UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from ______________ to _______________.

Commission file number 0-7949

BANCWEST CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE (State of incorporation)	99-0156159 (I.R.S. Employer Identification No.)
999 BISHOP STREET, HONOLULU, HAWAII (Address of principal executive offices)	96813 (Zip Code)

Registrant's telephone number, including area code: (808) 525-7000

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

Title of each class	Name of each exchange on which registered
Common Stock, $1.00 Par Value	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
None
(Title of class)

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[ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of the common stock held by nonaffiliates of the registrant as of January 31, 2001 was $1,280,717,000.

The number of shares outstanding of each of the registrant's classes of common stock as of January 31, 2001 was:

Title of Class	Number of Shares Outstanding
Common Stock, $1.00 Par Value	68,560,949 Shares
Class A Common Stock, $1.00 Par Value	56,074,874 Shares

DOCUMENTS INCORPORATED BY REFERENCE
Portions of the following documents are incorporated by reference in this Form 10-K:

DOCUMENTS	FORM 10-K REFERENCE
BancWest Corporation Proxy Statement for the 2001 Annual Meeting of Stockholders	Part III

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PART I

ITEM 1. BUSINESS

BANCWEST CORPORATION

BancWest Corporation, a Delaware corporation (the "Corporation," the "Company" or "we/our"), is a registered bank holding company under the Bank Holding Company Act of 1956, as amended (the "BHCA"). As a bank holding company, the Corporation is allowed to acquire or invest in the securities of companies that are engaged in banking or in activities closely related to banking as authorized by the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"). The Corporation, through its subsidiaries, operates a general commercial banking business and other businesses related to banking. