BANK OF HAWAII CORP Form 10-Q April 23, 2012 Table of Contents

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

| (Mark C | One) |
|---------------|--|
| x 31, 2012 | Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March |
| | or |
| 0 | 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 |

BANK OF HAWAII CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State of incorporation)

99-0148992 (I.R.S. Employer Identification No.)

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

96813 (Zip Code)

1-888-643-3888

(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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer x

Non-accelerated filer o (Do not check if a smaller reporting company)

Smaller reporting company o

Accelerated filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No x

As of April 16, 2012, there were 45,523,728 shares of common stock outstanding.

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Bank of Hawaii Corporation

Form 10-Q

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| | | | | | | | |
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Bank of Hawaii Corporation and Subsidiaries Consolidated Statements of Income (Unaudited)

| Color Colo | Consolidated Statements of Income (Unaudited) | | | | | | |
|--|---|-----------------------------|------------|-------|------------|--|--|
| dollars in thousands, except per share amounts) 2012 Interest Income 1 Interest and Fees on Loans and Leases \$ 64,691 \$ 66,593 Income on Investment Securities 17,713 37,669 Held-to-Maturity 26,413 7,633 Deposits 22 (2) Funds Sold 129 251 Other 280 279 Total Interest Income 109,228 11,423 Interest Spense 109,228 11,423 Interest Sold Under Agreements to Repurchase 7,304 7,041 Funds Purchased 5 6 Long-Term Debt 498 447 Total Interest Expense 11,280 12,276 Net Interest Income 97,944 99,697 Provision for Credit Losses 351 4,691 Net Interest Income 19,348 19,697 Provision for Credit Losses 351 4,991 Net Interest Income After Provision for Credit Losses 351 4,991 Net Interest Income After Provision for Credit Losses | | Three Months Ended March 31 | | | | | |
| Interest Income | | | | n 31, | 2011 | | |
| Interest and Fees on Loans and Leases \$ 64,691 \$ 66,593 | | | 2012 | | 2011 | | |
| Income on Investment Securities | | | 64.604 | Φ. | 66.500 | | |
| Available-for-Sale 17,713 37,669 Held-to-Maturity 26,413 7,633 Deposits 2 (2) Funds Sold 129 251 Other 280 279 Total Interest Income 109,228 112,423 Interest Expense 1 1 Deposits 3,473 5,232 Securities Sold Under Agreements to Repurchase 7,904 7,041 Funds Purchased 5 6 Long-Term Debt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,597 95,006 Nominterest Income 97,597 95,006 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net <t< td=""><td></td><td>\$</td><td>64,691</td><td>\$</td><td>66,593</td></t<> | | \$ | 64,691 | \$ | 66,593 | | |
| Field-no-Maturity | | | | | | | |
| Deposits 2 (2) Funds Sold 129 251 Other 280 279 Total Interest Income 109,228 112,423 Interest Expense 1 Deposits 3,473 5,232 Securities Sold Under Agreements to Repurchase 7,304 7,041 Funds Purchased 5 6 Long-Term Debt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 97,597 95,006 Noninterest Income 97,597 95,006 Noninterest Income 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net 90 6,084 Insurance 2,278 2,771 Other 7,936 5,262 < | | | | | / | | |
| Funds Sold 129 251 Other 280 279 Total Interest Income 109,228 112,423 Interest Expense 109,228 12,423 Deposits 3,473 5,232 Securities Sold Under Agreements to Repurchase 7,304 7,041 Funds Purchased 5 6 Long-Term Debt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,979 95,006 Noninterest Income 97,948 99,697 Provision for Credit Losses 97,979 95,006 Noninterest Income 97,948 99,697 Provision for Credit Losses 97,979 95,006 Noninterest Income 97,948 99,697 Provision for Credit Losses 97,979 95,006 Noninterest Income 11,806 11,806 Mortgage Banking <t< td=""><td>•</td><td></td><td></td><td></td><td>. ,</td></t<> | • | | | | . , | | |
