
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 14, 2023

FIRST HAWAIIAN, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-14585
(Commission File Number)

999 Bishop St., 29th Floor
Honolulu, Hawaii
(Address of Principal Executive Offices)

99-0156159
(IRS Employer Identification No.)

96813
(Zip Code)

(808) 525-7000
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:
Common Stock, par value \$0.01 per share

Trading Symbol(s)
FHB

Name of each exchange on which registered:
NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

First Hawaiian, Inc. (the “Company”), the holding company for First Hawaiian Bank, is furnishing with this Current Report on Form 8-K a copy of an investor presentation that it intends to use for any investor meetings or related interactions during the months of February and March in fiscal year 2023. A copy of the presentation also will be posted to the Company’s website (www.fhb.com) in the Investor Relations section.

Pursuant to Regulation FD, the presentation materials are furnished as Exhibit 99.1. The information in this Item 7.01 and Exhibit 99.1 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation Materials
104	Cover Page Interactive Data File — the cover page XBRL tags are embedded within the Inline XBRL document

SIGNATURE

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 hereunto duly authorized.

FIRST HAWAIIAN, INC.

Date: February 14, 2023

By: /s/ Robert S. Harrison
Robert S. Harrison
Chairman of the Board, President and Chief Executive Officer
(Principal Executive Officer)



 First Hawaiian

Investor Presentation

February / March



Forward-Looking Statements

This presentation contains, and from time-to-time in connection with this presentation our management may make, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our view with respect to, among other things, future events and our financial performance. These statements are often, but not always, made using the use of words or phrases such as “may,” “might,” “should,” “could,” “predict,” “potential,” “believe,” “expect,” “continue,” “will,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would,” “annualized,” and “outlook,” or the negative version of these words or comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts or current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made and any such forward-looking statements are subject to risks, assumptions, estimates and uncertainties that are difficult to quantify. Statements about the potential effects of the COVID-19 pandemic on our businesses and financial results and conditions made in this presentation are forward-looking statements and are subject to the risk that the actual effects may differ, possibly materially, from what is reflected in the forward-looking statements due to factors and future developments that are uncertain, unpredictable and in many cases beyond our control, including the scope and duration of the pandemic, actions taken by governmental authorities in response to the pandemic, an indirect impact of the pandemic on our customers, third parties and us. Actual results may prove to be materially different from those expressed or implied by the forward-looking statements. Factors that could cause our actual results to differ materially from those in the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of the COVID-19 pandemic on the domestic and global economic environment and capital market conditions and other risk factors, can be found in our SEC filings, including our Annual Report on Form 10-K for the year ended December 31, 2021, and our Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30, and September 30, 2022, which are available on our website (www.fhb.com) and the SEC’s EDGAR website (www.sec.gov). Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable law.

Use of Non-GAAP Financial Measures

The information provided herein includes certain non-GAAP financial measures. We believe that these measures provide useful information about our operating results and enhance the overall understanding of our past performance and future performance. Although GAAP financial measures are frequently used by stakeholders in the evaluation of a company, they have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results or financial condition as reported under GAAP. Management should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition. The reconciliation of such measures to the comparable GAAP figures are included in the presentation.

Other

References to “we,” “us,” “our,” “FHI,” “FHB,” “Company,” and “First Hawaiian” refer to First Hawaiian, Inc. and its consolidated subsidiaries.

► Q4 2022 FINANCIAL HIGHLIGHTS¹



	Q4 2022	Q3 2022
Net Income (\$mm)	\$79.6	\$69.0
Diluted EPS	\$0.62	\$0.54
Net Interest Margin	3.15%	2.93%
Efficiency Ratio	51.5%	54.0%
ROA / ROATA ²	1.28% / 1.34%	1.10% / 1.14%
ROE / ROATCE ²	14.27% / 25.93%	12.08% / 21.53%
Tier 1 Leverage Ratio	8.11%	7.78%
CET1 Capital Ratio	11.82%	11.79%
Total Capital ratio	12.92%	12.92%
Dividend ³	\$0.26 / share	\$0.26 / share

- Net income \$79.6 mm
- Grew total loans and leases \$391.0 mm
- Total deposits declined \$402.7 mm of deposits
- Net interest margin expanded 22 bps
- Excellent credit quality. Recorded provision expense
- Well capitalized: 11.82% CET1 ratio
- Declared \$0.26 / share dividend

(1) Comparisons to Q3 2022

(2) ROATA and ROATCE are non-GAAP financial measures. A reconciliation of average tangible assets and average tangible stockholders' equity to GAAP measurements is provided in the appendix of this slide presentation.

(3) Declared on January 25, 2023. Payable March 3, 2023 to shareholders of record at close of business on February 17, 2023.

▶ BALANCE SHEET HIGHLIGHTS



\$ in thousands	12/31/22	9/30/22
Assets		
Cash and Cash Equivalents ¹	\$ 526.6	\$ 948.9
Investment Securities - AFS	3,151.1	3,289.2
Investment Securities - HTM	4,320.6	4,406.1
Loans and Leases	14,092.0	13,700.4
Total Assets	24,577.2	24,870.3
Liabilities		
Deposits	\$ 21,689.0	\$ 22,091.7
Total Stockholders' Equity	2,269.0	2,200.7



Comments
<ul style="list-style-type: none"> • Excess cash and investment portfolio used to fund loan growth and de Q4 • Investment portfolio duration remained at 5.6 yrs at 12/31/22

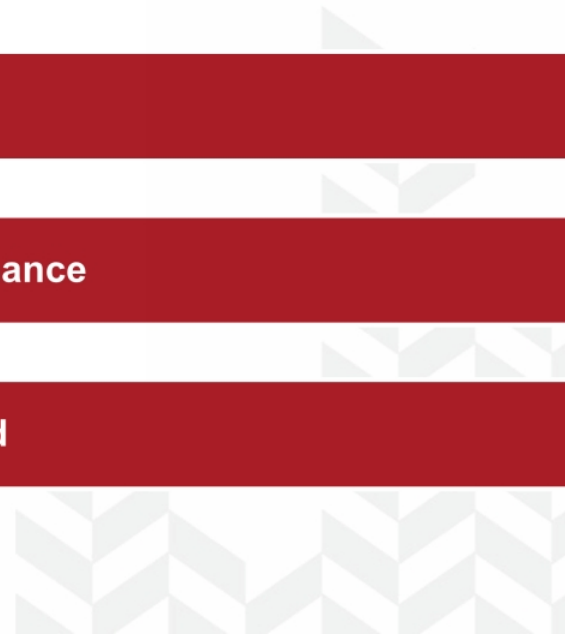
¹ Includes Cash and due from banks and Interest-bearing deposits in other banks



▶ INVESTMENT HIGHLIGHTS



- 1 Strong, Consistent Financial Performance**
- 2 Leading Position In Attractive Markets**
- 3 Experienced Leadership Team**
- 4 High Quality Balance Sheet**
- 5 Proven Through The Cycle Performance**
- 6 Well-Capitalized With Attractive Dividend**

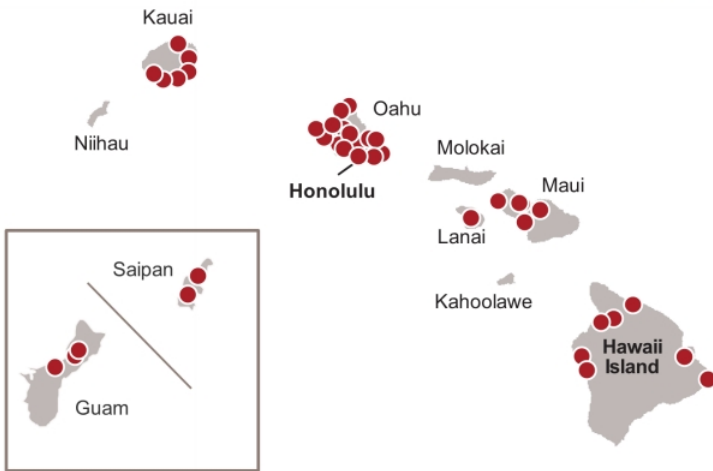


STRONG PERFORMER IN ATTRACTIVE MARKET



Branch Presence

51 branches



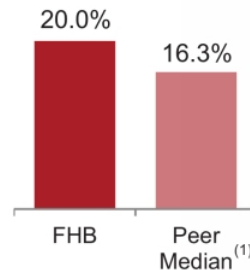
Company Highlights

- ✓ Oldest and largest Hawaii-based bank
- ✓ Full-service community bank with complete suite of products & services
- ✓ #1 deposit market share in Hawaii⁽⁴⁾
- ✓ Largest Hawaii-based lender
- ✓ \$17.2 bn assets under administration as of 4Q22
- ✓ Proven through the cycle and outstanding operating performance

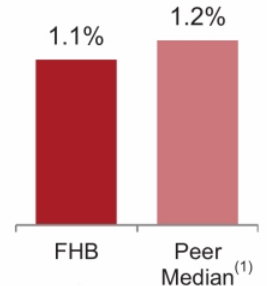
Financial Overview – 4Q 2022 YTD (\$)

Market Cap	\$ 3.5	Loans
Assets	\$ 24.6	Deposits

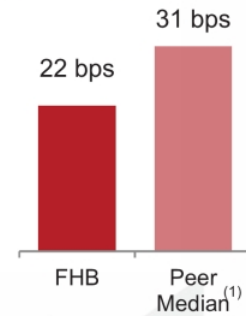
ROATCE⁽²⁾



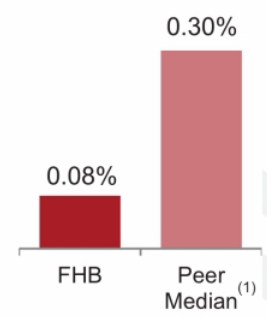
ROATA⁽²⁾



Cost of Deposits



NALs / Loans



Source: Public filings and S&P Global Market Intelligence as of 8-Feb-2023

Note: Financial data as of 31-Dec-2022. Market data as of 8-Feb-2023.

