
**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 23, 2010**

BANK OF HAWAII CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

1-6887
(Commission
File Number)

99-0148992
(IRS Employer
Identification No.)

130 Merchant Street, Honolulu, Hawaii
(Address of principal executive offices)

96813
(Zip Code)

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

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))
-
-
-

Item 2.02. Results of Operations and Financial Condition.

On July 26, 2010, Bank of Hawaii Corporation (the "Company") announced its results of operations for the quarter ended June 30, 2010. 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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Management Transition

As previously reported in a Current Report on Form 8-K filed on April 19, 2010, the Company had undertaken a leadership transition process that would result in President Peter S. Ho succeeding Allan R. Landon as Chairman and Chief Executive Officer. On July 26, 2010, Bank of Hawaii Corporation announced that the transition will occur effective 12:00 noon on July 30, 2010, on which date Mr. Landon will retire from service in all capacities with the Company and its subsidiaries. The public announcement was made by means of a press release, the text of which is filed as Exhibit 99.2 hereto and is incorporated herein by reference. As Mr. Ho is a current named executive officer of the Company, the information relating to him required by Item 5.02(b) of Form 8-K has been previously reported except as described below.

Executive Compensation

Peter S. Ho. Mr. Ho's annual base salary as Chairman, President, and Chief Executive Officer of the Company will be \$750,000. He has received a supplemental award under the Company's Executive Incentive Plan ("EIP") so that his bonus opportunity with respect to the third and fourth quarters of 2010 is comparable to that received by Mr. Landon in his capacity as Chief Executive Officer. The Company's Human Resources and Compensation Committee has adopted an amendment to the EIP filed herewith as Exhibit 10.1 and incorporated herein by reference to accommodate a partial year performance period and to clarify the Committee's authority with respect to final awards under the EIP in cases of termination of employment due to retirement, death, or disability. As previously reported in a Current Report on Form 8-K filed on April 28, 2010, the Human Resources and Compensation Committee authorized a 15,000 share restricted stock award to be granted to Mr. Ho at such time as he is appointed Chief Executive Officer of the Company. That award will become effective upon the transition with Mr. Landon.

Retirement Agreement with Mr. Landon

The Board of Directors, upon the recommendation and approval of the Human Resources and Compensation Committee, has authorized the Company to enter into an agreement with Mr. Landon that provides for payments to him of \$435,000 as a prorated final award for 2010 under the EIP, a recognition payment of \$1,125,000, and a payment of \$100,000 to help defray his moving and other relocation expenses associated with the relocation of his principal residence to the mainland, subject to his agreement to noncompetition and nonsolicitation covenants as set out in the letter agreement dated July 23, 2010 between the Company and Mr. Landon. The foregoing description of the letter agreement with Mr. Landon is qualified in its entirety by reference to the copy of the letter agreement, which is filed as Exhibit 10.2 hereto and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit No.

- 10.1 Amendment 2010-1 to Executive Incentive Plan. Filed herewith.
- 10.2 Letter agreement dated July 23, 2010 between Bank of Hawaii Corporation and Allan R. Landon. Filed herewith.
- 99.1 July 26, 2010 Press Release: Bank of Hawaii Corporation Second Quarter 2010 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 July 26, 2010 Press Release: Peter Ho to Assume Chairman and CEO Role at Bank of Hawaii Corporation. Filed herewith.

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, 2010

BANK OF HAWAII CORPORATION

By /s/ MARK A. ROSSI
Mark A. Rossi
Vice Chairman and Corporate Secretary

**AMENDMENT 2010-1 TO THE
BANK OF HAWAII CORPORATION EXECUTIVE INCENTIVE PLAN**

The Bank of Hawaii Corporation Executive Incentive Plan is hereby amended as follows:

1. Section 2.12 is amended to read in its entirety as follows:

2.12 “Net Income” shall mean BOHC’s consolidated net income before taxes for the Performance Period, as reported in the annual report to shareholders (or as otherwise reported to BOHC’s shareholders, or if not reported to BOHC’s shareholders, as reported in BOHC’s monthly financial reports), adjusted as described in this Section. The Committee may, in its sole discretion, provide in the terms of an Award for BOHC’s reported net income to be adjusted for one or more of the following in determining Net Income:

- (a) Expenses associated with this Plan;
- (b) Any extraordinary or unusual gain or loss transaction;
- (c) Securities gains or losses; and
- (d) Dividends on preferred shares.

2. Section 2.15 is amended to read in its entirety as follows:

2.15 “Performance Period”, with respect to any Award, shall mean BOHC’s fiscal year, or such other period as the Committee may specify.

3. Section 7.1 is amended to read in its entirety as follows:

7.1 Termination of Employment Due to Death, Disability, or Retirement.

(a) Non-Incentive Pool Awards. If a Participant who separates from service because of death, Disability, or Retirement had been granted a Contingent Award (other than a Contingent Award covered by Section 7.1(b)) for the Performance Period during which such death, Disability, or Retirement occurs (a “Termination Year Award”), the Committee in its sole discretion shall determine whether the Participant is entitled to the payout of any Final Award with respect to the Termination Year Award and, if so, the manner in which the Final Award amount will be prorated and the time at which any such payment shall be made.

(b) Incentive Pool Awards. If a Participant who separates from service because of death, Disability, or Retirement had been granted a Contingent Award for the Performance Period during which such death, Disability, or Retirement occurs equal to a percentage of an Incentive Pool established pursuant to Section 5.2 hereof based on

BOHC's Net Income for such Performance Period, then the Participant shall be paid within 60 days after the Termination Measurement Date (as hereinafter defined) a Final Award calculated in accordance with the terms of the Contingent Award but based on BOHC's Net Income during the portion of the Performance Period ending on the Termination Measurement Date. Notwithstanding the foregoing, the Committee may, in its sole discretion, reduce or eliminate the amount of any such Final Award under this Section 7.1(b) and in exercising such discretion may take into account the extent to which the Participant's separation from service may have occurred prior to the Termination Measurement Date. "Termination Measurement Date" means the later of (i) the end of the calendar month immediately preceding the Participant's separation from service (or the second immediately preceding calendar month in the case of a separation from service that occurs prior to the fifteenth day of the calendar month of such separation from service) or (ii) the first month-end date that would result in the Contingent Award being granted as of a date that satisfies Treasury Regulation Section 1.162-27(e)(2)(i). No payment of a Final Award pursuant to this Section 7.1(b) shall be made prior to the Committee's certification of Net Income during the portion of the Performance Period ending on the Termination Measurement Date.

(c) Alternative Terms. The terms of a Contingent Award may provide alternative terms for the treatment of the Award in the event of death, Disability, or Retirement, in which case such alternative terms shall apply in lieu of those set forth in this Section 7.1.

BANK OF HAWAII CORPORATION
130 Merchant Street
Honolulu, Hawaii 96813

July 23, 2010

Mr. Allan R. Landon
Chairman and Chief Executive Officer
Bank of Hawaii Corporation
130 Merchant Street
Honolulu, Hawaii 96813

Dear Al:

The Board of Directors has asked me to accept on its behalf your decision to retire as Chairman and Chief Executive Officer and to resign from the Board and your other positions at Bank of Hawaii Corporation and its affiliates (collectively, the Company) effective at 12:00 noon HST on July 30, 2010. We unanimously agree that it has been an honor and a privilege to work with someone of your business acumen, leadership skills and unquestioned integrity.

The Board has reviewed carefully your record of accomplishment during your period of service, your positions of increasing responsibility since you came to the Company in 2000 and your many accomplishments as Chief Executive Officer as well as corporate and your individual performance for the first half of the year. I am pleased to tell you that, following that review, the Board, with the recommendation and approval of its compensation committee, has decided to take the following actions:

1. In light of the Company's financial performance for the first half of 2010 and your accomplishments during that period, you will receive \$435,000 as your pro rated final award for 2010 under the Executive Incentive Plan ("EIP") in addition to your salary and vested benefits.
 2. In consideration of your extraordinary achievements, your requests to limit your compensation in recent years and your agreement to the non-competition and other covenants set out below, you will receive an additional payment of \$1,125,000 and a further payment of \$100,000 to help defray your moving and other expenses associated with the relocation of your principal residence to the mainland.
 3. You will be entitled to receive these payments as soon as practicable on or after August 2, 2010. They will be provided less all applicable withholdings. The payment described in Section 1 will count as compensation for purposes of any other Company compensation or benefit plans, programs or arrangements to the same extent as EIP payments made by the Company in respect of full year performance. The payments described in Section 2 will not count as compensation for purposes of any other Company compensation or benefit plan, program or arrangement.
-

Your services for the Company have been unique, you have had access to our most sensitive and confidential information, you have made extensive connections and played a valuable role in the community, and you, in very significant ways, have been the public face of the Company during your tenure as Chief Executive Officer. As a matter of proper stewardship, then, the Board asks that you sign this letter agreeing during the first twelve months after your retirement, to neither, directly or indirectly:

(a) become involved as an employee, director or consultant with any commercial bank or savings institution headquartered in the state of Hawaii (or parent or affiliate of any such bank or savings institution if you have responsibility for operations in Hawaii),

(b) solicit business of the same or similar type being carried on by the Company from any person or entity known by you to be a customer of the Company, whether or not you had personal contact with such person or entity by reason of your employment with the Company, or

(c) whether for yourself or any other person or entity, solicit, employ, or otherwise engage as an employee, independent contractor, or otherwise, any employee of the Company or induce or attempt to induce any employee of the Company to terminate his or her employment with the Company.

Al, let me reiterate the Board's deep appreciation for your extraordinary dedication and service to the Company. You truly have represented the values and mission of our organization. We wish you and Sue all the best as you enter this next stage of your lives and we look forward to remaining in touch over the years ahead.

