

**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)

July 26, 2021

BANK OF HAWAII CORP

(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)

N/A
(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</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 (see General Instruction A.2. below):

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

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

Emerging growth company

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

Item 2.02. Results of Operations and Financial Condition.

On July 26, 2021, Bank of Hawaii Corporation announced its results of operations for the quarter ended June 30, 2021. 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	July 26, 2021 Press Release: Bank of Hawaii Corporation Second Quarter 2021 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 Second Quarter 2021 Financial Report
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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: July 26, 2021

Bank of Hawaii Corporation

By: /s/ Patrick M. McGuirk

Patrick M. McGuirk

Senior Executive Vice President and Corporate Secretary



Corporation

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NYSE: BOH

Bank of Hawaii Corporation Second Quarter 2021 Financial Results

- **Diluted Earnings Per Common Share \$1.68**
- **Net Income \$67.5 Million**
- **Board of Directors Declares Dividend of \$0.70 Per Share**

FOR IMMEDIATE RELEASE

HONOLULU, HI (July 26, 2021) -- Bank of Hawaii Corporation (NYSE: BOH) today reported diluted earnings per common share of \$1.68 for the second quarter of 2021, compared with diluted earnings per common share of \$1.50 in the previous quarter and \$0.98 in the same quarter last year. Net income for the second quarter of 2021 was \$67.5 million compared with net income of \$59.9 million in the first quarter of 2021 and \$38.9 million in the second quarter of 2020.

“Bank of Hawaii Corporation continued to perform well during the second quarter of 2021,” said Peter Ho, Chairman, President, and CEO. “Core loans and deposits continue to grow, and asset quality remains solid. We are also pleased with the success of our inaugural preferred stock issuance in June, which enhances the strength of our balance sheet and positions us well for future growth.”

The return on average assets for the second quarter of 2021 was 1.23 percent compared with 1.15 percent during the previous quarter and 0.82 percent in the same quarter last year. The return on average common equity for the second quarter of 2021 was 19.60 percent compared with 17.65 percent during the previous quarter and 11.58 percent in the same quarter last year.

For the six-month period ended June 30, 2021, net income was \$127.5 million, up from net income of \$73.7 million during the same period last year. Diluted earnings per common share were \$3.18 for the first half of 2021 compared with diluted earnings per common share of \$1.85 for the first half of 2020.

The return on average assets for the six-month period ended June 30, 2021 was 1.19 percent compared with the return on average assets of 0.79 percent for the same six-month period in 2020. The return on average common equity was 18.63 percent for the first half of 2021 compared with the return on average common equity of 11.11 percent for the first half of 2020.

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Financial Highlights

Net interest income, on a taxable-equivalent basis, for the second quarter of 2021 was \$123.8 million, an increase of \$3.0 million from \$120.8 million in the first quarter of 2021 and down \$3.2 million from \$127.0 million in the second quarter of 2020. The net interest margin was 2.37 percent in the second quarter of 2021, a decrease of 6 basis points from 2.43 percent in the previous quarter and 46 basis points from 2.83 percent in the same quarter last year. The decrease in the net interest margin is largely due to higher levels of liquidity from continued strong deposit growth and lower interest rates, partially offset by higher fees from Paycheck Protection Program (“PPP”) loans. Net interest income in the second quarter of 2020 included an interest recovery of \$2.9 million.

Net interest income, on a taxable equivalent basis, for the first half of 2021 was \$244.7 million, down \$8.7 million compared with net interest income of \$253.4 million for the first half of 2020. The net interest margin for the first six months of 2021 was 2.40 percent, compared with the net interest margin of 2.90 percent for the same six-month period last year. Analyses of changes in net interest income are included in Tables 8a, 8b, and 8c.

Results for the second quarter of 2021 included a negative provision for credit losses of \$16.1 million compared with a negative provision for credit losses of \$14.3 million in the previous quarter and provision for credit losses of \$40.4 million in the same quarter last year. The provision for credit losses during the first half of 2021 was negative \$30.4 million compared with a provision for credit losses of \$74.0 million during the same period in 2020.

Noninterest income was \$44.4 million in the second quarter of 2021, an increase of \$1.4 million compared with noninterest income of \$43.0 million in the first quarter of 2021 and a decrease of \$6.9 million compared with \$51.3 million in the second quarter of 2020. Noninterest income in the second quarter of 2021 included a gain of \$3.7 million related to the sale of investment securities, partially offset by lower mortgage banking income. Noninterest income during the second quarter of 2020 included a gain of \$14.2 million related to a sale of Visa Class B shares. Noninterest income for the first half of 2021 was \$87.4 million compared with noninterest income of \$97.4 million for the first half of 2020.

Noninterest expense was \$96.5 million in the second quarter of 2021, a decrease of \$2.4 million compared with noninterest expense of \$98.9 million in the first quarter of 2021 and an increase of \$7.6 million compared with \$88.9 million in the second quarter of 2020. Noninterest expense during the second quarter of 2021 included fees related to the early termination of FHLB advances and repurchase agreements of \$3.2 million offset by a gain on the sale of property of \$3.1 million. Noninterest expense in the second quarter of 2021 also included the restoration of incentive compensation that was reduced in the second quarter of 2020. Noninterest expense in the first quarter of 2021 included seasonal payroll expenses of approximately \$2.1 million, costs related to the rollout of contactless cards of \$1.9 million, and separation expenses of \$1.8 million. Noninterest expense for the first half of 2021 was \$195.4 million compared with noninterest expense of \$185.2 million for the first half of 2020. An analysis of noninterest expenses related to salaries and benefits is included in Table 9.

The efficiency ratio during the second quarter of 2021 was 57.47 percent compared with 60.45 percent in the previous quarter and 49.95 percent during the same quarter last year. The efficiency ratio for the first half of 2021 was 58.94 percent compared with 52.90 percent in the same period last year.

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The effective tax rate for the second quarter of 2021 was 22.84 percent compared with 24.09 percent in the previous quarter and 20.05 percent during the same quarter in 2020. The effective tax rate for the first half of 2021 was 23.43 percent compared with an effective tax rate of 18.95 percent during the same period last year. The increase in the effective tax rate for the first half of 2021 was primarily due to higher pretax book income in the first half of 2021.

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

Asset Quality

The Company's overall asset quality continued to remain stable during the second quarter of 2021. Total non-performing assets were \$19.0 million at June 30, 2021, up from \$17.9 million at March 31, 2021 and down from \$22.7 million at June 30, 2020. Non-performing assets as a percentage of total loans and leases and foreclosed real estate were 0.16 percent at the end of the second quarter of 2021, compared with 0.15 percent at the end of the first quarter of 2021 and 0.19 percent at the end of the second quarter of 2020.

Accruing loans and leases past due 90 days or more were \$9.3 million at June 30, 2021 compared with \$10.4 million at March 31, 2021 and \$8.9 million at June 30, 2020. Restructured loans on accrual status and not past due 90 days or more were \$74.9 million at June 30, 2021 compared with \$74.2 million at March 31, 2021 and \$59.7 million at June 30, 2020. More information on non-performing assets and accruing loans and leases past due 90 days or more is presented in Table 11.

Net loan and lease charge-offs during the second quarter of 2021 were \$1.2 million or 0.04 percent annualized of total average loans and leases outstanding and were comprised of charge-offs of \$4.3 million partially offset by recoveries of \$3.1 million. Net loan and lease charge-offs during the first quarter of 2021 were \$2.9 million or 0.10 percent annualized of total average loans and leases outstanding and were comprised of charge-offs of \$6.3 million partially offset by recoveries of \$3.4 million. Net loan and lease charge-offs during the second quarter of 2020 were \$5.1 million or 0.18 percent annualized of total average loans and leases outstanding and were comprised of \$8.3 million of charge-offs partially offset by recoveries of \$3.2 million. Net loan and lease charge-offs during the first half of 2021 were \$4.1 million or 0.07 percent annualized of total average loans and leases outstanding compared with net charge-offs of \$8.9 million or 0.16 percent annualized of total average loans and leases outstanding for the first half of 2020.

The allowance for credit losses on loans and leases was \$180.4 million at June 30, 2021, a decrease from \$198.3 million at March 31, 2021 and an increase from \$173.4 million at June 30, 2020. The ratio of the allowance for credit losses to total loans and leases outstanding was 1.50 percent at June 30, 2021, down from 1.63 percent at March 31, 2021 and up from 1.47 percent at June 30, 2020. The reserve for unfunded commitments was \$4.5 million at June 30, 2021, an increase from \$3.0 million at the end of the prior quarter and an increase from \$2.5 million at the end of the same quarter in 2020. Details of loan and lease charge-offs, recoveries, and the components of the total reserve for credit losses are summarized in Table 12.

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Other Financial Highlights

Total assets increased to a new record of \$22.7 billion at June 30, 2021, an increase compared with total assets of \$21.9 billion at March 31, 2021 and \$19.8 billion at June 30, 2020. Average total assets were \$22.1 billion during the second quarter of 2021, an increase from \$21.2 billion during the first quarter of 2021 and \$19.2 billion in the second quarter of 2020.

The investment securities portfolio was \$8.5 billion at June 30, 2021, up from \$7.5 billion at March 31, 2021 and from \$6.0 billion at June 30, 2020 due to growth in deposits that continued to outpace loan growth. The portfolio remains largely comprised of securities issued by U.S. government agencies and U.S. government-sponsored enterprises and includes \$4.5 billion in securities available-for-sale and \$3.9 billion in securities held-to-maturity at June 30, 2021. The securities portfolio at March 31, 2021 included \$4.0 billion in securities available-for-sale and \$3.5 billion in securities held-to-maturity. The securities portfolio at June 30, 2020 included \$2.7 billion in securities available-for-sale and \$3.3 billion in securities held-to-maturity.

Total loans and leases were \$12.0 billion at June 30, 2021, a decrease of 0.8 percent from total loans and leases of \$12.1 billion at March 31, 2021 and an increase of 2.0 percent from \$11.8 billion at June 30, 2020. Average total loans and leases were \$12.1 billion during the second quarter of 2021, an increase from average total loans and leases of \$12.0 billion during the first quarter of 2021 and \$11.7 billion during the second quarter of 2020.

The commercial loan portfolio was \$5.1 billion at June 30, 2021, a decrease of \$156.2 million or 3.0 percent from \$5.3 billion at March 31, 2021 and up \$80.4 million or 1.6 percent from \$5.0 billion at June 30, 2020. Commercial loans excluding PPP loans were \$4.6 billion at June 30, 2021, an increase of \$55.7 million or 1.2 percent from \$4.5 billion at March 31, 2021 and an increase of \$95.3 million or 2.1 percent from \$4.5 billion at June 30, 2020. PPP loans were \$513.5 million at June 30, 2021, a decrease of \$212.0 million or 29.2 percent from \$725.5 million at March 31, 2021 and a decrease of \$14.9 million or 2.8 percent from \$528.5 million at June 30, 2020. Consumer loans were \$6.9 billion at June 30, 2021, an increase of \$56.9 million or 0.8 percent from \$6.9 billion at March 31, 2021 and up \$155.6 million or 2.3 percent from \$6.8 billion at June 30, 2020. Loan and lease portfolio balances are summarized in Table 10.

Total deposits were \$20.2 billion at June 30, 2021, an increase of 3.1 percent from total deposits of \$19.6 billion at March 31, 2021 and up 15.8 percent from total deposits of \$17.4 billion at June 30, 2020. Average total deposits were \$19.7 billion during the second quarter of 2021, an increase from \$18.7 billion during the first quarter of 2021 and from \$16.7 billion during second quarter of 2020.

Consumer deposits were \$9.8 billion at June 30, 2021, an increase of \$101.6 million or 1.0 percent from \$9.7 billion at March 31, 2021 and an increase of \$1.0 billion or 12.3 percent from \$8.8 billion at June 30, 2020. Commercial deposits were \$8.7 billion at June 30, 2021, an increase of \$434.8 million or 5.3 percent from \$8.2 billion at March 31, 2021 and an increase of \$1.4 billion or 18.9 percent from \$7.3 billion at June 30, 2020. Other deposits, including public funds, were \$1.6 billion at June 30, 2021, an increase of \$76.7 million or 4.9 percent from \$1.6 billion at March 31, 2021 and an increase of \$284.3 million or 20.9 percent from \$1.4 billion at June 30, 2020. Deposit balances are summarized in Table 10.

In the second quarter of 2021, the Company issued \$180 million of Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A, at a rate of 4.375%. The Company received net proceeds from the offering of \$175.5 million after issuance costs. There were no repurchases under the share repurchase program in the second quarter of 2021. Total remaining buyback authority under the share repurchase program was \$113.1 million at July 23, 2021.

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Total shareholders' equity was \$1.6 billion at June 30, 2021, compared with \$1.4 billion at March 31, 2021 and \$1.4 billion at June 30, 2020. The Tier 1 Capital Ratio was 13.87 percent at June 30, 2021 compared with 12.35 percent at March 31, 2021 and 12.04 percent at June 30, 2020. The Tier 1 Leverage Ratio at June 30, 2021 was 7.31 percent compared with 6.61 percent at March 31, 2021 and 6.90 percent at June 30, 2020.

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 September 15, 2021 to shareholders of record at the close of business on August 31, 2021. The Board of Directors previously declared the first quarterly dividend payment of \$5.59 per share, equivalent to \$0.13975 per depository share, on its Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A for the period covering June 15, 2021 through July 31, 2021. The depository shares representing the Series A Preferred Stock are traded on the NYSE under the symbol "BOH.PRA." The dividend will be payable on August 2, 2021 to shareholders of record of the preferred stock as of July 16, 2021.

Conference Call Information

The Company will review its second quarter financial results today at 8:00 a.m. Hawaii 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 Hawaii Corporation's website, www.boh.com. The webcast link is <https://edge.media-server.com/mmc/p/nujqrorp>. The toll-free number for the teleconference is 1 (844) 543-5235 in the United States and Canada and 1 (703) 318-2209 for other international callers. Use the pass code "Bank of Hawaii" to access the call. A replay of the conference call will be available for one week beginning approximately 11:00 a.m. Hawaii Time on Monday, July 26, 2021. The replay number is 1 (855) 859-2056 in the United States and Canada and 1 (404) 537-3406 from other international locations. Enter the conference ID 3698556 when prompted. In addition, the replay will be available on the Company's website, www.boh.com.

