

Bank of Hawai'i Corporation
fourth quarter 2022
financial report

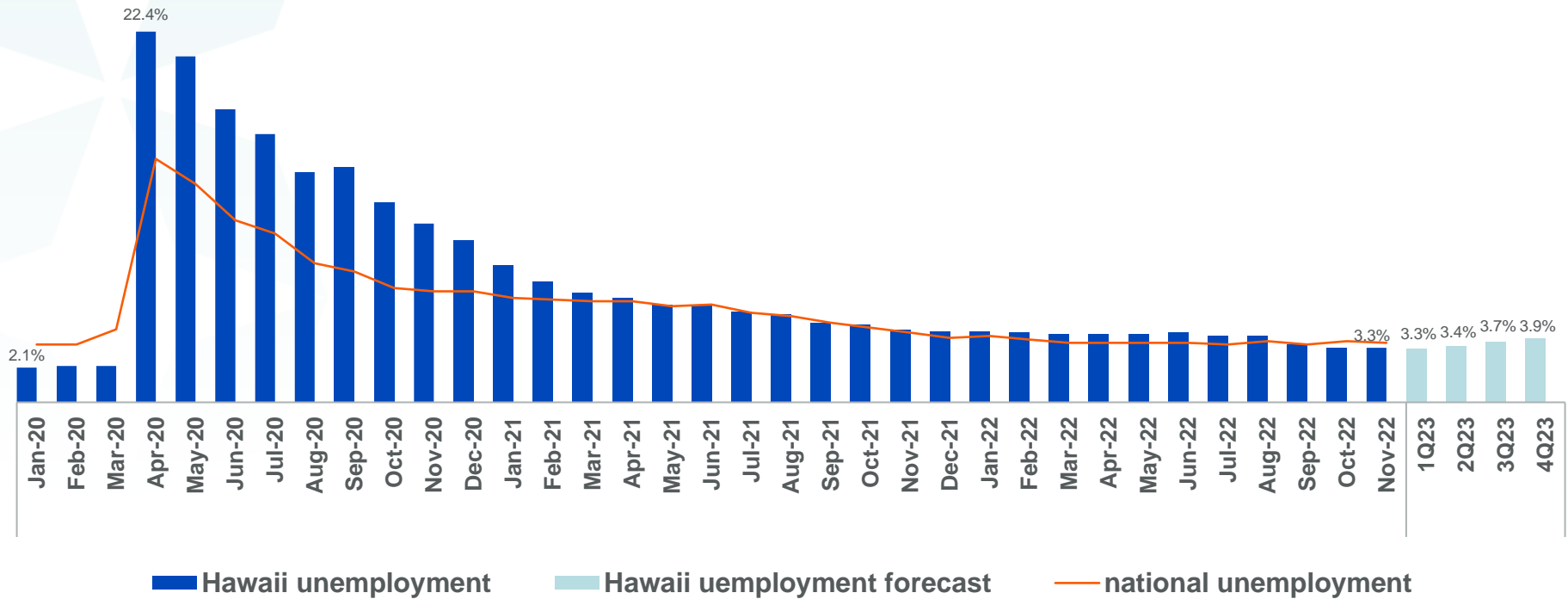
January 23, 2023

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.

