

Bank of Hawai'i Corporation
first quarter 2025
financial report

April 21, 2025

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

first quarter 2025 highlights

earnings highlights

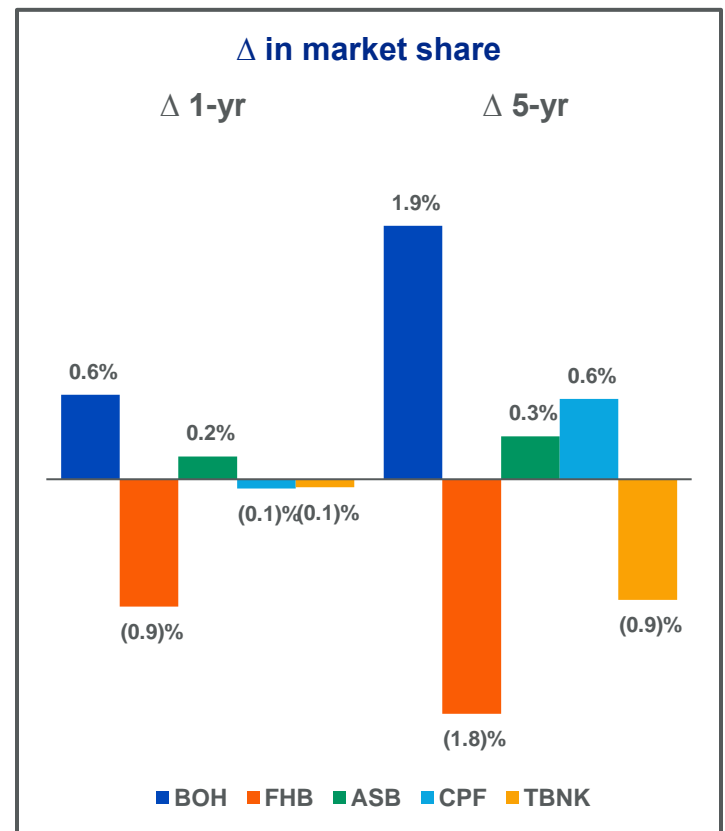
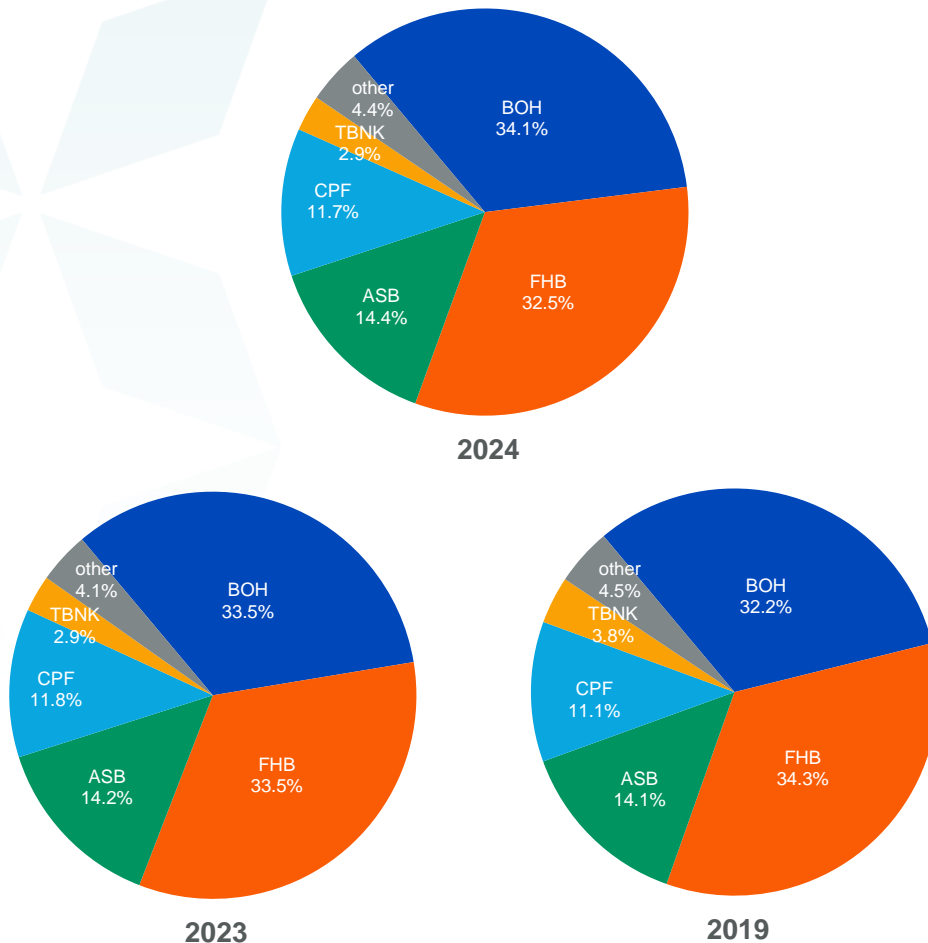
strong credit
*credit remained
pristine*

stable balance sheet performance

- \$0.97 diluted earnings per common share
 - \$44.0 million net income
 - net interest margin expanded for the fourth consecutive quarter to 2.32% from 2.19%
 - average cost of total deposits decreased to 1.60% from 1.77%
 - 11.80% return on average common equity
-
- 0.13% net charge-off rate
 - 0.12% non-performing assets level
 - 79% of loan portfolio real estate-secured with combined wtd avg LTV of 51%
 - nominal direct tariff exposure
-
- period end total deposits increased 7.3% annualized and total loans and leases increased by 1.1% annualized
 - stable average noninterest-bearing demand deposit and low yield interest-bearing deposit balances
 - tier 1 capital ratio of 13.93% and total capital ratio of 14.97%

leader in a unique deposit market Bank of Hawai'i Corporation

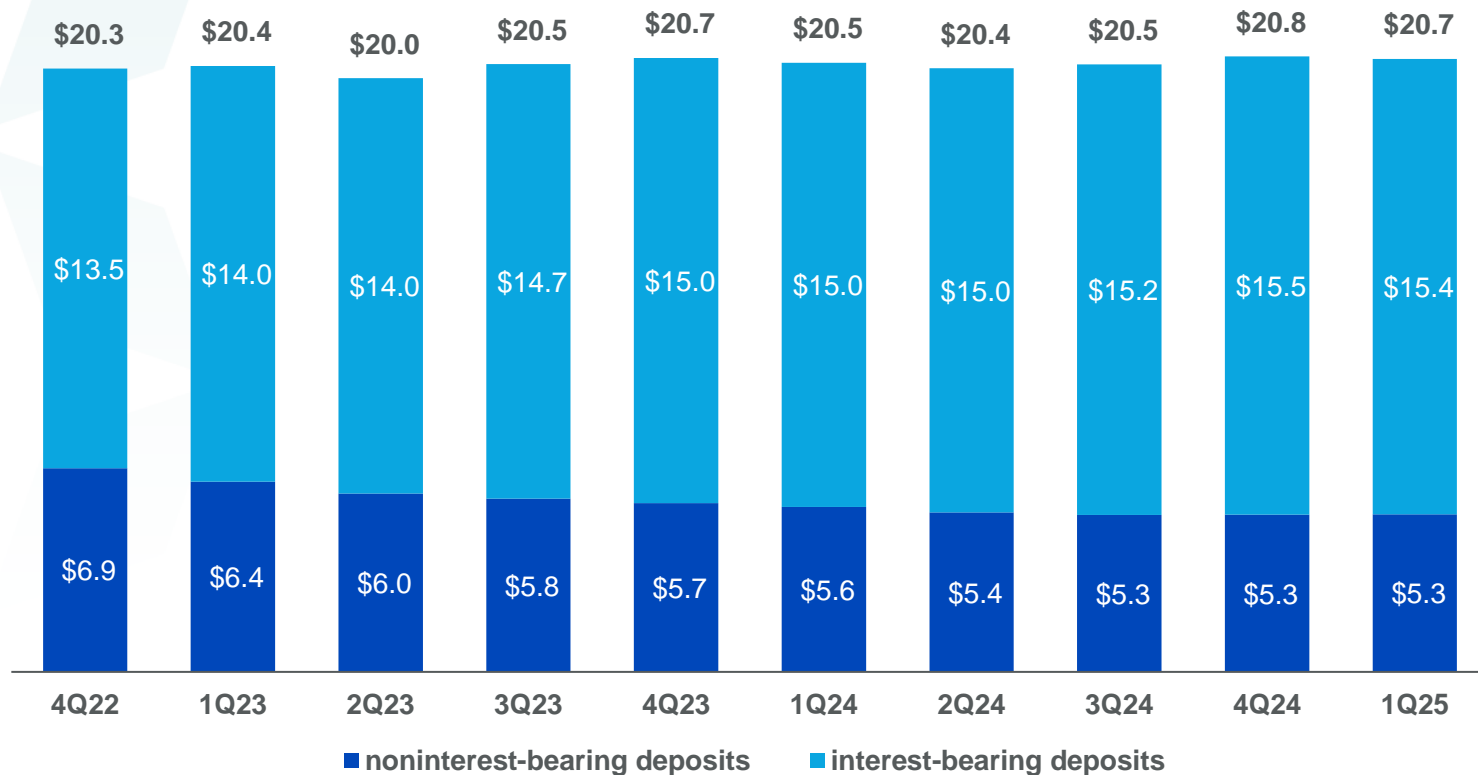
the leader in a unique deposit market with five local competitors holding 96% of the bank deposit market