Sincerely yours,

Mary G. F. Bitterman,
Lead Independent Director
On behalf of Bank of Hawaii Corporation

Agreed and accepted
as of the date first above written

Allan R. Landon

NewsRelease

NYSE: BOH



Media Inquiries
 Stafford Kiguchi
 Telephone: 808-694-8580
 Mobile: 808-265-6367
 E-mail: Stafford.Kiguchi@boh.com

Investor/Analyst Inquiries
 Cindy Wyrick
 Telephone: 808-694-8430
 E-mail: Cindy.Wyrick@boh.com

Bank of Hawaii Corporation Second Quarter 2010 Financial Results

- Diluted Earnings Per Share \$0.96
- Net Income for the Quarter \$46.6 Million
- Board of Directors Declares Dividend of \$0.45 Per Share
- Company Announces Plans to Resume Share Repurchase Program

FOR IMMEDIATE RELEASE

HONOLULU, HI (July 26, 2010) — Bank of Hawaii Corporation (NYSE: BOH) today reported diluted earnings per share of \$0.96 for the second quarter of 2010, which was up 48 percent from diluted earnings per share of \$0.65 in the same quarter last year. Net income for the second quarter of 2010 was \$46.6 million compared to net income of \$52.7 million in the first quarter of 2010, and up from \$31.0 million in the second quarter of 2009. Second quarter 2010 results include a provision for credit losses of \$15.9 million, down from \$20.7 million in the first quarter of 2010, and down from \$28.7 million in the second quarter of 2009. Noninterest income in the second quarter of 2010 included net gains of \$15.0 million on sales of investment securities compared with \$20.0 million in the first quarter of 2010.

Average deposits continued to be strong during the second quarter of 2010, holding stable at \$9.4 billion. Total shareholders' equity exceeded \$1.0 billion at the end of the quarter. The allowance for loan and lease losses increased to \$147.4 million during the second quarter of 2010 and represents 2.71 percent of outstanding loans and leases.

"The second quarter was another strong quarter for Bank of Hawaii," said Allan R. Landon, Chairman, and CEO. "Our profitability remained solid and the Hawaii economy continues to show signs of gradual improvement. While we have added \$1.0 million to our allowance for loan and lease losses this quarter, economic and risk indicators suggest that further increases to the allowance may not be necessary. We are also planning to resume our share repurchase program during the third quarter in an orderly and disciplined manner."

The return on average assets for the second quarter of 2010 was 1.48 percent, down from 1.73 percent in the previous quarter, and up from 1.06 percent during the same quarter last year. The return on average equity for the second quarter of 2010 was 19.01 percent compared to 22.54 percent for the first quarter of 2010 and 14.49 percent in the second quarter of 2009.

- more -

For the six months ended June 30, 2010, net income was \$99.3 million, up \$32.3 million compared to net income of \$67.0 million for the same period last year. Diluted earnings per share were \$2.05 for the first half of 2010, up from \$1.40 for the first half of 2009. The year-to-date return on average assets was 1.60 percent, up from 1.18 percent for the same period in 2009. The year-to-date return on average equity was 20.73 percent, up from 16.13 percent for the six months ended June 30, 2009. The efficiency ratio for the first half of 2010 was 47.59 percent compared with 53.78 percent for the same period last year.

Results for the first six months of 2010 included \$35.0 million in net gains on investment securities, net interest recoveries of \$2.8 million, and a gain of \$1.2 million on the sale of leased equipment partially offset by an accrual of \$3.3 million for employee cash grants for the purchase of Company stock. Results for the first six months of 2009 included gains of \$13.7 million from the disposition of leased equipment and the sale of the Company's retail insurance brokerage business. Gains in the first half of 2009 were partially offset by expenses for legal contingencies, an industry-wide FDIC assessment, and early debt retirement. Details of these items are included in Table 2.

Financial Highlights

Net interest income, on a taxable equivalent basis, for the second quarter of 2010 was \$104.2 million, down \$3.7 million from net interest income of \$107.9 million in the first quarter of 2010 and up \$1.0 million from net interest income of \$103.2 million in the second quarter of 2009. Results for the first quarter of 2010 include the previously mentioned net interest recoveries of \$2.8 million. Analyses of the changes in net interest income are included in Tables 7a, 7b, and 7c.

The net interest margin was 3.51 percent for the second quarter of 2010, a 21 basis point decrease from 3.72 percent in the first quarter of 2010 and a 22 basis point decrease from 3.73 percent in the second quarter of 2009. Adjusted for the net interest recoveries, the net interest margin in the first quarter of 2010 was 3.62 percent.

Results for the second quarter of 2010 included a provision for credit losses of \$15.9 million compared with \$20.7 million in the first quarter of 2010 and \$28.7 million in the second quarter of 2009. The provision for credit losses exceeded net charge-offs of \$14.9 million by \$1.0 million in the second quarter of 2010. The provision for credit losses exceeded net charge-offs of \$18.0 million by \$2.7 million in the first quarter of 2010 and exceeded net charge-offs of \$25.7 million by \$3.0 million in the second quarter of 2009.

Noninterest income was \$68.9 million for the second quarter of 2010, a decrease of \$2.9 million compared to noninterest income of \$71.8 million in the first quarter of 2010, and an increase of \$9.0 million compared to noninterest income of \$59.8 million in the second quarter of 2009. Noninterest income in the second quarter of 2010 included the previously mentioned net securities gains of \$15.0 million and \$1.2 million on the sale of leased equipment. Noninterest income in the first quarter of 2010 included net securities gains of \$20.0 million. Results for the second quarter of 2009 included a gain of \$2.8 million related to the disposition of leased equipment and \$0.9 million on the sale of the Company's retail insurance brokerage business.

Noninterest expense was \$85.9 million in the second quarter of 2010, up \$4.2 million from noninterest expense of \$81.7 million in the first quarter of 2010, and down \$3.7 million from noninterest expense of \$89.6 million in the same quarter last year. Noninterest expense in the

second quarter of 2010 included \$3.3 million for the previously mentioned employee cash grants. Noninterest expense in the second quarter of 2009 included a \$5.7 million industry-wide FDIC assessment. An analysis of salary and benefit expenses is included in Table 8.

The efficiency ratio for the second quarter of 2010 was 49.72 percent, compared with 45.54 percent in the first quarter of 2010 and 55.07 percent in the second quarter of 2009. Adjusted for the income and expense items previously discussed, the efficiency ratio for the second quarter of 2010 was 52.77 percent compared with 52.18 percent in the first quarter of 2010 and 52.71 percent in the second quarter of 2009. A summary of these items is included in Table 2.

The effective tax rate for the second quarter of 2010 was 34.37 percent compared to 31.53 percent in the previous quarter and 30.18 percent during the same quarter last year. The lower effective tax rate in the first quarter of 2010 was primarily due to the expected utilization of capital losses on the sale of a low-income housing investment. The lower effective tax rate in the second quarter of 2009 was primarily due to accounting for the termination of a leveraged lease that resulted in a \$1.6 million income tax benefit.

The Company's business segments are defined as Retail Banking, Commercial Banking, Investment Services, and Treasury & Other. Results are determined based on the Company's internal financial management reporting process and organizational structure. Selected financial information for the business segments is included in Table 12a and 12b.

Asset Quality

Overall credit quality continued to reflect a slowly improving economy during the second quarter of 2010. Non-performing assets remain at elevated levels primarily due to the lengthy resolution process on residential mortgages. Non-performing assets were \$43.2 million at June 30, 2010, up from \$41.6 million at March 31, 2010, and up from \$39.1 million at June 30, 2009. As a percentage of total loans and leases, including loans held for sale and foreclosed real estate, non-performing assets were 0.79 percent at June 30, 2010.

Accruing loans and leases past due 90 days or more were \$12.9 million at June 30, 2010, down from \$16.0 million at March 31, 2010, and up from \$9.6 million at June 30, 2009. There were no commercial loans past due 90 days or more at June 30, 2010. More information on non-performing assets and accruing loans and leases past due 90 days or more is presented in Table 10.

Net charge-offs during the second quarter of 2010 were \$14.9 million or 1.09 percent annualized of total average loans and leases, down from \$18.0 million or 1.28 percent annualized in the first quarter of 2010, and \$25.7 million or 1.65 percent annualized in the second quarter last year. Net charge-offs for the six months ended June 30, 2010 were \$33.0 million, or 1.19 percent annualized of total average loans and leases, down from \$39.7 million, or 1.26 percent annualized of total average loans and leases for the same period last year.

The allowance for loan and lease losses increased to \$147.4 million at June 30, 2010, up from \$146.4 million at March 31, 2010 and \$137.4 million at June 30, 2009. The ratio of the allowance for loan and lease losses to total loans and leases was 2.71 percent at June 30, 2010. The reserve for unfunded commitments at June 30, 2010 remained unchanged at \$5.4 million. Details of charge-offs, recoveries, and the components of the reserve for credit losses are summarized in Table 11.

Other Financial Highlights

Total assets were \$12.86 billion at June 30, 2010, higher than total assets of \$12.44 billion at March 31, 2010, and up from \$12.19 billion at June 30, 2009. Average total assets were \$12.60 billion during the second quarter of 2010, higher than average assets of \$12.38 billion during the previous quarter, and up from \$11.75 billion during the second quarter last year. The increase in total assets is largely due to growth in investment securities, partially offset by a decline in loan balances due to lower demand and tighter underwriting standards. Wholesale funding with government entities increased \$0.6 billion during the second quarter.

Total deposits were \$9.32 billion at June 30, 2010, compared with total deposits of \$9.49 billion at March 31, 2010 and \$9.02 billion at June 30, 2009. The decrease in deposits compared with the previous quarter was primarily due to a reduction in commercial savings and public deposits. Average total deposits of \$9.39 billion during the second quarter were level with average deposits during the previous quarter, and up from \$9.22 billion during the same quarter last year.

