UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 1997

or

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ____________ to ____________

Commission File Number 1-6887

PACIFIC CENTURY FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

Hawaii	99-0148992
(State of incorporation)	(IRS Employer Identification No.)

130 Merchant Street, Honolulu, Hawaii	96813
(Address of principal executive offices)	(Zip Code)

(808) 643-3888
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, $2 Par Value; outstanding at April 30, 1997 - 39,335,249 shares

PACIFIC CENTURY FINANCIAL CORPORATION and subsidiaries
March 31, 1997

PART I. - Financial Information

Item 1. Financial Statements

Consolidated Statements of Condition (Unaudited) Pacific Century Financial Corporation and subsidiaries

(in thousands of dollars)	March 31 1997	December 31 1996	March 31 1996

Assets			
Interest-Bearing Deposits	$562,222	$635,519	$656,292
Investment Securities - Held to Maturity			
(Market Value of $1,284,374, $1,261,146 and $815,718 respectively)	1,289,263	1,258,756	817,733
Investment Securities - Available for Sale	2,419,376	2,372,897	2,365,855
Funds Sold	72,499	141,920	64,922
Loans	8,753,384	8,699,286	8,247,669
Unearned Income	(182,472)	(183,586)	(145,924)
Reserve for Possible Loan Losses	(170,059)	(167,795)	(152,053)
Net Loans	8,400,853	8,347,905	7,949,692
Total Earning Assets	12,744,213	12,756,997	11,854,494
Cash and Non-Interest Bearing Deposits	532,009	581,221	430,859
Premises and Equipment	269,506	273,122	252,600
Customers' Acceptance Liability	33,158	21,178	18,719
Accrued Interest Receivable	83,457	88,074	76,471
Other Real Estate	11,274	10,711	9,171
Intangibles, including Goodwill	115,183	96,456	86,180
Trading Securities	2,067	1,687	33
Other Assets	195,927	179,721	176,606
Total Assets	$13,986,794	$14,009,167	$12,905,133
Liabilities			
Domestic Deposits			
Demand - Non-Interest Bearing	$1,473,197	$1,435,091	$1,341,678
- Interest-Bearing	1,765,568	1,724,105	1,655,638
Savings	854,633	866,453	984,709
Time	2,920,405	2,571,569	2,265,413
Foreign Deposits			
Demand - Non-Interest Bearing	331,989	553,274	60,415
Time Due to Banks	821,807	804,818	635,766
Other Savings and Time	946,193	728,769	374,578
Total Deposits	9,113,792	8,684,079	7,318,197
Securities Sold Under Agreements to Repurchase	1,995,206	2,075,571	1,988,960
Funds Purchased	376,688	599,994	605,980
Short-Term Borrowings	368,297	293,257	462,895
Bank's Acceptances Outstanding	33,158	21,178	18,719
Accrued Pension Costs	19,573	17,309	24,052
Accrued Interest Payable	70,229	69,545	60,093
Accrued Taxes Payable	158,340	154,984	165,055
Minority Interest	7,486	9,307	2,580
Other Liabilities	84,271	85,678	69,827
Long-Term Debt	698,350	932,143	1,142,111
Total Liabilities	12,925,390	12,943,045	11,858,469
Shareholders' Equity			
Common Stock ($2 par value), authorized 100,000,000 shares; outstanding, March 1997 - 39,685,182; December 1996 - 39,959,234; March 1996 - 40,805,147;	79,370	79,918	81,610
Surplus	174,180	186,391	222,573
Unrealized Valuation Adjustments	(19,237)	(3,722)	3,541
Retained Earnings	827,091	803,535	738,940
Total Shareholders' Equity	1,061,404	1,066,122	1,046,664
Total Liabilities and Shareholders' Equity	$13,986,794	$14,009,167	$12,905,133

Consolidated Statements of Income (Unaudited)   Pacific Century Financial Corporation and subsidiaries

(in thousands of dollars except per share amounts)	3 Months Ended March 31 1997	3 Months Ended March 31 1996
Interest Income		
Interest on Loans	$166,325	$156,438
Loan Fees	9,370	8,294
Income on Lease Financing	8,376	3,034
Interest and Dividends on Investment Securities		
Taxable	19,789	14,616
Non-taxable	292	311
Income on Investment Securities Available for Sale	39,001	37,569
Interest on Deposits	9,669	9,812
Interest on Security Resale Agreements	63	--

Interest on Funds Sold	888	1,162
Total Interest Income	253,773	231,236
Interest Expense		
Interest on Deposits	76,897	63,002
Interest on Security Repurchase Agreements	26,633	25,343
Interest on Funds Purchased	6,300	7,366
Interest on Short-Term Borrowings	3,903	6,144
Interest on Long-Term Debt	11,401	16,395
Total Interest Expense	125,134	118,250
Net Interest Income	128,639	112,986
Provision for Possible Loan Losses	5,088	4,424
Net Interest Income After Provision for Possible Loan Losses	123,551	108,562
Non-Interest Income		
Trust Income	13,367	12,904
Service Charges on Deposit Accounts	6,680	5,991
Fees, Exchange, and Other Service Charges	14,655	12,529
Other Operating Income	8,592	6,182
Investment Securities Gains (Losses)	463	(129)
Total Non-Interest Income	43,757	37,477
Non-Interest Expense		
Salaries	41,478	36,620
Pensions and Other Employee Benefits	15,084	13,409
Net Occupancy Expense of Premises	10,337	10,782
Net Equipment Expense	9,032	7,757
Other Operating Expense	33,414	28,854
Minority Interest	320	156
Total Non-Interest Expense	109,665	97,578
Income Before Income Taxes	57,643	48,461
Provision for Income Taxes	22,162	15,751
Net Income	$35,481	$32,710
Earnings Per Common Share and Common Share Equivalents	$0.88	$0.79
Average Common Shares and Common Share Equivalents Outstanding	40,271,261	41,546,033

