EXECUTIVE COMPENSATION

The following tables summarize the compensation of the Chief Executive Officer and the four other most highly compensated executive officers of Bancorp for the fiscal year 1993:

SUMMARY COMPENSATION TABLE

ANNUAL COMPENSATION					LONG TERM COMPENSATION Awards	Payouts	
Name and Principal Position	Year	Salary($)	Bonus ($)[1]	Other Annual Compen- sation (4)[2]	Options/ SARS(#)[3]	Long Term Incentive Payouts ($)[4]	All Other Compen- sation ($)[5]
H. Howard Stephenson	1993	$591,865	$344,324	--	0	$454,127	$ 55,830
Chmn. of Bd. & CEO	1992	569,100	421,703	--	17,500	368,223	140,721
of Bancorp & Bank	1991	542,000	348,777	--	15,000	323,606	23,162
Lawrence M. Johnson	1993	411,685	191,603	--	20,000	276,394	38,834
Pres. & Dir. of	1992	395,850	234,660	--	10,000	219,970	77,954
Bancorp & Bank	1991	377,000	194,080	--	10,000	194,800	23,162
Richard J. Dahl	1993	251,160	116,890	--	12,500	168,621	23,691
Exec. Vice Pres. of	1992	241,500	143,161	--	7,500	134,300	26,612
Bancorp & Vice	1991	230,000	118,404	--	7,500	120,000	23,162
Chmn. of Bank							
Thomas J. Kappock	1993	251,160	116,890	--	12,500	168,621	23,691
Exec. Vice Pres. of	1992	241,500	143,161	--	7,500	134,300	26,612
Bancorp & Vice	1991	230,000	118,404	--	7,500	120,000	23,162
Chmn. of Bank							
John K. Tsui	1993	262,080	121,972	--	12,500	175,952	24,721
Exec. Vice Pres. of	1992	252,000	149,386	--	7,500	140,400	28,805
Bancorp & Vice	1991	240,000	123,552	--	7,500	126,000	23,162
Chmn. of Bank							

<FN>

[1] "Bonus" consists of cash awards under Bancorp's One-Year Incentive Plan. The material terms of this plan are described in the Compensation Committee's Report in the section entitled "One-Year Incentive Plan for 1993" on pages ____ and ____.

[2] The named executive officers of Bancorp receive certain perquisites, such as participation in group medical, dental, disability, and life insurance programs that are available to all employees on a nondiscriminatory basis. Perquisites did not exceed $50,000 or 10% of the total of annual salaries and bonuses reported for any such executive for 1993.

[3] Each stock option was in tandem with a stock appreciation right ("SAR"). An SAR entitles the optionee, in lieu of exercising the stock option, to receive cash equal to the excess of the value of one share over the option price times the number of shares as to which the option is exercised. There were no restricted stock awards to the named executive officers of Bancorp for the years 1991, 1992, or 1993. All stock option awards were granted with an exercise price that is equal to the fair market value of Bancorp's common stock on the date of grant. The number and exercise price of the stock options awarded to the named executive officers were not adjusted or amended for the years 1991, 1992 and 1993.

[4] Represents amounts paid under Bancorp's Sustained Profit Growth Plan for the three-year incentive period from January 1, 1991 through December 31, 1993. The material terms of this plan are described in the Compensation Committee's Report in the section entitled "Sustained Profit Growth Plan" on pages ___ and ___.

[5] This column includes allocations for 1993 under the Bank of Hawaii Profit Sharing Plan (the "Profit Sharing

Plan") and the Bank of Hawaii Profit Sharing Excess Plan (the "Excess Profit Sharing Plan"). The Profit Sharing Plan is a tax-qualified, defined contribution plan with features meeting the requirements of Section 401(k) of the Internal Revenue Code. The Internal Revenue Code limits the annual amounts that any participant may be allocated under the Profit Sharing Plan. The Excess Profit Sharing Plan, which was adopted effective as of January 1, 1992, establishes an account on the books of Bancorp or a subsidiary to which is credited the amount of any reduction in a participant's allocation under the Profit Sharing Plan. The amounts so allocated under the Excess Profit Sharing Plan will be paid from the general assets of Bancorp or a subsidiary at the same time the participant receives a distribution of his accounts in the Profit Sharing Plan.