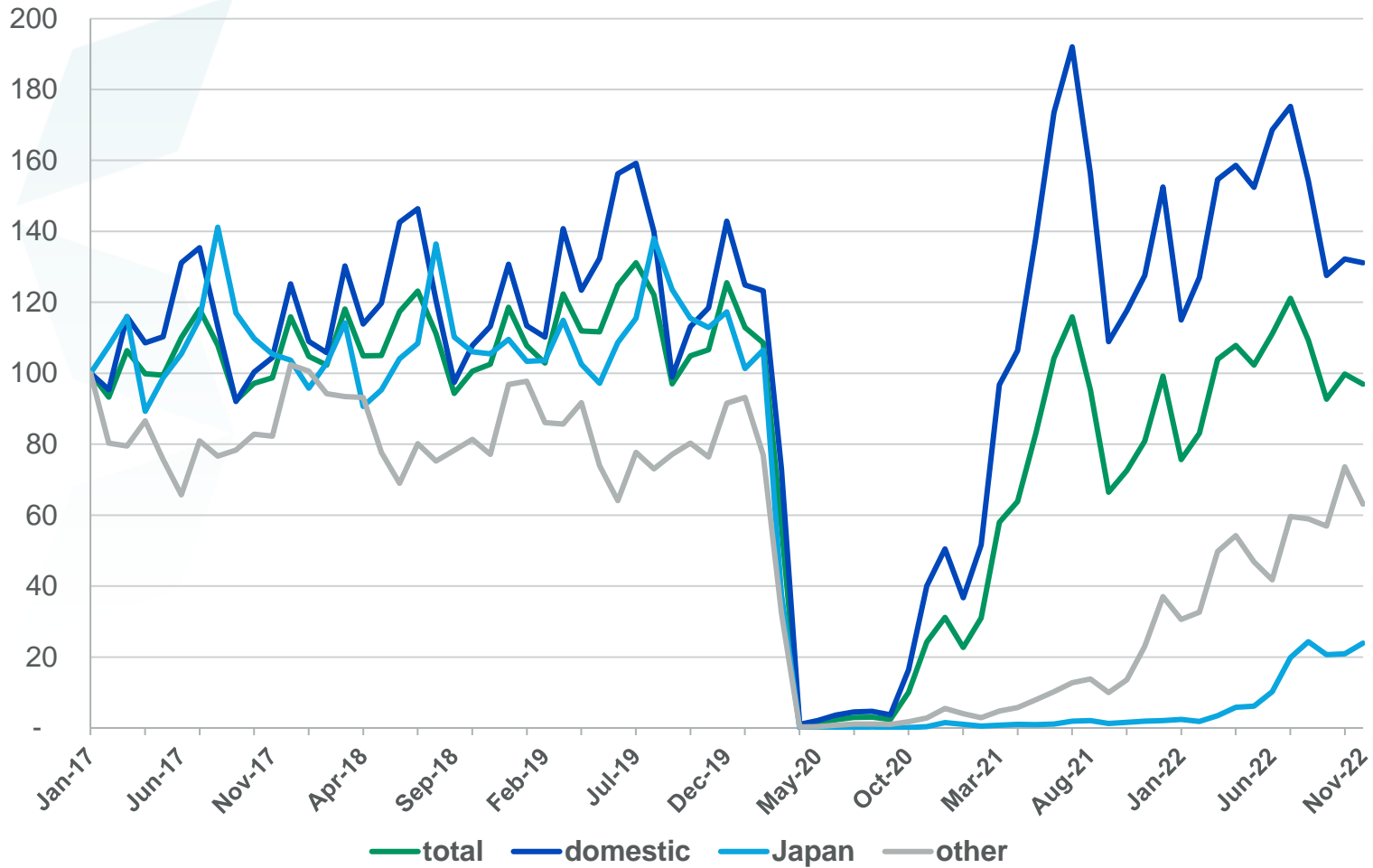
unemployment

experience & forecast



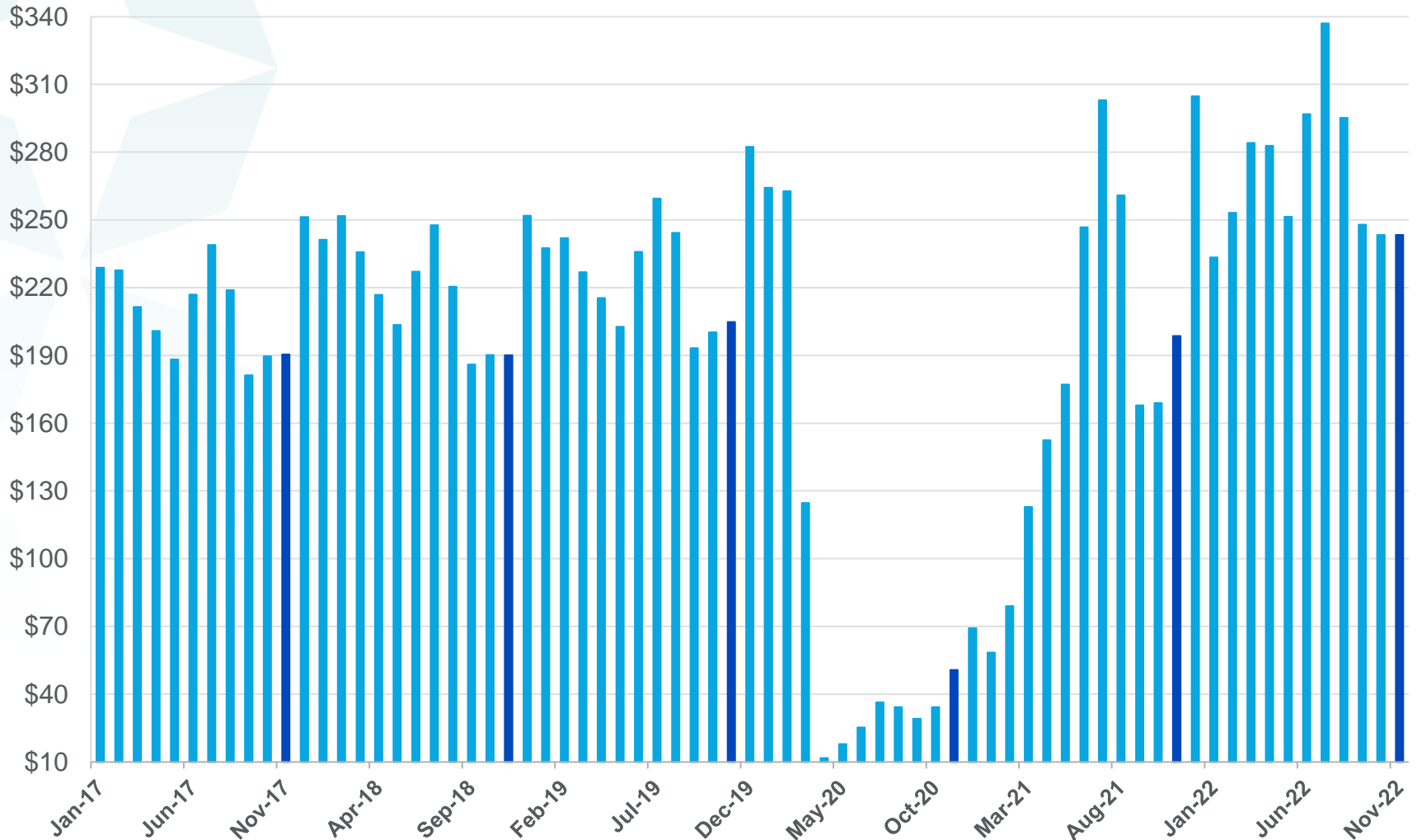
visitor arrivals

monthly by market, indexed to January 2017



revenue per available room

revenue per available room (RevPAR)



stable real estate prices

Oahu market indicators – Dec 2022

single family homes

condominiums

	<u>Dec 2022</u>	<u>Dec 2021</u>	<u>Dec 2019</u>	<u>Δ Dec 2021</u>	<u>Δ Dec 2019</u>	<u>Dec 2022</u>	<u>Dec 2021</u>	<u>Dec 2019</u>	<u>Δ Dec 2021</u>	<u>Δ Dec 2019</u>
median sales price (000s)	\$1,050	\$1,050	\$820	0.0%	28.0%	\$503	\$485	\$426	3.6%	18.1%
months of inventory	2.1	0.8	2.7	1.3 months	-0.6 months	2.2	1.6	3.7	0.6 months	-1.5 months
closed sales	202	378	309	-46.6%	-34.6%	360	593	428	-39.3%	-15.9%
median days on market	25	11	18	14 days	7 days	21	13	30	8 days	-9 days