stable deposit balances

\$ in billions

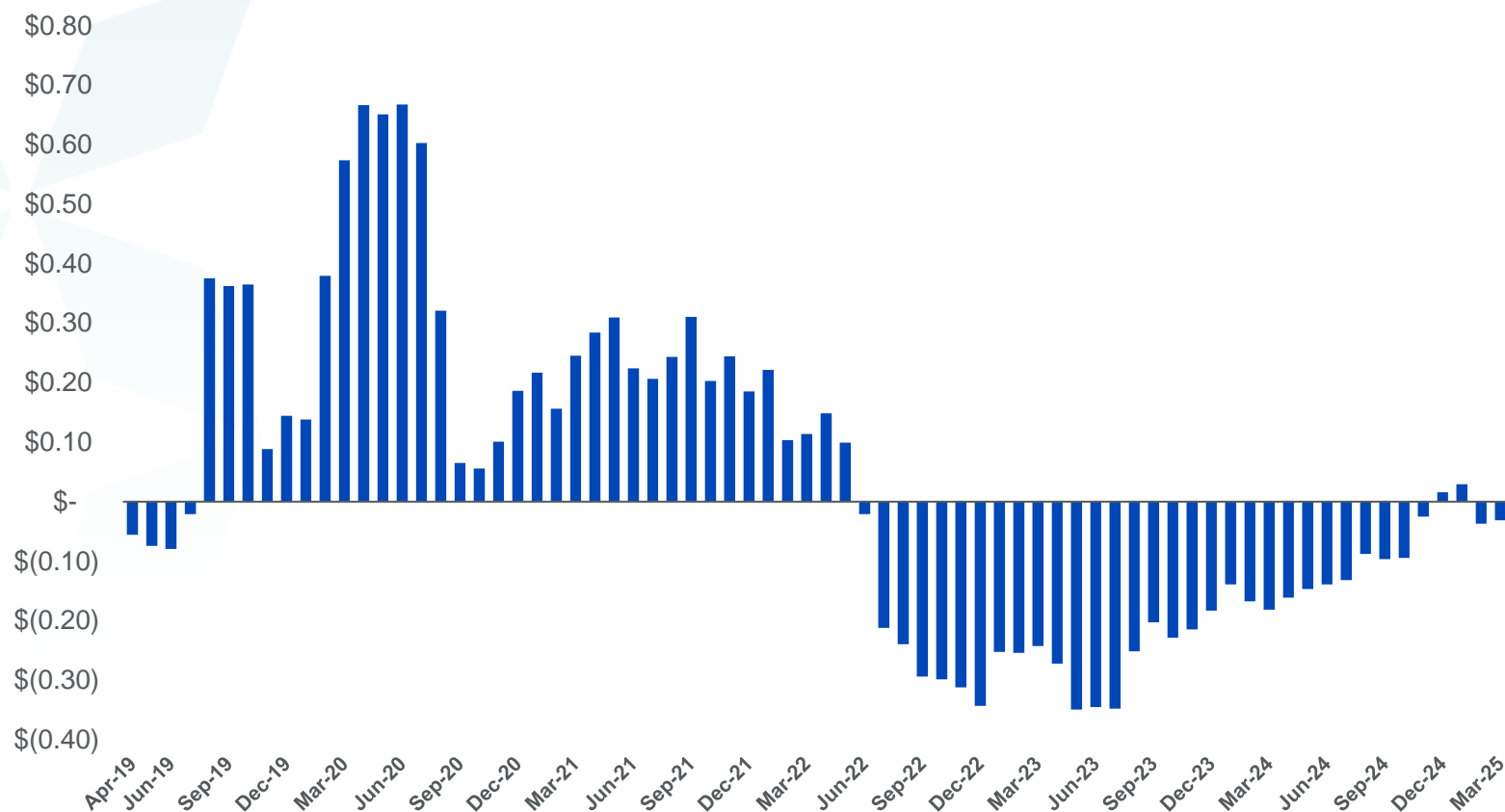
average balances



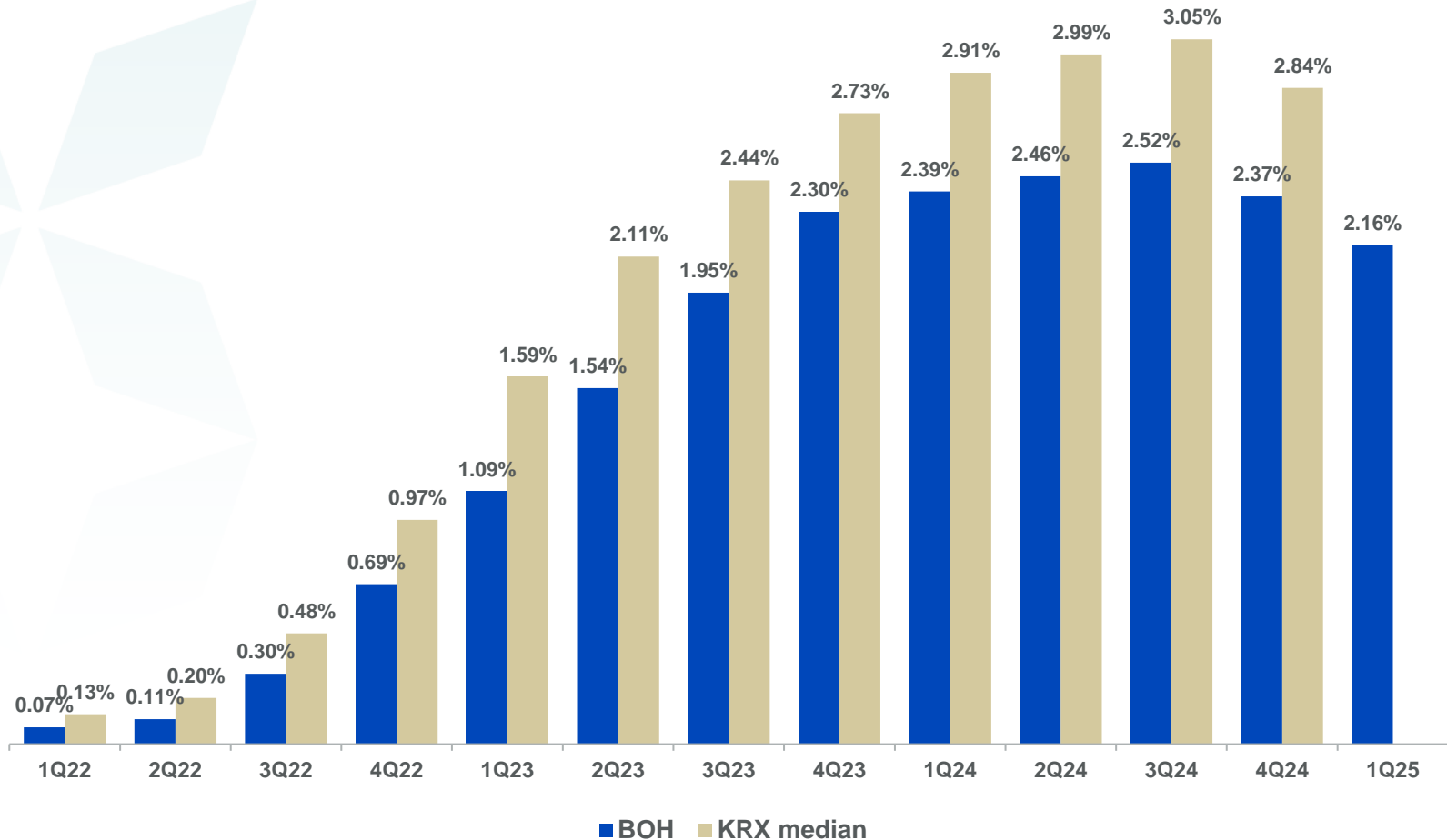
△ NIBD and low yield interest-bearing deposits

\$ in billions

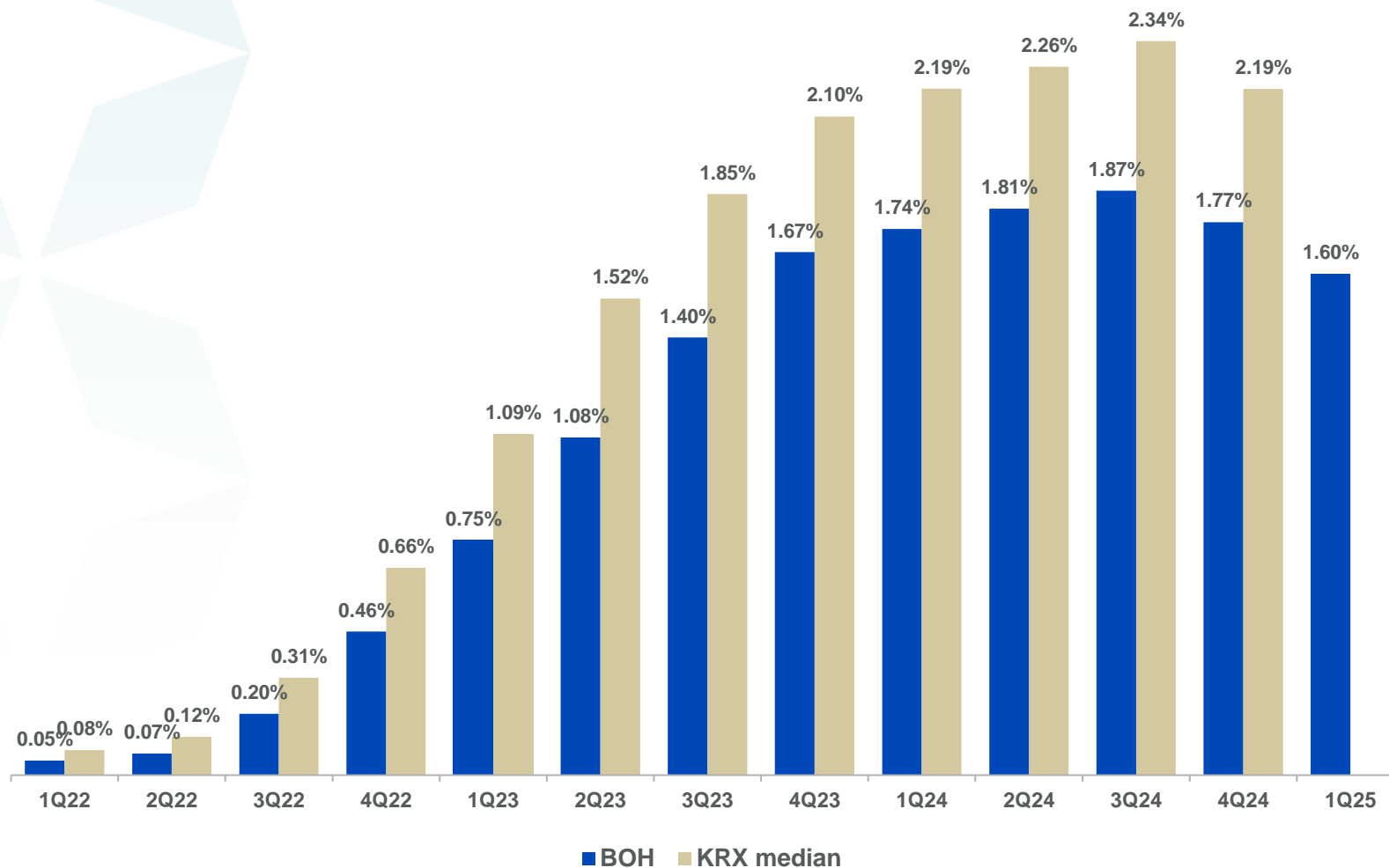
△ 3-month rolling average balance of NIBD and low yield interest-bearing deposits



cost of funds interest-bearing deposits

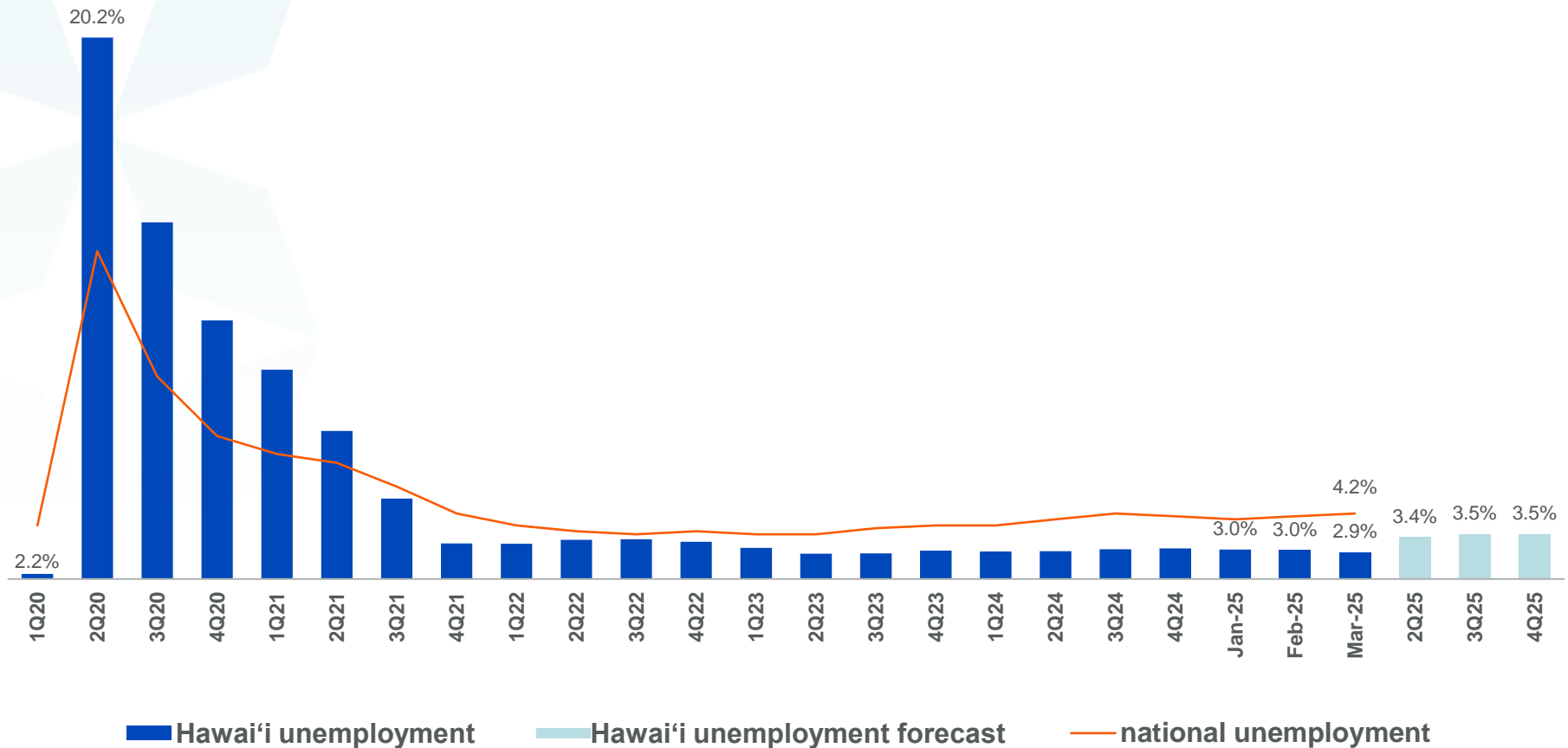


cost of funds total deposits



unemployment

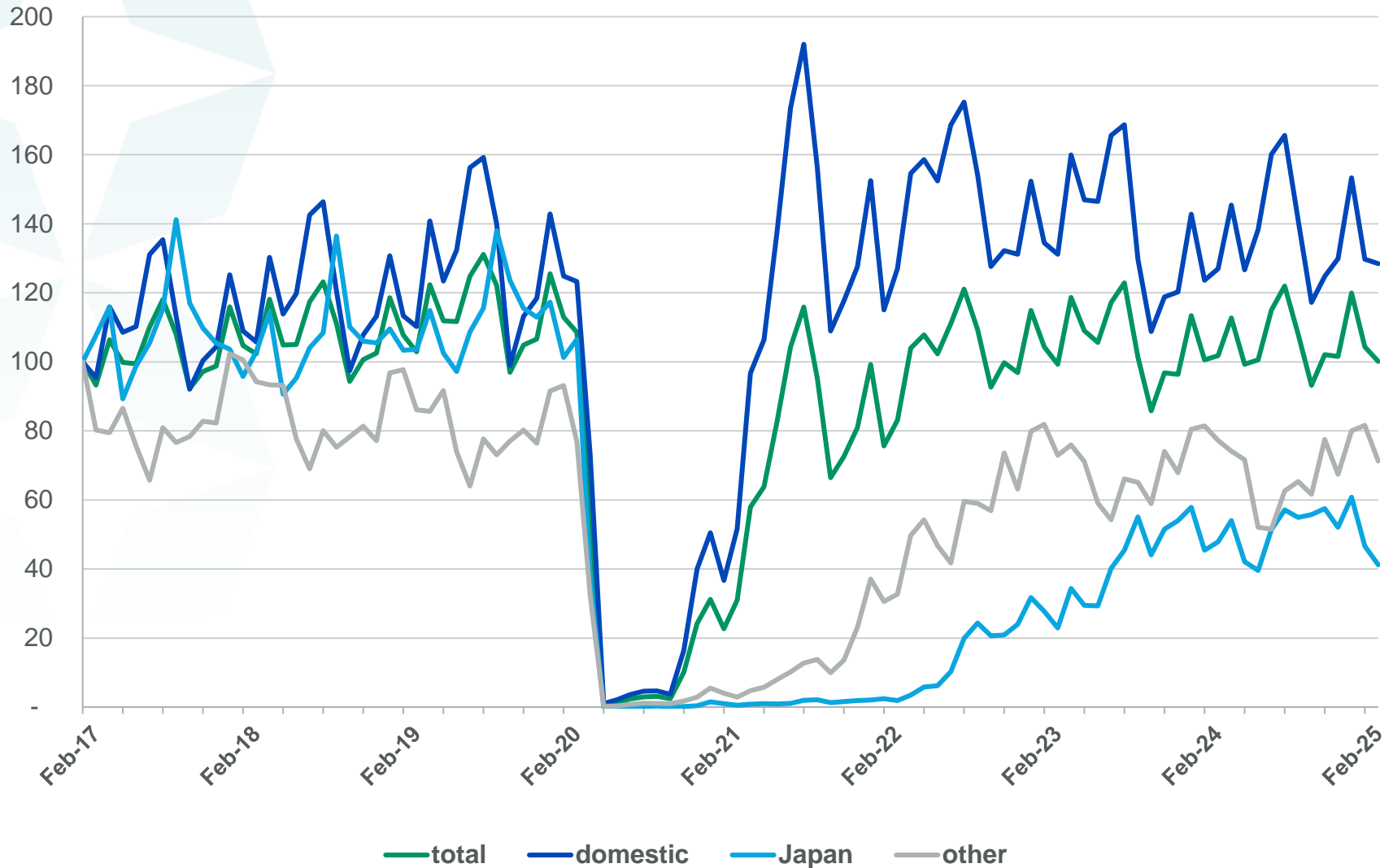
experience & forecast



source for Hawai'i unemployment: University of Hawaii Economic Research Organization (UHRO), seasonally adjusted
source for national unemployment: Bureau of Labor Statistics, seasonally adjusted