| Other 250 279 Total Interest Income 109,228 112,423 Interest Expense 109,228 12,423 Deposits 3,473 5,232 Securities Sold Under Agreements to Repurchase 7,044 7,041 Funds Purchased 5 6 Long-Term Debt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,597 95,006 Net Interest Income After Provision for Credit Losses 97,597 95,006 Net Interest Income After Provision for Credit Losses 97,597 95,006 Noninterest Income 10,918 11,806 Morigage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance < | | | | | | | |
| Total Interest Income 109,228 112,423 Interest Expense 3,473 5,232 Securities Sold Under Agreements to Repurchase 7,304 7,041 Funds Purchased 5 6 Long-Term Debt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,597 95,006 Noninterest Income 10,918 11,806 Mortagag Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Insurance 2,278 2,771 Other 7,936 5,52 Total Noninterest Income 48,082 53,922 Noninterest Expense 48,082 53,922 Notal Noninterest Income 48,082 53,922 <td></td> <td></td> <td></td> <td></td> <td></td> | | | | | | | |
| Deposits Salaries Salaries | | | | | 279 | | |
| Depositis 3,473 5,232 Securities Sold Under Agreements to Repurchase 7,304 7,041 Funds Purchased 5 6 Long-Term Debt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income 97,597 95,006 Noninterest Income 97,597 95,006 Noninterest Income 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 48,082 53,922 Net Coupancy 10,516 10,327 Net Equipment 5,8 | | | 109,228 | | 112,423 | | |
| Securities Sold Under Agreements to Repurchase 7,304 7,041 Funds Purchased 5 6 Long-Term Bebt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,597 95,006 Noninterest Income 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 99,322 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net 90 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 4,082 53,92 Net Occupancy 10,516 10,327 Net Cocupancy 10,516 10,327 Net Equipment 3,826 4,698 Professional Fees 2,132 2,158 FDIC In | • | | | | | | |
| Funds Purchased 45 6 Long-Term Debt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,597 95,006 Noniterest Income 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Nominterest Income 48,082 53,922 Nominterest Expense 48,082 53,922 Nominterest Expense 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 PDIC Insurance | | | | | • | | |
| Long-Term Debt 498 447 Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,577 95,006 Noninterest Income Trust and Asset Management 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 47,024 46,782 Salaries and Benefits 47,024 46,782 Net Equipment 5,826 4,698 Professional Fees 2,011 3,244 Other 17,638 18,873 FDIC Insurance 2,071 3,244 | Securities Sold Under Agreements to Repurchase | | 7,304 | | 7,041 | | |
| Total Interest Expense 11,280 12,726 Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,597 95,006 Noninterest Income 97,597 95,006 Noninterest Income 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 48,082 53,922 Salaries and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Othe | Funds Purchased | | 5 | | 6 | | |
| Net Interest Income 97,948 99,697 Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,597 95,006 Nominterest Income 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 35,922 Noninterest Income 48,082 35,922 Salaries and Benefits 47,024 46,782 Not Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before P | Long-Term Debt | | 498 | | 447 | | |
| Provision for Credit Losses 351 4,691 Net Interest Income After Provision for Credit Losses 97,597 95,006 Noninterest Income 97,597 95,006 Trust and Asset Management 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 47,024 46,782 Salaries and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,538 18,873 Total Noninterest Expense 85,207 86,082 Income | Total Interest Expense | | 11,280 | | 12,726 | | |
| Net Interest Income After Provision for Credit Losses 97,597 95,006 Noninterest Income 10,918 11,806 Trust and Asset Management 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 PDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 60,472 62,846 <t< td=""><td>Net Interest Income</td><td></td><td>97,948</td><td></td><td>99,697</td></t<> | Net Interest Income | | 97,948 | | 99,697 | | |
| Noninterest Income Income Trust and Asset Management 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 8 53,922 Salaries and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 | Provision for Credit Losses | | 351 | | 4,691 | | |