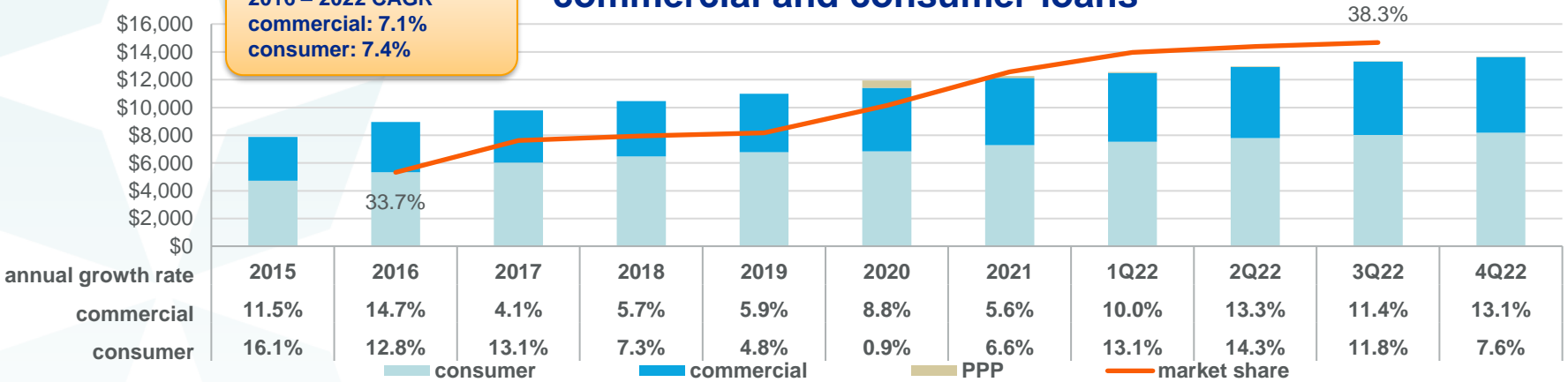
4Q financial update

balanced core loan growth

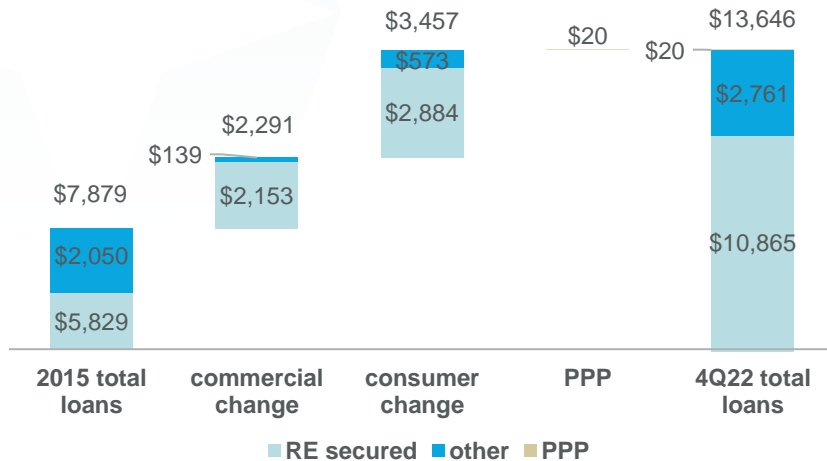
\$ in millions

2016 – 2022 CAGR
commercial: 7.1%
consumer: 7.4%

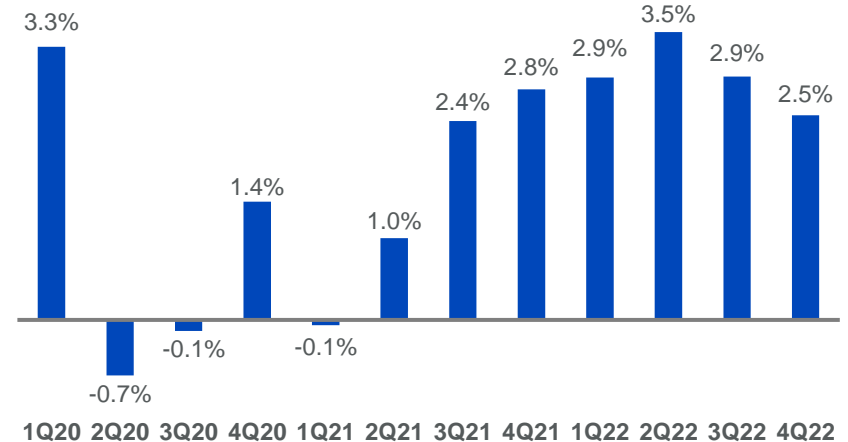
commercial and consumer loans



cumulative growth



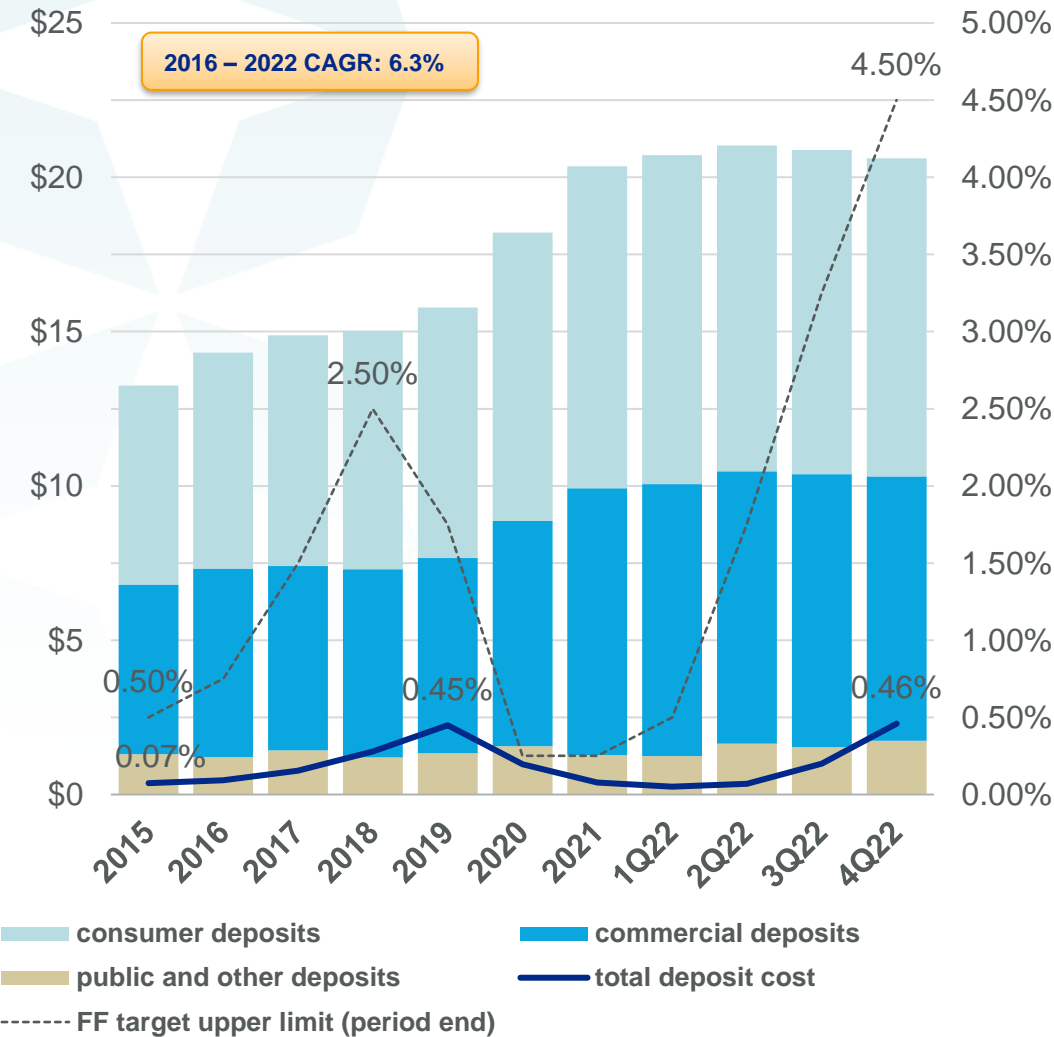
q-o-q core loan growth (%)



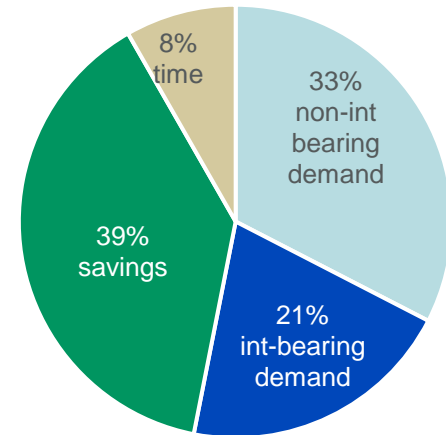
note: numbers may not add up due to rounding, CAGR, annual growth rate, and q-o-q core loan growth exclude PPP market share includes four banks: Bank of Hawai'i, First Hawaiian Bank, American Savings Bank (ASB), and Central Pacific Bank, excludes mainland loans, note: mainland loans not disclosed for ASB and assumed to be zero. market share unavailable for 4Q22

