

## Bank of Hawaii Corporation Second Quarter 2022 Financial Results

- **Diluted Earnings Per Common Share \$1.38**
- **Net Income \$56.9 Million**
- **Board of Directors Declares Dividend of \$0.70 Per Common Share**

### FOR IMMEDIATE RELEASE

HONOLULU, HI (July 25, 2022) -- Bank of Hawaii Corporation (NYSE: BOH) today reported diluted earnings per common share of \$1.38 for the second quarter of 2022, compared with diluted earnings per common share of \$1.32 in the previous quarter and \$1.68 in the same quarter last year. Net income for the second quarter of 2022 was \$56.9 million, up 3.7% from the first quarter of 2022 and down 15.8% from the second quarter of 2021. The decrease from the second quarter of 2021 was primarily due to a smaller release of the allowance for credit losses and lower PPP income in the current quarter and one-time items in the second quarter of 2021.

“Bank of Hawaii performed well during the second quarter of 2022,” said Peter Ho, Chairman, President, and CEO. “Net interest margin expanded, driven by robust core loan growth and higher interest rates. At the same time, asset quality continued its sound and stable trend, and capital and liquidity remained strong, positioning us well for the future.”

### Financial Highlights

- The return on average assets for the second quarter of 2022 was 1.00% compared with 0.97% in the previous quarter and 1.23% in the same quarter of 2021.
- The return on average common equity for the second quarter of 2022 was 18.19% compared with 15.44% in the previous quarter and 19.61% in the same quarter of 2021.
- Net interest income for the second quarter of 2022 was \$132.9 million, an increase of 6.1% from the first quarter of 2022 and an increase of 7.6% from the second quarter of 2021. Net interest margin was 2.47% in the second quarter of 2022, an increase of 13 basis points compared to the previous quarter and an increase of 10 basis points from the same quarter of 2021.
  - The increase in net interest income and margin in the second quarter of 2022 compared to prior periods was due to the higher rate environment and continued strong loan growth.
  - The second quarter of 2022 included \$1.1 million of interest recoveries.

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- The provision for credit losses for the second quarter of 2022 was a net benefit of \$2.5 million compared with a net benefit of \$5.5 million in the previous quarter and a net benefit of \$16.1 million in the same quarter of 2021.
- Noninterest income was \$42.2 million in the second quarter of 2022, a decrease of 3.2% from the previous quarter and a decrease of 5.1% from the same quarter of 2021.
  - Noninterest income in the second quarter of 2021 included a gain of \$3.7 million related to the sale of investment securities.
- Noninterest expense was \$102.9 million in the second quarter of 2022, a decrease of 0.9% from the previous quarter and an increase of 6.6% from the same quarter of 2021.
  - Compared to the same period in 2021, noninterest expense included the impact of higher salaries and benefits and occupancy expenses. Significant one-time items included in noninterest expense during the second quarter of 2021 were fees related to the early termination of FHLB advances and repurchase agreements of \$3.2 million offset by a gain on the sale of property of \$3.1 million.
- The effective tax rate for the second quarter of 2022 was 23.80% compared with 22.15% in the previous quarter and 22.84% during the same quarter of 2021.

### **Asset Quality**

The Company's overall asset quality continued to remain strong during the second quarter of 2022.

- Total non-performing assets were \$15.5 million at June 30, 2022, down by \$4.5 million from March 31, 2022 and down \$3.5 million from June 30, 2021. Non-performing assets as a percentage of total loans and leases and foreclosed real estate were 0.12% at the end of the quarter, a decrease of 4 basis points from the end of both the prior quarter and same quarter of 2021.
- Net loan and lease charge-offs during the second quarter of 2022 were \$0.6 million or 0.02% annualized of total average loans and leases outstanding.
  - Net loan and lease charge-offs for the second quarter of 2022 were comprised of charge-offs of \$3.3 million partially offset by recoveries of \$2.7 million.
  - Compared to the prior quarter, net loan and lease charge-offs decreased by \$0.9 million or 3 basis points annualized on total average loans and leases outstanding.
  - Compared to the same quarter of 2021, net loan and lease charge-offs decreased by \$0.6 million or 2 basis points annualized on total average loans and leases outstanding.
- The allowance for credit losses on loans and leases was \$148.5 million at June 30, 2022, a decrease of \$3.5 million from March 31, 2022 and a decrease of \$31.9 million from June 30, 2021. The ratio of the allowance for credit losses to total loans and leases outstanding was 1.15% at the end of the quarter, down 6 basis points from the end of the prior quarter and down 35 basis points from the end of the same quarter of 2021.

### **Balance Sheet**

- Total assets were \$23.2 billion at June 30, 2022, an increase of 1.0% from March 31, 2022 and an increase of 2.5% from June 30, 2021.

- The investment securities portfolio was \$8.3 billion at June 30, 2022, a decrease of 5.4% from March 31, 2022 and an increase of 2.3% from June 30, 2021.
  - The investment portfolio remains largely comprised of securities issued by U.S. government agencies and U.S. government-sponsored enterprises.
- Total loans and leases were \$13.0 billion at June 30, 2022, an increase of 3.2% from March 31, 2022 and an increase of 7.6% from June 30, 2021.
  - Total loans and leases excluding PPP loans were \$12.9 billion at June 30, 2022, an increase of 3.5% from March 31, 2022 and an increase of 12.1% from June 30, 2021.
- Total deposits reached a new record high of \$21.0 billion at June 30, 2022, an increase of 1.5% from March 31, 2022 and an increase of 4.2% from June 30, 2021.

**Capital and Dividends**

- The Tier 1 Capital Ratio was 13.01% at June 30, 2022 compared with 13.22% at March 31, 2022 and 13.87% at June 30, 2021.
- The Tier 1 Leverage Ratio was 7.29% at June 30, 2022 compared with 7.30% at March 31, 2022 and 7.31% at June 30, 2021.
- The Company repurchased 131.0 thousand shares of common stock at a total cost of \$10.0 million under its share repurchase program in the second quarter of 2022 at an average cost of \$75.94 per share repurchased.
  - Total remaining buyback authority under the share repurchase program was \$65.8 million at June 30, 2022.
- The Company's Board of Directors declared a quarterly cash dividend of \$0.70 per share on the Company's outstanding common shares. The dividend will be payable on September 15, 2022 to shareholders of record at the close of business on August 31, 2022.
- On July 5, 2022, the Board of Directors declared the quarterly dividend payment of \$10.94 per share, equivalent to \$0.2735 per depositary share, on its preferred stock. The depositary shares representing the Series A Preferred Stock are traded on the NYSE under the symbol "BOH.PRA." The dividend will be payable on August 1, 2022 to shareholders of record of the preferred stock at the close of business on July 18, 2022.

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**Conference Call Information**

The Company will review its second quarter financial results today at 8:00 a.m. Hawaii Time (2:00 p.m. Eastern Time). The live call, including a slide presentation, will be accessible on the investor relations link of Bank of Hawaii Corporation's website, [www.boh.com](http://www.boh.com).

- The webcast can be accessed via the link below:  
<https://register.vevent.com/register/BI5cab369e40f24955998dbcc8ff22bf70>.
- A replay of the conference call will be available for one year beginning approximately 11:00 a.m. Hawaii Time on Monday, July 25, 2022. The replay will be accessible via the same link. In addition, the replay will be available on the Company's website, [www.boh.com](http://www.boh.com).

**Forward-Looking Statements**

This news release, and other statements made by the Company in connection with it may contain "forward-looking statements" (as defined in the Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties that could cause results to be materially different from expectations. Forecasts of our financial results and condition, expectations for our operations and business prospects, and our assumptions used in those forecasts and expectations are examples of certain of these forward-looking statements. Do not unduly rely on forward-looking statements. Actual results might differ significantly from our forecasts and expectations because of a variety of factors. More information about these factors is contained in Bank of Hawaii Corporation's Annual Report on Form 10-K for the year ended December 31, 2021 and its Form 10-Q for the fiscal quarter ended March 31, 2022, which were filed with the U.S. Securities and Exchange Commission. These forward-looking statements are not guarantees of future performance and speak only as of the date made, and, except as required by law, the Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events, new information or future circumstances.

*Bank of Hawaii Corporation is an independent regional financial services company serving businesses, consumers, and governments in Hawaii and the West Pacific. The Company's principal subsidiary, Bank of Hawaii'i, was founded in 1897. For more information about Bank of Hawaii Corporation, see the Company's web site, [www.boh.com](http://www.boh.com).*

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# Bank of Hawaii Corporation and Subsidiaries

## Financial Highlights

Table 1

	Three Months Ended			Six Months Ended	
	June 30, 2022	March 31, 2022	June 30, 2021	June 30, 2022	June 30, 2021
(dollars in thousands, except per share amounts)					
<b>For the Period:</b>					
<b>Operating Results</b>					
Net Interest Income	\$ 132,902	\$ 125,263	\$ 123,514	\$ 258,165	\$ 244,083
Provision for Credit Losses	(2,500)	(5,500)	(16,100)	(8,000)	(30,400)
Total Noninterest Income	42,158	43,551	44,431	85,709	87,401
Total Noninterest Expense	102,939	103,874	96,527	206,813	195,392
Net Income	56,862	54,834	67,533	111,696	127,482
Basic Earnings Per Common Share	1.38	1.33	1.69	2.71	3.20
Diluted Earnings Per Common Share	1.38	1.32	1.68	2.70	3.18
Dividends Declared Per Common Share	0.70	0.70	0.67	1.40	1.34
<b>Performance Ratios</b>					
Return on Average Assets	1.00 %	0.97 %	1.23 %	0.98 %	1.19 %
Return on Average Shareholders' Equity	16.40	14.18	19.17	15.23	18.43
Return on Average Common Equity <sup>1</sup>	18.19	15.44	19.61	16.73	18.64
Efficiency Ratio <sup>2</sup>	58.80	61.53	57.47	60.14	58.94
Net Interest Margin <sup>3</sup>	2.47	2.34	2.37	2.41	2.40
Dividend Payout Ratio <sup>4</sup>	50.72	52.63	39.64	51.66	41.88
Average Shareholders' Equity to Average Assets	6.08	6.87	6.40	6.47	6.45
<b>Average Balances</b>					
Average Loans and Leases	\$ 12,700,825	\$ 12,290,402	\$ 12,096,308	\$ 12,496,747	\$ 12,024,844
Average Assets	22,891,262	22,847,488	22,073,569	22,869,496	21,614,669
Average Deposits	20,569,363	20,426,076	19,698,285	20,498,115	19,184,607
Average Shareholders' Equity	1,390,653	1,568,725	1,412,924	1,479,197	1,395,197
<b>Per Share of Common Stock</b>					
<b>Book Value <sup>1</sup></b>	\$ 29.09	\$ 31.50	\$ 34.68	\$ 29.09	\$ 34.68
<b>Tangible Book Value <sup>1</sup></b>	28.30	30.71	33.91	28.30	33.91
<b>Market Value</b>					
Closing	74.40	83.92	84.22	74.40	84.22
High	84.93	92.38	95.95	92.38	99.10
Low	70.97	79.60	81.23	70.97	75.65
		<b>June 30, 2022</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>June 30, 2021</b>
<b>As of Period End:</b>					
<b>Balance Sheet Totals</b>					
Loans and Leases	\$ 12,951,573	\$ 12,544,492	\$ 12,259,076	\$ 12,041,378	
Total Assets	23,232,699	23,000,317	22,784,941	22,672,183	
Total Deposits	21,025,681	20,716,287	20,360,108	20,169,709	
Other Debt	10,343	10,367	10,391	10,437	
Total Shareholders' Equity	1,348,746	1,448,885	1,611,611	1,583,531	
<b>Asset Quality</b>					
Non-Performing Assets	\$ 15,493	\$ 19,979	\$ 18,966	\$ 18,974	
Allowance for Credit Losses - Loans and Leases	148,512	152,028	157,821	180,385	
Allowance to Loans and Leases Outstanding <sup>5</sup>	1.15 %	1.21 %	1.29 %	1.50 %	
<b>Capital Ratios <sup>6</sup></b>					
Common Equity Tier 1 Capital Ratio	11.66 %	11.83 %	12.12 %	12.36 %	
Tier 1 Capital Ratio	13.01	13.22	13.56	13.87	
Total Capital Ratio	14.14	14.41	14.81	15.13	
Tier 1 Leverage Ratio	7.29	7.30	7.32	7.31	
Total Shareholders' Equity to Total Assets	5.81	6.30	7.07	6.98	
Tangible Common Equity to Tangible Assets <sup>1,7</sup>	4.90	5.39	6.15	6.06	
Tangible Common Equity to Risk-Weighted Assets <sup>1,7</sup>	8.72	9.77	11.44	11.81	
<b>Non-Financial Data</b>					
Full-Time Equivalent Employees	2,114	2,084	2,056	2,085	
Branches	54	54	54	54	
ATMs	310	307	307	312	

<sup>1</sup> Return on Average Common Equity was revised from 19.60% for the three months ended June 30, 2021 and 18.63% for the six months ended June 30, 2021; Book Value was revised from \$34.80 for the three months ended and six months ended June 30, 2021; Tangible Book Value was revised from \$34.02 for the three months ended and six months ended June 30, 2021; Tangible Common Equity to Tangible Assets was revised from 6.08% for the three months ended June 30, 2021; Tangible Common Equity to Risk-Weighted Assets was revised from 11.85% for the three months ended June 30, 2021.

<sup>2</sup> Efficiency ratio is defined as noninterest expense divided by total revenue (net interest income and total noninterest income).

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

<sup>4</sup> Dividend payout ratio is defined as dividends declared per common share divided by basic earnings per common share.

<sup>5</sup> The numerator comprises the Allowance for Credit Losses - Loans and Leases.

<sup>6</sup> Regulatory capital ratios as of June 30, 2022 are preliminary.

<sup>7</sup> Tangible common equity to tangible assets and tangible common equity to risk-weighted assets are Non-GAAP financial measures. Tangible common equity is defined by the Company as common shareholders' equity minus goodwill. See Table 2 "Reconciliation of Non-GAAP Financial Measures".

## Bank of Hawaii Corporation and Subsidiaries

### Reconciliation of Non-GAAP Financial Measures

Table 2

(dollars in thousands)	June 30, 2022	March 31, 2022	December 31, 2021	June 30, 2021
Total Shareholders' Equity	\$ 1,348,746	\$ 1,448,885	\$ 1,611,611	\$ 1,583,531
Less: Preferred Stock <sup>1</sup>	180,000	180,000	180,000	180,000
Goodwill	31,517	31,517	31,517	31,517
Tangible Common Equity <sup>1</sup>	\$ 1,137,229	\$ 1,237,368	\$ 1,400,094	\$ 1,372,014
Total Assets	23,232,699	23,000,317	22,784,941	22,672,183
Less: Goodwill	31,517	31,517	31,517	31,517
Tangible Assets	\$ 23,201,182	\$ 22,968,800	\$ 22,753,424	\$ 22,640,666
Risk-Weighted Assets, determined in accordance with prescribed regulatory requirements <sup>2</sup>	\$ 13,035,674	\$ 12,663,646	\$ 12,236,805	\$ 11,614,522
Total Shareholders' Equity to Total Assets	5.81%	6.30%	7.07%	6.98%
Tangible Common Equity to Tangible Assets (Non-GAAP) <sup>1</sup>	4.90%	5.39%	6.15%	6.06%
Tier 1 Capital Ratio <sup>1</sup>	13.01%	13.22%	13.56%	13.87%
Tangible Common Equity to Risk-Weighted Assets (Non-GAAP) <sup>1,2</sup>	8.72%	9.77%	11.44%	11.81%

<sup>1</sup> Preferred Stock was revised from \$175,487 for the three months ended June 30, 2021; Tangible Common Equity was revised from \$1,376,527 for the three months ended June 30, 2021;

Tangible Common Equity to Tangible Assets (Non-GAAP) was revised from 6.08% for the three months ended June 30, 2021; Tangible Common Equity to Risk-Weighted Assets (Non-GAAP) was revised from 11.85% for the three months ended June 30, 2021.

<sup>2</sup> Regulatory capital ratios as of June 30, 2022 are preliminary.

