

Bank of Hawai'i Corporation
third quarter 2022
financial report

October 24, 2022

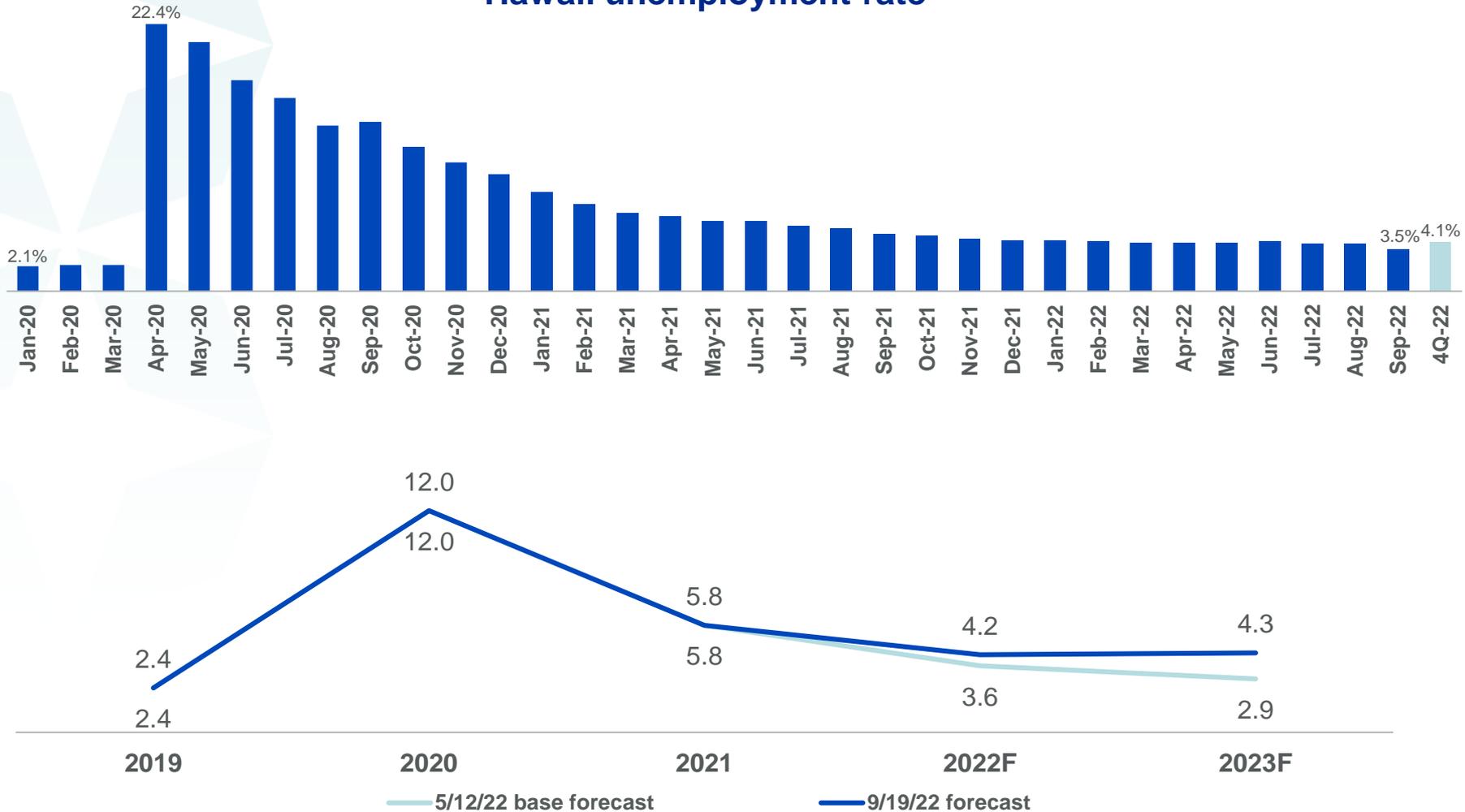
forward-looking statements

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

unemployment

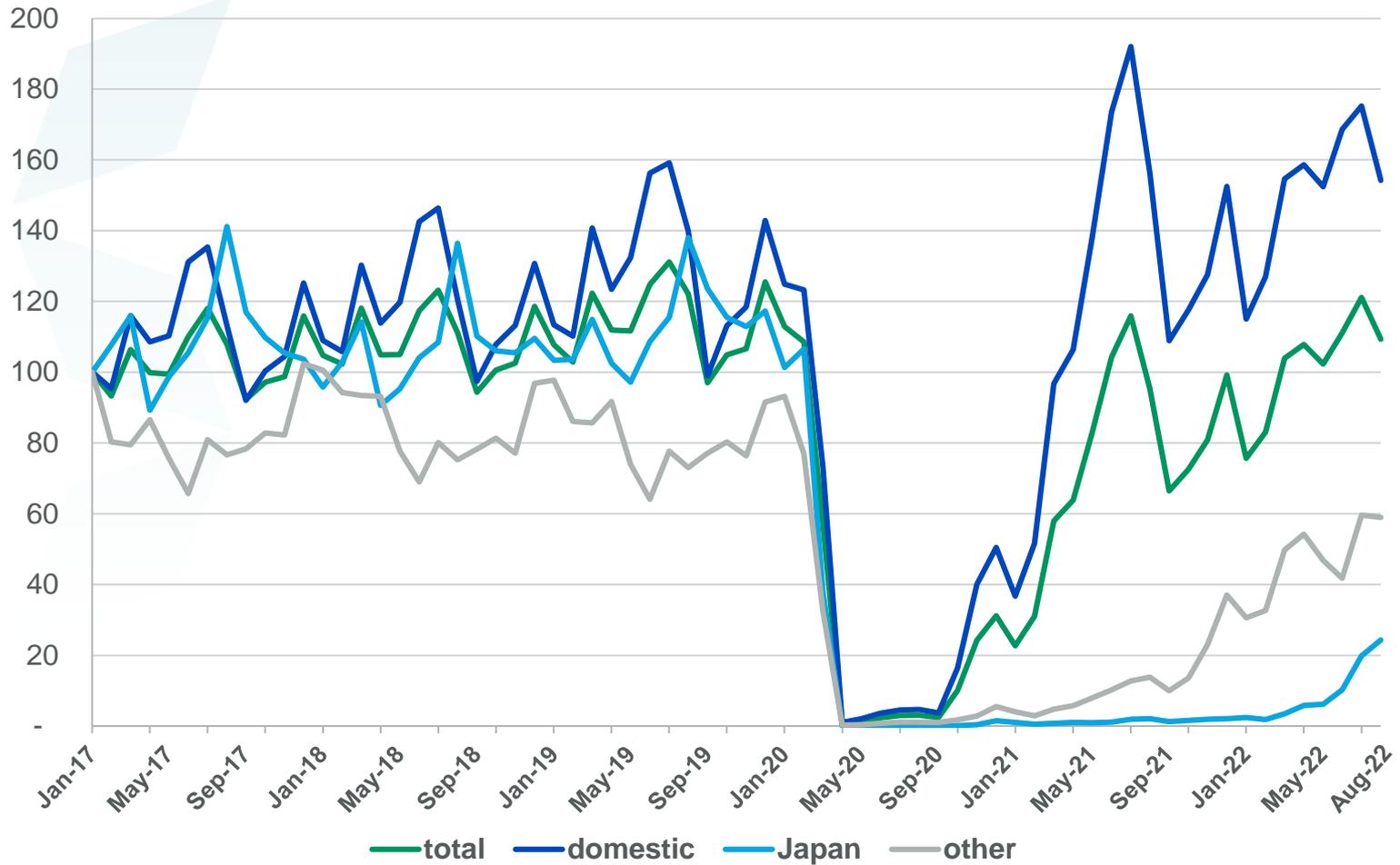
experience & forecast

Hawaii unemployment rate



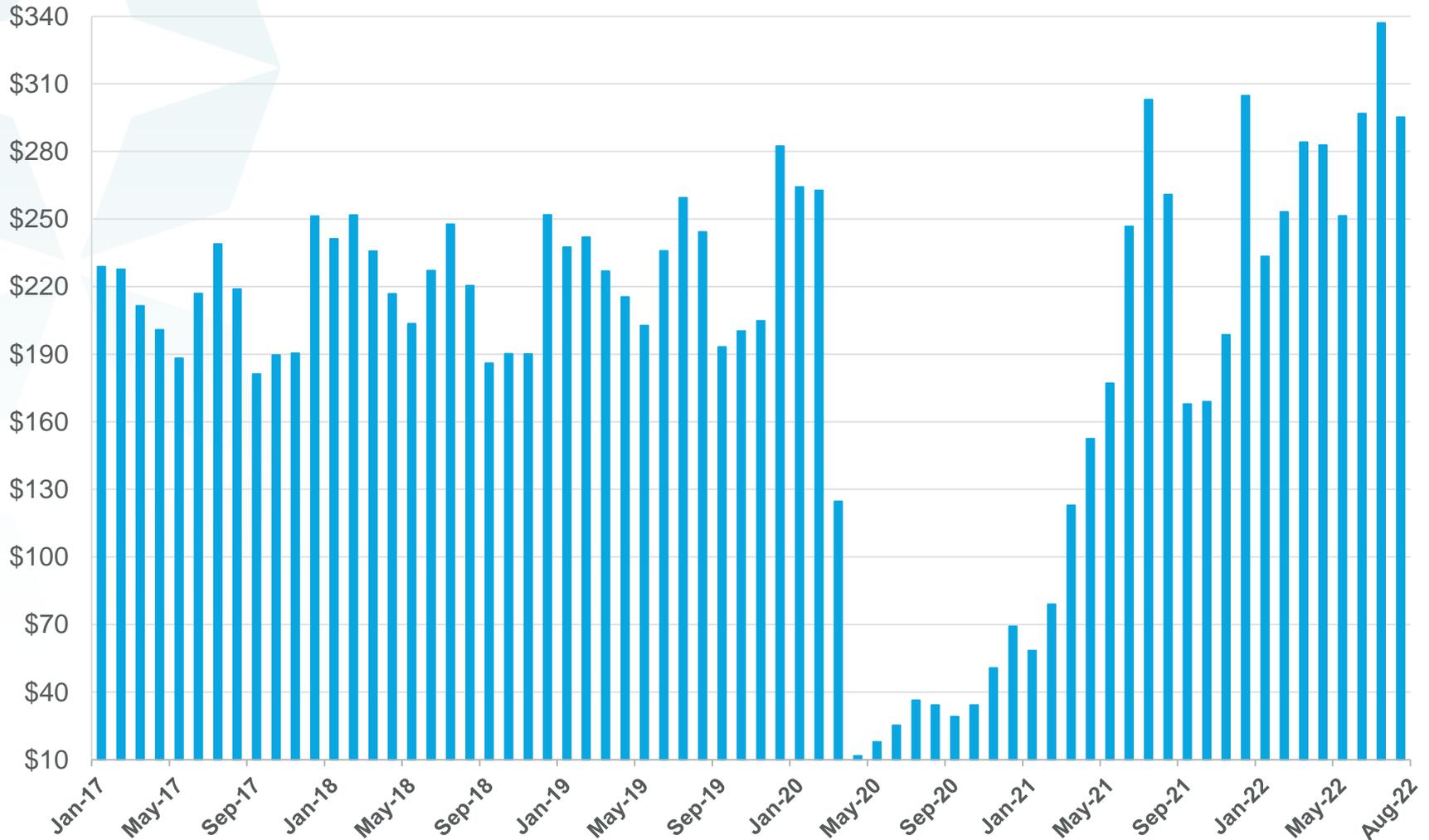
visitor arrivals

monthly by market, indexed to January 2017



revenue per available room

revenue per available room (RevPAR)



strong real estate market

Oahu market indicators – Sep 2022

continued strength in Oahu real estate

	single family homes					condominiums				
	<u>Sep 2022</u>	<u>Sep 2021</u>	<u>Sep 2019</u>	<u>Δ Sep 2021</u>	<u>Δ Sep 2019</u>	<u>Sep 2022</u>	<u>Sep 2021</u>	<u>Sep 2019</u>	<u>Δ Sep 2021</u>	<u>Δ Sep 2019</u>
months of inventory	1.9	1.2	3.6	0.7 months 	-1.7 months 	2.0	1.8	4.2	0.2 months 	-2.2 months 
median sales price (000s)	\$1,100	\$1,050	\$777	4.8% 	41.6% 	\$503	\$478	\$445	5.1% 	12.9% 
median days on market	18	9	29	9 days 	-11 days 	14	11	27	3 days 	-13 days 