(1) Peer median is based on public banks \$10–\$50bn in assets constituted as of 31-Dec-2021; excludes merger targets.

(2) ROATA (Return On Average Tangible Assets) and ROATCE (Return on Average Tangible Common Equity) are non-GAAP financial measures. A reconciliation to the comparable F provided in the appendix.

(3) Dividend yield based on dividend paid in 4Q 2022 and closing market price as of 8-Feb-2022.

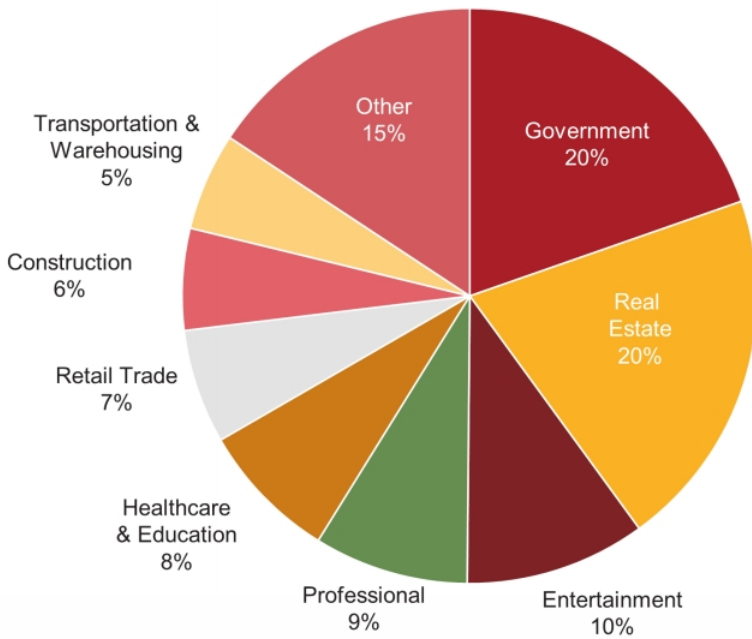
(4) Deposit market share based on FDIC data as of 30-Jun-2022.

DESPITE NEAR-TERM CHALLENGES, THE FUNDAMENTAL STRENGTHS OF HAWAII'S ECONOMY REMAIN INTACT



Hawaii GDP by Industry (2019)⁽¹⁾

Visitor spending is ~19% of Hawaii GDP⁽²⁾



Fundamental Strengths

- Attractive destination for domestic and international travelers
 - Attractive alternative for travelers concerned about international travel
 - Well-developed visitor industry infrastructure
 - High quality medical care
- Strategically important
 - Headquarters of US Indo-Pacific Command and regional component commands for the Navy, Air Force, Marines
 - Estimated total defense spending in 2020: \$7.7bn ⁽³⁾
 - Defense spending is 8.5% of GDP
 - Over 50k active duty, National Guard, and Reserve personnel stationed in Hawaii
 - Almost 20k civilian employees

⁽¹⁾ US Bureau of Economic Analysis

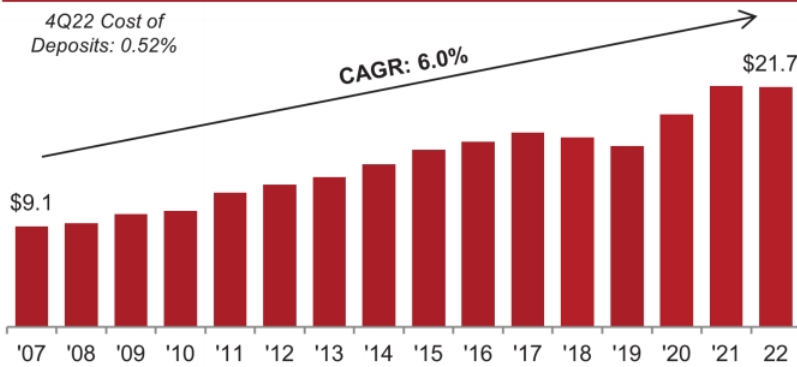
⁽²⁾ Based on \$17.9bn of 2019 visitor spending according to Hawaii Department of Business, Economic Development and Tourism.

⁽³⁾ defenseeconomy.hawaii.gov

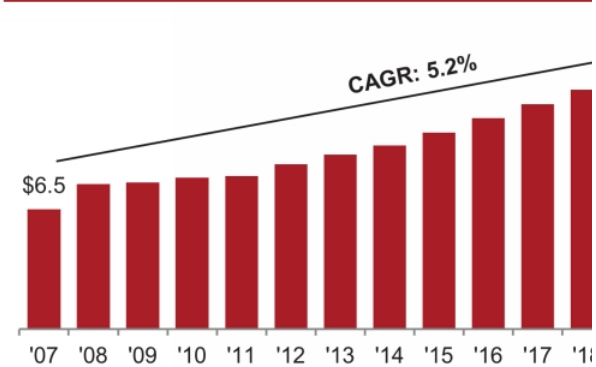
STRONG PERFORMANCE THROUGH THE CYCLE



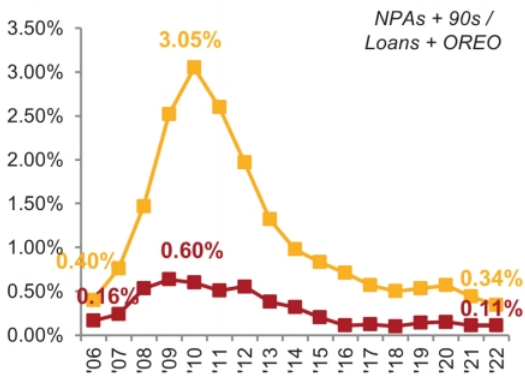
Consistent Deposit Growth (\$bn)



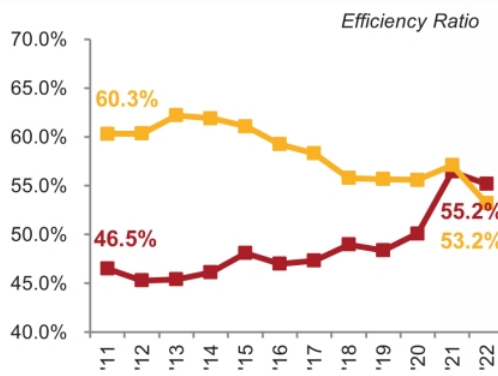
Steady, Balanced Loan Growth



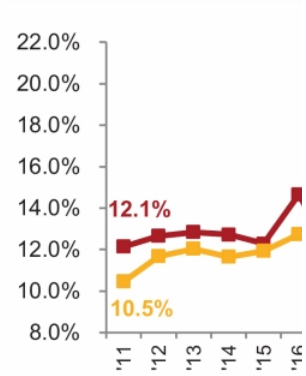
Through the Cycle Credit Performer



Strong Expense Mgmt. Culture



Consistent Record



— First Hawaiian, Inc.

— Public U.S. Banks with \$10-\$50bn of Assets

Source: Public filings and S&P Global Market Intelligence as of 8-Feb-2023

Note: Financial data as of 31-Dec-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

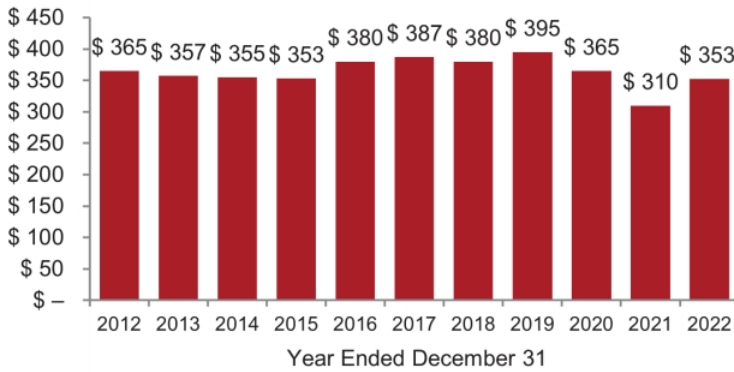
(1) ROATCE (Return on Average Tangible Common Equity) is a non-GAAP financial measure. A reconciliation to the comparable FHB GAAP measure is provided in the appen