# Bank of Hawaii Corporation and Subsidiaries

## Consolidated Statements of Income

Table 3

	Three Months Ended			Six Months Ended	
	June 30, 2022	March 31, 2022	June 30, 2021	June 30, 2021	
(dollars in thousands, except per share amounts)					
<b>Interest Income</b>					
Interest and Fees on Loans and Leases	\$ 101,663	\$ 94,439	\$ 100,894	\$ 196,102	\$ 200,193
<b>Income on Investment Securities</b>					
Available-for-Sale	17,984	17,100	16,467	35,084	32,304
Held-to-Maturity	18,838	18,701	13,576	37,539	26,876
Deposits	5	4	-	9	7
Funds Sold	719	127	260	846	397
Other	353	202	182	555	367
<b>Total Interest Income</b>	<b>139,562</b>	<b>130,573</b>	<b>131,379</b>	<b>270,135</b>	<b>260,144</b>
<b>Interest Expense</b>					
Deposits	3,535	2,353	4,152	5,888	8,481
Securities Sold Under Agreements to Repurchase	2,794	2,772	3,470	5,566	7,003
Funds Purchased	57	2	-	59	1
Short-Term Borrowings	92	-	-	92	-
Other Debt	182	183	243	365	576
<b>Total Interest Expense</b>	<b>6,660</b>	<b>5,310</b>	<b>7,865</b>	<b>11,970</b>	<b>16,061</b>
<b>Net Interest Income</b>	<b>132,902</b>	<b>125,263</b>	<b>123,514</b>	<b>258,165</b>	<b>244,083</b>
Provision for Credit Losses	(2,500)	(5,500)	(16,100)	(8,000)	(30,400)
<b>Net Interest Income After Provision for Credit Losses</b>	<b>135,402</b>	<b>130,763</b>	<b>139,614</b>	<b>266,165</b>	<b>274,483</b>
<b>Noninterest Income</b>					
Trust and Asset Management	11,457	11,276	11,682	22,733	22,960
Mortgage Banking	1,247	2,740	3,058	3,987	8,920
Service Charges on Deposit Accounts	7,309	7,272	6,065	14,581	12,193
Fees, Exchange, and Other Service Charges	14,193	12,952	13,807	27,145	27,414
Investment Securities Losses, Net	(1,295)	(1,545)	2,423	(2,840)	1,220
Annuity and Insurance	870	791	911	1,661	1,613
Bank-Owned Life Insurance	2,658	2,349	2,063	5,007	3,980
Other	5,719	7,716	4,422	13,435	9,101
<b>Total Noninterest Income</b>	<b>42,158</b>	<b>43,551</b>	<b>44,431</b>	<b>85,709</b>	<b>87,401</b>
<b>Noninterest Expense</b>					
Salaries and Benefits	57,769	59,924	56,161	117,693	112,412
Net Occupancy	9,930	9,826	5,047	19,756	14,137
Net Equipment	9,543	9,153	8,796	18,696	17,674
Data Processing	4,607	4,560	4,557	9,167	10,879
Professional Fees	3,542	3,258	3,114	6,800	6,520
FDIC Insurance	1,590	1,502	1,669	3,092	3,323
Other	15,958	15,651	17,183	31,609	30,447
<b>Total Noninterest Expense</b>	<b>102,939</b>	<b>103,874</b>	<b>96,527</b>	<b>206,813</b>	<b>195,392</b>
<b>Income Before Provision for Income Taxes</b>	<b>74,621</b>	<b>70,440</b>	<b>87,518</b>	<b>145,061</b>	<b>166,492</b>
Provision for Income Taxes	17,759	15,606	19,985	33,365	39,010
<b>Net Income</b>	<b>\$ 56,862</b>	<b>\$ 54,834</b>	<b>\$ 67,533</b>	<b>\$ 111,696</b>	<b>\$ 127,482</b>
Preferred Stock Dividends	1,969	1,969	-	3,938	-
<b>Net Income Available to Common Shareholders</b>	<b>\$ 54,893</b>	<b>\$ 52,865</b>	<b>\$ 67,533</b>	<b>\$ 107,758</b>	<b>\$ 127,482</b>
Basic Earnings Per Common Share	\$ 1.38	\$ 1.33	\$ 1.69	\$ 2.71	\$ 3.20
Diluted Earnings Per Common Share	\$ 1.38	\$ 1.32	\$ 1.68	\$ 2.70	\$ 3.18
Dividends Declared Per Common Share	\$ 0.70	\$ 0.70	\$ 0.67	\$ 1.40	\$ 1.34
Basic Weighted Average Common Shares	39,693,593	39,752,679	39,902,583	39,722,985	39,865,268
Diluted Weighted Average Common Shares	39,842,608	39,956,391	40,122,905	39,896,700	40,096,527

**Bank of Hawaii Corporation and Subsidiaries****Consolidated Statements of Comprehensive Income (Loss)****Table 4**

	Three Months Ended			Six Months Ended	
	June 30, 2022	March 31, 2022	June 30, 2021	June 30, 2022	June 30, 2021
(dollars in thousands)					
Net Income	\$ 56,862	\$ 54,834	\$ 67,533	\$ 111,696	\$ 127,482
Other Comprehensive Loss, Net of Tax:					
Net Unrealized Losses on Investment Securities	(122,647)	(180,124)	(123)	(302,771)	(50,173)
Defined Benefit Plans	352	353	442	705	883
Other Comprehensive Income (Loss)	(122,295)	(179,771)	319	(302,066)	(49,290)
Comprehensive Income (Loss)	\$ (65,433)	\$ (124,937)	\$ 67,852	\$ (190,370)	\$ 78,192



# Bank of Hawaii Corporation and Subsidiaries

## Consolidated Statements of Condition

Table 5

(dollars in thousands)	June 30, 2022	March 31, 2022	December 31, 2021	June 30, 2021
<b>Assets</b>				
Interest-Bearing Deposits in Other Banks	\$ 2,264	\$ 2,488	\$ 2,571	\$ 2,584
Funds Sold	576,430	356,373	361,536	909,730
Investment Securities				
Available-for-Sale	3,955,476	4,258,534	4,276,056	4,522,941
Held-to-Maturity (Fair Value of \$3,823,739; \$4,171,262; \$4,646,619; and \$3,965,117)	4,321,693	4,489,615	4,694,780	3,947,613
Loans Held for Sale	4,514	5,293	26,746	47,490
Loans and Leases	12,951,573	12,544,492	12,259,076	12,041,378
Allowance for Credit Losses	(148,512)	(152,028)	(157,821)	(180,385)
Net Loans and Leases	12,803,061	12,392,464	12,101,255	11,860,993
<b>Total Earning Assets</b>	<b>21,663,438</b>	<b>21,504,767</b>	<b>21,462,944</b>	<b>21,291,351</b>
Cash and Due from Banks	260,672	236,193	196,327	269,153
Premises and Equipment, Net	202,063	199,743	199,393	198,508
Operating Lease Right-of-Use Assets	91,901	93,563	95,621	97,264
Accrued Interest Receivable	47,141	45,392	45,242	47,046
Foreclosed Real Estate	2,332	2,332	2,332	2,332
Mortgage Servicing Rights	23,540	23,968	22,251	21,473
Goodwill	31,517	31,517	31,517	31,517
Bank-Owned Life Insurance	448,925	446,926	344,587	292,805
Other Assets	461,170	415,916	384,727	420,734
<b>Total Assets</b>	<b>\$ 23,232,699</b>	<b>\$ 23,000,317</b>	<b>\$ 22,784,941</b>	<b>\$ 22,672,183</b>
<b>Liabilities</b>				
Deposits				
Noninterest-Bearing Demand	\$ 7,374,055	\$ 7,500,741	\$ 7,275,287	\$ 6,570,232
Interest-Bearing Demand	4,339,520	4,591,178	4,628,567	4,498,825
Savings	8,054,899	7,701,849	7,456,165	7,704,575
Time	1,257,207	922,519	1,000,089	1,396,077
<b>Total Deposits</b>	<b>21,025,681</b>	<b>20,716,287</b>	<b>20,360,108</b>	<b>20,169,709</b>
Securities Sold Under Agreements to Repurchase	425,490	450,490	450,490	550,490
Other Debt	10,343	10,367	10,391	10,437
Operating Lease Liabilities	99,722	101,274	103,210	105,380
Retirement Benefits Payable	37,532	38,008	38,494	50,260
Accrued Interest Payable	2,545	2,545	2,499	3,879
Taxes Payable	10,607	17,265	11,901	11,844
Other Liabilities	272,033	215,196	196,237	186,653
<b>Total Liabilities</b>	<b>21,883,953</b>	<b>21,551,432</b>	<b>21,173,330</b>	<b>21,088,652</b>
<b>Shareholders' Equity</b>				
Preferred Stock (\$.01 par value; authorized 180,000 shares;				
issued / outstanding: June 30, 2022; March 31, 2022; December 31, 2021;	180,000	180,000	180,000	180,000
and June 30, 2021 - 180,000)				
Common Stock (\$.01 par value; authorized 500,000,000 shares;				
issued / outstanding: June 30, 2022 - 58,727,909 / 40,182,659;				
March 31, 2022 - 58,717,811 / 40,288,365; December 31, 2021 - 58,554,669 / 40,253,193;	582	582	581	580
and June 30, 2021 - 58,557,754 / 40,465,482)				
Capital Surplus	611,694	607,061	602,508	594,261
Accumulated Other Comprehensive Loss	(368,448)	(246,153)	(66,382)	(41,468)
Retained Earnings	2,002,005	1,974,790	1,950,375	1,884,431
Treasury Stock, at Cost (Shares: June 30, 2022 - 18,545,250; March 31, 2022 - 18,429,446;				
December 31, 2021 - 18,301,476; and June 30, 2021 - 18,092,272)	(1,077,087)	(1,067,395)	(1,055,471)	(1,034,273)
<b>Total Shareholders' Equity</b>	<b>1,348,746</b>	<b>1,448,885</b>	<b>1,611,611</b>	<b>1,583,531</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 23,232,699</b>	<b>\$ 23,000,317</b>	<b>\$ 22,784,941</b>	<b>\$ 22,672,183</b>

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

Table 6

	Preferred		Common		Capital Surplus	Accumulated	Retained Earnings	Treasury Stock	Total
	Shares Outstanding	Preferred Stock	Shares Outstanding	Common Stock		Other Compre- hensive Income (Loss)			
(dollars in thousands)									
<b>Balance as of December 31, 2021</b>	180,000	\$ 180,000	40,253,193	\$ 581	\$ 602,508	\$ (66,382)	\$ 1,950,375	\$ (1,055,471)	\$ 1,611,611
Net Income	-	-	-	-	-	-	111,696	-	111,696
Other Comprehensive Loss	-	-	-	-	-	(302,066)	-	-	(302,066)
Share-Based Compensation	-	-	-	-	8,172	-	-	-	8,172
Common Stock Issued under Purchase and									
Equity Compensation Plans	-	-	228,225	1	1,014	-	346	2,697	4,058
Common Stock Repurchased	-	-	(298,759)	-	-	-	-	(24,313)	(24,313)
Cash Dividends Declared Common Stock									
(\$1.40 per share)	-	-	-	-	-	-	(56,474)	-	(56,474)
Cash Dividends Declared Preferred Stock	-	-	-	-	-	-	(3,938)	-	(3,938)
<b>Balance as of June 30, 2022</b>	180,000	\$ 180,000	40,182,659	\$ 582	\$ 611,694	\$ (368,448)	\$ 2,002,005	\$ (1,077,087)	\$ 1,348,746
<b>Balance as of December 31, 2020</b>	-	-	40,119,312	580	591,360	7,822	1,811,979	(1,037,234)	1,374,507
Net Income	-	-	-	-	-	-	127,482	-	127,482
Other Comprehensive Loss	-	-	-	-	-	(49,290)	-	-	(49,290)
Share-Based Compensation	-	-	-	-	6,122	-	-	-	6,122
Preferred Stock Issued, Net	180,000	180,000	-	-	(4,513)	-	-	-	175,487
Common Stock Issued under Purchase and									
Equity Compensation Plans	-	-	383,326	-	1,292	-	(891)	6,259	6,660
Common Stock Repurchased	-	-	(37,156)	-	-	-	-	(3,298)	(3,298)
Cash Dividends Declared Common Stock									
(\$1.34 per share)	-	-	-	-	-	-	(54,139)	-	(54,139)
<b>Balance as of June 30, 2021</b>	180,000	\$ 180,000	40,465,482	\$ 580	\$ 594,261	\$ (41,468)	\$ 1,884,431	\$ (1,034,273)	\$ 1,583,531

**Bank of Hawaii Corporation and Subsidiaries**
**Average Balances and Interest Rates - Taxable-Equivalent Basis <sup>1</sup>**
**Table 7a**

	Three Months Ended			Three Months Ended			Three Months Ended		
	June 30, 2022			March 31, 2022			June 30, 2021		
(dollars in millions)	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate
<b>Earning Assets</b>									
Interest-Bearing Deposits in Other Banks	\$ 3.5	\$ -	0.59 %	\$ 3.4	\$ -	0.45 %	\$ 2.2	\$ -	0.04 %
Funds Sold	273.5	0.7	1.04	238.5	0.1	0.21	946.2	0.3	0.11
Investment Securities									
Available-for-Sale									
Taxable	4,123.1	18.0	1.74	4,399.9	17.1	1.56	4,290.8	16.3	1.53
Non-Taxable	2.9	-	1.99	3.0	-	1.93	12.3	0.1	4.27
Held-to-Maturity									
Taxable	4,377.0	18.7	1.71	4,567.4	18.6	1.63	3,496.2	13.4	1.53
Non-Taxable	35.7	0.2	2.10	35.8	0.2	2.10	41.5	0.3	2.53
<b>Total Investment Securities</b>	<b>8,538.7</b>	<b>36.9</b>	<b>1.73</b>	<b>9,006.1</b>	<b>35.9</b>	<b>1.59</b>	<b>7,840.8</b>	<b>30.1</b>	<b>1.54</b>
Loans Held for Sale	6.3	0.1	4.06	13.7	0.1	2.78	25.7	0.2	2.86
Loans and Leases <sup>2</sup>									
Commercial and Industrial	1,330.0	9.9	2.99	1,332.9	9.0	2.73	1,271.4	9.3	2.93
Paycheck Protection Program	38.7	0.5	5.26	89.0	1.8	8.33	663.1	7.5	4.55
Commercial Mortgage	3,357.2	26.2	3.13	3,158.8	21.7	2.80	2,883.5	21.3	2.96
Construction	222.6	2.4	4.39	227.6	2.1	3.68	285.6	2.6	3.66
Commercial Lease Financing	94.2	0.3	1.44	98.8	0.4	1.45	105.7	0.4	1.54
Residential Mortgage	4,445.7	36.4	3.26	4,343.3	34.9	3.21	4,234.3	35.6	3.35
Home Equity	2,032.9	14.4	2.85	1,898.9	13.3	2.83	1,573.4	12.1	3.09
Automobile	759.1	6.1	3.20	737.4	5.9	3.23	710.4	6.1	3.45
Other <sup>3</sup>	420.4	5.6	5.38	403.7	5.5	5.47	368.9	6.0	6.53
<b>Total Loans and Leases</b>	<b>12,700.8</b>	<b>101.8</b>	<b>3.21</b>	<b>12,290.4</b>	<b>94.6</b>	<b>3.10</b>	<b>12,096.3</b>	<b>100.9</b>	<b>3.34</b>
Other	38.2	0.3	3.70	36.7	0.2	2.21	32.3	0.2	2.26
<b>Total Earning Assets <sup>4</sup></b>	<b>21,561.0</b>	<b>139.8</b>	<b>2.60</b>	<b>21,588.8</b>	<b>130.9</b>	<b>2.44</b>	<b>20,943.5</b>	<b>131.7</b>	<b>2.52</b>
Cash and Due from Banks	238.4			233.3			256.1		
Other Assets	1,091.9			1,025.4			874.0		
<b>Total Assets</b>	<b>\$ 22,891.3</b>			<b>\$ 22,847.5</b>			<b>\$ 22,073.6</b>		
<b>Interest-Bearing Liabilities</b>									
Interest-Bearing Deposits									
Demand	\$ 4,442.2	0.7	0.06	\$ 4,655.4	0.5	0.04	\$ 4,452.4	0.7	0.07
Savings	7,692.8	1.9	0.10	7,540.6	1.1	0.06	7,533.0	1.8	0.09
Time	950.4	0.9	0.40	971.5	0.8	0.34	1,418.4	1.7	0.47
<b>Total Interest-Bearing Deposits</b>	<b>13,085.4</b>	<b>3.5</b>	<b>0.11</b>	<b>13,167.5</b>	<b>2.4</b>	<b>0.07</b>	<b>13,403.8</b>	<b>4.2</b>	<b>0.12</b>
Short-Term Borrowings	59.8	0.1	0.98	6.8	-	0.11	-	-	-
Securities Sold Under Agreements to Repurchase	447.7	2.8	2.47	450.5	2.8	2.46	570.3	3.5	2.41
Other Debt	10.4	0.3	7.05	10.4	0.2	7.05	30.2	0.2	3.22
<b>Total Interest-Bearing Liabilities</b>	<b>13,603.3</b>	<b>6.7</b>	<b>0.20</b>	<b>13,635.2</b>	<b>5.4</b>	<b>0.16</b>	<b>14,004.3</b>	<b>7.9</b>	<b>0.22</b>
<b>Net Interest Income</b>	<b>\$ 133.1</b>			<b>\$ 125.5</b>			<b>\$ 123.8</b>		
Interest Rate Spread			2.40 %			2.28 %			2.30 %
Net Interest Margin			2.47 %			2.34 %			2.37 %
Noninterest-Bearing Demand Deposits	7,484.0			7,258.6			6,294.5		
Other Liabilities	413.3			385.0			361.9		
Shareholders' Equity	1,390.7			1,568.7			1,412.9		
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 22,891.3</b>			<b>\$ 22,847.5</b>			<b>\$ 22,073.6</b>		

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

<sup>2</sup> 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.

<sup>3</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

<sup>4</sup> Interest income includes taxable-equivalent basis adjustments, based upon a federal statutory tax rate of 21%, of \$221,000, \$254,000, and \$269,000

for the three months ended June 30, 2022, March 31, 2022, and June 30, 2021, respectively.

**Bank of Hawaii Corporation and Subsidiaries**
**Average Balances and Interest Rates - Taxable-Equivalent Basis <sup>1</sup>**
**Table 7b**

(dollars in millions)	Six Months Ended			Six Months Ended		
	June 30, 2022			June 30, 2021		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
<b>Earning Assets</b>						
Interest-Bearing Deposits in Other Banks	\$ 3.5	\$ -	0.52 %	\$ 2.7	\$ -	0.56 %
Funds Sold	256.1	0.8	0.66	749.5	0.4	0.11
Investment Securities						
Available-for-Sale						
Taxable	4,260.6	35.1	1.65	4,150.2	32.1	1.55
Non-Taxable	3.0	-	1.96	12.3	0.3	4.27
Held-to-Maturity						
Taxable	4,471.7	37.2	1.67	3,441.3	26.5	1.54
Non-Taxable	35.8	0.4	2.10	39.8	0.5	2.54
<b>Total Investment Securities</b>	<b>8,771.1</b>	<b>72.7</b>	<b>1.66</b>	<b>7,643.6</b>	<b>59.4</b>	<b>1.55</b>
Loans Held for Sale	10.0	0.2	3.19	25.9	0.4	2.81
Loans and Leases <sup>2</sup>						
Commercial and Industrial	1,331.5	18.9	2.86	1,295.4	19.0	2.96
Paycheck Protection Program	63.7	2.3	7.39	624.1	12.1	3.91
Commercial Mortgage	3,258.5	48.0	2.97	2,864.9	42.6	3.00
Construction	225.1	4.5	4.03	274.9	4.9	3.57
Commercial Lease Financing	96.5	0.7	1.44	106.1	0.8	1.48
Residential Mortgage	4,394.8	71.2	3.24	4,190.7	71.4	3.41
Home Equity	1,966.3	27.7	2.84	1,583.7	24.7	3.14
Automobile	748.3	11.9	3.22	709.3	12.2	3.48
Other <sup>3</sup>	412.1	11.1	5.42	375.7	12.4	6.64
<b>Total Loans and Leases</b>	<b>12,496.8</b>	<b>196.3</b>	<b>3.16</b>	<b>12,024.8</b>	<b>200.1</b>	<b>3.35</b>
Other	37.3	0.6	2.97	32.9	0.4	2.24
<b>Total Earning Assets <sup>4</sup></b>	<b>21,574.8</b>	<b>270.6</b>	<b>2.52</b>	<b>20,479.4</b>	<b>260.7</b>	<b>2.56</b>
Cash and Due from Banks	235.8			263.4		
Other Assets	1,058.9			871.9		
<b>Total Assets</b>	<b>\$ 22,869.5</b>			<b>\$ 21,614.7</b>		
<b>Interest-Bearing Liabilities</b>						
Interest-Bearing Deposits						
Demand	\$ 4,548.2	1.2	0.05	\$ 4,320.2	1.3	0.06
Savings	7,617.1	2.9	0.08	7,276.2	3.3	0.09
Time	960.9	1.8	0.37	1,523.6	3.9	0.52
<b>Total Interest-Bearing Deposits</b>	<b>13,126.2</b>	<b>5.9</b>	<b>0.09</b>	<b>13,120.0</b>	<b>8.5</b>	<b>0.13</b>
Short-Term Borrowings	33.5	0.2	0.89	1.2	-	0.09
Securities Sold Under Agreements to Repurchase	449.1	5.6	2.47	585.3	7.0	2.38
Other Debt	10.4	0.3	7.05	45.3	0.6	2.56
<b>Total Interest-Bearing Liabilities</b>	<b>13,619.2</b>	<b>12.0</b>	<b>0.18</b>	<b>13,751.8</b>	<b>16.1</b>	<b>0.23</b>
<b>Net Interest Income</b>		<b>\$ 258.6</b>			<b>\$ 244.6</b>	
Interest Rate Spread			2.34 %			2.33 %
Net Interest Margin			2.41 %			2.40 %
Noninterest-Bearing Demand Deposits	7,371.9			6,064.6		
Other Liabilities	399.2			403.1		
Shareholders' Equity	1,479.2			1,395.2		
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 22,869.5</b>			<b>\$ 21,614.7</b>		

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

<sup>2</sup> 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.