For 1993 Mr. Stephenson received an allocation of $22,372 under the Profit Sharing Plan and $33,458 under the Excess Profit Sharing Plan. Mr. Johnson received an allocation of $22,372 under the Profit Sharing Plan for 1993 and $16,462 under the Excess Profit Sharing Plan. Mr. Dahl received an allocation of $22,372 under the Profit Sharing Plan for 1993 and $1,319 under the Excess Profit Sharing Plan. Mr. Kappock received an allocation of $22,372 under the Profit Sharing Plan for 1993 and $1,319 under the Excess Profit Sharing Plan. Mr. Tsui received an allocation of $22,372 under the Profit Sharing Plan for 1993 and $2,349 under the Excess Profit Sharing Plan.

/TABLE

<TABLE>

STOCK OPTION/SAR GRANTS IN LAST FISCAL YEAR

	Individual Grants				Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation For Option Term [1]	
Name	Number of Securities Underlying Options/ SARs Granted	% of Total Options/SARs Granted to Employees in Fiscal Year	Exercise or Base Price $/Share	Expiration Date	5%($)	10%($)
H. Howard Stephenson	0	0	$ 0	--	$ 0	$ 0
Lawrence M. Johnson	20,000[2]	7.4%/32.0%	42.25	11-21-2003	531,000	1,347,000
Richard J. Dahl	12,500[2]	4.65%/20.0%	42.25	11-21-2003	332,000	842,000
Thomas J. Kappock	12,500[2]	4.65%/20.0%	42.25	11-21-2003	332,000	842,000
John K. Tsui	12,500[2]	4.65%/20.0%	42.25	11-21-2003	332,000	842,000

<FN>

[1] These amounts represent certain assumed rates of appreciation only. Actual gains, if any, on stock option exercises or stock holdings are dependent on the future performance of the stock and overall market conditions. There can be no assurance that the amounts reflected in this table will be achieved.

[2] Stock options in tandem with SARs granted on November 22, 1993 become exercisable on November 22, 1994 for a nine year period ending November 21, 2003. The exercise or base price of the stock options and tandem SARs was the fair market value of Bancorp's common stock on date of grant.

/TABLE

The stock options and stock appreciation rights exercised by the Executive officers during fiscal 1993, as well as the number and total value of unexercised in-the-money options as of December 31, 1993, are shown in the following table:

<TABLE>

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR
AND FISCAL YEAR-END OPTION VALUES

Name	Shares Acquired On Exercise (#)	Value Realized ($) [1]	Number of Unexercised Option at Fiscal Year-End (#)		Value of Unexercised, In-the-Money Options at Fiscal Year-End ($) [2]	
			Exercisable	Unexercisable	Exercisable	Unexercisable
H. Howard Stephenson	6,357	$162,473	65,317	0	$ 371,267	$ 0
Lawrence M. Johnson	12,386	481,148	101,783	23,334	1,653,113	0
Richard J. Dahl	2,000	197,886	87,827	15,000	1,041,432	0
Thomas J. Kappock	4,250	128,072	91,658	15,000	1,154,415	0
John K. Tsui	0	132,987	48,908	15,000	262,639	0

<FN>

[1] Includes exercise of stock appreciation rights.

[2] The fair market value of Bancorp's stock at fiscal year-end was $41.00.

LONG-TERM INCENTIVE PLANS - AWARDS IN LAST FISCAL YEAR [1]

Name	Target Payout as a % of FY 94-96 Average Annual Salary	Performance or Other Period Until Maturation or Payout	Estimated Future Payout Under Long-Term Incentive Plan: Threshold ($ or#)	Target ($ or #)	Maximum ($ or #)
H. Howard Stephenson	8%	3 years ending 12-31-96	$ 6,000[2]	$ 46,000[2]	$ 92,000[2]
Lawrence M. Johnson	35%	3 years ending 12-31-96	19,000	151,000	303,000
Richard J. Dahl	35%	3 years ending 12-31-96	12,000	92,000	185,000
Thomas J. Kappock	35%	3 years ending 12-31-96	12,000	92,000	185,000
John K. Tsui	35%	3 years ending 12-31-96	12,000	92,000	185,000