As a result of strong deposit levels and weak loan demand, the investment securities portfolio increased to \$6.13 billion at June 30, 2010, up from \$5.61 billion at March 31, 2010, and up from \$4.50 billion at June 30, 2009.

Total shareholders' equity was \$1.01 billion at June 30, 2010, up \$73.6 million from \$939.4 million at March 31, 2010, and up from \$845.9 million at June 30, 2009. No shares were repurchased during the second quarter of 2010. The Company intends to resume share repurchases during the third quarter of 2010. Remaining buyback authority under the share repurchase program was \$85.4 million at June 30, 2010.

At June 30, 2010, the Tier 1 leverage ratio was 7.09 percent, up from 6.97 percent at March 31, 2010, and up from 6.64 percent at June 30, 2009. At June 30, 2010, the ratio of tangible common equity to risk weighted assets increased to 18.57 percent, up from 16.75 percent at March 31, 2010, and up from 13.02 percent at June 30, 2009.

The Company's Board of Directors has declared a quarterly cash dividend of \$0.45 per share on the Company's outstanding shares. The dividend will be payable on September 15, 2010 to shareholders of record at the close of business on August 31, 2010.

Hawaii Economy

Hawaii's economy was slightly improved during the second quarter of 2010. Visitor arrivals have improved and spending appears to be stable. Job growth remains weak across most business sectors and unemployment, although significantly better than the national average, is expected to remain elevated. The State's seasonally adjusted unemployment rate of 6.3 percent at the end of June 2010 was the sixth lowest in the country and compared with a national rate of 9.5 percent. Home sales volume statewide continues to improve and prices on Oahu have stabilized, although sales prices on the neighbor islands continue to lag. Private construction activity remains low; however, increased activity is anticipated due to Federal and State stimulus plans. More information on Hawaii economic trends is presented in Table 14.

Conference Call Information

The Company will review its second quarter 2010 financial results today at 8:00 a.m. Hawaii Time (2:00 p.m. Eastern Time). The conference call will be accessible via teleconference and via the Investor Relations link of Bank of Hawaii Corporation's web site, www.boh.com. Conference call participants in the United States should dial 866-831-6291. International participants should dial 617-213-8860. Use the pass code "Bank of Hawaii" to access the call. A replay of the call will be available for one week beginning Monday, July 26, 2010 by calling 888-286-8010 in the United States or 617-801-6888 internationally and entering the pass code number 70182558 when prompted. A replay will also be available via the Investor Relations link of the Company's web site.

Forward-Looking Statements

This news release, and other statements made by the Company in connection with it may contain "forward-looking statements", such as forecasts of our financial results and condition, expectations for our operations and business prospects, and our assumptions used in those forecasts and expectations. 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, 2009, which was filed with the U.S. Securities and Exchange Commission. We have not committed to update forward-looking statements to reflect later events or circumstances.

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

###

Bank of Hawaii Corporation and Subsidiaries
Financial Highlights

Table 1

(dollars in thousands, except per share amounts)	Three Months Ended			Six Months Ended	
	June 30, 2010	March 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
For the Period:					
Operating Results					
Net Interest Income	\$ 103,928	\$ 107,653	\$ 102,851	\$ 211,581	\$ 199,913
Provision for Credit Losses	15,939	20,711	28,690	36,650	53,577
Total Noninterest Income	68,874	71,782	59,832	140,656	130,197
Total Noninterest Expense	85,918	81,706	89,584	167,624	177,517
Net Income	46,564	52,736	31,006	99,300	67,046
Basic Earnings Per Share	0.97	1.10	0.65	2.07	1.41
Diluted Earnings Per Share	0.96	1.09	0.65	2.05	1.40
Dividends Declared Per Share	0.45	0.45	0.45	0.90	0.90
Performance Ratios					
Return on Average Assets	1.48%	1.73%	1.06%	1.60%	1.18%
Return on Average Shareholders' Equity	19.01	22.54	14.49	20.73	16.13
Efficiency Ratio ¹	49.72	45.54	55.07	47.59	53.78
Operating Leverage ²	(11.10)	1.99	(8.04)	20.98	(14.62)
Net Interest Margin ³	3.51	3.72	3.73	3.61	3.75
Dividend Payout Ratio ⁴	46.39	40.91	69.23	43.48	63.83
Average Shareholders' Equity to Average Assets	7.79	7.67	7.30	7.73	7.34
Average Balances					
Average Loans and Leases	\$ 5,522,423	\$ 5,686,923	\$ 6,258,403	\$ 5,604,218	\$ 6,351,938
Average Assets	12,603,233	12,377,785	11,753,580	12,491,132	11,426,766
Average Deposits	9,387,621	9,390,615	9,222,130	9,389,110	8,988,053
Average Shareholders' Equity	982,233	949,073	858,139	965,745	838,288
Market Price Per Share of Common Stock					
Closing	\$ 48.35	\$ 44.95	\$ 35.83	\$ 48.35	\$ 35.83
High	54.10	50.42	41.42	54.10	45.24
Low	45.00	41.60	31.35	41.60	25.33
As of Period End:					
Balance Sheet Totals					
Loans and Leases	\$ 5,440,911	\$ 5,610,081	\$ 5,759,785	\$ 6,149,911	\$ 6,149,911
Total Assets	12,855,845	12,435,670	12,414,827	12,194,695	12,194,695
Total Deposits	9,324,659	9,494,084	9,409,676	9,019,661	9,019,661
Long-Term Debt	40,300	90,309	90,317	91,432	91,432
Total Shareholders' Equity	1,013,011	939,372	895,973	845,885	845,885
Asset Quality					
Allowance for Loan and Lease Losses	\$ 147,358	\$ 146,358	\$ 143,658	\$ 137,416	\$ 137,416
Non-Performing Assets ⁵	43,241	41,624	48,331	39,054	39,054
Financial Ratios					
Allowance to Loans and Leases Outstanding	2.71%	2.61%	2.49%	2.23%	2.23%
Tier 1 Capital Ratio ⁶	16.92	15.93	14.84	12.52	12.52
Total Capital Ratio ⁷	18.19	17.20	16.11	13.78	13.78
Leverage Ratio ⁸	7.09	6.97	6.76	6.64	6.64
Tangible Common Equity to Total Assets ⁹	7.63	7.30	6.96	6.65	6.65
Tangible Common Equity to Risk-Weighted Assets ⁹	18.57	16.75	15.45	13.02	13.02
Non-Financial Data					
Full-Time Equivalent Employees	2,427	2,400	2,418	2,533	2,533
Branches and Offices	83	83	83	85	85
ATMs	487	483	485	486	486

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

² Operating leverage is defined as the percentage change in income before the provision for credit losses and the provision for income taxes. Measures are presented on a linked quarter basis.

³ Net interest margin is defined as net interest income, on a taxable equivalent basis, as a percentage of average earning assets.

⁴ Dividend payout ratio is defined as dividends declared per share divided by basic earnings per share.

⁵ Excluded from non-performing assets are contractually binding non-accrual loans held for sale of \$4.2 million and \$5.2 million as of December 31, 2009 and June 30, 2009, respectively.

⁶ Tier 1 Capital Ratio as of December 31, 2009 and June 30, 2009 was revised from 14.88% and 12.56%, respectively.

⁷ Total Capital Ratio as of December 31, 2009 and June 30, 2009 was revised from 16.15% and 13.82%, respectively.

⁸ Leverage Ratio as of December 31, 2009 and June 30, 2009 was revised from 6.78% and 6.66%, respectively.

⁹ Tangible common equity, a non-GAAP financial measure, is defined by the Company as shareholders' equity minus goodwill and intangible assets. Intangible assets are included as a component of other assets in the Consolidated Statements of Condition.

Bank of Hawaii Corporation and Subsidiaries
Net Significant Income (Expense) Items

Table 2

(dollars in thousands)	Three Months Ended			Six Months Ended	
	June 30, 2010	March 31, 2010	June 30, 2009	2010	June 30, 2009
Cash Basis Interest Recoveries	\$ —	\$ 2,832	\$ —	\$ 2,832	\$ —
Investment Securities Gains, Net	14,951	20,021	—	34,972	—
Gain on Disposal of Leased Equipment	1,189	—	2,782	1,189	12,818
Gain on Sale of Insurance Subsidiary	—	—	852	—	852
Increase in Allowance for Loan and Lease Losses	(1,000)	(2,700)	(3,000)	(3,700)	(13,918)
Cash Grants for the Purchase of Company Stock	(3,250)	—	—	(3,250)	—
FDIC Special Assessment	—	—	(5,744)	—	(5,744)
Legal Contingencies	—	—	—	—	(1,500)
Market Premium on Repurchased Long-Term Privately Placed Debt	—	—	—	—	(875)
Significant Income (Expense) Items Before the Provision (Benefit) for Income Taxes	11,890	20,153	(5,110)	32,043	(8,367)
Income Taxes Impact Related to Lease Transactions	462	—	(286)	462	3,586
Income Tax Impact	3,745	7,054	(2,762)	10,799	(7,414)
Net Significant Income (Expense) Items	\$ 7,683	\$ 13,099	\$ (2,062)	\$ 20,782	\$ (4,539)