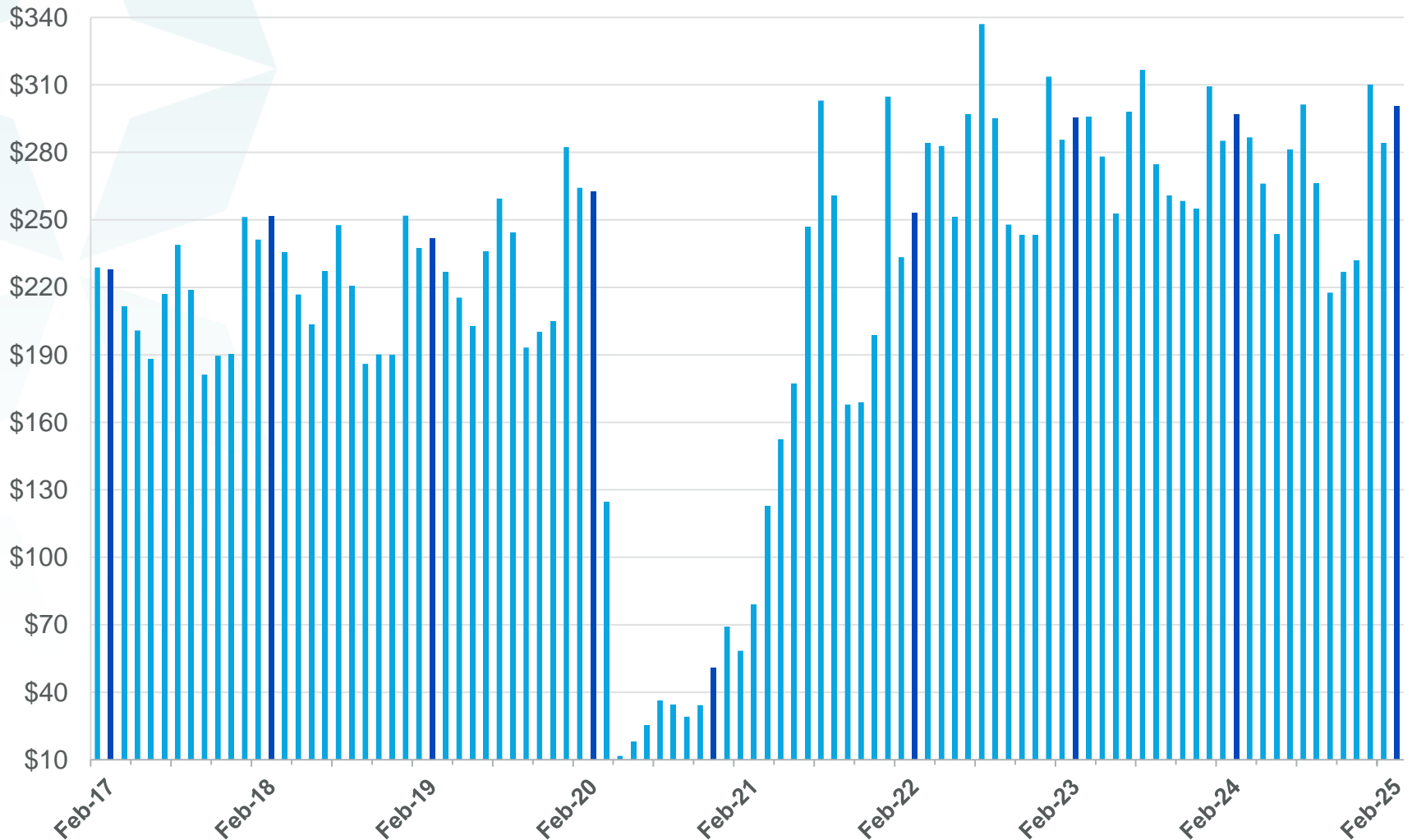
visitor arrivals

monthly by market, indexed to January 2017









revenue per available room

revenue per available room (RevPAR)



stable real estate prices

Oahu market indicators – YTD 2025 as of March 2025

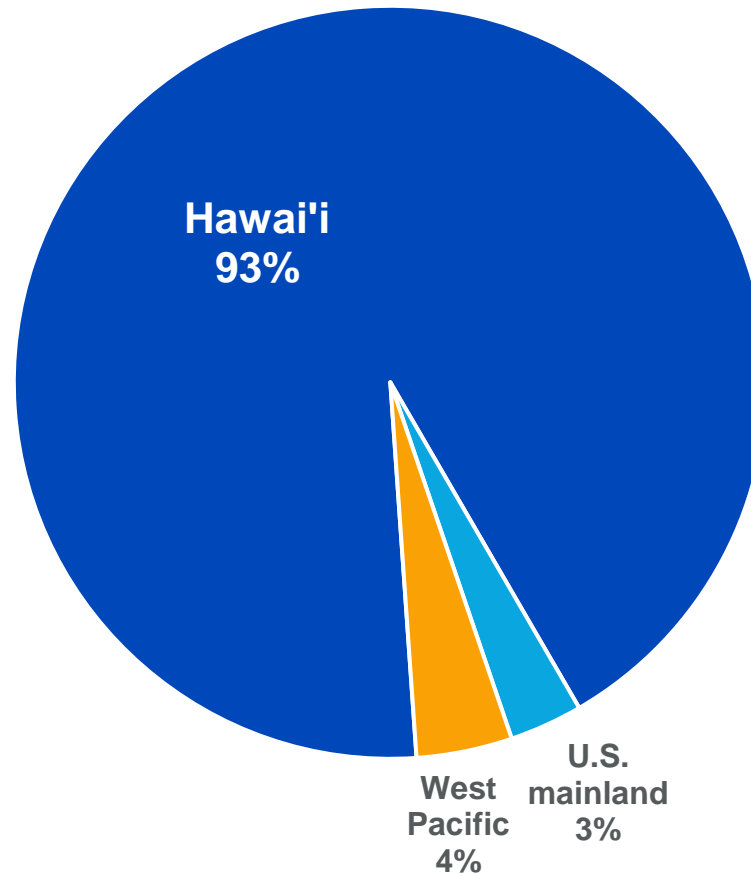
	single family homes			condominiums		
	<u>YTD-25</u>	<u>YTD-24</u>	<u>Δ YTD-24</u>	<u>YTD-25</u>	<u>YTD-24</u>	<u>Δ YTD-24</u>
median sales price (000s)	\$1,150	\$1,070	7.5% 	\$510	\$505	1.0% 
closed sales	569	593	-4.0% 	974	970	0.4% 
median days on market	20	29	9 days 	43	32	11 days 



credit performance

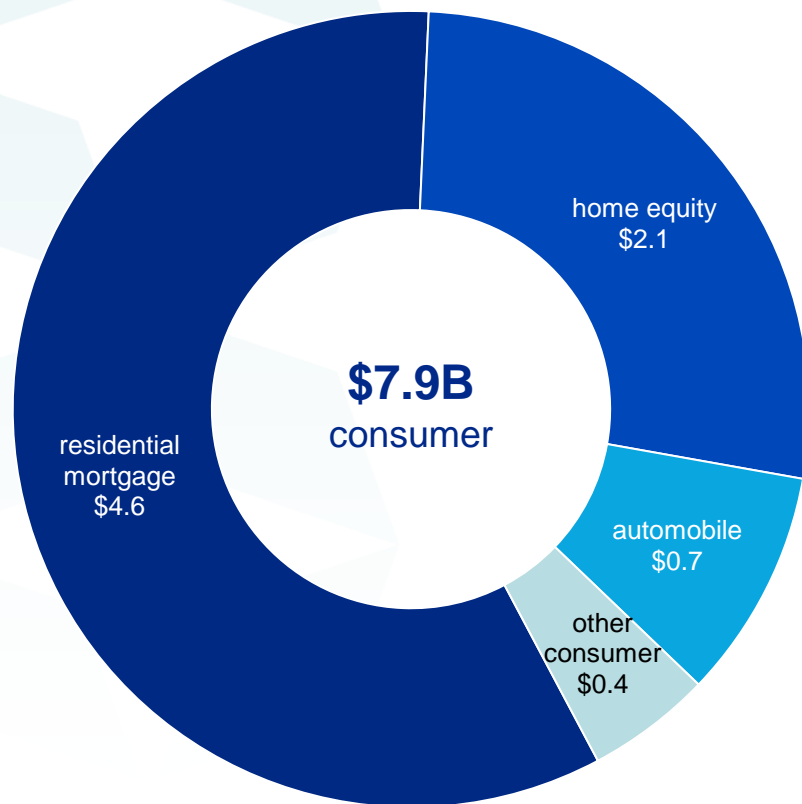
lending philosophy

**we lend in our core markets
to long-standing relationships**



consumer portfolio

56% of total loans



asset type	% total consumer	% total loans	WALTV	wtd avg FICO
residential mortgage	58%	33%	49%	804
home equity	27%	15%	46%	789
real estate secured	86%	48%	48%	799
automobile	9%	5%	n/a	731
other consumer	5%	3%	n/a	759
total consumer	100%	56%	n/a	791

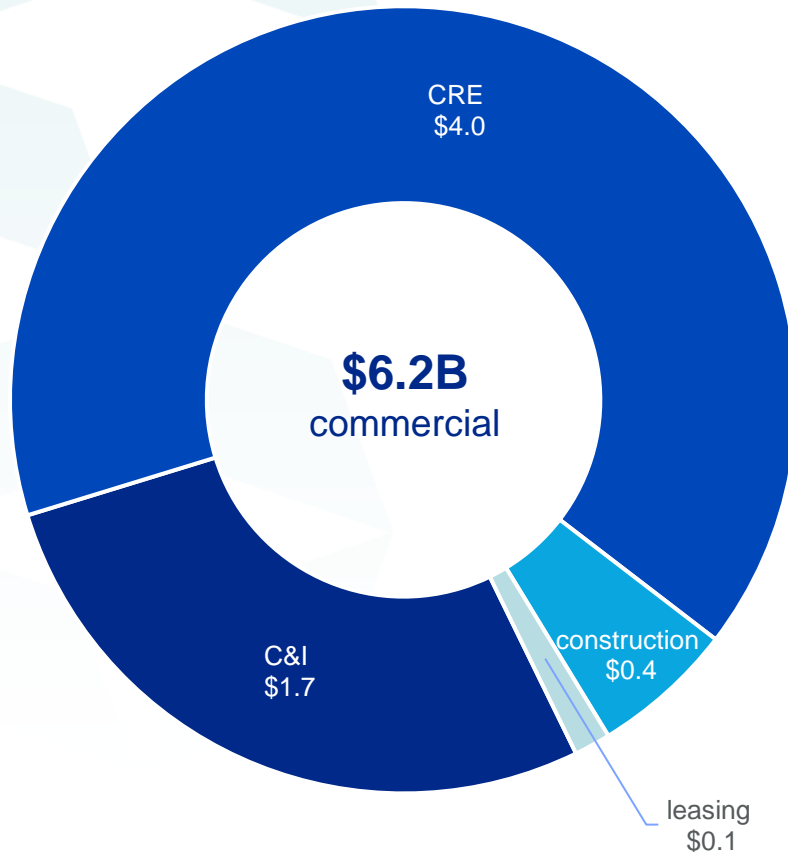
note: \$ in billions; numbers may not add up due to rounding

other consumer comprised of consumer revolving credit, installment, and consumer lease financing

wtd avg monitoring FICO for other consumer utilizes origination FICO for consumer lease financing

commercial portfolio

44% of total loans



asset type	% total comml	% total loans	WALTV
commercial real estate	65%	29%	55%
construction	6%	3%	56%
real estate secured	71%	31%	55%
commercial & industrial	27%	12%	n/a
leasing	1%	1%	n/a
total commercial	100%	44%	n/a

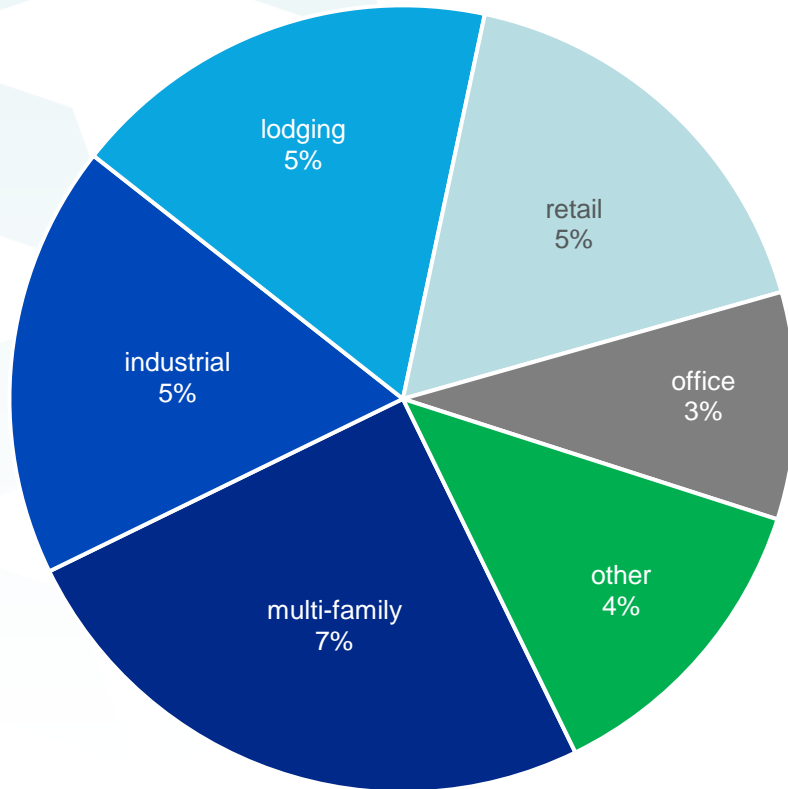
stable real estate market

Oahu market vacancies and inventory

	vacancy			inventory (sq ft)
	<u>4Q24</u>	<u>4Q23</u>	<u>10 yr avg</u>	<u>10 yr CAGR</u>
industrial	0.93%	0.64%	1.63%	0.63%
office	12.73%	13.45%	12.42%	-1.01%
retail	5.71%	6.02%	6.08%	0.72%
multi-family	3.88%	4.03%	4.77%	0.73%

commercial real estate (CRE)