<sup>3</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

<sup>4</sup> Interest income includes taxable-equivalent basis adjustments, based upon a federal statutory tax rate of 21%, of \$475,000 and \$521,000

for six months ended June 30, 2022 and June 30, 2021, respectively.

# Bank of Hawaii Corporation and Subsidiaries

## Analysis of Change in Net Interest Income - Taxable-Equivalent Basis

Table 8a

(dollars in millions)	Three Months Ended June 30, 2022		
	Compared to March 31, 2022		
	Volume <sup>1</sup>	Rate <sup>1</sup>	Total
<b>Change in Interest Income:</b>			
Funds Sold	\$ -	\$ 0.6	\$ 0.6
<b>Investment Securities</b>			
Available-for-Sale			
Taxable	(1.1)	2.0	0.9
Held-to-Maturity			
Taxable	(0.8)	0.9	0.1
<b>Total Investment Securities</b>	<b>(1.9)</b>	<b>2.9</b>	<b>1.0</b>
<b>Loans and Leases</b>			
Commercial and Industrial	-	0.9	0.9
Paycheck Protection Program	(0.8)	(0.5)	(1.3)
Commercial Mortgage	1.6	2.9	4.5
Construction	-	0.3	0.3
Commercial Lease Financing	(0.1)	-	(0.1)
Residential Mortgage	0.9	0.6	1.5
Home Equity	1.0	0.1	1.1
Automobile	0.2	-	0.2
Other <sup>2</sup>	0.2	(0.1)	0.1
<b>Total Loans and Leases</b>	<b>3.0</b>	<b>4.2</b>	<b>7.2</b>
Other	-	0.1	0.1
<b>Total Change in Interest Income</b>	<b>1.1</b>	<b>7.8</b>	<b>8.9</b>
<b>Change in Interest Expense:</b>			
<b>Interest-Bearing Deposits</b>			
Demand	-	0.2	0.2
Savings	-	0.8	0.8
Time	-	0.1	0.1
<b>Total Interest-Bearing Deposits</b>	<b>-</b>	<b>1.1</b>	<b>1.1</b>
Short-Term Borrowings	-	0.1	0.1
Other Debt	-	0.1	0.1
<b>Total Change in Interest Expense</b>	<b>-</b>	<b>1.3</b>	<b>1.3</b>
<b>Change in Net Interest Income</b>	<b>\$ 1.1</b>	<b>\$ 6.5</b>	<b>\$ 7.6</b>

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

<sup>2</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

# Bank of Hawaii Corporation and Subsidiaries

## Analysis of Change in Net Interest Income - Taxable-Equivalent Basis

Table 8b

(dollars in millions)	Three Months Ended June 30, 2022		
	Compared to June 30, 2021		
	Volume <sup>1</sup>	Rate <sup>1</sup>	Total
<b>Change in Interest Income:</b>			
Funds Sold	\$ (0.3)	\$ 0.7	\$ 0.4
<b>Investment Securities</b>			
Available-for-Sale			
Taxable	(0.6)	2.3	1.7
Non-Taxable	(0.1)	-	(0.1)
Held-to-Maturity			
Taxable	3.6	1.7	5.3
Non-Taxable	-	(0.1)	(0.1)
<b>Total Investment Securities</b>	<b>2.9</b>	<b>3.9</b>	<b>6.8</b>
Loans Held for Sale	(0.2)	0.1	(0.1)
<b>Loans and Leases</b>			
Commercial and Industrial	0.4	0.2	0.6
Paycheck Protection Program	(8.0)	1.0	(7.0)
Commercial Mortgage	3.7	1.2	4.9
Construction	(0.7)	0.5	(0.2)
Commercial Lease Financing	-	(0.1)	(0.1)
Residential Mortgage	1.8	(1.0)	0.8
Home Equity	3.3	(1.0)	2.3
Automobile	0.4	(0.4)	-
Other <sup>2</sup>	0.8	(1.2)	(0.4)
<b>Total Loans and Leases</b>	<b>1.7</b>	<b>(0.8)</b>	<b>0.9</b>
Other	-	0.1	0.1
<b>Total Change in Interest Income</b>	<b>4.1</b>	<b>4.0</b>	<b>8.1</b>
<b>Change in Interest Expense:</b>			
<b>Interest-Bearing Deposits</b>			
Savings	-	0.1	0.1
Time	(0.5)	(0.3)	(0.8)
<b>Total Interest-Bearing Deposits</b>	<b>(0.5)</b>	<b>(0.2)</b>	<b>(0.7)</b>
Short-Term Borrowings	0.1	-	0.1
Securities Sold Under Agreements to Repurchase	(0.8)	0.1	(0.7)
Other Debt	(0.1)	0.2	0.1
<b>Total Change in Interest Expense</b>	<b>(1.3)</b>	<b>0.1</b>	<b>(1.2)</b>
<b>Change in Net Interest Income</b>	<b>\$ 5.4</b>	<b>\$ 3.9</b>	<b>\$ 9.3</b>

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

<sup>2</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

# Bank of Hawaii Corporation and Subsidiaries

## Analysis of Change in Net Interest Income - Taxable-Equivalent Basis

Table 8c

(dollars in millions)	Six Months Ended June 30, 2022		
	Compared to June 30, 2021		
	Volume <sup>1</sup>	Rate <sup>1</sup>	Total
<b>Change in Interest Income:</b>			
Funds Sold	\$ (0.4)	\$ 0.8	\$ 0.4
<b>Investment Securities</b>			
Available-for-Sale			
Taxable	0.9	2.1	3.0
Non-Taxable	(0.2)	(0.1)	(0.3)
Held-to-Maturity			
Taxable	8.4	2.3	10.7
Non-Taxable	-	(0.1)	(0.1)
<b>Total Investment Securities</b>	<b>9.1</b>	<b>4.2</b>	<b>13.3</b>
Loans Held for Sale	(0.2)	-	(0.2)
<b>Loans and Leases</b>			
Commercial and Industrial	0.6	(0.7)	(0.1)
Paycheck Protection Program	(15.8)	6.0	(9.8)
Commercial Mortgage	5.9	(0.5)	5.4
Construction	(1.0)	0.6	(0.4)
Commercial Lease Financing	-	(0.1)	(0.1)
Residential Mortgage	3.4	(3.6)	(0.2)
Home Equity	5.5	(2.5)	3.0
Automobile	0.7	(1.0)	(0.3)
Other <sup>2</sup>	1.1	(2.4)	(1.3)
<b>Total Loans and Leases</b>	<b>0.4</b>	<b>(4.2)</b>	<b>(3.8)</b>
Other	0.1	0.1	0.2
<b>Total Change in Interest Income</b>	<b>9.0</b>	<b>0.9</b>	<b>9.9</b>
<b>Change in Interest Expense:</b>			
<b>Interest-Bearing Deposits</b>			
Demand	0.1	(0.2)	(0.1)
Savings	0.1	(0.5)	(0.4)
Time	(1.2)	(0.9)	(2.1)
<b>Total Interest-Bearing Deposits</b>	<b>(1.0)</b>	<b>(1.6)</b>	<b>(2.6)</b>
Short-Term Borrowings	0.2	-	0.2
Securities Sold Under Agreements to Repurchase	(1.6)	0.2	(1.4)
Other Debt	(0.8)	0.5	(0.3)
<b>Total Change in Interest Expense</b>	<b>(3.2)</b>	<b>(0.9)</b>	<b>(4.1)</b>
<b>Change in Net Interest Income</b>	<b>\$ 12.2</b>	<b>\$ 1.8</b>	<b>\$ 14.0</b>

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

<sup>2</sup> Comprised of other consumer revolving credit, installment, and consumer lease financing.

## Bank of Hawaii Corporation and Subsidiaries

### Salaries and Benefits

Table 9

(dollars in thousands)	Three Months Ended			Six Months Ended	
	June 30, 2022	March 31, 2022	June 30, 2021	June 30, 2021	
Salaries	\$ 36,721	\$ 34,932	\$ 33,413	\$ 71,653	\$ 64,982
Incentive Compensation	6,073	6,111	5,172	12,184	11,086
Share-Based Compensation	3,962	3,799	3,174	7,761	5,758
Commission Expense	1,232	1,641	2,599	2,873	5,035
Retirement and Other Benefits	4,036	4,693	5,289	8,729	10,806
Payroll Taxes	3,034	4,944	3,026	7,978	6,994
Medical, Dental, and Life Insurance	2,591	3,234	3,204	5,825	5,628
Separation Expense	120	570	284	690	2,123
<b>Total Salaries and Benefits</b>	<b>\$ 57,769</b>	<b>\$ 59,924</b>	<b>\$ 56,161</b>	<b>\$ 117,693</b>	<b>\$ 112,412</b>



## Bank of Hawaii Corporation and Subsidiaries

### Loan and Lease Portfolio Balances

Table 10

	June 30,	March 31,	December 31,	September 30,	June 30,
(dollars in thousands)	2022	2022	2021	2021	2021
<b>Commercial</b>					
Commercial and Industrial	\$ 1,323,830	\$ 1,354,757	\$ 1,361,921	\$ 1,325,446	\$ 1,257,305
Paycheck Protection Program	31,964	57,809	126,779	268,480	513,513
Commercial Mortgage	3,464,126	3,257,689	3,152,130	2,994,520	2,944,435
Construction	246,177	248,363	220,254	296,052	277,393
Lease Financing	89,535	98,107	105,108	107,526	110,500
<b>Total Commercial</b>	<b>5,155,632</b>	<b>5,016,725</b>	<b>4,966,192</b>	<b>4,992,024</b>	<b>5,103,146</b>
<b>Consumer</b>					
Residential Mortgage	4,486,571	4,405,718	4,309,602	4,272,540	4,264,180
Home Equity	2,101,612	1,958,285	1,836,588	1,680,229	1,594,781
Automobile	775,065	742,934	736,565	727,234	714,729
Other <sup>1</sup>	432,693	420,830	410,129	400,723	364,542
<b>Total Consumer</b>	<b>7,795,941</b>	<b>7,527,767</b>	<b>7,292,884</b>	<b>7,080,726</b>	<b>6,938,232</b>
<b>Total Loans and Leases</b>	<b>\$ 12,951,573</b>	<b>\$ 12,544,492</b>	<b>\$ 12,259,076</b>	<b>\$ 12,072,750</b>	<b>\$ 12,041,378</b>

### Deposits

	June 30,	March 31,	December 31,	September 30,	June 30,
(dollars in thousands)	2022	2022	2021	2021	2021
Consumer	\$ 10,554,121	\$ 10,654,192	\$ 10,438,844	\$ 10,150,199	\$ 9,848,285
Commercial	8,824,609	8,818,477	8,641,932	8,767,733	8,675,909
Public and Other	1,646,951	1,243,618	1,279,332	1,575,746	1,645,515
<b>Total Deposits</b>	<b>\$ 21,025,681</b>	<b>\$ 20,716,287</b>	<b>\$ 20,360,108</b>	<b>\$ 20,493,678</b>	<b>\$ 20,169,709</b>

<sup>1</sup> Comprised of other revolving credit, installment, and lease financing.

# Bank of Hawaii Corporation and Subsidiaries

## Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More

Table 11

	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
(dollars in thousands)					
<b>Non-Performing Assets</b>					
Non-Accrual Loans and Leases					
Commercial					
Commercial and Industrial	\$ 85	\$ 99	\$ 243	\$ 209	\$ 258
Commercial Mortgage	3,462	8,065	8,205	8,309	8,413
<b>Total Commercial</b>	<b>3,547</b>	<b>8,164</b>	<b>8,448</b>	<b>8,518</b>	<b>8,671</b>
Consumer					
Residential Mortgage	5,179	3,845	3,305	4,348	2,437
Home Equity	4,435	5,638	4,881	5,422	5,534
<b>Total Consumer</b>	<b>9,614</b>	<b>9,483</b>	<b>8,186</b>	<b>9,770</b>	<b>7,971</b>
<b>Total Non-Accrual Loans and Leases</b>	<b>13,161</b>	<b>17,647</b>	<b>16,634</b>	<b>18,288</b>	<b>16,642</b>
Foreclosed Real Estate	2,332	2,332	2,332	2,332	2,332
<b>Total Non-Performing Assets</b>	<b>\$ 15,493</b>	<b>\$ 19,979</b>	<b>\$ 18,966</b>	<b>\$ 20,620</b>	<b>\$ 18,974</b>
<b>Accruing Loans and Leases Past Due 90 Days or More</b>					
Commercial					
Commercial and Industrial	\$ -	\$ 22	\$ -	\$ -	\$ -
<b>Total Commercial</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>
Consumer					
Residential Mortgage	2,638	4,113	3,159	4,776	4,069
Home Equity	2,029	2,722	3,456	2,946	4,498
Automobile	359	504	729	395	277
Other <sup>1</sup>	508	649	426	593	434
<b>Total Consumer</b>	<b>5,534</b>	<b>7,988</b>	<b>7,770</b>	<b>8,710</b>	<b>9,278</b>
<b>Total Accruing Loans and Leases Past Due 90 Days or More</b>	<b>\$ 5,534</b>	<b>\$ 8,010</b>	<b>\$ 7,770</b>	<b>\$ 8,710</b>	<b>\$ 9,278</b>
<b>Restructured Loans on Accrual Status and Not Past Due 90 Days or More</b>					
	\$ 46,024	\$ 54,136	\$ 60,519	\$ 62,787	\$ 74,926
<b>Total Loans and Leases</b>	<b>\$ 12,951,573</b>	<b>\$ 12,544,492</b>	<b>\$ 12,259,076</b>	<b>\$ 12,072,750</b>	<b>\$ 12,041,378</b>
Ratio of Non-Accrual Loans and Leases to Total Loans and Leases					
	0.10%	0.14%	0.14%	0.15%	0.14%
Ratio of Non-Performing Assets to Total Loans and Leases and Foreclosed Real Estate					
	0.12%	0.16%	0.15%	0.17%	0.16%
Ratio of Non-Performing Assets to Total Assets					
	0.06%	0.07%	0.07%	0.08%	0.07%
Ratio of Commercial Non-Performing Assets to Total Commercial Loans and Leases and Commercial Foreclosed Real Estate					
	0.07%	0.16%	0.17%	0.17%	0.17%
Ratio of Consumer Non-Performing Assets to Total Consumer Loans and Leases and Consumer Foreclosed Real Estate					
	0.15%	0.16%	0.14%	0.17%	0.15%
Ratio of Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More to Total Loans and Leases and Foreclosed Real Estate					
	0.16%	0.22%	0.22%	0.24%	0.23%
<b>Quarter to Quarter Changes in Non-Performing Assets</b>					
<b>Balance at Beginning of Quarter</b>	\$ 19,979	\$ 18,966	\$ 20,620	\$ 18,974	\$ 17,883
Additions	2,293	2,243	357	3,171	2,229
Reductions					
Payments	(5,511)	(1,230)	(972)	(889)	(722)
Return to Accrual Status	(1,267)	-	(1,038)	(606)	(416)
Charge-offs/Write-downs	(1)	-	(1)	(30)	-
<b>Total Reductions</b>	<b>(6,779)</b>	<b>(1,230)</b>	<b>(2,011)</b>	<b>(1,525)</b>	<b>(1,138)</b>
<b>Balance at End of Quarter</b>	<b>\$ 15,493</b>	<b>\$ 19,979</b>	<b>\$ 18,966</b>	<b>\$ 20,620</b>	<b>\$ 18,974</b>

<sup>1</sup> Comprised of other revolving credit, installment, and lease financing.