<FN>

[1] Represents contingent awards under Bancorp's Sustained Profit Growth Plan for the three-year incentive period from January 1, 1994 through December 31, 1996. Under this Plan each executive received a contingent award of a specified percentage of his average annual base salary for the three-year period. The maximum cash award payable under the plan is two times the contingent award. The amount of the cash awards will depend upon Bancorp's performance as measured by the growth in net income per employee and earnings per share growth. Maximum payout, which is two times the contingent award, can occur only if growth in net income per employee during the three-year period is 26% or more and growth in earnings per share is 28% or more. No payments will be made if growth in net income per employee during such period is 8% or less and growth in earnings is 12% or less. If growth in net income per employee during such period is 20% and growth in earnings is 20%, then one times the contingent awards would be payable ("Target", above). After the earnings growth rate and net income per employee growth have been ascertained, the Chairman and the President of Bancorp will prepare recommendations for all participants (excluding themselves) for the Compensation Committee. The Compensation Committee will then make the final determination of cash awards.

[2] Amounts reflect the prorated estimated future payout to Mr. Stephenson who will retire as Chairman and Chief Executive Officer of Bancorp effective August 1, 1994.

PENSION PLAN TABLE

Average Annual Salary in Consecutive Highest Paid Years	Estimated Maximum Annual Retirement Benefit Based Upon Years of Service				
	15	20	25	30	35*
$ 75,000	$20,435	$27,247	$34,059	$40,871	$47,683
100,000	27,935	37,247	46,559	55,871	65,183
125,000	35,435	47,247	59,059	70,871	82,683
150,000	42,935	57,247	71,559	85,871	100,183
200,000	57,935	77,247	96,559	115,871	135,183
250,000	72,935	97,247	121,559	145,871	170,183
300,000	87,935	117,247	146,559	175,871	205,183
350,000	102,935	137,247	171,559	205,871	240,183
400,000	117,935	157,247	196,559	235,871	275,183
450,000	132,935	177,247	221,559	265,871	310,183
500,000	147,935	197,247	246,559	295,871	345,183
550,000	162,935	217,247	271,559	325,871	380,183
600,000	177,935	237,247	296,559	355,871	415,183
650,000	192,935	257,247	321,559	385,871	450,183
700,000	207,935	277,247	346,559	415,871	485,183

<FN>

*Applies only to individuals hired before November 1, 1969.

The Employees' Retirement Plan of Bank of Hawaii (the "Retirement Plan") provides retirement benefits for employees of participating employers who have completed certain age and service requirements. "Participating employers" means the Bank, Hawaiian Trust Company, Limited, Building Services, Inc., First Federal Savings and Loan Association of America, First Savings and Loan Association of America, First National Bank of Arizona, and any associated company that have adopted the Retirement Plan. Although retirement generally occurs at age 65, employees may retire at or after age 62 with unreduced benefits. The amount of benefits payable to employees who retire prior to age 62 is subject to specified adjustments. Benefits paid under the Retirement Plan are primarily determined by (1) the number of months a participant has worked, and (2) a participant's average annual salary during the 60 consecutive months in his or her last 120 months of service affording the highest average, excluding overtime, premium pay, incentive plan payouts, or discretionary bonuses.

The normal retirement benefit shown above assumes payment in the form of a single life annuity commencing at age 65, and is not subject to any deduction for Social Security or other offset amounts. The Internal Revenue Code generally limits the maximum annual benefit which can be paid under the Retirement Plan to the lesser of $118,800 or 100% of the participant's average compensation for the highest three consecutive calendar years during which he or she was a participant. Accordingly, if at retirement the annual benefit of any participant should exceed this limit, the individual's benefit from the Retirement Plan will be reduced to the permissible maximum. The amount of this reduction will be paid to the participant from an unfunded excess benefit plan designed for this purpose.

The credited years of service and the 1993 compensation covered by the Retirement Plan of the individuals named in the Summary Compensation Table on page __ of this Proxy Statement are as follows: Mr. Stephenson, 34 years and $591,865; Mr. Johnson, 30 years and $411,685; Mr. Dahl, 11 years and $251,160; Mr. Kappock, 21 years and $251,160; and Mr. Tsui, 8 years and $262,080.