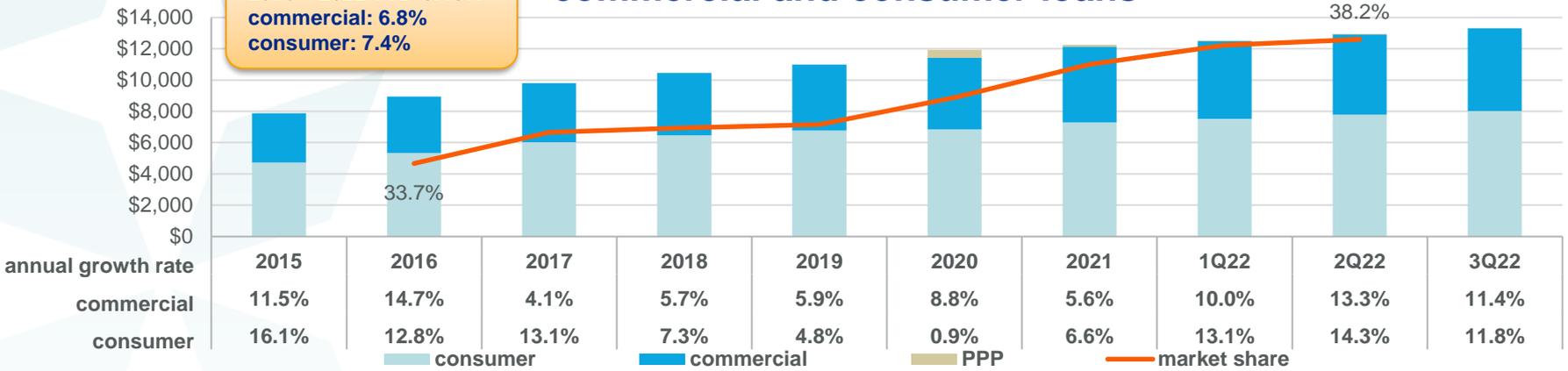
3Q financial update

balanced core loan growth

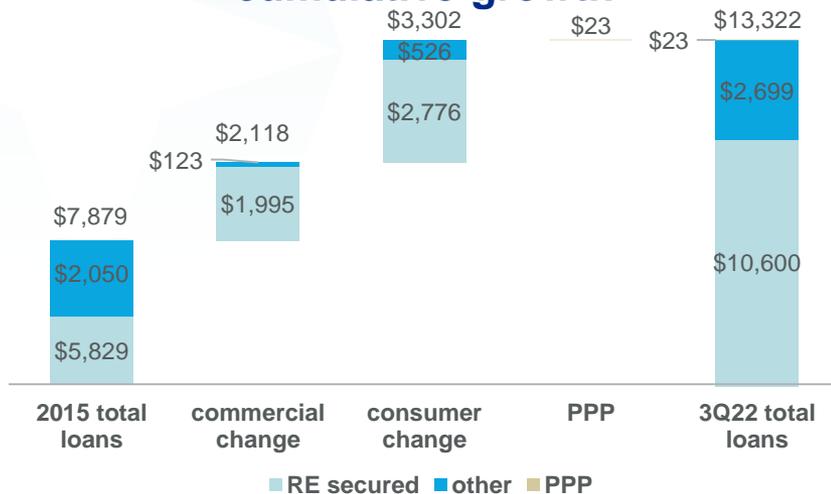
\$ in millions

2016 – 2022 YTD CAGR
commercial: 6.8%
consumer: 7.4%

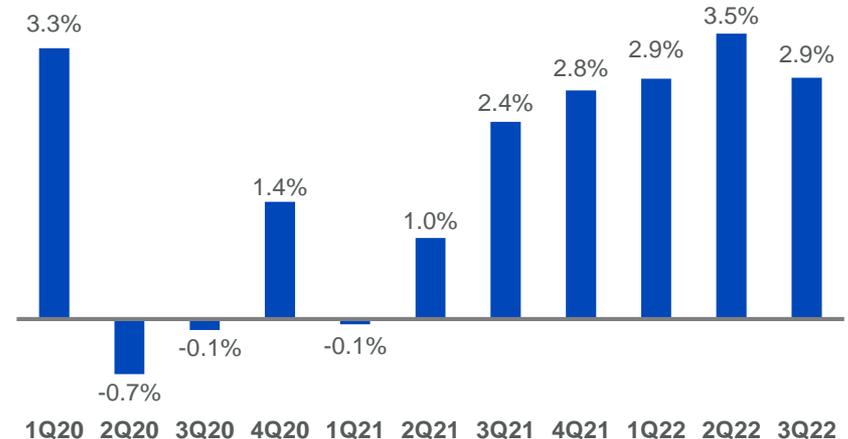
commercial and consumer loans



cumulative growth



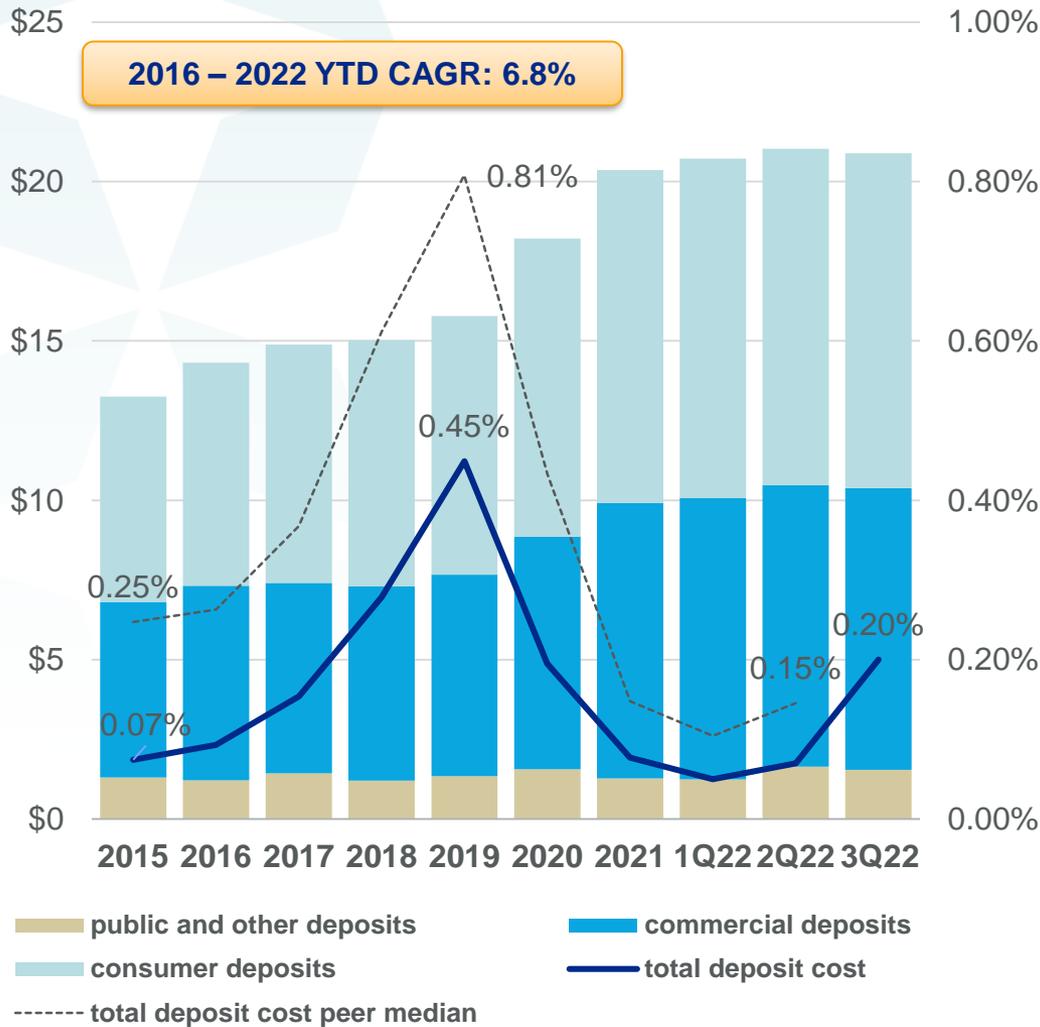
q-o-q core loan growth (%)