# Bank of Hawaii Corporation and Subsidiaries

## Reserve for Credit Losses

Table 12

	Three Months Ended			Six Months Ended	
	June 30, 2022	March 31, 2022	June 30, 2021	June 30, 2022	June 30, 2021
(dollars in thousands)					
<b>Balance at Beginning of Period</b>	\$ 157,264	\$ 164,297	\$ 203,779	\$ 164,297	\$ 221,303
<b>Loans and Leases Charged-Off</b>					
Commercial					
Commercial and Industrial	(233)	(349)	(456)	(582)	(704)
Consumer					
Residential Mortgage	(80)	-	(115)	(80)	(119)
Home Equity	(22)	(68)	(107)	(90)	(123)
Automobile	(1,157)	(1,530)	(1,209)	(2,687)	(3,318)
Other <sup>1</sup>	(1,854)	(1,961)	(2,422)	(3,815)	(6,336)
<b>Total Loans and Leases Charged-Off</b>	<b>(3,346)</b>	<b>(3,908)</b>	<b>(4,309)</b>	<b>(7,254)</b>	<b>(10,600)</b>
<b>Recoveries on Loans and Leases Previously Charged-Off</b>					
Commercial					
Commercial and Industrial	51	369	144	420	256
Consumer					
Residential Mortgage	920	54	481	974	1,436
Home Equity	416	515	527	931	1,060
Automobile	684	739	1,172	1,423	2,091
Other <sup>1</sup>	644	745	801	1,389	1,657
<b>Total Recoveries on Loans and Leases Previously Charged-Off</b>	<b>2,715</b>	<b>2,422</b>	<b>3,125</b>	<b>5,137</b>	<b>6,500</b>
Net Charged-Off - Loans and Leases	(631)	(1,486)	(1,184)	(2,117)	(4,100)
Net Charged-Off - Accrued Interest Receivable	-	(47)	(124)	(47)	(432)
<b>Provision for Credit Losses:</b>					
Loans and Leases	(2,885)	(4,307)	(16,774)	(7,192)	(31,767)
Accrued Interest Receivable	-	(367)	(828)	(367)	(828)
Unfunded Commitments	350	(826)	1,502	(476)	2,195
<b>Balance at End of Period</b>	<b>\$ 154,098</b>	<b>\$ 157,264</b>	<b>\$ 186,371</b>	<b>\$ 154,098</b>	<b>\$ 186,371</b>
<b>Components</b>					
Allowance for Credit Losses - Loans and Leases	\$ 148,512	\$ 152,028	\$ 180,385	\$ 148,512	\$ 180,385
Allowance for Credit Losses - Accrued Interest Receivable	-	-	1,440	-	1,440
Reserve for Unfunded Commitments	5,586	5,236	4,546	5,586	4,546
<b>Total Reserve for Credit Losses</b>	<b>\$ 154,098</b>	<b>\$ 157,264</b>	<b>\$ 186,371</b>	<b>\$ 154,098</b>	<b>\$ 186,371</b>
<b>Average Loans and Leases Outstanding</b>	<b>\$ 12,700,825</b>	<b>\$ 12,290,402</b>	<b>\$ 12,096,308</b>	<b>\$ 12,496,747</b>	<b>\$ 12,024,844</b>
<b>Ratio of Net Loans and Leases Charged-Off to</b>					
Average Loans and Leases Outstanding (annualized)	0.02%	0.05%	0.04%	0.03%	0.07%
Ratio of Allowance for Credit Losses to Loans and Leases Outstanding <sup>2</sup>	1.15%	1.21%	1.50%	1.15%	1.50%

<sup>1</sup> Comprised of other revolving credit, installment, and lease financing.

<sup>2</sup> The numerator comprises the Allowance for Credit Losses - Loans and Leases.

# Bank of Hawaii Corporation and Subsidiaries

## Business Segments Selected Financial Information

Table 13a

(dollars in thousands)	Consumer		Commercial		Treasury		Consolidated	
	Banking		Banking		and Other		Total	
<b>Three Months Ended June 30, 2022</b>								
Net Interest Income	\$	75,868	\$	49,562	\$	7,472	\$	132,902
Provision for Credit Losses		502		(1)		(3,001)		(2,500)
Net Interest Income After Provision for Credit Losses		75,366		49,563		10,473		135,402
Noninterest Income		31,953		8,279		1,926		42,158
Noninterest Expense		(82,740)		(17,026)		(3,173)		(102,939)
Income Before Income Taxes		24,579		40,816		9,226		74,621
Provision for Income Taxes		(6,162)		(10,145)		(1,452)		(17,759)
<b>Net Income</b>	<b>\$</b>	<b>18,417</b>	<b>\$</b>	<b>30,671</b>	<b>\$</b>	<b>7,774</b>	<b>\$</b>	<b>56,862</b>
<b>Total Assets as of June 30, 2022</b>	<b>\$</b>	<b>8,179,647</b>	<b>\$</b>	<b>5,337,656</b>	<b>\$</b>	<b>9,715,396</b>	<b>\$</b>	<b>23,232,699</b>
<b>Three Months Ended June 30, 2021</b>								
Net Interest Income	\$	71,167	\$	49,038	\$	3,309	\$	123,514
Provision for Credit Losses		987		197		(17,284)		(16,100)
Net Interest Income After Provision for Credit Losses		70,180		48,841		20,593		139,614
Noninterest Income		32,600		6,575		5,256		44,431
Noninterest Expense		(72,868)		(15,742)		(7,917)		(96,527)
Income Before Income Taxes		29,912		39,674		17,932		87,518
Provision for Income Taxes		(7,365)		(9,703)		(2,917)		(19,985)
<b>Net Income</b>	<b>\$</b>	<b>22,547</b>	<b>\$</b>	<b>29,971</b>	<b>\$</b>	<b>15,015</b>	<b>\$</b>	<b>67,533</b>
<b>Total Assets as of June 30, 2021</b>	<b>\$</b>	<b>7,479,986</b>	<b>\$</b>	<b>5,127,431</b>	<b>\$</b>	<b>10,064,766</b>	<b>\$</b>	<b>22,672,183</b>

# Bank of Hawaii Corporation and Subsidiaries

## Business Segments Selected Financial Information

Table 13b

(dollars in thousands)	Consumer Banking	Commercial Banking	Treasury and Other	Consolidated Total
<b>Six Months Ended June 30, 2022</b>				
Net Interest Income	\$ 146,103	\$ 95,911	\$ 16,151	\$ 258,165
Provision for Credit Losses	2,185	(198)	(9,987)	(8,000)
Net Interest Income After Provision for Credit Losses	143,918	96,109	26,138	266,165
Noninterest Income	63,922	18,477	3,310	85,709
Noninterest Expense	(164,438)	(35,695)	(6,680)	(206,813)
Income Before Income Taxes	43,402	78,891	22,768	145,061
Provision for Income Taxes	(10,872)	(19,342)	(3,151)	(33,365)
<b>Net Income</b>	<b>\$ 32,530</b>	<b>\$ 59,549</b>	<b>\$ 19,617</b>	<b>\$ 111,696</b>
<b>Total Assets as of June 30, 2022</b>	<b>\$ 8,179,647</b>	<b>\$ 5,337,656</b>	<b>\$ 9,715,396</b>	<b>\$ 23,232,699</b>
<b>Six Months Ended June 30, 2021</b>				
Net Interest Income	\$ 140,929	\$ 96,181	\$ 6,973	\$ 244,083
Provision for Credit Losses	3,853	247	(34,500)	(30,400)
Net Interest Income (Loss) After Provision for Credit Losses	137,076	95,934	41,473	274,483
Noninterest Income	66,298	14,433	6,670	87,401
Noninterest Expense	(151,049)	(31,419)	(12,924)	(195,392)
Income (Loss) Before Income Taxes	52,325	78,948	35,219	166,492
Provision for Income Taxes	(12,839)	(19,261)	(6,910)	(39,010)
<b>Net Income (Loss)</b>	<b>\$ 39,486</b>	<b>\$ 59,687</b>	<b>\$ 28,309</b>	<b>\$ 127,482</b>
<b>Total Assets as of June 30, 2021</b>	<b>\$ 7,479,986</b>	<b>\$ 5,127,431</b>	<b>\$ 10,064,766</b>	<b>\$ 22,672,183</b>

# Bank of Hawaii Corporation and Subsidiaries

## Selected Quarterly Financial Data

Table 14

	Three Months Ended				
	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
(dollars in thousands, except per share amounts)					
<b>Quarterly Operating Results</b>					
Interest Income					
Interest and Fees on Loans and Leases	\$ 101,663	\$ 94,439	\$ 97,853	\$ 100,570	\$ 100,894
Income on Investment Securities					
Available-for-Sale	17,984	17,100	15,850	16,396	16,467
Held-to-Maturity	18,838	18,701	18,325	16,754	13,576
Deposits	5	4	1	2	-
Funds Sold	719	127	104	382	260
Other	353	202	176	159	182
<b>Total Interest Income</b>	<b>139,562</b>	<b>130,573</b>	<b>132,309</b>	<b>134,263</b>	<b>131,379</b>
Interest Expense					
Deposits	3,535	2,353	2,898	3,837	4,152
Securities Sold Under Agreements to Repurchase	2,794	2,772	2,834	3,423	3,470
Funds Purchased	57	2	6	-	-
Short-Term Borrowings	92	-	-	-	-
Other Debt	182	183	183	184	243
<b>Total Interest Expense</b>	<b>6,660</b>	<b>5,310</b>	<b>5,921</b>	<b>7,444</b>	<b>7,865</b>
<b>Net Interest Income</b>	<b>132,902</b>	<b>125,263</b>	<b>126,388</b>	<b>126,819</b>	<b>123,514</b>
Provision for Credit Losses	(2,500)	(5,500)	(9,700)	(10,400)	(16,100)
<b>Net Interest Income After Provision for Credit Losses</b>	<b>135,402</b>	<b>130,763</b>	<b>136,088</b>	<b>137,219</b>	<b>139,614</b>
Noninterest Income					
Trust and Asset Management	11,457	11,276	11,693	11,415	11,682
Mortgage Banking	1,247	2,740	2,908	3,136	3,058
Service Charges on Deposit Accounts	7,309	7,272	6,861	6,510	6,065
Fees, Exchange, and Other Service Charges	14,193	12,952	14,439	13,604	13,807
Investment Securities Gains (Losses), Net	(1,295)	(1,545)	(1,258)	(1,259)	2,423
Annuity and Insurance	870	791	876	735	911
Bank-Owned Life Insurance	2,658	2,349	1,907	1,897	2,063
Other	5,719	7,716	5,148	5,340	4,422
<b>Total Noninterest Income</b>	<b>42,158</b>	<b>43,551</b>	<b>42,574</b>	<b>41,378</b>	<b>44,431</b>
Noninterest Expense					
Salaries and Benefits	57,769	59,924	59,434	56,447	56,161
Net Occupancy	9,930	9,826	9,028	3,079	5,047
Net Equipment	9,543	9,153	9,105	8,924	8,796
Data Processing	4,607	4,560	4,696	4,722	4,557
Professional Fees	3,542	3,258	3,427	2,948	3,114
FDIC Insurance	1,590	1,502	1,619	1,594	1,669
Other	15,958	15,651	14,369	18,805	17,183
<b>Total Noninterest Expense</b>	<b>102,939</b>	<b>103,874</b>	<b>101,678</b>	<b>96,519</b>	<b>96,527</b>
Income Before Provision for Income Taxes	74,621	70,440	76,984	82,078	87,518
Provision for Income Taxes	17,759	15,606	13,147	20,025	19,985
<b>Net Income</b>	<b>\$ 56,862</b>	<b>\$ 54,834</b>	<b>\$ 63,837</b>	<b>\$ 62,053</b>	<b>\$ 67,533</b>
Preferred Stock Dividends	1,969	1,969	1,969	1,006	-
<b>Net Income Available to Common Shareholders</b>	<b>\$ 54,893</b>	<b>\$ 52,865</b>	<b>\$ 61,868</b>	<b>\$ 61,047</b>	<b>\$ 67,533</b>
Basic Earnings Per Common Share					
Basic Earnings Per Common Share	\$ 1.38	\$ 1.33	\$ 1.56	\$ 1.53	\$ 1.69
Diluted Earnings Per Common Share					
Diluted Earnings Per Common Share	\$ 1.38	\$ 1.32	\$ 1.55	\$ 1.52	\$ 1.68
<b>Balance Sheet Totals</b>					
Loans and Leases	\$ 12,951,573	\$ 12,544,492	\$ 12,259,076	\$ 12,072,750	\$ 12,041,378
Total Assets	23,232,699	23,000,317	22,784,941	22,965,383	22,672,183
Total Deposits	21,025,681	20,716,287	20,360,108	20,493,678	20,169,709
Total Shareholders' Equity	1,348,746	1,448,885	1,611,611	1,597,109	1,583,531
<b>Performance Ratios</b>					
Return on Average Assets	1.00 %	0.97 %	1.12 %	1.07 %	1.23 %
Return on Average Shareholders' Equity	16.40	14.18	15.92	15.41	19.17
Return on Average Common Equity	18.19	15.44	17.40	17.08	19.61
Efficiency Ratio <sup>1</sup>	58.80	61.53	60.18	57.38	57.47
Net Interest Margin <sup>2</sup>	2.47	2.34	2.34	2.32	2.37

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

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



Bank of Hawaii Corporation  
**second quarter 2022**  
**financial report**

July 25, 2022



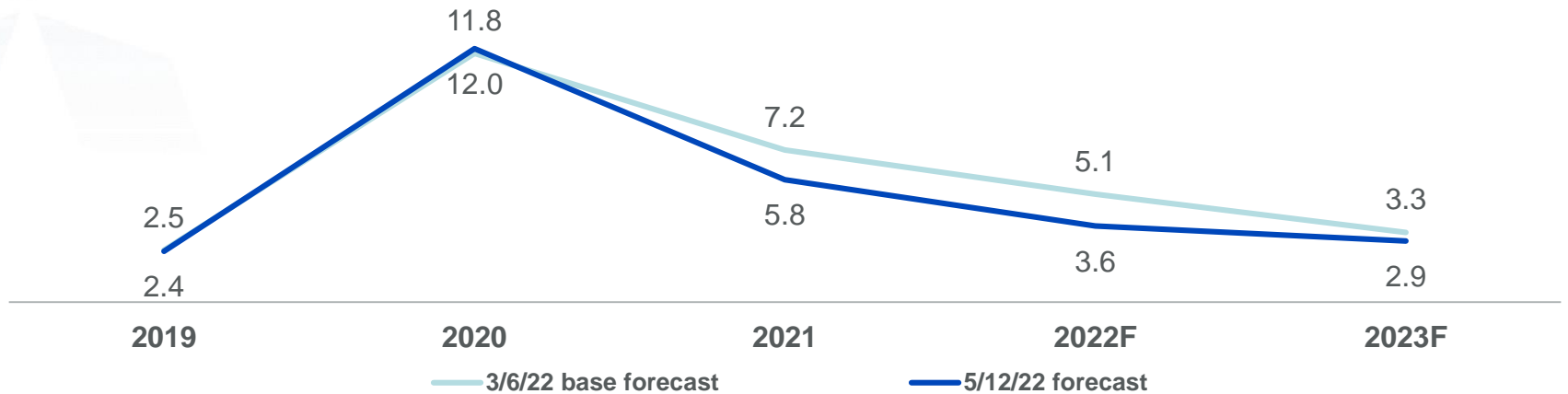
## forward-looking statements

*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



# strong real estate market

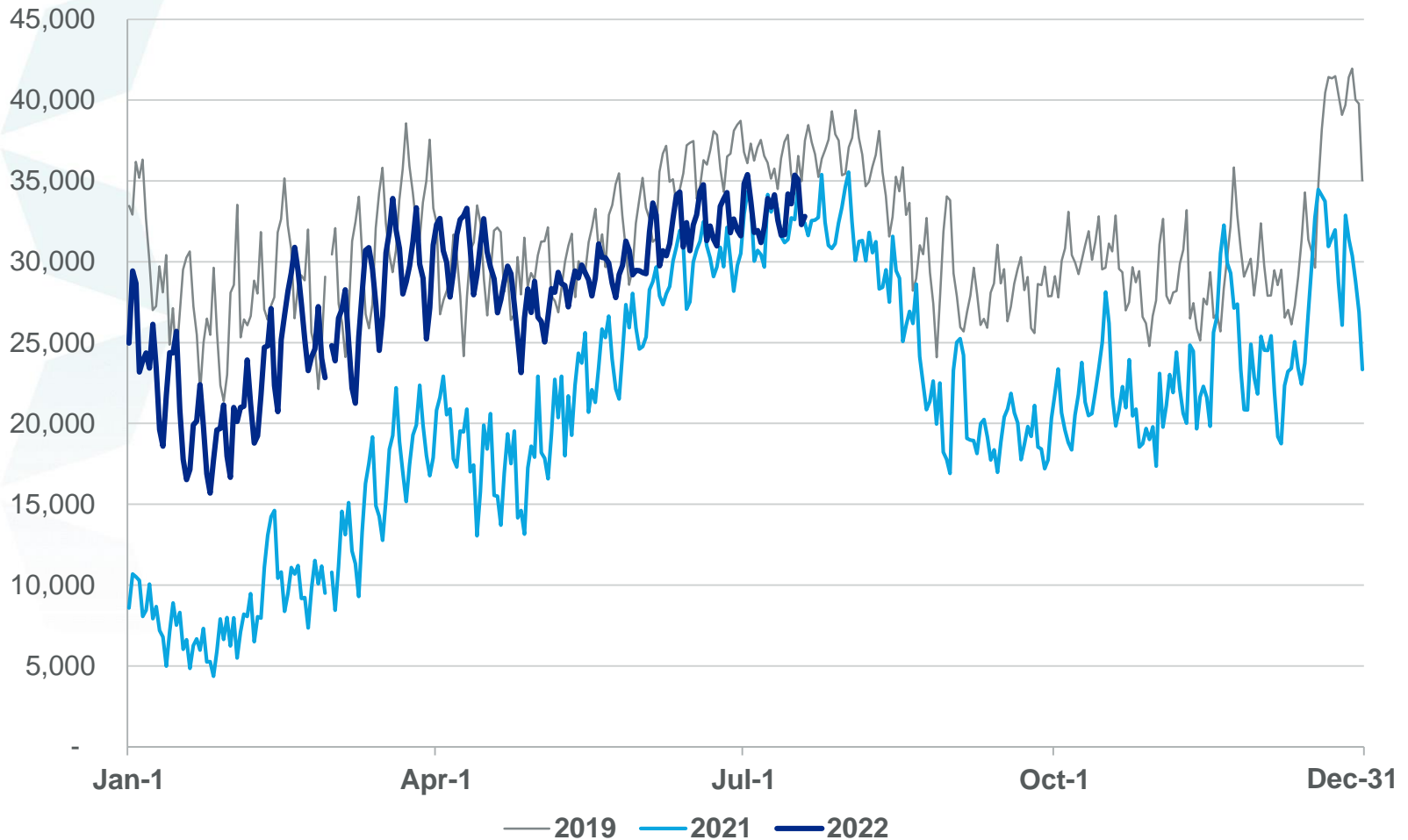
Oahu market indicators – 2022 vs 2021

## continued strength in Oahu real estate

	single family homes				condominiums			
	<u>2022 YTD</u>		<u>Jun 2022</u>		<u>2022 YTD</u>		<u>Jun 2022</u>	
closed sales	1,954	 -8.8%	357	 -20.8%	3,696	 7.5%	626	 -14.2%
median sales price (000s)	\$1,111	 17.0%	\$1,100	 12.4%	\$515	 13.2%	\$534	 16.1%
median days on market	10	 1 Day	10	 2 Days	11	 -2 Days	11	 0 Days