Change-in-Control Arrangements

Bancorp's Key Executive Severance Plan provides for severance benefits to a participant if the participant's employment is terminated within 2 years of a change of control. A "change of control" will be deemed to have occurred if (i) any person or group becomes the beneficial owner of 25% or more of the total number of voting securities of Bancorp, (ii) the persons who were directors of Bancorp before a cash tender or exchange offer, merger or other business combination, sale of assets, or contested election cease to constitute a majority of the Board of Directors of Bancorp or any successor to Bancorp, or (iii) a majority of the Board of Directors determines in good faith that a change of control is imminent. The severance benefits include (i) payment of a lump sum amount equal to 3 years of compensation (consisting of salary, bonuses, and incentive compensation); (ii) special supplemental retirement payments equal to the retirement benefits the participant would have received had he continued in the employ of Bancorp and the Bank for 3 years following his termination of employment (or until his normal retirement date, if earlier); and (iii) continuation of all other benefits he would have received had he continued in the employ of Bancorp and the Bank for 3 years following his termination of employment (or until his normal retirement date, if earlier), such as hospital, medical-surgical, major medical, and group life insurance. Messrs. Stephenson, Johnson, Dahl, Kappock, and Tsui are covered by the Key Executive Severance Plan.

REPORT OF THE COMPENSATION COMMITTEE

The Committee, composed entirely of independent nonemployee directors, sets and administers the policies which govern Bancorp's executive compensation program, and various incentive and stock option programs. The Committee reviews compensation levels of members of management, evaluates the performance of management, considers management succession and related matters. All decisions relating to the compensation of Bancorp's officers are reviewed by the full Board, except for decisions about awards under Bancorp's stock option plans, which must be made solely by the Committee in order for the grants under such plans to satisfy Securities Exchange Act Rule 16b-3. Pursuant to recently adopted rules designed to enhance disclosure of companies' policies toward executive compensation, set forth below is a report addressing Bancorp's compensation policies as they affect all executive officers in general, and specifically as they affect Mr. Stephenson, the Chairman and Chief Executive Officer; and Messrs. Johnson, Dahl, Kappock, and Tsui, the four executive officers other than Mr. Stephenson who, for 1993, were Bancorp's most highly paid executives (collectively with Mr. Stephenson, the "Executive Officers").

The policies and underlying philosophy governing Bancorp's executive compensation program, which are endorsed by the Committee and the Board of Directors, are designed to (i) maintain a compensation program that is equitable in a competitive marketplace, (ii) provide opportunities that integrate pay with Bancorp's annual and long-term performance goals, (iii) recognize and reward individual initiative and achievements, and (iv) allow Bancorp to compete for, retain, and motivate talented executives who are critical to Bancorp's success.

Executive compensation is targeted at levels that the Committee believes to be consistent with others in Bancorp's industry, with the Executive Officers' compensation weighted toward programs contingent upon Bancorp's level of annual and long-term performance. As a result, the Executive Officers' actual compensation levels in any particular year may be above or below those of Bancorp's competitors, depending upon Bancorp's performance. The following are Bancorp's competitive targets:

In general, Bancorp will provide total compensation that is at the 50th percentile (median) among bank of comparable size and performance.

Bancorp will provide 75th percentile awards if Bancorp's performance significantly exceeds expectations.

Goals for specific components are as follows:

Base salaries for executives generally are targeted at the 50th percentile of their comparator group.

The short-term (one-year) incentive plan will provide 50th percentile awards if annual goals are achieved. The plan will pay higher awards if annual performance goals are exceeded.

Under long-term incentive plans, Bancorp will provide to participants a consistent 50th percentile opportunity from year-to-year, with possibilities of earning substantially higher levels if long-term performance goals are exceeded.