Bank of Hawaii Corporation and Subsidiaries
Consolidated Statements of Income

Table 3

(dollars in thousands, except per share amounts)	Three Months Ended			Six Months Ended	
	June 30, 2010	March 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Interest Income					
Interest and Fees on Loans and Leases	\$ 71,997	\$ 77,271	\$ 83,342	\$ 149,268	\$ 169,934
Income on Investment Securities					
Trading	—	—	—	—	594
Available-for-Sale	44,989	43,841	38,155	88,830	70,456
Held-to-Maturity	1,700	1,863	2,369	3,563	4,936
Deposits	3	13	5	16	15
Funds Sold	396	309	526	705	1,103
Other	277	277	276	554	552
Total Interest Income	119,362	123,574	124,673	242,936	247,590
Interest Expense					
Deposits	7,930	8,307	14,481	16,237	31,506
Securities Sold Under Agreements to Repurchase	6,472	6,429	6,477	12,901	13,129
Funds Purchased	6	7	5	13	10
Long-Term Debt	1,026	1,178	859	2,204	3,032
Total Interest Expense	15,434	15,921	21,822	31,355	47,677
Net Interest Income	103,928	107,653	102,851	211,581	199,913
Provision for Credit Losses	15,939	20,711	28,690	36,650	53,577
Net Interest Income After Provision for Credit Losses	87,989	86,942	74,161	174,931	146,336
Noninterest Income					
Trust and Asset Management	11,457	11,708	11,881	23,165	23,513
Mortgage Banking	3,752	3,464	5,443	7,216	14,121
Service Charges on Deposit Accounts	14,856	13,814	12,910	28,670	26,296
Fees, Exchange, and Other Service Charges	15,806	14,504	15,410	30,310	30,386
Investment Securities Gains, Net	14,951	20,021	12	34,972	68
Insurance	2,291	2,715	4,744	5,006	10,385
Other	5,761	5,556	9,432	11,317	25,428
Total Noninterest Income	68,874	71,782	59,832	140,656	130,197
Noninterest Expense					
Salaries and Benefits	47,500	44,564	44,180	92,064	91,208
Net Occupancy	10,154	10,144	10,008	20,298	20,336
Net Equipment	4,366	4,558	4,502	8,924	8,818
Professional Fees	2,091	1,992	4,005	4,083	6,554
FDIC Insurance	3,107	3,100	8,987	6,207	10,801
Other	18,700	17,348	17,902	36,048	39,800
Total Noninterest Expense	85,918	81,706	89,584	167,624	177,517
Income Before Provision for Income Taxes	70,945	77,018	44,409	147,963	99,016
Provision for Income Taxes	24,381	24,282	13,403	48,663	31,970
Net Income	\$ 46,564	\$ 52,736	\$ 31,006	\$ 99,300	\$ 67,046
Basic Earnings Per Share	\$ 0.97	\$ 1.10	\$ 0.65	\$ 2.07	\$ 1.41
Diluted Earnings Per Share	\$ 0.96	\$ 1.09	\$ 0.65	\$ 2.05	\$ 1.40
Dividends Declared Per Share	\$ 0.45	\$ 0.45	\$ 0.45	\$ 0.90	\$ 0.90
Basic Weighted Average Shares	48,080,485	47,914,412	47,682,604	47,997,996	47,624,521
Diluted Weighted Average Shares	48,415,602	48,289,427	47,948,531	48,352,082	47,876,509

Bank of Hawaii Corporation and Subsidiaries
Consolidated Statements of Condition

Table 4

(dollars in thousands)	June 30, 2010	March 31, 2010	December 31, 2009	June 30, 2009
Assets				
Interest-Bearing Deposits	\$ 4,062	\$ 4,910	\$ 8,755	\$ 4,537
Funds Sold	355,891	269,410	291,546	656,000
Investment Securities				
Available-for-Sale	5,980,759	5,447,239	5,330,834	4,292,911
Held-to-Maturity (Fair Value of \$161,441; \$173,646; \$186,668, and \$214,484)	153,190	167,099	181,018	209,807
Loans Held for Sale	13,179	11,143	16,544	40,994
Loans and Leases	5,440,911	5,610,081	5,759,785	6,149,911
Allowance for Loan and Lease Losses	(147,358)	(146,358)	(143,658)	(137,416)
Net Loans and Leases	5,293,553	5,463,723	5,616,127	6,012,495
Total Earning Assets	11,800,634	11,363,524	11,444,824	11,216,744
Cash and Noninterest-Bearing Deposits	343,514	355,398	254,766	294,022
Premises and Equipment	108,394	110,310	110,976	112,681
Customers' Acceptances	412	677	1,386	2,084
Accrued Interest Receivable	41,420	42,180	45,334	43,042
Foreclosed Real Estate	3,192	3,192	3,132	438
Mortgage Servicing Rights	25,646	26,082	25,970	24,731
Goodwill	31,517	31,517	31,517	34,959
Other Assets	501,116	502,790	496,922	465,994
Total Assets	\$ 12,855,845	\$ 12,435,670	\$ 12,414,827	\$ 12,194,695
Liabilities				
Deposits				
Noninterest-Bearing Demand	\$ 2,214,803	\$ 2,194,280	\$ 2,252,083	\$ 2,109,270
Interest-Bearing Demand	1,615,464	1,669,586	1,609,413	1,589,300
Savings	4,423,473	4,515,597	4,405,969	4,054,039
Time	1,070,919	1,114,621	1,142,211	1,267,052
Total Deposits	9,324,659	9,494,084	9,409,676	9,019,661
Funds Purchased	9,832	8,888	8,888	8,670
Short-Term Borrowings	7,000	7,317	6,900	10,000
Securities Sold Under Agreements to Repurchase	2,081,393	1,529,047	1,618,717	1,799,794
Long-Term Debt	40,300	90,309	90,317	91,432
Banker's Acceptances	412	677	1,386	2,084
Retirement Benefits Payable	35,669	36,895	37,435	54,286
Accrued Interest Payable	5,078	7,766	7,026	7,765
Taxes Payable and Deferred Taxes	228,660	224,112	229,140	226,936
Other Liabilities	109,831	97,203	109,369	128,182
Total Liabilities	11,842,834	11,496,298	11,518,854	11,348,810
Shareholders' Equity				
Common Stock (\$.01 par value; authorized 500,000,000 shares; issued / outstanding: June 30, 2010 - 57,100,287 / 48,264,157; March 31, 2010 - 57,027,543 / 48,040,830; December 31, 2009 - 57,028,239 / 48,018,943; and June 30, 2009 - 57,028,940 / 47,881,083)	570	570	569	569
Capital Surplus	497,082	494,653	494,318	491,784
Accumulated Other Comprehensive Income (Loss)	61,220	18,063	6,925	(1,870)
Retained Earnings	895,565	874,305	843,521	811,121
Treasury Stock, at Cost (Shares: June 30, 2010 - 8,836,130; March 31, 2010 - 8,986,713; December 31, 2009 - 9,009,296; and June 30, 2009 - 9,147,857)	(441,426)	(448,219)	(449,360)	(455,719)
Total Shareholders' Equity	1,013,011	939,372	895,973	845,885
Total Liabilities and Shareholders' Equity	\$ 12,855,845	\$ 12,435,670	\$ 12,414,827	\$ 12,194,695

Bank of Hawaii Corporation and Subsidiaries
Consolidated Statements of Shareholders' Equity

Table 5

(dollars in thousands)	Total	Common Stock	Capital Surplus	Accum. Other Comprehensive Income (Loss)	Retained Earnings	Treasury Stock	Comprehensive Income
Balance as of December 31, 2009	\$ 895,973	\$ 569	\$ 494,318	\$ 6,925	\$ 843,521	\$ (449,360)	
Comprehensive Income:							
Net Income	99,300	—	—	—	99,300	—	\$ 99,300
Other Comprehensive Income, Net of Tax:							
Change in Unrealized Gains and Losses on Investment Securities Available-for-Sale	53,534	—	—	53,534	—	—	53,534
Amortization of Net Losses Related to Defined Benefit Plans	761	—	—	761	—	—	761
Total Comprehensive Income							<u>\$ 153,595</u>
Share-Based Compensation	1,545	—	1,545	—	—	—	
Common Stock Issued under Purchase and Equity Compensation Plans and Related Tax Benefits (312,707 shares)	8,532	1	1,219	—	(3,902)	11,214	
Common Stock Repurchased (67,493 shares)	(3,280)	—	—	—	—	(3,280)	
Cash Dividends Paid	(43,354)	—	—	—	(43,354)	—	
Balance as of June 30, 2010	<u>\$ 1,013,011</u>	<u>\$ 570</u>	<u>\$ 497,082</u>	<u>\$ 61,220</u>	<u>\$ 895,565</u>	<u>\$ (441,426)</u>	
Balance as of December 31, 2008	\$ 790,704	\$ 568	\$ 492,515	\$ (28,888)	\$ 787,924	\$ (461,415)	
Comprehensive Income:							
Net Income	67,046	—	—	—	67,046	—	\$ 67,046
Other Comprehensive Income, Net of Tax:							
Change in Unrealized Gains and Losses on Investment Securities Available-for-Sale	26,302	—	—	26,302	—	—	26,302
Amortization of Net Losses Related to Defined Benefit Plans	716	—	—	716	—	—	716
Total Comprehensive Income							<u>\$ 94,064</u>
Share-Based Compensation	944	—	944	—	—	—	
Common Stock Issued under Purchase and Equity Compensation Plans and Related Tax Benefits (152,582 shares)	4,087	1	(1,675)	—	(791)	6,552	
Common Stock Repurchased (24,870 shares)	(856)	—	—	—	—	(856)	
Cash Dividends Paid	(43,058)	—	—	—	(43,058)	—	
Balance as of June 30, 2009	<u>\$ 845,885</u>	<u>\$ 569</u>	<u>\$ 491,784</u>	<u>\$ (1,870)</u>	<u>\$ 811,121</u>	<u>\$ (455,719)</u>	

Bank of Hawaii Corporation and Subsidiaries
Average Balances and Interest Rates - Taxable Equivalent Basis