Consolidated Statements of Shareholders' Equity (Unaudited) — Pacific Century Financial Corporation and subsidiaries

(in thousands of dollars except per share amounts)	Total	Common Stock	Surplus	Unrealized Valuation Adj.	Retained Earnings
Balance at December 31, 1996	$1,066,122	$79,918	$186,391	($3,722)	$803,535
Net Income	35,481	-	-	-	35,481
Sale of Common Stock					
43,365 Profit Sharing Plan	1,926	87	1,839	-	-
65,009 Stock Option Plan	1,672	130	1,542	-	-
35,453 Dividend Reinvestment Plan	1,601	71	1,530	-	-
221 Directors' Restricted Shares and Deferred Compensation Plan	9	-	9	-	-
Stock Repurchased	(17,967)	(836)	(17,131)	-	-
Unrealized Valuation Adjustments					
Investment Securities	(9,384)	-	-	(9,384)	-
Foreign Exchange Translation Adjustment	(6,131)	-	-	(6,131)	-
Cash Dividends Paid of $.30 Per Share	(11,925)	-	-	-	(11,925)
Balance at March 31, 1997	$1,061,404	$79,370	$174,180	($19,237)	$827,091
Balance at December 31, 1995	$1,054,436	$82,682	$240,080	$13,902	$717,772
Net Income	32,710	-	-	-	32,710
Sale of Common Stock					
30,986 Profit Sharing Plan	1,056	62	994	-	-
24,851 Stock Option Plan	538	50	488	-	-
50,393 Dividend Reinvestment Plan	2,116	100	2,016	-	-
Stock Repurchased	(22,289)	(1,284)	(21,005)	-	-
Unrealized Valuation Adjustments					
Investment Securities	(8,363)	-	-	(8,363)	-
Foreign Exchange Translation Adjustment	(1,998)	-	-	(1,998)	-
Cash Dividends Paid of $.28 Per Share	(11,542)	-	-	-	(11,542)
Balance at March 31, 1996	$1,046,664	$81,610	$222,573	$3,541	$738,940

/TABLE

<TABLE>
Consolidated Statements of Cash Flows (Unaudited) Pacific Century Financial Corporation and subsidiaries

Three Months Ended March 31 (in thousands of dollars)	1997	1996
Operating Activities		
Net Income	$35,481	$32,710
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses, depreciation, and amortization of income and expense	5,301	3,970
Deferred income taxes	7,591	(4,711)
Realized and unrealized investment security gains	(448)	139,338
Net decrease in trading securities	(380)	(4)
Other assets and liabilities, net	(15,842)	32,600
Net cash provided by operating activities	31,703	203,903
Investing Activities		
Proceeds from redemptions of investment securities held to maturity	37,396	360,056
Purchases of investment securities held to maturity	(20,434)	(48,538)
Proceeds from sales of investment securities available for sale	91,800	345,457
Purchases of investment securities available for sale	(153,471)	(633,686)
Net decrease in interest-bearing deposits placed in other banks	74,155	132,758
Net decrease (increase) in funds sold	69,421	51,251
Net increase in loans and lease financing	(26,145)	(91,906)
Premises and equipment, net	(2,438)	(12,441)
Purchase of Bank of Hawaii (PNG), Ltd., net of cash and non-interest bearing deposits acquired	(5,371)	--
Purchase of Home Savings of America branches, net of cash and non-interest bearing deposits acquired	235,020	--
Net cash provided by investing activities	299,933	102,951
Financing Activities		
Net increase in demand, savings, and time deposits	112,417	(258,573)
Proceeds from lines of credit and long-term debt	103	286,634
Principal payments on lines of credit and long-term debt	(233,896)	(207,959)
Net decrease in short-term borrowings	(228,657)	(133,009)
Proceeds from sale (repurchase) of stock	(12,759)	(18,579)
Cash dividends	(11,925)	(11,542)
Net cash used by financing activities	(374,717)	(343,028)
Effect of exchange rate changes on cash	(6,131)	(1,998)
Decrease in cash and non-interest bearing deposits	(49,212)	(38,172)
Cash and non-interest bearing deposits at beginning of year	581,221	469,031
Cash and non-interest bearing deposits at end of period	$532,009	$430,859

Note 1. Name Change

On April 25, 1997, the company's name was changed from Bancorp Hawaii, Inc. to Pacific Century Financial Corporation. The change was made to better reflect the company's strategic goals to grow in Hawaii and throughout the Pacific and to position it as a full-service financial provider. Bank of Hawaii will maintain its name along with First Federal Savings & Loan Association of America, however, several of the company's other subsidiaries will adopt the name Pacific Century and the name will be applied to financial products offered by the company.

Note 2. Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the consolidated financial statements reflect all adjustments of a normal and recurring nature, including adjustments related to completed acquisitions which are necessary for a fair presentation of the results for the interim periods, and should be read in conjunction with the audited consolidated financial statements and related notes included in Pacific Century's 1996 Annual Report to Shareholders. Operating results for the three months ended March 31, 1997 are not necessarily indicative of the results that may be expected for the year ending December 31, 1997.

Certain reclassifications have been made from prior year amounts to conform to the 1997 presentation.