For competitive compensation purposes, Bancorp uses a group of 13 Bank Corporations chosen because they generally are comparable to Bancorp in terms in overall size, business mix and geographic scope. This group of 13 banks differs from the group of banks used in the line of business index for the performance graph. The organizations used in the performance graph are the 27 bank corporations of the Montgomery Securities Regional Bank Group. Overall, the 13 Bank Corporations used for compensation comparisons better reflect Bancorp's size, business mix and geographic scope than the full Montgomery Securities Regional Bank Group. Eight of the thirteen are in the Montgomery Securities Regional Bank Group.

Bancorp has retained the services of a nationally recognized consulting firm to assist the Committee in connection with the performance of its various duties since 1982.

The consulting firm provides advice to the Committee with respect to executive compensation programs for officers of Bancorp. In doing so, Bancorp is able to take into account how the compensation paid to its executives compares to compensation paid by the 13 Bank Corporations, as well as how Bancorp's performance compares to such companies. The consulting firm has reviewed Bancorp's compensation program for the five highest paid officers for 1993, and has reported to Bancorp that, in its opinion, the compensation of all such officers falls within the range of competitive practices in view of Bancorp's consolidated performance and the contribution of those officers to that performance.

Relationship of Performance Under Compensation Plans

Compensation paid the Executive Officers in 1993, as reflected in the Summary Compensation Table on page ____, consisted of the following elements: base salary, profit sharing, One-Year Incentive Plan cash award for 1993, and cash awards earned under Bancorp's Sustained Profit Growth Plan for the 1991 through 1993 performance cycle. In addition, as indicated in the Summary Compensation Table and the table entitled "Stock Option/SAR Grants in Last Fiscal Year" on page ____, in 1993 the Committee awarded stock options under the Bancorp Hawaii, Inc. Stock Option Plan of 1988.

The Committee's emphasis on tying pay to annual and long-term performance criteria is reflected in the compensation paid to Executive Officers for 1993. Approximately fifty percent of the amount paid to Executive Officers for 1993 arose from performance based compensation arrangements; and approximately thirty-two percent arose from arrangements tied to Bancorp's performance over a three-year period.

Base Salaries

Base salaries for Executive Officers are determined by evaluating the responsibilities of the position held, the experience of the individual, the competitive marketplace, and the individual's performance of his responsibilities. Adjustments to salary also reflect new responsibilities assigned or assumed by the individual. In setting salaries, the focus is generally on median competitive data. However, also taken into account are key differences in responsibilities between the executives of Bancorp and those found at other banks when using competitive market data in the salary process.

The largest salary adjustment among the top five named executive officers was 4%. Salary adjustments reflect the criteria that are described above, namely competitive information on salary increases, and the overall economic environment. The other factors considered were position responsibilities and individual performance.

One-Year Incentive Plan for 1993

The awards under Bancorp's One-Year Incentive Plan (the "Incentive Plan") to its Executive Officers reported in the "Bonus" column of the Summary Compensation Table on page ____ were determined by a two-step process that considered both the performance of Bancorp as a whole during the year and the individual performance of each Executive Officer. The first step established a financial performance factor that was determined by Bancorp's (i) return on average equity ("ROAE") and (ii) earnings growth. The maximum financial performance factor of 1.4 would be attained if the earnings growth was 12.0% or more and ROAE was 18% or more. For purposes of the Incentive Plan, "ROAE" is defined as Bancorp's net income for 1993 divided by Bancorp's average total equity (as reported in its annual report to stockholders) for 1993, and "earnings growth" is defined as the percentage growth in Bancorp's fully-diluted earnings per share (subject to certain adjustments such as unusual gains or loss transactions), comparing 1993 with 1992. After this performance factor was determined, a second step evaluated the individual participant's job performance against his responsibilities and the economic and other circumstances with which he had to cope during the year. An individual performance factor ranging from 0 to 1.4 was assigned. These two factors were multiplied by each other by the contingent award and by base salary to determine the award payable, if any. Bancorp's performance for purposes of compensation decisions was measured under the Incentive Plan against goals established prior to the start of the fiscal year and reviewed and approved by the Committee.