Forward-Looking Statements

This news release, and other statements made by the Company in connection with it may contain "forward-looking statements" (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 Hawaii Corporation's Annual Report on Form 10-K for the year ended December 31, 2020 and its Form 10-Q for the fiscal quarter ended March 31, 2021, 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 Hawaii 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 Hawaii, was founded in 1897. For more information about Bank of Hawaii Corporation, see the Company's web site, www.boh.com.

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Bank of Hawaii Corporation and Subsidiaries

Financial Highlights

Table 1

	Three Months Ended			Six Months Ended		
	June 30, 2021	March 31, 2021	June 30, 2020	2021	June 30, 2020	2020
(dollars in thousands, except per share amounts)						
For the Period:						
Operating Results						
Net Interest Income	\$ 123,514	\$ 120,569	\$ 126,691	\$ 244,083	\$ 252,657	
Provision for Credit Losses	(16,100)	(14,300)	40,400	(30,400)	74,000	
Total Noninterest Income	44,431	42,970	51,268	87,401	97,417	
Total Noninterest Expense	96,527	98,865	88,892	195,392	185,204	
Net Income	67,533	59,949	38,908	127,482	73,650	
Basic Earnings Per Common Share	1.69	1.51	0.98	3.20	1.86	
Diluted Earnings Per Common Share	1.68	1.50	0.98	3.18	1.85	
Dividends Declared Per Common Share	0.67	0.67	0.67	1.34	1.34	
Performance Ratios						
Return on Average Assets	1.23 %	1.15 %	0.82 %	1.19 %	0.79 %	
Return on Average Shareholders' Equity	19.17	17.65	11.58	18.43	11.11	
Return on Average Common Equity	19.60	17.65	11.58	18.63	11.11	
Efficiency Ratio ¹	57.47	60.45	49.95	58.94	52.90	
Net Interest Margin ²	2.37	2.43	2.83	2.40	2.90	
Dividend Payout Ratio ³	39.64	44.37	68.37	41.88	72.04	
Average Shareholders' Equity to Average Assets	6.40	6.51	7.04	6.45	7.12	
Average Balances						
Average Loans and Leases	\$ 12,096,308	\$ 11,952,587	\$ 11,727,649	\$ 12,024,844	\$ 11,394,178	
Average Assets	22,073,569	21,150,670	19,189,581	21,614,669	18,706,092	
Average Deposits	19,698,285	18,665,222	16,679,511	19,184,607	16,248,628	
Average Shareholders' Equity	1,412,924	1,377,272	1,351,345	1,395,197	1,332,596	
Per Share of Common Stock						
Book Value	\$ 34.80	\$ 33.67	\$ 33.76	\$ 34.80	\$ 33.76	
Tangible Book Value	34.02	32.89	32.97	34.02	32.97	
Market Value						
Closing	84.22	89.49	61.41	84.22	61.41	
High	95.95	99.10	72.74	99.10	95.53	
Low	81.23	75.65	51.15	75.65	46.70	
		June 30, 2021	March 31, 2021	December 31, 2020	June 30, 2020	
As of Period End:						
Balance Sheet Totals						
Loans and Leases	\$ 12,041,378	\$ 12,140,703	\$ 11,940,020	\$ 11,805,370		
Total Assets	22,672,183	21,947,271	20,603,651	19,769,942		
Total Deposits	20,169,709	19,556,651	18,211,621	17,423,155		
Other Debt	10,437	60,459	60,481	60,524		
Total Shareholders' Equity	1,583,531	1,360,221	1,374,507	1,352,082		
Asset Quality						
Non-Performing Assets	\$ 18,974	\$ 17,883	\$ 18,481	\$ 22,701		
Allowance for Credit Losses - Loans and Leases	180,385	198,343	216,252	173,439		
Allowance to Loans and Leases Outstanding ⁴	1.50 %	1.63 %	1.81 %	1.47 %		
Capital Ratios ⁵						
Common Equity Tier 1 Capital Ratio	12.36 %	12.35 %	12.06 %	12.04 %		
Tier 1 Capital Ratio	13.87	12.35	12.06	12.04		
Total Capital Ratio	15.13	13.61	13.31	13.29		
Tier 1 Leverage Ratio	7.31	6.61	6.71	6.90		
Total Shareholders' Equity to Total Assets	6.98	6.20	6.67	6.84		
Tangible Common Equity to Tangible Assets ⁶	6.08	6.06	6.53	6.69		
Tangible Common Equity to Risk-Weighted Assets ⁶	11.85	11.78	11.89	12.07		
Non-Financial Data						
Full-Time Equivalent Employees	2,085	2,058	2,022	2,112		
Branches	54	63	65	67		
ATMs	312	361	357	367		

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 June 30, 2021 are preliminary.

⁶ Tangible common equity to tangible assets and tangible common equity to risk-weighted assets are Non-GAAP financial measures. See Table 2 "Reconciliation of Non-GAAP Financial Measures."

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

Table 2

(dollars in thousands)	June 30, 2021	March 31, 2021	December 31, 2020	June 30, 2020
Total Shareholders' Equity	\$ 1,583,531	\$ 1,360,221	\$ 1,374,507	\$ 1,352,082
Less: Preferred Stock	175,487	-	-	-
Goodwill	31,517	31,517	31,517	31,517
Tangible Common Equity	\$ 1,376,527	\$ 1,328,704	\$ 1,342,990	\$ 1,320,565
Total Assets	\$ 22,672,183	\$ 21,947,271	\$ 20,603,651	\$ 19,769,942
Less: Goodwill	31,517	31,517	31,517	31,517
Tangible Assets	\$ 22,640,666	\$ 21,915,754	\$ 20,572,134	\$ 19,738,425
Risk-Weighted Assets, determined in accordance with prescribed regulatory requirements	\$ 11,614,522	\$ 11,275,565	\$ 11,295,077	\$ 10,941,894
Total Shareholders' Equity to Total Assets	6.98%	6.20%	6.67%	6.84%
Tangible Common Equity to Tangible Assets (Non-GAAP)	6.08%	6.06%	6.53%	6.69%
Tier 1 Capital Ratio	13.87%	12.35%	12.06%	12.04%
Tangible Common Equity to Risk-Weighted Assets (Non-GAAP)	11.85%	11.78%	11.89%	12.07%

Note: Risk-Weighted Assets and Regulatory capital ratios as of June 30, 2021 are preliminary.

Bank of Hawaii Corporation and Subsidiaries

Consolidated Statements of Income

Table 3

	Three Months Ended			Six Months Ended		
	June 30, 2021	March 31, 2021	June 30, 2020	2021	June 30, 2020	2020
(dollars in thousands, except per share amounts)						
Interest Income						
Interest and Fees on Loans and Leases	\$ 100,894	\$ 99,299	\$ 107,628	\$ 200,193	\$ 215,838	
Income on Investment Securities						
Available-for-Sale	16,467	15,837	14,576	32,304	31,287	
Held-to-Maturity	13,576	13,300	16,723	26,876	35,975	
Deposits	-	7	1	7	10	
Funds Sold	260	137	92	397	638	
Other	182	185	125	367	343	
Total Interest Income	131,379	128,765	139,145	260,144	284,091	
Interest Expense						
Deposits	4,152	4,329	7,954	8,481	22,214	
Securities Sold Under Agreements to Repurchase	3,470	3,533	4,020	7,003	8,045	
Funds Purchased	-	1	18	1	90	
Short-Term Borrowings	-	-	22	-	61	
Other Debt	243	333	440	576	1,024	
Total Interest Expense	7,865	8,196	12,454	16,061	31,434	
Net Interest Income	123,514	120,569	126,691	244,083	252,657	
Provision for Credit Losses	(16,100)	(14,300)	40,400	(30,400)	74,000	
Net Interest Income After Provision for Credit Losses	139,614	134,869	86,291	274,483	178,657	
Noninterest Income						
Trust and Asset Management	11,682	11,278	10,550	22,960	21,465	
Mortgage Banking	3,058	5,862	4,278	8,920	6,973	
Service Charges on Deposit Accounts	6,065	6,128	5,097	12,193	12,548	
Fees, Exchange, and Other Service Charges	13,807	13,607	9,417	27,414	22,617	
Investment Securities Gains (Losses), Net	2,423	(1,203)	13,216	1,220	12,246	
Annuity and Insurance	911	702	883	1,613	1,811	
Bank-Owned Life Insurance	2,063	1,917	1,649	3,980	3,229	
Other	4,422	4,679	6,178	9,101	16,528	
Total Noninterest Income	44,431	42,970	51,268	87,401	97,417	
Noninterest Expense						
Salaries and Benefits	56,161	56,251	50,715	112,412	105,178	
Net Occupancy	5,047	9,090	8,761	14,137	17,716	
Net Equipment	8,796	8,878	8,195	17,674	16,651	
Data Processing	4,557	6,322	4,416	10,879	9,204	
Professional Fees	3,114	3,406	3,061	6,520	6,269	
FDIC Insurance	1,669	1,654	1,558	3,323	3,014	
Other	17,183	13,264	12,186	30,447	27,172	
Total Noninterest Expense	96,527	98,865	88,892	195,392	185,204	
Income Before Provision for Income Taxes	87,518	78,974	48,667	166,492	90,870	
Provision for Income Taxes	19,985	19,025	9,759	39,010	17,220	
Net Income	\$ 67,533	\$ 59,949	\$ 38,908	\$ 127,482	\$ 73,650	
Basic Earnings Per Common Share	\$ 1.69	\$ 1.51	\$ 0.98	\$ 3.20	\$ 1.86	
Diluted Earnings Per Common Share	\$ 1.68	\$ 1.50	\$ 0.98	\$ 3.18	\$ 1.85	
Dividends Declared Per Common Share	\$ 0.67	\$ 0.67	\$ 0.67	\$ 1.34	\$ 1.34	
Basic Weighted Average Common Shares	39,902,583	39,827,590	39,703,735	39,865,268	39,692,695	
Diluted Weighted Average Common Shares	40,122,905	40,071,477	39,832,475	40,096,527	39,873,334	

Bank of Hawaii Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income

Table 4

(dollars in thousands)	Three Months Ended			Year Ended	
	June 30, 2021	March 31, 2021	June 30, 2020	2021	June 30, 2020
Net Income	\$ 67,533	\$ 59,949	\$ 38,908	\$ 127,482	\$ 73,650
Other Comprehensive Income (Loss), Net of Tax:					
Net Unrealized Gains (Losses) on Investment Securities	(123)	(50,050)	7,730	(50,173)	49,289
Defined Benefit Plans	442	441	374	883	748
Other Comprehensive Income (Loss)	319	(49,609)	8,104	(49,290)	50,037
Comprehensive Income	\$ 67,852	\$ 10,340	\$ 47,012	\$ 78,192	\$ 123,687

Bank of Hawaii Corporation and Subsidiaries

Consolidated Statements of Condition

Table 5

(dollars in thousands)	June 30, 2021	March 31, 2021	December 31, 2020	June 30, 2020
Assets				
Interest-Bearing Deposits in Other Banks	\$ 2,584	\$ 4,506	\$ 1,646	\$ 2,310
Funds Sold	909,730	1,101,631	333,022	800,857
Investment Securities				
Available-for-Sale	4,522,941	4,024,763	3,791,689	2,726,478
Held-to-Maturity (Fair Value of \$3,965,117; \$3,477,346; \$3,348,693; and \$3,374,294)	3,947,613	3,464,360	3,262,727	3,276,829
Loans Held for Sale	47,490	18,320	82,565	20,711
Loans and Leases	12,041,378	12,140,703	11,940,020	11,805,370
Allowance for Credit Losses	(180,385)	(198,343)	(216,252)	(173,439)
Net Loans and Leases	11,860,993	11,942,360	11,723,768	11,631,931
Total Earning Assets	21,291,351	20,555,940	19,195,417	18,459,116
Cash and Due from Banks	269,153	286,717	279,420	242,423
Premises and Equipment, Net	198,508	198,107	199,695	198,582
Operating Lease Right-of-Use Assets	97,264	97,750	99,542	97,166
Accrued Interest Receivable	47,046	47,917	49,303	50,645
Foreclosed Real Estate	2,332	2,332	2,332	2,506
Mortgage Servicing Rights	21,473	22,320	19,652	22,904
Goodwill	31,517	31,517	31,517	31,517
Bank-Owned Life Insurance	292,805	291,764	291,480	291,185
Other Assets	420,734	412,907	435,293	373,898
Total Assets	\$ 22,672,183	\$ 21,947,271	\$ 20,603,651	\$ 19,769,942
Liabilities				
Deposits				
Noninterest-Bearing Demand	\$ 6,570,232	\$ 6,227,436	\$ 5,749,612	\$ 5,485,015
Interest-Bearing Demand	4,498,825	4,379,243	4,040,733	3,437,654
Savings	7,704,575	7,474,580	6,759,213	6,821,710
Time	1,396,077	1,475,392	1,662,063	1,678,776
Total Deposits	20,169,709	19,556,651	18,211,621	17,423,155
Funds Purchased	-	-	-	-
Short-Term Borrowings	-	-	-	-
Securities Sold Under Agreements to Repurchase	550,490	600,490	600,590	603,206
Other Debt	10,437	60,459	60,481	60,524
Operating Lease Liabilities	105,380	105,820	107,412	104,741
Retirement Benefits Payable	50,260	50,687	51,197	43,833
Accrued Interest Payable	3,879	4,109	5,117	7,775
Taxes Payable and Deferred Taxes	11,844	15,599	2,463	38,297
Other Liabilities	186,653	193,235	190,263	136,329
Total Liabilities	21,088,652	20,587,050	19,229,144	18,417,860
Shareholders' Equity				
Preferred Stock (\$.01 par value; authorized 180,000 shares; issued and outstanding: June 30, 2021 - 180,000 shares)	180,000	-	-	-
Common Stock (\$.01 par value; authorized 500,000,000 shares; issued / outstanding: June 30, 2021 - 58,557,754 / 40,465,482; March 31, 2021 - 58,553,365 / 40,394,234; December 31, 2020 - 58,285,624 / 40,119,312; and June 30, 2020 - 58,263,452 / 40,047,694)	580	580	580	580
Capital Surplus	594,261	594,804	591,360	586,946
Accumulated Other Comprehensive Income (Loss)	(41,468)	(41,787)	7,822	18,925
Retained Earnings	1,884,431	1,844,057	1,811,979	1,786,351
Treasury Stock, at Cost (Shares: June 30, 2021 - 18,092,272; March 31, 2021 - 18,159,131; December 31, 2020 - 18,166,312; and June 30, 2020 - 18,215,758)	(1,034,273)	(1,037,433)	(1,037,234)	(1,040,720)
Total Shareholders' Equity	1,583,531	1,360,221	1,374,507	1,352,082
Total Liabilities and Shareholders' Equity	\$ 22,672,183	\$ 21,947,271	\$ 20,603,651	\$ 19,769,942