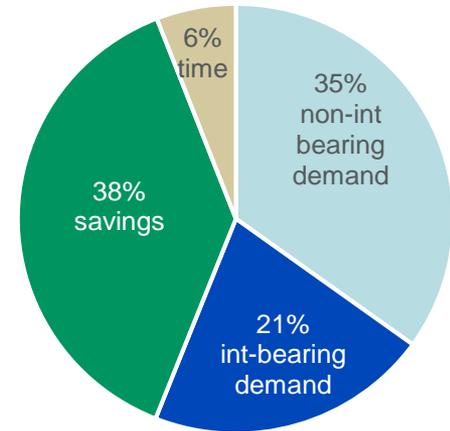
note: numbers may not add up due to rounding, CAGR, annual growth rate, and q-o-q core loan growth exclude PPP market share includes four banks: Bank of Hawai'i, First Hawaiian Bank, American Savings Bank (ASB), and Central Pacific Bank, excludes mainland loans, note: mainland loans not disclosed for ASB and assumed to be zero

low cost, long duration deposits

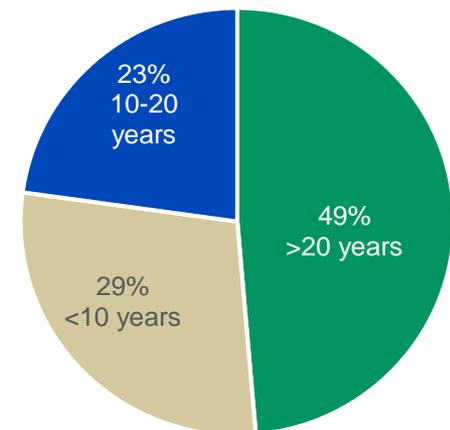
\$ in billions



by product



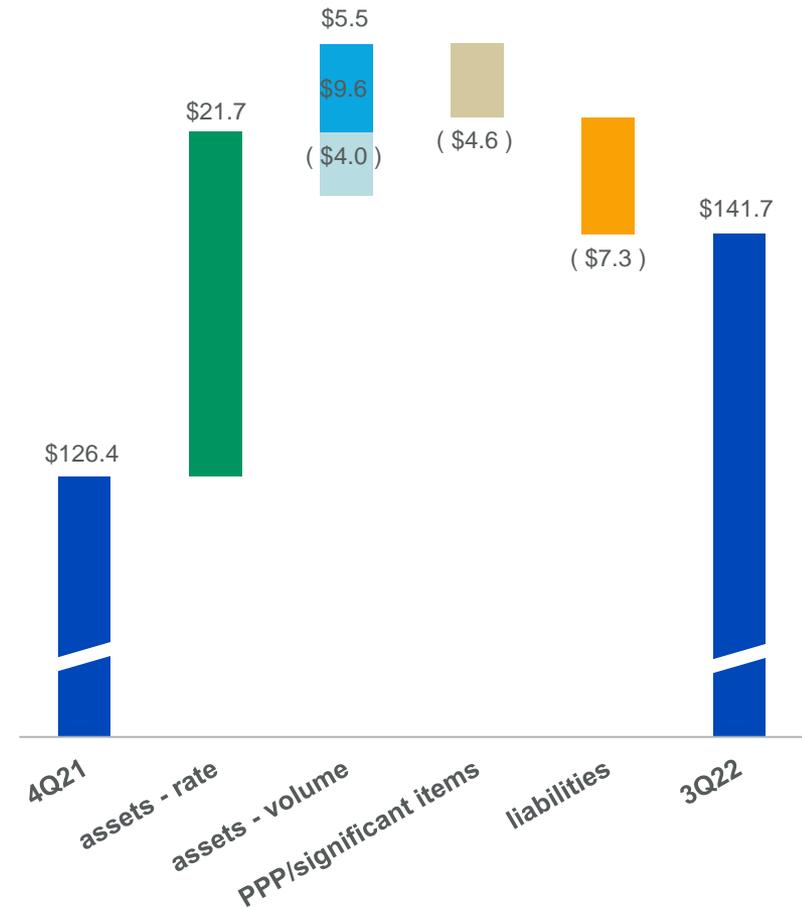
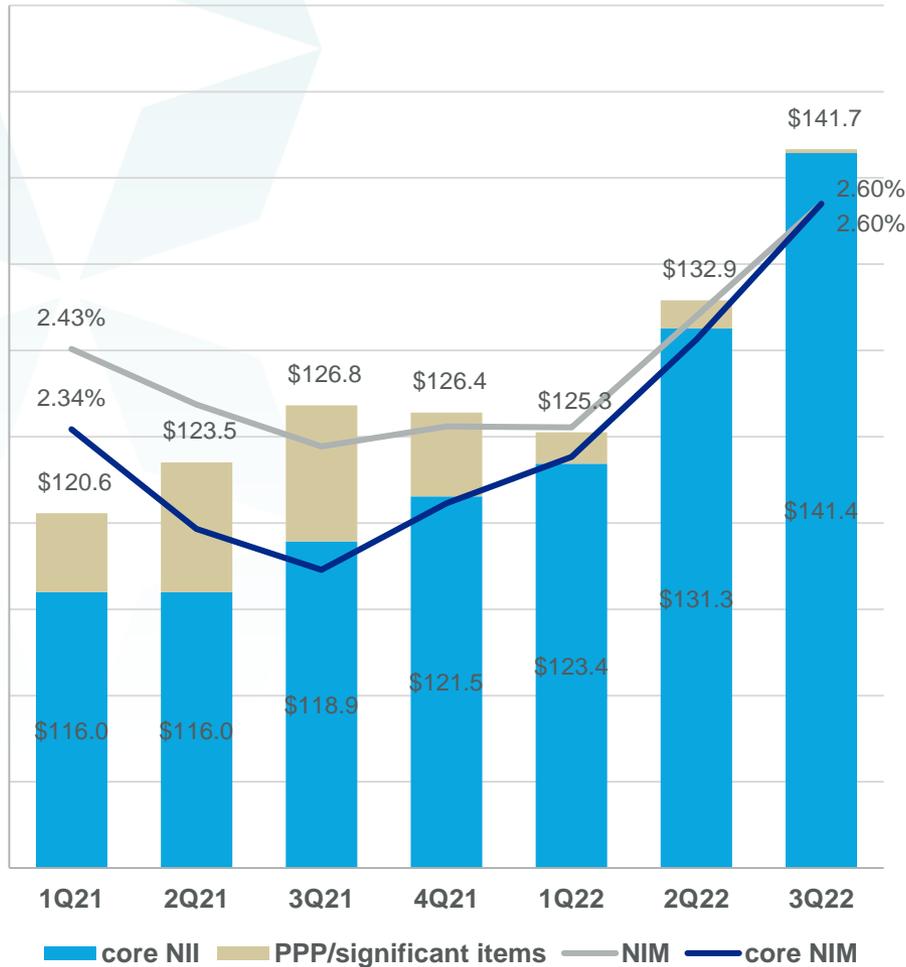
by tenure