Table 6a

(dollars in millions)	Three Months Ended June 30, 2010			Three Months Ended March 31, 2010			Three Months Ended June 30, 2009		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning Assets									
Interest-Bearing Deposits	\$ 5.3	\$ —	0.17%	\$ 5.8	\$ —	0.92%	\$ 5.2	\$ —	0.36%
Funds Sold	586.8	0.4	0.27	463.1	0.3	0.27	833.2	0.5	0.25
Investment Securities									
Available-for-Sale	5,531.2	45.2	3.27	5,241.0	44.1	3.37	3,662.1	38.5	4.21
Held-to-Maturity	160.2	1.7	4.25	174.1	1.9	4.28	219.9	2.4	4.31
Loans Held for Sale	8.5	0.1	4.46	8.8	0.5	23.80	24.1	0.2	4.21
Loans and Leases ¹									
Commercial and Industrial	765.5	7.9	4.12	788.5	10.2	5.25	984.1	9.9	4.02
Commercial Mortgage	826.2	10.5	5.10	838.0	10.5	5.09	763.8	9.9	5.22
Construction	100.3	1.3	5.28	108.0	1.3	4.99	144.5	1.5	4.03
Commercial Lease Financing	400.8	3.0	2.95	407.4	3.4	3.33	450.2	3.5	3.13
Residential Mortgage	2,109.1	29.9	5.66	2,160.6	30.9	5.73	2,359.0	34.6	5.88
Home Equity	875.8	10.9	5.01	909.4	11.3	5.02	999.3	12.6	5.07
Automobile	249.4	4.7	7.63	272.6	5.2	7.73	325.5	6.5	7.96
Other ²	195.3	3.7	7.63	202.4	3.9	7.76	232.0	4.6	7.89
Total Loans and Leases	5,522.4	71.9	5.22	5,686.9	76.7	5.44	6,258.4	83.1	5.32
Other	79.8	0.3	1.39	79.8	0.3	1.39	79.7	0.3	1.39
Total Earning Assets³	11,894.2	119.6	4.03	11,659.5	123.8	4.27	11,082.6	125.0	4.52
Cash and Noninterest-Bearing Deposits	221.0			229.8			203.9		
Other Assets	488.0			488.5			467.1		
Total Assets	\$ 12,603.2			\$ 12,377.8			\$ 11,753.6		
Interest-Bearing Liabilities									
Interest-Bearing Deposits									
Demand	\$ 1,659.8	0.3	0.06	\$ 1,662.0	0.3	0.07	\$ 1,907.7	0.3	0.07
Savings	4,477.8	4.2	0.38	4,434.2	4.4	0.40	4,036.9	7.8	0.77
Time	1,093.0	3.4	1.24	1,136.5	3.6	1.29	1,330.6	6.4	1.92
Total Interest-Bearing Deposits	7,230.6	7.9	0.44	7,232.7	8.3	0.47	7,275.2	14.5	0.80
Short-Term Borrowings	17.7	—	0.13	28.7	—	0.10	16.4	—	0.12
Securities Sold Under Agreements to Repurchase	1,785.2	6.5	1.44	1,531.7	6.4	1.68	1,168.2	6.5	2.20
Long-Term Debt	74.4	1.0	5.52	90.3	1.2	5.25	71.1	0.8	4.84
Total Interest-Bearing Liabilities	9,107.9	15.4	0.68	8,883.4	15.9	0.72	8,530.9	21.8	1.02
Net Interest Income									
Interest Rate Spread		\$ 104.2			\$ 107.9			\$ 103.2	
Net Interest Margin			3.35%			3.55%			3.50%
Net Interest Margin			3.51%			3.72%			3.73%
Noninterest-Bearing Demand Deposits	2,157.0			2,157.9			1,946.9		
Other Liabilities	356.1			387.4			417.7		
Shareholders' Equity	982.2			949.1			858.1		
Total Liabilities and Shareholders' Equity	\$ 12,603.2			\$ 12,377.8			\$ 11,753.6		

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 35%, of \$237,000, \$239,000, and \$331,000 for the three months ended June 30, 2010, March 31, 2010, and June 30, 2009, respectively.

Bank of Hawaii Corporation and Subsidiaries
Average Balances and Interest Rates - Taxable Equivalent Basis

Table 6b

(dollars in millions)	Six Months Ended June 30, 2010			Six Months Ended June 30, 2009		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning Assets						
Interest-Bearing Deposits	\$ 5.6	\$ —	0.56%	\$ 5.0	\$ —	0.59%
Funds Sold	525.2	0.7	0.27	872.8	1.1	0.25
Investment Securities						
Trading	—	—	—	24.3	0.6	4.90
Available-for-Sale	5,386.9	89.3	3.32	3,148.3	71.0	4.51
Held-to-Maturity	167.1	3.6	4.26	227.4	4.9	4.34
Loans Held for Sale	8.7	0.6	14.27	23.0	0.5	4.30
Loans and Leases ¹						
Commercial and Industrial	776.9	18.1	4.69	1,007.6	20.3	4.06
Commercial Mortgage	832.1	21.0	5.10	747.3	19.5	5.27
Construction	104.1	2.7	5.13	149.3	3.1	4.12
Commercial Lease Financing	404.1	6.3	3.14	456.5	7.2	3.14
Residential Mortgage	2,134.7	60.8	5.70	2,398.0	71.0	5.92
Home Equity	892.5	22.2	5.01	1,013.9	25.6	5.10
Automobile	260.9	9.9	7.68	340.8	13.4	7.95
Other ²	198.9	7.6	7.70	238.5	9.3	7.88
Total Loans and Leases	5,604.2	148.6	5.33	6,351.9	169.4	5.36
Other	79.8	0.6	1.39	79.7	0.6	1.39
Total Earning Assets³	11,777.5	243.4	4.15	10,732.4	248.1	4.64
Cash and Noninterest-Bearing Deposits	225.4			223.6		
Other Assets	488.2			470.8		
Total Assets	\$ 12,491.1			\$ 11,426.8		
Interest-Bearing Liabilities						
Interest-Bearing Deposits						
Demand	\$ 1,660.8	0.5	0.07	\$ 1,898.2	0.6	0.07
Savings	4,456.1	8.7	0.39	3,786.4	16.0	0.85
Time	1,114.7	7.0	1.27	1,415.2	14.9	2.12
Total Interest-Bearing Deposits	7,231.6	16.2	0.45	7,099.8	31.5	0.89
Short-Term Borrowings	23.2	—	0.11	17.6	—	0.11
Securities Sold Under Agreements to Repurchase	1,659.2	12.9	1.55	1,052.4	13.1	2.48
Long-Term Debt	82.3	2.2	5.37	109.4	3.0	5.56
Total Interest-Bearing Liabilities	8,996.3	31.3	0.70	8,279.2	47.6	1.16
Net Interest Income		\$ 212.1			\$ 200.5	
Interest Rate Spread			3.45%			3.48%
Net Interest Margin			3.61%			3.75%
Noninterest-Bearing Demand Deposits	2,157.5			1,888.3		
Other Liabilities	371.6			421.0		
Shareholders' Equity	965.7			838.3		
Total Liabilities and Shareholders' Equity	\$ 12,491.1			\$ 11,426.8		

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 35%, of \$476,000 and \$557,000 for the six months ended June 30, 2010 and 2009, respectively.

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

Table 7a

(dollars in millions)	Three Months Ended June 30, 2010 Compared to March 31, 2010			
	Volume ¹	Rate ¹	Time ¹	Total
Change in Interest Income:				
Funds Sold	\$ 0.1	\$ —	\$ —	\$ 0.1
Investment Securities				
Available-for-Sale	2.3	(1.3)	0.1	1.1
Held-to-Maturity	(0.2)	—	—	(0.2)
Loans Held for Sale	—	(0.4)	—	(0.4)
Loans and Leases				
Commercial and Industrial	(0.3)	(2.1)	0.1	(2.3)
Commercial Mortgage	(0.1)	—	0.1	—
Construction	(0.1)	0.1	—	—
Commercial Lease Financing	—	(0.4)	—	(0.4)
Residential Mortgage	(0.6)	(0.4)	—	(1.0)
Home Equity	(0.5)	—	0.1	(0.4)
Automobile	(0.5)	(0.1)	0.1	(0.5)
Other ²	(0.1)	(0.1)	—	(0.2)
Total Loans and Leases	(2.2)	(3.0)	0.4	(4.8)
Total Change in Interest Income	<u>—</u>	<u>(4.7)</u>	<u>0.5</u>	<u>(4.2)</u>
Change in Interest Expense:				
Interest-Bearing Deposits				
Savings	—	(0.3)	0.1	(0.2)
Time	(0.1)	(0.1)	—	(0.2)
Total Interest-Bearing Deposits	(0.1)	(0.4)	0.1	(0.4)
Securities Sold Under Agreements to Repurchase	1.0	(1.0)	0.1	0.1
Long-Term Debt	(0.2)	—	—	(0.2)
Total Change in Interest Expense	<u>0.7</u>	<u>(1.4)</u>	<u>0.2</u>	<u>(0.5)</u>
Change in Net Interest Income	<u>\$ (0.7)</u>	<u>\$ (3.3)</u>	<u>\$ 0.3</u>	<u>\$ (3.7)</u>

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

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 7b

(dollars in millions)	Three Months Ended June 30, 2010 Compared to June 30, 2009		
	Volume ¹	Rate ¹	Total
Change in Interest Income:			
Funds Sold	\$ (0.2)	\$ 0.1	\$ (0.1)
Investment Securities			
Available-for-Sale	16.6	(9.9)	6.7
Held-to-Maturity	(0.6)	(0.1)	(0.7)
Loans Held for Sale	(0.2)	0.1	(0.1)
Loans and Leases			
Commercial and Industrial	(2.2)	0.2	(2.0)
Commercial Mortgage	0.8	(0.2)	0.6
Construction	(0.5)	0.3	(0.2)
Commercial Lease Financing	(0.3)	(0.2)	(0.5)
Residential Mortgage	(3.5)	(1.2)	(4.7)
Home Equity	(1.5)	(0.2)	(1.7)
Automobile	(1.6)	(0.2)	(1.8)
Other ²	(0.7)	(0.2)	(0.9)
Total Loans and Leases	(9.5)	(1.7)	(11.2)
Total Change in Interest Income	6.1	(11.5)	(5.4)
Change in Interest Expense:			
Interest-Bearing Deposits			
Savings	0.7	(4.3)	(3.6)
Time	(1.0)	(2.0)	(3.0)
Total Interest-Bearing Deposits	(0.3)	(6.3)	(6.6)
Securities Sold Under Agreements to Repurchase	2.7	(2.7)	—
Long-Term Debt	0.1	0.1	0.2
Total Change in Interest Expense	2.5	(8.9)	(6.4)
Change in Net Interest Income	\$ 3.6	\$ (2.6)	\$ 1.0