Bank of Hawaii 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	Accum. Other Compre- hensive Income (Loss)	Retained Earnings	Treasury Stock	Total
Balance as of December 31, 2020	-	\$ -	40,119,312	\$ 580	\$ 591,360	\$ 7,822	\$ 1,811,979	\$ (1,037,234)	\$ 1,374,507
Net Income	-	-	-	-	-	-	127,482	-	127,482
Other Comprehensive Loss	-	-	-	-	-	(49,290)	-	-	(49,290)
Share-Based Compensation	-	-	-	-	6,122	-	-	-	6,122
Preferred Stock Issued, Net	180,000	180,000	-	-	(4,513)	-	-	-	175,487
Common Stock Issued under Purchase and Equity Compensation Plans	-	-	383,326	-	1,292	-	(891)	6,259	6,660
Common Stock Repurchased	-	-	(37,156)	-	-	-	-	(3,298)	(3,298)
Cash Dividends Declared Common Stock (\$1.34 per share)	-	-	-	-	-	-	(54,139)	-	(54,139)
Balance as of June 30, 2021	180,000	\$ 180,000	40,465,482	\$ 580	\$ 594,261	\$ (41,468)	\$ 1,884,431	\$ (1,034,273)	\$ 1,583,531
Balance as of December 31, 2019	-	\$ -	40,039,695	\$ 579	\$ 582,566	\$ (31,112)	\$ 1,761,415	\$ (1,026,616)	\$ 1,286,832
Net Income	-	-	-	-	-	-	73,650	-	73,650
Other Comprehensive Income	-	-	-	-	-	50,037	-	-	50,037
Cumulative Change in Accounting Principle	-	-	-	-	-	-	3,632	-	3,632
Share-Based Compensation	-	-	-	-	3,704	-	-	-	3,704
Common Stock Issued under Purchase and Equity Compensation Plans	-	-	195,351	1	676	-	1,333	3,041	5,051
Common Stock Repurchased	-	-	(187,352)	-	-	-	-	(17,145)	(17,145)
Cash Dividends Declared Common Stock (\$1.34 per share)	-	-	-	-	-	-	(53,679)	-	(53,679)
Balance as of June 30, 2020	-	\$ -	40,047,694	\$ 580	\$ 586,946	\$ 18,925	\$ 1,786,351	\$ (1,040,720)	\$ 1,352,082

Bank of Hawaii Corporation and Subsidiaries

Average Balances and Interest Rates - Taxable-Equivalent Basis

Table 7a

(dollars in millions)	Three Months Ended June 30, 2021			Three Months Ended March 31, 2021			Three Months Ended June 30, 2020		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning Assets									
Interest-Bearing Deposits in Other Banks	\$ 2.2	\$ -	0.04 %	\$ 3.2	\$ -	0.93 %	\$ 2.6	\$ -	0.18 %
Funds Sold	946.2	0.3	0.11	550.6	0.1	0.10	545.9	0.1	0.07
Investment Securities									
Available-for-Sale									
Taxable	4,290.8	16.3	1.53	4,007.9	15.8	1.57	2,614.1	14.3	2.19
Non-Taxable	12.3	0.1	4.27	12.3	0.1	4.27	32.2	0.4	4.45
Held-to-Maturity									
Taxable	3,496.2	13.4	1.53	3,385.8	13.1	1.55	2,957.6	16.4	2.22
Non-Taxable	41.5	0.3	2.53	38.1	0.2	2.55	54.4	0.4	2.66
Total Investment Securities	7,840.8	30.1	1.5	7,444.1	29.2	1.57	5,658.3	31.5	2.22
Loans Held for Sale	25.7	0.2	2.86	26.2	0.2	2.76	23.4	0.2	3.24
Loans and Leases 1									
Commercial and Industrial	1,934.5	16.8	3.49	1,904.5	14.3	3.05	1,963.8	17.9	3.67
Commercial Mortgage	2,883.5	21.3	2.96	2,846.0	21.3	3.04	2,622.9	22.3	3.42
Construction	285.6	2.6	3.66	264.1	2.3	3.48	255.8	2.5	3.93
Commercial Lease Financing	105.7	0.4	1.54	106.4	0.4	1.43	110.9	0.5	1.88
Residential Mortgage	4,234.3	35.6	3.35	4,146.6	35.9	3.46	3,939.6	36.0	3.65
Home Equity	1,573.4	12.1	3.09	1,594.1	12.6	3.20	1,665.2	14.3	3.45
Automobile	710.4	6.1	3.45	708.3	6.1	3.51	701.2	6.2	3.55
Other 2	368.9	6.0	6.53	382.6	6.4	6.75	468.2	7.9	6.77
Total Loans and Leases	12,096.3	100.9	3.34	11,952.6	99.3	3.35	11,727.6	107.6	3.68
Other	32.3	0.2	2.26	33.4	0.2	2.21	34.0	0.1	1.47
Total Earning Assets 3	20,943.5	131.7	2.52	20,010.1	129.0	2.60	17,991.8	139.5	3.11
Cash and Due from Banks	256.1			270.7			302.4		
Other Assets	874.0			869.9			895.4		
Total Assets	\$ 22,073.6			\$ 21,150.7			\$ 19,189.6		
Interest-Bearing Liabilities									
Interest-Bearing Deposits									
Demand	\$ 4,452.4	0.7	0.07	\$ 4,186.4	0.6	0.06	\$ 3,226.6	0.6	0.07
Savings	7,533.0	1.8	0.09	7,016.6	1.5	0.09	6,691.4	2.2	0.13
Time	1,418.4	1.7	0.47	1,630.0	2.2	0.56	1,826.8	5.2	1.13
Total Interest-Bearing Deposits	13,403.8	4.2	0.12	12,833.0	4.3	0.14	11,744.8	8.0	0.27
Short-Term Borrowings	-	-	-	2.4	-	0.09	57.6	-	0.28
Securities Sold Under Agreements to Repurchase	570.3	3.5	2.41	600.5	3.6	2.35	602.9	4.0	2.64
Other Debt	30.2	0.2	3.22	60.5	0.3	2.22	60.5	0.5	2.91
Total Interest-Bearing Liabilities	14,004.3	7.9	0.22	13,496.4	8.2	0.24	12,465.8	12.5	0.40
Net Interest Income		\$ 123.8			\$ 120.8			\$ 127.0	
Interest Rate Spread			2.30 %			2.36 %			2.71 %
Net Interest Margin			2.37 %			2.43 %			2.83 %
Noninterest-Bearing Demand Deposits	6,294.5			5,832.2			4,934.7		
Other Liabilities	361.9			444.8			437.8		
Shareholders' Equity	1,412.9			1,377.3			1,351.3		
Total Liabilities and Shareholders' Equity	\$ 22,073.6			\$ 21,150.7			\$ 19,189.6		

1 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.

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

3 Interest income includes taxable-equivalent basis adjustments, based upon a federal statutory tax rate of 21%, of \$269,000, \$252,000, and \$358,000 for the three months ended June 30, 2021, March 31, 2021, and June 30, 2020, respectively.

Bank of Hawaii Corporation and Subsidiaries

Average Balances and Interest Rates - Taxable-Equivalent Basis

Table 7b

(dollars in millions)	Six Months Ended June 30, 2021			Six Months Ended June 30, 2020		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning Assets						
Interest-Bearing Deposits in Other Banks	\$ 2.7	\$ -	0.56 %	\$ 2.0	\$ -	0.96 %
Funds Sold	749.5	0.4	0.11	349.3	0.6	0.36
Investment Securities						
Available-for-Sale						
Taxable	4,150.2	32.1	1.55	2,658.3	30.8	2.31
Non-Taxable	12.3	0.3	4.27	32.3	0.7	4.43
Held-to-Maturity						
Taxable	3,441.3	26.5	1.54	2,996.9	35.4	2.36
Non-Taxable	39.8	0.5	2.54	54.5	0.7	2.67
Total Investment Securities	7,643.6	59.4	1.55	5,742.0	67.6	2.35
Loans Held for Sale	25.9	0.4	2.81	23.3	0.4	3.39
Loans and Leases¹						
Commercial and Industrial	1,919.5	31.2	3.27	1,686.5	31.1	3.71
Commercial Mortgage	2,864.9	42.6	3.00	2,586.2	47.4	3.69
Construction	274.9	4.9	3.57	234.6	5.0	4.26
Commercial Lease Financing	106.1	0.8	1.48	111.1	1.1	1.91
Residential Mortgage	4,190.7	71.4	3.41	3,917.5	72.9	3.72
Home Equity	1,583.7	24.7	3.14	1,672.7	29.5	3.55
Automobile	709.3	12.2	3.48	711.1	12.6	3.56
Other ²	375.7	12.4	6.64	474.5	16.3	6.92
Total Loans and Leases	12,024.8	200.2	3.35	11,394.2	215.9	3.80
Other	32.9	0.4	2.24	34.2	0.3	2.01
Total Earning Assets³	20,479.4	260.8	2.56	17,545.0	284.8	3.26
Cash and Due from Banks	263.4			290.6		
Other Assets	871.9			870.5		
Total Assets	\$ 21,614.7			\$ 18,706.1		
Interest-Bearing Liabilities						
Interest-Bearing Deposits						
Demand	\$ 4,320.2	1.3	0.06	\$ 3,168.3	1.5	0.10
Savings	7,276.2	3.3	0.09	6,596.9	9.3	0.28
Time	1,523.6	3.9	0.52	1,784.9	11.4	1.28
Total Interest-Bearing Deposits	13,120.0	8.5	0.13	11,550.1	22.2	0.39
Short-Term Borrowings	1.2	-	0.09	57.7	0.2	0.52
Securities Sold Under Agreements to Repurchase	585.3	7.0	2.38	603.5	8.0	2.64
Other Debt	45.3	0.6	2.56	63.7	1.0	3.23
Total Interest-Bearing Liabilities	13,751.8	16.1	0.23	12,275.0	31.4	0.51
Net Interest Income		\$ 244.7			\$ 253.4	
Interest Rate Spread			2.33 %			2.75 %
Net Interest Margin			2.40 %			2.90 %
Noninterest-Bearing Demand Deposits	6,064.6			4,698.5		
Other Liabilities	403.1			400.0		
Shareholders' Equity	1,395.2			1,332.6		
Total Liabilities and Shareholders' Equity	\$ 21,614.7			\$ 18,706.1		

¹ 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.

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

³ Interest income includes taxable-equivalent basis adjustments, based upon a federal statutory tax rate of 21%, of \$521,000 and \$715,000 for the six months ended June 30, 2021 and June 30, 2020, respectively.

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

Table 8a

(dollars in millions)	Three Months Ended June 30, 2021 Compared to March 31, 2021		
	Volume ¹	Rate ¹	Total
Change in Interest Income:			
Funds Sold	\$ 0.1	\$ 0.1	\$ 0.2
Investment Securities			
Available-for-Sale			
Taxable	1.1	(0.6)	0.5
Held-to-Maturity			
Taxable	0.4	(0.1)	0.3
Non-Taxable	0.1	-	0.1
Total Investment Securities	1.6	(0.7)	0.9
Loans and Leases			
Commercial and Industrial	0.2	2.3	2.5
Commercial Mortgage	0.4	(0.4)	-
Construction	0.2	0.1	0.3
Residential Mortgage	0.8	(1.1)	(0.3)
Home Equity	(0.2)	(0.3)	(0.5)
Other ²	(0.2)	(0.2)	(0.4)
Total Loans and Leases	1.2	0.4	1.6
Total Change in Interest Income	2.9	(0.2)	2.7
Change in Interest Expense:			
Interest-Bearing Deposits			
Demand	-	0.1	0.1
Savings	0.1	0.2	0.3
Time	(0.2)	(0.3)	(0.5)
Total Interest-Bearing Deposits	(0.1)	-	(0.1)
Securities Sold Under Agreements to Repurchase	(0.2)	0.1	(0.1)
Other Debt	(0.2)	0.1	(0.1)
Total Change in Interest Expense	(0.5)	0.2	(0.3)
Change in Net Interest Income	\$ 3.4	\$ (0.4)	\$ 3.0

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

Table 8b

(dollars in millions)	Three Months Ended June 30, 2021 Compared to June 30, 2020		
	Volume ¹	Rate ¹	Total
Change in Interest Income:			
Funds Sold	\$ 0.1	\$ 0.1	\$ 0.2
Investment Securities			
Available-for-Sale			
Taxable	7.2	(5.2)	2.0
Non-Taxable	(0.2)	(0.1)	(0.3)
Held-to-Maturity			
Taxable	2.7	(5.7)	(3.0)
Non-Taxable	(0.1)	-	(0.1)
Total Investment Securities	9.6	(11.0)	(1.4)
Loans and Leases			
Commercial and Industrial	(0.2)	(0.9)	(1.1)
Commercial Mortgage	2.1	(3.1)	(1.0)
Construction	0.3	(0.2)	0.1
Commercial Lease Financing	-	(0.1)	(0.1)
Residential Mortgage	2.6	(3.0)	(0.4)
Home Equity	(0.8)	(1.4)	(2.2)
Automobile	0.1	(0.2)	(0.1)
Other ²	(1.6)	(0.3)	(1.9)
Total Loans and Leases	2.5	(9.2)	(6.7)
Other	-	0.1	0.1
Total Change in Interest Income	12.2	(20.0)	(7.8)
Change in Interest Expense:			
Interest-Bearing Deposits			
Demand	0.2	(0.1)	0.1
Savings	0.3	(0.7)	(0.4)
Time	(1.0)	(2.5)	(3.5)
Total Interest-Bearing Deposits	(0.5)	(3.3)	(3.8)
Securities Sold Under Agreements to Repurchase	(0.2)	(0.3)	(0.5)
Other Debt	(0.3)	-	(0.3)
Total Change in Interest Expense	(1.0)	(3.6)	(4.6)
Change in Net Interest Income	\$ 13.2	\$ (16.4)	\$ (3.2)