source: S&P Capital IQ, S&P Regional Banking Index excluding banks greater than \$50bn as of 1/4/22

sustainable NII growth

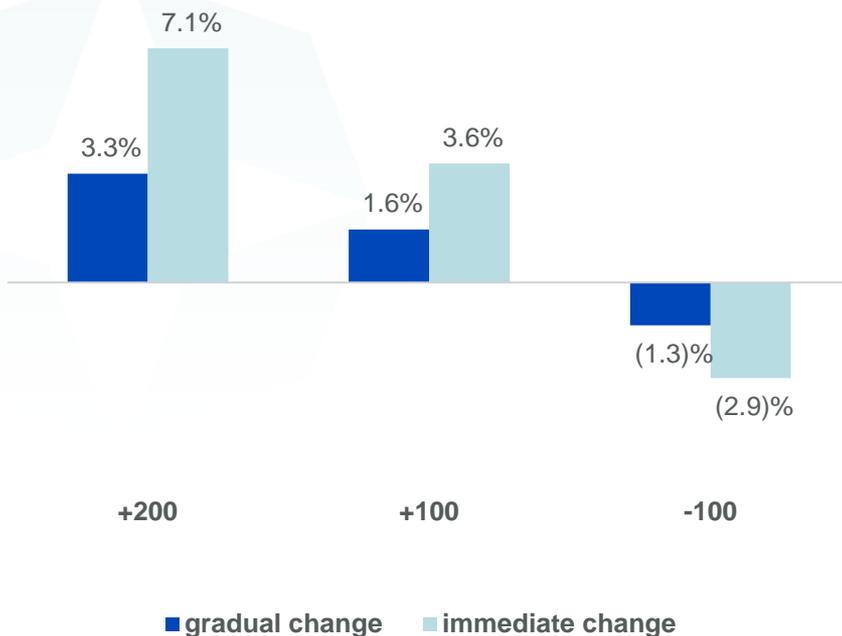
\$ in millions



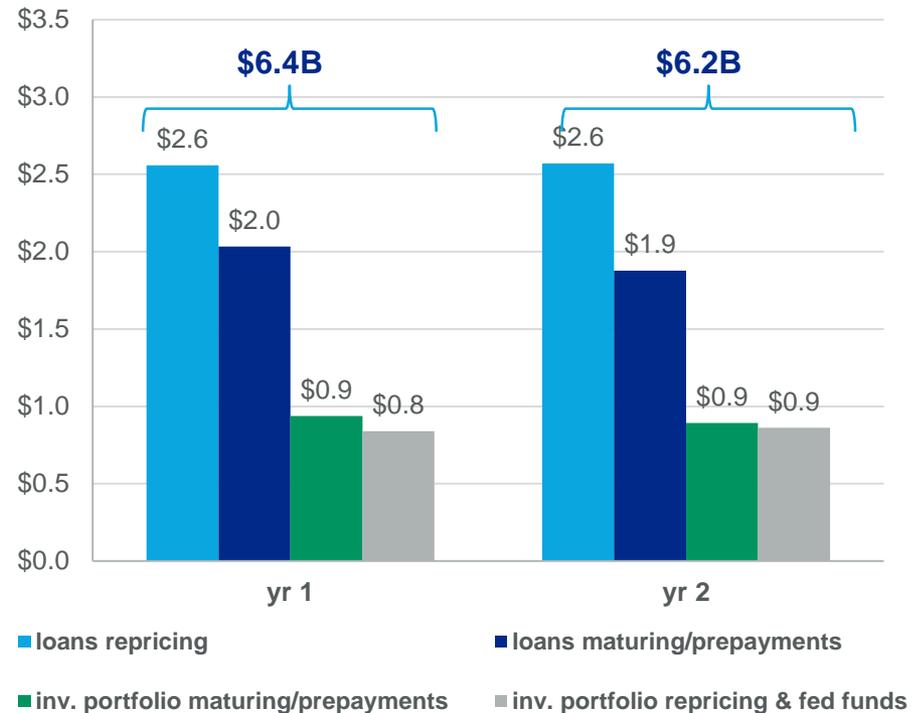
note: core NII and NIM excludes PPP and significant items; numbers may not add up due to rounding