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

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 7c

(dollars in millions)	Six Months Ended June 30, 2010 Compared to June 30, 2009		
	Volume ¹	Rate ¹	Total
Change in Interest Income:			
Funds Sold	\$ (0.5)	\$ 0.1	\$ (0.4)
Investment Securities			
Trading	(0.3)	(0.3)	(0.6)
Available-for-Sale	40.6	(22.3)	18.3
Held-to-Maturity	(1.3)	—	(1.3)
Loans Held for Sale	(0.5)	0.6	0.1
Loans and Leases			
Commercial and Industrial	(5.1)	2.9	(2.2)
Commercial Mortgage	2.2	(0.7)	1.5
Construction	(1.0)	0.6	(0.4)
Commercial Lease Financing	(0.9)	—	(0.9)
Residential Mortgage	(7.6)	(2.6)	(10.2)
Home Equity	(3.0)	(0.4)	(3.4)
Automobile	(3.0)	(0.5)	(3.5)
Other ²	(1.5)	(0.2)	(1.7)
Total Loans and Leases	(19.9)	(0.9)	(20.8)
Total Change in Interest Income	18.1	(22.8)	(4.7)
Change in Interest Expense:			
Interest-Bearing Deposits			
Demand	(0.1)	—	(0.1)
Savings	2.4	(9.7)	(7.3)
Time	(2.7)	(5.2)	(7.9)
Total Interest-Bearing Deposits	(0.4)	(14.9)	(15.3)
Securities Sold Under Agreements to Repurchase	5.8	(6.0)	(0.2)
Long-Term Debt	(0.7)	(0.1)	(0.8)
Total Change in Interest Expense	4.7	(21.0)	(16.3)
Change in Net Interest Income	\$ 13.4	\$ (1.8)	\$ 11.6

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

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

Bank of Hawaii Corporation and Subsidiaries
Salaries and Benefits

Table 8

(dollars in thousands)	Three Months Ended			Six Months Ended	
	June 30, 2010	March 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Salaries	\$ 29,942	\$ 29,143	\$ 30,732	\$ 59,085	\$ 60,577
Incentive Compensation	3,447	3,446	3,407	6,893	6,699
Share-Based Compensation and Cash Grants for the					
Purchase of Company Stock	3,984	556	604	4,540	1,391
Commission Expense	1,259	1,346	1,750	2,605	4,005
Retirement and Other Benefits	3,857	4,109	3,804	7,966	8,423
Payroll Taxes	2,331	3,433	2,344	5,764	5,844
Medical, Dental, and Life Insurance	2,481	2,480	1,236	4,961	3,900
Separation Expense	199	51	303	250	369
Total Salaries and Benefits	\$ 47,500	\$ 44,564	\$ 44,180	\$ 92,064	\$ 91,208

Bank of Hawaii Corporation and Subsidiaries
Loan and Lease Portfolio Balances

Table 9

(dollars in thousands)	June 30, 2010	March 31, 2010	December 31, 2009	September 30, 2009	June 30, 2009
Commercial					
Commercial and Industrial	\$ 758,851	\$ 782,298	\$ 795,167	\$ 845,056	\$ 932,444
Commercial Mortgage	816,165	834,086	841,431	777,498	788,226
Construction	88,823	104,349	108,395	137,414	140,455
Lease Financing	399,744	398,939	412,933	458,696	468,030
Total Commercial	<u>2,063,583</u>	<u>2,119,672</u>	<u>2,157,926</u>	<u>2,218,664</u>	<u>2,329,155</u>
Consumer					
Residential Mortgage	2,087,380	2,138,094	2,190,677	2,246,729	2,309,971
Home Equity	861,196	892,109	921,571	952,076	977,632
Automobile	238,671	260,472	283,937	299,657	309,877
Other ¹	190,081	199,734	205,674	214,232	223,276
Total Consumer	<u>3,377,328</u>	<u>3,490,409</u>	<u>3,601,859</u>	<u>3,712,694</u>	<u>3,820,756</u>
Total Loans and Leases	<u>\$ 5,440,911</u>	<u>\$ 5,610,081</u>	<u>\$ 5,759,785</u>	<u>\$ 5,931,358</u>	<u>\$ 6,149,911</u>

Higher Risk Loans Outstanding

(dollars in thousands)	June 30, 2010	March 31, 2010	December 31, 2009	September 30, 2009	June 30, 2009
Residential Home Building ²	\$ 18,993	\$ 29,475	\$ 31,067	\$ 38,592	\$ 22,850
Residential Land Loans ³	30,262	33,514	37,873	43,128	47,871
Home Equity Loans ⁴	25,055	24,595	28,076	24,339	21,832
Air Transportation ⁵	39,165	39,743	50,426	60,996	62,148

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

² Residential home building loans were \$41.4 million as of June 30, 2010. Higher risk loans within this segment are defined as those loans with a well-defined weakness or weaknesses that jeopardizes the orderly repayment of the loan.

³ We consider all of our residential land loans, which are consumer loans secured by unimproved lots, to be of higher risk due to the volatility in the value of the underlying collateral.

⁴ Higher risk home equity loans are defined as those loans originated in 2005 or later, with current monitoring credit scores below 600, and with original loan-to-value ratios greater than 70%.

⁵ We consider all of our air transportation leases to be of higher risk due to the weak financial profile of the industry.

Deposits

(dollars in thousands)	June 30, 2010	March 31, 2010 ⁶	December 31, 2009 ⁶	September 30, 2009 ⁶	June 30, 2009 ⁶
Consumer	\$ 4,925,579	\$ 4,940,576	\$ 4,926,567	\$ 4,776,626	\$ 4,747,612
Commercial	4,036,679	4,126,287	4,115,286	4,002,619	3,829,035
Public and Other	362,401	427,221	367,823	470,855	443,014
Total Deposits	<u>\$ 9,324,659</u>	<u>\$ 9,494,084</u>	<u>\$ 9,409,676</u>	<u>\$ 9,250,100</u>	<u>\$ 9,019,661</u>

⁶ Certain prior period information has been reclassified to conform to current presentation.

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

Table 10

(dollars in thousands)	June 30, 2010	March 31, 2010	December 31, 2009	September 30, 2009	June 30, 2009
Non-Performing Assets¹					
Non-Accrual Loans and Leases					
Commercial					
Commercial and Industrial	\$ 741	\$ 3,342	\$ 6,646	\$ 9,924	\$ 10,511
Commercial Mortgage	3,476	1,662	1,167	1,193	1,219
Construction	5,640	7,297	8,154	15,534	6,548
Lease Financing	63	73	631	690	956
Total Commercial	<u>9,920</u>	<u>12,374</u>	<u>16,598</u>	<u>27,341</u>	<u>19,234</u>
Consumer					
Residential Mortgage	27,491	23,214	19,893	16,718	16,265
Home Equity	2,638	2,844	5,153	3,726	2,567
Other ²	—	—	550	550	550
Total Consumer	<u>30,129</u>	<u>26,058</u>	<u>25,596</u>	<u>20,994</u>	<u>19,382</u>
Total Non-Accrual Loans and Leases	<u>40,049</u>	<u>38,432</u>	<u>42,194</u>	<u>48,335</u>	<u>38,616</u>
Non-Accrual Loans Held for Sale					
Foreclosed Real Estate	3,192	3,192	3,132	201	438
Total Non-Performing Assets	<u>\$ 43,241</u>	<u>\$ 41,624</u>	<u>\$ 48,331</u>	<u>\$ 48,536</u>	<u>\$ 39,054</u>
Accruing Loans and Leases Past Due 90 Days or More					
Commercial					
Commercial and Industrial	\$ —	\$ 2,192	\$ 623	\$ 137	\$ 13
Construction	—	2,170	—	3,005	—
Lease Financing	—	—	120	—	—
Total Commercial	<u>—</u>	<u>4,362</u>	<u>743</u>	<u>3,142</u>	<u>13</u>
Consumer					
Residential Mortgage	9,019	8,136	8,979	5,951	4,657
Home Equity	2,256	1,608	2,210	1,698	2,879
Automobile	464	571	875	749	769
Other ²	1,161	1,345	886	739	1,270
Total Consumer	<u>12,900</u>	<u>11,660</u>	<u>12,950</u>	<u>9,137</u>	<u>9,575</u>
Total Accruing Loans and Leases Past Due 90 Days or More	<u>\$ 12,900</u>	<u>\$ 16,022</u>	<u>\$ 13,693</u>	<u>\$ 12,279</u>	<u>\$ 9,588</u>
Total Loans and Leases	<u>\$ 5,440,911</u>	<u>\$ 5,610,081</u>	<u>\$ 5,759,785</u>	<u>\$ 5,931,358</u>	<u>\$ 6,149,911</u>
Ratio of Non-Accrual Loans and Leases to Total Loans and Leases					
	<u>0.74%</u>	<u>0.69%</u>	<u>0.73%</u>	<u>0.81%</u>	<u>0.63%</u>
Ratio of Non-Performing Assets to Total Loans and Leases, Loans Held for Sale, and Foreclosed Real Estate					
	<u>0.79%</u>	<u>0.74%</u>	<u>0.84%</u>	<u>0.82%</u>	<u>0.63%</u>
Ratio of Commercial Non-Performing Assets to Total Commercial Loans and Leases, Commercial Loans Held for Sale, and Commercial Foreclosed Real Estate					
	<u>0.62%</u>	<u>0.72%</u>	<u>1.03%</u>	<u>1.23%</u>	<u>0.82%</u>
Ratio of Consumer Non-Performing Assets to Total Consumer Loans and Leases and Consumer Foreclosed Real Estate					
	<u>0.90%</u>	<u>0.76%</u>	<u>0.72%</u>	<u>0.57%</u>	<u>0.52%</u>
Ratio of Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More to Total Loans and Leases, Loans Held for Sale, and Foreclosed Real Estate					
	<u>1.03%</u>	<u>1.02%</u>	<u>1.07%</u>	<u>1.02%</u>	<u>0.79%</u>
Quarter to Quarter Changes in Non-Performing Assets¹					
Balance at Beginning of Quarter	\$ 41,624	\$ 48,331	\$ 48,536	\$ 39,054	\$ 40,329
Additions	10,761	9,533	14,874	22,856	22,459
Reductions					
Payments	(4,414)	(5,689)	(4,128)	(6,899)	(15,593)
Return to Accrual Status	—	(3,505)	(1,818)	(3,373)	(230)
Sales of Foreclosed Real Estate	—	—	(38)	(237)	—
Charge-offs/Write-downs	(4,730)	(7,046)	(9,095)	(2,865)	(7,911)
Total Reductions	<u>(9,144)</u>	<u>(16,240)</u>	<u>(15,079)</u>	<u>(13,374)</u>	<u>(23,734)</u>
Balance at End of Quarter	<u>\$ 43,241</u>	<u>\$ 41,624</u>	<u>\$ 48,331</u>	<u>\$ 48,536</u>	<u>\$ 39,054</u>