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

Table 8c

(dollars in millions)	Six Months Ended June 30, 2021 Compared to June 30, 2020		
	Volume ¹	Rate ¹	Total
Change in Interest Income:			
Funds Sold	\$ 0.4	\$ (0.6)	\$ (0.2)
Investment Securities			
Available-for-Sale			
Taxable	13.6	(12.3)	1.3
Non-Taxable	(0.4)	-	(0.4)
Held-to-Maturity			
Taxable	4.7	(13.6)	(8.9)
Non-Taxable	(0.2)	-	(0.2)
Total Investment Securities	17.7	(25.9)	(8.2)
Loans Held for Sale	0.1	(0.1)	-
Loans and Leases			
Commercial and Industrial	4.0	(3.9)	0.1
Commercial Mortgage	4.7	(9.5)	(4.8)
Construction	0.8	(0.9)	(0.1)
Commercial Lease Financing	(0.1)	(0.2)	(0.3)
Residential Mortgage	4.9	(6.4)	(1.5)
Home Equity	(1.5)	(3.3)	(4.8)
Automobile	(0.1)	(0.3)	(0.4)
Other ²	(3.3)	(0.6)	(3.9)
Total Loans and Leases	9.4	(25.1)	(15.7)
Other		0.1	0.1
Total Change in Interest Income	27.6	(51.6)	(24.0)
Change in Interest Expense:			
Interest-Bearing Deposits			
Demand	0.4	(0.6)	(0.2)
Savings	0.9	(6.9)	(6.0)
Time	(1.5)	(6.0)	(7.5)
Total Interest-Bearing Deposits	(0.2)	(13.5)	(13.7)
Short Term Borrowings	(0.1)	(0.1)	(0.2)
Securities Sold Under Agreements to Repurchase	(0.2)	(0.8)	(1.0)
Other Debt	(0.3)	(0.1)	(0.4)
Total Change in Interest Expense	(0.8)	(14.5)	(15.3)
Change in Net Interest Income	\$ 28.4	\$ (37.1)	\$ (8.7)

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 Hawaii Corporation and Subsidiaries**Salaries and Benefits****Table 9**

	Three Months Ended			Six Months Ended	
	June 30, 2021	March 31, 2021	June 30, 2020	June 30, 2021	2020
(dollars in thousands)					
Salaries	\$ 33,413	\$ 31,569	\$ 32,739	\$ 64,982	\$ 66,225
Incentive Compensation	5,172	5,914	3,141	11,086	3,386
Share-Based Compensation	3,174	2,584	2,021	5,758	3,312
Commission Expense	2,599	2,436	1,647	5,035	3,021
Retirement and Other Benefits	5,289	5,517	4,446	10,806	9,152
Payroll Taxes	3,026	3,968	2,782	6,994	7,325
Medical, Dental, and Life Insurance	3,204	2,424	3,830	5,628	7,972
Separation Expense	284	1,839	109	2,123	4,785
Total Salaries and Benefits	\$ 56,161	\$ 56,251	\$ 50,715	\$ 112,412	\$ 105,178

Bank of Hawaii Corporation and Subsidiaries

Loan and Lease Portfolio Balances

Table 10

(dollars in thousands)	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Commercial					
Commercial and Industrial	\$ 1,257,305	\$ 1,288,496	\$ 1,357,610	\$ 1,376,843	\$ 1,428,481
PPP ¹	513,513	725,485	517,683	531,639	528,458
Commercial Mortgage	2,944,435	2,859,246	2,854,829	2,745,611	2,707,534
Construction	277,393	281,164	259,798	250,943	245,099
Lease Financing	110,500	104,980	110,766	111,831	113,187
Total Commercial	5,103,146	5,259,371	5,100,686	5,016,867	5,022,759
Consumer					
Residential Mortgage	4,264,180	4,216,976	4,130,513	4,044,228	3,989,393
Home Equity	1,594,781	1,577,500	1,604,538	1,605,486	1,640,887
Automobile	714,729	710,407	708,800	709,937	700,702
Other ²	364,542	376,449	395,483	417,090	451,629
Total Consumer	6,938,232	6,881,332	6,839,334	6,776,741	6,782,611
Total Loans and Leases	\$ 12,041,378	\$ 12,140,703	\$ 11,940,020	\$ 11,793,608	\$ 11,805,370

Deposits

(dollars in thousands)	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Consumer	\$ 9,848,285	\$ 9,746,713	\$ 9,347,725	\$ 8,903,808	\$ 8,766,885
Commercial	8,675,909	8,241,102	7,302,832	7,159,531	7,295,033
Public and Other	1,645,515	1,568,836	1,561,064	1,675,544	1,361,237
Total Deposits	\$ 20,169,709	\$ 19,556,651	\$ 18,211,621	\$ 17,738,883	\$ 17,423,155

¹ The PPP amounts presented, which are reported net of deferred costs and fees, were previously included as a component of the Commercial and Industrial loan class.

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

Bank of Hawaii Corporation and Subsidiaries
Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More
Table 11

(dollars in thousands)	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Non-Performing Assets					
Non-Accrual Loans and Leases					
Commercial					
Commercial and Industrial	\$ 258	\$ 293	\$ 441	\$ 475	\$ 459
Commercial Mortgage	8,413	8,503	8,527	8,615	8,672
Total Commercial	8,671	8,796	8,968	9,090	9,131
Consumer					
Residential Mortgage	2,437	1,804	3,223	3,543	5,888
Home Equity	5,534	4,951	3,958	3,661	5,176
Total Consumer	7,971	6,755	7,181	7,204	11,064
Total Non-Accrual Loans and Leases	16,642	15,551	16,149	16,294	20,195
Foreclosed Real Estate	2,332	2,332	2,332	2,332	2,506
Total Non-Performing Assets	\$ 18,974	\$ 17,883	\$ 18,481	\$ 18,626	\$ 22,701
Accruing Loans and Leases Past Due 90 Days or More					
Commercial					
Commercial and Industrial	\$ -	\$ 9	\$ -	\$ -	\$ -
Total Commercial	-	9	-	-	-
Consumer					
Residential Mortgage	\$ 4,069	\$ 4,069	\$ 5,274	\$ 6,607	\$ 4,937
Home Equity	4,498	4,906	3,187	2,571	3,519
Automobile	277	604	925	156	133
Other ¹	434	828	1,160	258	296
Total Consumer	9,278	10,407	10,546	9,592	8,885
Total Accruing Loans and Leases Past Due 90 Days or More	\$ 9,278	\$ 10,416	\$ 10,546	\$ 9,592	\$ 8,885
Restructured Loans on Accrual Status and Not Past Due 90 Days or More	\$ 74,926	\$ 74,216	\$ 68,065	\$ 58,650	\$ 59,713
Total Loans and Leases	\$ 12,041,378	\$ 12,140,703	\$ 11,940,020	\$ 11,793,608	\$ 11,805,370
Ratio of Non-Accrual Loans and Leases to Total Loans and Leases	0.14%	0.13%	0.14%	0.14%	0.17%
Ratio of Non-Performing Assets to Total Loans and Leases and Foreclosed Real Estate	0.16%	0.15%	0.15%	0.16%	0.19%
Ratio of Commercial Non-Performing Assets to Total Commercial Loans and Leases and Commercial Foreclosed Real Estate	0.17%	0.17%	0.18%	0.18%	0.18%
Ratio of Consumer Non-Performing Assets to Total Consumer Loans and Leases and Consumer Foreclosed Real Estate	0.15%	0.13%	0.14%	0.14%	0.20%
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	0.23%	0.23%	0.24%	0.24%	0.27%
Quarter to Quarter Changes in Non-Performing Assets					
Balance at Beginning of Quarter	\$ 17,883	\$ 18,481	\$ 18,626	\$ 22,701	\$ 20,604
Additions	2,229	2,992	434	938	5,856
Reductions					
Payments	(722)	(2,481)	(490)	(3,729)	(2,736)
Return to Accrual Status	(416)	(1,014)	-	(1,035)	(822)
Sales of Foreclosed Real Estate	-	-	-	(175)	-
Charge-offs/Write-downs	-	(95)	(89)	(74)	(201)
Total Reductions	(1,138)	(3,590)	(579)	(5,013)	(3,759)
Balance at End of Quarter	\$ 18,974	\$ 17,883	\$ 18,481	\$ 18,626	\$ 22,701

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

Bank of Hawaii Corporation and Subsidiaries

Reserve for Credit Losses

Table 12

(dollars in thousands)	Three Months Ended			Six Months Ended	
	June 30, 2021	March 31, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Balance at Beginning of Period	\$ 203,779	\$ 221,303	141,467	\$ 221,303	116,849
CECL Adoption (Day 1) Impact	-	-	-	-	(5,072)
Loans and Leases Charged-Off					
Commercial					
Commercial and Industrial	(456)	(248)	(656)	(704)	(1,349)
Consumer					
Residential Mortgage	(115)	(4)	(64)	(119)	(84)
Home Equity	(107)	(16)	(273)	(123)	(273)
Automobile	(1,209)	(2,109)	(3,114)	(3,318)	(5,614)
Other ¹	(2,422)	(3,914)	(4,176)	(6,336)	(8,140)
Total Loans and Leases Charged-Off	(4,309)	(6,291)	(8,283)	(10,600)	(15,460)
Recoveries on Loans and Leases Previously Charged-Off					
Commercial					
Commercial and Industrial	144	112	1,524	256	1,813
Commercial Mortgage	-	-	-	-	40
Consumer					
Residential Mortgage	481	955	118	1,436	381
Home Equity	527	533	321	1,060	1,297
Automobile	1,172	919	547	2,091	1,552
Other ¹	801	856	662	1,657	1,526
Total Recoveries on Loans and Leases Previously Charged-Off	3,125	3,375	3,172	6,500	6,609
Net Charged-Off - Loans and Leases	(1,184)	(2,916)	(5,111)	(4,100)	(8,851)
Net Charged-Off - Accrued Interest Receivable	(124)	(308)	-	(432)	-
Provision for Credit Losses:					
Loans and Leases	(16,774)	(14,993)	40,400	(31,767)	74,000
Accrued Interest Receivable	(828)	-	-	(828)	-
Unfunded Commitments	1,502	693	(798)	2,195	(968)
Balance at End of Period ²	\$ 186,371	\$ 203,779	\$ 175,958	\$ 186,371	\$ 175,958
Components					
Allowance for Credit Losses - Loans and Leases	\$ 180,385	198,343	173,439	\$ 180,385	173,439
Allowance for Credit Losses - Accrued Interest Receivable	1,440	2,392	-	1,440	-
Reserve for Unfunded Commitments	4,546	3,044	2,519	4,546	2,519
Total Reserve for Credit Losses	\$ 186,371	\$ 203,779	\$ 175,958	\$ 186,371	\$ 175,958
Average Loans and Leases Outstanding	\$ 12,096,308	\$ 11,952,587	\$ 11,727,649	\$ 12,024,844	\$ 11,394,178
Ratio of Net Loans and Leases Charged-Off to					
Average Loans and Leases Outstanding (annualized)	0.04%	0.10%	0.18%	0.07%	0.16%
Ratio of Allowance for Credit Losses to Loans and Leases Outstanding ³	1.50%	1.63%	1.47%	1.50%	1.47%

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

² 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.

³ The numerator comprises the Allowance for Credit Losses - Loans and Leases.

Bank of Hawaii 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 June 30, 2021				
Net Interest Income	\$ 71,167	\$ 49,038	\$ 3,309	\$ 123,514
Provision for Credit Losses	987	197	(17,284)	(16,100)
Net Interest Income After Provision for Credit Losses	70,180	48,841	20,593	139,614
Noninterest Income	32,600	6,575	5,256	44,431
Noninterest Expense	(72,868)	(15,742)	(7,917)	(96,527)
Income Before Income Taxes	29,912	39,674	17,932	87,518
Provision for Income Taxes	(7,365)	(9,703)	(2,917)	(19,985)
Net Income	\$ 22,547	\$ 29,971	\$ 15,015	\$ 67,533
Total Assets as of June 30, 2021	\$ 7,479,986	\$ 5,127,431	\$ 10,064,766	\$ 22,672,183
Three Months Ended June 30, 2020 ¹				
Net Interest Income	\$ 73,221	\$ 51,219	\$ 2,251	\$ 126,691
Provision for Credit Losses	6,137	(1,025)	35,288	40,400
Net Interest Income (Loss) After Provision for Credit Losses	67,084	52,244	(33,037)	86,291
Noninterest Income	28,943	7,076	15,249	51,268
Noninterest Expense	(70,590)	(14,776)	(3,526)	(88,892)
Income (Loss) Before Income Taxes	25,437	44,544	(21,314)	48,667
Provision for Income Taxes	(6,492)	(10,940)	7,673	(9,759)
Net Income (Loss)	\$ 18,945	\$ 33,604	\$ (13,641)	\$ 38,908
Total Assets as of June 30, 2020 ¹	\$ 7,416,090	\$ 5,033,169	\$ 7,320,683	\$ 19,769,942

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

Bank of Hawaii Corporation and Subsidiaries
Business Segments Selected Financial Information