asset sensitive

estimated impact on future annual NII



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



note: numbers may not add up due to rounding

disciplined expenses

\$ in millions

modest decrease in core expenses and steady investment in innovation



financial summary

\$ in millions, except per share amounts

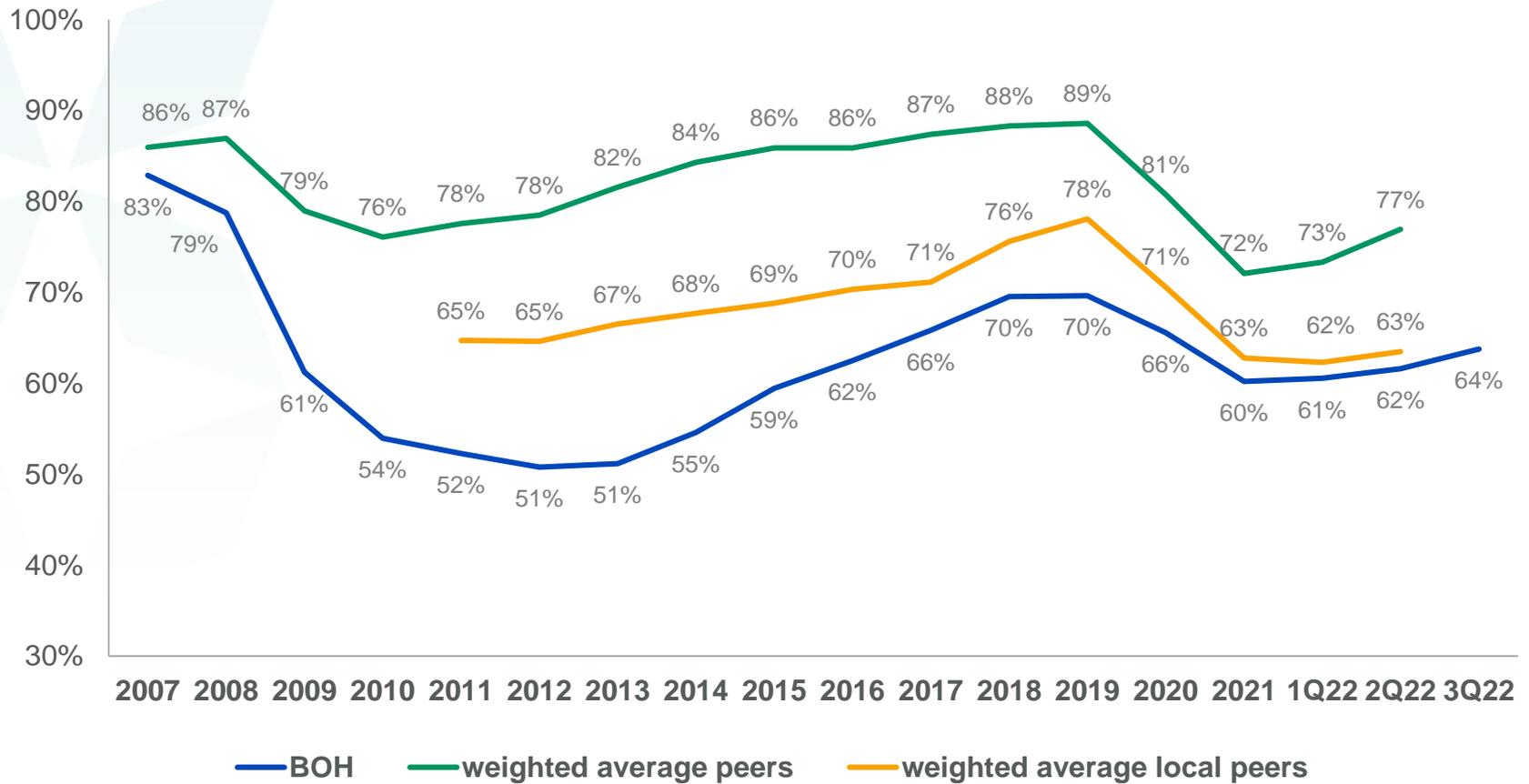
	<u>3Q 2022</u>	<u>2Q 2022</u>	<u>3Q 2021</u>	<u>Δ 2Q 2022</u>	<u>Δ 3Q 2021</u>
net interest income	\$ 141.7	\$ 132.9	\$ 126.8	\$ 8.8	\$ 14.8
noninterest income	30.7	42.2	41.4	(11.5)	(10.7)
total revenue	172.3	175.1	168.2	(2.7)	4.1
noninterest expense	105.7	102.9	96.5	2.8	9.2
operating income	66.6	72.1	71.7	(5.6)	(5.1)
credit provision	-	(2.5)	(10.4)	2.5	10.4
income taxes	13.8	17.8	20.0	(4.0)	(6.3)
net income	\$ 52.8	\$ 56.9	\$ 62.1	\$ (4.1)	\$ (9.3)
net income available to common	\$ 50.8	\$ 54.9	\$ 61.0	\$ (4.1)	\$ (10.2)
diluted EPS	\$ 1.28	\$ 1.38	\$ 1.52	\$ (0.10)	\$ (0.24)
return on assets	0.91 %	1.00 %	1.07 %	(0.09) %	(0.16) %
return on common equity	16.98	18.19	17.08	(1.21)	(0.10)
net interest margin	2.60	2.47	2.32	0.13	0.28
efficiency ratio	61.37	58.80	57.38	2.57	3.99
end of period balances					
investment portfolio	\$ 7,886	\$ 8,277	\$ 9,253	(4.7) %	(14.8) %
loans and leases	13,322	12,952	12,073	2.9	10.3
loans and leases excl. PPP	13,299	12,920	11,804	2.9	12.7
total deposits	20,889	21,026	20,494	(0.7)	1.9
shareholders' equity	1,282	1,349	1,597	(4.9)	(19.7)

note: numbers may not add up due to rounding

ample liquidity

loan to deposit ratio compared with peers

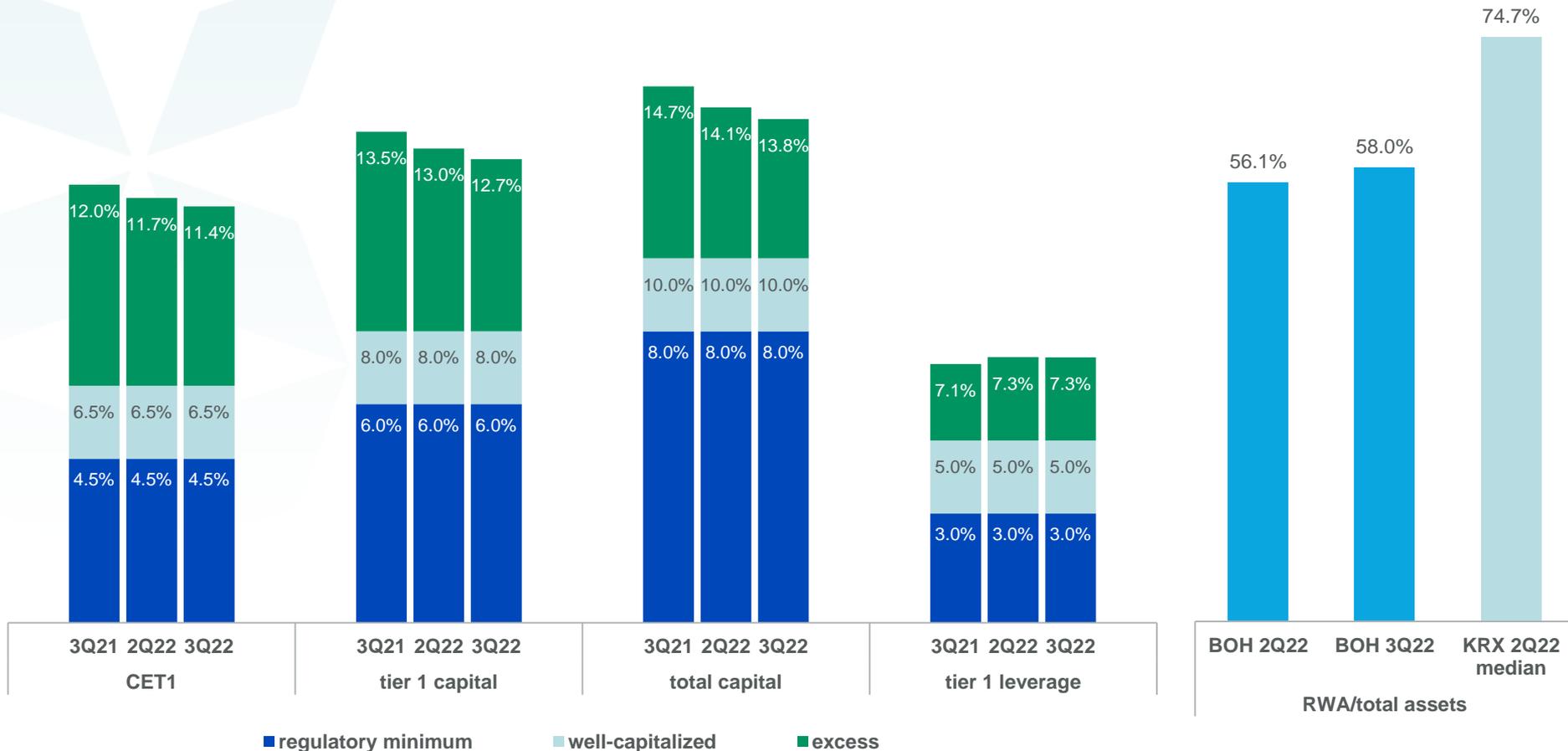
strong liquidity to fund continued growth



note: S&P Regional Banking Index excluding banks greater than \$50bn as of 1/4/22, weighted average peers by total assets as of 2Q22
local peer bank average contains BOH, FHB, CPB, ASB, and TBNK; data unavailable for ASB prior to 2008 and FHB prior to 2011

fortress capital position

strong risk-based capital



note: 3Q22 regulatory capital ratios are preliminary; KBW Regional Banking Index (KRX) as of 1/4/22

