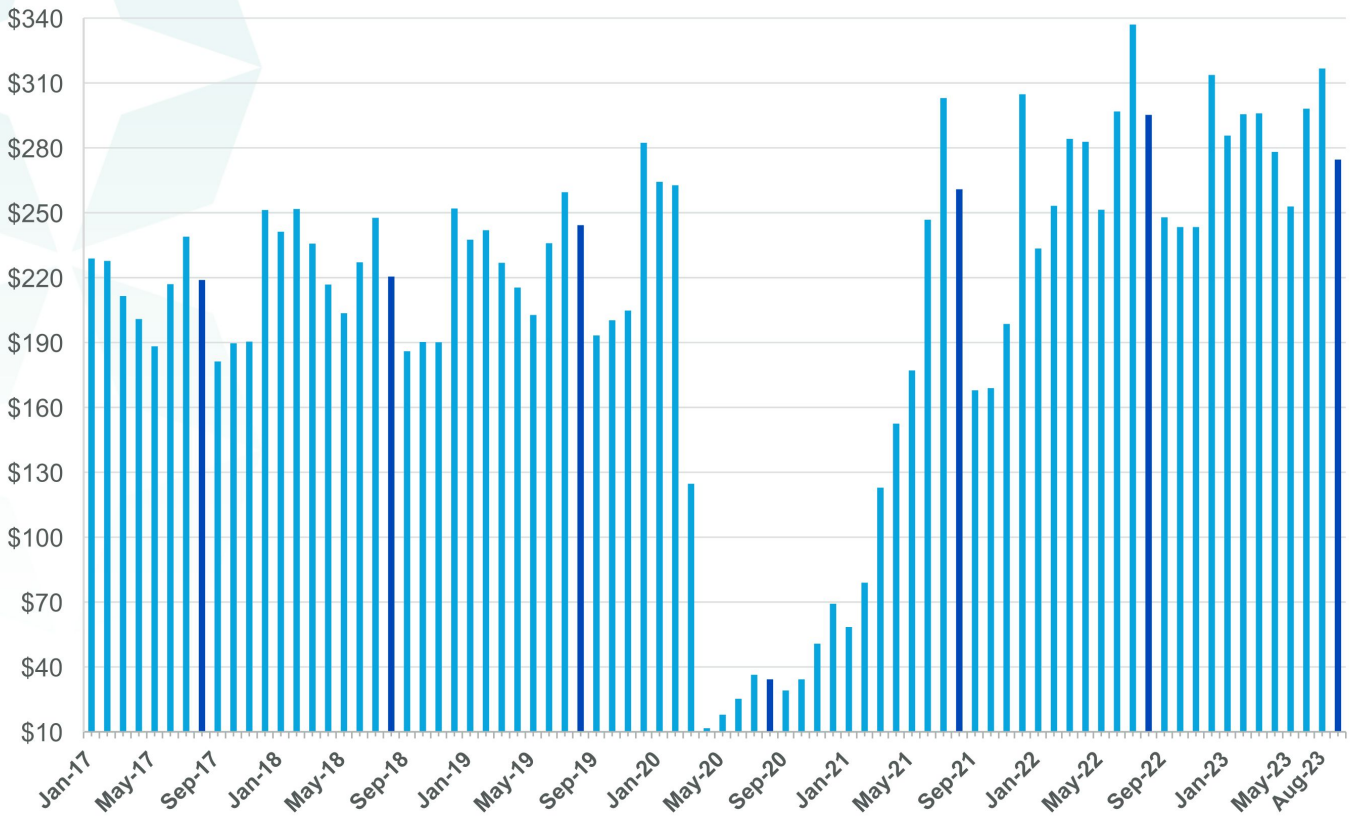
monthly by market, indexed to January 2017



source: Hawaii Department of Business, Economic Development, and Tourism (DBEDT)

revenue per available room

revenue per available room (RevPAR)



source: Hawaii Department of Business, Economic Development, and Tourism (DBEDT)

stable real estate prices

Oahu market indicators – September 2023

	single family homes					condominiums				
	Sep 2023	Sep 2022	Sep 2019	Δ Sep 2022	Δ Sep 2019	Sep 2023	Sep 2022	Sep 2019	Δ Sep 2022	Δ Sep 2019
median sales price (000s)	\$1,050	\$1,100	\$777	↓ -4.5%	↑ 35.1%	\$533	\$503	\$445	↑ 6.0%	↑ 19.7%
months of inventory	2.7	1.9	3.5	↑ 0.8 months	↓ -0.8 months	3.0	2.0	3.9	↑ 1.0 months	↓ -0.9 months
closed sales	232	278	347	↓ -16.5%	↓ -33.1%	376	496	466	↓ -24.2%	↓ -19.3%
median days on market	20	18	29	↑ 2 days	↓ 9 day	21	14	27	↑ 7 days	↓ 6 days

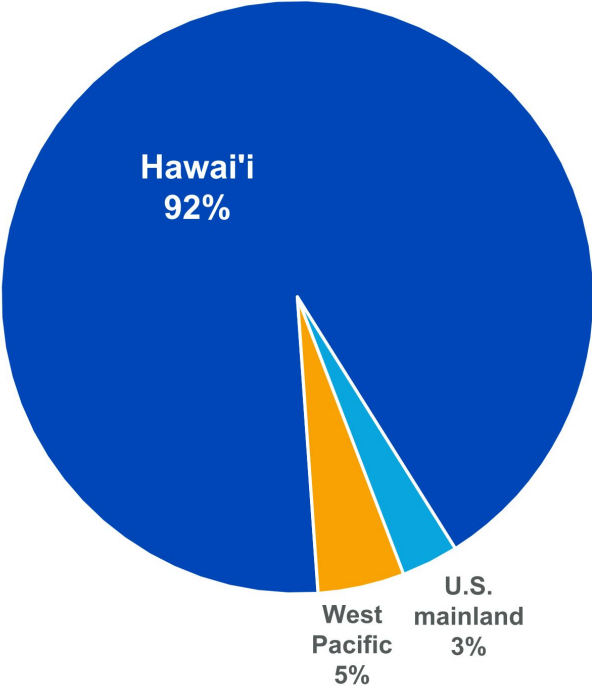
source: Honolulu Board of Realtors, compiled from MLS data



credit performance

lending philosophy

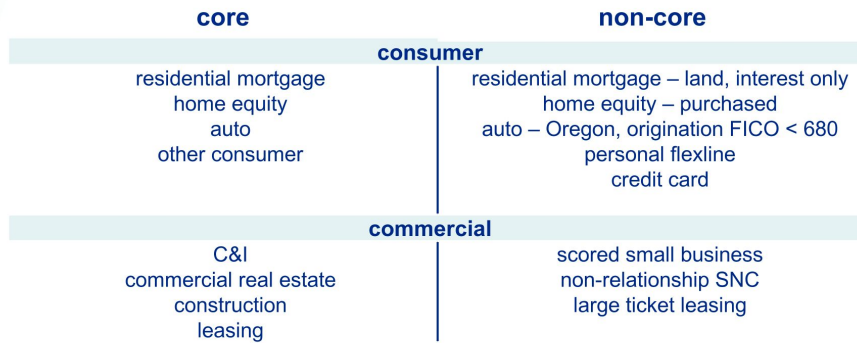
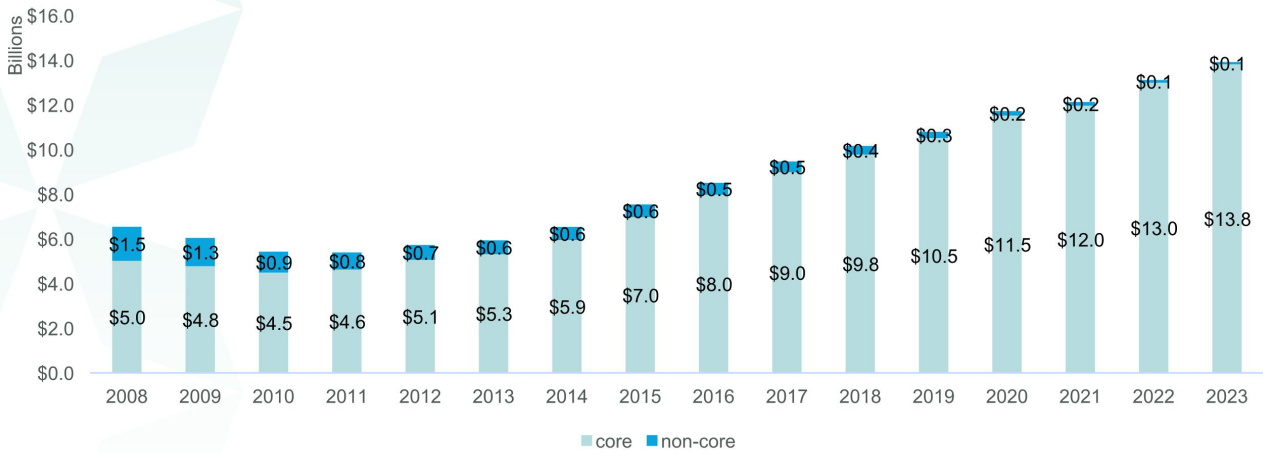
we lend in our core markets
to long-standing relationships