29% of total loans

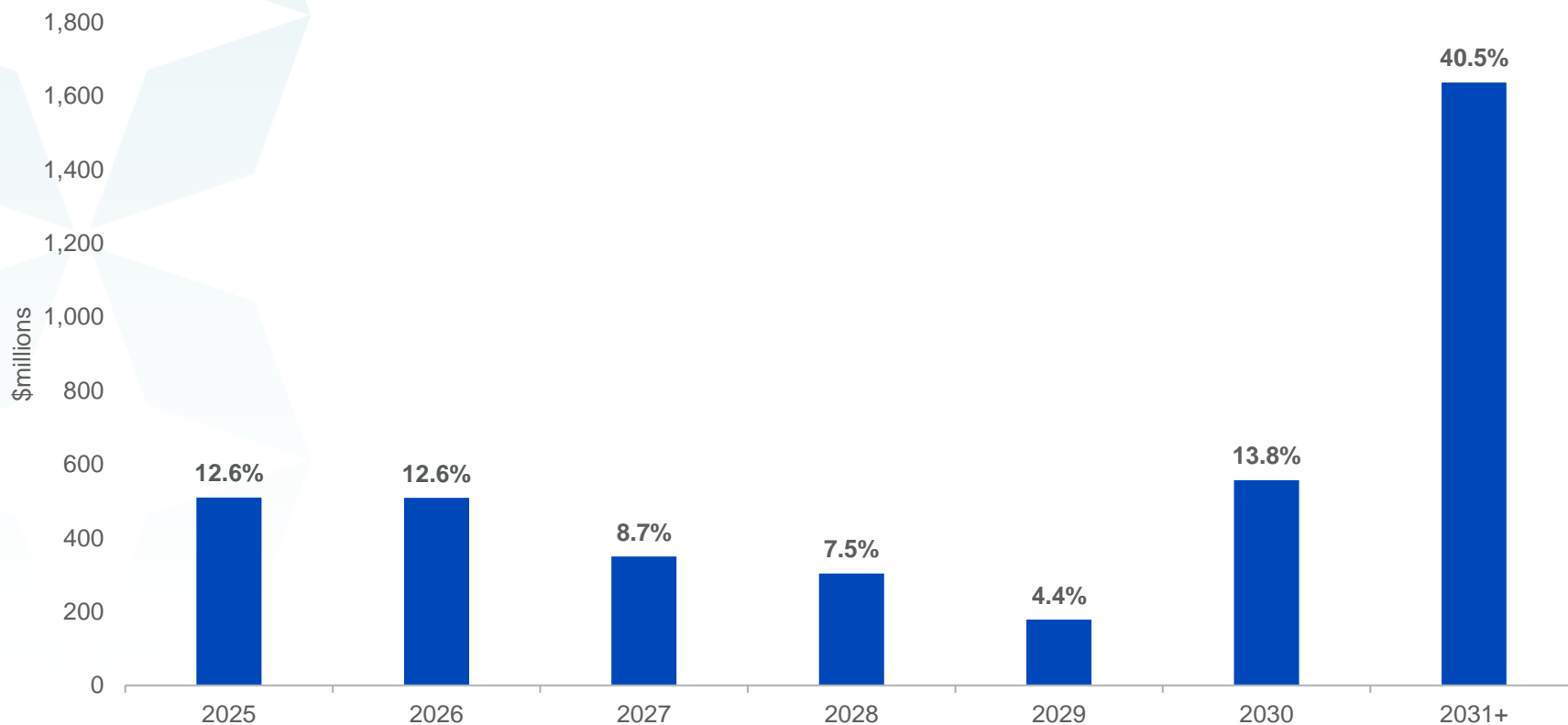


asset type	WALTV	avg. exposure (\$MMs)
multi-family	56%	3.3
industrial	55%	2.5
lodging	53%	14.7
retail	54%	4.4
office	56%	1.8
other	54%	3.7
total CRE	55%	3.5

note: % in chart above is % of total loans

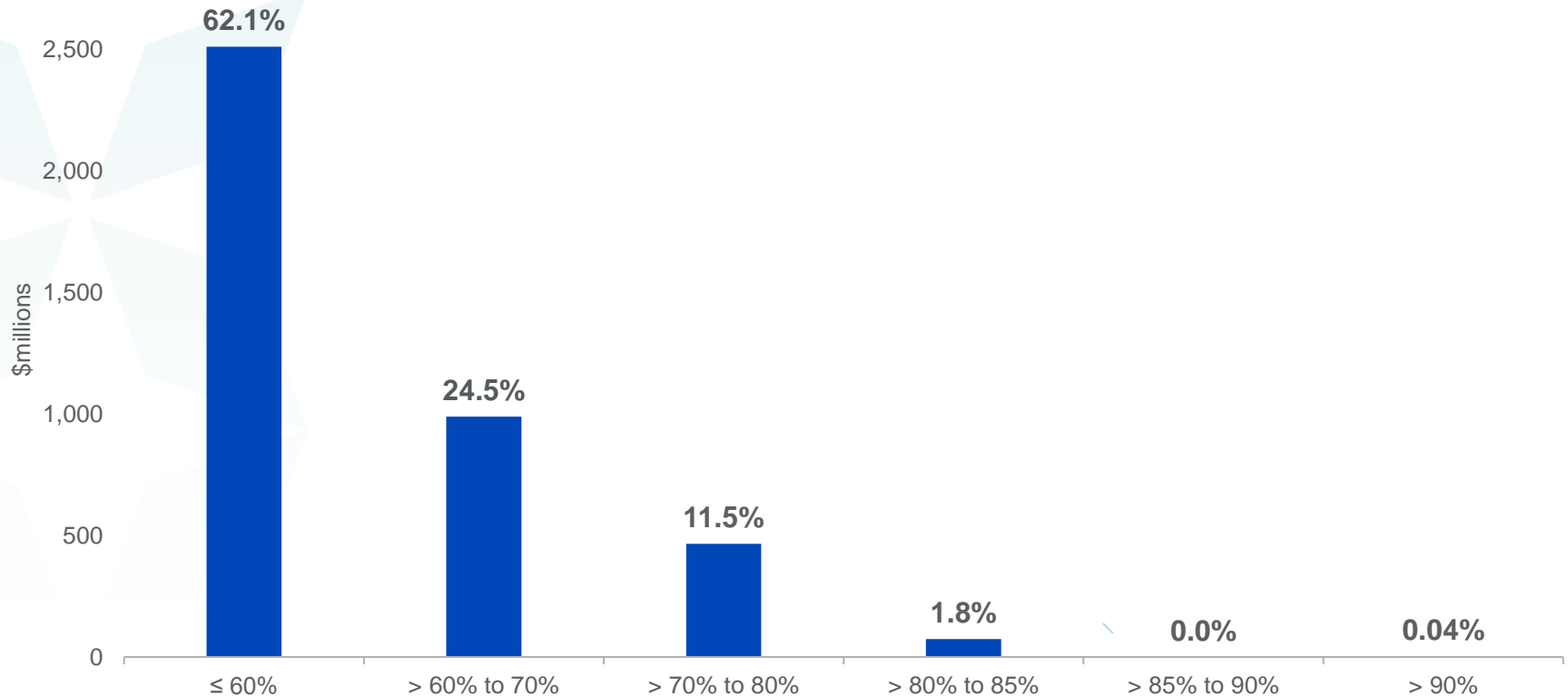
CRE scheduled maturities

modest near-term maturities



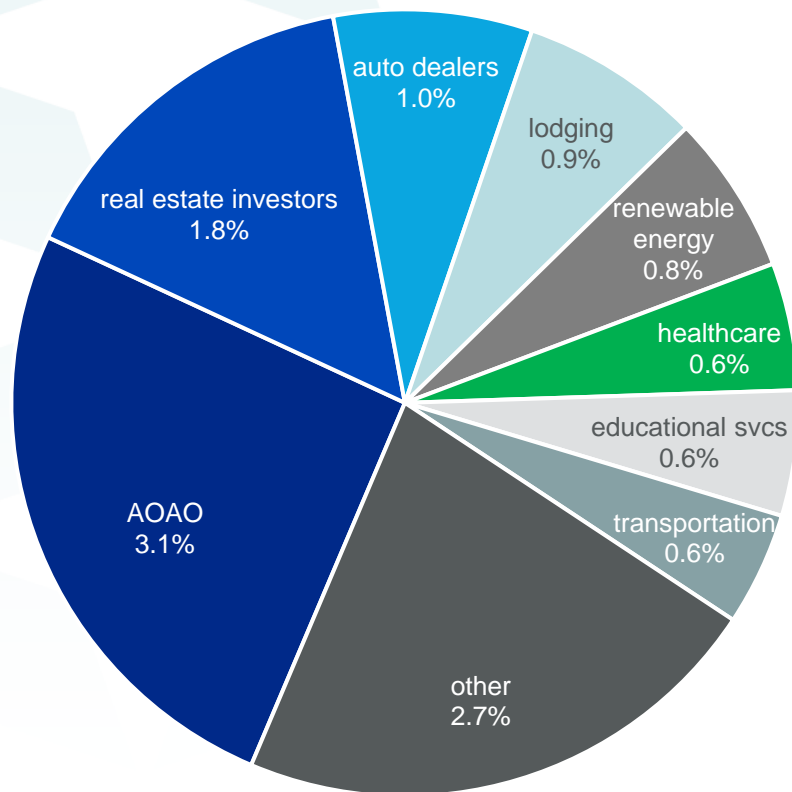
CRE loan balances by LTV

LTV > 80% - \$75MM, 1.9% of CRE



commercial & industrial

12% of total loans

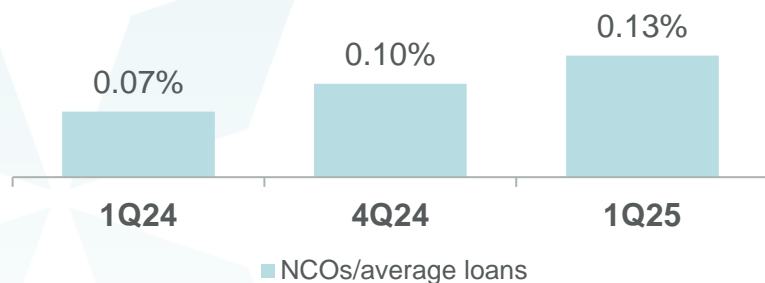


asset type	% leveraged	avg. exposure (\$MMs)
AOA	0%	1.8
RE investors	0%	1.2
auto dealers	18%	5.0
lodging	19%	5.2
renewable energy	0%	3.0
healthcare	0%	0.5
educational svcs	0%	2.0
transportation	0%	1.2
other	6%	0.3
total C&I	4%	0.6

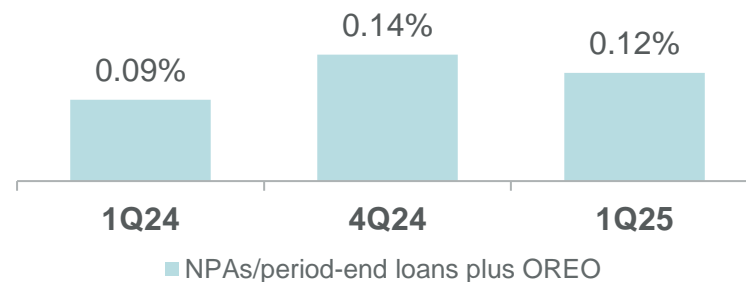
note: % in chart above is % of total loans