Table 13b

(dollars in thousands)	Consumer Banking	Commercial Banking	Treasury and Other	Consolidated Total
Six Months Ended June 30, 2021				
Net Interest Income	\$ 140,929	\$ 96,181	\$ 6,973	\$ 244,083
Provision for Credit Losses	3,853	247	(34,500)	(30,400)
Net Interest Income After Provision for Credit Losses	137,076	95,934	41,473	274,483
Noninterest Income	66,298	14,433	6,670	87,401
Noninterest Expense	(151,049)	(31,419)	(12,924)	(195,392)
Income Before Income Taxes	52,325	78,948	35,219	166,492
Provision for Income Taxes	(12,839)	(19,261)	(6,910)	(39,010)
Net Income	\$ 39,486	\$ 59,687	\$ 28,309	\$ 127,482
Total Assets as of June 30, 2021	\$ 7,479,986	\$ 5,127,431	\$ 10,064,766	\$ 22,672,183
Six Months Ended June 30, 2020 ¹				
Net Interest Income	\$ 147,135	\$ 96,456	\$ 9,066	\$ 252,657
Provision for Credit Losses	9,588	(735)	65,147	74,000
Net Interest Income (Loss) After Provision for Credit Losses	137,547	97,191	(56,081)	178,657
Noninterest Income	61,533	18,811	17,073	97,417
Noninterest Expense	(141,336)	(32,122)	(11,746)	(185,204)
Income (Loss) Before Income Taxes	57,744	83,880	(50,754)	90,870
Provision for Income Taxes	(14,608)	(20,494)	17,882	(17,220)
Net Income (Loss)	\$ 43,136	\$ 63,386	\$ (32,872)	\$ 73,650
Total Assets as of June 30, 2020 ¹	\$ 7,416,090	\$ 5,033,169	\$ 7,320,683	\$ 19,769,942

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

Bank of Hawaii Corporation and Subsidiaries

Selected Quarterly Financial Data

Table 14

	Three Months Ended				
	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
(dollars in thousands, except per share amounts)					
Quarterly Operating Results					
Interest Income					
Interest and Fees on Loans and Leases	\$ 100,894	\$ 99,299	\$ 98,471	\$ 103,189	\$ 107,628
Income on Investment Securities					
Available-for-Sale	16,467	15,837	15,449	14,558	14,576
Held-to-Maturity	13,576	13,300	14,113	15,967	16,723
Deposits	-	7	1	3	1
Funds Sold	260	137	115	149	92
Other	182	185	167	151	125
Total Interest Income	131,379	128,765	128,316	134,017	139,145
Interest Expense					
Deposits	4,152	4,329	4,861	5,891	7,954
Securities Sold Under Agreements to Repurchase	3,470	3,533	3,614	3,622	4,020
Funds Purchased	-	1	5	-	18
Short-Term Borrowings	-	-	-	1	22
Other Debt	243	333	337	337	440
Total Interest Expense	7,865	8,196	8,817	9,851	12,454
Net Interest Income	123,514	120,569	119,499	124,166	126,691
Provision for Credit Losses	(16,100)	(14,300)	15,200	28,600	40,400
Net Interest Income After Provision for Credit Losses	139,614	134,869	104,299	95,566	86,291
Noninterest Income					
Trust and Asset Management	11,682	11,278	11,239	10,752	10,550
Mortgage Banking	3,058	5,862	6,851	4,047	4,278
Service Charges on Deposit Accounts	6,065	6,128	6,335	6,027	5,097
Fees, Exchange, and Other Service Charges	13,807	13,607	12,143	12,296	9,417
Investment Securities Gains (Losses), Net	2,423	(1,203)	(1,193)	(1,121)	13,216
Annuity and Insurance	911	702	670	881	883
Bank-Owned Life Insurance	2,063	1,917	2,353	1,806	1,649
Other	4,422	4,679	6,860	7,046	6,178
Total Noninterest Income	44,431	42,970	45,258	41,734	51,268
Noninterest Expense					
Salaries and Benefits	56,161	56,251	50,200	51,951	50,715
Net Occupancy	5,047	9,090	14,536	7,281	8,761
Net Equipment	8,796	8,878	9,574	9,223	8,195
Data Processing	4,557	6,322	4,604	4,691	4,416
Professional Fees	3,114	3,406	3,174	2,743	3,061
FDIC Insurance	1,669	1,654	1,484	1,282	1,558
Other	17,183	13,264	15,082	12,778	12,186
Total Noninterest Expense	96,527	98,865	98,654	89,949	88,892
Income Before Provision for Income Taxes	87,518	78,974	50,903	47,351	48,667
Provision for Income Taxes	19,985	19,025	8,589	9,511	9,759
Net Income	\$ 67,533	\$ 59,949	\$ 42,314	\$ 37,840	\$ 38,908
Basic Earnings Per Common Share					
Basic Earnings Per Common Share	\$ 1.69	\$ 1.51	\$ 1.06	\$ 0.95	\$ 0.98
Diluted Earnings Per Common Share					
Diluted Earnings Per Common Share	\$ 1.68	\$ 1.50	\$ 1.06	\$ 0.95	\$ 0.98
Balance Sheet Totals					
Loans and Leases	\$ 12,041,378	\$ 12,140,703	\$ 11,940,020	\$ 11,793,608	\$ 11,805,370
Total Assets	22,672,183	21,947,271	20,603,651	20,109,489	19,769,942
Total Deposits	20,169,709	19,556,651	18,211,621	17,738,883	17,423,155
Total Shareholders' Equity	1,583,531	1,360,221	1,374,507	1,361,739	1,352,082
Performance Ratios					
Return on Average Assets	1.23 %	1.15 %	0.83 %	0.76 %	0.82 %
Return on Average Shareholders' Equity	19.17	17.65	12.26	11.01	11.58
Return on Average Common Equity	19.60	17.65	12.26	11.01	11.58
Efficiency Ratio 1	57.47	60.45	59.88	54.22	49.95
Net Interest Margin 2	2.37	2.43	2.48	2.67	2.83

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 Hawaii Corporation and Subsidiaries

Hawaii Economic Trends

Table 15

(\$ in millions; jobs in thousands)	Five Months Ended		Year Ended						
	May 31, 2021		December 31, 2020		December 31, 2019				
Hawaii Economic Trends									
State General Fund Revenues 1	\$	3,290.3	22.4 %	\$	6,415.1	(12.3) %	\$	7,316.5	5.5 %
General Excise and Use Tax Revenue 1	\$	1,395.8	(2.3) %	\$	3,038.8	(15.6) %	\$	3,602.2	5.1 %
Jobs 2		596.5			588.2			659.7	
(spot rates)									
		June 30,		December 31,					
		2021		2020		2019			
Unemployment 3									
Statewide			7.7 %			10.3 %			2.1 %
Oahu			6.7			9.3			2.0
Island of Hawaii			7.5			10.1			2.5
Maui			10.2			14.3			2.0
Kauai			10.8			13.9			2.1
(percentage change, except months of inventory)									
		June 30,		December 31,					
		2021		2020		2019		2018	
Housing Trends (Single Family Oahu) 4									
Median Home Price			21.0 %			5.2 %			(0.1) %
Home Sales Volume (units)			32.9 %			2.3 %			3.9 %
Months of Inventory			1.2			1.4			2.5
(in thousands)									
		Monthly Visitor Arrivals, Not Seasonally Adjusted			Percentage Change from Previous Year				
Tourism 5									
May 31, 2021						629.7			6,807.4
April 30, 2021						484.1			10,506.3
March 31, 2021						439.8			1.1
February 28, 2021						235.3			(71.6)
January 31, 2021						172.0			(80.1)
December 31, 2020						235.8			(75.2)
November 30, 2020						183.8			(77.3)
October 31, 2020						76.6			(90.4)
September 30, 2020						18.9			(97.4)
August 31, 2020						22.3			(97.6)
July 31, 2020						22.6			(97.7)
June 30, 2020						17.1			(98.2)
May 31, 2020						9.1			(98.9)
April 30, 2020						4.6			(99.5)
March 31, 2020						434.9			(53.7)
February 29, 2020						828.1			5.8
January 31, 2020						862.6			5.1
December 31, 2019						952.4			5.8
November 30, 2019						809.1			3.9
October 31, 2019						796.2			4.3
September 30, 2019						738.2			3.1
August 31, 2019						926.4			9.6
July 31, 2019						995.2			5.9
June 30, 2019						951.6			6.1
May 31, 2019						841.4			4.6
April 30, 2019						856.3			6.6
March 31, 2019						939.1			3.9
February 28, 2019						782.7			0.5
January 31, 2019						820.6			3.0

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

2 Source: U. S. Bureau of Labor Statistics

3 Source: UHERO

4 Source: Honolulu Board of REALTORS

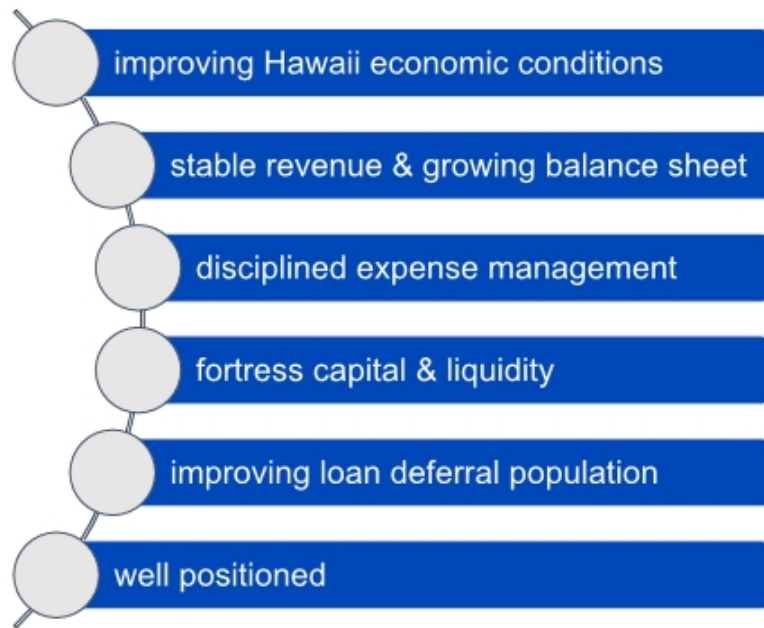
5 Source: Hawaii Tourism Authority

Bank of Hawaii Corporation
second quarter 2021
financial report

July 26, 2021

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.



unemployment

experience & forecast

Hawaii unemployment rate



source: UHERO, seasonally adjusted

Hawaii real estate market

Oahu market indicators – 2021 vs 2020

single family homes

	<u>2021 YTD</u>	<u>2020 YTD</u>	<u>%</u>	<u>Jun 2021</u>	<u>Jun 2020</u>	<u>%</u>
closed sales	2,143	1,613	32.9%	451	302	49.3%
median sales price (000s)	\$949	\$785	21.0%	\$979	\$770	27.1%
median days on market	9	21	-57.1%	8	20	-60.0%
months of inventory	-	-	-	1.2	2.5	-52.0%

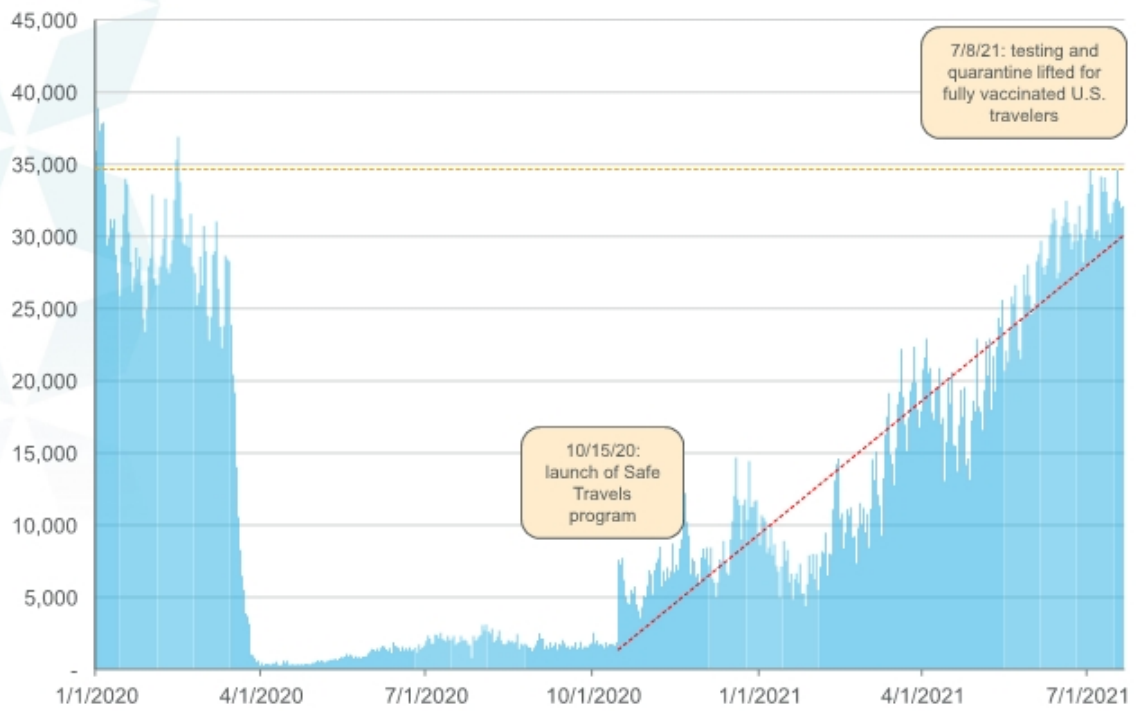
condominiums

	<u>2021 YTD</u>	<u>2020 YTD</u>	<u>%</u>	<u>Jun 2021</u>	<u>Jun 2020</u>	<u>%</u>
closed sales	3,437	2,014	70.7%	730	312	134.0%
median sales price (000s)	\$455	\$428	6.4%	\$460	\$422	9.1%
median days on market	13	31	-58.1%	11	40	-72.5%
months of inventory	-	-	-	2.1	4.1	-48.8%

source: Honolulu Board of Realtors, compiled from MLS data

daily arrivals

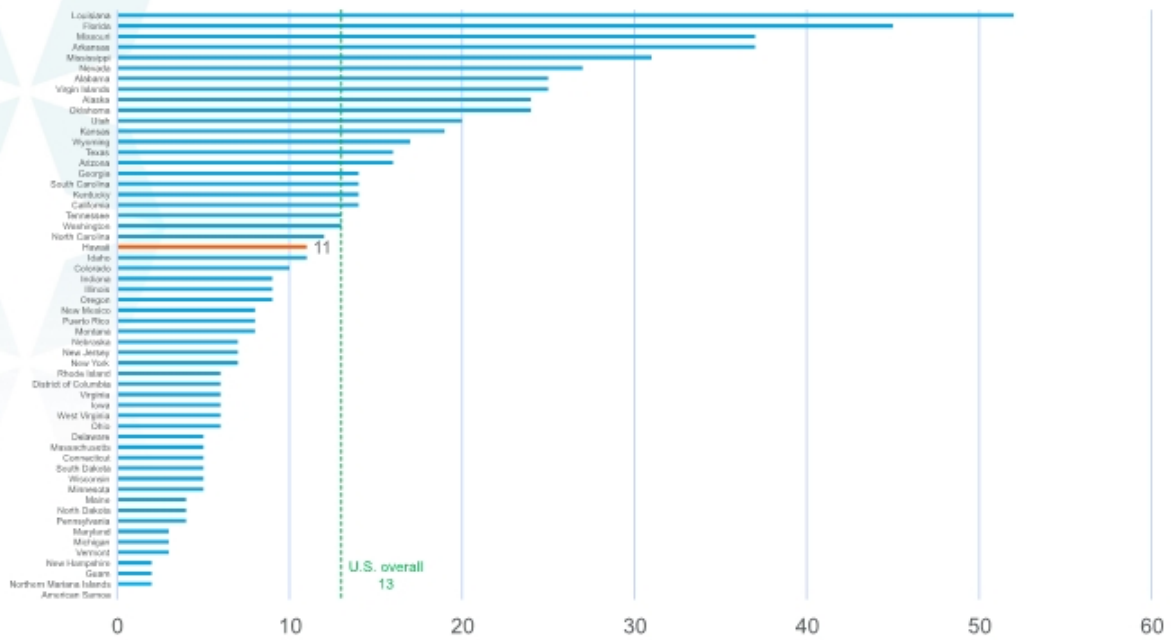
total passenger count*



*source: Department of Business, Economic Development, and Tourism, excluding from Canada