low cost, long duration deposits

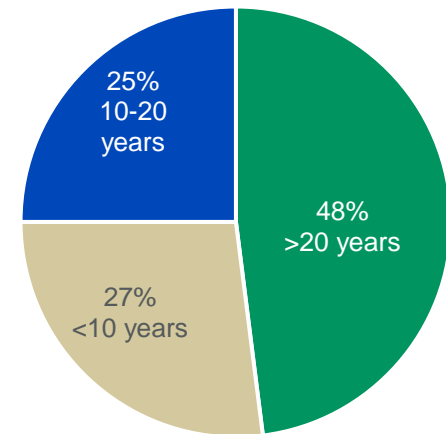
\$ in billions



by product



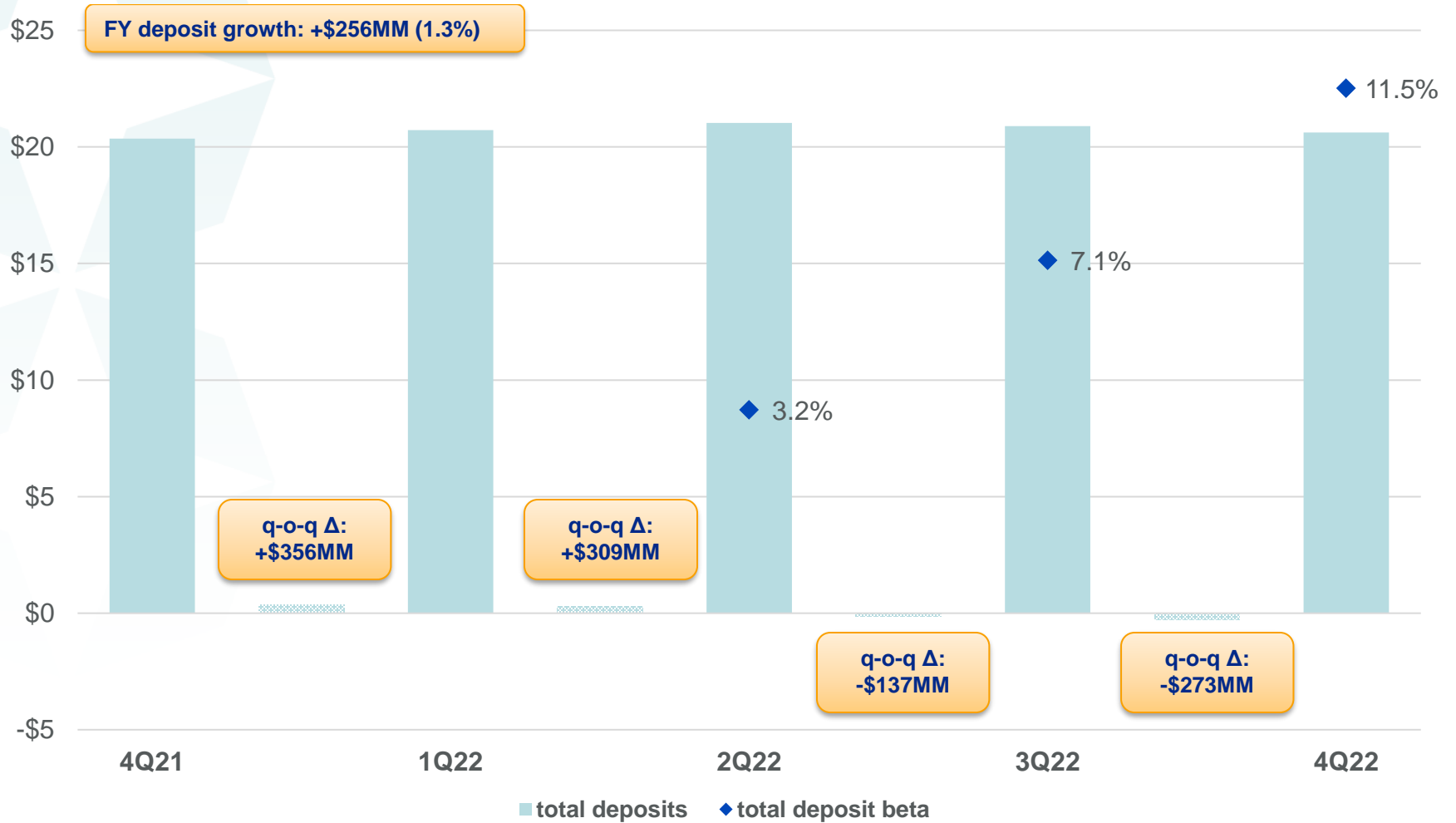
by tenure



source: S&P Capital IQ

strong deposit beta performance

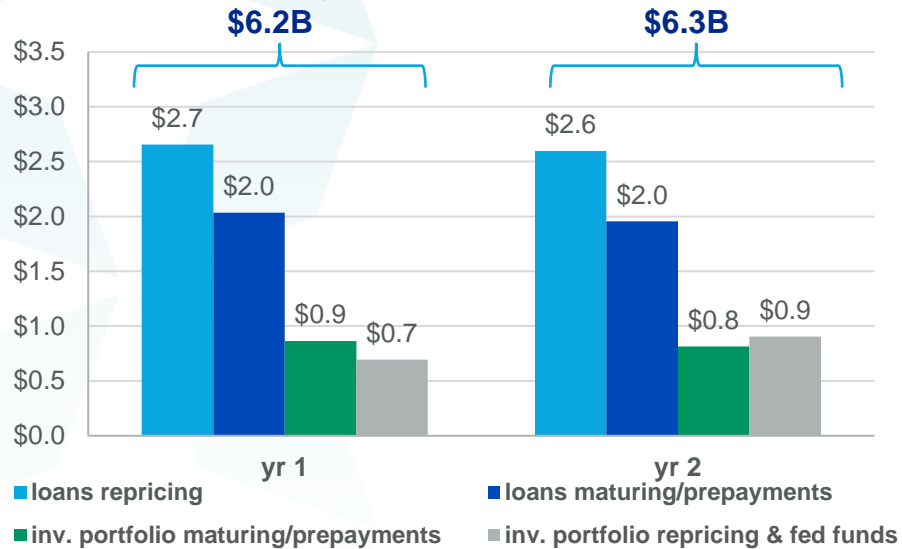
\$ in billions



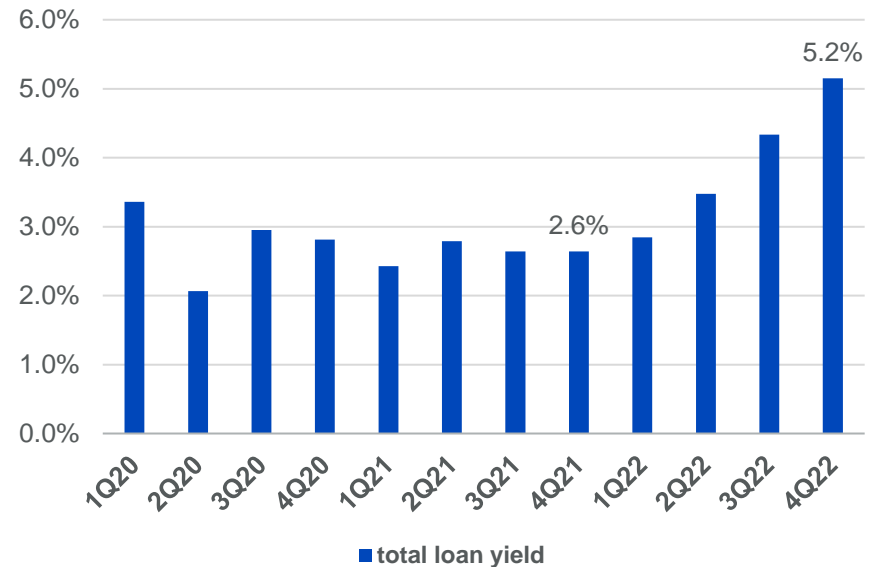
note: beta calculated as change in average total deposit rate divided by change in average Fed Funds rate

cashflow and repricing

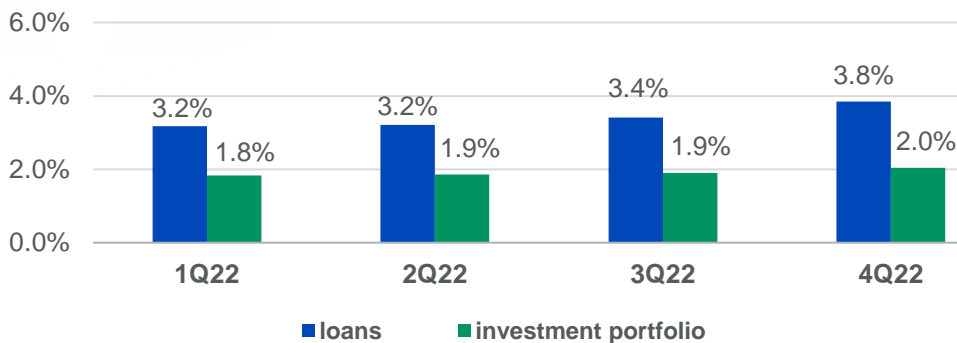
projected repricing, maturities & prepayments (\$ in billions)