note: as of September 30, 2023

de-risking the balance sheet

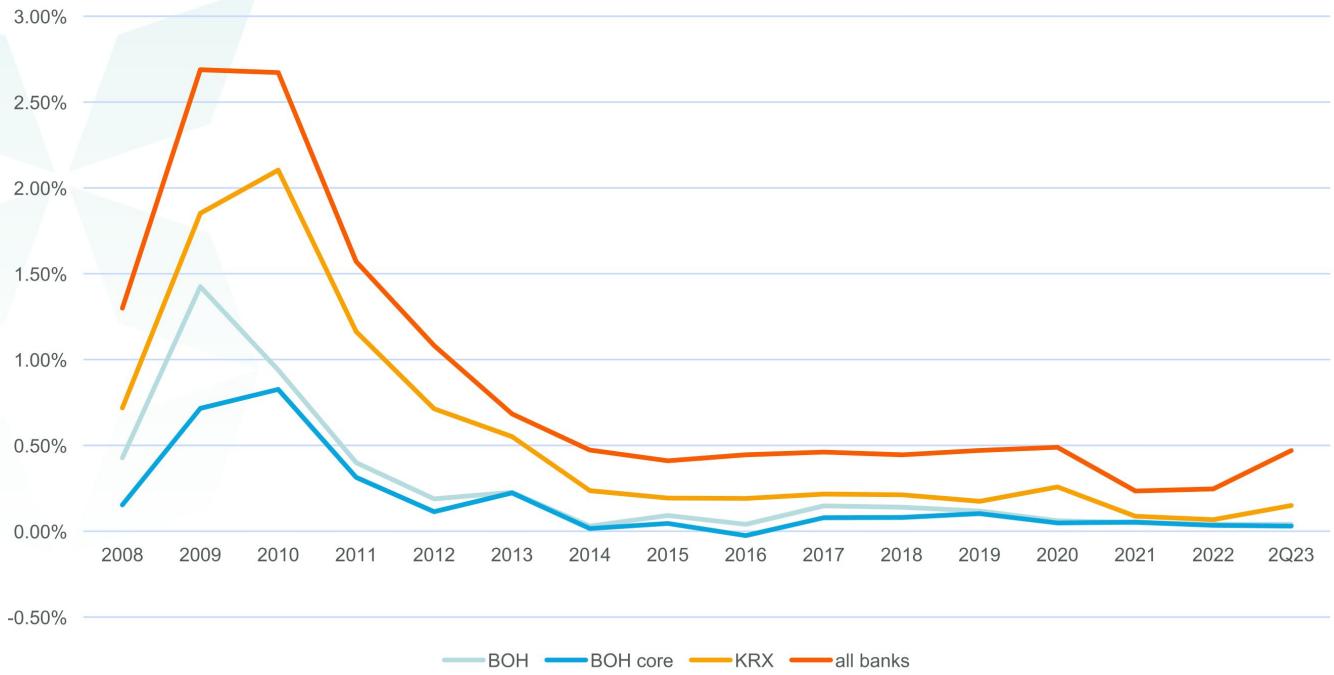
loan portfolio balance



historical net charge-off rates

lower net charge offs through different economic cycles

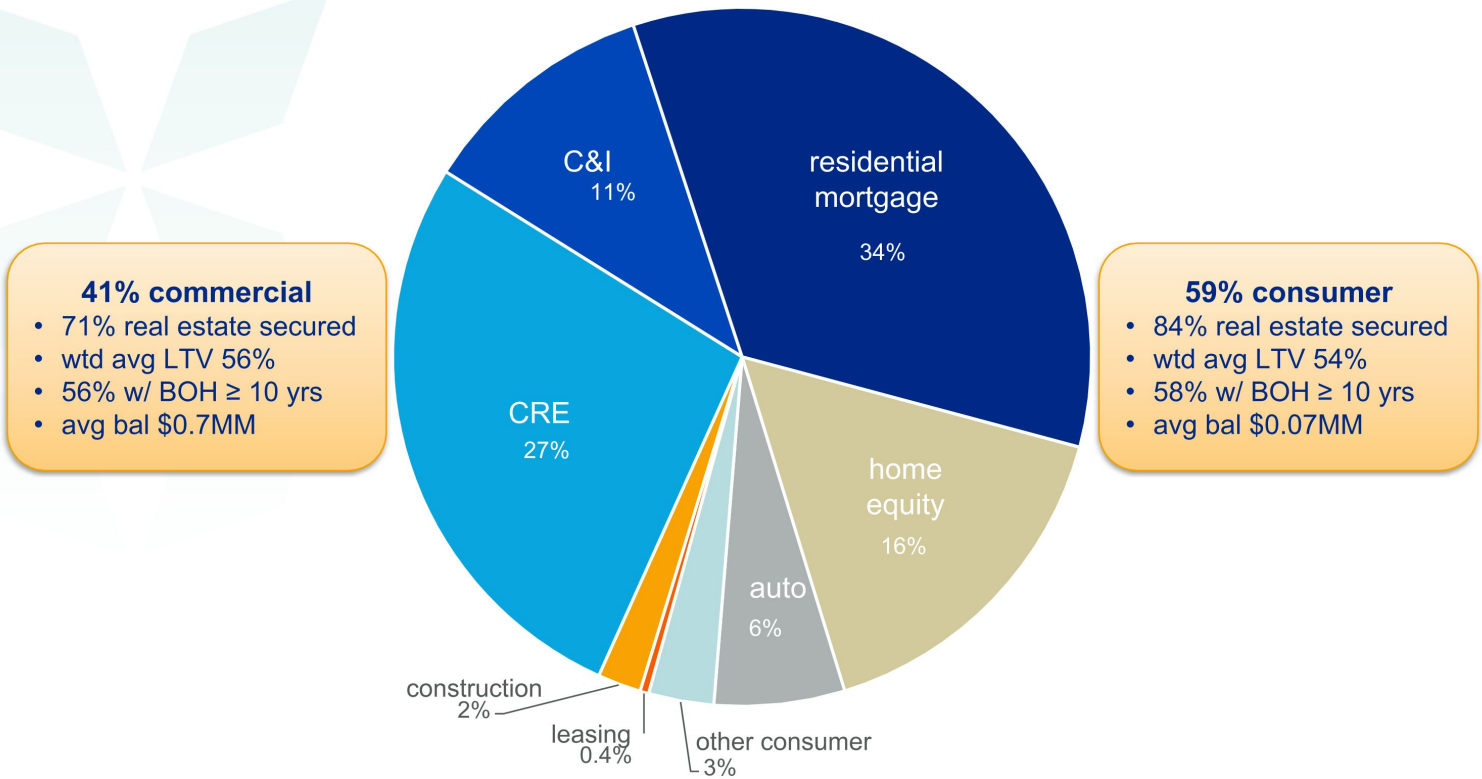
annual net charge-off rate



KRX – represents historical average net charge-off rates for banks in the KBW Regional Banking index as of 1/3/23 (source: S&P Capital IQ)
all banks – represents historical average net charge-off rates for all FDIC insured banks (source: FDIC)

loan portfolio

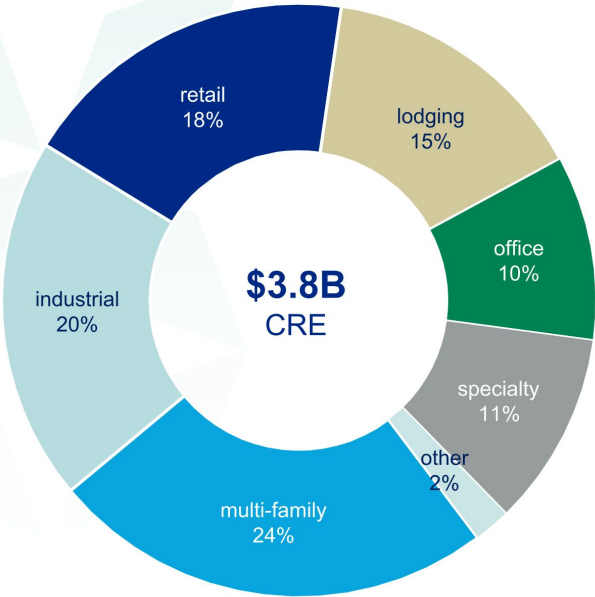
**79% of portfolio secured with real estate
with combined weighted average loan to value of 55%**



note: excludes \$13MM in PPP loan balances including deferred costs and fees

commercial real estate (CRE)