COVID-19 cases

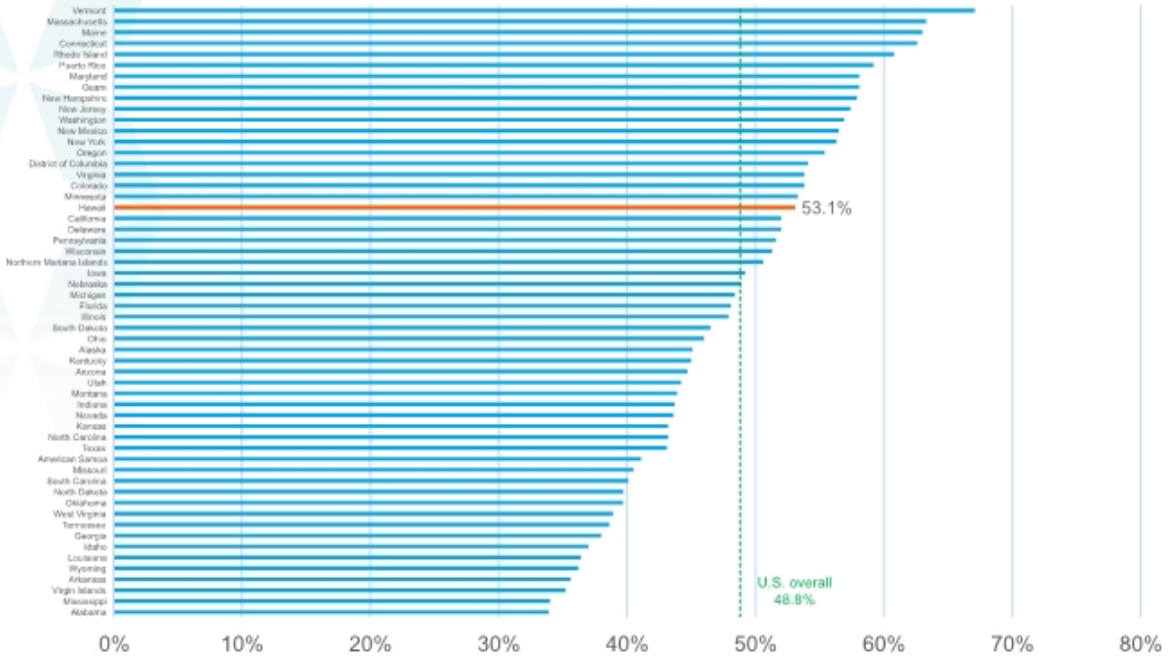
7 day rolling average of daily new cases per 100,000



source: Washington Post as of 7/23/21

COVID-19 vaccinations

percent of population that has complete vaccination



source: Washington Post as of 7/23/21



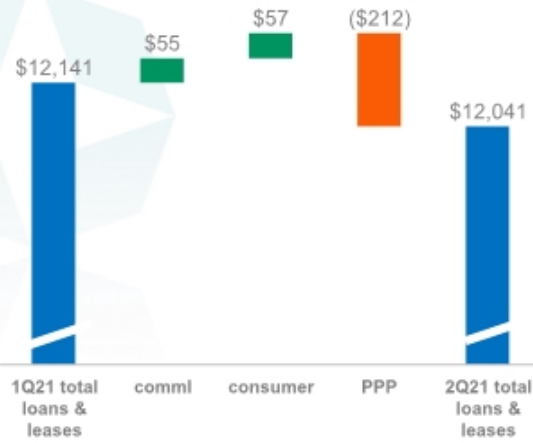
2Q financial update

growth from core customers

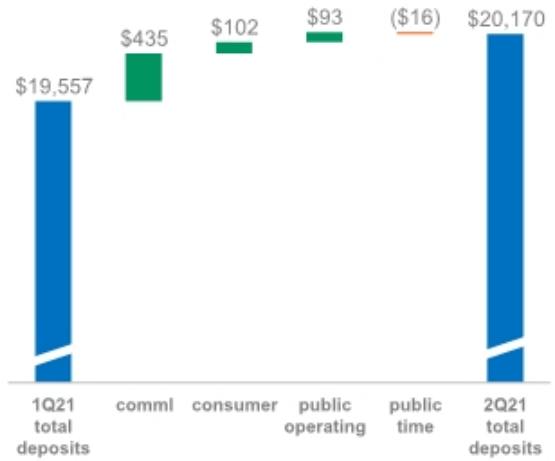
\$ in millions

core customers continue to drive growth in balances

total loans & leases



total deposits



ample liquidity to fund additional growth: investments increased by \$1 billion in highly liquid, low-risk portfolio and holding \$910 million cash

financial summary

\$ in millions, except per share amounts

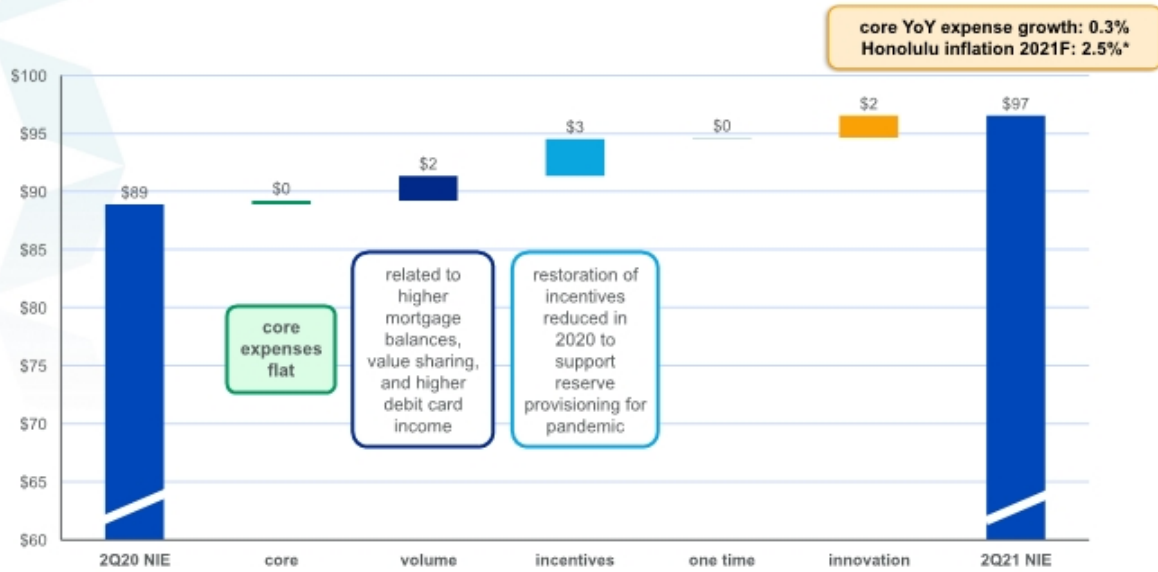
	<u>2Q 2021</u>	<u>1Q 2021</u>	<u>2Q 2020</u>	<u>Δ 1Q 2021</u>	<u>Δ 2Q 2020</u>
net interest income	\$ 123.5	\$ 120.6	\$ 126.7	\$ 2.9	\$ (3.2)
noninterest income	44.4	43.0	51.3	1.5	(6.8)
total revenue	167.9	163.5	178.0	4.4	(10.0)
noninterest expense	96.5	98.9	88.9	(2.3)	7.6
operating income	71.4	64.7	89.1	6.7	(17.6)
credit provision	(16.1)	(14.3)	40.4	(1.8)	(56.5)
income taxes	20.0	19.0	9.8	1.0	10.2
net income	\$ 67.5	\$ 59.9	\$ 38.9	\$ 7.6	\$ 28.6
diluted EPS	\$ 1.68	\$ 1.50	\$ 0.98	\$ 0.18	\$ 0.70
end of period balances					
investment portfolio	\$ 8,471	\$ 7,489	\$ 6,003	13.1 %	41.1 %
loans and leases	12,041	12,141	11,805	(0.8)	2.0
total deposits	20,170	19,557	17,423	3.1	15.8
shareholders' equity	1,584	1,360	1,352	16.4	17.1

note: numbers may not add up due to rounding

disciplined expenses

\$ in millions

core noninterest expense remains flat; other increases driven by restoration of incentives and higher volume



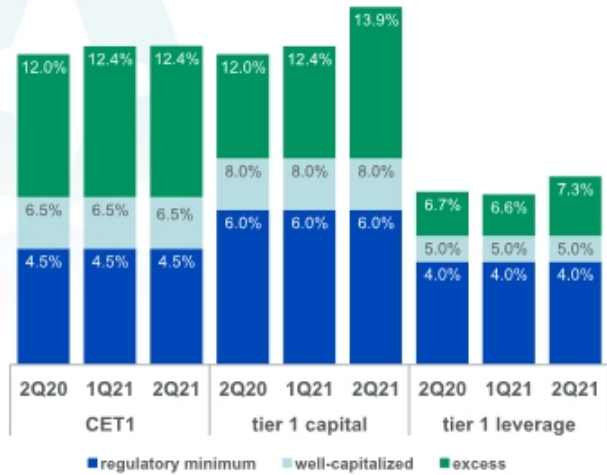
*source: Department of Business, Economic Development, and Tourism 2nd quarter 2021 report

performance metrics

	<u>2Q 2021</u>	<u>1Q 2021</u>	<u>2Q 2020</u>	<u>Δ 1Q 2021</u>	<u>Δ 2Q 2020</u>
return on assets	1.23 %	1.15 %	0.82 %	0.08 %	0.41 %
return on common equity	19.60	17.65	11.58	1.95	8.02
net interest margin	2.37	2.43	2.83	(0.06)	(0.46)
efficiency ratio	57.47	60.45	49.95	(2.98)	7.52
CET1 capital ratio	12.36 %	12.35 %	12.06 %	0.01 %	0.30 %
tier 1 capital ratio	13.87	12.35	12.06	1.52	1.81
tier 1 leverage ratio	7.31	6.61	6.71	0.70	0.60

stronger fortress capital positioned for further growth

strong capital boosted by preferred stock issuance in June and strong earnings position us well for future balance sheet growth

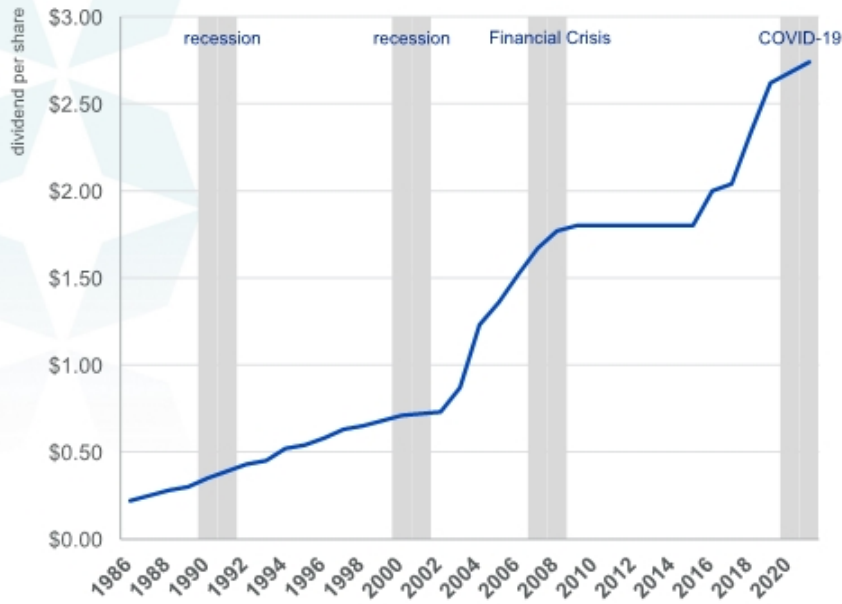


- total deposit growth of \$4.4 billion, or 19% annualized, since end of 2019
- issued \$180 million 4.375% fixed rate series A preferred stock in June 2021
 - 5th lowest \$25-Par U.S. Bank preferred dividend ever at time of issuance
 - 8th lowest \$25-Par preferred dividend ever, across all industries at time of issuance

note: 2Q21 regulatory capital ratios are preliminary

return to buybacks and increased dividend

healthy earnings to support dividends and repurchases



share buybacks

- plan to restart share repurchase program in July 2021
- \$113 million share buyback authority remaining

dividends

- raising common equity dividend from \$0.67 per share to \$0.70 per share

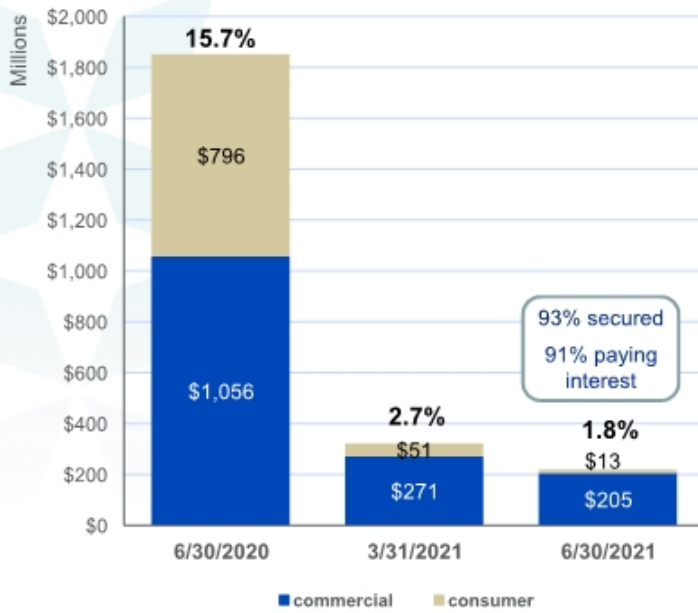
note: historical dividends adjusted for stock splits