CONSISTENT TRACK RECORD OF STRONG PROFITABILITY



Consistent PTPP Earnings

Pre-Tax, Pre-Provision Earnings (\$mm)⁽¹⁾

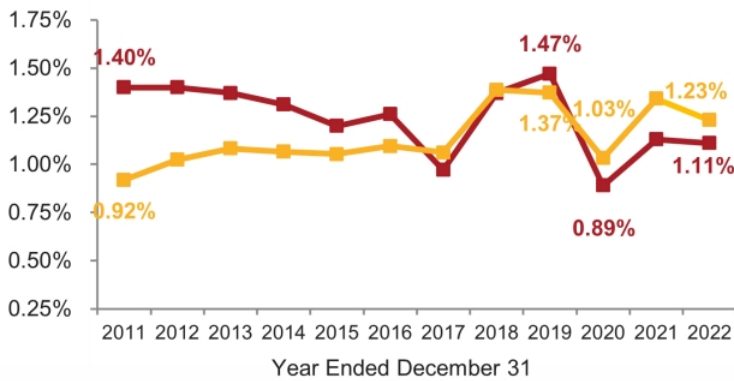


Stable Earnings Drivers

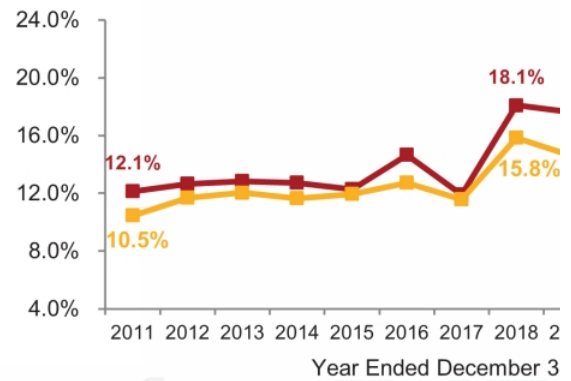
- Dominant loan and deposit positions markets
- Consistent underwriting standards w performance through the credit cycle
- Demonstrated history of disciplined e management

Consistent History of Strong Profitability

ROATA⁽¹⁾



ROATCE⁽¹⁾



■ First Hawaiian, Inc.

■ Public U.S. Banks with \$10-\$50bn of Assets

Source: Public filings and S&P Global Market Intelligence, as of 8-Feb-2023

Note: Financial data as of 31-Dec-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

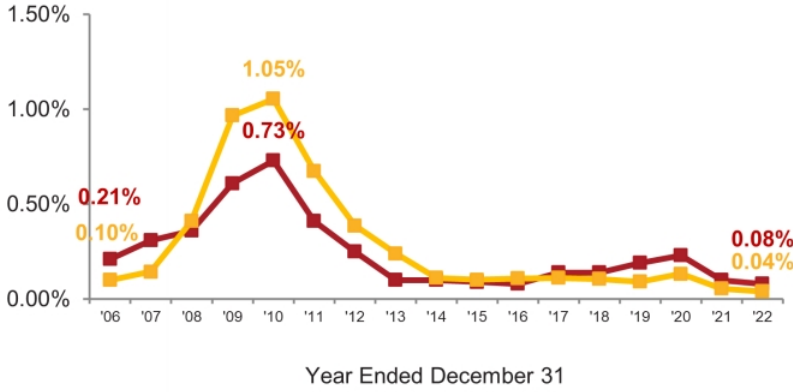
(1) PTPP (Pre-Tax, Pre-Provision) Earnings, ROATA (Return On Average Tangible Assets) and ROATCE (Return On Average Tangible Common Equity) are non-GAAP financial measures. comparable FHB GAAP measures is provided in the appendix.

PROVEN, CONSISTENT, AND CONSERVATIVE CREDIT RISK MANAGEMENT

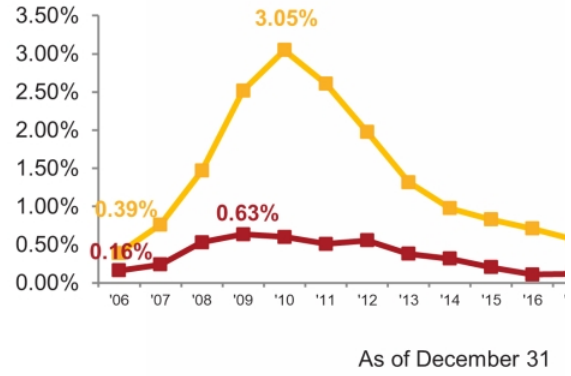


Strong through the cycle credit performance driven by conservative approach to credit risk management

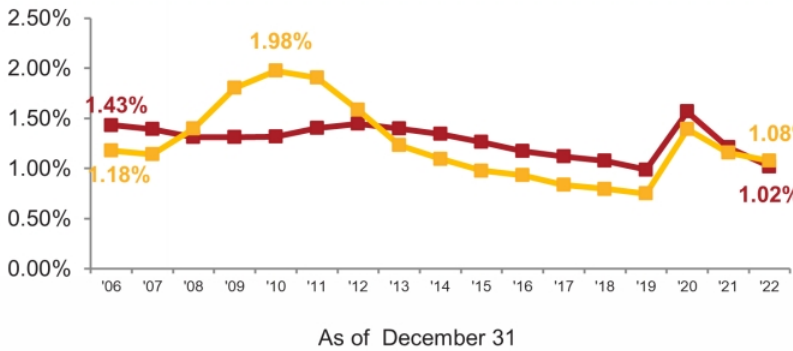
NCOs / Average Loans



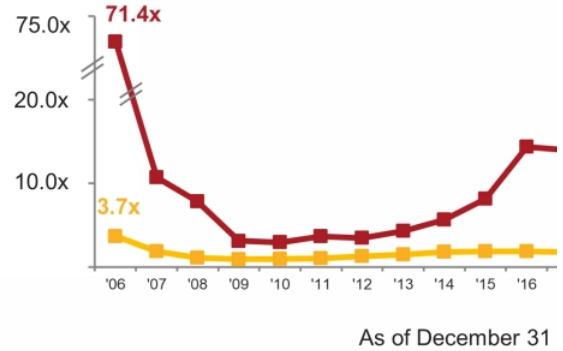
NPAs + 90s / Loans + ORE



Reserves / Loans



Reserves / Non-Accrual Loans



■ First Hawaiian, Inc.

■ Public U.S. Banks with \$10-\$50bn of Assets

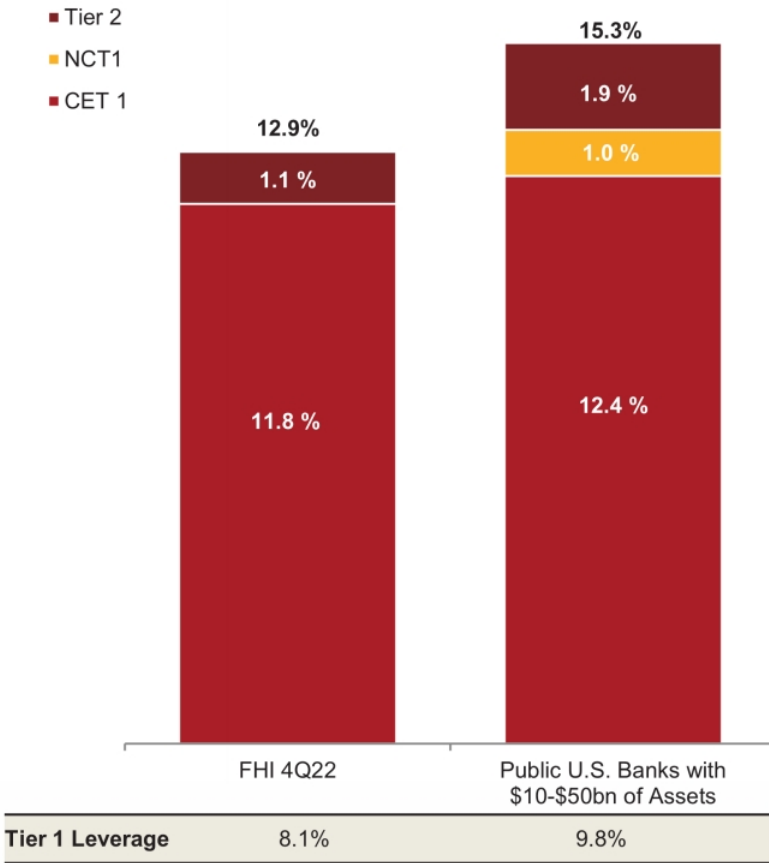
Source: Public filings and SNL Financial, available as of 8-Feb-2023

Note: Financial data as of 31-Dec-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

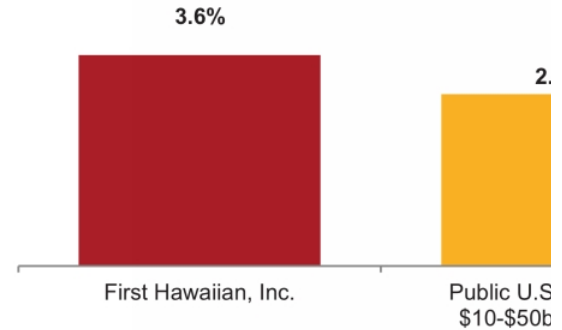
WELL-CAPITALIZED WITH AN ATTRACTIVE DIVIDEND



Robust Capital Position



Attractive Dividend Yield⁽¹⁾



Capital Management Approach

- Retain sufficient earnings to support and maintain strong capital levels
- Return excess capital through dividend repurchases
- Stock repurchase program for up to \$ common stock during 2023
- Held dividend at \$0.26/share in 4Q 2022
- 0.4 mm shares repurchased in 2022

Source: Public filings and S&P Global Market Intelligence as of 8-Feb-2023


Note: Financial data as of 31-Dec-2022. \$10-\$50bn banks constituted as of 31-Dec-2021, excludes merger targets. Percentages may not total due to rounding.