| Trust and Asset Management 10,918 11,806 Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 47,024 46,782 Salaries and Benefits 47,024 46,782 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,446 Net Income \$ 43,810 \$ 42,360 Basic Ea | Net Interest Income After Provision for Credit Losses | | 97,597 | | 95,006 | | |
| Mortgage Banking 5,050 3,122 Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,84 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 8 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0,95 \$ 0.89 Diluted Earnings Per Share \$ 0,95 \$ 0.89 | Noninterest Income | | | | | | |
| Service Charges on Deposit Accounts 9,591 9,932 Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 47,024 46,782 Salaries and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Dec | Trust and Asset Management | | 10,918 | | 11,806 | | |
| Fees, Exchange, and Other Service Charges 12,399 14,945 Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 3 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.95 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 </td <td>Mortgage Banking</td> <td></td> <td>5,050</td> <td></td> <td>3,122</td> | Mortgage Banking | | 5,050 | | 3,122 | | |
| Investment Securities Gains (Losses), Net (90) 6,084 Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense ************************************ | Service Charges on Deposit Accounts | | 9,591 | | 9,932 | | |
| Insurance 2,278 2,771 Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense 8 Salaries and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Fees, Exchange, and Other Service Charges | | 12,399 | | 14,945 | | |
| Other 7,936 5,262 Total Noninterest Income 48,082 53,922 Noninterest Expense Stain is and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 47,851,612 \$ 47,851,612 | Investment Securities Gains (Losses), Net | | (90) | | 6,084 | | |
| Total Noninterest Income 48,082 53,922 Noninterest Expense 53,922 Salaries and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Insurance | | 2,278 | | 2,771 | | |
| Noninterest Expense 47,024 46,782 Salaries and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Other | | 7,936 | | 5,262 | | |
| Salaries and Benefits 47,024 46,782 Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Total Noninterest Income | | 48,082 | | 53,922 | | |
| Net Occupancy 10,516 10,327 Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Noninterest Expense | | | | | | |
| Net Equipment 5,826 4,698 Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Salaries and Benefits | | 47,024 | | 46,782 | | |
| Professional Fees 2,132 2,158 FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Net Occupancy | | 10,516 | | 10,327 | | |
| FDIC Insurance 2,071 3,244 Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Net Equipment | | 5,826 | | 4,698 | | |
| Other 17,638 18,873 Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Professional Fees | | 2,132 | | 2,158 | | |
| Total Noninterest Expense 85,207 86,082 Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | FDIC Insurance | | 2,071 | | 3,244 | | |
| Income Before Provision for Income Taxes 60,472 62,846 Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Other | | 17,638 | | 18,873 | | |
| Provision for Income Taxes 16,662 20,486 Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Total Noninterest Expense | | 85,207 | | 86,082 | | |
| Net Income \$ 43,810 \$ 42,360 Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Income Before Provision for Income Taxes | | 60,472 | | 62,846 | | |
| Basic Earnings Per Share \$ 0.96 \$ 0.89 Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Provision for Income Taxes | | 16,662 | | 20,486 | | |
| Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Net Income | \$ | 43,810 | \$ | 42,360 | | |
| Diluted Earnings Per Share \$ 0.95 \$ 0.88 Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares 45,709,936 47,851,612 | Basic Earnings Per Share | | | | | | |
| Dividends Declared Per Share \$ 0.45 \$ 0.45 Basic Weighted Average Shares \$ 45,709,936 \$ 47,851,612 | | | 0.95 | | 0.88 | | |
| Basic Weighted Average Shares 45,709,936 47,851,612 | | \$ | 0.45 | | 0.45 | | |
| | Basic Weighted Average Shares | | 45,709,936 | | 47,851,612 | | |
| | Diluted Weighted Average Shares | | 45,875,238 | | 48,074,656 | | |