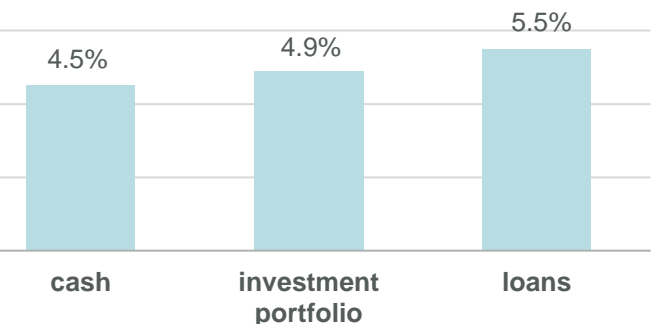
new loan yield



matured/run-off yield



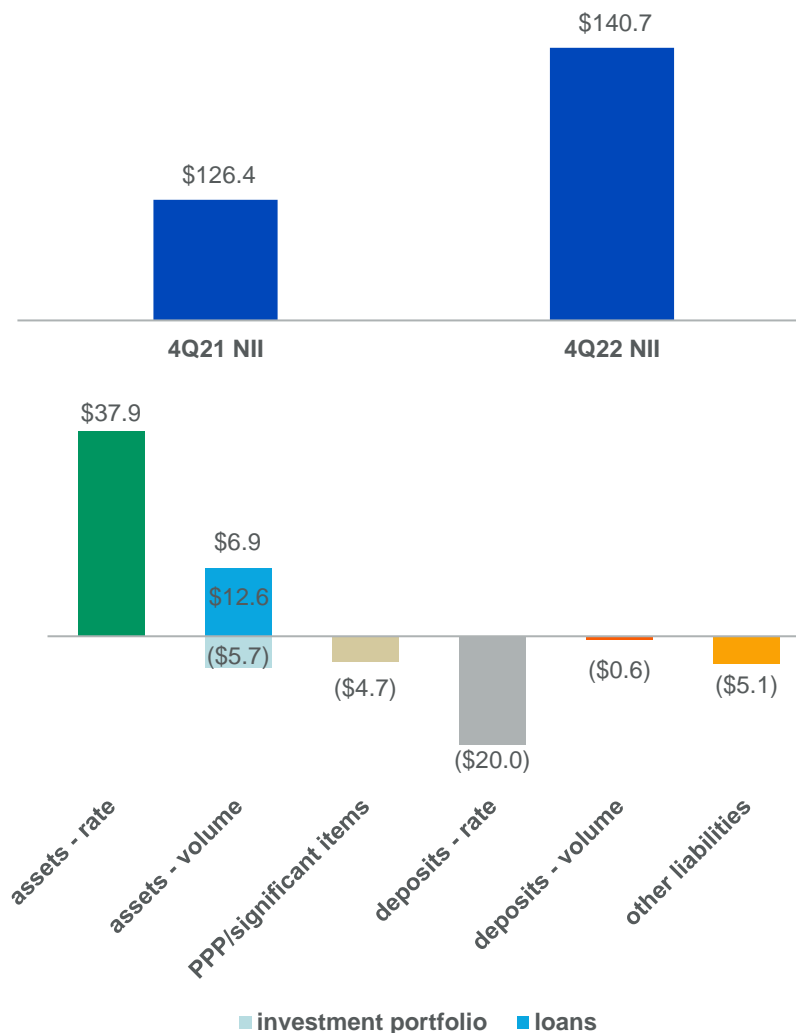
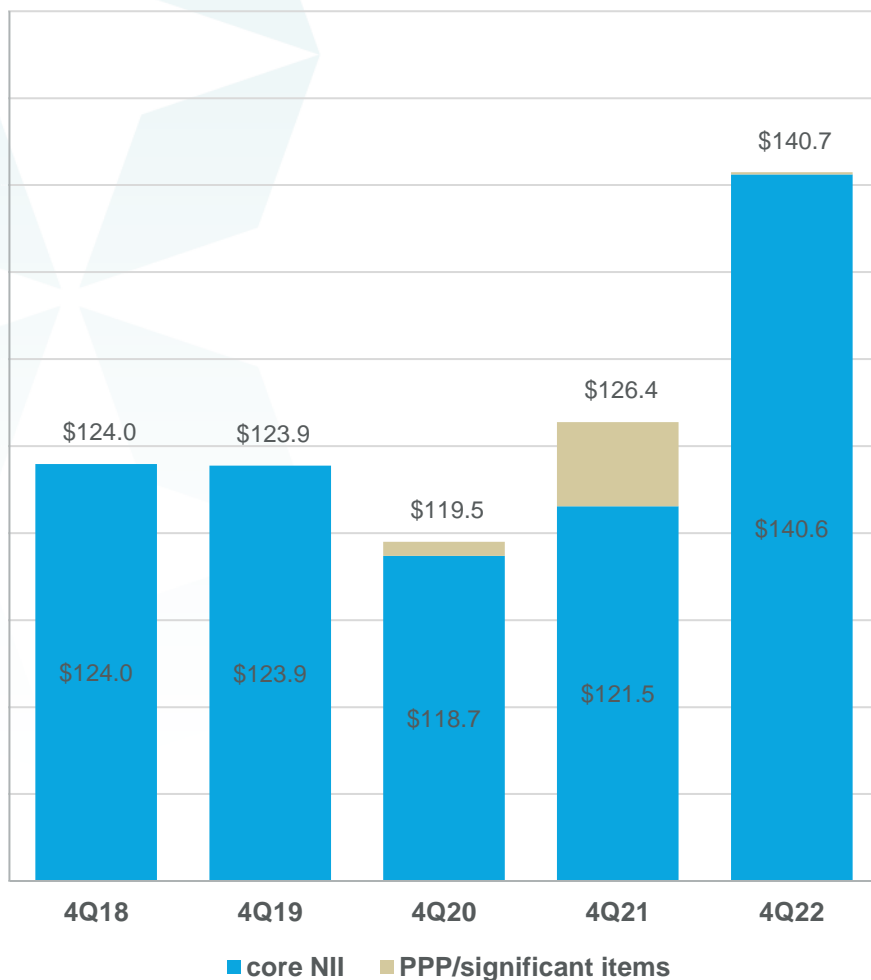
reinvestment opportunity