27% of total loans

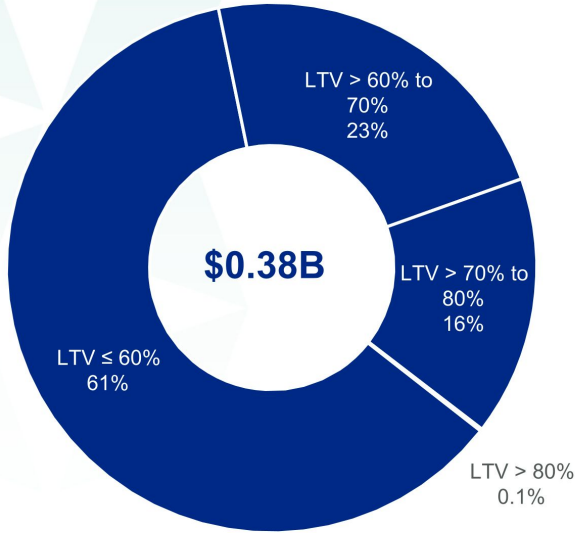


asset type	% total CRE	wtd avg LTV
multi-family	24%	59%
industrial	20%	56%
retail	18%	55%
lodging	15%	52%
office	10%	56%
specialty	11%	53%
other	2%	48%
total CRE	100%	55%

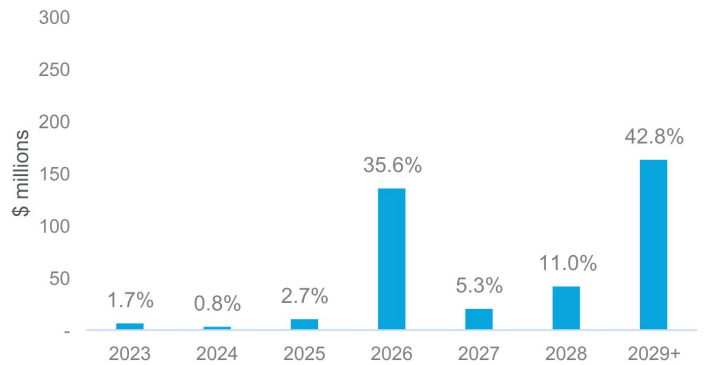
CRE office

3% of total loans

LTV distribution



scheduled maturity



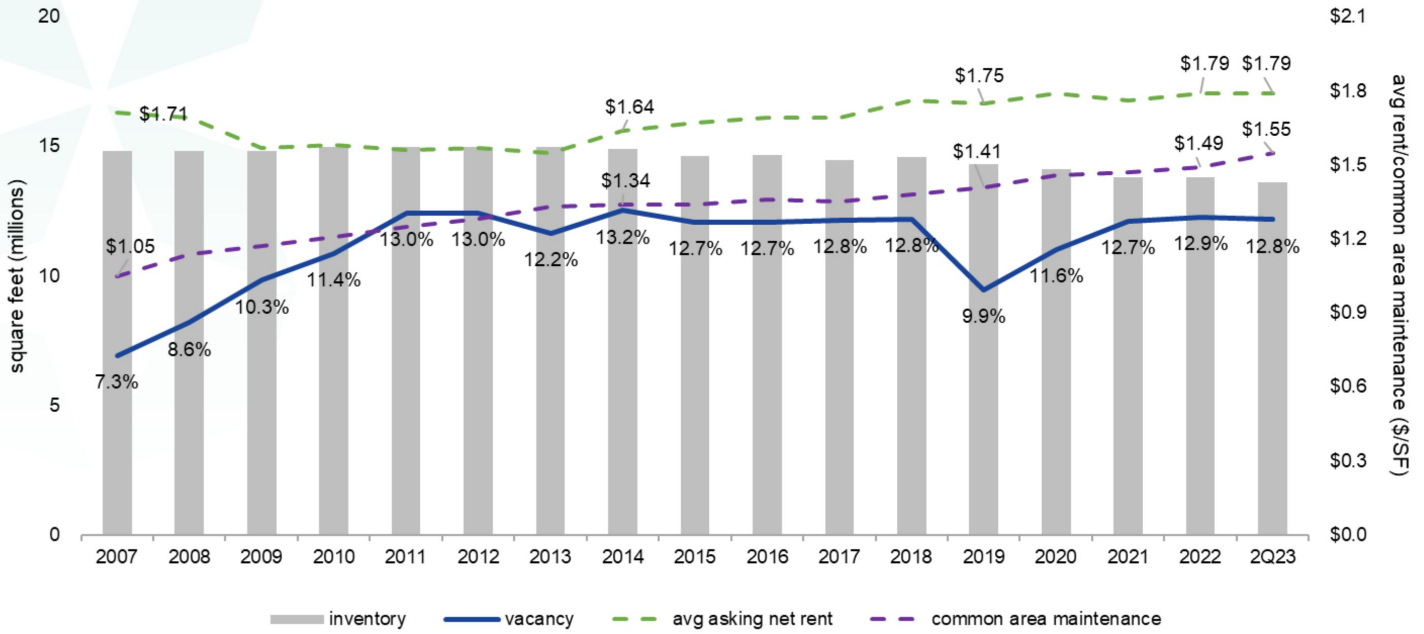
highlights

- 56% wtd avg LTV
- \$1.8MM average exposure
- 25% CBD (Downtown Honolulu)
 - 63% wtd avg LTV
 - 47% with repayment guaranties
- 2% maturing prior to 2025

Oahu investor office market

13.6 million square feet

vacancy and rents remain stable as conversions to alternative purpose continue to drive decline in inventory

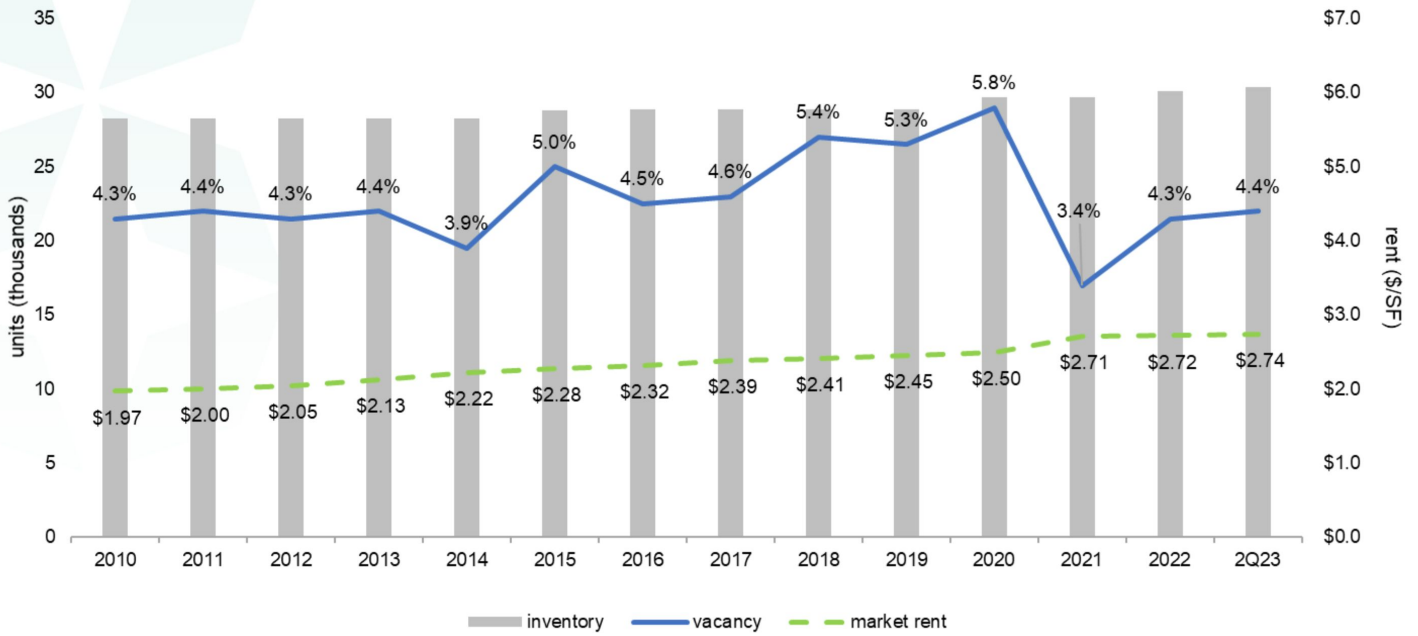


source: Colliers

Honolulu multi-family market

30,367 units

severely limited existing and new supply, compounded by the high cost of homeownership, continues to drive rental demand