⁽¹⁾ Dividends and share repurchases are subject to approval of FHI's board of directors, future capital needs and regulatory approvals.

⁽²⁾ Dividend yield (MRQ) based on 4Q 2022 paid dividend and market data as of 8-Feb-2022.



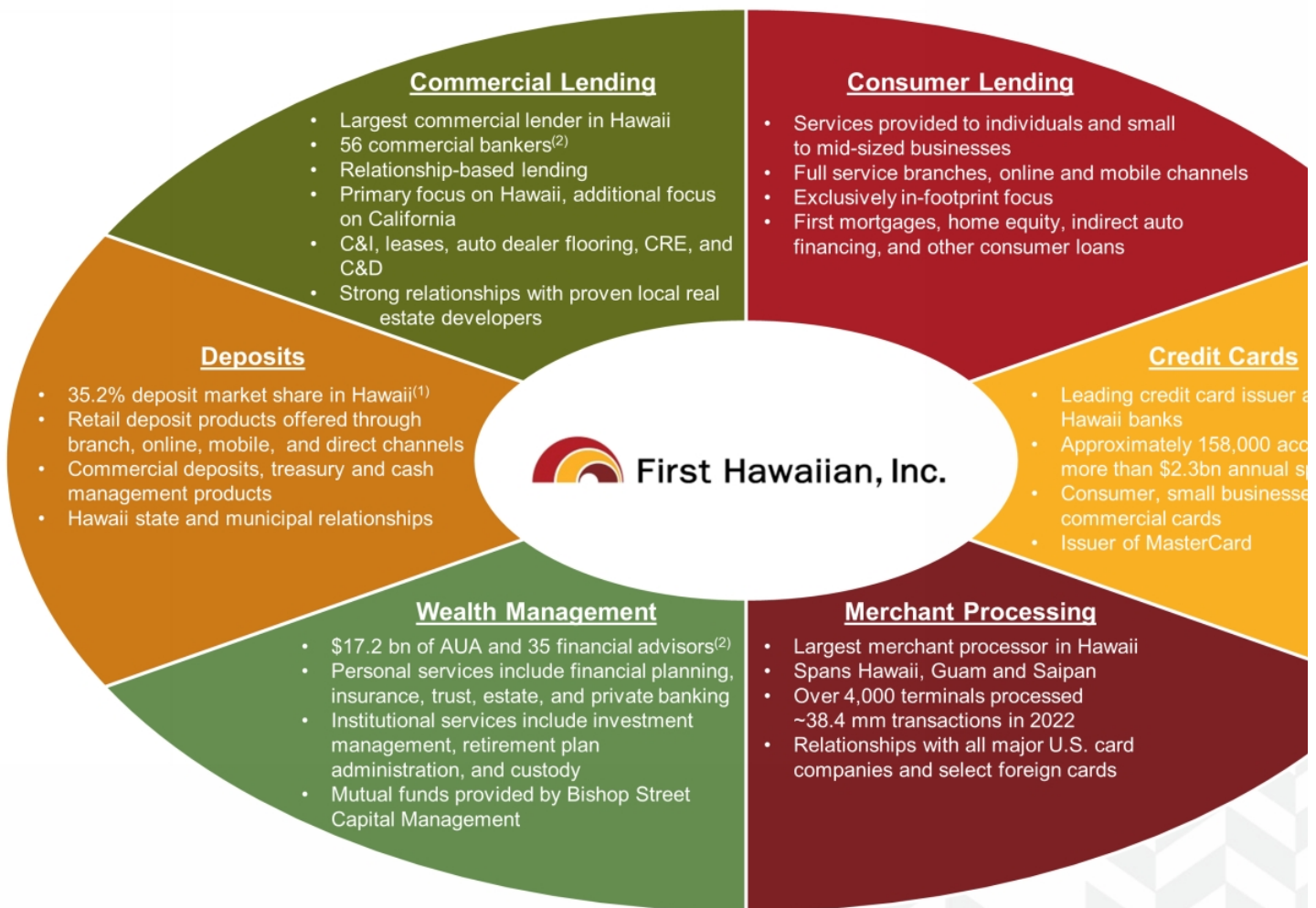
Appendix

 First Hawaiian, Inc.

FULL SUITE OF PRODUCTS AND SERVICES



First Hawaiian is a full-service community bank focused on building relationships with our customers.



(1) Source: FDIC as of 30-Jun-2022
(2) As of 31-Dec-2022

A LEADER IN HAWAII



The banking market in Hawaii is dominated by local banks, with the top 4 banks accounting for ~93%

	First Hawaiian, Inc.	Bank of Hawaii	AMERICAN Savings Bank
Branches	51	51	37
FTEs	2,063	2,076	1,061
Assets (\$bn)	24.6	23.6	9.5
Loans (\$bn)	14.1	13.6	6.0
Deposits (\$bn)	21.7	20.6	8.2
2022 ROATCE	20.0% ⁽¹⁾	16.1%	16.5%
2022 ROATA	1.11% ⁽¹⁾	0.98%	0.86%
Loan Portfolio	<ul style="list-style-type: none"> Commercial Commercial RE Residential RE HELOC Consumer & Other 	<ul style="list-style-type: none"> Commercial Commercial RE Residential RE HELOC Consumer & Other 	<ul style="list-style-type: none"> Commercial Commercial RE Residential RE HELOC Consumer & Other
Deposit Portfolio	<ul style="list-style-type: none"> Transaction Accounts Savings / MMDA Time Deposits 	<ul style="list-style-type: none"> Transaction Accounts Savings / MMDA Time Deposits 	<ul style="list-style-type: none"> Transaction Accounts Savings / MMDA Time Deposits
Hawaii Deposits²			
Balance (\$bn)	\$21.0	\$19.9	\$8.3
Share	35.2%	33.2%	13.9%

Sources: S&P Global Market Intelligence, FDIC, SEC and company filings. Company filings used for peers where available, otherwise regulatory data used.

Note: Financial data as of 31-Dec-2022.

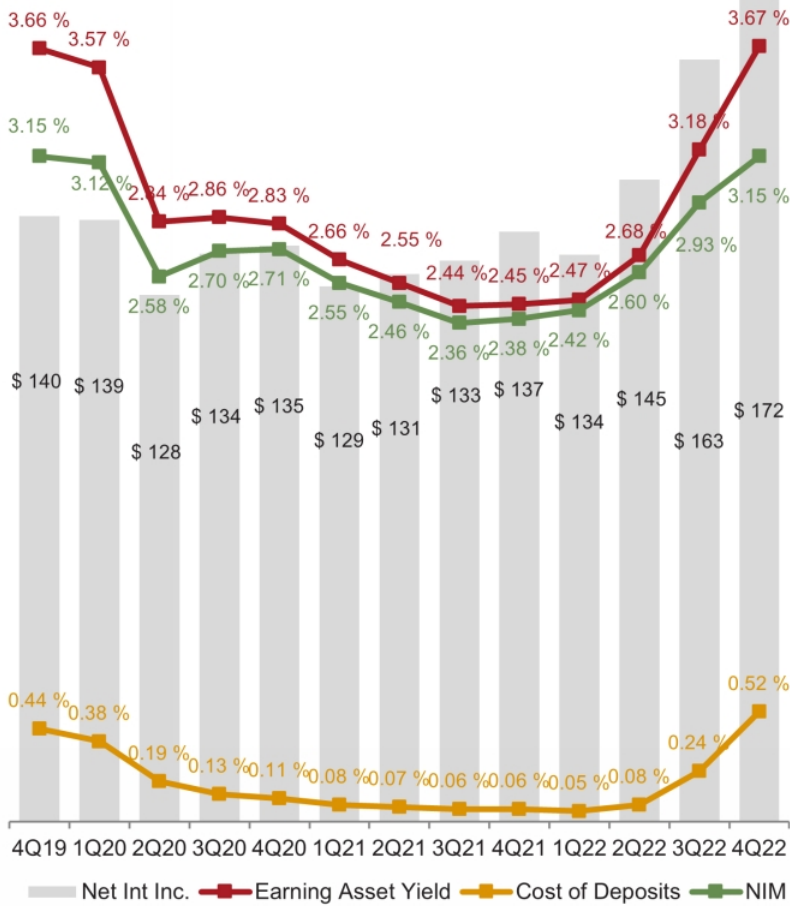
(1) ROATCE (return on average tangible common equity) and ROATA (return on average tangible assets) are non-GAAP financial measures. Reconciliations to the comparable FHB GAAP in the appendix.

(2) Deposit market share based on FDIC data as of 30-Jun-2022.