# daily arrivals

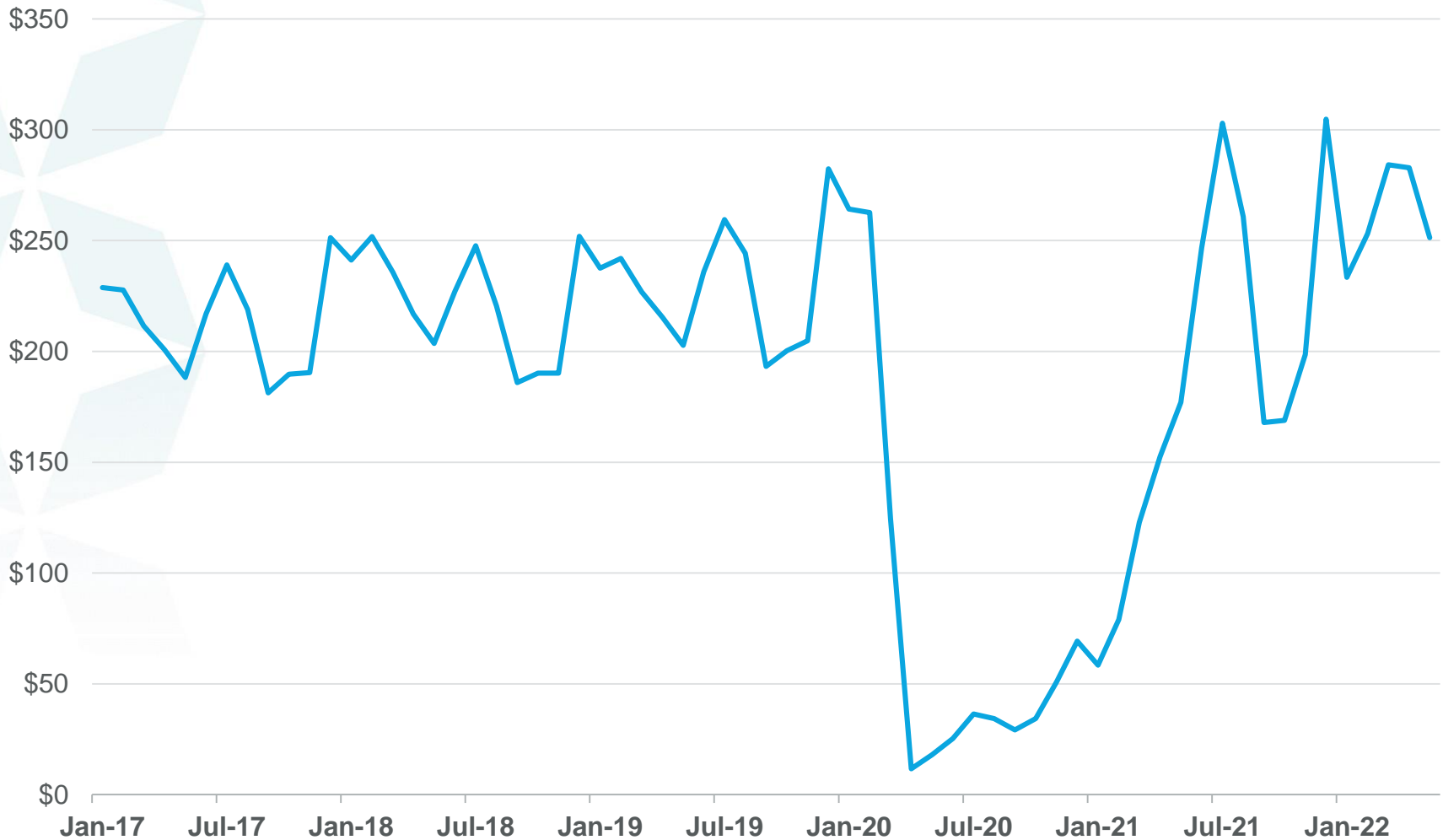
*total passenger count\**



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

# revenue per available room

revenue per available room (RevPAR)\*



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

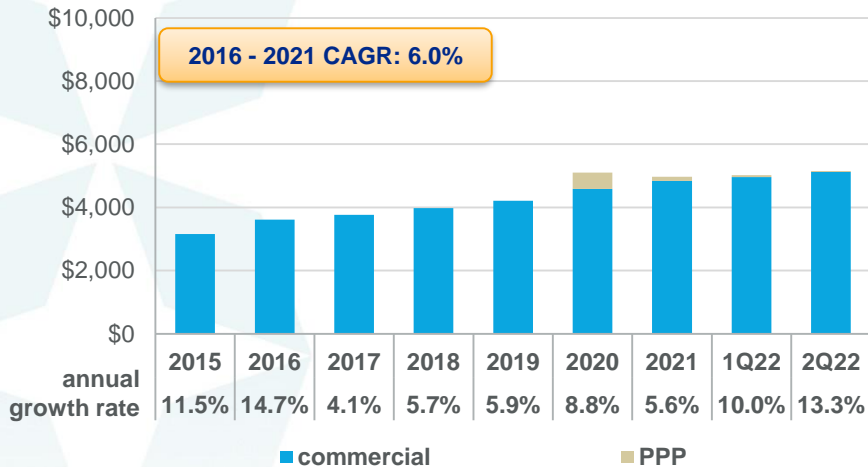


# 2Q financial update

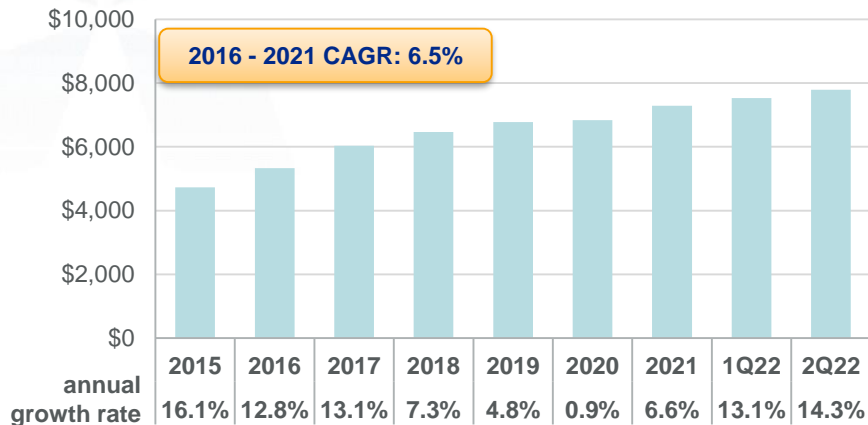
# balanced core loan growth

\$ in millions

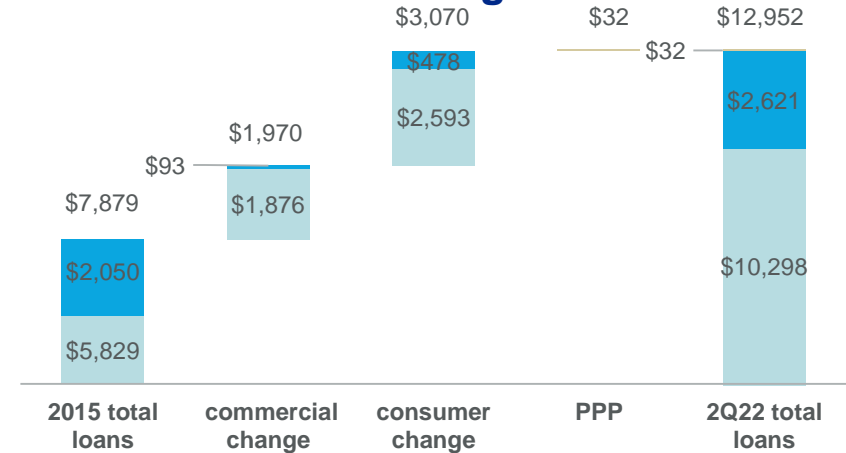
## commercial loans



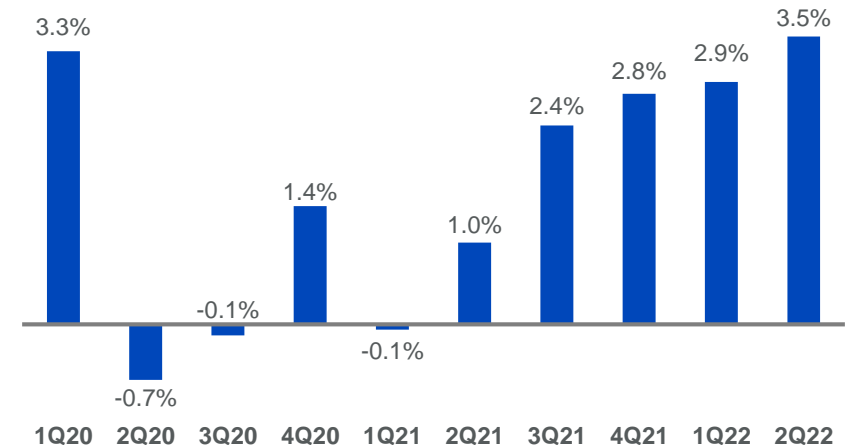
## consumer loans



## cumulative growth



## q-o-q core loan growth (%)

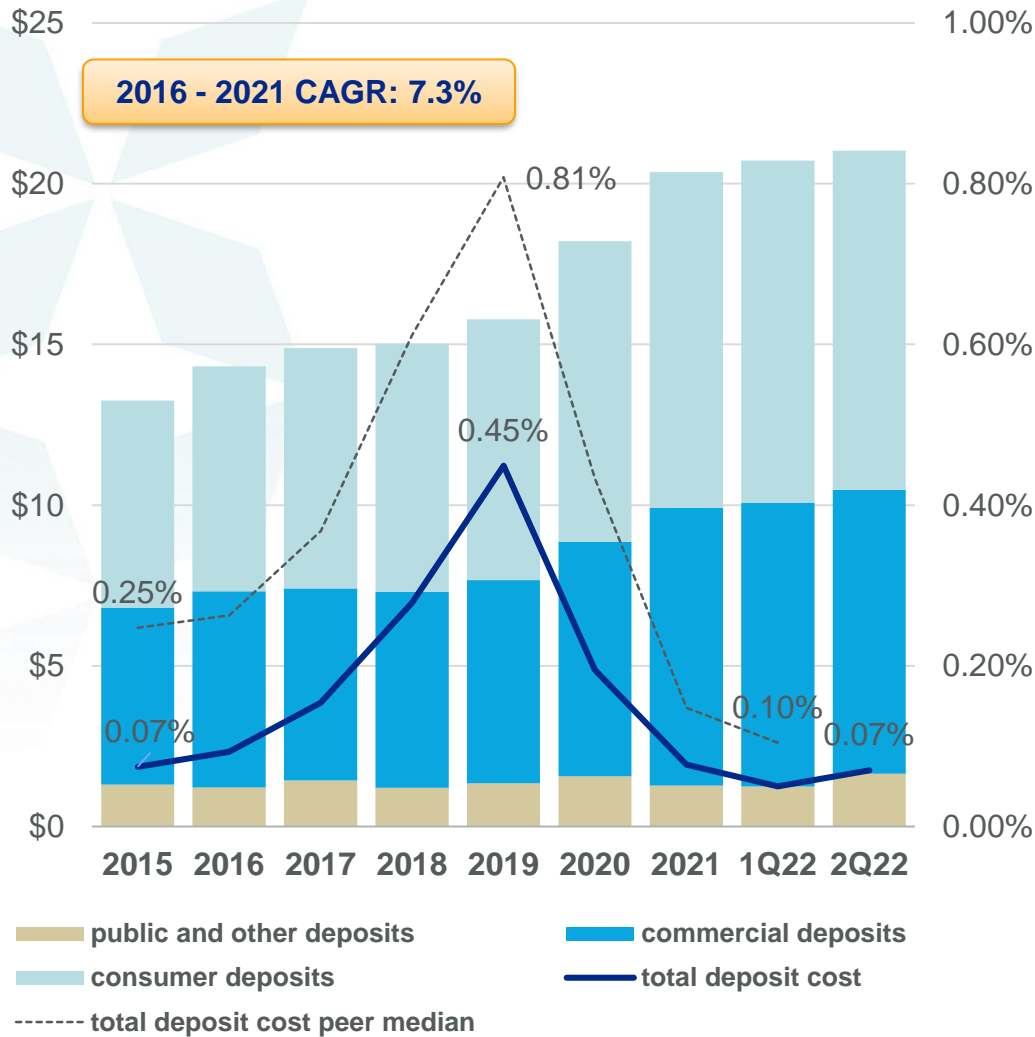


note: numbers may not add up due to rounding, CAGR and annual growth rate exclude PPP

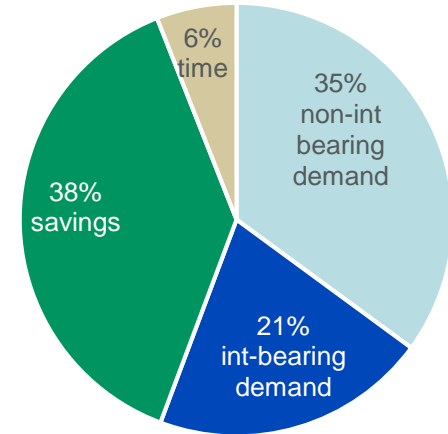
# low cost, long duration deposits Bank of Hawaii

Corporation

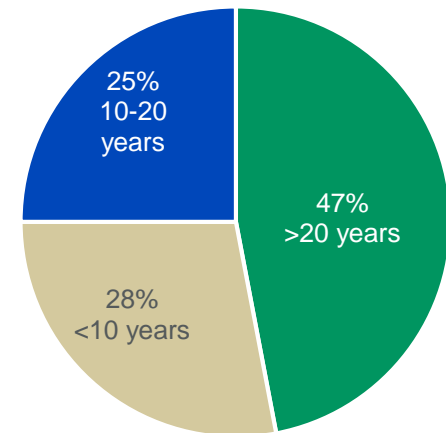
\$ in billions



## by product



## by tenure

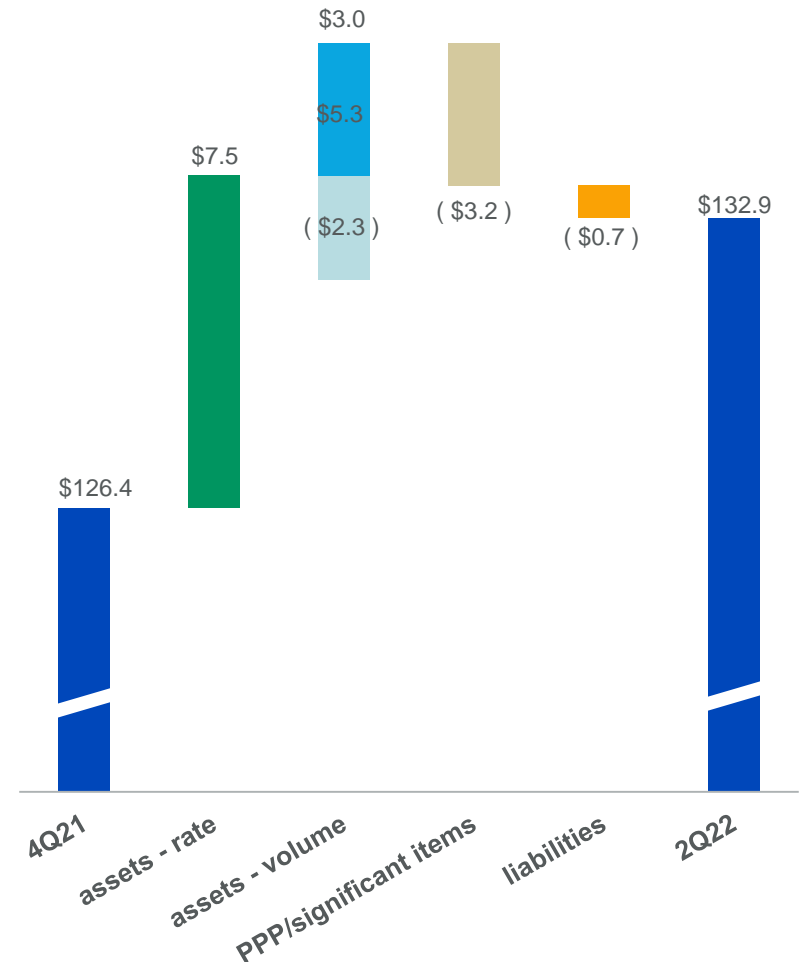
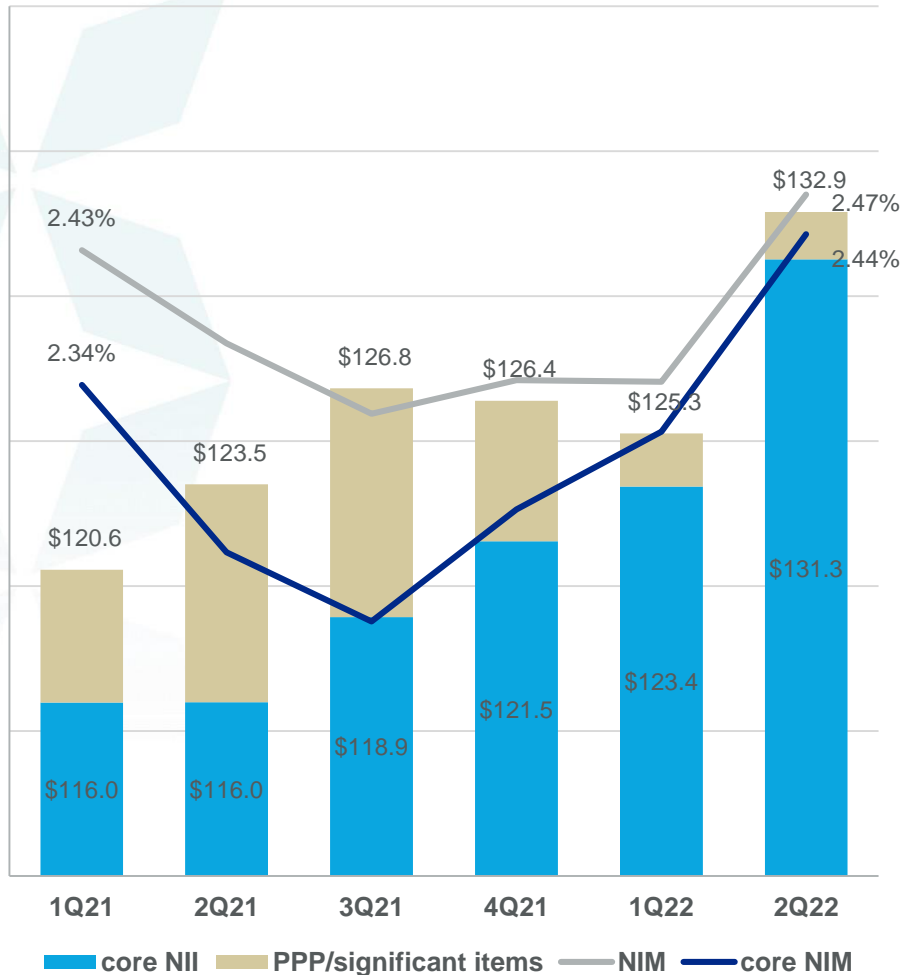


source: S&P Capital IQ, S&P Regional Banking Index excluding banks greater than \$50bn as of 1/4/22