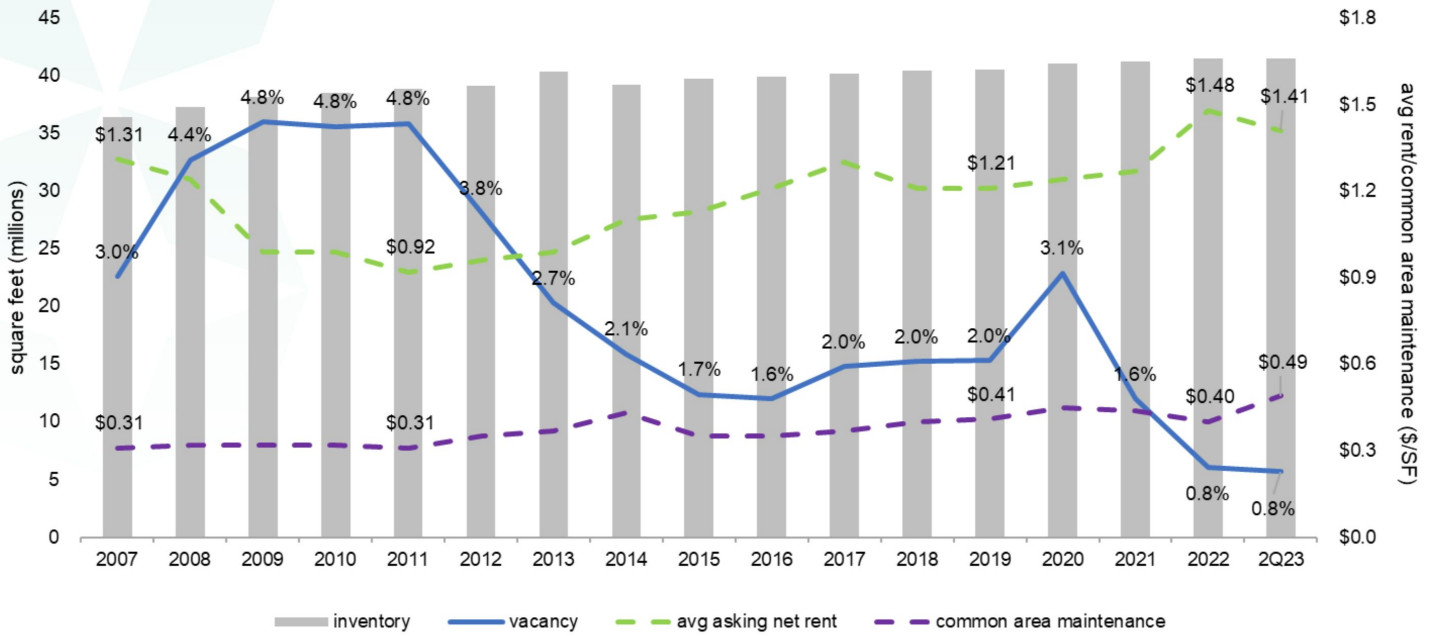


source: CoStar

Oahu industrial market

41.5 million square feet

vacancy rates at a historic low, while available industrial space listings remain near record low

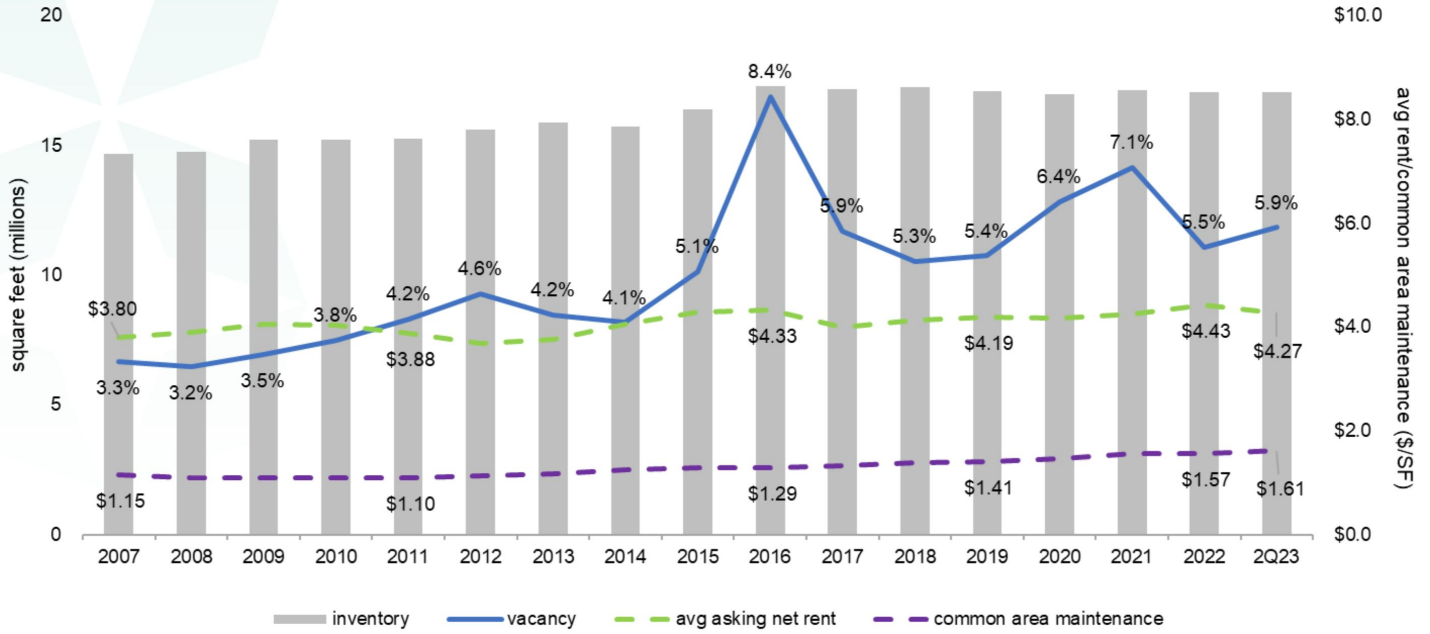


source: Colliers

Oahu retail market

17.1 million square feet

record retail sales and tourism spend continue to support post-pandemic recovery

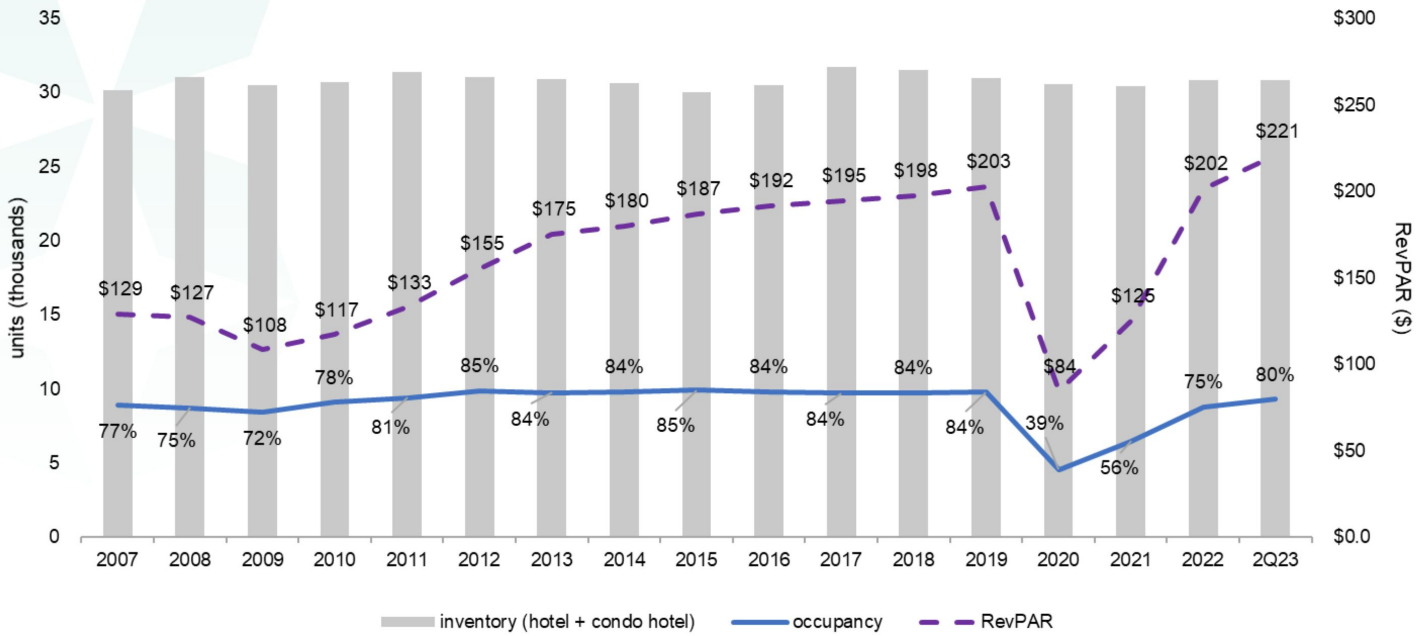


source: Colliers

Oahu lodging market

30.9 thousand rooms

outlook is generally positive, as inventory remains flat and occupancy & RevPar report comparably with pre-pandemic tourism