BALANCE SHEET WELL POSITIONED TO BENEFIT FROM RISING RATES



22 bp NIM increase in Q4

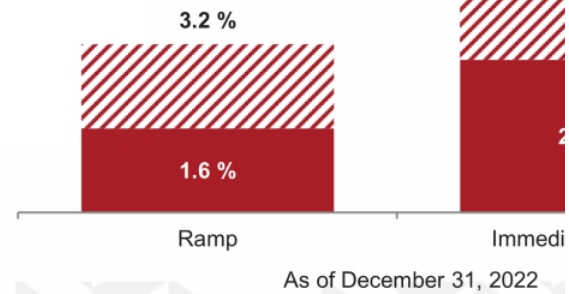


Well Positioned for Rising R

- Approximately \$5.6 bn, or 41% of the l reprices within 90 days
- Well-structured investment portfolio wit extension risk
- Stable, low-cost deposit base
- Hawaii has experienced lower deposit lower deposit beta in previous rate cyc

NII Benefit From Rate Hike⁽¹⁾

- NII Sensitivity +100bps
- NII Sensitivity +50bps



As of December 31, 2022

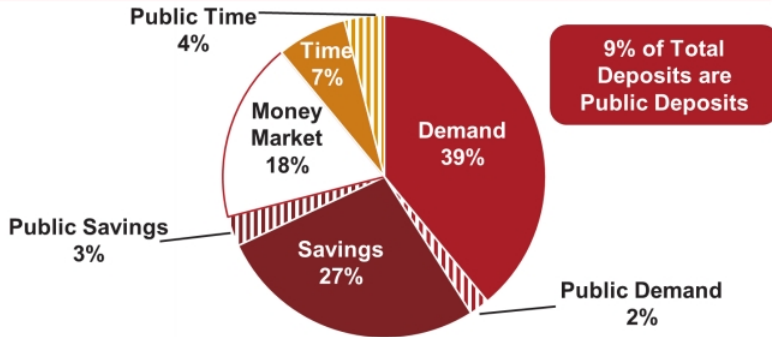
(1) For a discussion of the factors that could cause actual NII Sensitivity results to differ from simulation analyses, see "Part I, Item 2. Management's Discussion and Analysis of Financial Results of Operations — Risk Governance and Quantitative and Qualitative Disclosures About Market Risk – Market Risk Measurement" in our filings with the SEC including the Quarterly Report on Form 10-Q for the quarter ended September 30, 2022.

SOLID, LOW-COST CORE DEPOSIT BASE



Strong brand, deep ties to the community and a leading market share position have driven an attractive, low-cost deposit base

Deposit Portfolio Composition

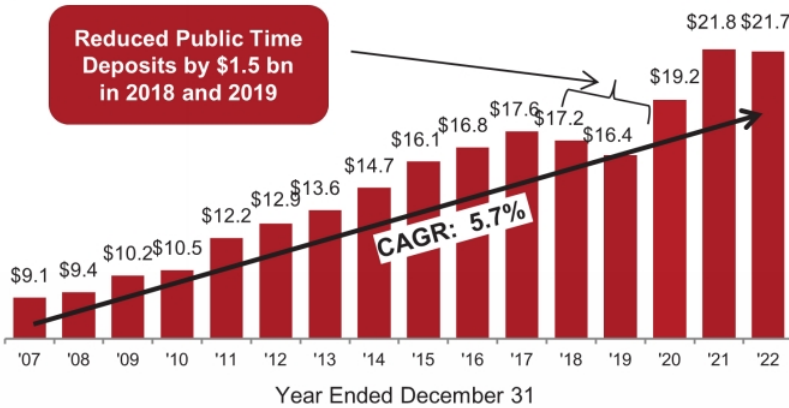


Deposits: \$21.7bn
4Q22 Cost of Deposits: 0.52%

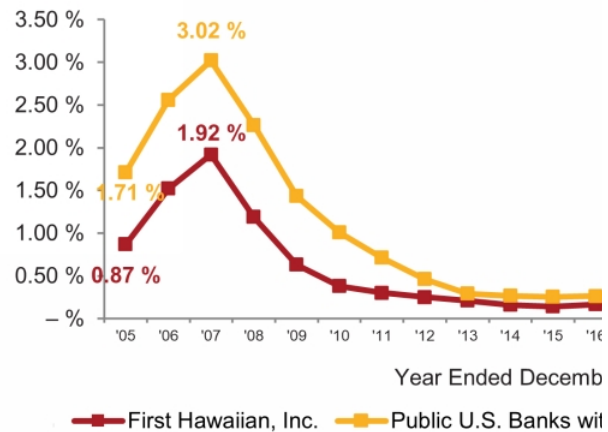
YTD Deposit Changes

- Total deposit balances declined by \$12 in 2022
 - Commercial and consumer depositions: \$909.2 mm
 - Public deposits increased by \$78

Consistent Deposit Growth (\$bn)



Best-in-Class Cost of Deposits



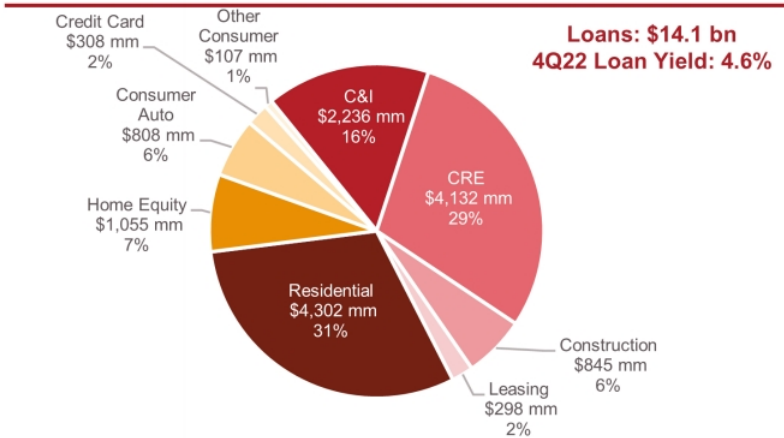
Source: Public filings and S&P Global Market Intelligence, as of 8-Feb-2023
Note: Financial data as of 31-Dec-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

STEADY ORGANIC GROWTH AND BALANCED LOAN PORTFOLIO

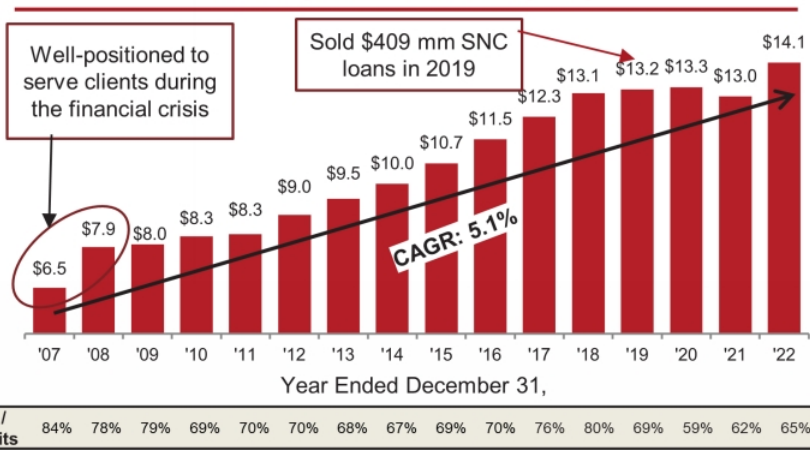


*Steady through the cycle organic loan growth and balanced loan portfolio
Expect mid-single digit loan growth in 2023*

Balanced Loan Portfolio (as of 12/31/22)



Steady Loan Growth (\$bn)



Note: Financial data as of 31-Dec-2022

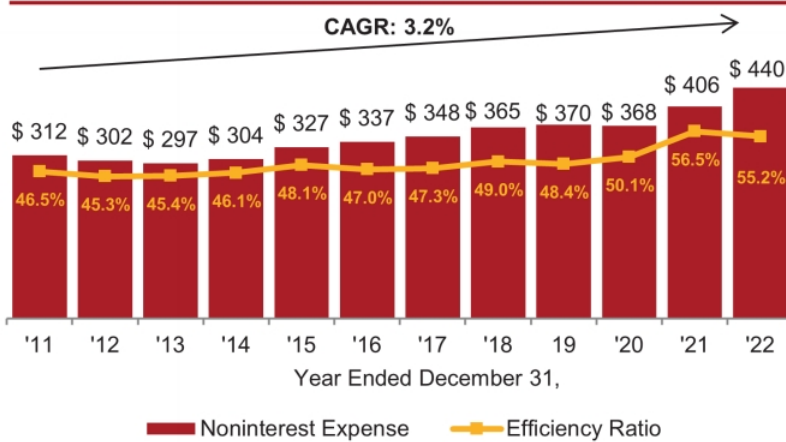
Loan Portfolio Highlights (as of 12/31/22)

- Largest Hawaii-based lender
- Balanced Portfolio
 - 53% Commercial, 47% Consumer
 - 76% Hawaii/Guam/Saipan, 24% Mainland
- Commercial
 - Hawaii's leading commercial bank with lending team.
 - Average commercial loan officer experience: 10 years
 - 56% Hawaii/Guam/Saipan, 44% Mainland
 - \$1,717 mm Shared National Credit portfolio
 - Participating in SNC lending for over 10 years
 - 20% Hawaii-based, 80% Mainland
 - Leading SBA lender Hawaii
 - SBA Lender of the Year (Category 2019, and 2021)
 - Leveraged SBA experience to quickly originate program
 - Originated over 10k PPP loans for principal balances in 2020 and 2021
- Consumer
 - Primarily a Prime and Super Prime lender
 - ~90% of portfolio collateralized
 - Financing consumer auto loans for over 10 years