credit quality

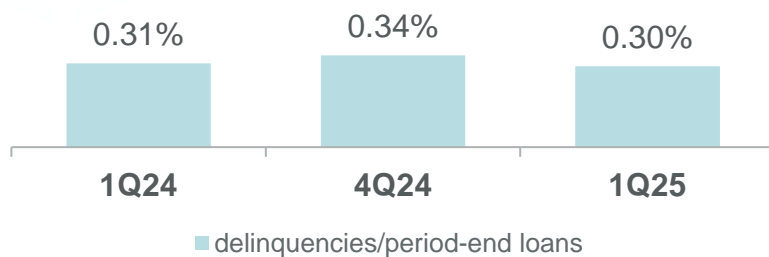
net charge-offs



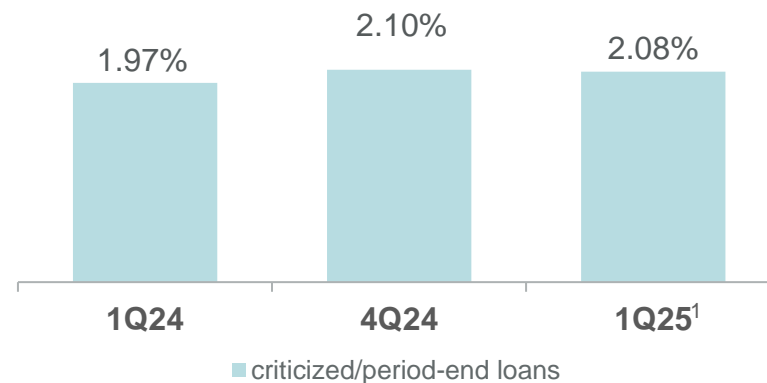
non-performing assets



delinquencies



criticized



¹ 75% of total criticized is secured with 54% wtd avg LTV

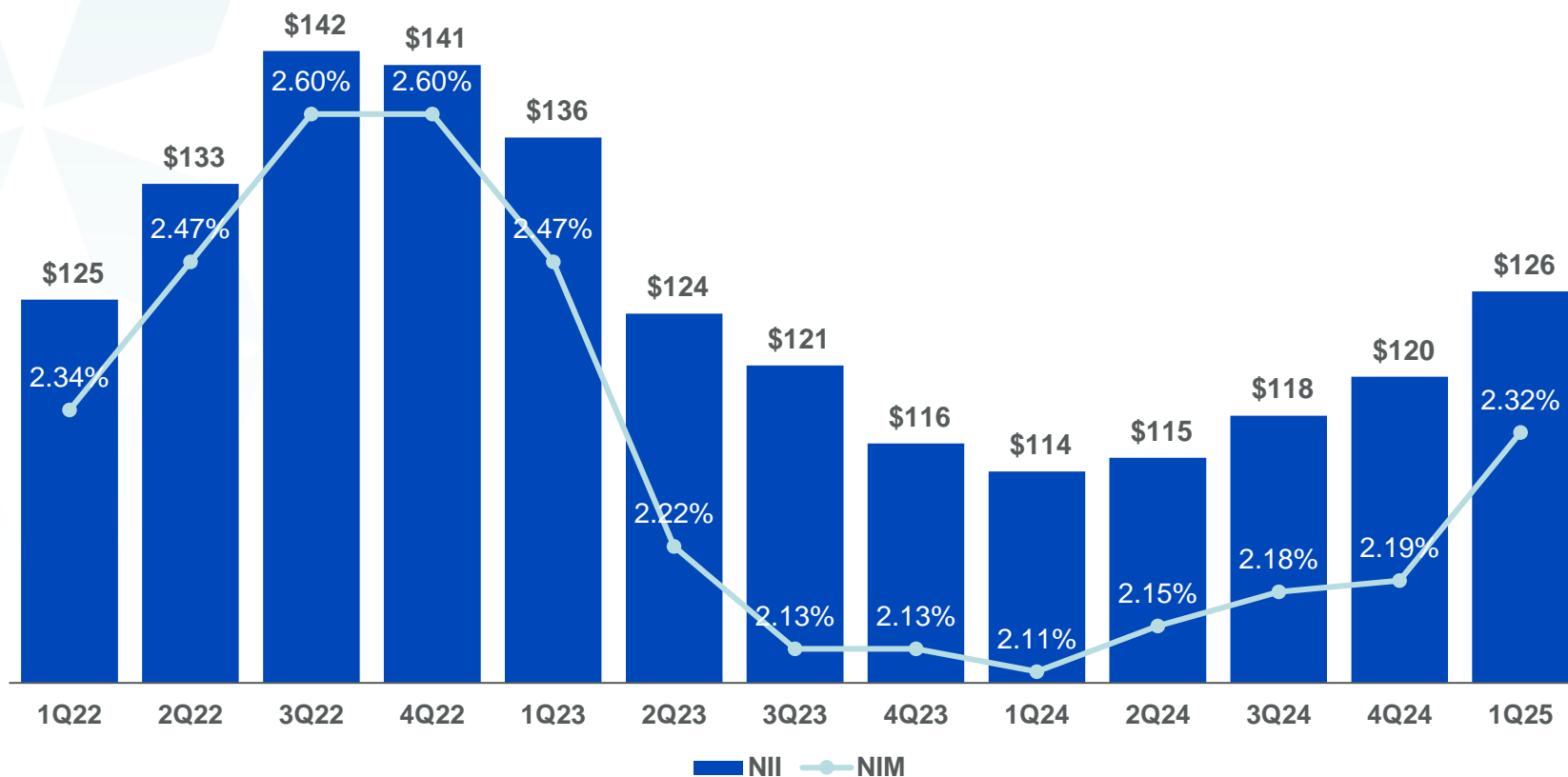


financial update

NII and NIM trends

\$ in millions

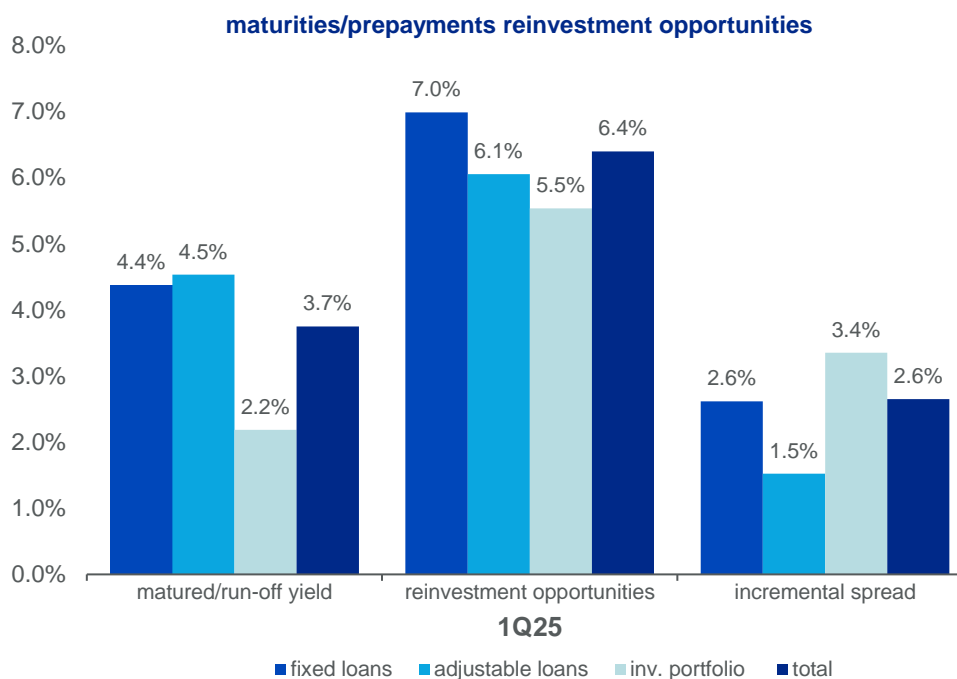
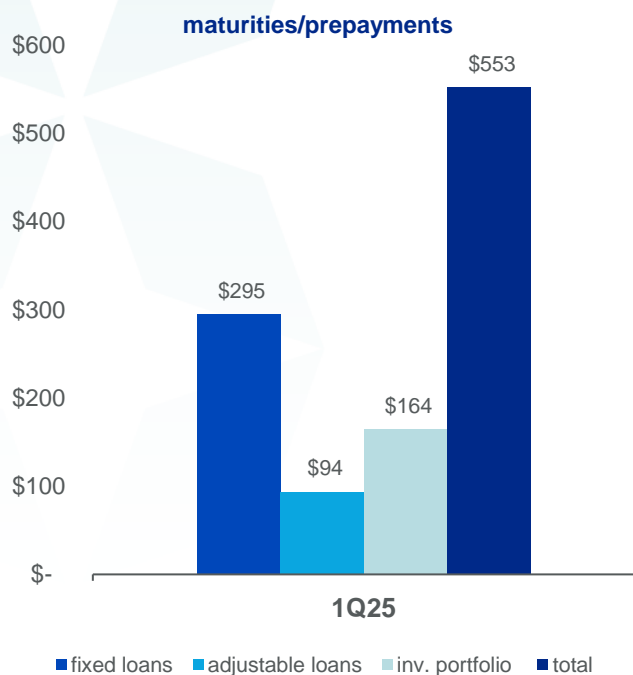
increasing NII and NIM



cashflow repricing

\$ in millions

total quarterly impact to NII from cashflows repricing: **+\$3.7 million**



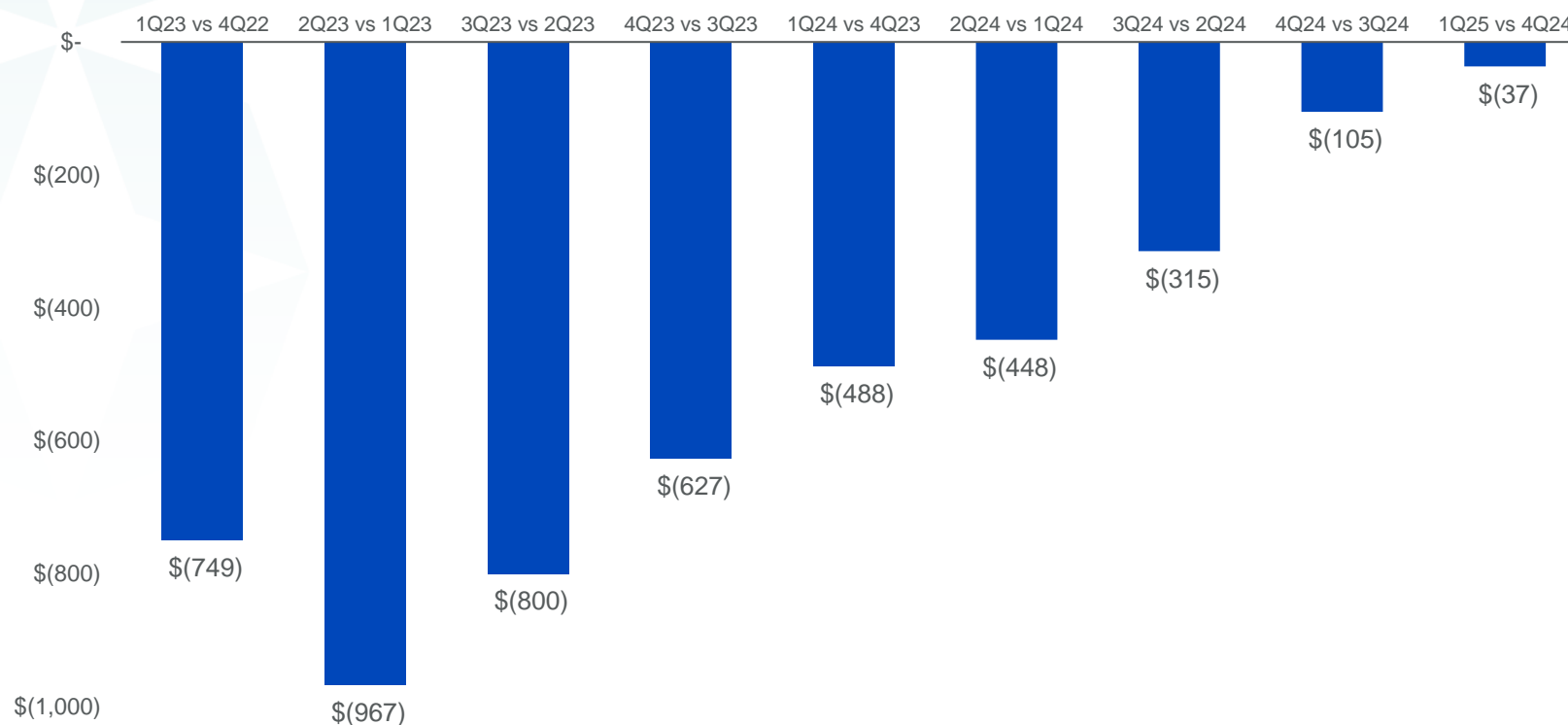
note: +\$3.7 million in quarterly impact from cashflows repricing assumes that the cashflows from maturities/prepayments from loans were reinvested into the same products and the cashflows from maturities/prepayments from investment portfolio were reinvested into securities at an average rate of 5.5%, equivalent to average yield at the time of purchase of the securities purchased in 1Q25; numbers may not add up due to rounding

deposit mix shift and repricing

\$ in millions

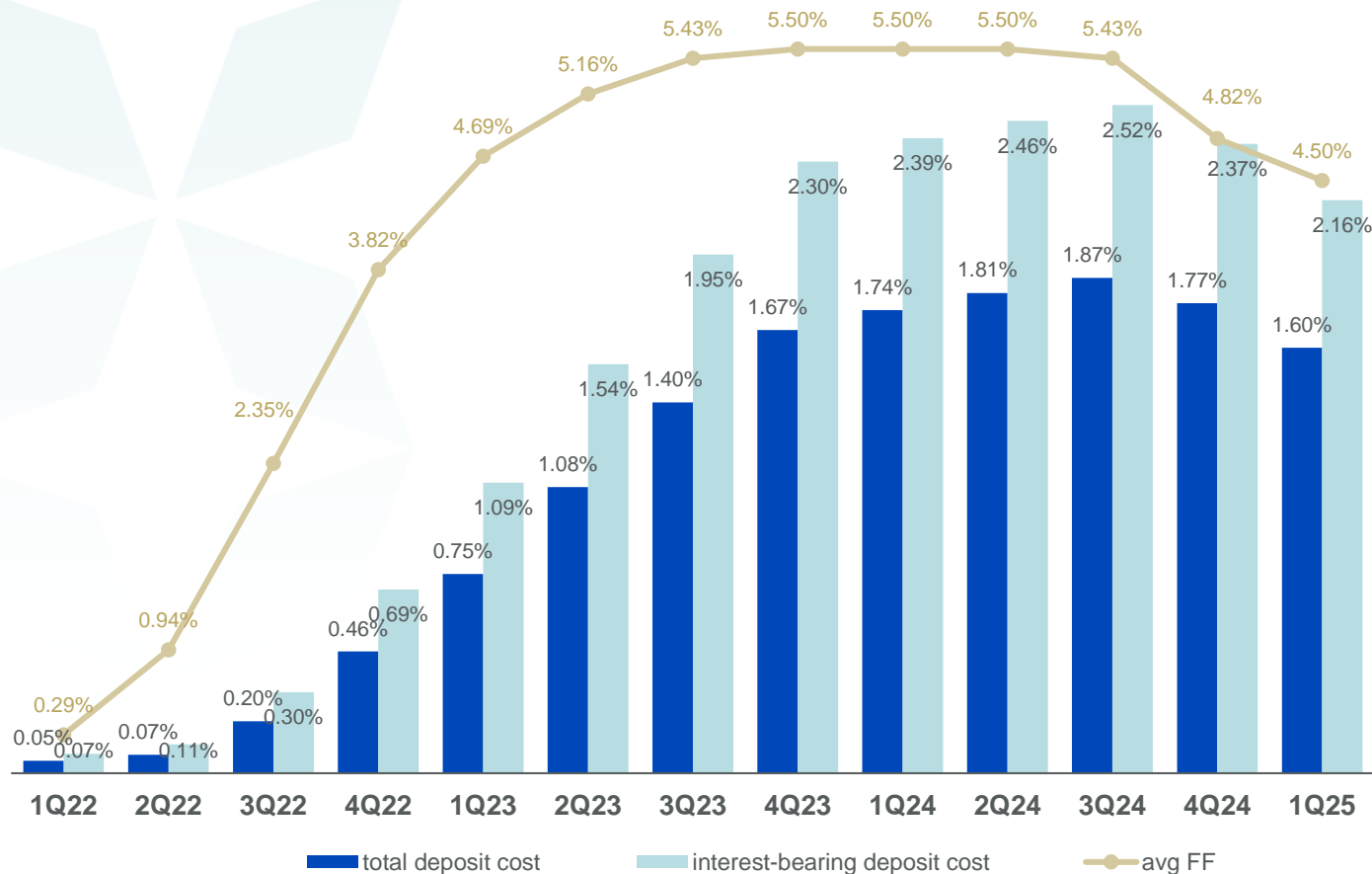
quarterly NII impact from deposit mix shift and repricing in 1Q25: **\$(0.3) million**