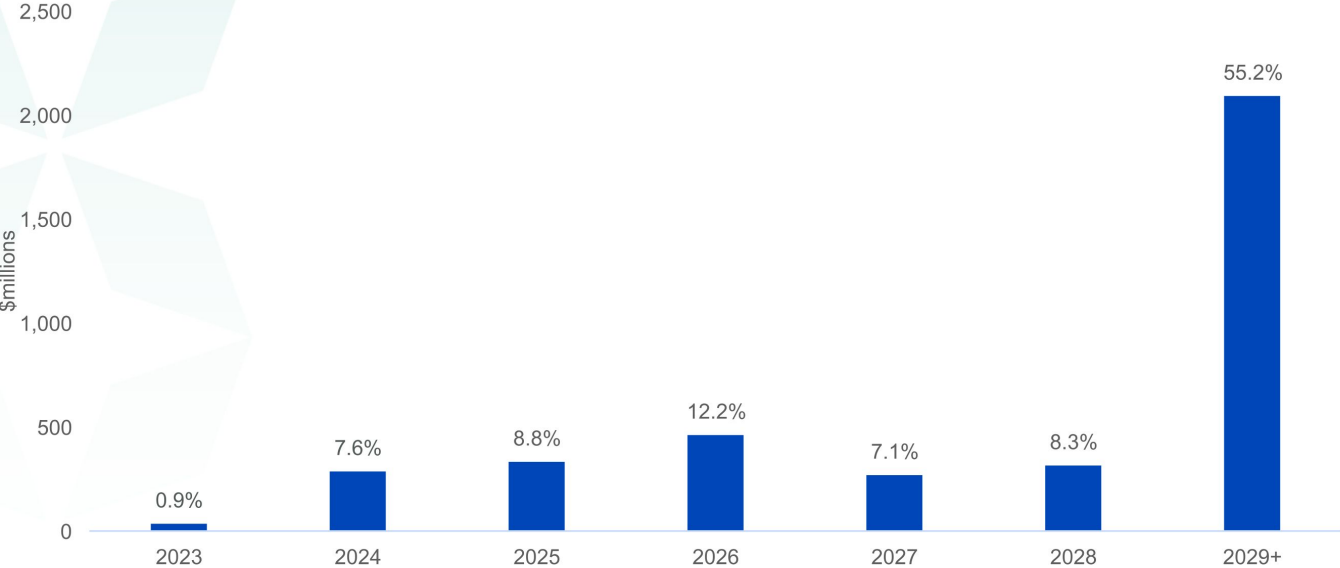


source: Hawaii Tourism Authority, UHERO

CRE scheduled maturities

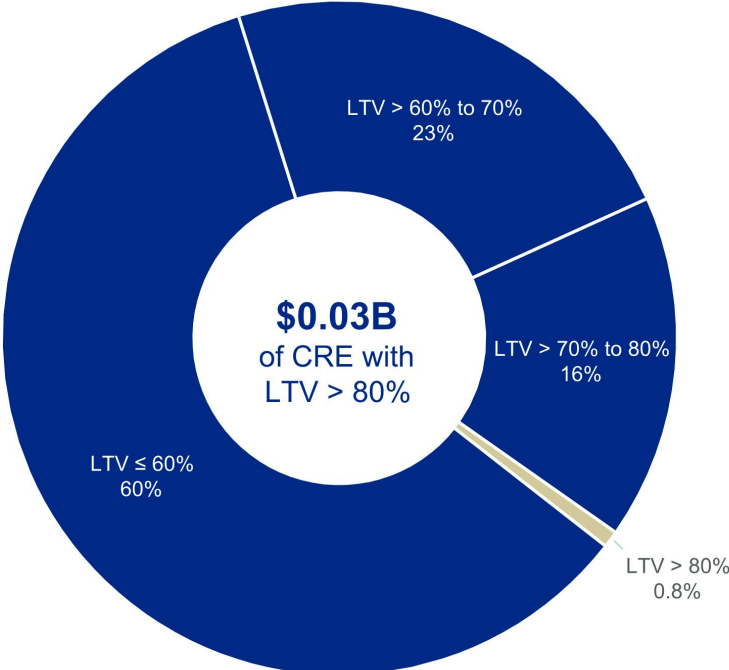
8% maturing prior to 2025

scheduled maturities



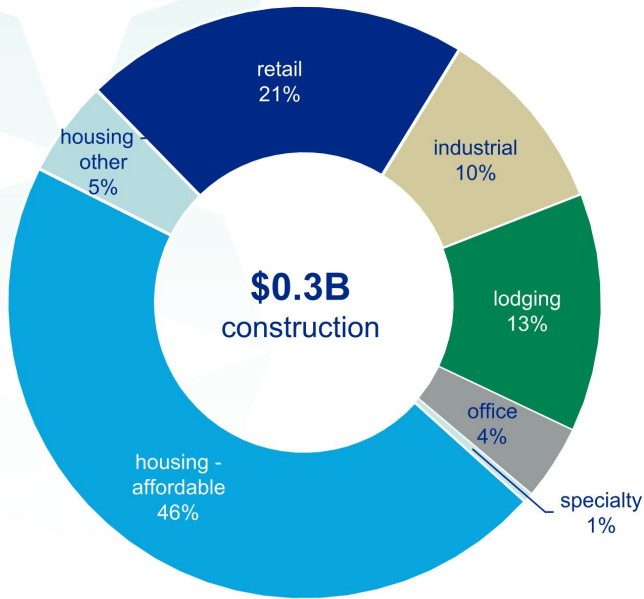
CRE tail risk

LTV > 80% - 0.8% of CRE, 0.2% of total loans



construction

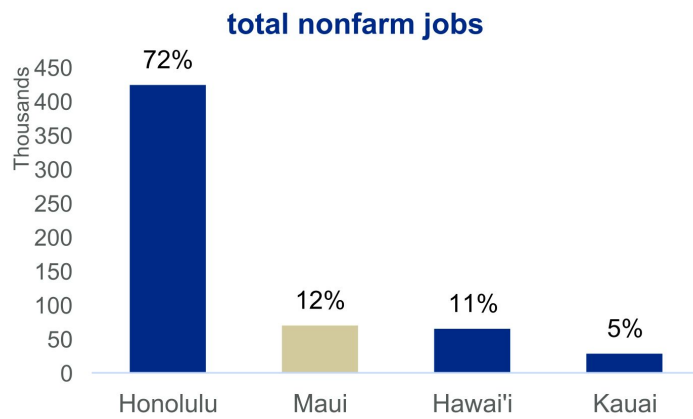
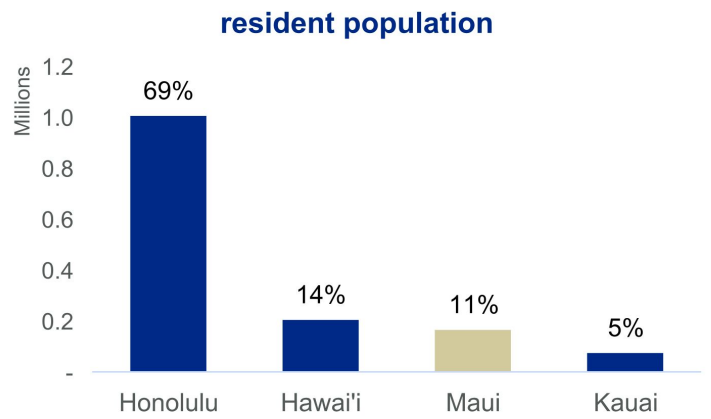
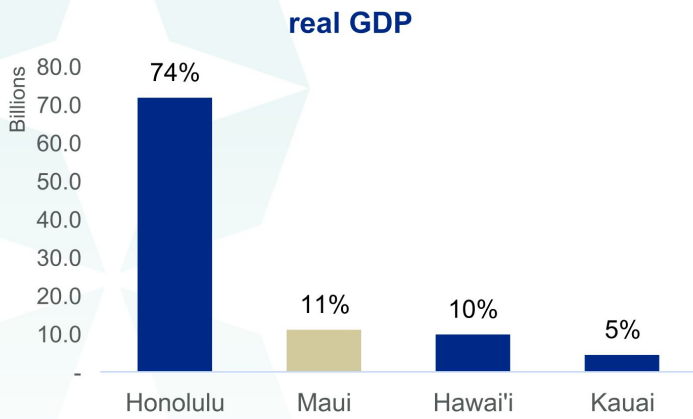
2% of total loans



asset type	% total construction	wtd avg LTV
housing – low income / affordable	46%	65%
housing – other	5%	45%
retail	21%	64%
industrial	10%	67%
lodging	13%	51%
office	4%	69%
specialty	1%	56%
total construction	100%	62%