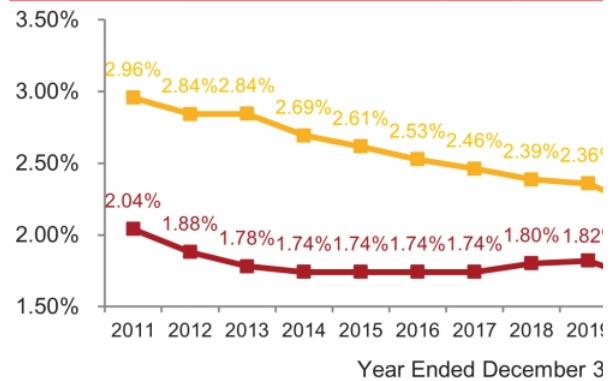
DEMONSTRATED HISTORY OF DISCIPLINED EXPENSE MANAGEMENT



Well Managed Noninterest Expense (\$mm)

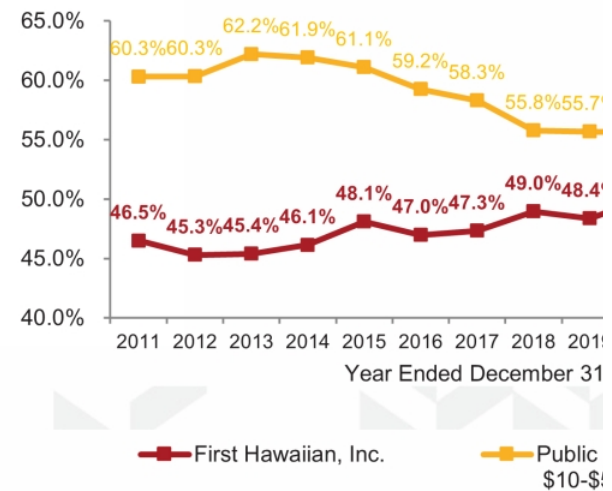


Noninterest Expense / Average Assets



- Maintained expense discipline during pandemic
 - Very little expense growth from 2018 - 2020
- Increase in 2022 expenses driven by core system conversion expenses and new core system ongoing operating costs
- 2023 expense outlook
 - Noninterest expenses expected to be 4.0% – 4.5% higher than annualized Q4 2022 expenses
 - Increase in expenses includes impact of industry-wide impact of increase in FDIC assessment fee, estimated to be \$4 - \$5 mm

Efficiency Ratio



Source: Public filings and S&P Global Market Intelligence, as of 8-Feb-2023

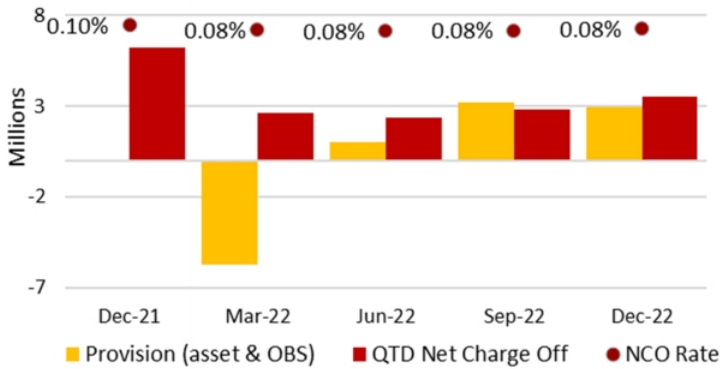
Note: Financial data as of 31-Dec-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

ASSET QUALITY



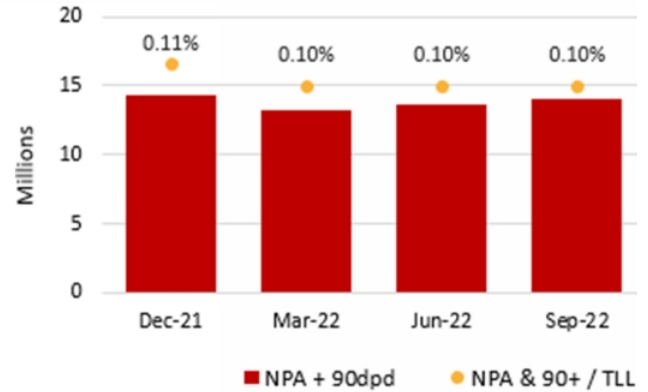
CONTINUED STRONG CREDIT PERFORMANCE

Provision, NCO and NCO Rate



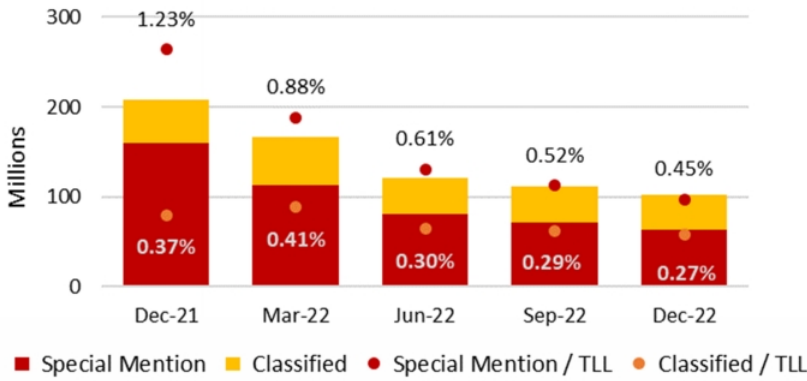
• NCO Rate - Based on YTD NCO

NPA and 90 Past Due



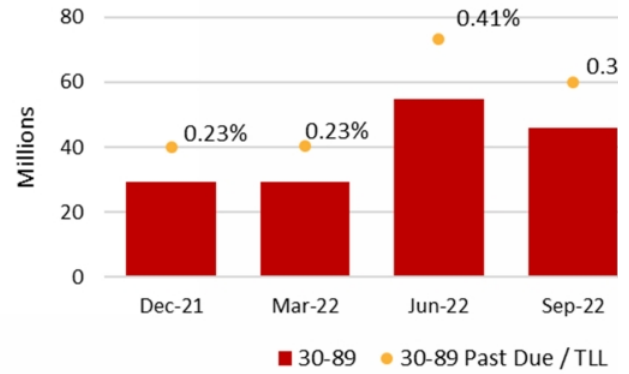
• 90 past due comprised of accruing loans
• Includes OREO

Commercial Criticized Assets



Note: TLL - Total Loans and Leases

30-89 Past Due



• 30-89 past due comprised of accruing and non-accruing loans

COMMERCIAL REAL ESTATE

(In Millions)



Property Type	Balances	% of Balances	Weighted Average LTV	%
Office	839	20.3%	62.9%	
Hotel	470	11.4%	55.4%	
Retail	567	15.9%	60.2%	
Multi-family	733	17.7%	56.5%	
Industrial	650	15.7%	58.7%	
Dealer Related	452	10.9%	69.6%	
Other	331	8.0%	59.8%	
Total	4,132	100.0%	60.3%	

The CRE portfolio is diversified across product type with a weighted average LTV of 60.3% asset quality metrics.

- Office exposure is about 6% of total loans and leases – approximately 1/3rd of the total occupied and another 17% comprised of loans backed by multi-property pools.
- Despite enduring a prolonged period of high vacancy, hotel loans performed well over COVID period reflecting the quality of sponsorship and underlying collateral.
- Retail properties are primarily comprised of grocery- anchored and smaller convenience

► CONSTRUCTION

(In Millions)



Property Type	Balances	% of Balances	Weighted Average LTV	%
Office	46	5.5%	52.0%	
Hotel	8	1.0%	49.0%	
Retail	24	2.8%	63.8%	
Multi-family	419	49.6%	53.3%	
Industrial	65	7.7%	51.9%	
Dealer Related	75	8.9%	84.2%	
Other	208	24.6%	59.7%	
Total	845	100.0%	57.7%	

The construction book is largely centered in rental and for-sale housing.



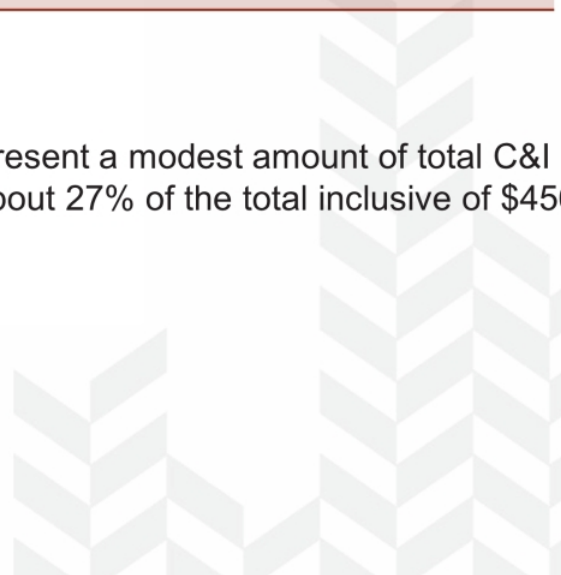
▶ COMMERCIAL & INDUSTRIAL

(In Millions)



Industry	Balances	% of Balances	% Criticized
Auto Dealer	611	27.3%	0.0%
Retail	39	1.7%	0.0%
Hospitality/Hotel	71	3.2%	0.6%
Food Service	54	2.4%	4.7%
Transportation	56	2.5%	3.4%
Other	1,405	62.9%	3.2%
Total	2,236	100.0%	2.3%

Industries deemed to exhibit higher volatility represent a modest amount of total C&I exposure and dealer related credits represent about 27% of the total inclusive of \$451 million in flooring balances.