The Committee regards total shareholder return as the key measure of financial success. "Total shareholder return" consists of dividends paid and share price appreciation. The Committee believes that some of the most important factors driving share price appreciation are the general state of the stock market, the worldwide and national economic environment and investor sentiment regarding the financial services industry in general and regional banks in particular. None of these factors are within the control of Bancorp management. However, of those factors within management's control, earnings per share is regarded by the Committee as an effective factor because of the emphasis within the stock markets on price/earnings multiples. Over the long-term, the expectation is that growth in earnings per share will be roughly matched by growth in share prices, given a stable price - earnings multiple. Also, given the expectation that Bancorp's dividend tends to remain at a level of 25% - 35% of earnings, growth in dividends per share should, over the long term, mirror earnings per share growth.

Of course, movements in the other factors cited above (overall stock market direction, economic environment, etc.) could overwhelm the effects of earnings per share growth. However, over the long term, the Committee believes that earnings per share growth is the single factor (within management's control) most likely to influence total shareholder return.

The Committee regards ROAE as a very good measure of how Bancorp's profit compares to returns available to shareholders in the overall investment marketplace. This measure is not unique to banks, but is a common measure of investment return. Also, the measure of ROAE ties in to total shareholder value in that it is the percentage growth rate which should roughly be reflected in dividends growth and share price growth, as discussed above.

Under the Incentive Plan, each Executive Officer received a contingent incentive award of a specified percentage of his annual base salary (Mr. Stephenson - 50%, Messrs. Johnson, Dahl, Kappock, and Tsui - 40%). The total awards were based on a financial performance factor for the year of 0.895. This performance factor was then adjusted for individual performance in each case, resulting in awards that, on average, were 97.5% of contingent cash awards. The maximum bonus payable to any participant under this plan is 200% of the contingent award.

Sustained Profit Growth Plan

The Committee determines which, and to what extent, selected senior officers will participate in the Sustained Profit Growth Plan (the "Growth Plan") on the basis of their ability to make substantial contributions to the long-term success, growth, and profitability of Bancorp. Under this plan each executive received a contingent award of a specified percentage of his average annual base salary for the three-year period (Mr. Stephenson - 40%, Messrs. Johnson, Dahl, Kappock, and Tsui - 35%). The maximum cash award payable under the plan was two times the contingent award. Bancorp's performance was measured by the growth in net income per employee and growth in earnings per share, weighted equally in determining awards under the Growth Plan. The payout under the 1991 - 1993 Growth Plan was based on a financial performance factor in excess of the Growth Plan maximum of 2.0 times the contingent award as of December 31, 1993.

The Committee regards consistent growth in earnings per share as one of the most important single factors within management's control for influencing long-term stockholder value and net income per employee as the best measure of efficient management of personnel and resources. The reasons the Committee emphasizes growth in earnings per share as important to enhance shareholder value are described above ("One-Year Incentive Plan"). Indeed, the importance placed on this factor is indicated by the fact that it is included in both the One-Year Incentive and Sustained Profit Growth Plans.

The Committee also feels the need to measure efficiency of operations, which is difficult to do in a multi-product service industry because of the inability to precisely allocate overhead costs. Therefore, some indirect measure of efficiency is required.

The Committee has chosen to focus on staff expense, Bancorp's largest expense category, other than interest. Rather than simply restrict the growth of this expense, which might inhibit otherwise profitable expansion, the Growth Plan measures net income per employee (NIPE) as a means of quantifying the profit realized on the staff expense incurred. While other factors, such as interest rate levels and the growth of the economy, will influence Bancorp's net income, the Committee believes that NIPE growth, over a three-year period, is a reasonable proxy for measuring whether staff expense is being appropriately managed.

Stock Option Plans

The Committee considers stock option grants under the Bancorp Hawaii, Inc. Stock Option Plan, the Bancorp Hawaii, Inc. Stock Option Plan of 1983, and the Bancorp Hawaii, Inc. Stock Option Plan of 1988 (collectively, the "Plans") for key employees, including key executive officers of Bancorp and its subsidiaries. Stock options are granted by the Compensation Committee ("Committee") to those key employees whose management responsibilities place them in a position to make substantial contributions to the financial success of Bancorp. Directors who are not also employees may not participate in the Plans. Stock options are granted at a price equal to the fair market value of the stock on the date the options are granted. The Committee, which administers the Plans, determines whether the options are incentive stock options or nonqualified stock options.