QoQ change in average NIBD and low yield interest-bearing deposit balances

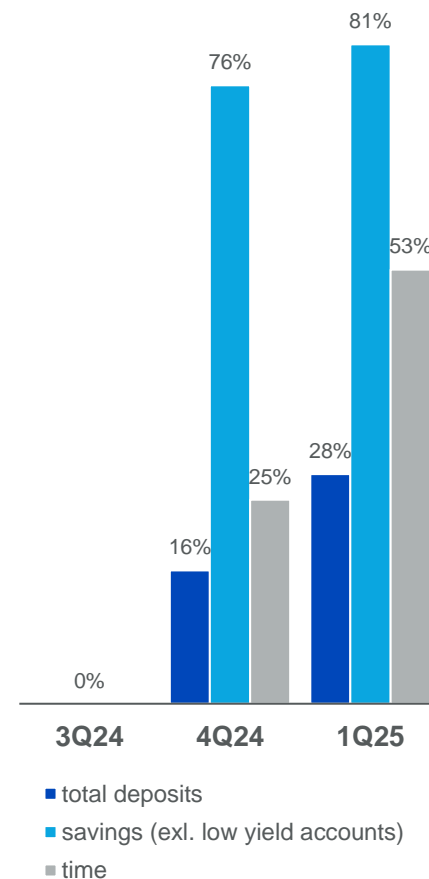


decrease in cost of deposits

decrease in total deposit and interest-bearing deposit costs



downward beta

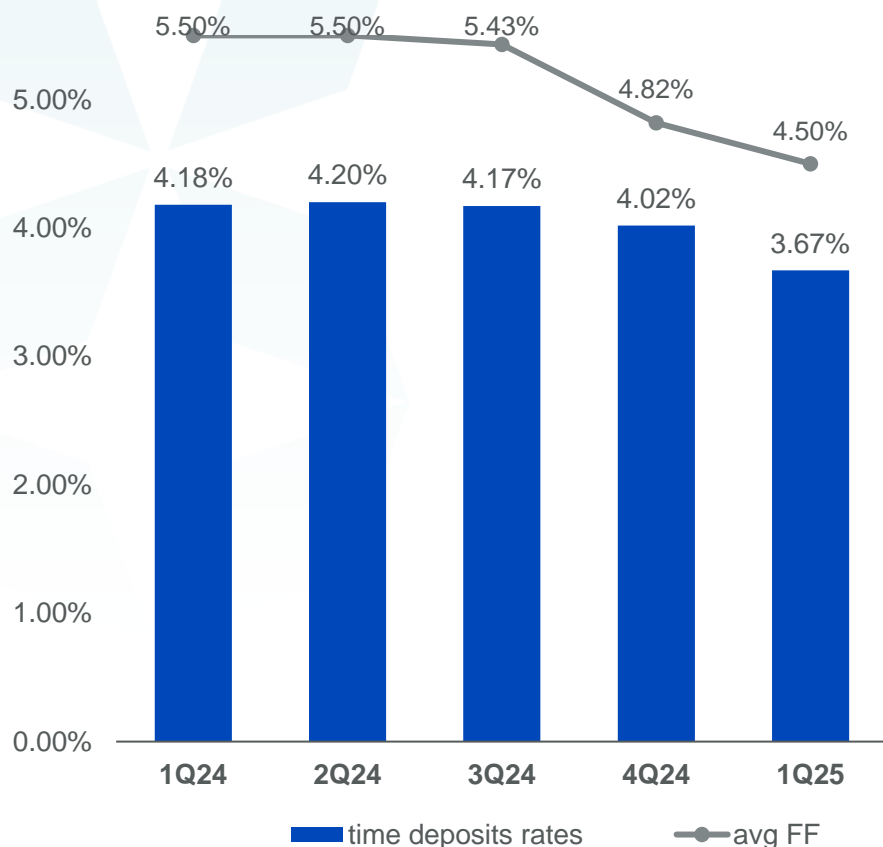


note: low-yield accounts are accounts yielding interest of 10 bps or less

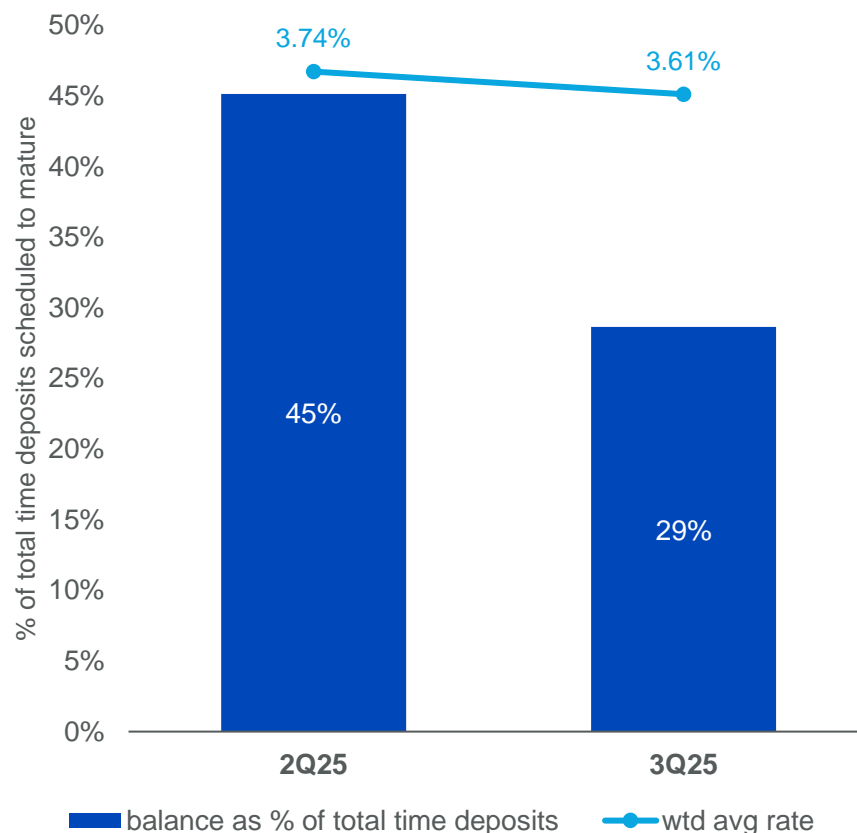
time deposits

time deposit rates continue to decrease

time deposit rates

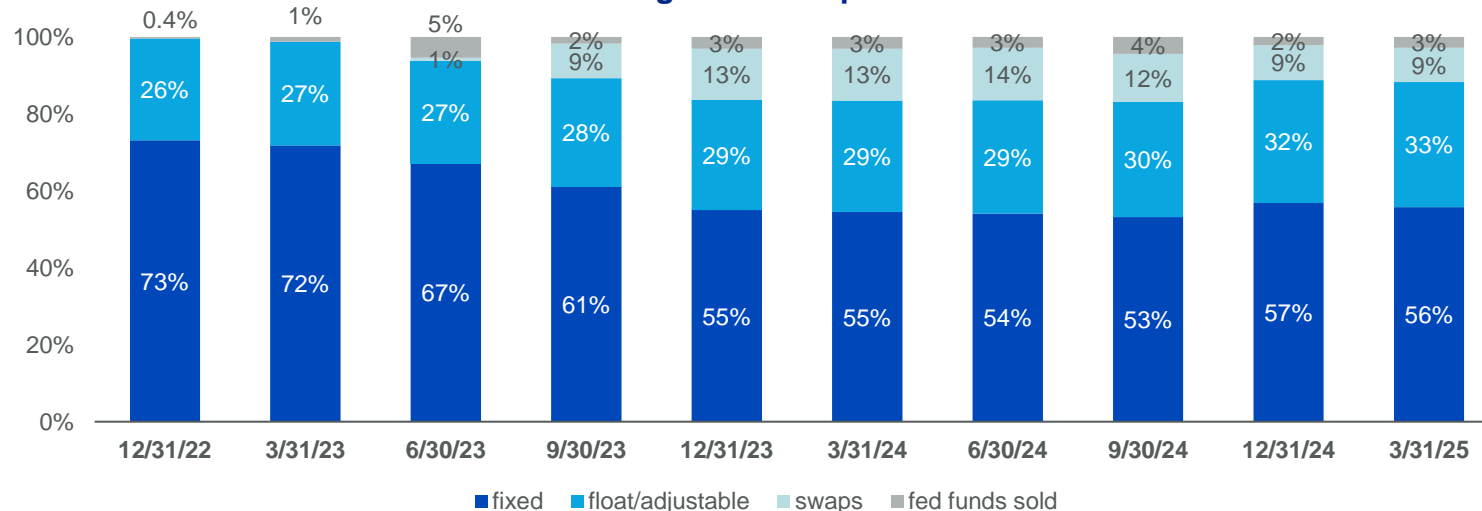


time deposit maturity schedule

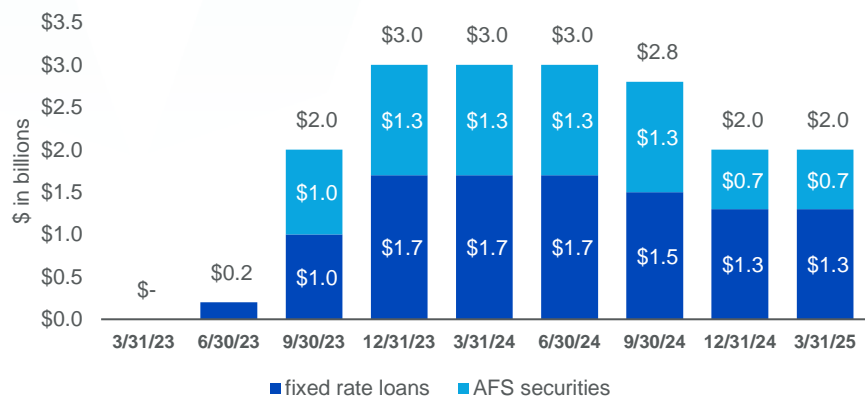


optimizing balance sheet

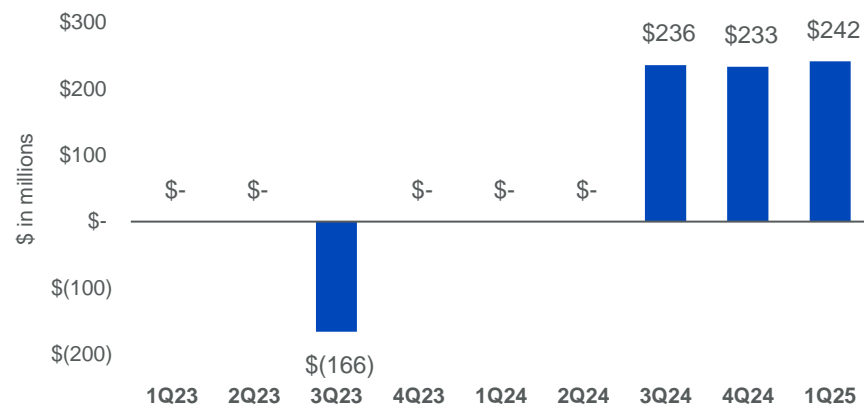
earning asset composition



active swap composition



securities purchases / sales



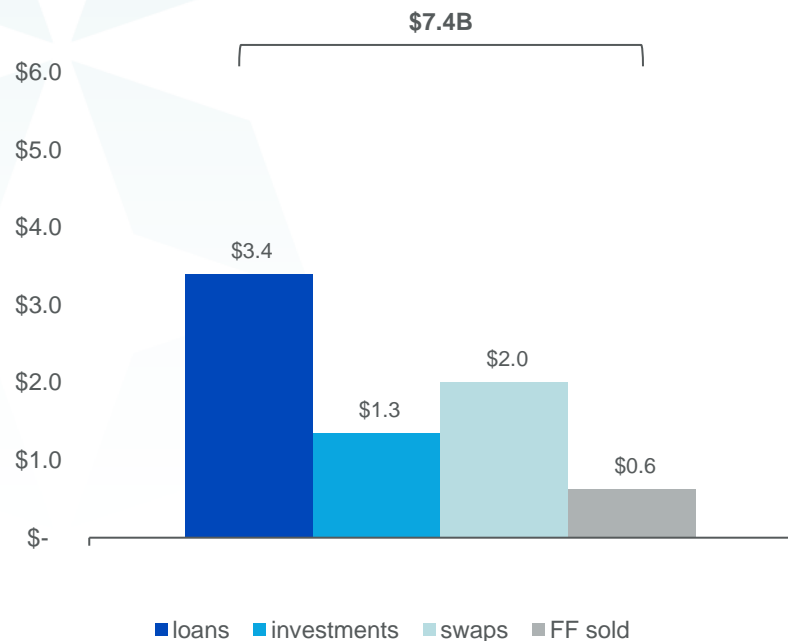
note: swaps in 'earning asset composition' and 'swap composition' does not include \$300 million of forward swaps; 'securities purchases / sales' do not include stock and PCLI purchases