Note 3. Recent Accounting Pronouncements

In June 1996, Statement of Financial Accounting Standards (SFAS) No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities" was issued. SFAS No. 125 establishes the accounting for transfers and servicing of financial assets and extinguishment of liabilities. In the first quarter of 1997, there was no impact of SFAS No. 125. In accordance with the statement, an entity recognizes the financial assets it controls and the liabilities it has incurred, derecognizes financial assets when control has been surrendered, and derecognizes liabilities when extinguished. The statement also requires that servicing assets and other retained interests in the transferred assets be measured by allocating the previous carrying amount between the assets sold, if any, and retained interests, if any, based on their relative fair values at the date of transfer. Servicing assets and liabilities would subsequently be measured by (a) amortization in proportion to and over the period of estimated net servicing income or loss and (b) assessment for asset impairment or increased obligation based on their fair values. The statement is effective for transfers and servicing of financial assets and extinguishments of liabilities occurring after December 31, 1996. In October 1996 Financial Accounting Standards Board (Board) issued SFAS No. 127 which deferred for one year paragraphs 9-12 (Accounting for Transfers and Servicing of Financial Assets) for securities lending, repurchase agreements, dollar rolls, and other similar secured transactions. The Board also agreed to defer for one year paragraph 15 (Secured borrowings and Collateral) for all transactions.

In February 1997, the FASB issued SFAS No. 128, "Earnings Per Share" and SFAS No. 129, "Capital Structure". SFAS No. 128 simplifies the calculation of earnings per share (EPS) and makes it comparable to international standards. SFAS No. 129 consolidates the existing guidance from several other pronouncements relating to an entity's capital structure.

SFAS No. 128 is effective for both interim and annual financial statements for periods ending after December 15, 1997. Earlier application is not permitted. Under SFAS No. 128, basic EPS for the first quarter would have been $0.89 and dilutive EPS $0.88.

Under SFAS No. 128 primary EPS is replaced with a calculation called basic EPS. Basic EPS is calculated by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. Fully diluted EPS has not changed significantly but has been renamed diluted EPS. Under the new rules, income available to common shareholders should be adjusted for the assumed conversion of all potentially dilutive securities. The treasury stock method is used to calculate the dilutive effect of options and warrants. The treasury stock method is applied using the average market price of the company's common stock during the period rather than the higher of the average market price or the ending market price. The dilutive effect of convertible debt or convertible preferred stock will be calculated using the if-converted method, which assumes conversion at the beginning of the period if the effect is dilutive.

Note 4. Mergers and Acquisitions

In February 1997, Bank of Hawaii International Inc. acquired 100% of the Indosuez Niugini Bank, Ltd. from Indosuez Bank, Ltd. for approximately $5.6 million. Indosuez Niugini Bank, Ltd. has been renamed Bank of Hawaii (PNG), Ltd. At March 31, 1997 the Bank has approximately $93 million in total assets. As a result of the acquisition the Bank recognized $2.5 million in goodwill and will amortize it over 15 years. The acquisition was accounted for as a purchase.

In March 1997, Pacific Century Bank, N.A. (PCB), a wholly-owned subsidiary of Pacific Century purchased approximately $254 million in deposits from Home Savings located in Tucson, Arizona. As a result of the purchase, PCB now has a combined total of ten branches servicing customers in the greater Phoenix vicinity, Tucson and Yuma, Arizona. Pacific Century paid approximately $19.7 million for the core deposit base, deposit premium intangibles and other items.

On February 24, 1997, Pacific Century announced the signing of a definitive agreement for Pacific Century to acquire CU Bancorp and its subsidiary bank, California United Bank, a $844 million asset financial institution with 21 branches in Westwood, the San Gabriel and San Fernando valleys, the South Bay, and Ventura and Orange counties in southern California. Under terms of the agreement, which is subject to federal and state regulators and shareholder approval, CU Bancorp stock will be converted into rights to receive $15.34 per share in cash and/or Pacific Century stock. At least 60% and not more than 80% of CU Bancorp's stock will be subject to stock-for-stock conversion. The total merger consideration will be approximately $183 million. Pacific Century estimates the merger will be completed in the third quarter of 1997 and will be accounted for as a purchase.

Note 5. Income Taxes

The provision for income taxes is computed by applying statutory federal and state income tax rates to income before income taxes as reported in the financial statements after deducting non-taxable items, principally from state taxes, net of federal income tax and foreign tax adjustments, low income housing and investment tax credits and tax exempt interest income.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Financial Review

Performance Highlights

Pacific Century Financial Corporation (Pacific Century) reported earnings for the first quarter of 1997 of $35.5 million, an increase of 8.5% over the earnings reported for the first quarter of 1996. On a per share basis, earnings were $0.88 for the first quarter of 1997, compared with $0.79 for the same quarter a year ago. The improvement in net income reflects a stronger net interest margin and higher level of earning assets comparing the first quarters of 1996 and 1997. The improved earnings were also affected by the May 1996 acquisition of Banque de Tahiti (BDT) and Banque de Nouvelle Caledonie (BNC).

Pacific Century's annualized Return on Average Assets and Return on Average Equity were 1.02% and 13.40%, respectively for the first quarter of 1997. These ratios compare with 0.99% and 12.43%, respectively for the twelve months ended December 31, 1996. The ratio of average equity to average assets was 7.64% for the first quarter of 1997, compared with 7.95% for all of 1996.

Total assets remained level from year-end 1996 at $14.0 billion as of March 31, 1997. Compared to the asset balances at March 31, 1996, assets have increased 8.4%, which largely reflected the BDT and BNC acquisition. Net loans outstanding increased from year-end 1996 to $8.4 billion representing a 5.7% increase from March 31, 1996. Again, the increase from March 31, 1996 reflects the change due to the acquisition. Deposits and securities sold under agreements to repurchase (Repos) ended March 31, 1997 at $11.1 billion.

Non-performing assets (NPA) ended March 31, 1997 at $87.6 million. Comparing year-end 1996 and March 31, 1996, NPA balances reflect a change from $83.2 million and $62.9 million, respectively. A further discussion on NPAs and the Reserve for Loan Loss follows later in this report.