¹ Excluded from non-performing assets were contractually binding non-accrual loans held for sale of \$4.2 million, \$7.7 million, and \$5.2 million as of December 31, 2009, September 30, 2009, and June 30, 2009, respectively.

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

Bank of Hawaii Corporation and Subsidiaries
Reserve for Credit Losses

Table 11

(dollars in thousands)	Three Months Ended			Six Months Ended	
	June 30, 2010	March 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Balance at Beginning of Period	\$ 151,777	\$ 149,077	\$ 139,835	\$ 149,077	\$ 128,667
Loans and Leases Charged-Off					
Commercial					
Commercial and Industrial	(3,056)	(3,906)	(12,249)	(6,962)	(18,713)
Commercial Mortgage	(1,000)	(303)	—	(1,303)	—
Construction	(1,417)	(857)	—	(2,274)	—
Lease Financing	(107)	(190)	(4,473)	(297)	(4,493)
Consumer					
Residential Mortgage	(4,377)	(3,255)	(1,814)	(7,632)	(2,641)
Home Equity	(2,886)	(7,436)	(3,303)	(10,322)	(5,619)
Automobile	(1,752)	(2,027)	(2,121)	(3,779)	(5,103)
Other ¹	(2,530)	(2,822)	(3,643)	(5,352)	(7,220)
Total Loans and Leases Charged-Off	(17,125)	(20,796)	(27,603)	(37,921)	(43,789)
Recoveries on Loans and Leases Previously Charged-Off					
Commercial					
Commercial and Industrial	367	858	228	1,225	770
Commercial Mortgage	—	24	—	24	—
Lease Financing	11	1	30	12	32
Consumer					
Residential Mortgage	236	422	126	658	271
Home Equity	197	100	76	297	172
Automobile	826	753	735	1,579	1,462
Other ¹	549	627	718	1,176	1,423
Total Recoveries on Loans and Leases Previously Charged-Off	2,186	2,785	1,913	4,971	4,130
Net Loans and Leases Charged-Off	(14,939)	(18,011)	(25,690)	(32,950)	(39,659)
Provision for Credit Losses	15,939	20,711	28,690	36,650	53,577
Provision for Unfunded Commitments	—	—	—	—	250
Balance at End of Period²	\$ 152,777	\$ 151,777	\$ 142,835	\$ 152,777	\$ 142,835
Components					
Allowance for Loan and Lease Losses	\$ 147,358	\$ 146,358	\$ 137,416	\$ 147,358	\$ 137,416
Reserve for Unfunded Commitments	5,419	5,419	5,419	5,419	5,419
Total Reserve for Credit Losses	\$ 152,777	\$ 151,777	\$ 142,835	\$ 152,777	\$ 142,835
Average Loans and Leases Outstanding	\$ 5,522,423	\$ 5,686,923	\$ 6,258,403	\$ 5,604,218	\$ 6,351,938
Ratio of Net Loans and Leases Charged-Off to Average Loans and Leases Outstanding (annualized)	1.09%	1.28%	1.65%	1.19%	1.26%
Ratio of Allowance for Loan and Lease Losses to Loans and Leases Outstanding	2.71%	2.61%	2.23%	2.71%	2.23%

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.

Bank of Hawaii Corporation and Subsidiaries
Business Segments Selected Financial Information

Table 12a

(dollars in thousands)	Retail Banking	Commercial Banking	Investment Services	Treasury and Other	Consolidated Total
Three Months Ended June 30, 2010					
Net Interest Income	\$ 48,253	\$ 36,336	\$ 4,215	\$ 15,124	\$ 103,928
Provision for Credit Losses	9,871	6,206	(127)	(11)	15,939
Net Interest Income After Provision for Credit Losses	38,382	30,130	4,342	15,135	87,989
Noninterest Income	25,806	11,697	14,310	17,061	68,874
Noninterest Expense	(43,436)	(24,977)	(15,553)	(1,952)	(85,918)
Income Before Provision for Income Taxes	20,752	16,850	3,099	30,244	70,945
Provision for Income Taxes	(7,678)	(5,866)	(1,147)	(9,690)	(24,381)
Net Income	13,074	10,984	1,952	20,554	46,564
Total Assets as of June 30, 2010	\$ 3,155,472	\$ 2,328,378	\$ 312,676	\$ 7,059,319	\$ 12,855,845
Three Months Ended June 30, 2009 ¹					
Net Interest Income	\$ 55,843	\$ 41,425	\$ 4,326	\$ 1,257	\$ 102,851
Provision for Credit Losses	12,753	15,192	746	(1)	28,690
Net Interest Income After Provision for Credit Losses	43,090	26,233	3,580	1,258	74,161
Noninterest Income	25,252	16,538	14,615	3,427	59,832
Noninterest Expense	(43,937)	(27,596)	(15,797)	(2,254)	(89,584)
Income Before Provision for Income Taxes	24,405	15,175	2,398	2,431	44,409
Provision for Income Taxes	(9,047)	(5,436)	(887)	1,967	(13,403)
Net Income	15,358	9,739	1,511	4,398	31,006
Total Assets as of June 30, 2009 ¹	\$ 3,554,288	\$ 2,659,944	\$ 267,546	\$ 5,712,917	\$ 12,194,695

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 12b

(dollars in thousands)	Retail Banking	Commercial Banking	Investment Services	Treasury and Other	Consolidated Total
Six Months Ended June 30, 2010					
Net Interest Income	\$ 97,565	\$ 77,485	\$ 8,538	\$ 27,993	\$ 211,581
Provision for Credit Losses	25,227	11,347	88	(12)	36,650
Net Interest Income After Provision for Credit Losses	72,338	66,138	8,450	28,005	174,931
Noninterest Income	49,273	21,715	29,337	40,331	140,656
Noninterest Expense	(85,769)	(48,839)	(29,598)	(3,418)	(167,624)
Income Before Provision for Income Taxes	35,842	39,014	8,189	64,918	147,963
Provision for Income Taxes	(13,261)	(13,874)	(3,031)	(18,497)	(48,663)
Net Income	22,581	25,140	5,158	46,421	99,300
Total Assets as of June 30, 2010	\$ 3,155,472	\$ 2,328,378	\$ 312,676	\$ 7,059,319	\$ 12,855,845
Six Months Ended June 30, 2009 ¹					
Net Interest Income (Loss)	\$ 111,093	\$ 81,166	\$ 8,318	\$ (664)	\$ 199,913
Provision for Credit Losses	29,322	22,950	1,550	(245)	53,577
Net Interest Income (Loss) After Provision for Credit Losses	81,771	58,216	6,768	(419)	146,336
Noninterest Income	53,666	40,364	29,060	7,107	130,197
Noninterest Expense	(87,786)	(53,381)	(32,357)	(3,993)	(177,517)
Income Before Provision for Income Taxes	47,651	45,199	3,471	2,695	99,016
Provision for Income Taxes	(17,651)	(16,522)	(1,282)	3,485	(31,970)
Net Income	30,000	28,677	2,189	6,180	67,046
Total Assets as of June 30, 2009 ¹	\$ 3,554,288	\$ 2,659,944	\$ 267,546	\$ 5,712,917	\$ 12,194,695