rate sensitive earning assets and interest-bearing deposits

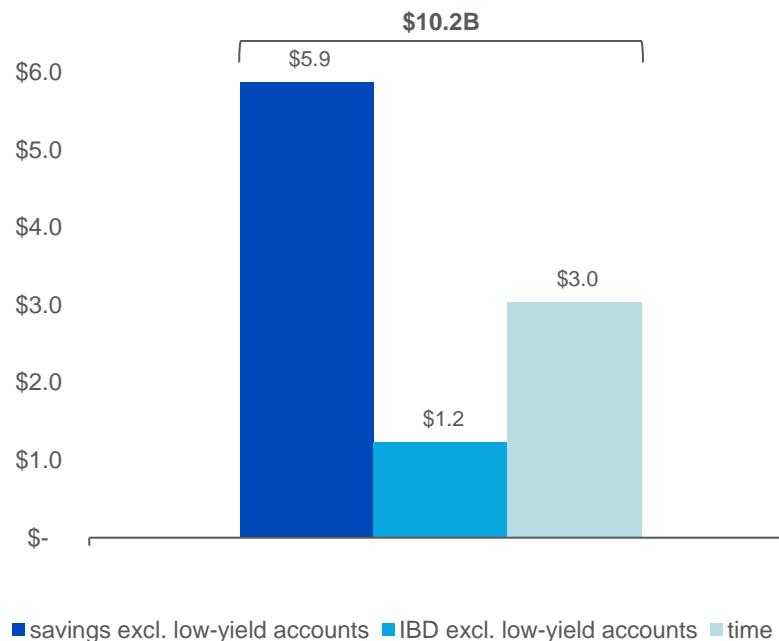
\$ in billions

balance sheet well-positioned for a range of rate outcomes

rate sensitive earning assets



rate sensitive interest-bearing deposits



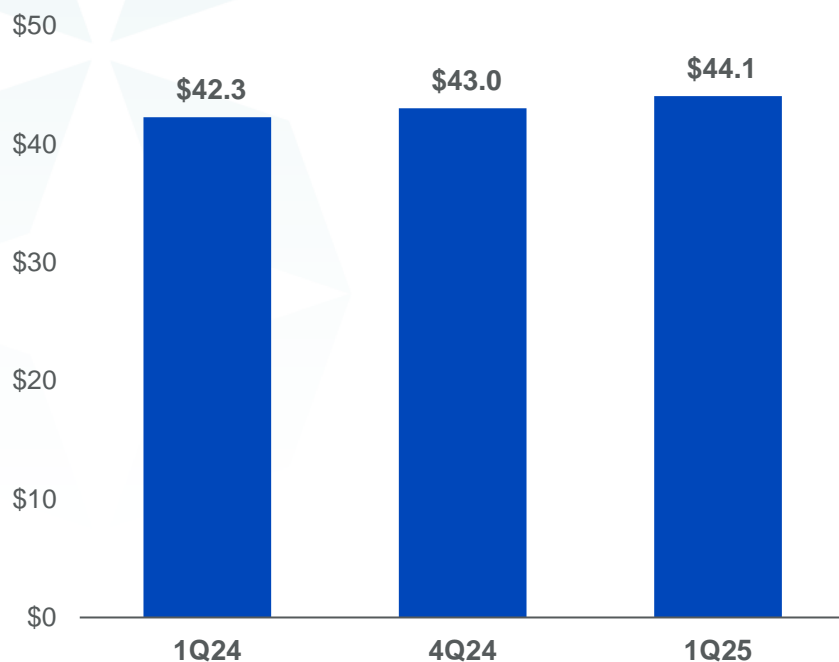
noninterest income and expense

\$ in millions

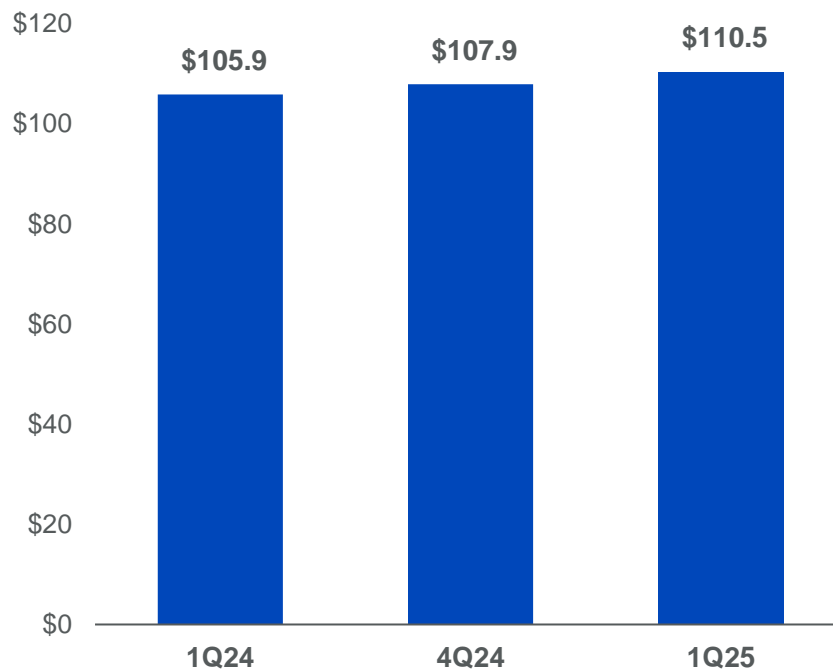
Bank of Hawai'i
Corporation

increase in noninterest income and continued discipline in expense management

reported noninterest income



reported noninterest expense



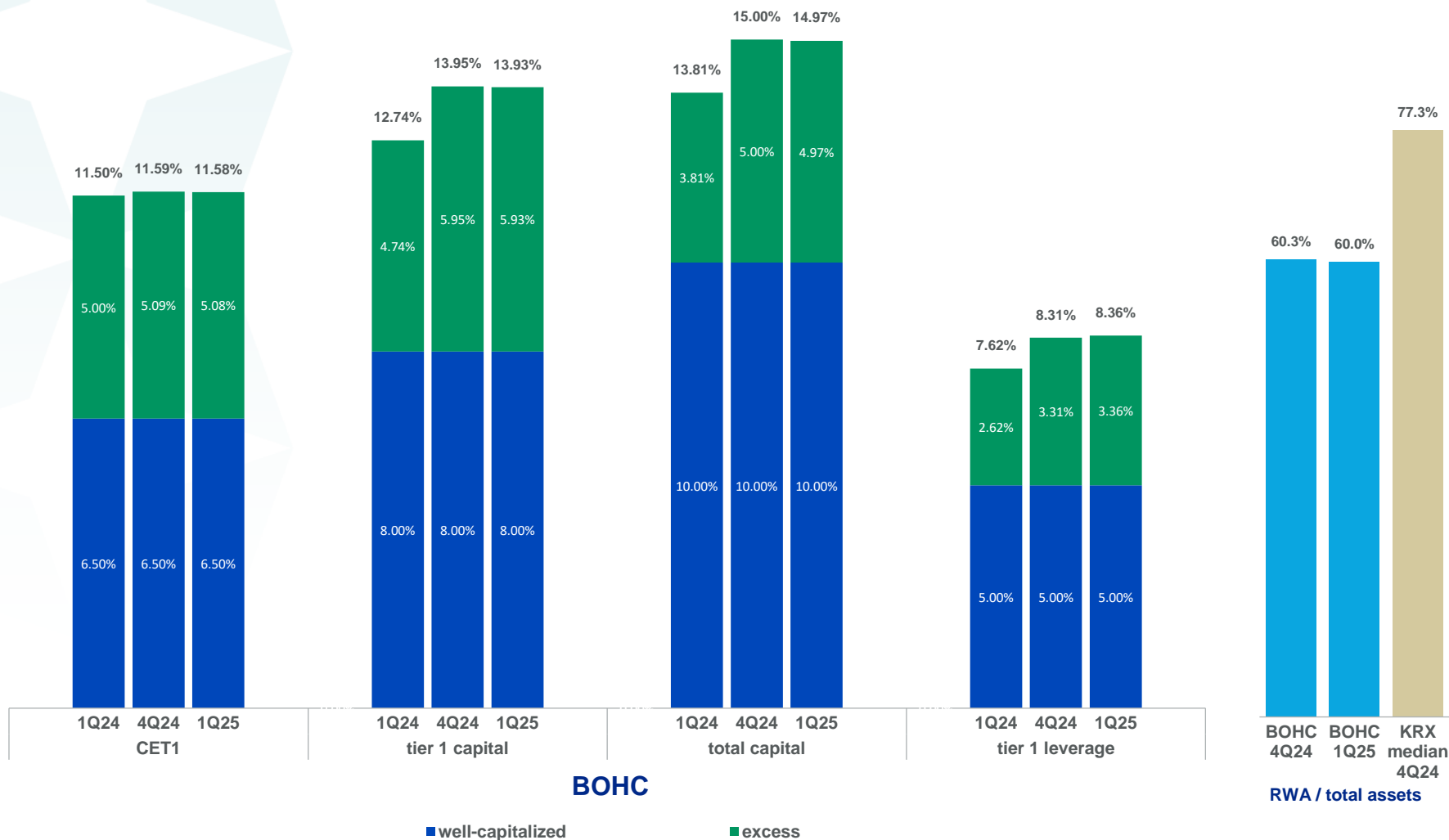
financial summary

\$ in millions, except per share amounts

	<u>1Q 2025</u>	<u>4Q 2024</u>	<u>1Q 2024</u>	<u>Δ 4Q 2024</u>	<u>Δ 1Q 2024</u>
net interest income	\$ 125.8	\$ 120.2	\$ 113.9	\$ 5.6	\$ 11.9
noninterest income	44.1	43.0	42.3	1.0	1.8
total revenue	169.9	163.2	156.2	6.6	13.6
noninterest expense	110.5	107.9	105.9	2.5	4.6
operating income	59.4	55.3	50.4	4.1	9.0
credit provision	3.3	3.8	2.0	(0.5)	1.3
income taxes	12.2	12.4	12.0	(0.2)	0.2
net income	\$ 44.0	\$ 39.2	\$ 36.4	\$ 4.8	\$ 7.6
net income available to common	\$ 38.7	\$ 33.9	\$ 34.4	\$ 4.8	\$ 10.3
diluted EPS	\$ 0.97	\$ 0.85	\$ 0.87	\$ 0.12	\$ 0.10
return on assets	0.75 %	0.66 %	0.63 %	0.09 %	0.12 %
return on average common equity	11.80	10.30	11.20	1.50	0.60
net interest margin	2.32	2.19	2.11	0.13	0.21
<u>end of period balances</u>					
investment portfolio	\$ 7,422	\$ 7,308	\$ 7,266	1.6 %	2.2 %
loans and leases	14,115	14,076	13,854	0.3	1.9
total deposits	21,008	20,633	20,677	1.8	1.6
shareholders' equity	1,705	1,668	1,436	2.2	18.7

capital

strong capital



note: 1Q25 regulatory capital ratios are preliminary

takeaways

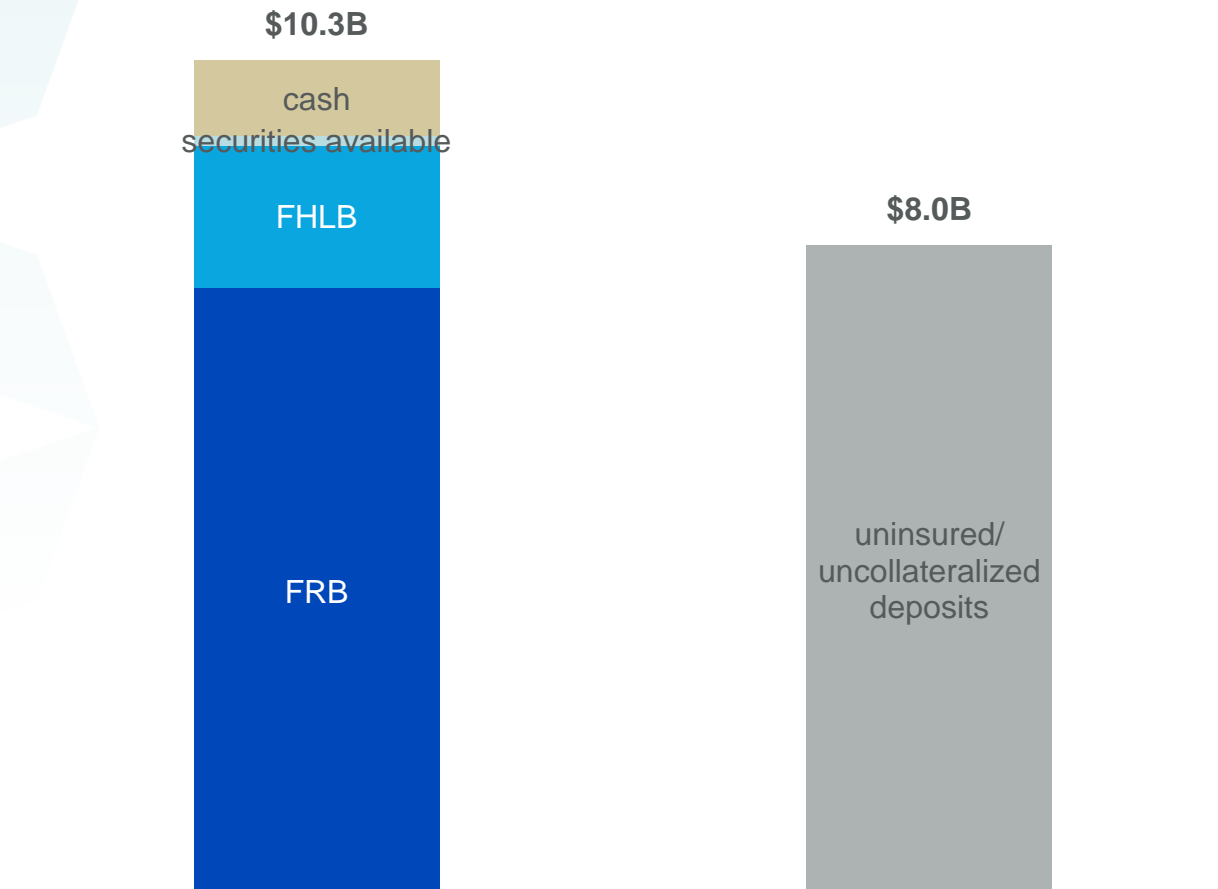
- ✓ NII and NIM increased for the fourth consecutive quarter
- ✓ exceptional credit quality and nominal direct tariff exposure
- ✓ strong liquidity and risk-based capital