Non-interest income, compared with the same quarter last year, was up 16.8% to $43.8 million for the first quarter of 1997. This improvement was primarily due to the previously discussed acquisitions. Efforts in the non-interest income categories continue to be important to Pacific Century and as the results indicate, progress is being made with all categories reporting increases over the prior year. A further discussion follows later in this report.

Total non-interest expense was $109.7 million for the first quarter of 1997 compared with $97.6 million for the same quarter in 1996. A significant part of the increase in non-interest expense was due to the acquisition of BDT and BNC. The growth in total non-interest expense remained at levels in line with Pacific Century's expectations. A further discussion on non-interest expense follows.

Risk Elements in Lending Activities

At March 31, 1997, total loans were $8.8 billion, a 0.6% increase from year-end 1996 and 6.1% above total loan balances on March 31, 1996. The changes in other components of the portfolio are discussed in the following section. The following table presents Pacific Century's total loan portfolio balances for the periods indicated.

Loan Portfolio Balance   Pacific Century Financial Corporation and subsidiaries

(in millions of dollars)	March 31 1997	December 31 1996	March 31 1996
Domestic Loans			
Commercial and Industrial	$1,831.6	$1,806.7	$1,857.8
Real Estate			
Construction -- Commercial	226.7	212.3	207.0
-- Residential	17.2	23.6	8.4
Mortgage -- Commercial	1,194.3	1,227.8	1,308.2
-- Residential	2,655.8	2,635.3	2,800.9
Installment	853.5	849.3	816.7
Lease Financing	441.4	437.8	388.8
Total Domestic	7,220.5	7,192.8	7,387.8
Foreign Loans	1,532.9	1,506.5	859.9
Total Loans	$8,753.4	$8,699.3	$8,247.7

Commercial and Industrial Loans

Commercial and Industrial loans outstanding were relatively consistent at $1.8 billion as of March 31, 1997, year-end 1996 and March 31, 1996. The limited growth of loans in this category reflects the lackluster Hawaii economy. The mix of lending in this category remains much as reported at year-end 1996.

Real Estate Loans

Total real estate loans at March 31, 1997 totaled $4.1 billion, virtually level with year-end 1996 and 4.65% below totals at March 31,

1996. The change in balances in these loans reflect the securitization of $350 million in residential mortgage loans in the second quarter of 1996. A detailed distribution of the real estate loan portfolio is presented in the Loan Portfolio Table. Commercial real estate balances (including construction) on March 31, 1997 totaled $1.4 billion, compared to $1.5 billion on March 31, 1996 and $1.4 billion at year-end 1996. Residential mortgage balances on March 31, 1996 totaled $2.8 billion, decreasing to $2.7 billion at March 31, 1997. Construction loan balances (commercial and residential) have increased to $243.9 million on March 31, 1997 from $235.9 million at year-end 1996, and $215.4 million reported at March 31, 1996.

Other Lending

Installment loans and leases have grown modestly from year-end 1996 balances. At March 31, 1997, total installment loans were $853.5 million, compared with $849.3 million reported at year-end 1996. Compared with the same date in 1996 when installment loan balances were $816.7 million, installment loan balances are up 4.51%. Total leases increased to $441.4 million from $437.8 million at year-end 1996 and $388.8 million at March 31, 1996.

Foreign loan balances grew to $1,532.9 million, reflecting an increase of 1.76% from year-end 1996, and 78.26% above March 31, 1996 balances. The rise in the foreign loan total from a year ago mainly reflects the acquisition of BDT and BNC and supported increased trade financing activity in the Asian branches. At March 31, 1997, BDT and BNC reported loans outstanding of $621.9 million.

Non-Performing Assets and Past Due Loans

Pacific Century's non-performing assets (NPA) include non-accrual loans and foreclosed real estate. NPA totaled $87.6 million, representing 1.00% of total loans outstanding at March 31, 1997. This ratio was 0.76% at the end of the first quarter 1996 and 0.96% at year-end 1996.

Non-accrual loans increased during the quarter to $76.3 million from $72.5 million at year-end 1996 and from $53.7 million on March 31, 1996. The distribution of the non-accrual loans by category is disclosed in the table following. Most categories have reported little change since year-end 1996 except residential mortgage loans which have increased to $29.4 million as of March 31, 1997. The loans included in the foreign category are all BDT and BNC loans.

The foreclosed real estate category remained close to year-end 1996 totals, ending the quarter at $11.3 million. There were only 24 properties in Other Real Estate at the quarter-end with the two largest properties valued at $7.5 million. Total non-performing assets, including loans 90 days past due, represented 1.34% of loans outstanding compared with 1.36% at year-end 1996 and 1.02% at March 31, 1996.

Accruing 90 day past due loans in total have decreased from $34.7 million at year-end 1996 to $29.9 million at March 31, 1997. Comparatively, $21.3 million in accruing 90 day past due loans were reported at March 31, 1996.

Since year-end, past due loans have decreased particularly in the commercial real estate and foreign loan categories. Installment loans past due 90 days increased to $10.2 million, representing 1.20% of total installment loans at March 31, 1997. Residential mortgage loans past due 90 days remained at $6.8 million, 0.26% of total residential mortgage loans. Foreign loans decreased to $8.5 million, 0.55% of total foreign loans.

The following table presents NPA and past due loans for the periods indicated.