# sustainable NII growth

\$ in millions



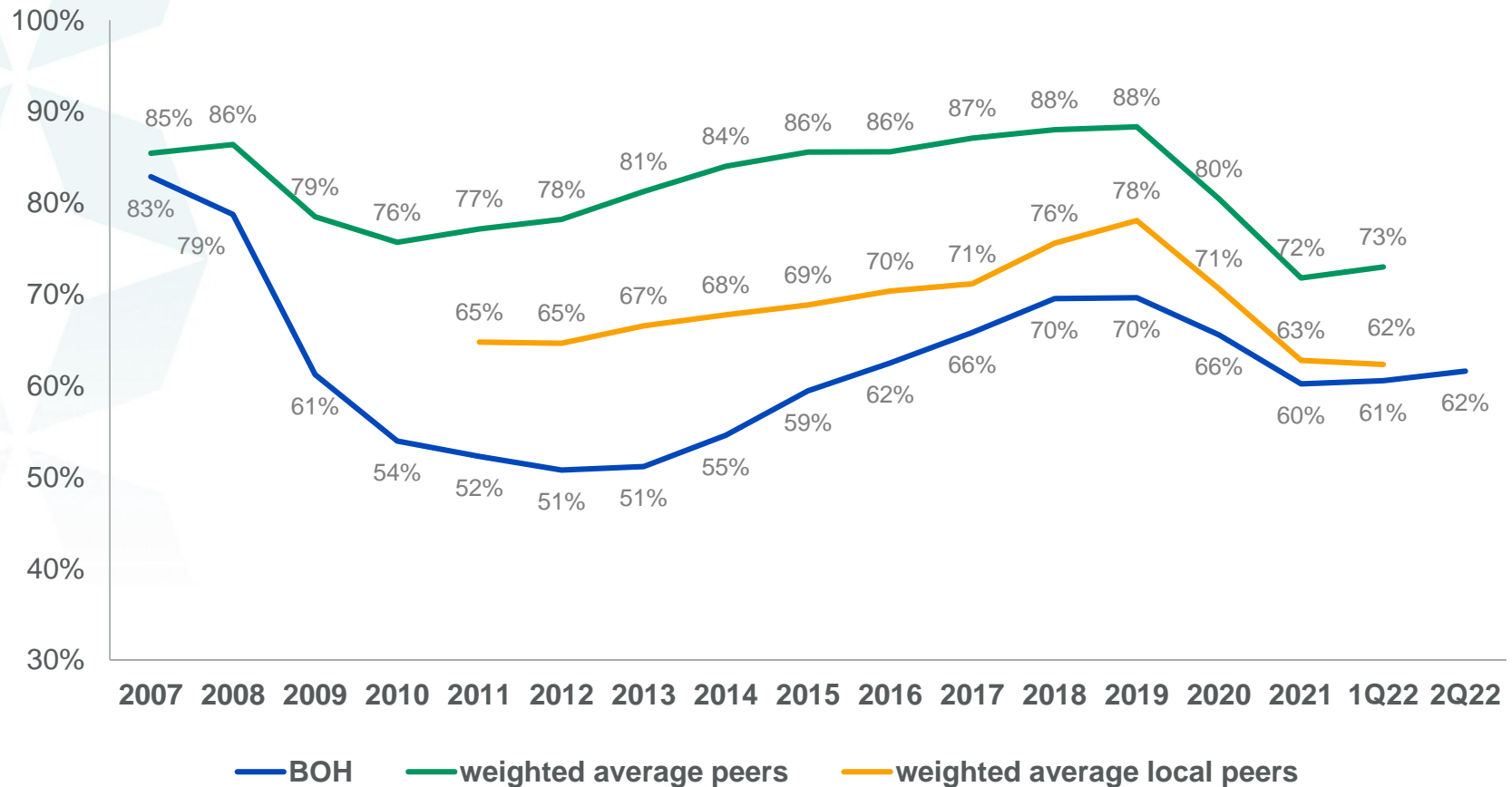
note: core NII excludes PPP and significant items; numbers may not add up due to rounding

■ investment portfolio ■ loan

# ample liquidity

loan to deposit ratio compared with peers

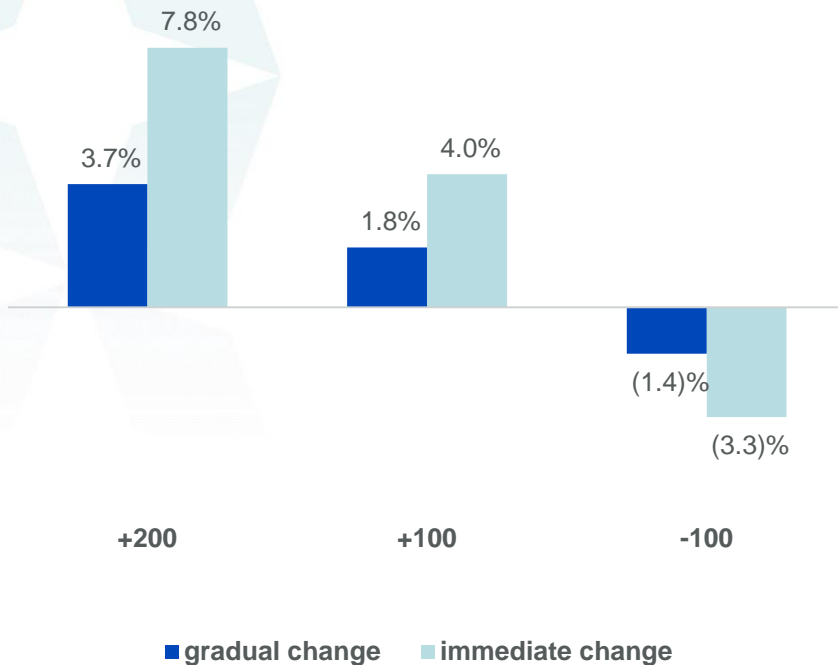
## strong liquidity to fund continued growth



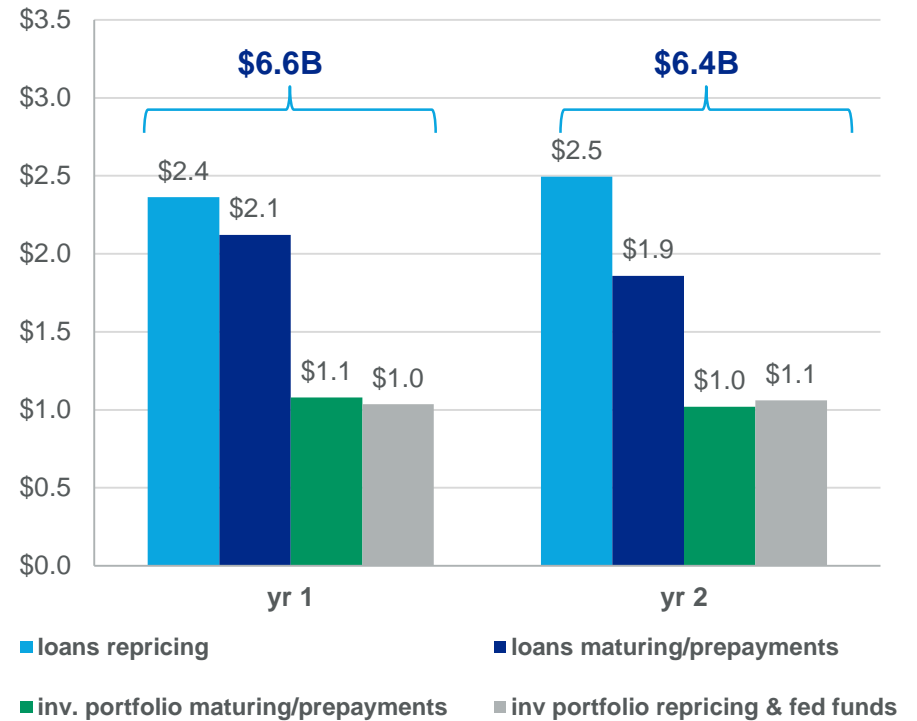
note: S&P Regional Banking Index excluding banks greater than \$50bn as of 1/4/22, weighted average peers by total assets as of 1Q22  
 local peer bank average contains BOH, FHB, CPB, ASB, and TBNK; data unavailable for ASB prior to 2008 and FHB prior to 2011

# asset sensitive

## estimated impact on future annual NII



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



note: numbers may not add up due to rounding

# financial summary

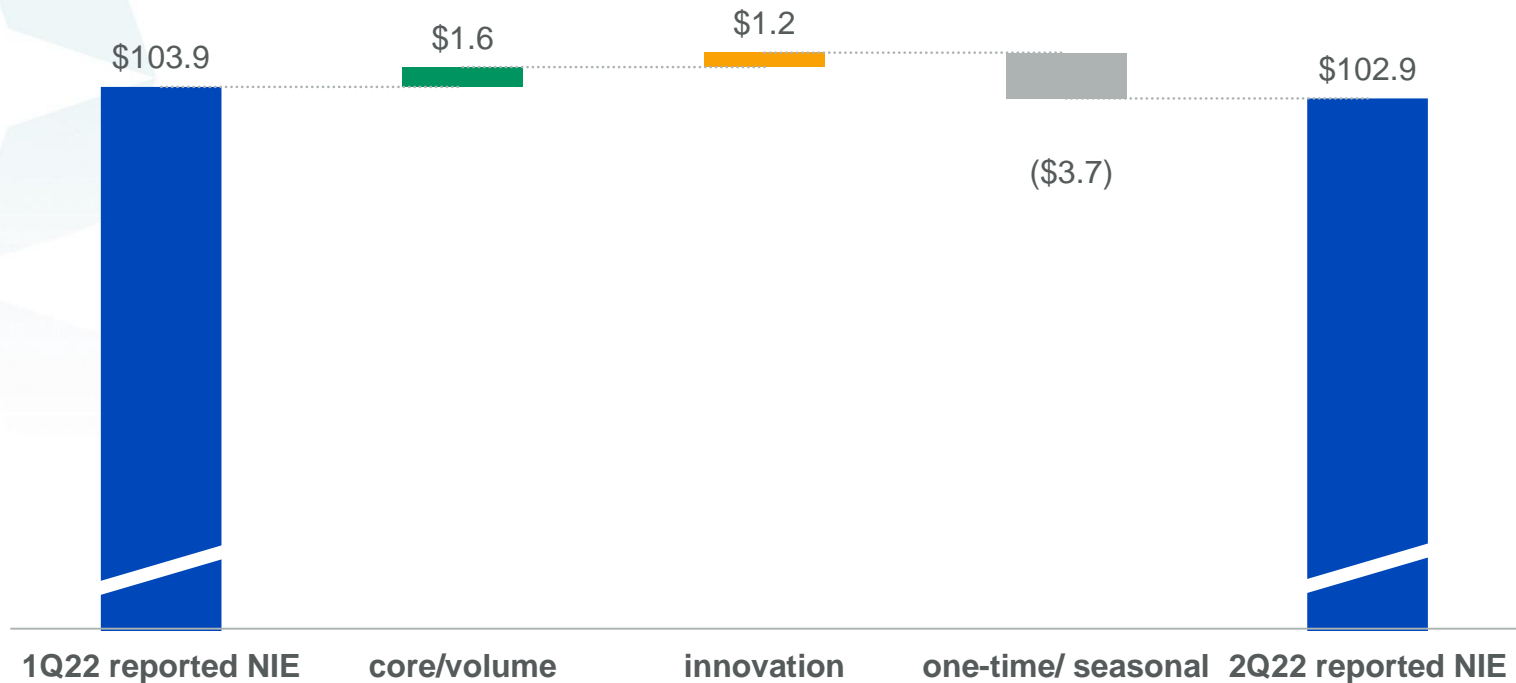
*\$ in millions, except per share amounts*

	<u>2Q 2022</u>	<u>1Q 2022</u>	<u>2Q 2021</u>	<u>Δ 1Q 2022</u>	<u>Δ 2Q 2021</u>
net interest income	\$ 132.9	\$ 125.3	\$ 123.5	\$ 7.6	\$ 9.4
noninterest income	42.2	43.6	44.4	(1.4)	(2.3)
<b>total revenue</b>	<b>175.1</b>	<b>168.8</b>	<b>167.9</b>	<b>6.2</b>	<b>7.1</b>
noninterest expense	102.9	103.9	96.5	(0.9)	6.4
<b>operating income</b>	<b>72.1</b>	<b>64.9</b>	<b>71.4</b>	<b>7.2</b>	<b>0.7</b>
credit provision	(2.5)	(5.5)	(16.1)	3.0	13.6
income taxes	17.8	15.6	20.0	2.2	(2.2)
<b>net income</b>	<b>\$ 56.9</b>	<b>\$ 54.8</b>	<b>\$ 67.5</b>	<b>\$ 2.0</b>	<b>\$ (10.7)</b>
<b>net income available to common</b>	<b>\$ 54.9</b>	<b>\$ 52.9</b>	<b>\$ 67.5</b>	<b>\$ 2.0</b>	<b>\$ (12.6)</b>
<b>diluted EPS</b>	<b>\$ 1.38</b>	<b>\$ 1.32</b>	<b>\$ 1.68</b>	<b>\$ 0.06</b>	<b>\$ (0.30)</b>
<b><u>end of period balances</u></b>					
investment portfolio	\$ 8,277	\$ 8,748	\$ 8,471	(5.4) %	(2.3) %
loans and leases	12,952	12,544	12,041	3.2	7.6
loans and leases excl. PPP	12,920	12,487	11,528	3.5	12.1
total deposits	21,026	20,716	20,170	1.5	4.2
shareholders' equity	1,349	1,449	1,584	(6.9)	(14.8)

# disciplined expenses

\$ in millions

modest increase in core expenses and steady investment in innovation

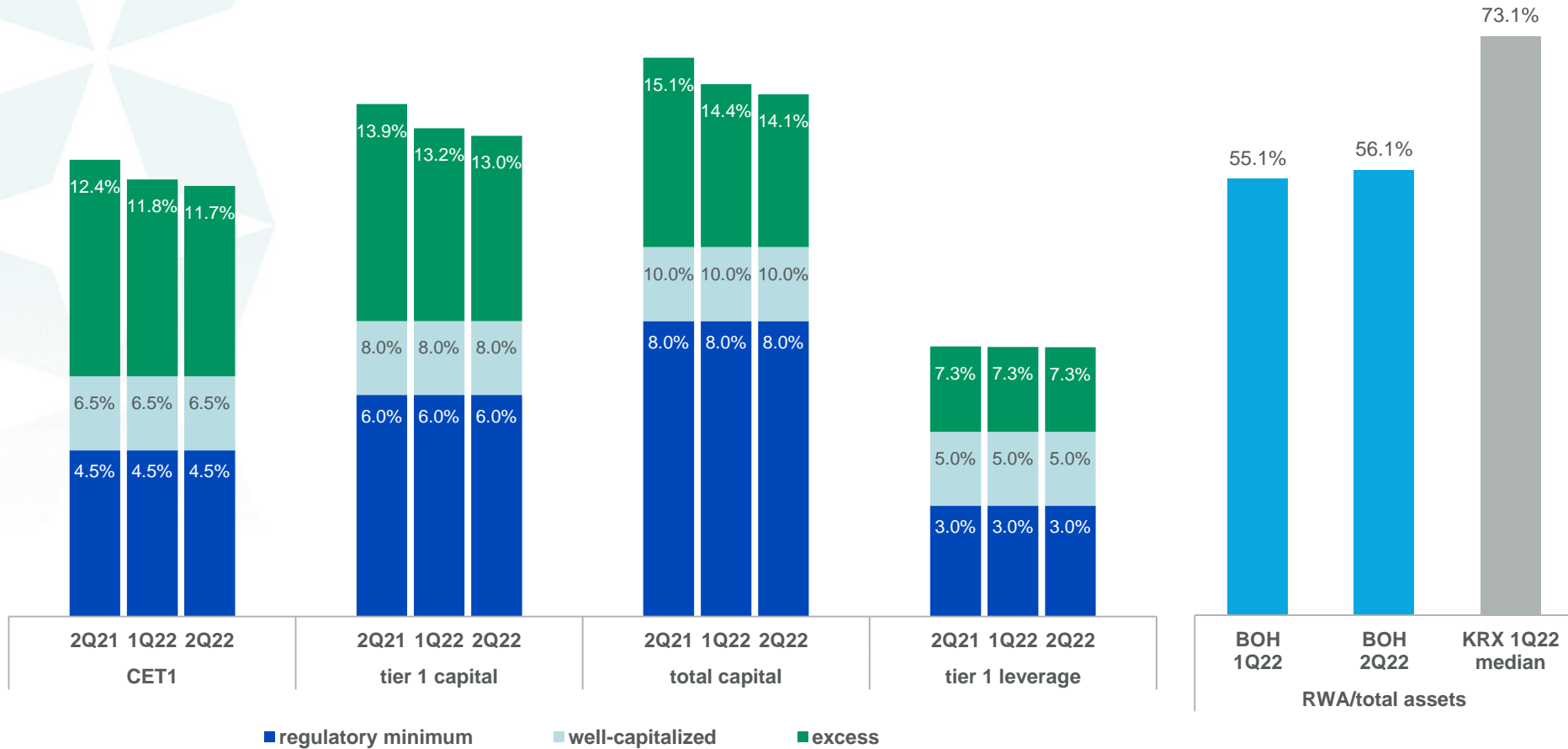


# performance metrics

	<u>2Q 2022</u>	<u>1Q 2022</u>	<u>2Q 2021</u>	<u>Δ 1Q 2022</u>	<u>Δ 2Q 2021</u>
<b>return on assets</b>	1.00 %	0.97 %	1.23 %	0.03 %	(0.23)%
<b>return on common equity</b>	18.19	15.44	19.61	2.75	(1.42)
<b>net interest margin</b>	2.47	2.34	2.37	0.13	0.10
<b>efficiency ratio</b>	58.80	61.53	57.47	(2.73)	1.33
<b>CET1 capital ratio</b>	11.66 %	11.83 %	12.36 %	(0.17)%	(0.70)%
<b>tier 1 capital ratio</b>	13.01	13.22	13.87	(0.21)	(0.86)
<b>tier 1 leverage ratio</b>	7.29	7.30	7.31	(0.01)	(0.02)