Maui economic impact

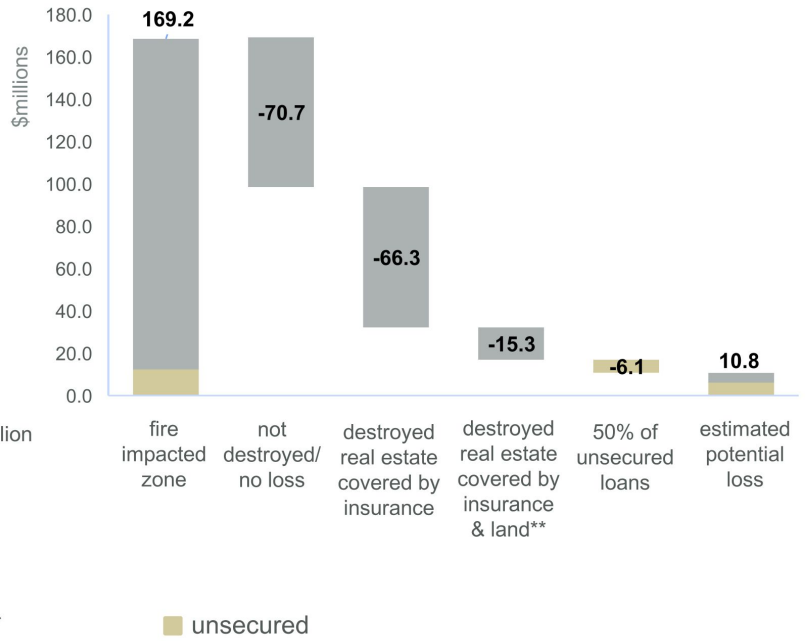
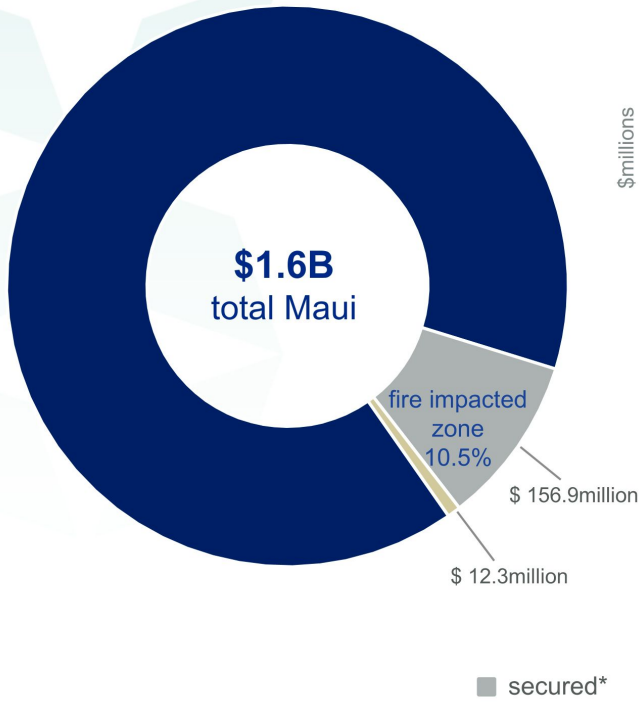
2021 percentage of state total by county



source: University of Hawaii Economic Research Organization (UHERO)

Maui portfolio

12% of total loans, 1% of total loans located in fire impacted zone

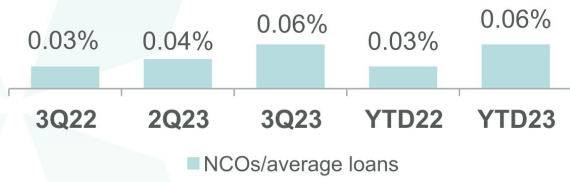


* principally comprised of loans secured by real estate

** land value based on 50% 2023 land tax assessed value

credit quality

net charge-offs



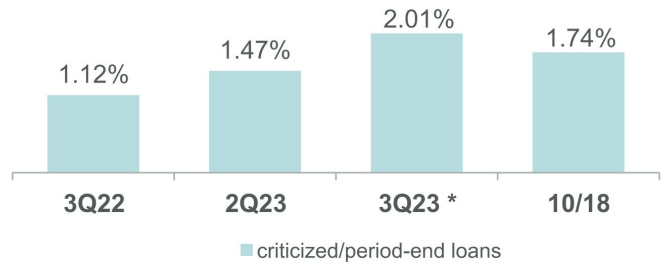
non-performing assets



delinquencies



criticized



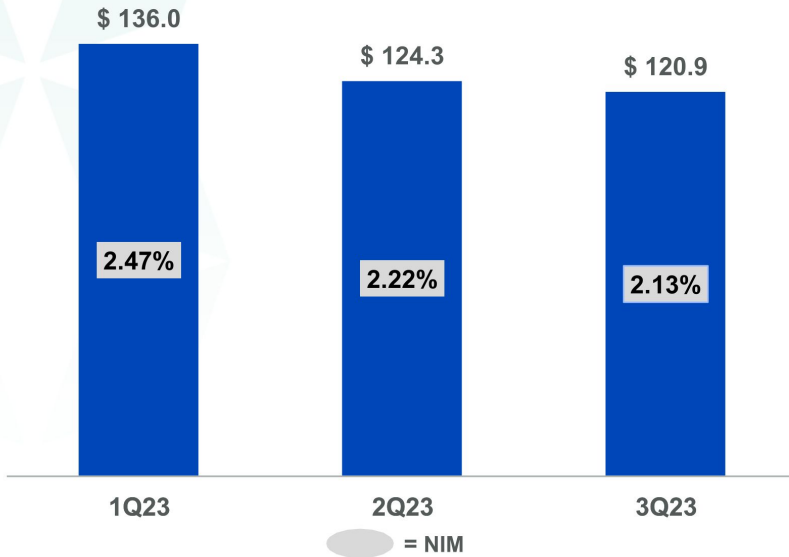
* 51% of total criticized in CRE with 57% wtd avg LTV



financial update

NII and NIM

\$ in millions

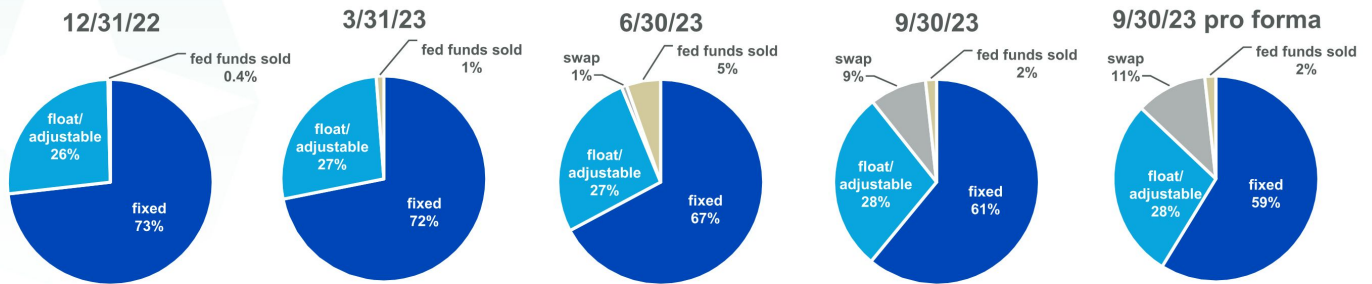


- net interest income (NII) and net interest margin (NIM) challenges from inverted yield curve and higher short term rates
- deposit rates and betas remain well below peers
- NIM declined by 9 basis points in 3Q23 compared to 2Q23

hedging program

increased pay-fixed/receive-float swaps by \$1.8 billion (\$2.0 billion total notional) in 3Q23 to hedge a portion of fixed-rate asset exposure