The accompanying notes are an integral part of the Consolidated Financial Statements (Unaudited).

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Bank of Hawaii Corporation and Subsidiaries Consolidated Statements of Comprehensive Income (Unaudited)

| | Three Mor | | | | |
|--|-----------|-----------|----|----------|--|
| | | March 31, | | | |
| (dollars in thousands) | | 2012 | | 2011 | |
| Net Income | \$ | 43,810 | \$ | 42,360 | |
| Other Comprehensive Loss, Net of Tax: | | | | | |
| Net Unrealized Losses on Investment Securities | | (6,454) | | (19,500) | |
| Defined Benefit Plans | | 153 | | 471 | |
| Other Comprehensive Loss | | (6,301) | | (19,029) | |
| Comprehensive Income | \$ | 37,509 | \$ | 23,331 | |

The accompanying notes are an integral part of the Consolidated Financial Statements (Unaudited).

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Bank of Hawaii Corporation and Subsidiaries Consolidated Statements of Condition (Unaudited)

| | March 31, | December 31, | | |
|--|------------------|--------------|------------|--|
| (dollars in thousands) | 2012 | | 2011 | |
| Assets | | | | |
| Interest-Bearing Deposits | \$ 3,333 | \$ | 3,036 | |
| Funds Sold | 213,458 | | 512,384 | |
| Investment Securities | | | | |
| Available-for-Sale | 3,469,260 | | 3,451,885 | |
| Held-to-Maturity (Fair Value of \$3,877,269 and \$3,754,206) | 3,779,272 | | 3,657,796 | |
| Loans Held for Sale | 10,655 | | 18,957 | |
| Loans and Leases | 5,598,932 | | 5,538,304 | |
| Allowance for Loan and Lease Losses | (135,606) | | (138,606) | |
| Net Loans and Leases | 5,463,326 | | 5,399,698 | |
| Total Earning Assets | 12,939,304 | | 13,043,756 | |
| Cash and Noninterest-Bearing Deposits | 154,100 | | 154,489 | |
| Premises and Equipment | 106,543 | | 103,550 | |
| Customers Acceptances | 117 | | 476 | |
| Accrued Interest Receivable | 48,032 | | 43,510 | |
| Foreclosed Real Estate | 3,530 | | 3,042 | |
| Mortgage Servicing Rights | 23,915 | | 24,279 | |
| Goodwill | 31,517 | | 31,517 | |
| Other Assets | 452,351 | | 441,772 | |
| Total Assets | \$ 13,759,409 | \$ | 13,846,391 | |
| | | | | |
| Liabilities | | | | |
| Deposits | | | | |
| Noninterest-Bearing Demand | \$ 2,964,372 | \$ | 2,850,923 | |
| Interest-Bearing Demand | 1,964,487 | | 2,005,983 | |
| Savings | 4,440,674 | | 4,398,638 | |
| Time | 1,251,637 | | 1,337,079 | |
| Total Deposits | 10,621,170 | | 10,592,623 | |
| Funds Purchased | 11,024 | | 10,791 | |
| Securities Sold Under Agreements to Repurchase | 1,825,646 | | 1,925,998 | |
| Long-Term Debt | 30,687 | | 30,696 | |
| Banker s Acceptances | 117 | | 476 | |
| Retirement Benefits Payable | 41,862 | | 46,949 | |
| Accrued Interest Payable | 6,318 | | 5,330 | |
| Taxes Payable and Deferred Taxes | 104,259 | | 95,840 | |
| Other Liabilities | 122,429 | | 135,021 | |
| Total Liabilities | 12,763,512 | | 12,843,724 | |
| Shareholders Equity | | | | |
| Common Stock (\$.01 par value; authorized 500,000,000 shares; | | | | |
| issued / outstanding: March 31, 2012 - 57,290,145 / 45,605,881 | | | | |
| and December 31, 2011 - 57,134,470 / 45,947,116) | 571 | | 571 | |
| Capital Surplus | 509,860 | | 507,558 | |
| Accumulated Other Comprehensive Income | 28,962 | | 35,263 | |
| Retained Earnings | 1,024,736 | | 1,003,938 | |
| Treasury Stock, at Cost (Shares: March 31, 2012 - 11,684,264 | | | | |
| and December 31, 2011 - 11,187,354) | (568,232) | | (544,663) | |
| Total Shareholders Equity | 995,897 | | 1,002,667 | |
| Total Liabilities and Shareholders Equity | \$ 13,759,409 | \$ | 13,846,391 | |
| | | | | |

The accompanying notes are an integral part of the Consolidated Financial Statements (Unaudited).

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Bank of Hawaii Corporation and Subsidiaries Consolidated Statements of Shareholders Equity (Unaudited)

| (dollars in thousands) | Common Shares Outstanding | Co | mmon Stock | Capital Surplus | (| Other Comprehensive Income | Retained Earnings | Treasury Stock | Total |
|--|---------------------------------|----|---------------|--------------------|----|----------------------------|----------------------|-------------------|-------------|
| Balance as of December 31, | | | | | | | | | |
| 2011 | 45,947,116 | \$ | 571 | \$ 507,558 | \$ | 35,263 | \$ 1,003,938 | \$ (544,663) | \$1,002,667 |
| Net Income | - | | - | - | | - | 43,810 | - | 43,810 |
| Other Comprehensive Loss | - | | - | - | | (6,301) | - | - | (6,301) |
| Share-Based Compensation | - | | - | 1,831 | | - | - | - | 1,831 |
| Common Stock Issued under Purchase and Equity Compensation Plans and Related | | | | | | | | | |
| Tax Benefits | 326,174 | | _ | 471 | | _ | (2,317) | 7,735 | 5,889 |
| Common Stock Repurchased | (667,409) | | - | - | | - | - | (31,304) | (31,304) |
| Cash Dividends Paid (\$0.45 per share) | <u>-</u> | | _ | | | | | | |