2Q credit update

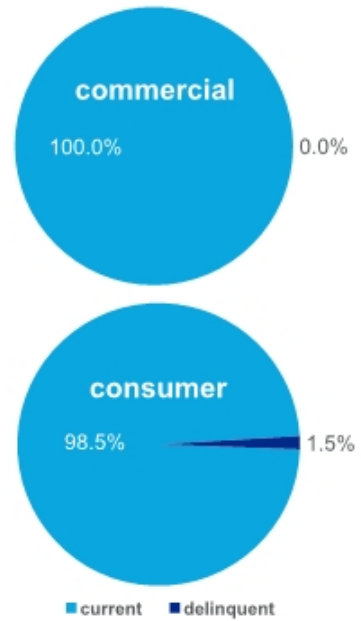
customer relief update

outstanding deferrals



88.2% decline in deferrals since June 30, 2020

returned to payment

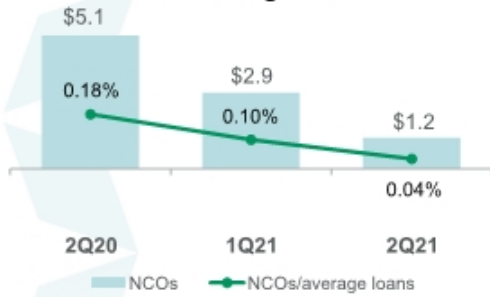


99.3% of former deferrals are current

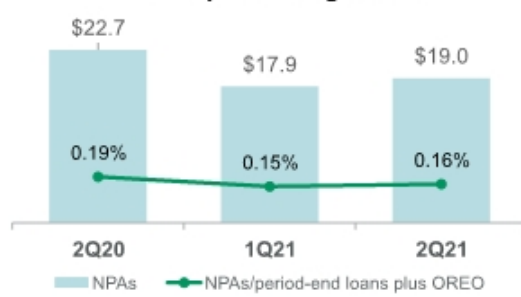
credit quality

\$ in millions

net charge-offs



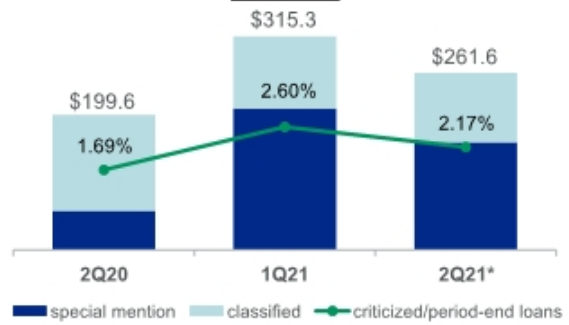
non-performing assets



delinquencies



criticized

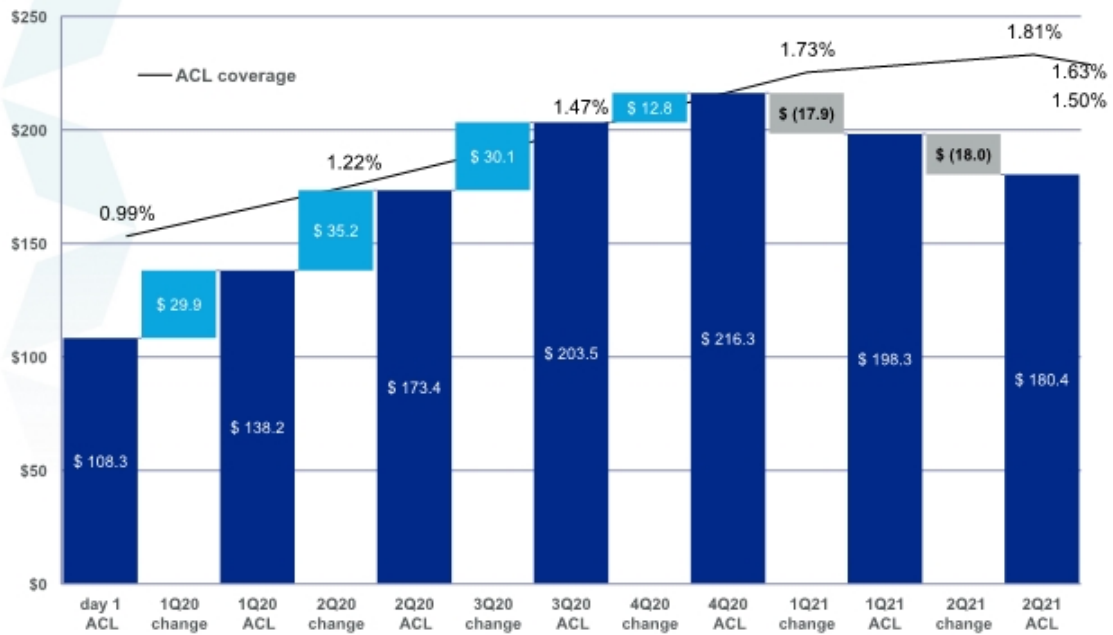


* 56% of total criticized in CRE with 59% wtd avg LTV

reserve trend

\$ in millions

allowance for credit losses



note: balances and coverage ratio based on allowance for credit losses – loans and leases

Q & A



Bank of Hawaii Corporation
second quarter 2021
financial report

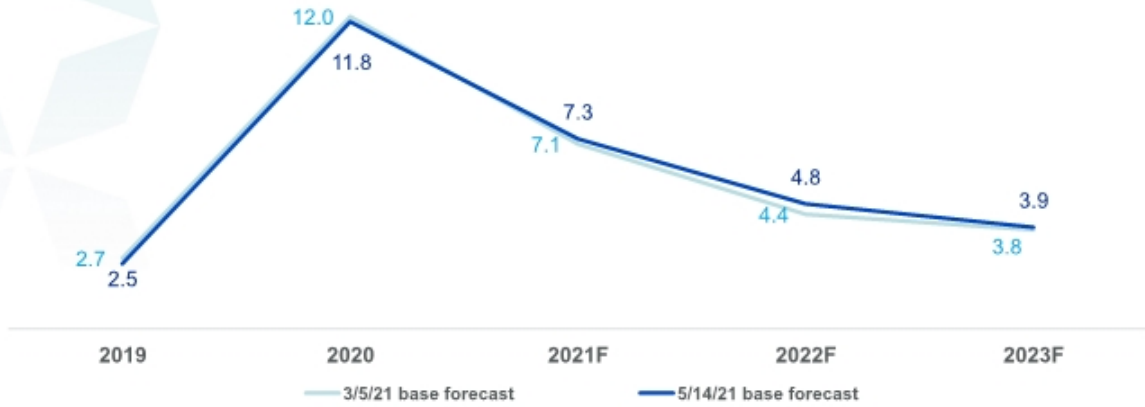
July 26, 2021



appendix

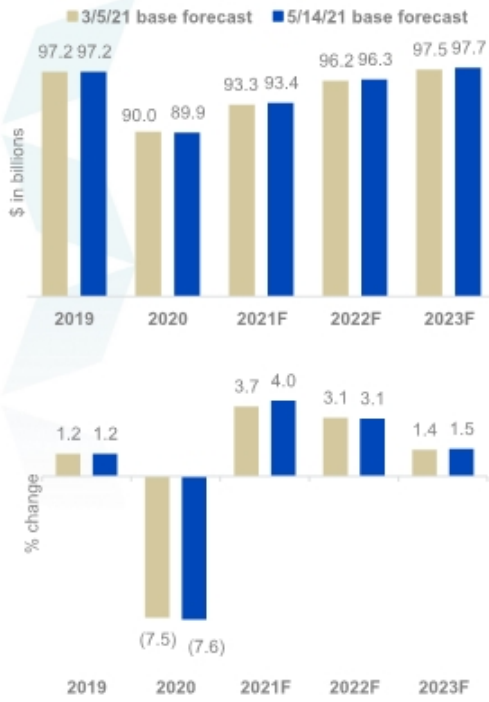


Hawaii unemployment rate



economic forecast

real GDP



personal income

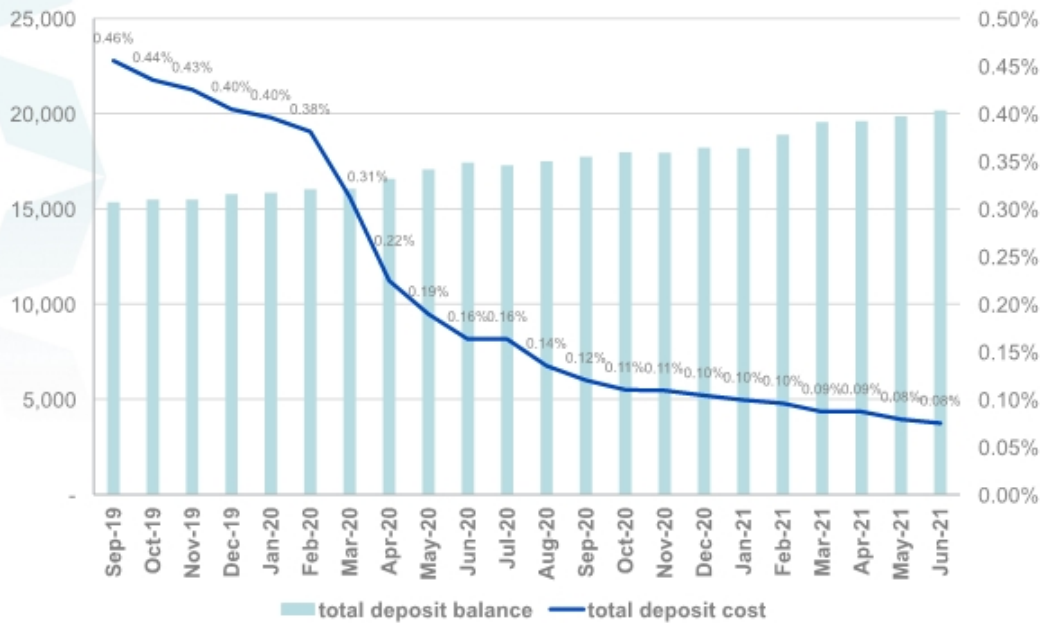


source: UHERO

growing low cost deposits

\$ in millions

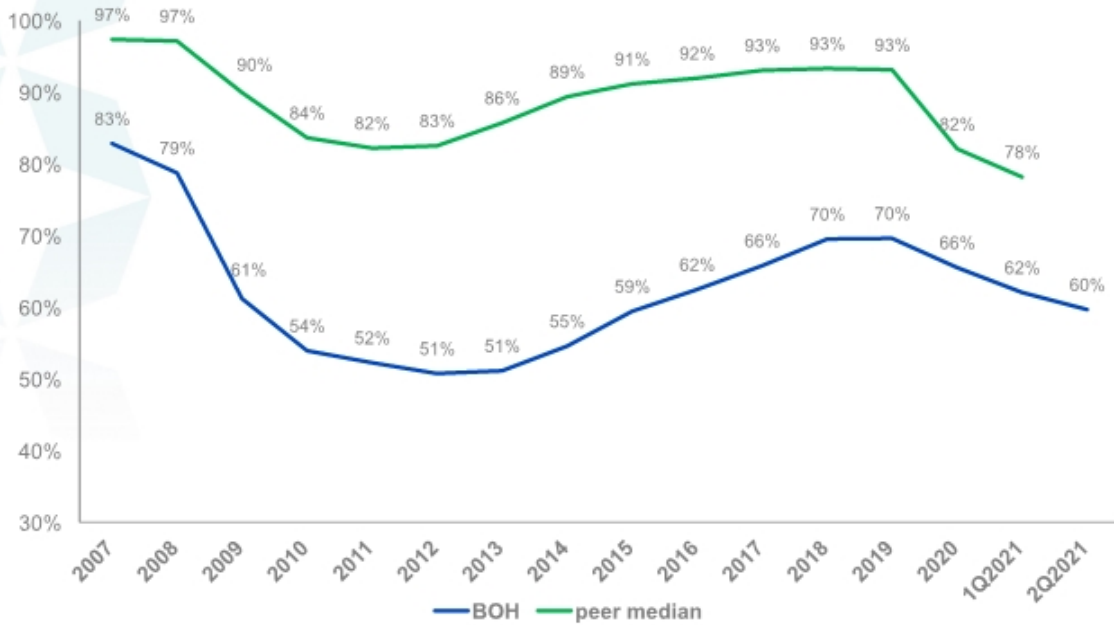
continuing to build very low cost funding to mitigate impact of higher rates