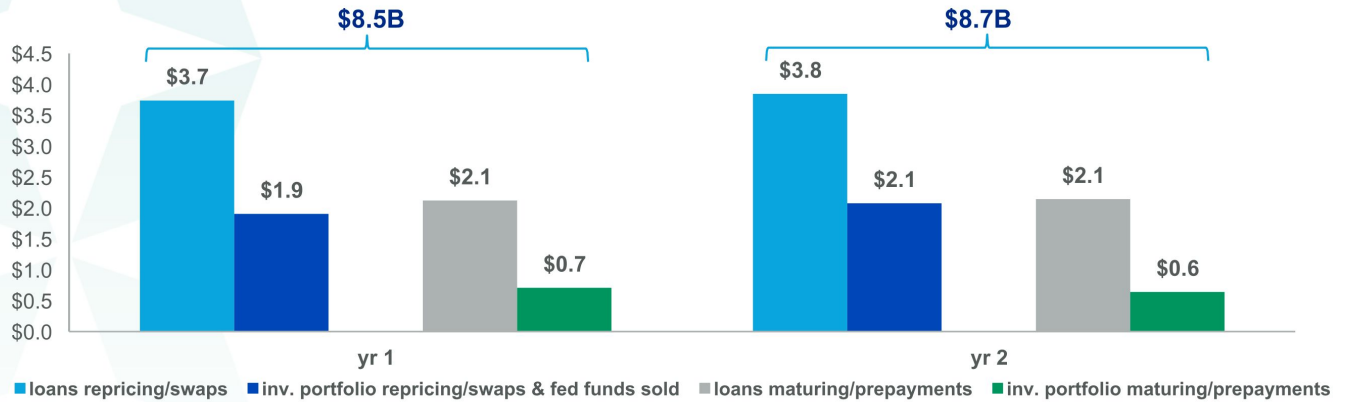
asset composition



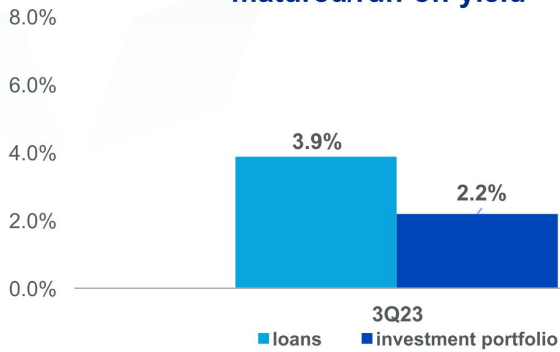
note: fixed excludes \$1.8 billion of fixed-rate assets swapped to floating through the hedging program, fixed/float breakdown includes loans, investment portfolio (using par value), and fed funds sold, 9/30/23 pro forma includes \$500.0 million of pay-fixed/receive-float swaps executed in October 2023, numbers may not add up due to rounding

asset repricing

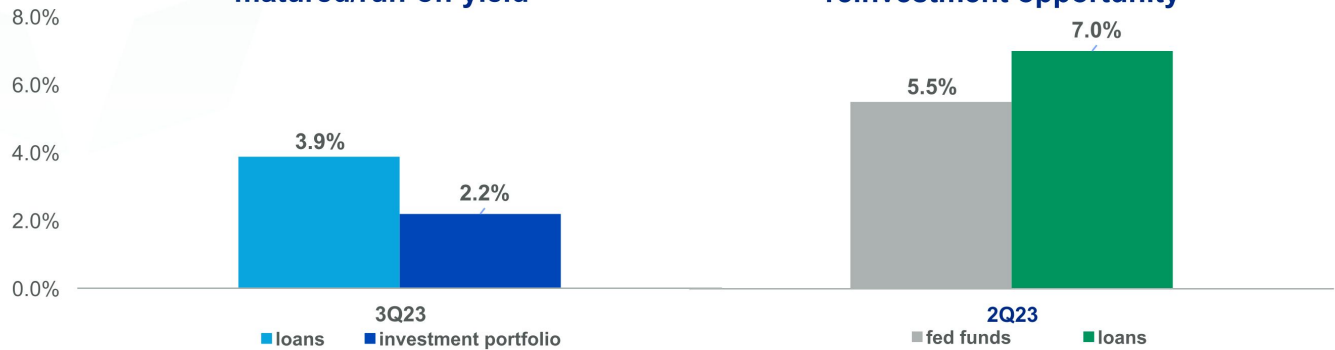
projected repricing, maturities & prepayments (\$ in billions)



matured/run-off yield



reinvestment opportunity

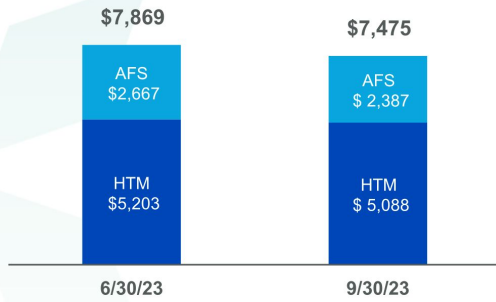


note: numbers may not add up due to rounding, loans repricing/swaps includes \$1.0 billion of fixed-rate loans swapped to floating rate assets, inv. portfolio repricing/swaps and fed funds sold includes \$1.0 billion of fixed-rate available-for-sale securities swapped to floating rate assets, matured/run-off yield for loans includes only fixed-rate loans; matured/run-off yield for investment portfolio excludes securities sold in 3Q23

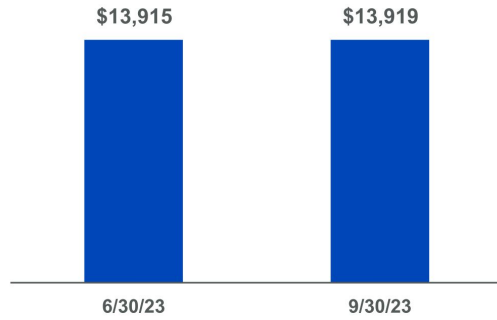
balance sheet summary

\$ in millions

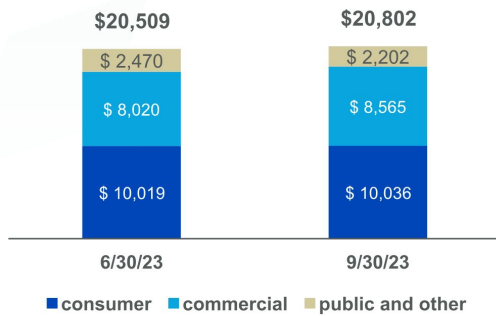
investment securities



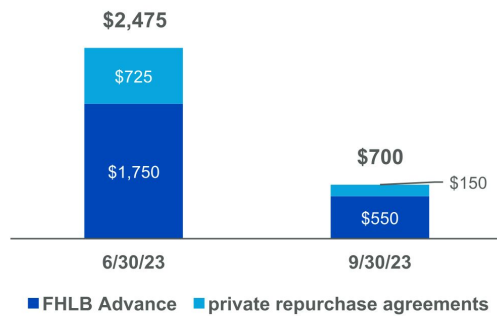
loans and leases



total deposits



wholesale funding



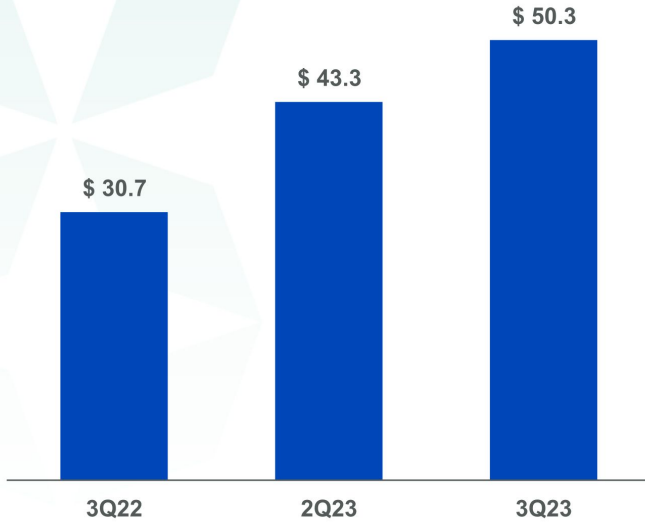
note: numbers may not add up due to rounding

noninterest income

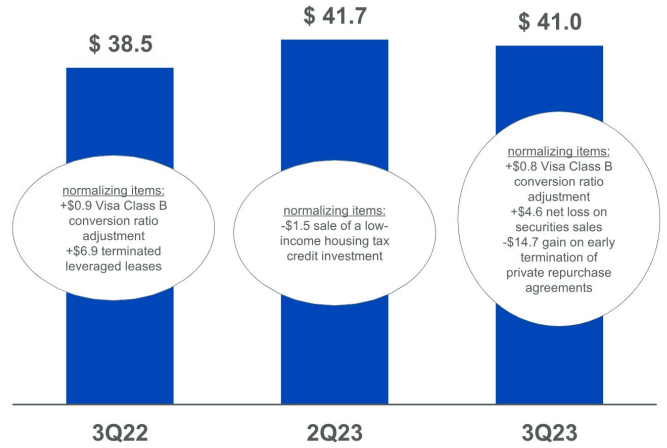
\$ in millions

stable core noninterest income from diverse sources

reported noninterest income



core noninterest income



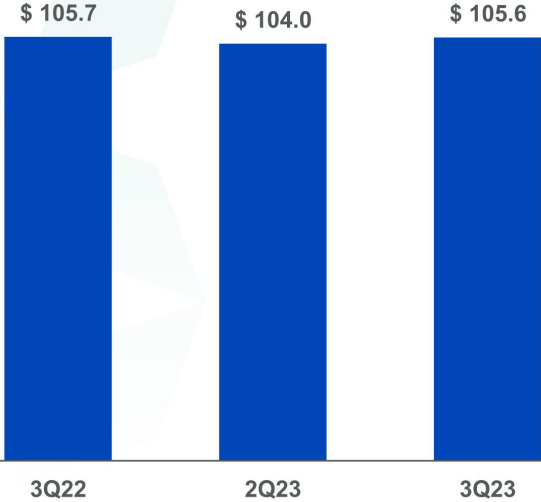
note: numbers may not add up due to rounding