Pacific Century Financial Corporation and subsidiaries
Consolidated Non-Performing Assets and Accruing Loans Past Due 90 Days or More

(in millions of dollars)	March 31 1997	December 31 1996	March 31 1996
Non-Accrual Loans			
Commercial	$20.9	$20.9	$16.8
Real Estate			
Construction	0.6	0.3	0.1
Commercial	3.6	4.1	14.5
Residential	29.4	23.6	18.0
Installment	1.6	1.3	0.9
Leases	0.1	--	1.9
Foreign	20.1	22.3	1.5
Subtotal	76.3	72.5	53.7
Foreclosed Real Estate			
Domestic	11.3	10.7	9.2
Foreign	--	--	--
Subtotal	11.3	10.7	9.2
Total Non-Performing Assets	87.6	83.2	62.9
Accruing Loans Past Due 90 Days or More			
Commercial	1.5	2.0	1.1
Real Estate			
Construction	--	0.4	--
Commercial	2.8	6.8	2.5
Residential	6.8	6.8	6.1
Installment	10.2	9.0	11.5
Leases	0.1	0.2	0.1
Foreign	8.5	9.5	--
Subtotal	29.9	34.7	21.3
Total	$117.5	$117.9	$84.2
Ratio of Non-Performing Assets to Total Loans	1.00%	0.96%	0.76%
Ratio of Non-Performing Assets and Accruing Loans Past Due 90 Days or More to Total Loans	1.34%	1.36%	1.02%

/TABLE

Summary of Loan Loss Experience

The reserve for loan losses was at $170.1 million at March 31, 1997, representing 1.98% of loans outstanding. Comparatively, the ratio of reserves to loans outstanding on March 31, 1996 was 1.88% and 1.97% at year-end 1996.

Loan loss provisions were $5.1 million for the first quarter of 1997, compared with $4.4 million reported for the first quarter of 1996. Charge-offs totaled $7.2 million for the first quarter of 1997, compared to the $6.9 million reported for the first quarter of 1996 and $14.1 million for the fourth quarter of 1996. Recoveries totaled $5.7 million for the first quarter of 1997, compared to $2.8 million and $4.2 million for the first and fourth quarters of 1996, respectively. Resulting net charge-offs were $1.5 million, $4.1 million and $9.9 million for the first quarter of 1997, the first quarter of 1996 and the fourth quarter of 1996, respectively. The annualized ratio of net charge-offs to average loans outstanding for the first quarter of 1997 was 0.07% compared to the ratio of 0.20% for the same period in 1996.

The detailed breakdown of the charge-off and recoveries by loan category is presented in the table following.

<TABLE>

Summary of Loss Experience — Pacific Century Financial Corporation and subsidiaries

(in millions of dollars)	First Quarter 1997	Year Ended 12/31/96	First Quarter 1996
Average Loans Outstanding	$8,476.3	$8,353.6	$8,019.9
Balance of Reserve for Possible Loan Losses			
at Beginning of Period	$167.8	$152.0	$152.0
Loans Charged Off			
Commercial and Industrial	1.4	8.7	1.4
Real Estate - Construction	--	--	--
Real Estate - Mortgage			
Commercial	--	3.3	0.5
Residential	0.1	1.9	0.2
Installment	5.6	28.9	4.6
Foreign	--	0.9	--
Leases	0.1	0.4	0.2
Total Charged Off	7.2	44.1	6.9
Recoveries on Loans Previously Charged Off			
Commercial and Industrial	4.3	21.5	0.8
Real Estate - Construction	--	0.7	0.7
Real Estate - Mortgage			
Commercial	--	1.1	--
Residential	--	0.4	0.1
Installment	1.3	4.7	1.0
Foreign	0.1	1.8	--
Leases	--	0.6	0.2
Total Recoveries	5.7	30.8	2.8
Net Charge Offs	1.5	13.3	4.1
Provision Charged to Operating Expenses	5.1	22.2	4.4
Other Net Additions (Deductions) *	(1.3)	6.9	(0.2)
Balance at End of Period	$170.1	$167.8	$152.1
Ratio of Net Charge Offs to Average Loans Outstanding (annualized)	0.07%	0.16%	0.20%
Ratio of Reserve to Loans Outstanding	1.98%	1.97%	1.88%

* Includes foreign currency translation adjustments and reserves acquired.

/TABLE

Capital

Pacific Century's total at March 31, 1997 totaled $1.1 billion. New shares issued for the profit sharing, stock option and dividend reinvestment plans increased capital by $5.2 million during the quarter. Under Pacific Century's stock repurchase programs, $18.0 million in shares were repurchased during the first quarter of 1997. Dividends for the quarter were $11.9 million, compared with $11.5 million for the first quarter of 1996. Dividends paid were $0.30 per share for the first quarter of 1997 and $0.28 per share for the first quarter of 1996.

Regulatory risk-based capital remains well above minimum guidelines. Pacific Century's Total Capital and Tier 1 Capital ratios were 12.97% and 10.58%, respectively. This compares with year-end 1996, when the Total Capital Ratio was 12.96% and the Tier 1 Capital Ratio was 10.57%. Regulatory guidelines prescribe a minimum Total Capital Ratio of 10.00% and a Tier 1 Capital Ratio of 6.00% for an institution to qualify as well capitalized. These ratios reflect the fourth quarter issuance of $100 million Capital Securities by Bancorp Hawaii Capital Trust I, a subsidiary of Pacific Century. Pacific Century's strategy is to maintain its capital ratios at levels to meet this qualification to benefit from the financial and regulatory incentives provided to well capitalized institutions.

In addition, the leverage ratio, which represents the ratio of Tier 1 Capital to Total Average Assets, was 7.90% at March 31, 1997, compared to 7.72% at March 31, 1996 and 7.98% at year-end 1996. The required minimum ratio is 5.00%, to qualify an institution as well capitalized.

Spread Management

The average net interest margin or spread on earning assets for the first quarter of 1997 was 4.02%, an increase from the 3.81% reported for the same period in 1996, and also an increase from the 3.84% reported for the fourth quarter of 1996. Net interest margin for all of 1996 was 3.84%. The minimal growth in earning assets, the changes in interest rates and the acquisition of BDT and BNC have all helped to improve the spread.