funding opportunities

loan to deposit ratio compared with peers

strong liquidity to fund continued growth

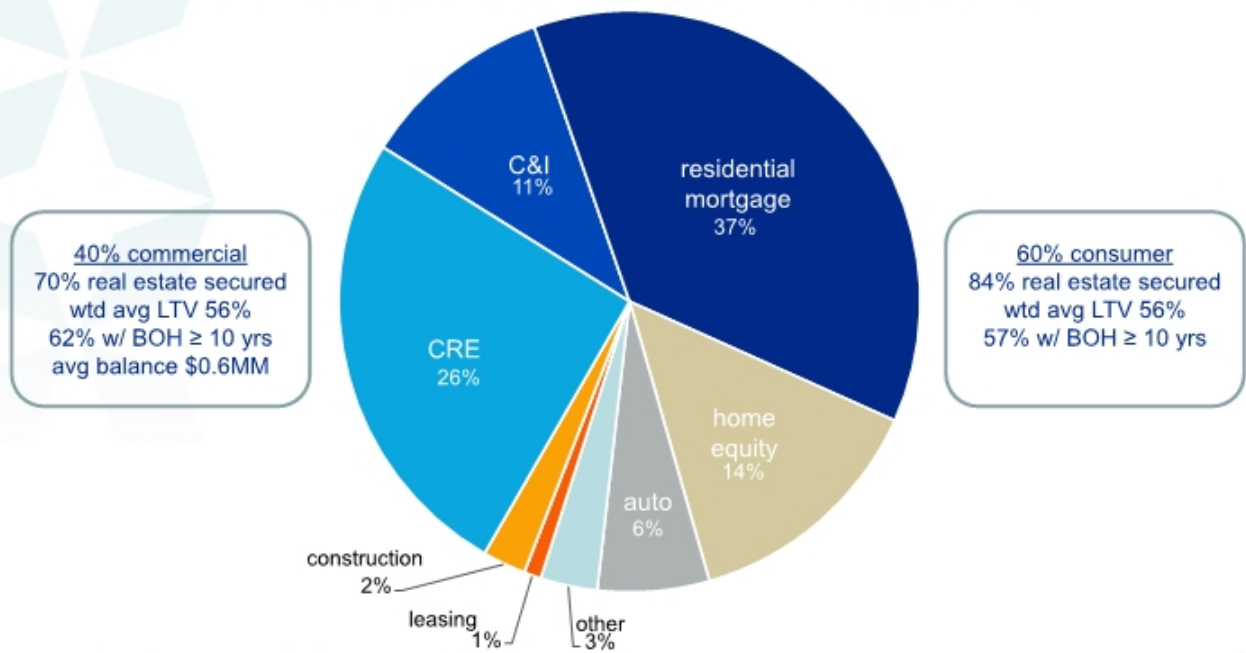


note: S&P Regional Banking Index excluding banks greater than \$50bn

loan portfolio

excluding PPP

**79% of portfolio secured with quality real estate
with combined weighted average loan to value of 56%**

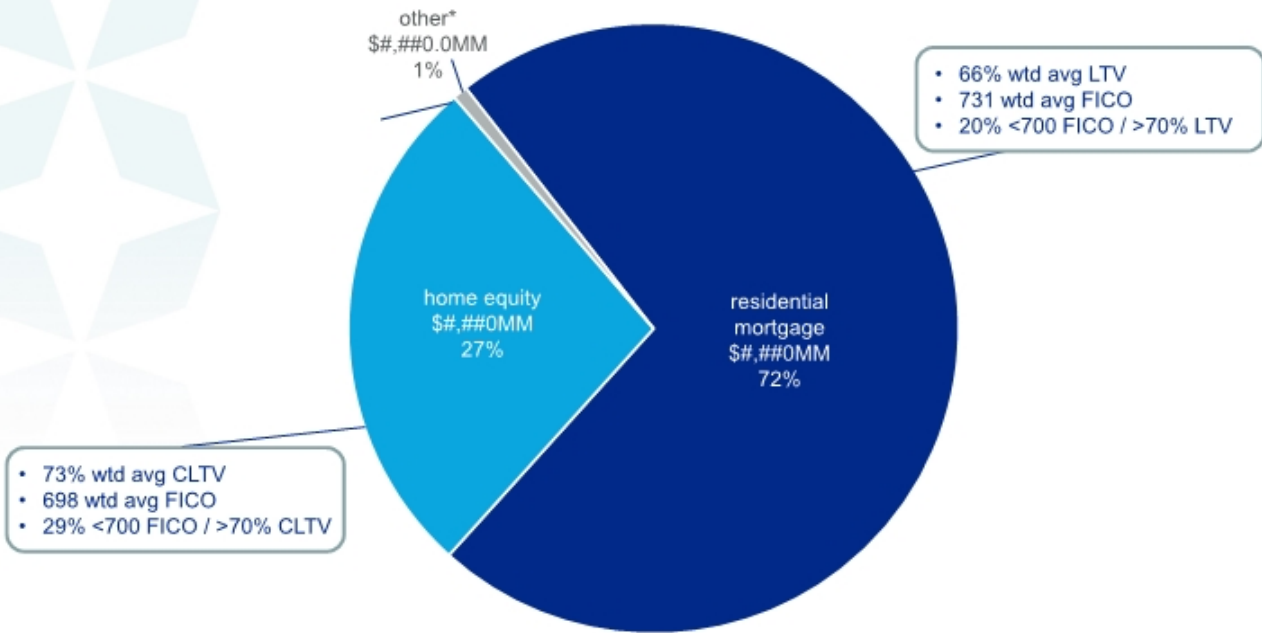


note: excludes \$528MM in PPP loan balances including deferred costs and fees

consumer relief

\$13 million (0.1%)

99% secured with 68% weighted average LTV as of 6/30/21

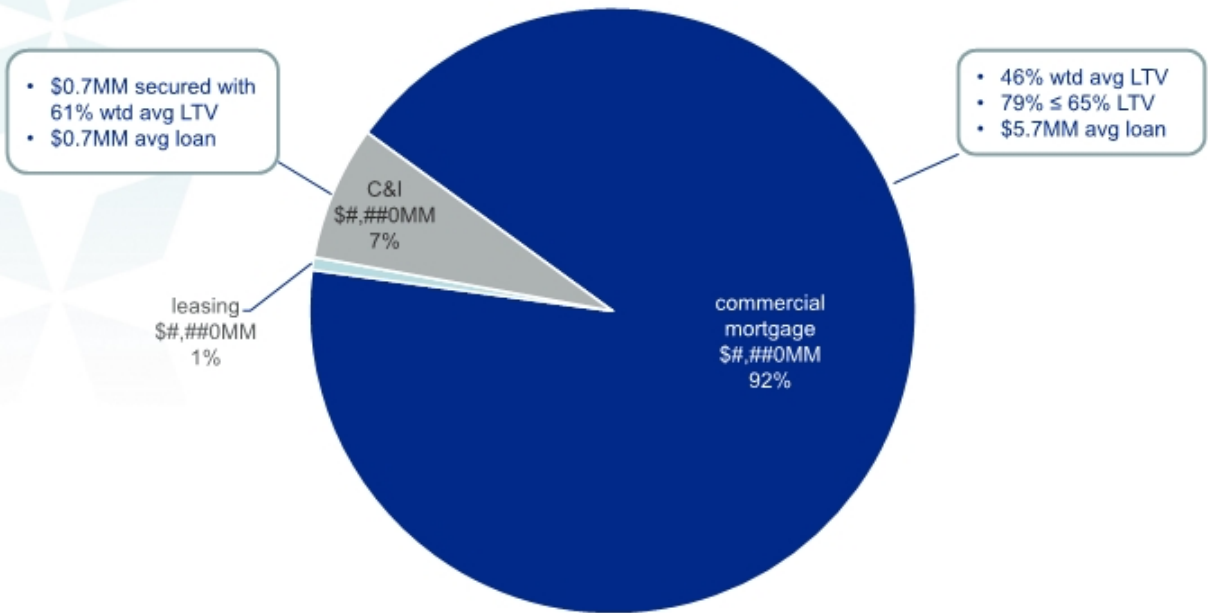


*other consists of auto lease

commercial relief

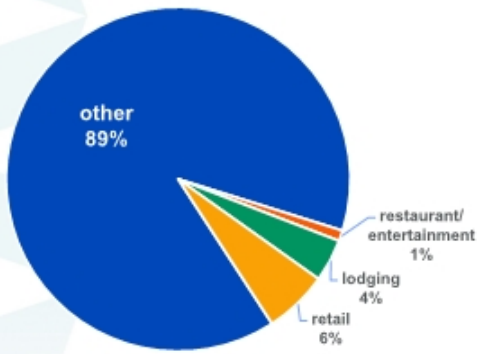
\$205 million (1.7%)

93% secured with 46% weighted average LTV as of 6/30/21
97% continue to pay interest

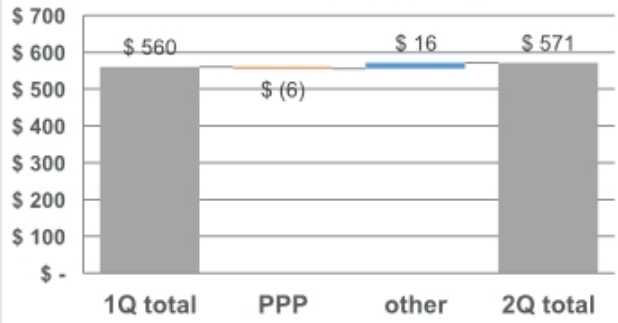


high risk industries

\$1,577 million (13%) / \$1,379 million (11%) excluding PPP



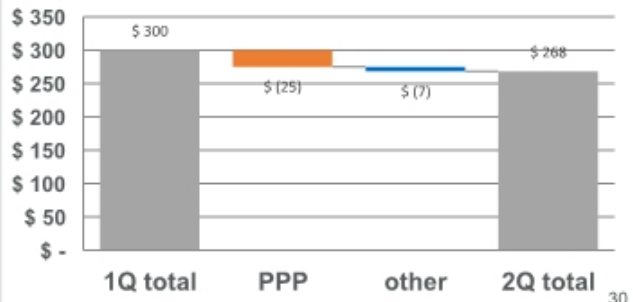
lodging balance growth (2Q v 1Q)



retail balance growth (2Q v 1Q)



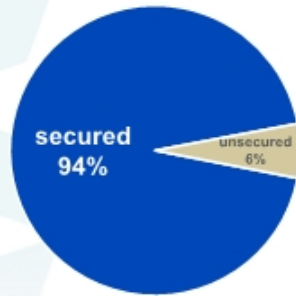
restaurant/entertainment balance growth (2Q v 1Q)



retail

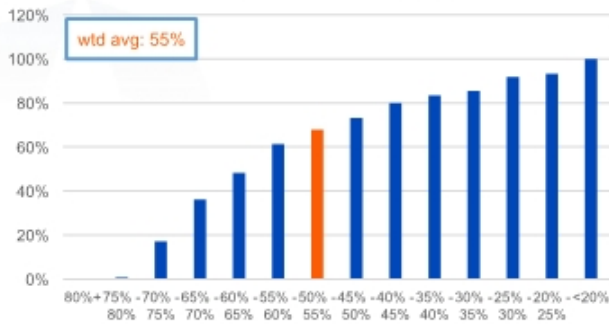
\$706 million (6%) – excluding PPP

real estate secured



- 94% real estate secured
 - 55% wtd avg LTV
 - average exposure \$3.7MM
 - largest exposure \$39MM
 - 64% of portfolio has an LTV ≤ 65%
- 98.8% is secured or has essential anchor
- 0.0% unsecured and deferred
- 100% secured or paying interest

secured LTV distribution

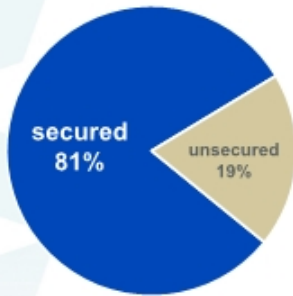


		deferred		total
		yes	no	
secured	yes	3.9%	90.1%	94.0%
	no	0.0%	6.0%	6.0%
	total	3.9%	96.1%	100.0%

Lodging

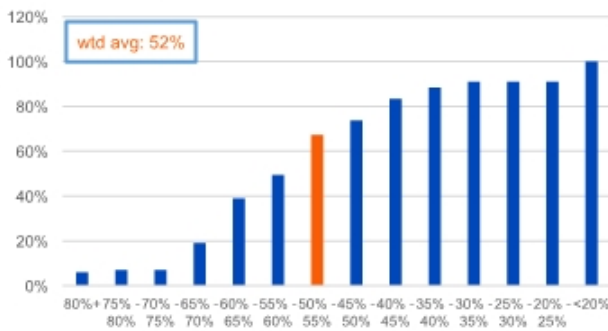
\$521 million (4%) – excluding PPP

real estate secured



- 81% real estate secured
 - 52% wtd avg LTV
 - average exposure \$9.5MM
 - largest exposure \$40MM
 - 81% of portfolio has an LTV ≤ 65%
- 92% of unsecured outstandings to global hotel and timeshare brands
- 0.1% unsecured and deferred
- 100% secured or paying interest

secured LTV distribution

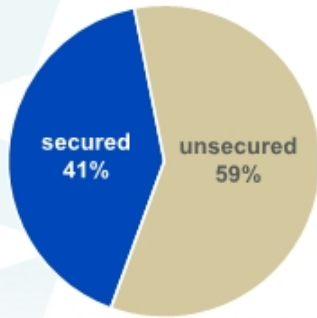


		deferred		total
		yes	no	
secured	yes	17.3%	63.2%	80.5%
	no	0.1%	19.4%	19.5%
	total	17.4%	82.6%	100.0%

restaurant / entertainment

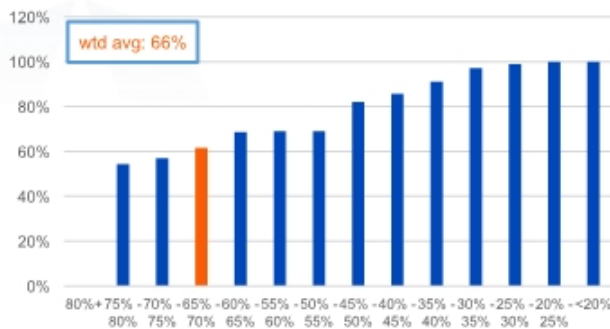
\$152 million (1%) – excluding PPP

real estate secured



- 41% real estate secured
 - 66% wtd avg LTV
 - average exposure \$1.8MM
 - largest exposure \$28.1MM
 - 38% of portfolio has an LTV ≤ 65%
- \$4.7MM unsecured and deferred
 - average exposure \$0.5MM
- 100% secured or paying interest

secured LTV distribution



		deferred		total
		yes	no	
secured	yes	2.4%	38.9%	41.4%
	no	3.1%	55.5%	58.6%
	total	5.5%	94.5%	100.0%