note: numbers may not add up due to rounding

NII year-over-year comparison

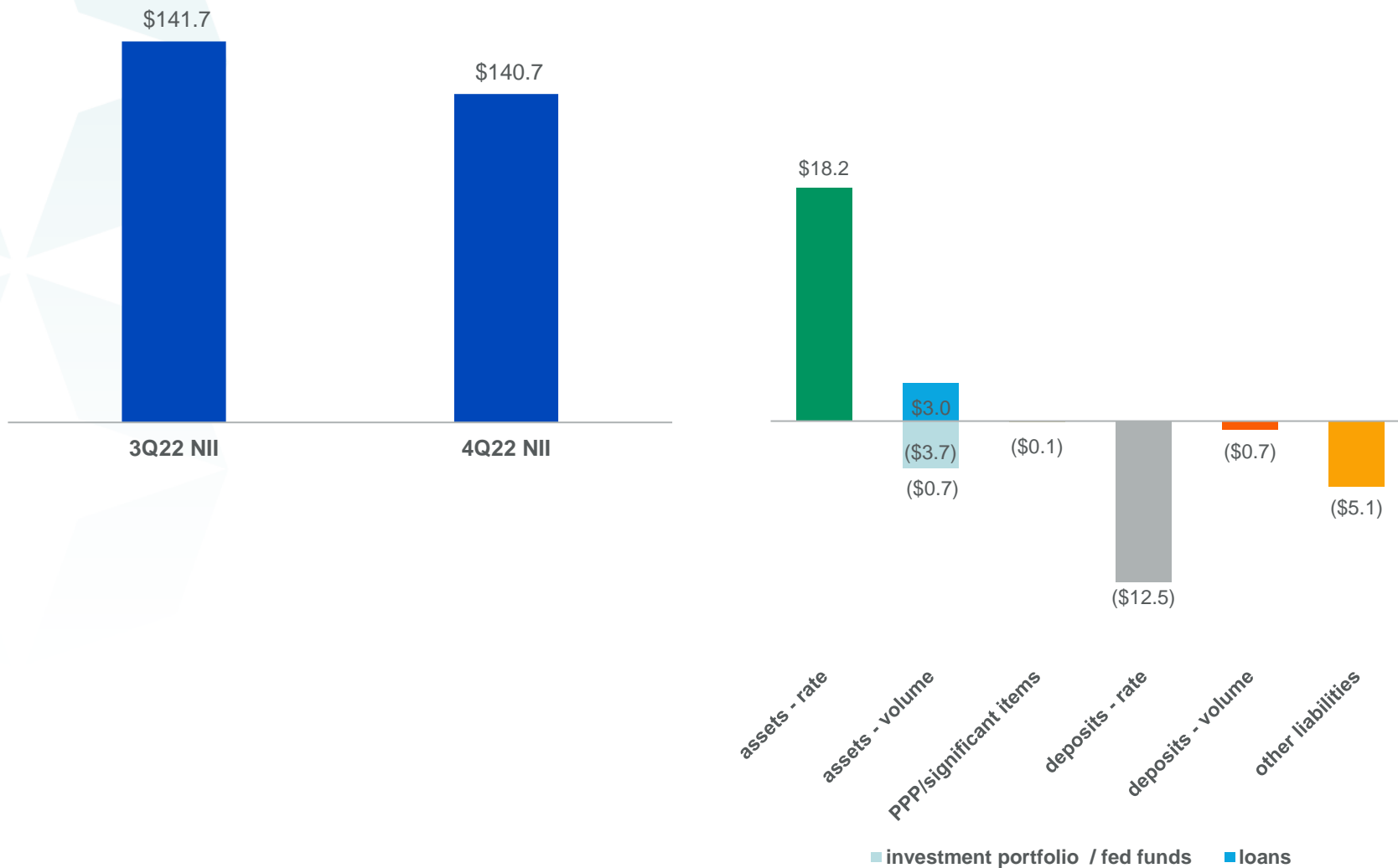
\$ in millions



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

NII headwinds

\$ in millions



note: numbers may not add up due to rounding

near term NII drivers

likely dilutive

yield curve

deposit cost

uncertain

deposit levels

deposit beta

likely accretive

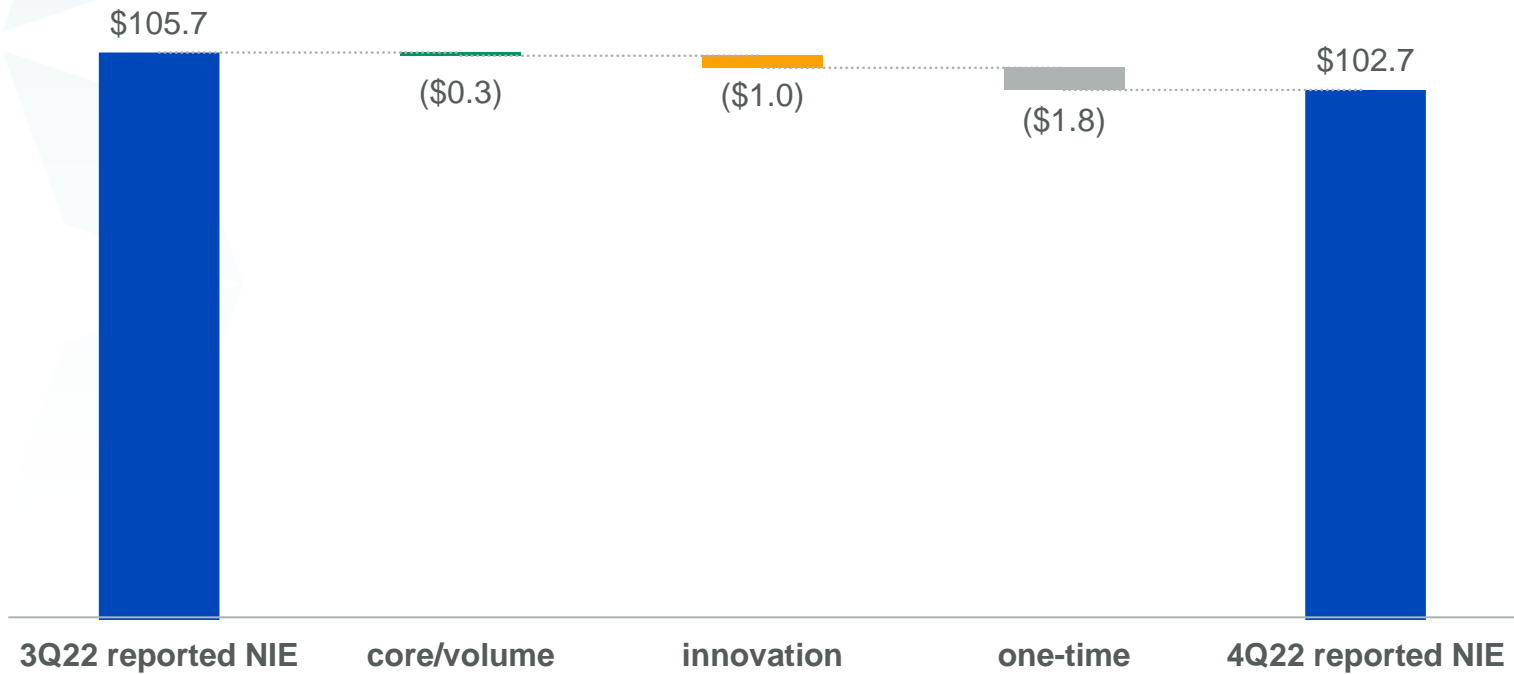
loan growth

earning asset yields

disciplined expenses

\$ in millions

rationalization of expenses across core and innovation



financial summary

\$ in millions, except per share amounts

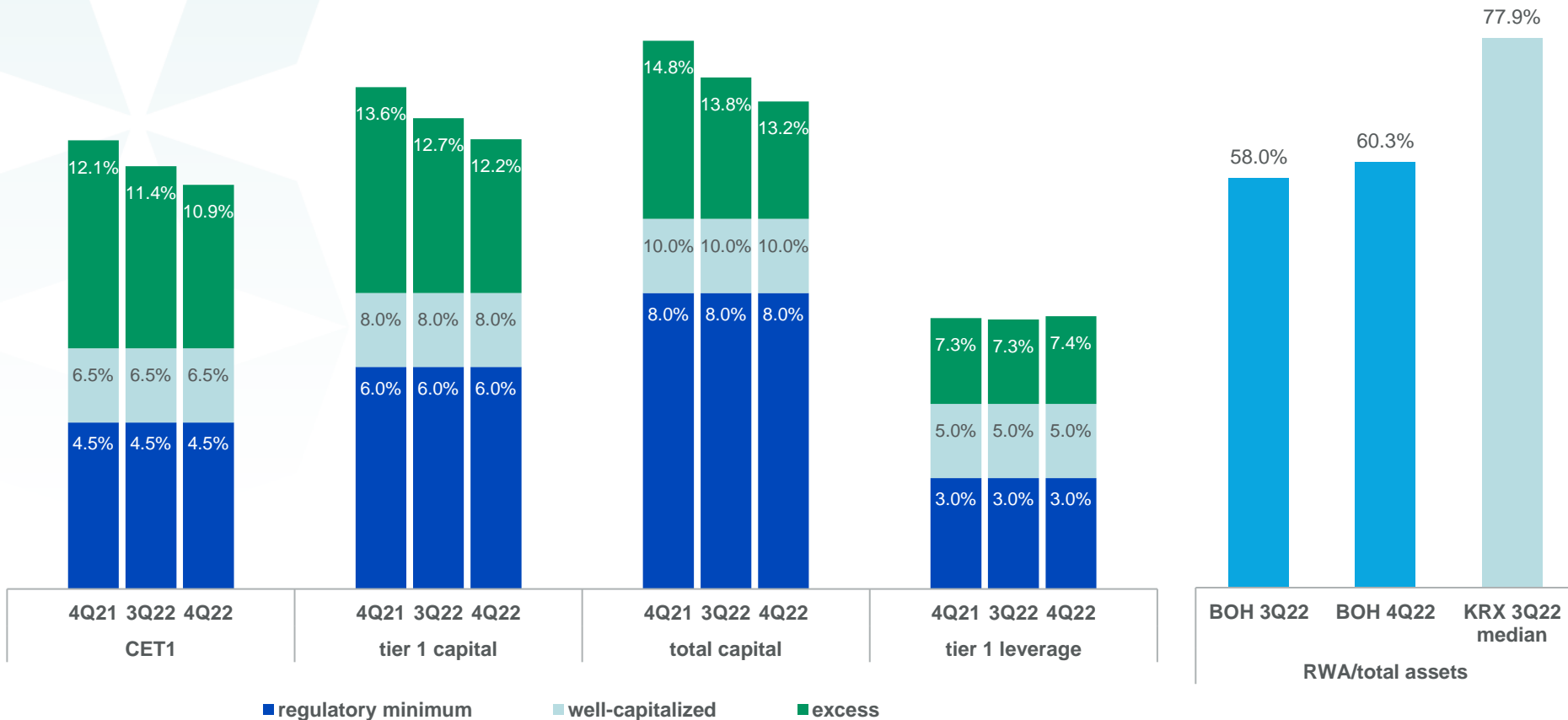
h Bank of Hawai'i
Corporation

	<u>4Q 2022</u>	<u>3Q 2022</u>	<u>4Q 2021</u>	<u>Δ 3Q 2022</u>	<u>Δ 4Q 2021</u>	<u>2022</u>	<u>Δ 2021</u>
net interest income	\$ 140.7	\$ 141.7	\$ 126.4	\$ (0.9)	\$ 14.4	\$ 540.6	\$ 43.3
noninterest income	41.2	30.7	42.6	10.5	(1.4)	157.5	(13.8)
total revenue	181.9	172.3	169.0	9.6	12.9	698.1	29.5
noninterest expense	102.7	105.7	101.7	(3.0)	1.0	415.3	21.7
operating income	79.2	66.6	67.3	12.6	11.9	282.8	7.8
credit provision	0.2	-	(9.7)	0.2	9.9	(7.8)	42.7
income taxes	17.7	13.8	13.1	3.9	4.6	64.8	(7.4)
net income	\$ 61.3	\$ 52.8	\$ 63.8	\$ 8.5	\$ (2.5)	\$ 225.8	\$ (27.6)
net income available to common	\$ 59.3	\$ 50.8	\$ 61.9	\$ 8.5	\$ (2.5)	\$ 217.9	(32.5)
diluted EPS	\$ 1.50	\$ 1.28	\$ 1.55	\$ 0.22	\$ (0.05)	\$ 5.48	\$ (0.77)
return on assets	1.05 %	0.91 %	1.12 %	0.14 %	(0.07) %	0.98 %	(0.16) %
return on common equity	21.28	16.98	17.40	4.30	3.88	17.83	(0.09)
net interest margin	2.60	2.60	2.34	-	0.26	2.50	0.14
efficiency ratio	56.46	61.37	60.18	(4.91)	(3.72)	59.49	0.63
end of period balances							
investment portfolio	\$ 8,259	\$ 7,886	\$ 8,971	4.7 %	(7.9) %	\$ 8,259	(7.9) %
loans and leases	13,646	13,322	12,259	2.4	11.3	13,646	11.3
loans and leases excl. PPP	13,627	13,299	12,132	2.5	12.3	13,627	12.3
total deposits	20,616	20,889	20,360	(1.3)	1.3	20,616	1.3
shareholders' equity	1,317	1,282	1,612	2.7	(18.3)	1,317	(18.3)