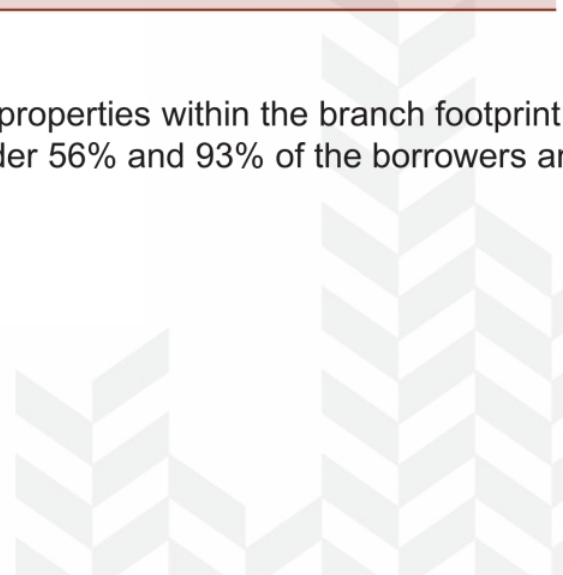
REAL ESTATE – RESIDENTIAL

(In Thousands)



Current FICO	Balances	% of Balances	Weighted Average LTV
Super Prime	3,545,133	82.4%	55.3%
Prime	466,659	10.8%	57.4%
Acceptable	79,030	1.8%	55.8%
Sub-Prime	14,310	0.3%	53.5%
Poor	7,958	0.2%	53.1%
No Score	189,697	4.4%	58.9%
Total	4,302,788	100.0%	55.7%

Residential real estate is primarily comprised of properties within the branch footprint. The portfolio has a weighted average LTV of under 56% and 93% of the borrowers are in the prime and super-prime FICO buckets.



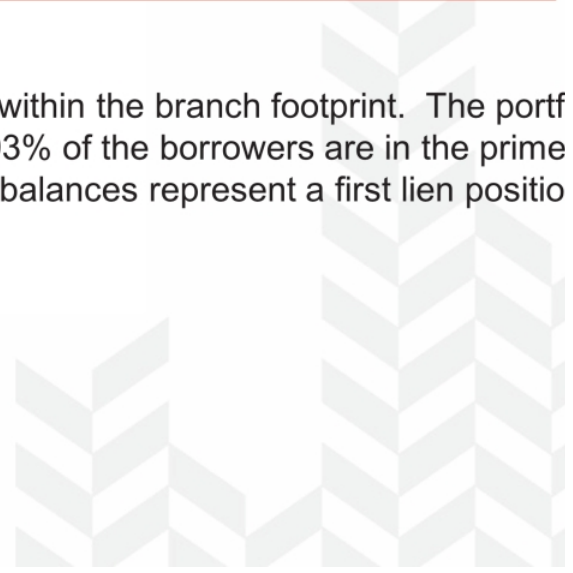
REAL ESTATE – HELOC

(In Thousands)



Current FICO	Balances	% of Balances	Weighted Average LTV
Super Prime	809,058	76.7%	44.6%
Prime	177,088	16.8%	48.6%
Acceptable	51,707	4.9%	53.1%
Sub-Prime	12,466	1.2%	58.4%
Poor	4,215	0.4%	61.2%
No Score	817	0.1%	24.6%
Total	1,055,351	100.0%	45.9%

The HELOC is primarily comprised of properties within the branch footprint. The portf has a weighted average LTV of under 46% and 93% of the borrowers are in the prime super-prime FICO buckets. Roughly 53% of the balances represent a first lien positio



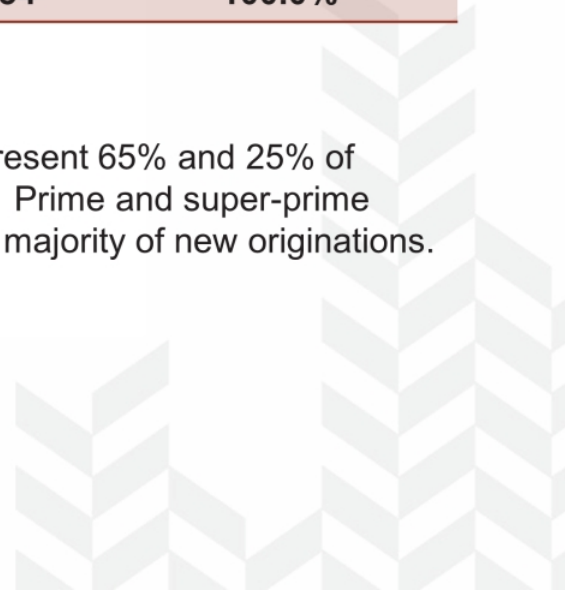
CONSUMER

(In Thousands)



Current FICO	Balances	% of Balances
Super Prime	567,026	46.4%
Prime	318,792	26.1%
Acceptable	147,091	12.0%
Sub-Prime	57,270	4.7%
Poor	30,272	2.5%
No Score	102,483	8.4%
Total	1,222,934	100.0%

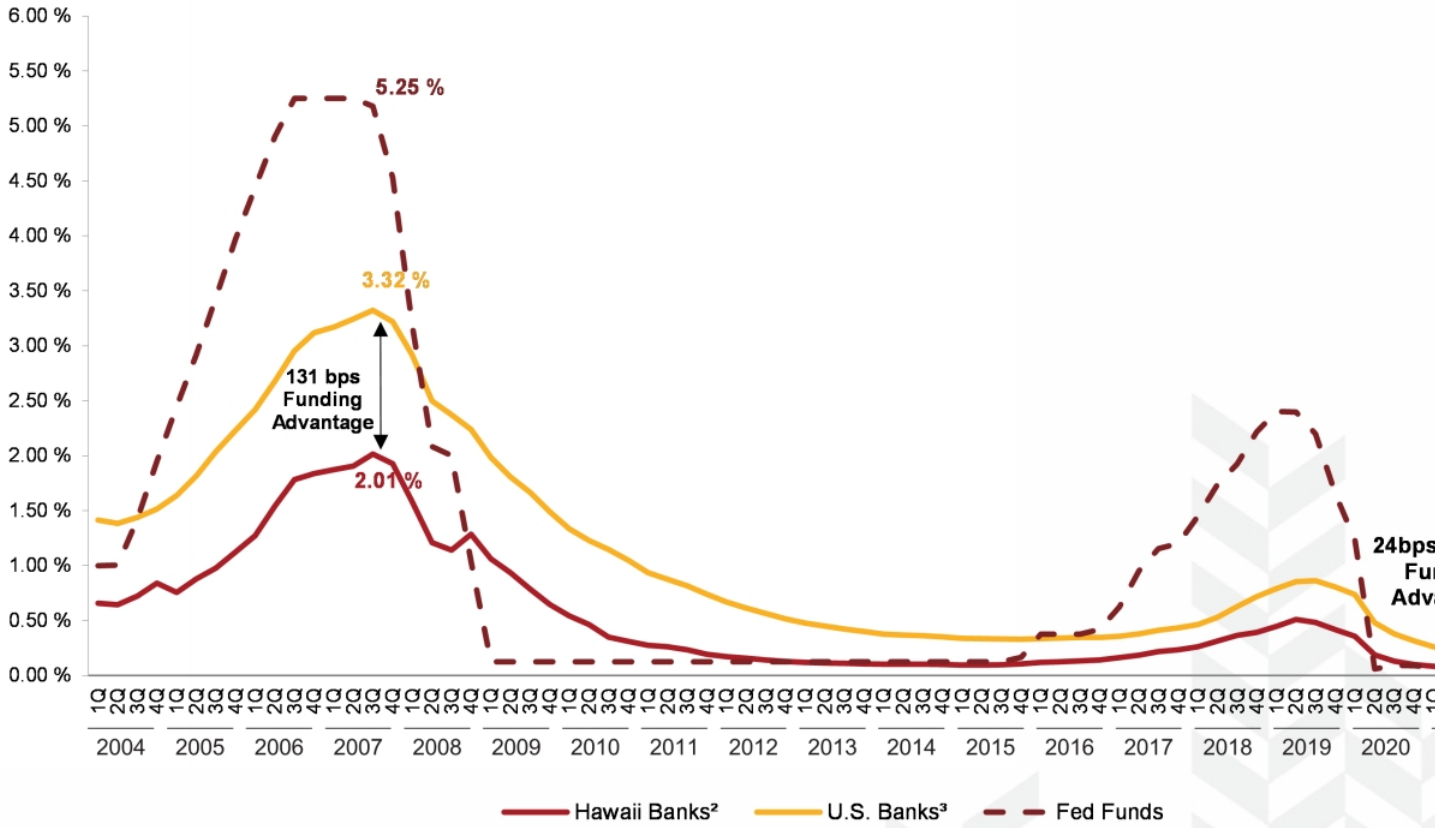
Indirect auto and credit cards represent 65% and 25% of consumer balances, respectively. Prime and super-prime borrowers comprise a substantial majority of new originations.