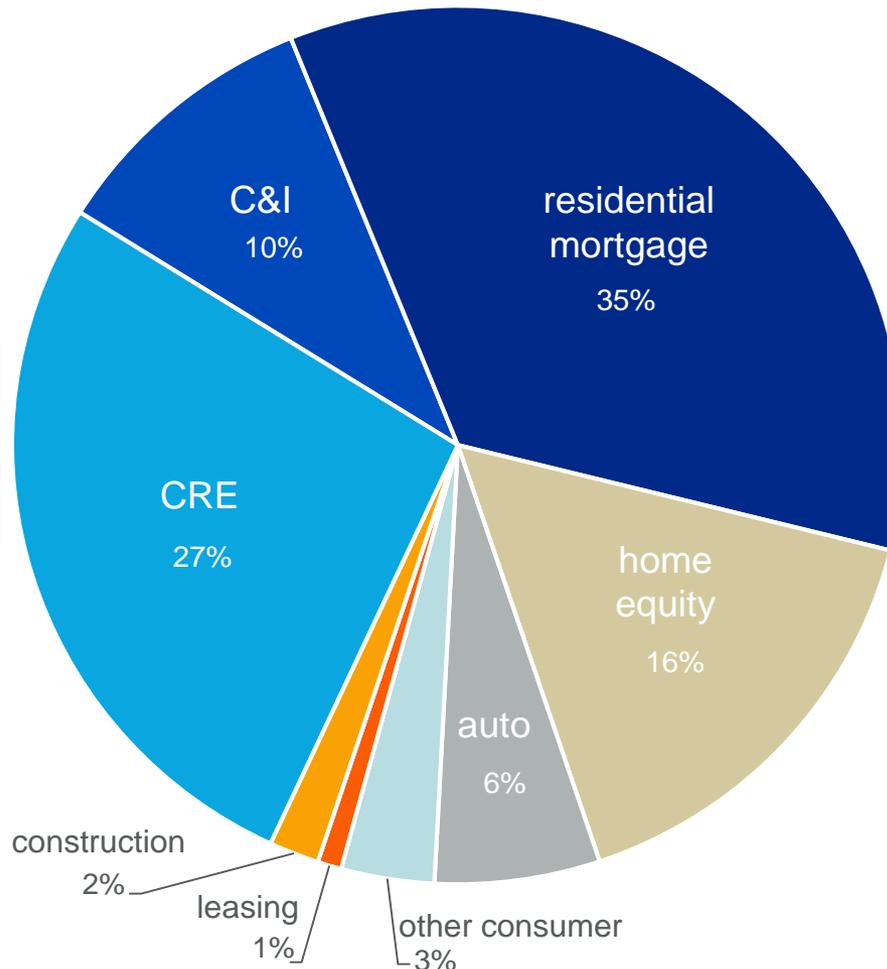


3Q credit update

loan portfolio

excluding PPP

**80% of portfolio secured with quality real estate
with combined weighted average loan to value of 56%**



40% commercial
73% real estate secured
wtd avg LTV 57%
57% w/ BOH ≥ 10 yrs
avg balance \$0.7MM

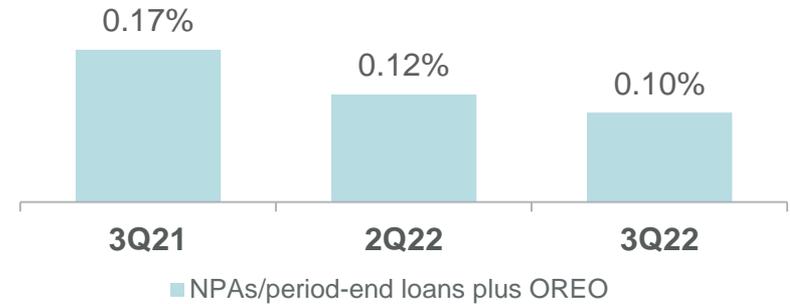
60% consumer
84% real estate secured
wtd avg LTV 55%
58% w/ BOH ≥ 10 yrs