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

(dollars in thousands, except per share amounts)	Three Months Ended				
	June 30, 2010	March 31, 2010	December 31, 2009	September 30, 2009	June 30, 2009
Quarterly Operating Results					
Interest Income					
Interest and Fees on Loans and Leases	\$ 71,997	\$ 77,271	\$ 77,457	\$ 79,530	\$ 83,342
Income on Investment Securities					
Available-for-Sale	44,989	43,841	41,369	46,419	38,155
Held-to-Maturity	1,700	1,863	2,018	2,179	2,369
Deposits	3	13	2	3	5
Funds Sold	396	309	353	320	526
Other	277	277	277	277	276
Total Interest Income	119,362	123,574	121,476	128,728	124,673
Interest Expense					
Deposits	7,930	8,307	10,317	12,235	14,481
Securities Sold Under Agreements to Repurchase	6,472	6,429	6,411	6,394	6,477
Funds Purchased	6	7	7	5	5
Long-Term Debt	1,026	1,178	1,207	1,207	859
Total Interest Expense	15,434	15,921	17,942	19,841	21,822
Net Interest Income	103,928	107,653	103,534	108,887	102,851
Provision for Credit Losses	15,939	20,711	26,801	27,500	28,690
Net Interest Income After Provision for Credit Losses	87,989	86,942	76,733	81,387	74,161
Noninterest Income					
Trust and Asset Management	11,457	11,708	11,746	10,915	11,881
Mortgage Banking	3,752	3,464	4,218	4,656	5,443
Service Charges on Deposit Accounts	14,856	13,814	14,160	14,014	12,910
Fees, Exchange, and Other Service Charges	15,806	14,504	14,935	14,801	15,410
Investment Securities Gains (Losses), Net	14,951	20,021	25,707	(5)	12
Insurance	2,291	2,715	2,326	7,304	4,744
Other	5,761	5,556	7,719	5,115	9,432
Total Noninterest Income	68,874	71,782	80,811	56,800	59,832
Noninterest Expense					
Salaries and Benefits	47,500	44,564	50,973	46,387	44,180
Net Occupancy	10,154	10,144	10,367	10,350	10,008
Net Equipment	4,366	4,558	4,393	4,502	4,502
Professional Fees	2,091	1,992	3,243	2,642	4,005
FDIC Insurance	3,107	3,100	3,251	3,290	8,987
Other	18,700	17,348	16,293	16,816	17,902
Total Noninterest Expense	85,918	81,706	88,520	83,987	89,584
Income Before Provision for Income Taxes	70,945	77,018	69,024	54,200	44,409
Provision for Income Taxes	24,381	24,282	28,508	17,729	13,403
Net Income	\$ 46,564	\$ 52,736	\$ 40,516	\$ 36,471	\$ 31,006
Basic Earnings Per Share					
Basic Earnings Per Share	\$ 0.97	\$ 1.10	\$ 0.85	\$ 0.76	\$ 0.65
Diluted Earnings Per Share					
Diluted Earnings Per Share	\$ 0.96	\$ 1.09	\$ 0.84	\$ 0.76	\$ 0.65
Balance Sheet Totals					
Loans and Leases	\$ 5,440,911	\$ 5,610,081	\$ 5,759,785	\$ 5,931,358	\$ 6,149,911
Total Assets	12,855,845	12,435,670	12,414,827	12,208,025	12,194,695
Total Deposits	9,324,659	9,494,084	9,409,676	9,250,100	9,019,661
Total Shareholders' Equity	1,013,011	939,372	895,973	902,799	845,885
Performance Ratios					
Return on Average Assets	1.48%	1.73%	1.31%	1.21%	1.06%
Return on Average Shareholders' Equity	19.01	22.54	16.91	16.44	14.49
Efficiency Ratio ¹	49.72	45.54	48.02	50.69	55.07
Net Interest Margin ²	3.51	3.72	3.57	3.85	3.73

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

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

Bank of Hawaii Corporation and Subsidiaries
Hawaii Economic Trends

Table 14

(\$ in millions; jobs in thousands)	Five Months Ended		Year Ended			
	May 31, 2010		December 31, 2009		December 31, 2008	
Hawaii Economic Trends						
State General Fund Revenues ¹	\$ 1,959.7	24.3%	\$ 4,018.2	(12.8)%	\$ 4,608.6	(1.6)%
General Excise and Use Tax Revenue ¹	\$ 1,009.6	7.7	\$ 2,296.3	(10.6)%	\$ 2,567.8	(2.1)%
Jobs, seasonally adjusted ²	592.5	0.1	586.1	(3.2)	605.6	(3.5)
(annual percentage, except 2009 and 2010)	<u>June 30, 2010</u>	<u>December 31, 2009</u>	<u>September 30, 2009</u>	<u>June 30, 2009</u>	<u>December 31, 2008</u>	<u>December 31, 2007</u>
Unemployment ³						
Statewide, seasonally adjusted	6.3%	6.8%	7.0%	7.0%	5.6%	3.0%
Oahu	5.8	5.3	6.3	6.6	3.5	2.5
Island of Hawaii	10.4	9.6	10.8	10.9	5.5	3.3
Maui	8.5	8.8	9.7	9.4	4.5	2.8
Kauai	9.1	8.9	9.6	10.5	4.4	2.5
(percentage change, except months of inventory)	<u>June 30, 2010</u>	<u>December 31, 2009</u>	<u>September 30, 2009</u>	<u>June 30, 2009</u>	<u>December 31, 2008</u>	<u>December 31, 2007</u>
Housing Trends (Single Family Oahu) ⁴						
Median Home Price		0.9%	(7.9)%	(8.0)%	(3.0)%	2.1%
Home Sales Volume (units)		8.4%	(5.7)%	(16.2)%	(24.4)	(10.2)%
Months of Inventory		6.2	4.2	5.3	8.9	6.0
(in thousands)				<u>Monthly Visitor Arrivals, Seasonally Adjusted</u>	<u>Percentage Change from Previous Month</u>	
Tourism ²						
April 30, 2010				560.8	(0.7)%	
March 31, 2010				564.8	2.0	
February 28, 2010				553.9	0.5	
January 31, 2010				551.4	3.0	
December 31, 2009				535.2	0.5	
November 30, 2009				532.7	(0.8)	
October 31, 2009				537.2	(2.2)	
September 30, 2009				549.1	2.8	
August 31, 2009				534.3	3.2	
July 31, 2009				517.6	2.5	
June 30, 2009				504.8	(9.0)	
May 31, 2009				554.4	(0.1)	
April 30, 2009				555.0	8.9	
March 31, 2009				509.5	(7.3)	
February 28, 2009				549.4	1.7	
January 31, 2009				540.0	4.4	

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

² Source: University of Hawaii Economic Research Organization.

³ Source: University of Hawaii Economic Research Organization, State of Hawaii Department of Labor and Industrial Relations.

⁴ Source: Honolulu Board of REALTORS.

Note: Certain prior period seasonally adjusted information has been revised.

News Release

NYSE: BOH



Media Inquiries
 Stafford Kiguchi
 Telephone: 808-694-8580
 Mobile: 808-265-6367
 E-mail: Stafford.Kiguchi@boh.com

Investor/Analyst Inquiries
 Cindy Wyrick
 Telephone: 808-694-8430
 E-mail: Cindy.Wyrick@boh.com

**Peter Ho to Assume Chairman and CEO Role
 At Bank of Hawaii Corporation**
Effective following the retirement of Allan R. Landon

HONOLULU, HAWAII (July, 26, 2010) — Bank of Hawaii Corporation's Board of Directors announced today that Peter S. Ho, president and chief banking officer, has been elected to serve as chairman, president and CEO following the retirement of Allan R. Landon, 62, on July 30, 2010. Landon had announced his intention to retire this year at the company's quarterly earnings conference call on April 19, 2010.

Ho, 45, and a native of Honolulu, Hawaii, began his banking career in New York City and joined Bank of Hawaii in 1993. In 1999, he was promoted to senior vice president in charge of corporate banking. In 2001, he was promoted to executive vice president responsible for corporate banking and commercial real estate lending. Two years later he was promoted to group executive vice president in charge of the bank's Hawaii Commercial Banking Group and became a member of the bank's Managing Committee. In 2004, he was promoted to vice chairman responsible for the bank's Investment Services Group and in 2006 added the title of chief banking officer. He was promoted to president in 2008.

He earned his bachelor of science degree in business administration and MBA from the University of Southern California.

Ho is chairman of the APEC 2011 Hawaii Host Committee. He also serves on the boards of the Hawaii Chapter of the American Red Cross and University of Hawaii-Ahahui Koa Anuenue and on the board of trustees of McNerny Foundation and Strong Foundation. He was a 1998 Pacific Century Fellow and was named 2003 Pacific Business News Young Business Person of the Year.

- more -

Landon, who joined the bank in 2000 as executive vice president for Risk Management, subsequently served as chief financial officer and chief operating officer and became chairman and CEO on Sept. 1, 2004.

Under Landon's leadership, Bank of Hawaii delivered solid results and received multiple accolades for its financial performance, including being named in December 2009 by *Forbes Magazine* as "America's Best Bank."

"We are proud that Peter is going to lead Bank of Hawaii," said Landon. "He will do a great job. Peter has everything the bank is looking for in a leader. He has solid banking experience, is committed to our community and is a respected leader. We have a great management team in place and it's time for the next generation."

Landon continued, "On a personal note, I want to thank our directors and employees for the opportunity to lead Bank of Hawaii. I have enjoyed Hawaii immensely and have the highest regard and aloha for everyone here. It has been a pleasure."

Ho said, "I've been fortunate to work with Al for the past decade, and directly for him for more than six years. 'Perform well and repeat regularly' is a term Al coined early in his term as CEO. As part of his leadership team, I know we have tried our best to live up to that. Moving forward, our customers can expect our continued focus on service, convenience and innovation."

Mary Bitterman, lead independent director, said, "The board of directors takes great pride in Peter Ho's promotion to chairman and CEO. Peter has been a key executive at the bank since his return home to Hawaii in 1993, and he has benefited greatly from the excellent mentorship that Al Landon has provided him."

Bitterman continued, "Board members are eager to work closely with him to further the bank's commitment to value creation for our shareholders, service to our community, and opportunity for our employees. Peter is an outstanding leader and a perfect 21st century leader for Bank of Hawaii."

She said, "Al's strategic approach and steady hand have served the bank well. His tenure has been marked with high performance, unquestioned integrity and outstanding service to shareholders, customers, employees and community alike. We wish him and his wife Sue every happiness in the years ahead."

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

###