noninterest expense

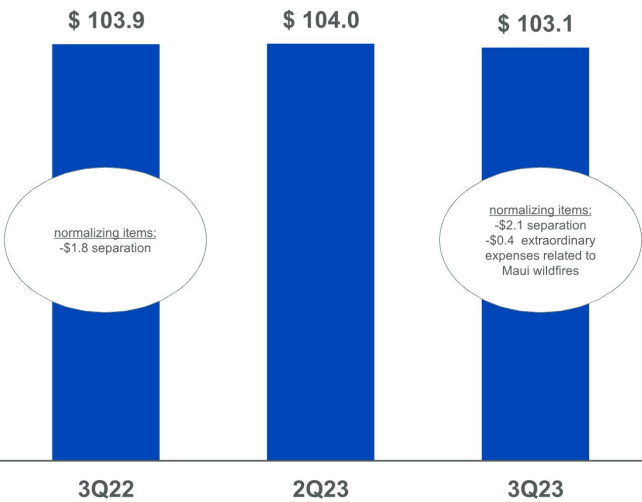
\$ in millions

disciplined expense management in challenging operating environment

reported noninterest expense



core noninterest expense



note: numbers may not add up due to rounding

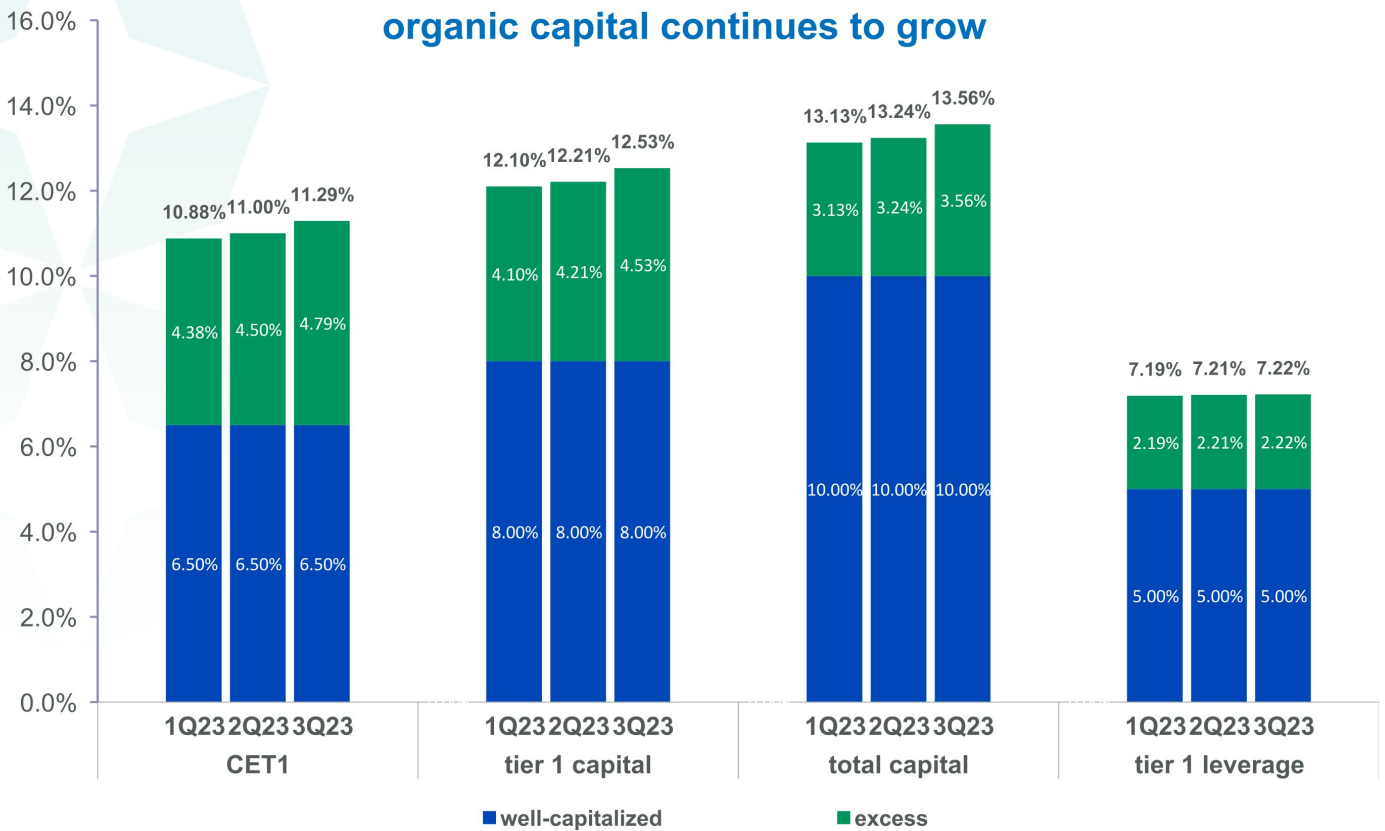
financial summary

\$ in millions, except per share amounts

	<u>3Q 2023</u>	<u>2Q 2023</u>	<u>3Q 2022</u>	<u>Δ 2Q 2023</u>	<u>Δ 3Q 2022</u>
net interest income	\$ 120.9	\$ 124.3	\$ 141.7	\$ (3.4)	\$ (20.7)
noninterest income	50.3	43.3	30.7	7.1	19.7
total revenue	171.3	167.6	172.3	3.7	(1.0)
noninterest expense	105.6	104.0	105.7	1.6	(0.1)
operating income	65.7	63.6	66.6	2.1	(0.9)
credit provision	2.0	2.5	-	(0.5)	2.0
income taxes	15.8	15.0	13.8	0.8	2.0
net income	\$ 47.9	\$ 46.1	\$ 52.8	\$ 1.8	\$ (4.9)
net income available to common	\$ 45.9	\$ 44.1	50.8	\$ 1.8	\$ (4.9)
diluted EPS	\$ 1.17	\$ 1.12	\$ 1.28	\$ 0.05	\$ (0.11)
return on assets	0.78 %	0.77 %	0.91 %	0.01 %	(0.13)%
return on common equity	15.38	14.95	16.98	0.43	(1.60)
net interest margin	2.13	2.22	2.60	(0.09)	(0.47)
efficiency ratio	61.66	62.07	61.37	(0.41)	0.29
end of period balance					
shareholders' equity	\$ 1,364	\$ 1,358	\$ 1,282	0.4 %	6.4%

note: numbers may not add up due to rounding

organic capital continues to grow



note: 3Q23 regulatory capital ratios are preliminary

takeaways

- ✓ unique and competitively advantageous deposit market
- ✓ high quality deposit base
- ✓ market leading cost of deposits
- ✓ high quality assets
- ✓ exceptional credit quality
- ✓ strong risk-based capital

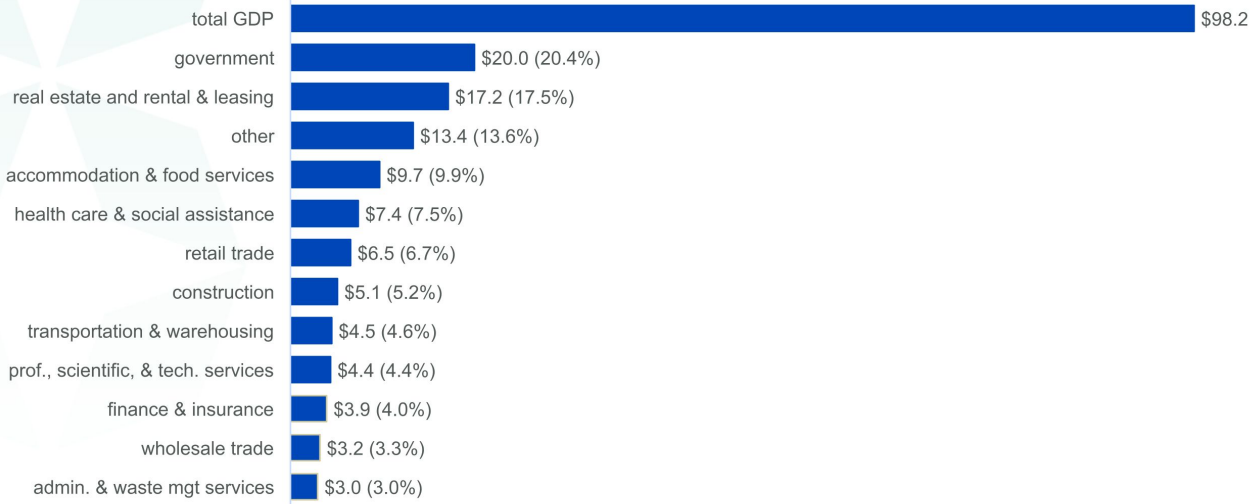
Q & A

appendix

Hawai'i economy

\$ in billions

2022 Hawai'i GDP by industry



source: Hawaii Department of Business, Economic Development, and Tourism (DBEDT)