Q & A

appendix

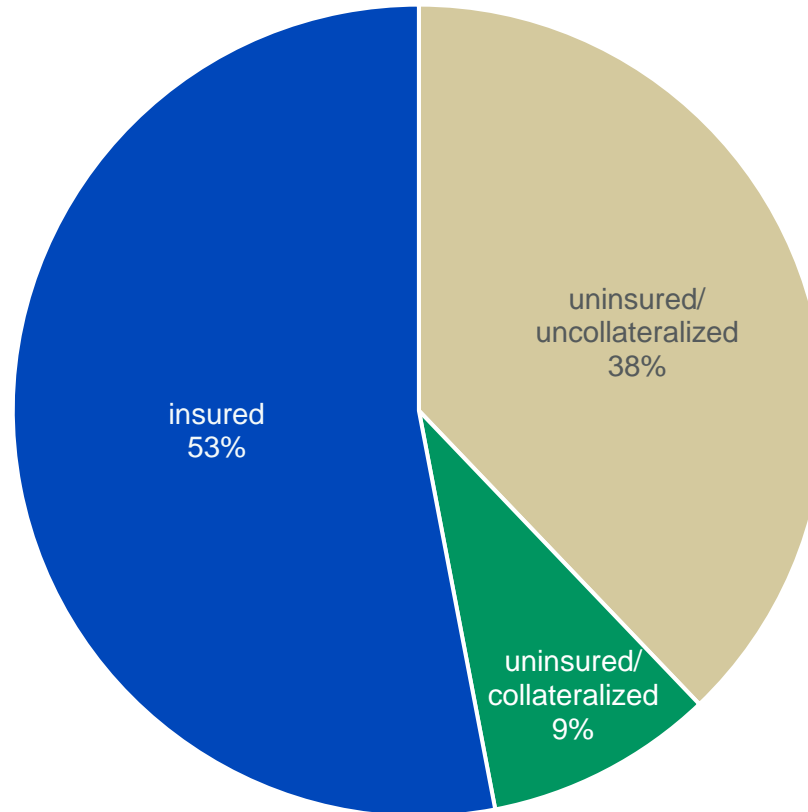
readily available liquidity

Bank of Hawai'i carries substantial liquidity lines and equivalents for both day-to-day operational and liquidity backstop purposes



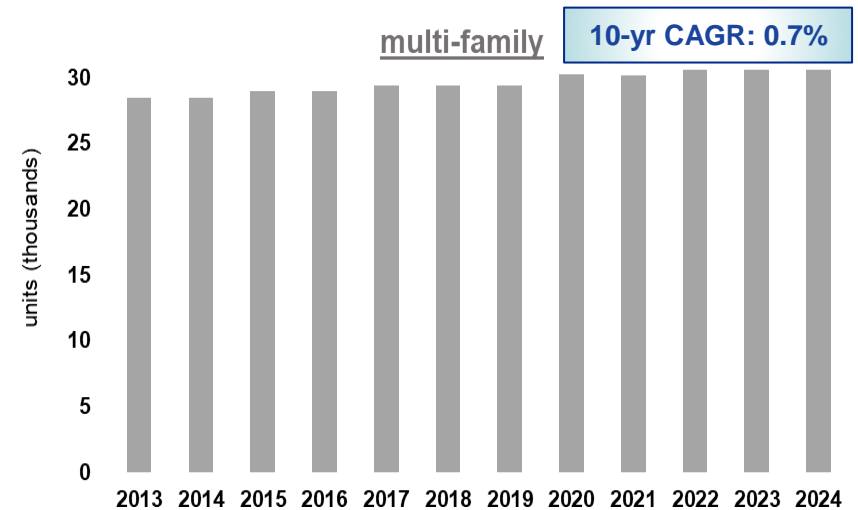
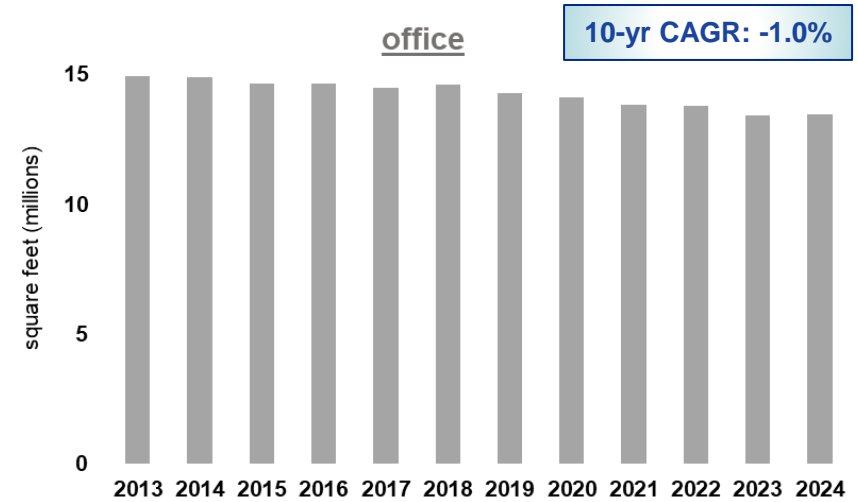
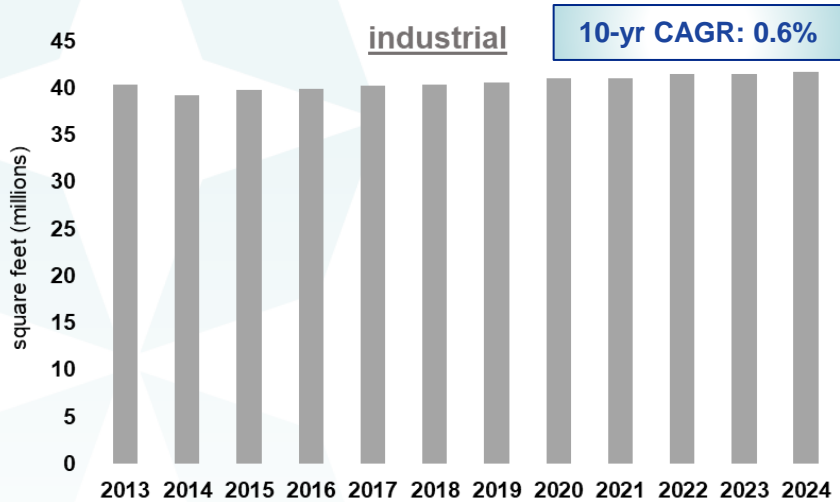
note: as of March 31, 2025, cash includes fed funds sold, interest-bearing deposits in other banks and cash and due from banks, and securities available includes unencumbered investment securities

insured/collateralized deposits



CRE supply constraints

Oahu market inventory

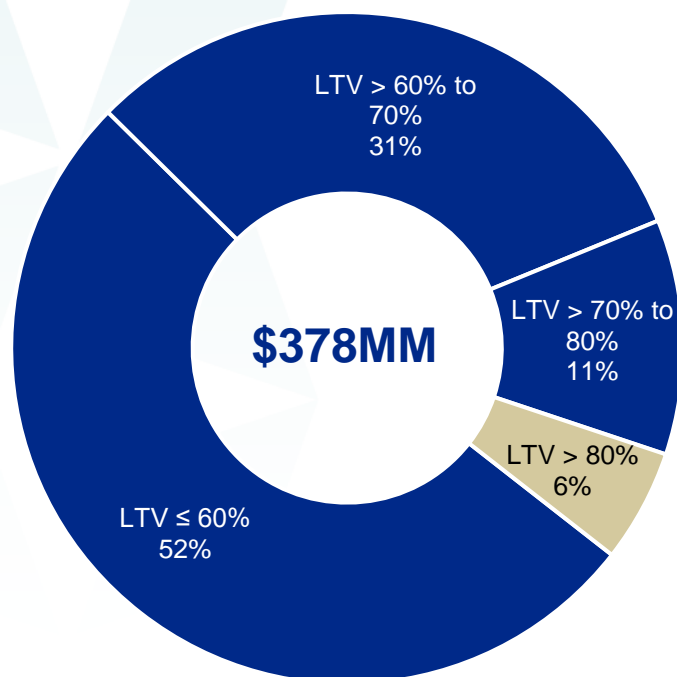


note: 10-yr CAGR for inventory are based on year-end 2014 through 2024
source: Colliers (industrial, office, retail) and CoStar (multi-family)

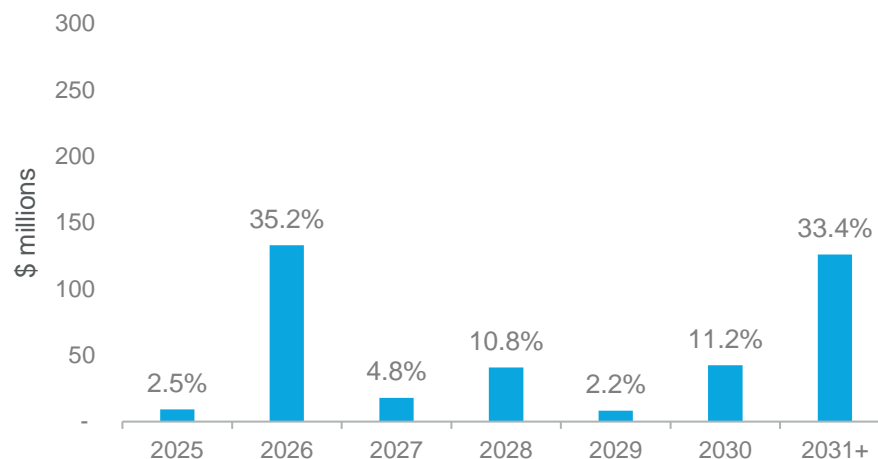
CRE office

3% of total loans

LTV distribution



scheduled maturity



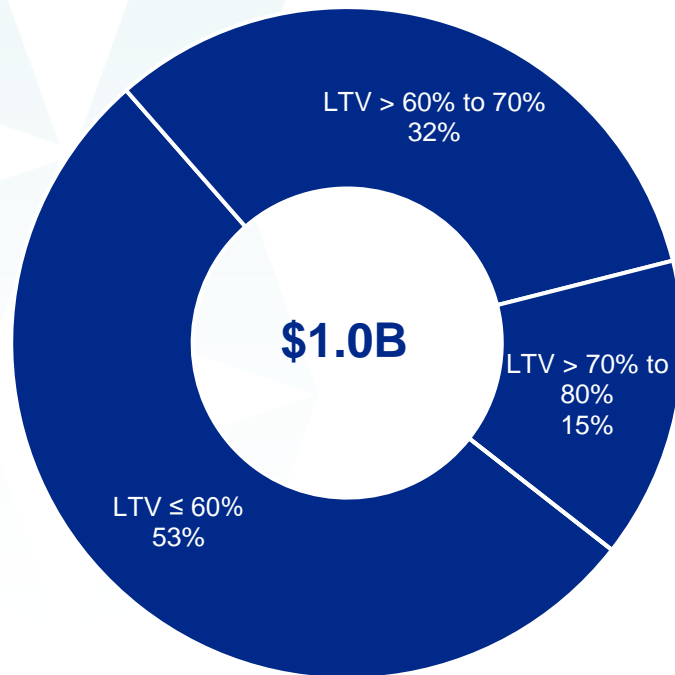
highlights

- 56% wtd avg LTV
- \$1.8MM average exposure
- 24% CBD (Downtown Honolulu)
 - 63% wtd avg LTV
 - 45% with repayment guaranties
- 38% maturing prior to 2027
- 2.0% criticized

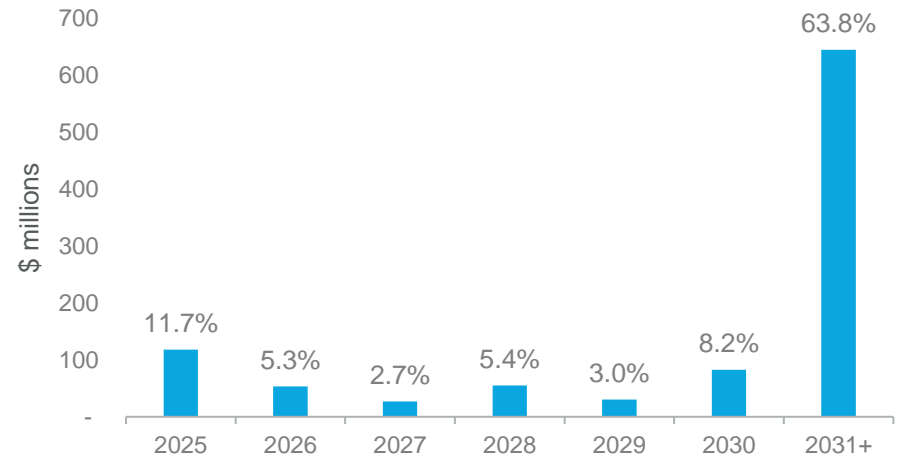
CRE multi-family

7% of total loans

LTV distribution



scheduled maturity



highlights

- 56% wtd avg LTV
- \$3.3MM average exposure
- 99.2% LIHTC, affordable or market
- 17% maturing prior to 2027
- 5.6% criticized