HAWAII BANKS HAVE A SIGNIFICANT DEPOSIT ADVANTAGE



Hawaii banks experience more favorable deposit behavior across all rate cycles; Hawaii banks experience a deposit beta⁽¹⁾ of ~34% vs. ~47% for broader U.S. banks during the last rising rate cycle



Source: SNL Financial and the Federal Reserve website

⁽¹⁾ Deposit beta is defined as the change in deposit costs as a percentage of the change in Fed Funds over a particular period. Deposit cost uses starting point (2Q04) to peak quarter lag.

⁽²⁾ Includes First Hawaiian, Bank of Hawaii, American Savings, Central Pacific, Territorial Bancorp, Hawaii National. 4Q22 cost of deposits based on publicly available company information.

⁽³⁾ Includes all U.S. bank holding companies excluding Hawaii-based banks. 4Q22 cost of deposits based on publicly available company reported information.

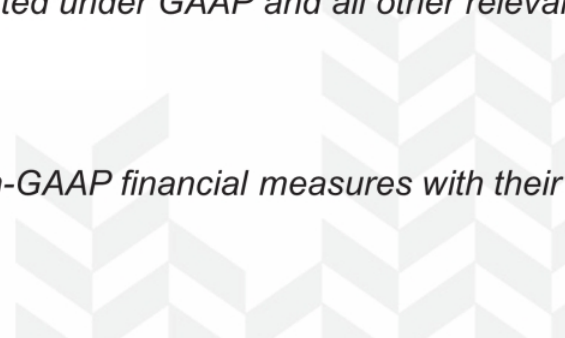
▶ GAAP TO NON-GAAP RECONCILIATIONS



We present pre-tax, pre-provision earnings on an adjusted basis as a non-GAAP financial measure. We believe that the presentation of this non-GAAP financial measure helps identify underlying trends in our business from period to period that could otherwise be distorted by the effect of certain expenses in our operating results. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition.

Return on average tangible stockholders' equity, return on average tangible assets and tangible stockholders' equity to tangible assets are non-GAAP financial measures. We compute our return on average tangible stockholders' equity as the ratio of net income to average tangible stockholders' equity, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total stockholders' equity. We compute our return on average tangible assets as the ratio of net income to average tangible assets, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total assets. We compute our tangible stockholders' equity to tangible assets as the ratio of tangible stockholders' equity to tangible assets, each of which we calculate by subtracting (and thereby effectively excluding) the value of goodwill. We believe that these measurements are useful for investors, regulators, management and others to evaluate financial performance and capital adequacy relative to other financial institutions. Although these non-GAAP financial measures are frequently used by stakeholders in the evaluation of our company, they have limitations as analytical tools and should not be considered in isolation or used to substitute for analysis of our results or financial condition as reported under GAAP. Investors should consider our performance and capital adequacy as reported under GAAP and all other relevant information when assessing our performance and capital adequacy.

The following tables provide a reconciliation of these non-GAAP financial measures with their comparable GAAP measures.



GAAP TO NON-GAAP RECONCILIATION



(dollars in thousands, except per share amounts)	For the Three Months Ended			For the Year Ended	
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	
Income Statement Data:					
Net income	\$ 79,588	\$ 69,018	\$ 57,022	\$ 265,685	\$
Average total stockholders' equity	\$ 2,213,030	\$ 2,267,152	\$ 2,675,513	\$ 2,321,606	\$
Less: average goodwill	995,492	995,492	995,492	995,492	
Average tangible stockholders' equity	\$ 1,217,538	\$ 1,271,660	\$ 1,680,021	\$ 1,326,114	\$
Average total assets	\$ 24,575,648	\$ 24,957,042	\$ 25,650,505	\$ 24,964,422	\$
Less: average goodwill	995,492	995,492	995,492	995,492	
Average tangible assets	\$ 23,580,156	\$ 23,961,550	\$ 24,655,013	\$ 23,968,930	\$
Return on average total stockholders' equity ⁽¹⁾	14.27 %	12.08 %	8.46 %	11.44 %	
Return on average tangible stockholders' equity (non-GAAP) ⁽¹⁾	25.93 %	21.53 %	13.47 %	20.03 %	
Return on average total assets ⁽¹⁾	1.28 %	1.10 %	0.88 %	1.06 %	
Return on average tangible assets (non-GAAP) ⁽¹⁾	1.34 %	1.14 %	0.92 %	1.11 %	

(dollars in thousands, except per share amounts)	As of December 31, 2022	As of September 30, 2022	As of December 31, 2021	
Balance Sheet Data:				
Total stockholders' equity	\$ 2,269,005	\$ 2,200,651	\$ 2,656,912	
Less: goodwill	995,492	995,492	995,492	
Tangible stockholders' equity	\$ 1,273,513	\$ 1,205,159	\$ 1,661,420	
Total assets	\$ 24,577,223	\$ 24,870,272	\$ 24,992,410	
Less: goodwill	995,492	995,492	995,492	
Tangible assets	\$ 23,581,731	\$ 23,874,780	\$ 23,996,918	
Shares outstanding	127,363,327	127,357,680	127,502,472	
Total stockholders' equity to total assets	9.23 %	8.85 %	10.63 %	
Tangible stockholders' equity to tangible assets (non-GAAP)	5.40 %	5.05 %	6.92 %	
Book value per share	\$ 17.82	\$ 17.28	\$ 20.84	
Tangible book value per share (non-GAAP)	\$ 10.00	\$ 9.46	\$ 13.03	

⁽¹⁾ Annualized for the three months ended December 31, 2022, September 30, 2022 and December 31, 2021.

GAAP TO NON-GAAP RECONCILIATION - ANNUAL



As of and for the Twelve Months Ended December 31,

(Dollars in millions, except per share data)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net Income	\$265.7	\$265.7	\$185.8	\$ 284.4	\$ 264.4	\$ 183.7	\$230.2	\$213.8	\$216.7	\$21
Average Total Stockholders' Equity	\$2,321.6	\$2,708.4	\$2,698.9	\$ 2,609.4	\$ 2,457.8	\$ 2,538.3	\$2,568.2	\$2,735.8	\$2,698.4	\$2,66
Less: Average Goodwill	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	99
Average Tangible Stockholders' Equity	\$1,362.1	\$1,712.9	\$1,703.4	\$ 1,613.9	\$ 1,462.3	\$ 1,542.8	\$1,572.7	\$1,740.3	\$1,702.9	\$1,67
Total Stockholders' Equity	2,269.0	2,656.9	2,744.1	2,640.3	2,524.8	2,532.6	2,476.5	2,736.9	2,675.0	2,65
Less: Goodwill	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	99
Tangible Stockholders' Equity	\$1,273.5	\$1,661.4	\$1,748.6	\$ 1,644.8	\$ 1,529.3	\$ 1,537.1	\$1,481.0	\$1,741.4	\$1,679.5	\$1,65
Average Total Assets	24,964.4	24,426.3	21,869.1	20,325.7	20,247.1	19,942.8	19,334.7	18,785.7	17,493.2	16,65
Less: Average Goodwill	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	99
Average Tangible Assets	\$23,968.9	\$23,430.8	\$20,873.6	\$ 19,330.2	\$ 19,251.6	\$ 18,947.3	\$18,339.2	\$17,790.2	\$16,497.7	\$15,65
Total Assets	24,577.2	24,992.4	22,662.8	20,166.7	20,695.7	20,549.5	19,661.8	19,352.7	18,133.7	17,11
Less: Goodwill	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	99
Tangible Assets	\$23,581.7	\$23,996.9	\$21,667.3	\$ 19,171.2	\$ 19,700.2	\$ 19,554.0	\$18,666.3	\$18,357.2	\$17,138.2	\$16,12
Return on Average Total Stockholders' Equity	11.44%	9.81%	6.88%	10.90%	10.76%	7.24%	8.96%	7.81%	8.03%	8.0
Return on Average Tangible Stockholders' Equity (non-GAAP)	20.03%	15.51%	10.91%	17.62%	18.08%	11.91%	14.64%	12.28%	12.72%	12.8
Return on Average Total Assets	1.06%	1.09%	0.85%	1.40%	1.31%	0.92%	1.19%	1.14%	1.24%	1.2
Return on Average Tangible Assets (non-GAAP)	1.11%	1.13%	0.89%	1.47%	1.37%	0.97%	1.26%	1.20%	1.31%	1.3
Income Before Provision for Income Taxes	\$351.2	\$ 349.0	\$ 243.7	\$ 381.7	\$ 358.2	\$ 368.4	\$ 371.8	\$ 343.2	\$ 344.2	\$ 34
Provision For Credit Losses	1.4	(39.0)	121.7	13.8	22.2	18.5	8.6	9.9	11.1	1
Pre-Tax, Pre-Provision Earnings (Non-GAAP)	\$352.6	\$ 310.0	\$ 365.4	\$ 395.5	\$ 380.4	\$ 386.9	\$ 380.4	\$ 353.1	\$ 355.3	\$ 35

Note: Totals may not sum due to rounding.