credit quality

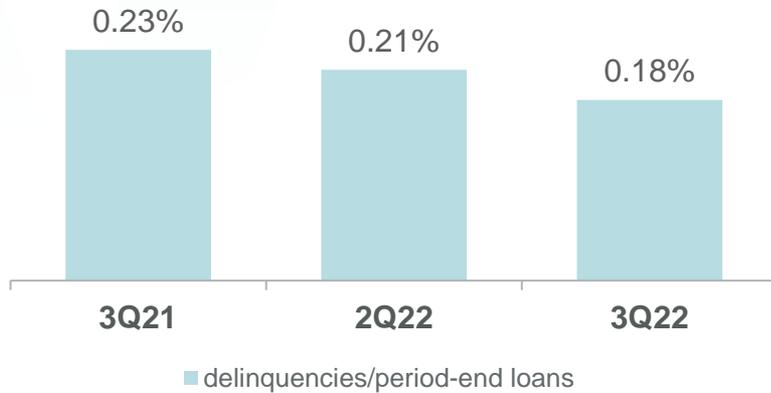
net charge-offs



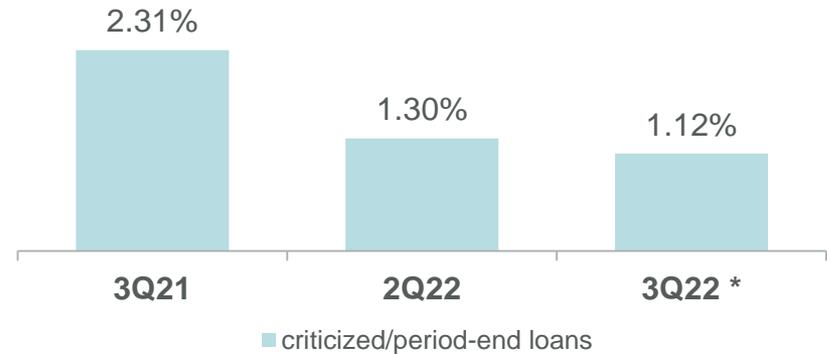
non-performing assets



delinquencies



criticized

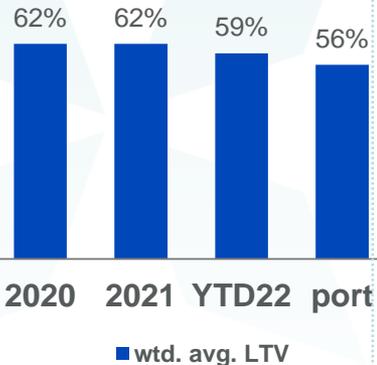


* 81% of total criticized in CRE with 61% wtd avg LTV

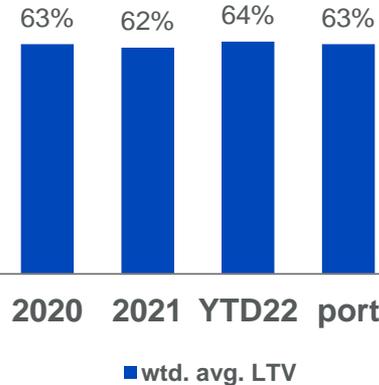
production quality

commercial

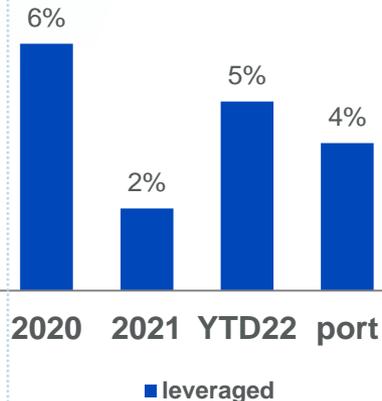
comm. mortg.



construction

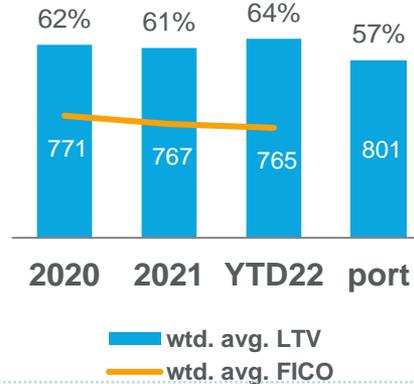


C&I (excl. PPP)



consumer

resi. mortgage



home equity



indirect



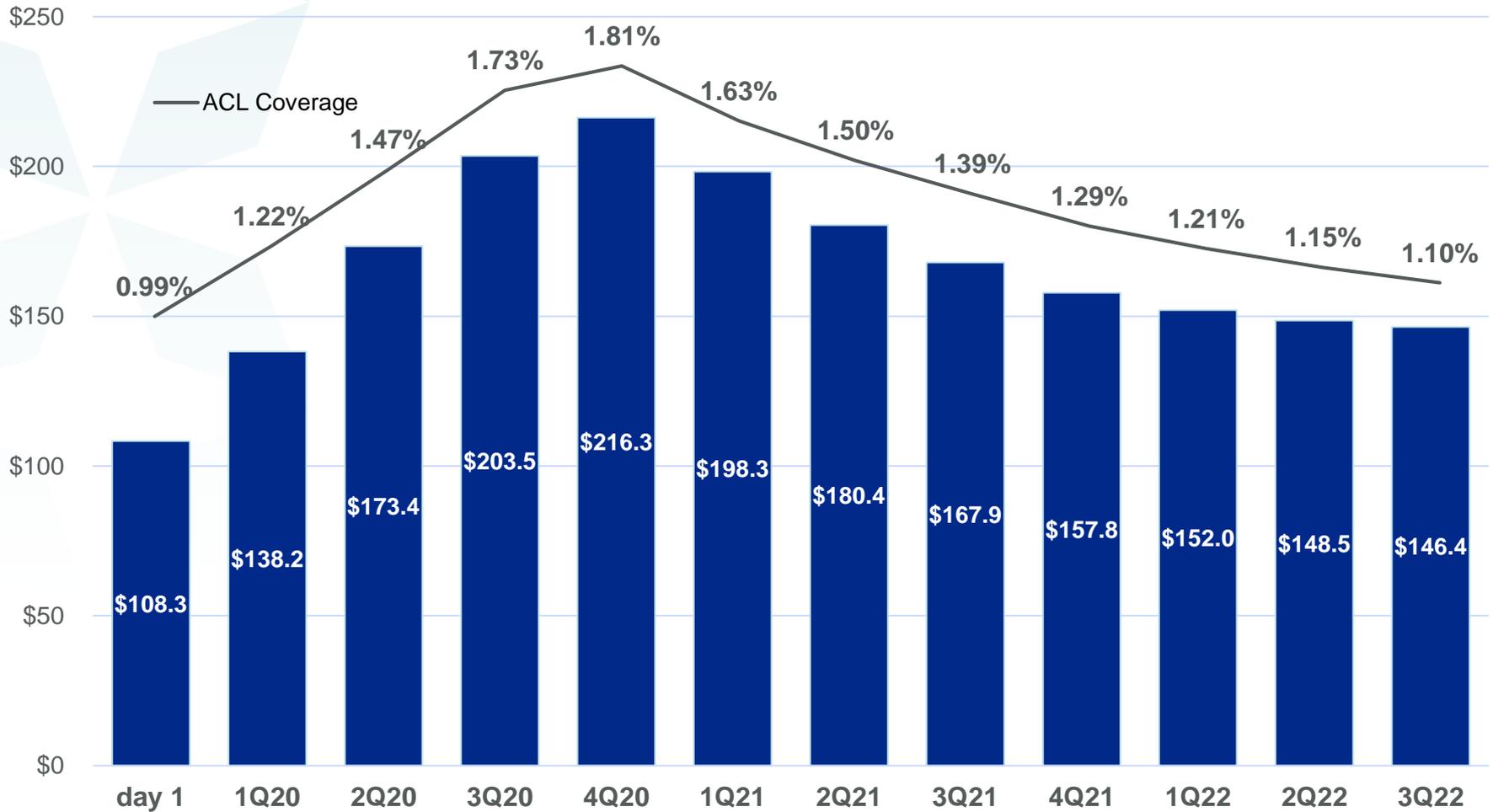
installment



reserve trend

\$ in millions

allowance for credit losses



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



other highlights

Hawai'i's Best Bank

12 consecutive years

— FIRST PLACE —
**HAWAII'S
BEST
2022**
PEOPLE'S CHOICE AWARDS
Awarded by the **Star Advertiser**



**WE ARE HONORED
TO BE YOUR
TRUSTED
FINANCIAL
COMPANION.**

MAHALO FOR VOTING US BEST BANK.
At Bank of Hawai'i, nothing means more to us than earning your trust and your confidence. To everyone who voted for us, and to every employee who made this honor possible, mahalo!

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Star Advertiser Hawai'i's Best Bank

- 2022
- 2021
- 2020
- 2019
- 2018
- 2017
- 2016
- 2015
- 2014
- 2013
- 2012
- 2011

Q & A