The Committee reviewed employee stock option programs of the 13 Bank Corporations that comprise Bancorp's competitive group for compensation purposes, prior to determining the grant of options to the Executive Officers in 1993. While the value realizable from exercisable options is dependent upon the extent to which Bancorp's performance is reflected in the market price of Bancorp's common stock at any particular point in time, the decision as to whether such value will be realized in any particular year is primarily determined by each individual executive and not by the Committee.

The Committee considered several factors in the granting of stock options in November 1993. Anticipating a change in Bancorp's executive leadership in 1994, the Committee desired to retain each member of the Managing Committee. The Committee increased long-term stock option grants in an effort to improve retention of each member of senior management. The Committee determined the performance of the five named executive officers throughout 1993 to be outstanding in producing well above average financial results in a demanding and challenging Hawaii economy. During May of 1993, as a result of the efforts of the executive officers and staff of Bancorp, the Bank of Hawaii, the largest subsidiary of Bancorp, completed its acquisition of American Financial Services of Hawaii, Inc. ("AFS") and the integration of AFS is progressing well and ahead of schedule. Other significant accomplishments include the: (i) acquisition by Bank of Hawaii International, Inc., a subsidiary of the Bank, of an equity interest in Banque Indosuez Vanuatu, Ltd. (renamed Banque d'Hawaii Vanuatu, Ltd.), (ii) establishment of branches of the Bank in Suva and Nadi, Fiji, which expands Bancorp's market presence in the growing economy of the South Pacific. The Committee believes that the performance level of each individual warranted an increase in stock option grants over previous years. In the case of Mr. Stephenson, who will be retiring as Chairman and Chief Executive Officer effective August 1, 1994, the Committee elected to examine the possibility of a stock option grant to him during January 1994 after the final financial results were made public. The performance of Bancorp was such that the Committee on January 27, 1994 granted Mr. Stephenson a stock option for 21,000 shares at an option price of $45.00 per share out of the Bancorp Stock Plan of 1994, which would be exercisable after July 27, 1994. This stock option grant is subject to approval of the 1994 Plan by the stockholders at the annual meeting of stockholders to be held on April 27, 1994.

The Committee believes that stock options are an integral part of its executive compensation package since options align the interests of management with stockholders and focus the attention of management on the long-term success of Bancorp.

CEO Compensation

The Committee's general approach in setting Mr. Stephenson's target annual compensation is to provide levels that are competitive among the 13 Bank Corporations that comprise Bancorp Hawaii's competitive group for compensation purposes. In addition, the Committee intends to have a significant percentage (over 20%) of each executive officer's target compensation based upon objective long-term performance criteria. On average, Mr. Stephenson's long-term incentive compensation opportunity is approximately 30 percent of his total compensation. This compares with the aforementioned 13 Bank Corporations' average of approximately 26 percent.

Mr. Stephenson has held the position of Chairman and Chief Executive Officer since March 1989. Bancorp's performance throughout the last five fiscal years enabled stockholders to realize a total return of 102.6% (or an annual compounded return of 15.2%). "Total return" is defined as cumulative stock price appreciation including the reinvestment of dividends. This total return compares to a 5-year return of 95.3% (or an annual compounded return of 14.3%) for the Standard & Poors' 500 Index.

This performance resulted in increased compensation paid to Mr. Stephenson over the past three years. The Committee in late 1992 approved a four percent increase in Mr. Stephenson's base salary for the year 1993. Mr. Stephenson's 1994 base salary will be reviewed by the Committee in February 1994 and any salary adjustment will be effective April 1, 1994. Mr. Stephenson's 1993 salary and incentive plan compensation increased 4.0% over his 1992 compensation in recognition of Bancorp's 13.2% earnings improvement in 1992 under his leadership. Of the 1993 compensation, 57.4% was represented by incentive plan compensation, compared to 58.1% in 1992, and 55.4% in 1991. Base salary represented only 42.6% of 1993 salary and incentive plan compensation. A significant portion of the increased compensation was represented by incentive payments under Bancorp's plans.