# fortress capital position

## strong risk-based capital



note: 2Q22 regulatory capital ratios are preliminary; KBW Regional Banking Index (KRX) as of 1/4/22



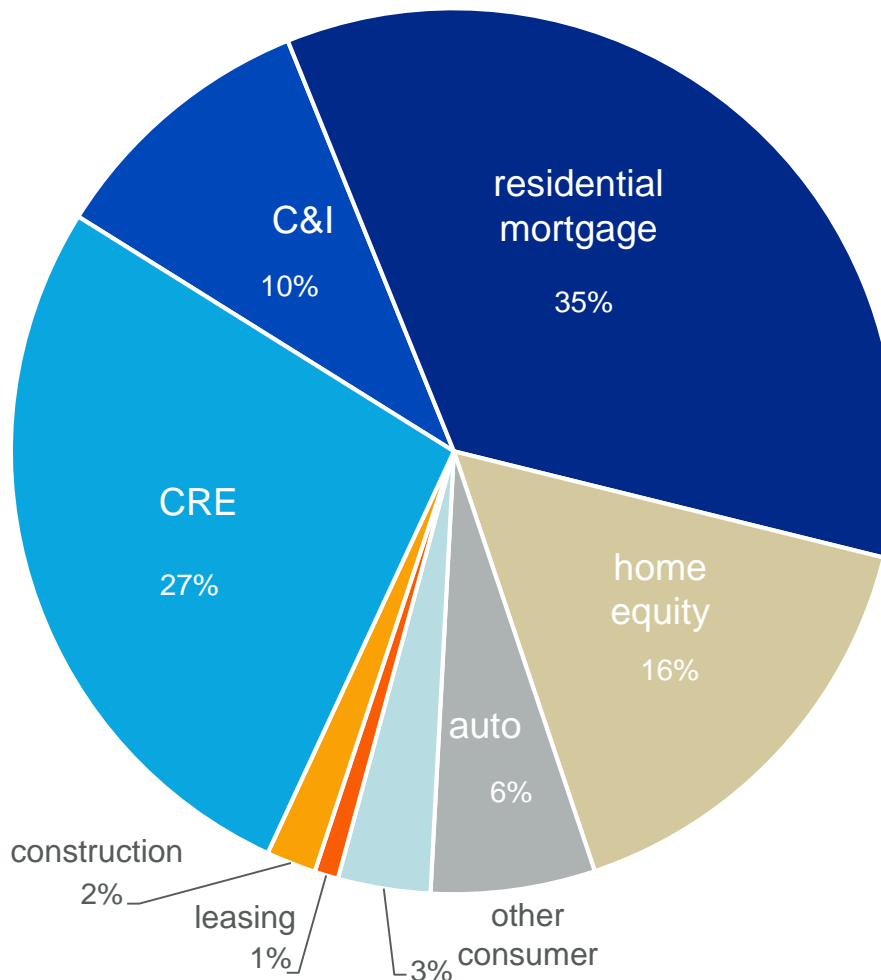
# 2Q credit update



# loan portfolio

excluding PPP

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



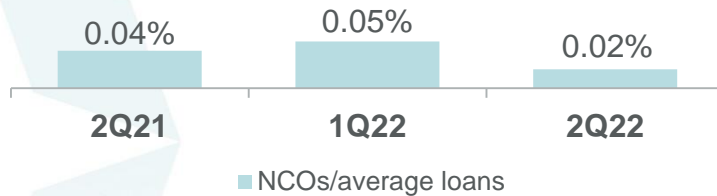
40% commercial  
72% real estate secured  
wtd avg LTV 57%  
57% w/ BOH ≥ 10 yrs  
avg balance \$0.6MM

60% consumer  
85% real estate secured  
wtd avg LTV 55%  
58% w/ BOH ≥ 10 yrs

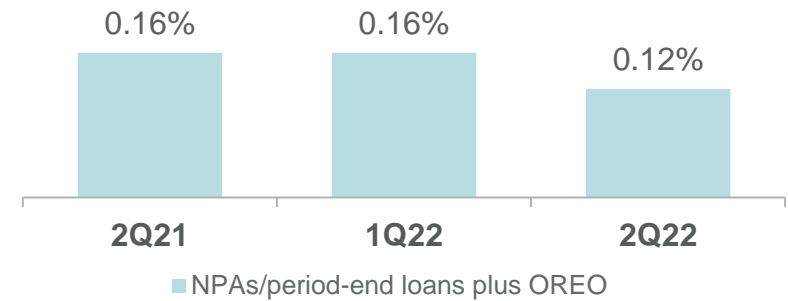
note: excludes \$32MM in PPP loan balances including deferred costs and fees

# credit quality

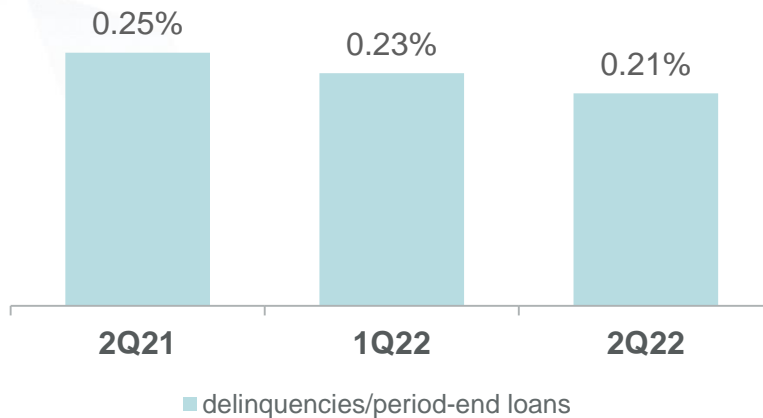
## net charge-offs



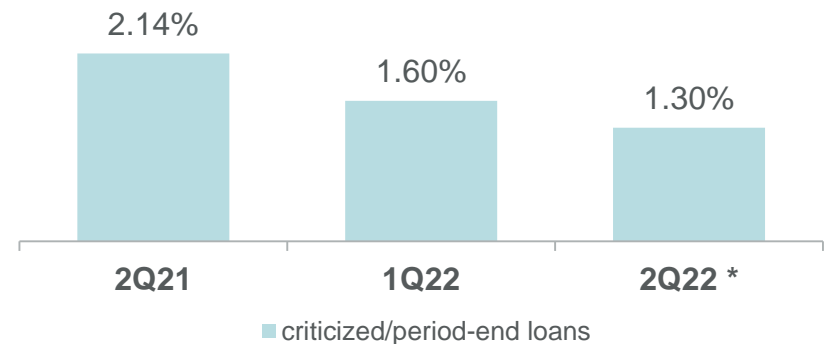
## non-performing assets



## delinquencies



## criticized



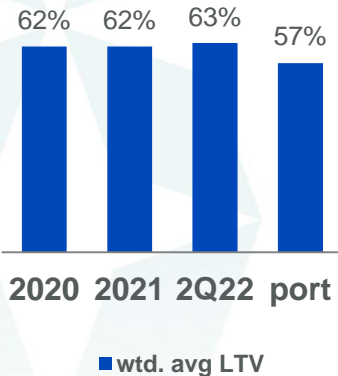
\* 73% of total criticized in CRE with 61% wtd avg LTV

# 2Q22 - production quality

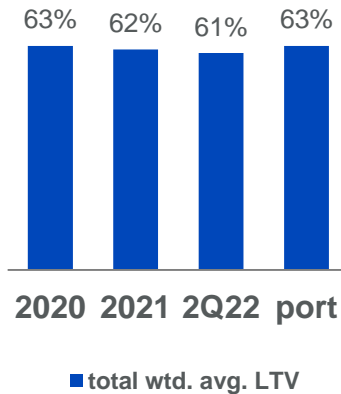
## commercial

## consumer

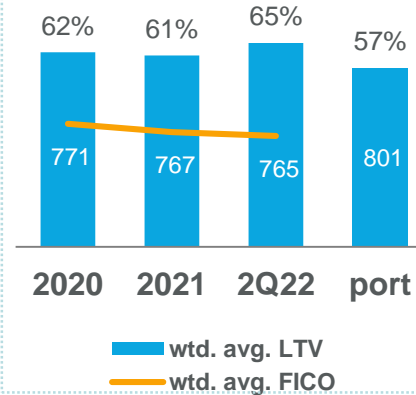
### comm. mortg.



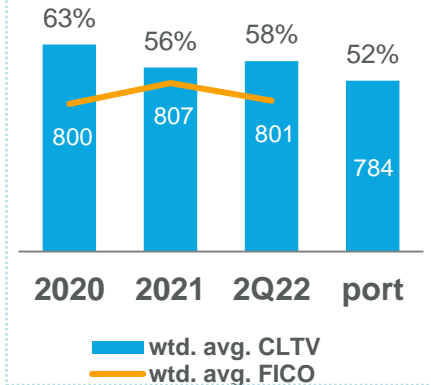
### construction



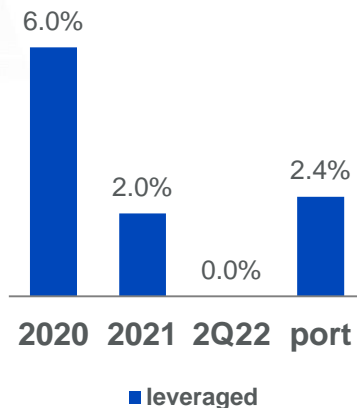
### resi. mortgage



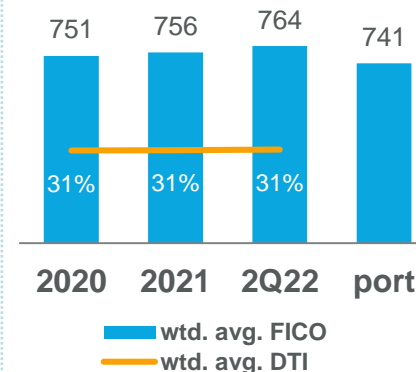
### home equity



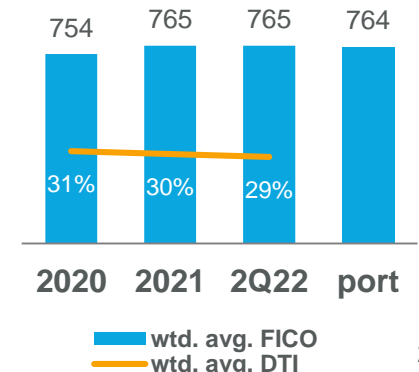
### C&I (excl. PPP)