The earning asset yield was 7.93% for the first quarter of 1997, compared with the first quarter 1996 yield of 7.78% and the fourth quarter of 1996 of 7.83%. The earning asset yield for all of 1996 was 7.83%. The cost of funds rate for the first quarter of 1997 was 4.70%, an increase compared with the same quarter a year ago and 4.82% reported for the fourth quarter of 1996. The cost of funds for all of 1996 was 4.73%.

<TABLE>
Pacific Century Financial Corporation and subsidiaries
Consolidated Average Balances and Interest Rates Taxable Equivalent

	Three Months Ended March 31, 1997			Three Months Ended March 31, 1996		
(in millions of dollars)	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning Assets						
Interest Bearing Deposits	$826.8	$9.7	4.74%	$631.3	$9.8	6.25%
Investment Securities Held to Maturity						
-Taxable	1,215.6	19.8	6.60	926.4	14.6	6.35
-Tax-Exempt	12.6	0.4	14.45	13.8	0.5	13.95
Investment Securities Available for Sale	2,378.2	39.0	6.65	2,303.5	37.6	6.56
Funds Sold	86.5	0.9	4.46	84.3	1.2	5.54
Net Loans						
-Domestic	7,055.2	144.5	8.30	7,191.5	147.1	8.23
-Foreign	1,421.1	30.3	8.65	828.4	12.5	6.11
Loan Fees		9.4			8.3	
Total Earning Assets	12,996.0	254.0	7.93	11,979.2	231.6	7.78
Cash and Due From Banks	587.1			427.3		
Other Assets	484.1			416.1		
Total Assets	$14,067.2			$12,822.6		

Interest Bearing Liabilities						
Domestic Deposits - Demand	$1,775.6	12.3	2.81	$1,742.7	11.8	2.73
- Savings	904.3	5.4	2.42	999.9	6.4	2.59
- Time	2,699.5	36.5	5.48	2,212.2	30.1	5.47
Total Domestic	5,379.4	54.2	4.08	4,954.8	48.3	3.92
Foreign Deposits						
- Time Due to Banks	915.6	12.7	5.65	725.4	9.6	5.30
- Other Time and Savings	895.6	10.0	4.52	386.3	5.1	5.30
Total Foreign	1,811.2	22.7	5.09	1,111.7	14.7	5.30
Total Deposits	7,190.6	76.9	4.34	6,066.5	63.0	4.18
Short-Term Borrowings	2,772.6	36.8	5.39	2,886.4	38.9	5.41
Long-Term Debt	844.0	11.4	5.48	1,221.2	16.4	5.40
Total Interest Bearing Liabilities	10,807.2	125.1	4.70	10,174.1	118.3	4.67
Net Interest Income		128.9	3.23		113.3	3.11
Average Spread on Earning Assets			4.02%			3.81%
Demand Deposits - Domestic	1,381.8			1,369.5		
- Foreign	258.2			42.3		
Total Demand Deposits	1,640.0			1,411.8		
Other Liabilities	545.9			169.2		
Shareholders' Equity	1,074.1			1,067.5		
Total Liabilities and Shareholders' Equity	$14,067.2			$12,822.6		
Provision for Possible Loan Losses		5.1			4.4	
Net Overhead		65.9			60.1	
Income Before Income Taxes		57.9			48.8	
Provision for Income Taxes		22.2			15.7	
Tax-Equivalent Adjustment		0.2			0.4	
Net Income		$35.5			$32.7	

/TABLE

<TABLE>

Pacific Century Financial Corporation and subsidiaries

Consolidated Average Balances and Interest Rates Taxable Equivalent

	Three Months Ended December 31, 1996			Twelve Months Ended December 31, 1996		
(in millions of dollars)	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
Earning Assets						
Interest Bearing Deposits	$817.5	$9.9	4.83%	$752.6	$38.0	5.06%
Investment Securities Held to Maturity						
-Taxable	1,232.1	20.7	6.68	1,078.1	70.4	6.53
-Tax-Exempt	12.6	0.4	14.14	13.0	1.8	14.08
Investment Securities Available for Sale	2,366.1	37.6	6.32	2,288.7	146.4	6.40
Funds Sold	105.6	1.1	4.27	92.1	4.0	4.39
Net Loans						
-Domestic	7,003.6	145.9	8.29	7,099.9	584.2	8.23
-Foreign	1,457.7	33.5	9.13	1,253.7	107.6	8.58
Loan Fees		6.7			29.7	
Total Earning Assets	12,995.2	255.8	7.83	12,578.1	982.1	7.81
Cash and Due From Banks	484.5			462.8		
Other Assets	419.2			427.1		
Total Assets	$13,898.9			$13,468.0		
Interest Bearing Liabilities						
Domestic Deposits - Demand	$1,727.3	11.7	2.69	$1,726.6	47.2	2.73
- Savings	879.0	5.5	2.52	937.0	23.7	2.53
- Time	2,663.2	36.3	5.42	2,465.1	133.5	5.42

Total Domestic	5,269.5	53.5	4.04	5,128.7	204.4	3.98
Foreign Deposits						
- Time Due to Banks	785.6	13.7	6.91	692.2	84.3	5.67
- Other Time and Savings	893.6	11.8	5.24	795.8	46.2	5.81
Total Foreign	1,679.2	25.5	6.02	1,488.0	130.5	5.67
Total Deposits	6,948.7	79.0	4.52	6,616.7	334.9	4.36
Short-Term Borrowings	2,757.1	37.7	5.45	2,809.6	150.2	5.35
Long-Term Debt	1,063.2	13.7	5.11	1,146.2	60.9	5.31
Total Interest Bearing Liabilities	10,769.0	130.4	4.82	10,572.5	546.0	4.73
Net Interest Income		125.4	3.01		436.1	3.08
Average Spread on Earning Assets			3.84%			3.84%
Demand Deposits - Domestic	1,458.2			1,371.5		
- Foreign	236.2			194.2		
Total Demand Deposits	1,694.4			1,565.7		
Other Liabilities	353.8			258.9		
Shareholders' Equity	1,081.7			1,070.9		
Total Liabilities and Shareholders' Equity	$13,898.9			$13,468.0		
Provision for Possible Loan Losses		9.9			22.2	
Net Overhead		59.1			249.2	
Income Before Income Taxes		56.4			164.7	
Provision for Income Taxes		21.8			76.7	
Tax-Equivalent Adjustment		0.2			1.1	
Net Income		$34.4			$86.9	