note: numbers may not add up due to rounding

fortress capital position

strong risk-based capital



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

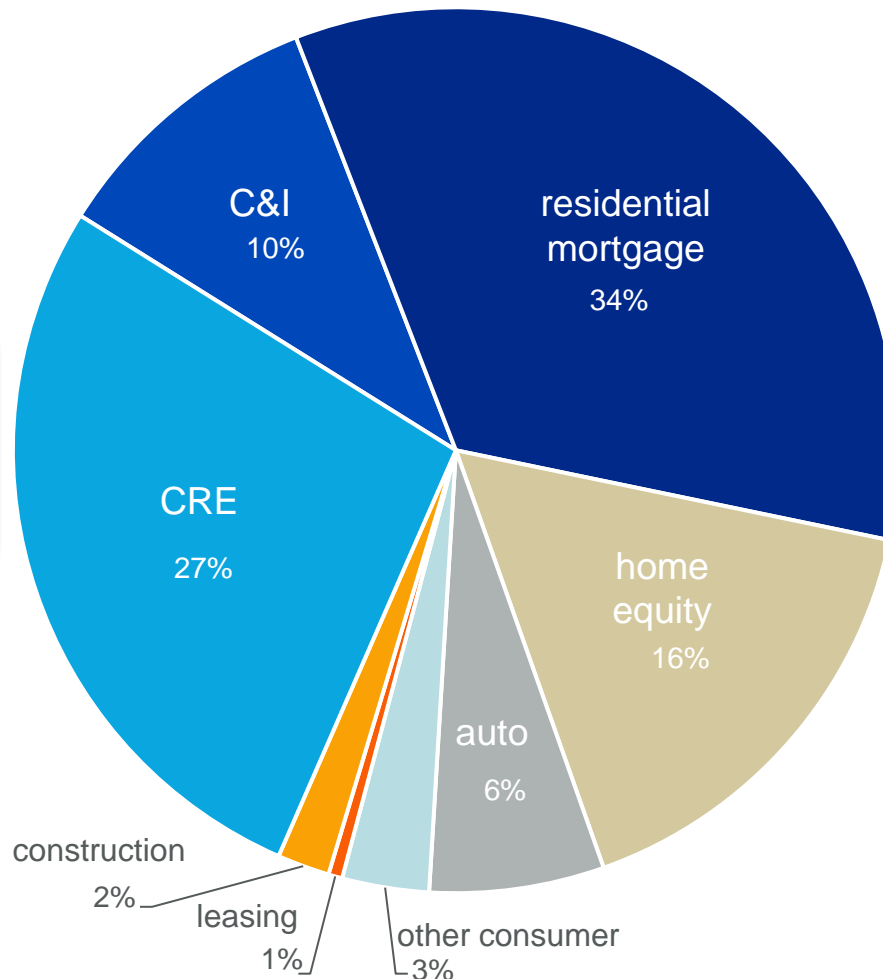


4Q credit update

loan portfolio

excluding PPP

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

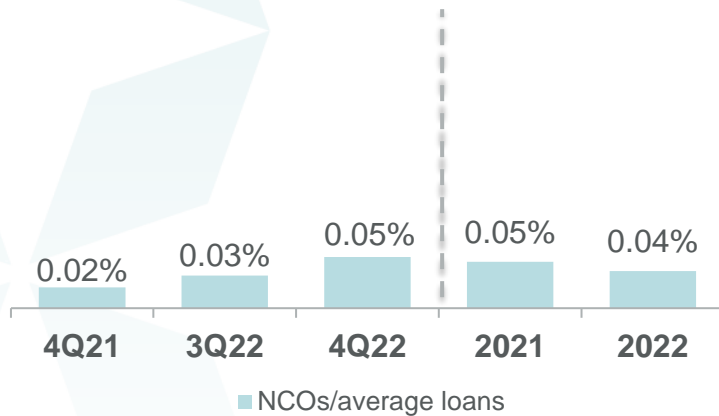


40% commercial
73% real estate secured
wtd avg LTV 57%
57% w/ BOH ≥ 10 yrs
avg balance \$0.7MM

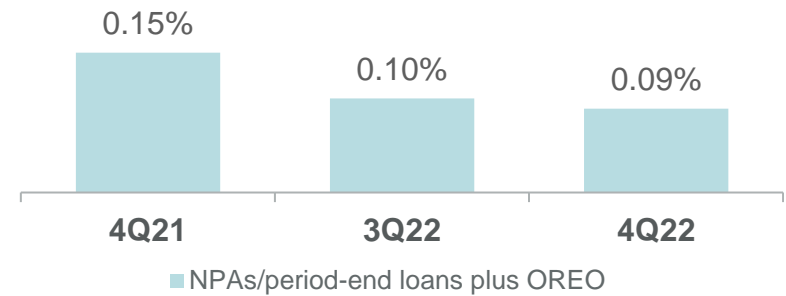
60% consumer
84% real estate secured
wtd avg LTV 55%
57% w/ BOH ≥ 10 yrs

credit quality

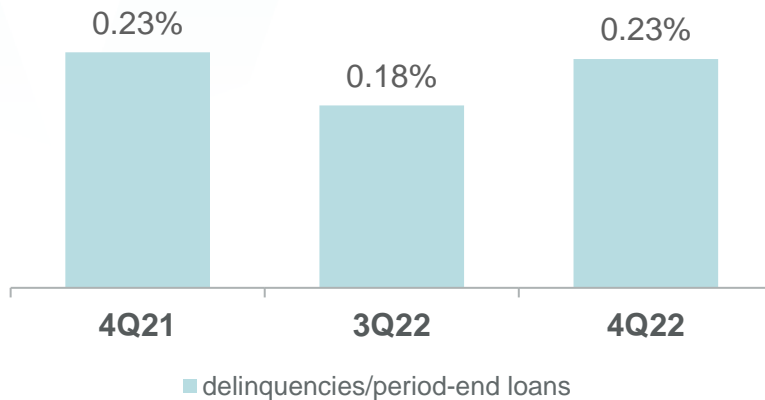
net charge-offs



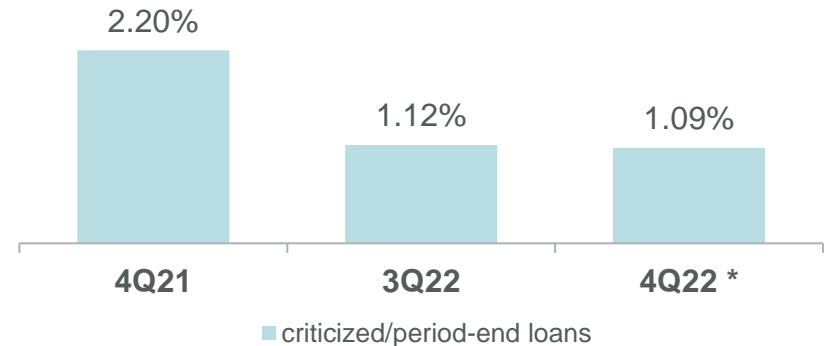
non-performing assets



delinquencies



criticized

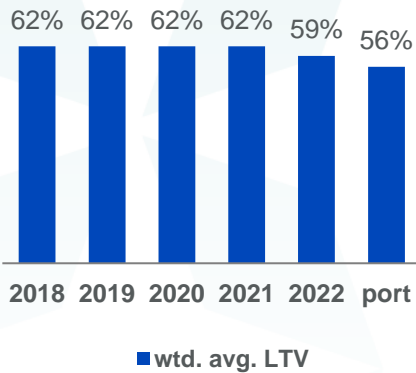


* 82% of total criticized in CRE with 61% wtd avg LTV

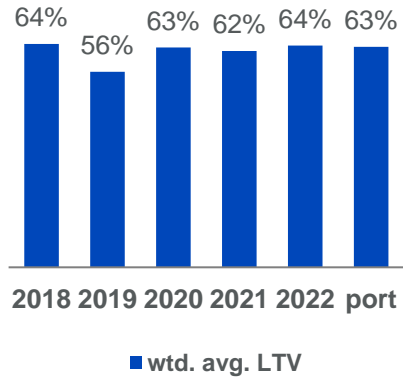
production quality

commercial

comm. mortg.