### indirect



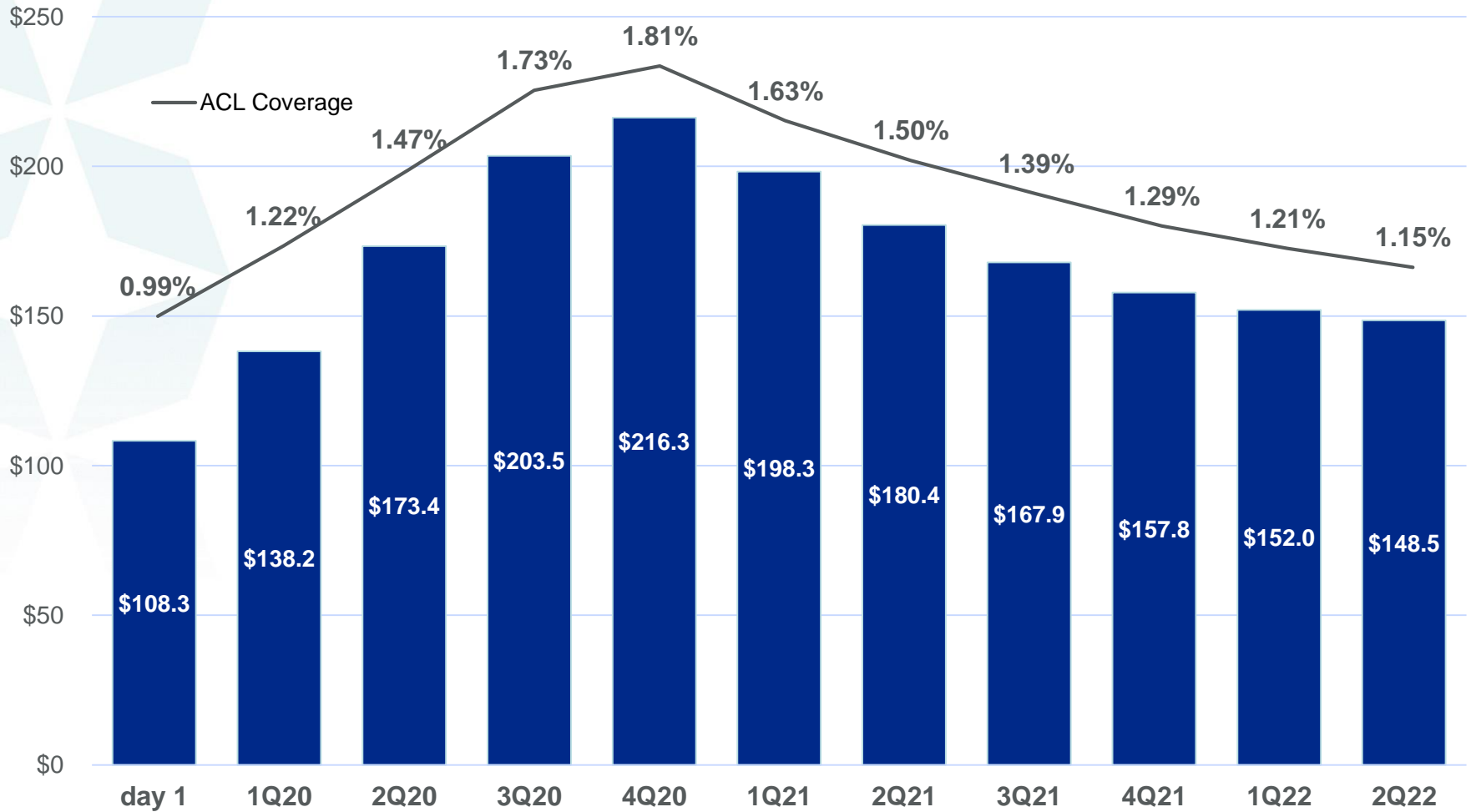
### installment



# reserve trend

\$ in millions

## allowance for credit losses



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



# other highlights

# superior returns

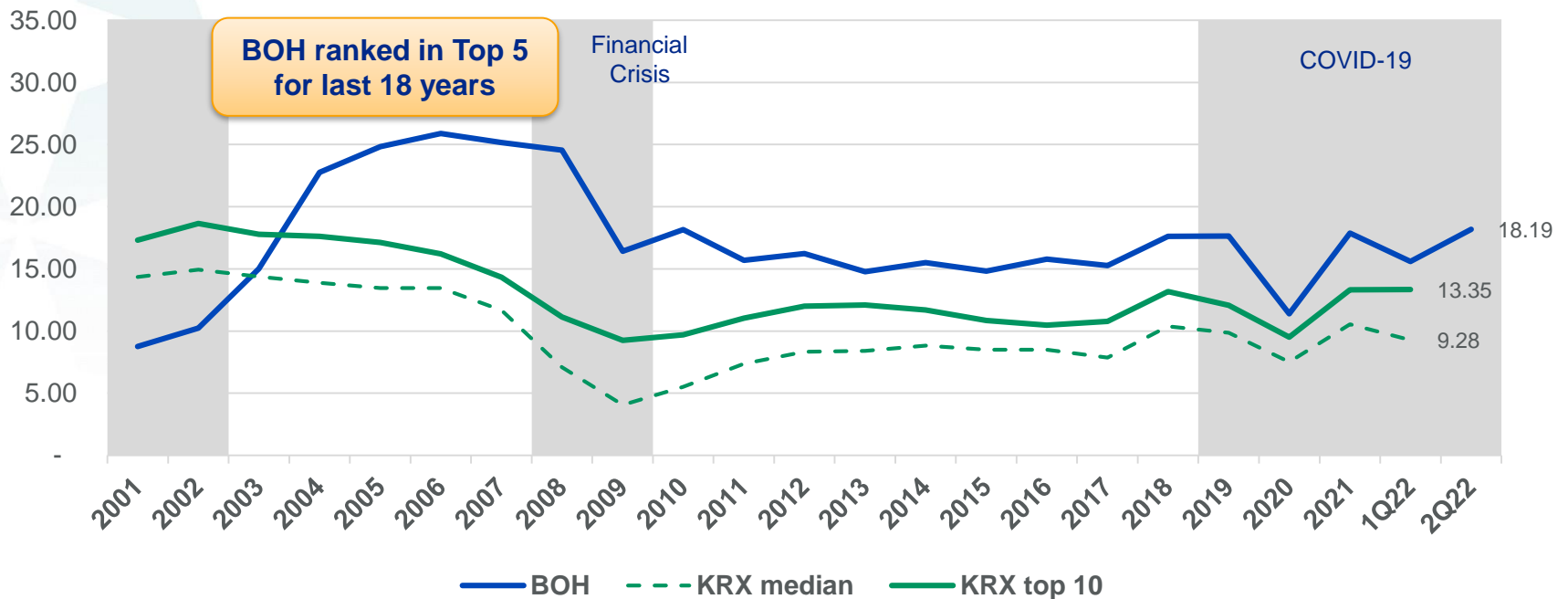
*market leading brand*

*robust and sustainable growth*

*focused execution*

*strong asset quality, liquidity, and capital*

## return on common equity (%)



# Q & A

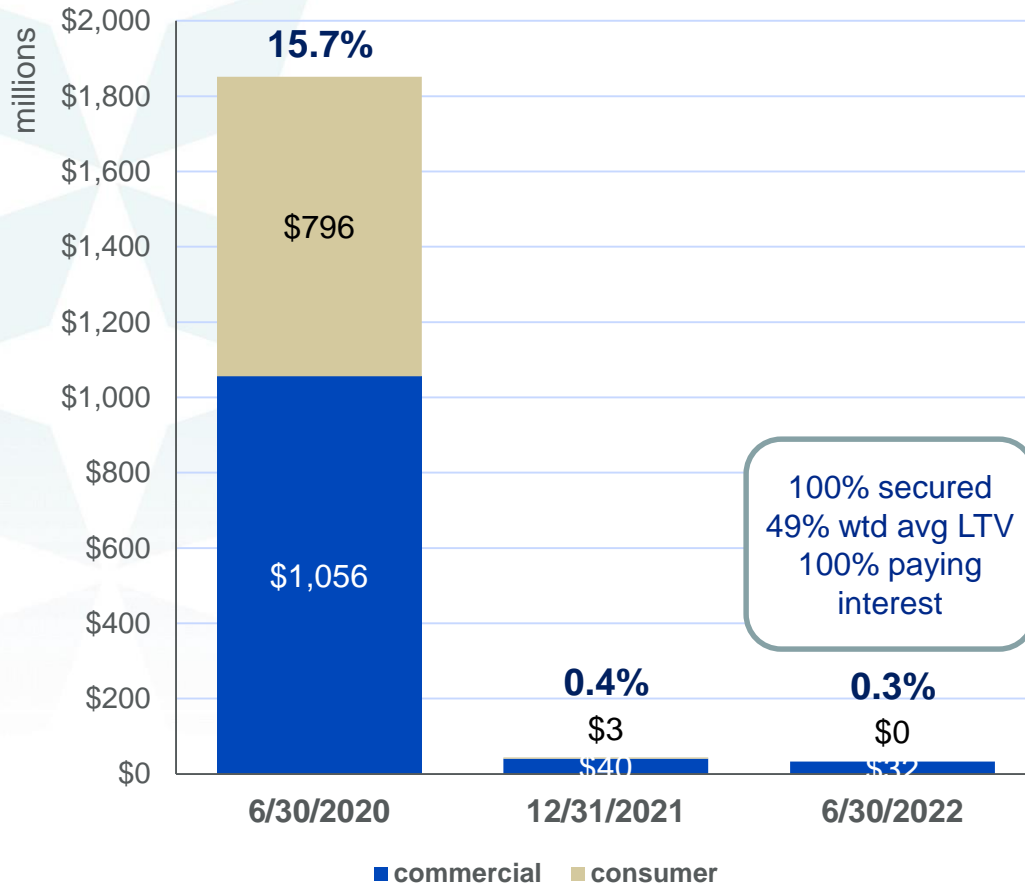


# appendix



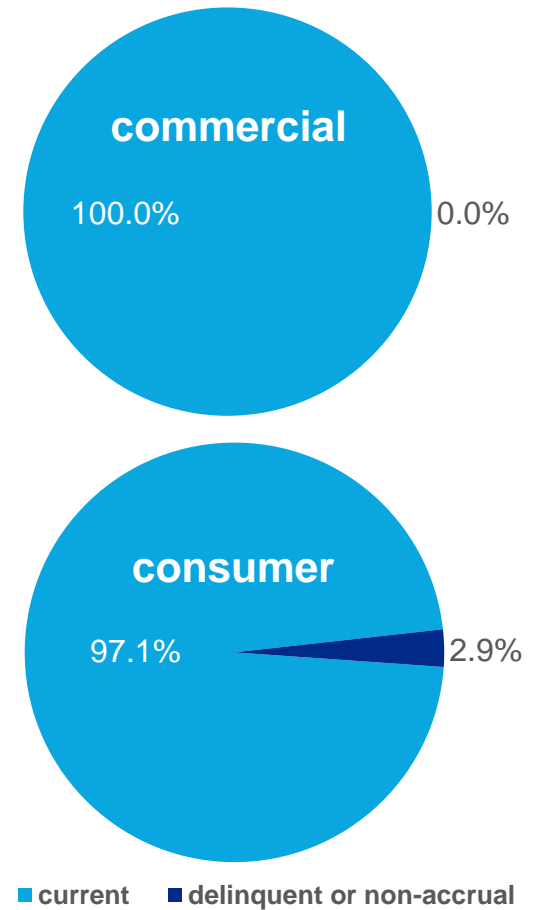
# customer relief update

## outstanding deferrals



98.2% decline in deferrals since June 30, 2020

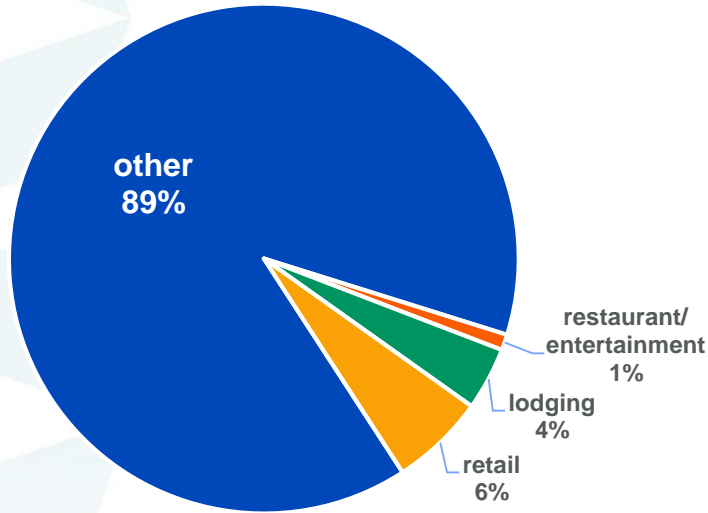
## returned to payment



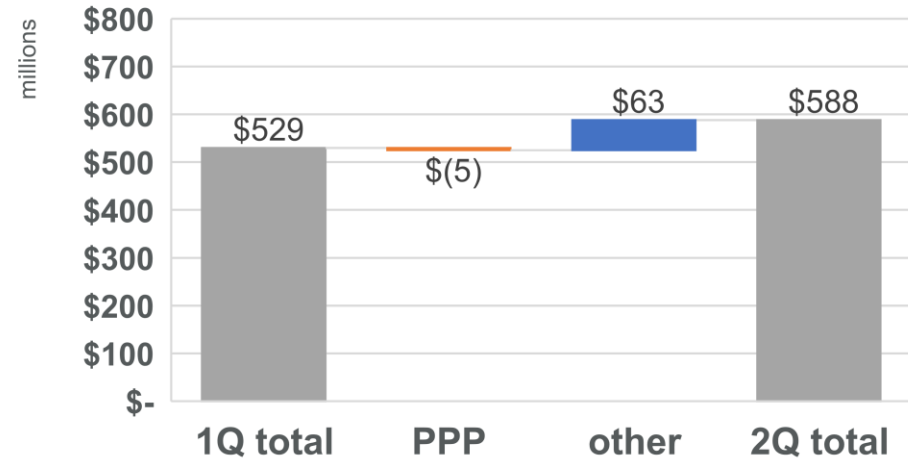
99.0% of former deferrals are current

# high risk industries

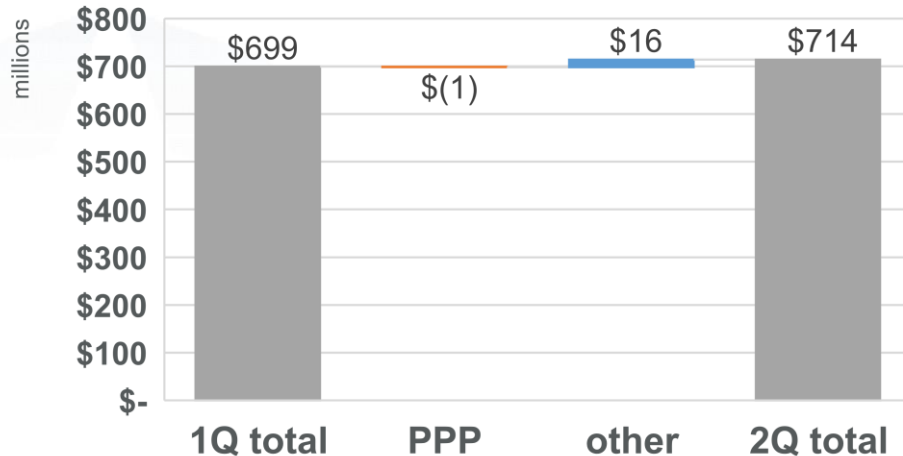
\$1,461 million (11%) / \$1,440 million (11%) excluding PPP



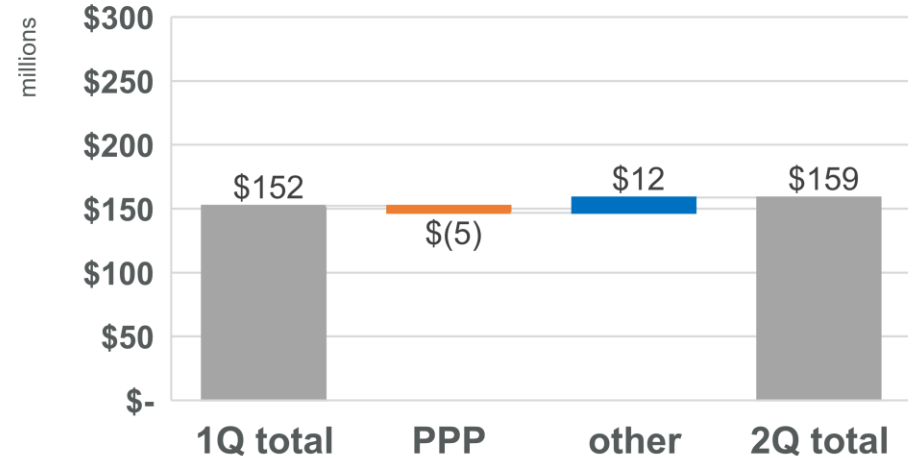
lodging balance increase (2Q v 1Q)



retail balance increase (2Q v 1Q)



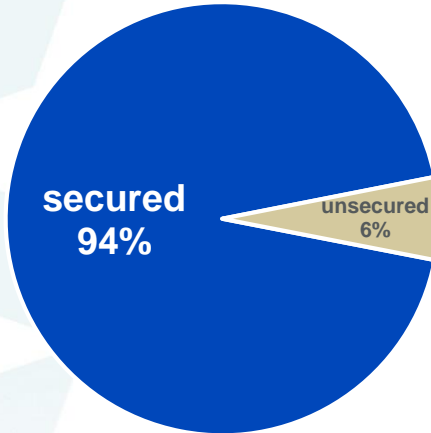
restaurant/entertainment balance increase (2Q v 1Q)



# retail

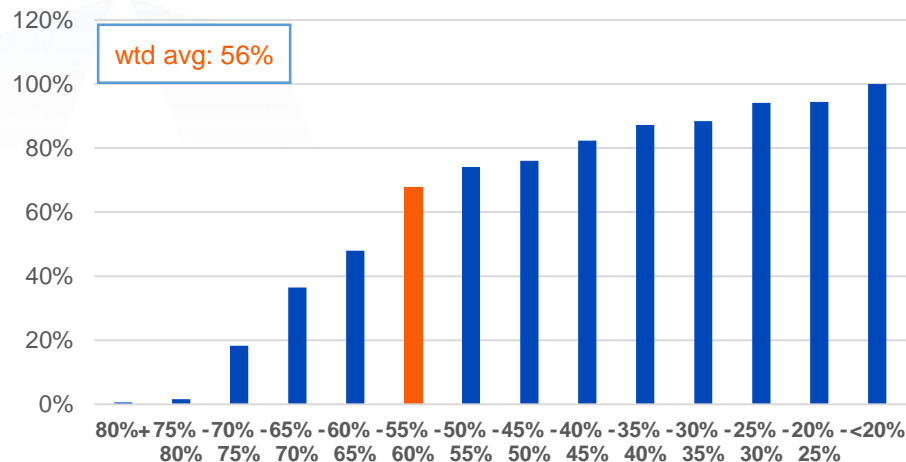
\$714 million (6%) – excluding PPP

## real estate secured



- 94% real estate secured
  - 56% wtd avg LTV
  - average exposure \$3.6MM
  - largest exposure \$38MM
  - 64% of portfolio has an LTV ≤ 65%
- 99% is secured or has essential anchor
- 0% deferred

## secured LTV distribution

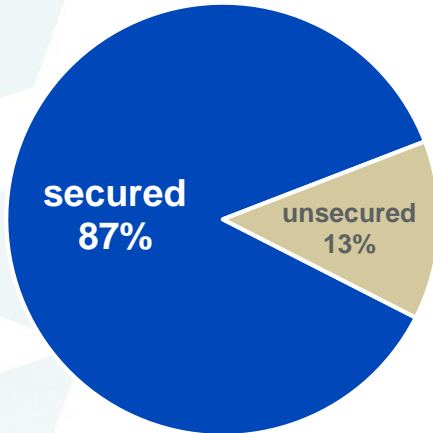


		deferred		
		yes	no	total
secured	yes	0.0%	93.9%	93.9%
	no	0.0%	6.1%	6.1%
	total	0.0%	100.0%	100.0%

# lodging

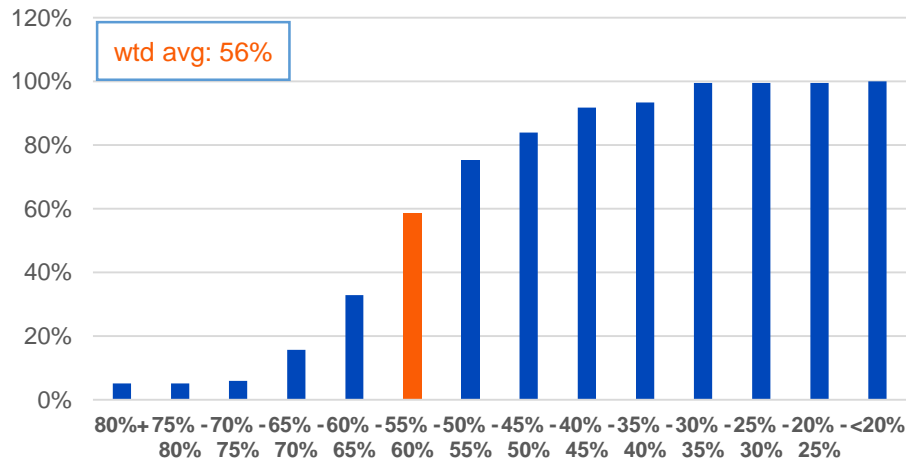
\$577 million (4%) – excluding PPP

## real estate secured



- 87% real estate secured
  - 56% wtd avg LTV
  - average exposure \$11.1MM
  - largest exposure \$57MM
  - 84% of portfolio has an LTV ≤ 65%
- 94% of unsecured outstandings to global hotel and timeshare brands
- 100% of deferred is secured and paying interest

## secured LTV distribution

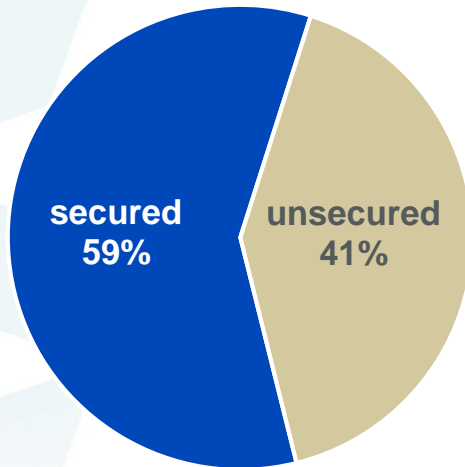


		deferred		
		yes	no	total
secured	yes	5.2%	81.5%	86.6%
	no	0.0%	13.4%	13.4%
	total	5.2%	94.8%	100.0%

# restaurant / entertainment

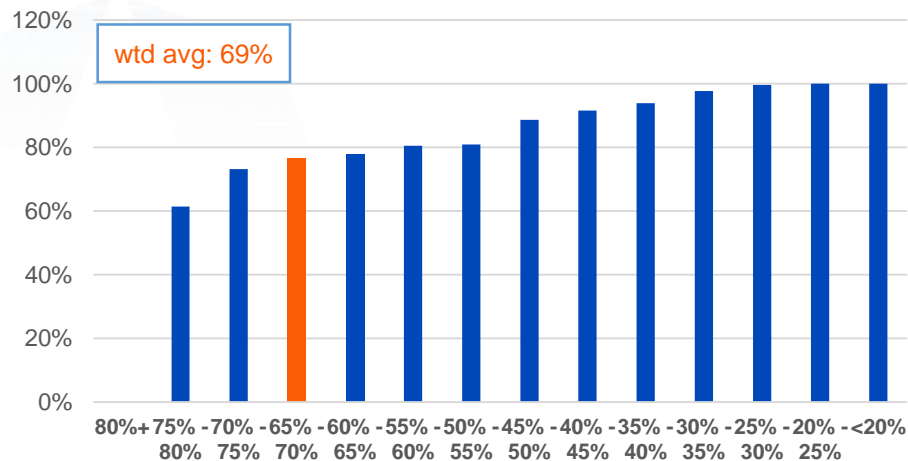
\$149 million (1%) – excluding PPP

real estate secured



- 59% real estate secured
  - 69% wtd avg LTV
  - average exposure \$2.6MM
  - largest exposure \$28MM
  - 24% of portfolio has an LTV ≤ 65%
- 0% deferred

secured LTV distribution



		deferred		
		yes	no	total
secured	yes	0.0%	58.8%	58.8%
	no	0.0%	41.2%	41.2%
	total	0.0%	100.0%	100.0%