Mr. Stephenson's award under the One-Year Incentive Plan for 1993 was based on both corporate financial and individual performance. Two financial performance factors were used, weighted equally: growth in earnings per share and return on average equity. These measures are explained in more detail under the section entitled "One-Year Incentive Plan". Other factors include individual performance in assigned responsibilities, leadership and management skills, strategic decision making, and the economic and other challenges that were present during the course of the year. The performance factors, as described in the section entitled "One Year Incentive Plan for 1993" on page ____, were achieved. The cash award for the one-year incentive period ended December 31, 1993 for Mr. Stephenson was equal to about 58% of his annual base salary.

Mr. Stephenson's award under the Sustained Profit Growth Plan for the years 1991 to 1993 is based on two measures of corporate performance weighted equally: earnings per share growth and net income per employee. These measures and the actual performance goals are described in detail in the footnote to the table entitled "Long-Term Incentive Plans-Awards in Last Fiscal Year". The performance factors, as described in the section entitled "Sustained Profit Growth Plan" on page ____, were achieved.

Revenue Reconciliation Act of 1993

In 1993, Congress adopted the Revenue Reconciliation Act of 1993 (the "1993 Act"), certain provisions of which limit the ability of publicly-held companies to deduct for taxation purposes the compensation paid to individual employees in excess of $1 million in any fiscal year. The 1993 Act affords certain exemptions to the deductibility limitation, generally requiring that compensation be closely tied to objective performance criteria.

In general, Bancorp intends to maintain deductibility for all compensation paid to covered employees, and will comply with the required terms of the specified exemptions under the 1993 Act, except in circumstances under which such compliance would unduly interfere with the incentive goals of Bancorp's executive compensation program and when the loss of deductibility would not be materially adverse to Bancorp's overall financial position.

Compensation Committee

Fred E. Trotter, Chairman

Stuart T. K. Ho

Charles R. Wichman

March 10, 1994

NO COMPENSATION COMMITTEE INTERLOCKS
OR INSIDER PARTICIPATION

During 1993 no Executive Officer of Bancorp served as a member of a compensation committee (or Board of Directors serving as such) of any entity of which any member of the Compensation Committee was an Executive Officer.

No member of the Compensation Committee was an employee or former employee of Bancorp or its subsidiaries or had any relationships with Bancorp required to be disclosed in this Proxy Statement pursuant to Item 404 of Regulation S-K under the 1934 Act, other than as noted under the heading "Sale of Commercial Paper" on page ______, and page ____ under the heading "Certain Business Relationships".

PERFORMANCE GRAPH

The following performance graph, which shows a five-year comparison of cumulative total returns for Bancorp, the S&P 500 Composite Index, and the Montgomery Securities Regional Bank Median, shall not be deemed to be incorporated by reference into any filing under the 1933 Act or the 1934 Act, except to the extent Bancorp specifically incorporates it by reference into a filing under the 1933 Act or the 1934 Act; nor shall it be deemed to be "soliciting material" or to be "filed" with the Securities and Exchange Commission or subject to Regulation 14A or 14C under the 1934 Act or to the liabilities of Section 18 of the 1934 Act, except to the extent that Bancorp specifically requests that such information be treated as soliciting material or specifically incorporates it by reference into a filing under the 1933 Act or the 1934 Act. As of the date of this Proxy Statement, Bancorp has made no such incorporation by reference or request.

PERFORMANCE GRAPH

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN*
(Includes Dividend Reinvestment)

	Bancorp Hawaii	S&P 500	Montgomery Securities Regional Bank Median
12/88	$100	$100	$100
12/89	144	131	120
12/90	131	127	94
12/91	209	165	164
12/92	210	178	220
12/93	203	195	231

<FN>
* Assumes $100 invested on December 31, 1988 in Bancorp Hawaii stock, S&P 500 Index and the Montgomery Securities Regional Bank Median

The above graph compares the performance of Bancorp Hawaii, Inc. with that of the S&P 500 Index and a peer group defined in the Montgomery Securities Regional Bank Median. The chart assumes that $100 was invested on December 31, 1988, in Bancorp Hawaii stock, S&P 500 Index and the Montgomery Securities Regional Bank Median. The total return on each investment is as of December 31 of each of the subsequent 5 years and assumes reinvested dividends.