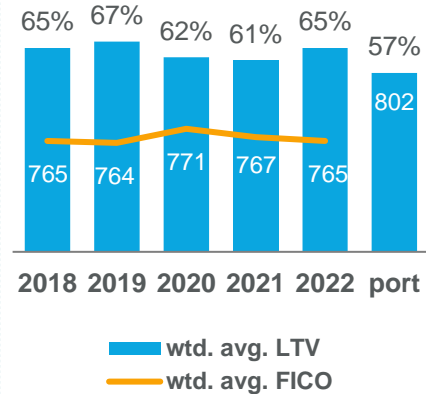


construction

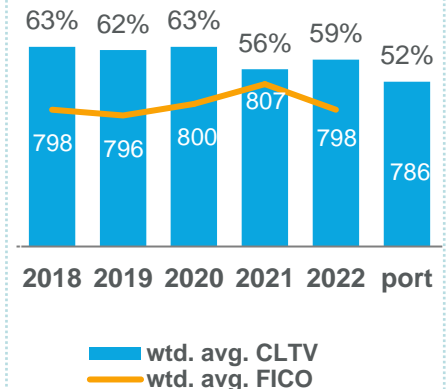


consumer

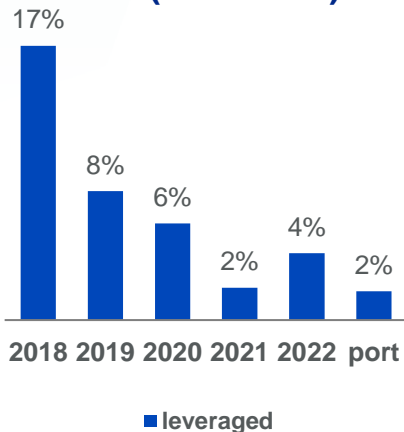
resi. mortgage



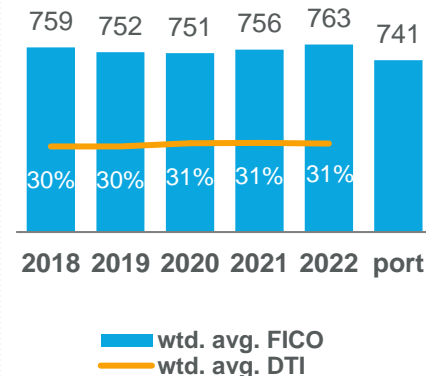
home equity



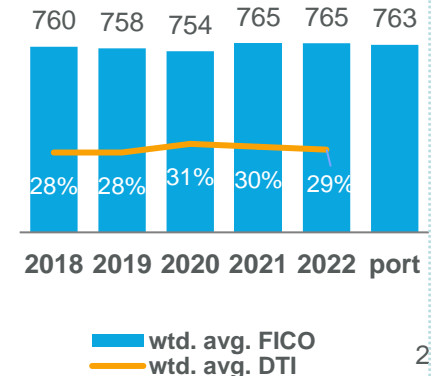
C&I (excl. PPP)



indirect



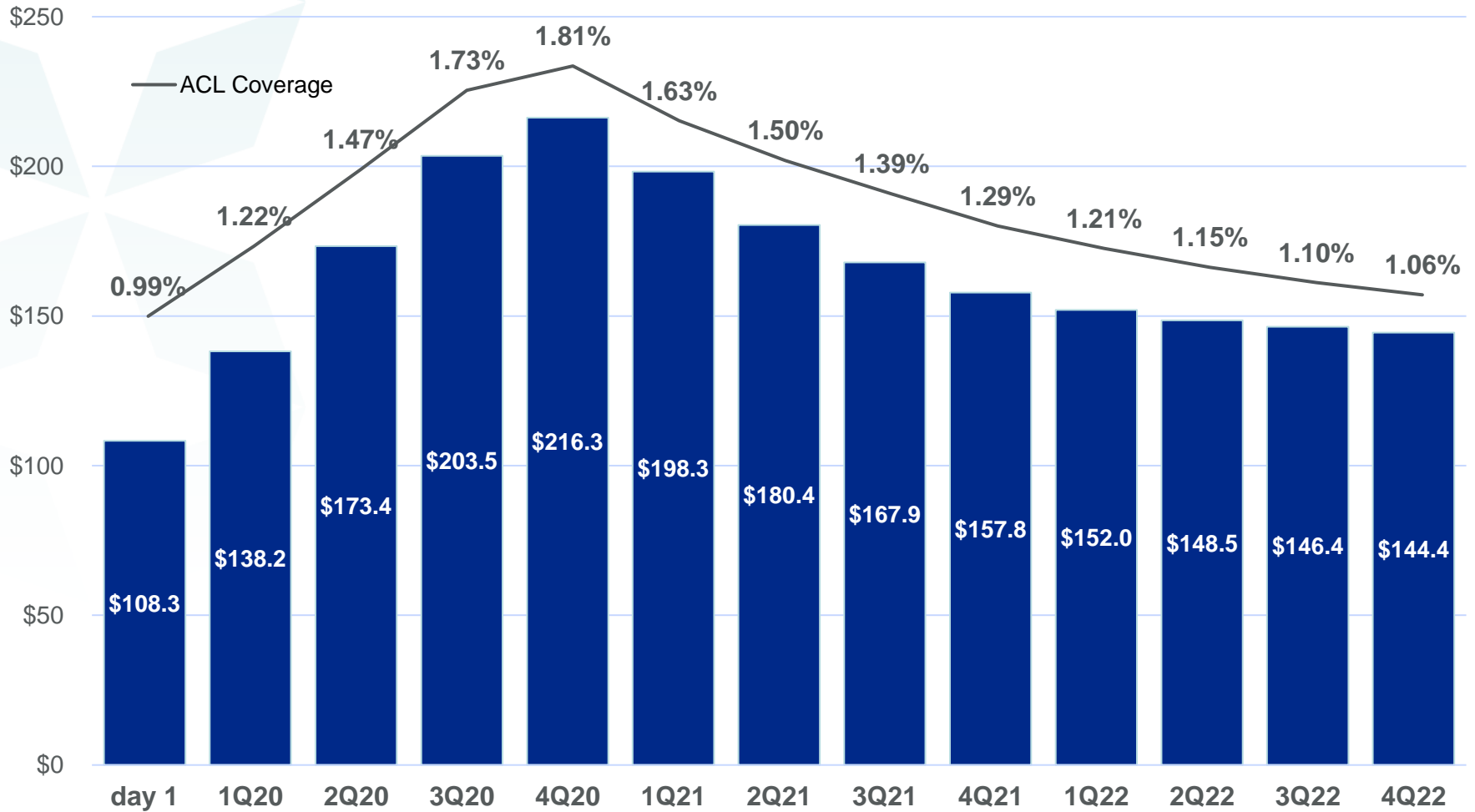
installment



reserve trend

\$ in millions

allowance for credit losses



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

well positioned for current environment

- market leading brand awareness and penetration
- superior credit quality
- deposit betas fortified by granular, long-tenured deposit base
- controlled expenses
- solid capital

Q & A