/TABLE

Interest Rate Risk and Derivatives

As discussed in Pacific Century's 1996 Annual Report, Pacific Century utilizes interest rate sensitivity analysis and computer simulation techniques to measure the exposure of its earnings to interest rate movements. The objective of the process is to position its balance sheet to optimize earnings without unduly increasing risk. The Interest Rate Sensitivity Table presents the traditional method of quantifying the possible exposure to interest rate movements for various time frames at March 31, 1997. As the table indicates, Pacific Century's one year cumulative asset sensitivity gap totaled $0.7 billion, representing 4.9% of total assets. Comparatively, the one year cumulative gap was $0.4 billion at year-end 1996, 2.6% of total assets. Simulation models are also utilized by Pacific Century to measure the interest rate sensitivity of its balance sheet. These models simulate changes in interest rates and project the impact on Pacific Century's net interest income. The results of these simulations are all within established guidelines.

Pacific Century used swaps as a cost effective risk management tool for dealing with interest rate risk from time to time. No new swaps were entered into during the first quarter of 1997. At March 31, 1997, the notional amount of swaps totaled $0.5 billion, compared with $0.7 billion at year-end 1996 and $1.0 billion a year ago. Net expense on interest rate swap agreements totaled $0.5 million for the first quarter of 1997. Comparatively, net expense of $1.2 million was recognized in the first quarter of 1996 and $4.2 million for all of 1996.

<TABLE>
Interest Rate Sensitivity Table   Pacific Century Financial Corporation and subsidiaries

MARCH 31, 1997 (in millions of dollars)	0 - 90 DAYS	91-365 DAYS	1 - 5 YEARS	OVER 5 YEARS	NON-INTEREST BEARING
ASSETS (1)					
INVESTMENT SECURITIES	1,378.7	1,211.5	727.8	390.6	-
SHORT TERM INVESTMENTS	66.4	6.1	-	-	-
INTERNATIONAL ASSETS	1,199.7	275.7	242.1	95.0	22.4
DOMESTIC LOANS (2)	2,546.5	2,092.7	1,974.6	643.1	53.8
TRADING SECURITIES	-	-	2.0	-	-
OTHER ASSETS	85.1	42.6	297.9	132.8	499.6
TOTAL ASSETS	5,276.4	3,628.6	3,244.4	1,261.5	575.8
LIABILITIES AND CAPITAL (1)					
NON-INT BEARING DEMAND (3)	306.3	182.7	742.7	241.5	-
INT BEARING DEMAND (3)	337.5	264.8	817.9	345.3	-
SAVINGS (3)	102.6	102.6	478.6	170.9	-
TIME DEPOSITS	957.2	1,192.7	724.5	46.0	-
FOREIGN DEPOSITS	1,292.3	266.0	205.3	-	336.4
S/T BORROWINGS	1,652.7	1,039.6	47.8	-	-
LONG-TERM DEBT	20.7	90.0	368.9	218.7	-
OTHER LIABILITIES	-	-	-	-	373.1
CAPITAL	-	-	-	-	1,061.4
TOTAL LIABILITIES AND CAPITAL	4,669.3	3,138.4	3,385.7	1,022.4	1,770.9
INTEREST RATE SWAPS	-498.4	88.6	409.8	-	-
INTEREST SENSITIVITY GAP	108.7	578.8	268.5	239.1	-1,195.1
CUMULATIVE GAP	108.7	687.5	956.0	1,195.1	-
PERCENTAGE OF TOTAL ASSETS	0.78%	4.92%	6.84%	8.54%	-

Assumptions used:
(1) Based on repricing date.
(2) Includes the effect of estimated amortization.
(3) Historical analysis shows that these deposit categories, while technically subject to immediate withdrawal, actually display sensitivity characteristics that generally fall within one and five years. The allocation presented is based on that historic analysis.

/TABLE

Liquidity

The ability to meet day-to-day financial needs of Pacific Century's customer base is essential. Much of the strategy of meeting liquidity needs was described in Pacific Century's 1996 Annual Report and remains in place.

At March 31, 1997, deposits were $9.1 billion, compared to $8.7 billion and $7.3 billion reported at year-end 1996 and March 31, 1996, respectively. Most of the increase since March 1996 was attributed to the acquisition of BDT and BNC in May 1996. The competition for deposits, not only by banks and savings and loan companies, but also by securities brokerage firms continues to impact the level of deposits. Repos which are offered to government depositors as an alternative to deposits were $2.0 billion at March 31, 1997, compared to $2.0 billion on March 31, 1996, and $2.1 billion at year-end 1996.

Short term borrowings, including Fed Funds, decreased to $0.7 billion at March 31, 1997, compared with $0.9 billion at year-end 1996 and $1.1 billion at March 31, 1996. Long term debt decreased to $0.7 billion at March 31, 1997 from $0.9 billion at year-end 1996 and $1.1 billion at March 31, 1996. Long term debt outstanding included $100 million of Capital Securities issued by Pacific Century in Bancorp Hawaii Capital Trust I, a subsidiary of Pacific Century in December 1996.

Non-Interest Income and Expense

Pacific Century utilizes the efficiency ratio to measure its success in managing non-interest income and non-interest expense. Pacific Century determines its efficiency ratio by dividing non-interest expense by the sum of net interest income and non-interest income (excluding securities transactions). For the first quarter of 1997, Pacific Century's ratio was 63.8% compared with 64.6% for all of 1996. The non-interest income and non-interest expense components of the efficiency ratio are discussed following.

<TABLE>

Non-Interest Income (in millions)	3 Months Ended March 31, 1997	3 Months Ended March 31, 1996
Trust Income	$13.4	$12.9
Service Charges on Deposits	6.7	6.0
Other Service Charges	14.6	12.5
Other Income	8.6	6.2
Securities Gain (Loss)	0.5	(0.1)
Total Non-Interest Income	$43.8	$37.5

Non-interest income for the first quarter was $43.8 million, a 16.8% increase from the same quarter in 1996. Trust income reported $13.4 million for the quarter, up 3.9% from the same period last year. Service charges on deposit accounts for the first quarter of 1997 were $6.7 million, compared to $6.0 million for the like period last year. Fees, exchange and other service charges for the first quarter of 1997 were $14.6 million compared to $12.5 million for the same period in 1996. Other operating income totaled $8.6 million for the first quarter of 1997, compared with $6.2 million for the same quarter last year.

Non-Interest Expense (in millions)	3 Months Ended March 31, 1997	3 Months Ended March 31, 1996
Salaries	$41.5	$36.7
Pension and Other Benefits	15.1	13.4
Net Premises	10.4	10.8
Net Equipment	9.0	7.7
Other Expense	33.4	28.8
Minority Interest	0.3	0.2
	$109.7	$97.6

Non-interest expense in the first quarter was $109.7 million, an increase of 12.4% over the same period in 1996. The acquisition of BDT and BNC in May of 1996 affect the comparison between the first quarters of 1997 and 1996. Without the BDT and BNC expense, the change between quarters would have been an increase of 0.5%.

Salary and benefit expenses increased 13.0% between the first quarters of 1997 and 1996, primarily due to the BDT and BNC acquisition. Comparing fourth quarter 1996 salary and benefits with the first quarter of 1997, this category of expense increased 8.2% reflecting the increase in payroll taxes, mainly FICA.

Premises and equipment expenses totaled $19.4 million for the first quarter of 1997, an increase from the $18.5 million for the same period of 1996. Pacific Century continues to invest in technology as more efficient operations with existing staff counts become increasingly important.

Other operating expense for the first quarter of 1997 totaled $33.4 million and increased 16.0% compared to the same quarter in 1996. Without BDT and BNC expense in 1997, the decrease would have been 8.7% between the quarters.

PART II. - Other Information

Items 1 to 5 omitted pursuant to instructions.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibit Index

Exhibit Number	Description
2	Agreement and Plan of Reorganization, dated as of February 24, 1997, between registrant and CU Bancorp (incorporated by reference to Exhibit 2 of Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-24379) filed May 6, 1997)
3.1	Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1 of Registration Statement on Form S-4 (File No. 333-24379) filed April 12, 1997)
3.2	Articles of Amendment to Change Corporate Name (incorporated by reference to Exhibit 3.1 of Report on Form 8-K filed April 30, 1997)
10.1	Stock Option Agreement, dated February 24, 1997, between registrant and CU Bancorp (incorporated by reference to Exhibit 10.1 of Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-24379) filed May 6, 1997)
11	Statement Regarding Computation of Per Share Earnings*
12	Statement of Ratios*
27	Financial Data Schedule*

(b) Form 8-K was filed on February 27, 1997 announcing the execution of the definitive agreement for Pacific Century Financial Corporation to acquire California United Bank through a merger with its parent CU Bancorp.

* 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 thereunto duly authorized.

Date May 13, 1997

PACIFIC CENTURY FINANCIAL CORPORATION

/s/ Richard J. Dahl
(Signature)

Richard J. Dahl
President and Chief Operating Officer

/s/ David A. Houle
(Signature)

David A. Houle
Executive Vice President, Treasurer and Chief Financial Officer

Pacific Century Financial Corporation
Exhibit 11 - Statement Regarding Computation of Per Share Earnings
Three Months Ended March 31

	Primary	Fully Diluted
1997		
Net Income	$35,481,000	$35,481,000
Daily Average Shares Outstanding	39,719,276	39,719,276
Shares Assumed Issued for Stock Options	551,985	552,706
	40,271,261	40,271,982
Earnings Per Common Share and Common Share Equivalents	$0.88	$0.88
1996		
Net Income	$32,710,000	$32,710,000
Daily Average Shares Outstanding	41,149,618	41,149,618
Shares Assumed Issued for Stock Options	396,415	404,395
	41,546,033	41,554,013
Earnings Per Common Share and Common Share Equivalents	$0.79	$0.79

Pacific Century Financial Corporation

Exhibit 99 - Statement Regarding Computation of Ratios

Three Months Ended March 31

(in millions of dollars)	1997	1996
Earnings:		
1. Income Before Income Taxes	$57.6	$48.5
2. Plus: Fixed Charges Including Interest on Deposits	125.1	118.8
3. Earnings Including Fixed Charges	182.7	167.3
4. Less: Interest on Deposits	75.4	63.0
5. Earnings Excluding Interest on Deposits	$107.3	$104.3
Fixed Charges:		
6. Fixed Charges Including Interest on Deposits	$125.1	$118.8
7. Less: Interest on Deposits	75.4	63.0
8. Fixed Charges Excluding Interest on Deposits	$49.7	$55.8
Ratio of Earnings to Fixed Charges:		
Including Interest on Deposits (Line 3 divided by Line 6)	1.5 x	1.4 x
Excluding Interest on Deposits (Line 5 divided by Line 8)	2.2 x	1.9 x

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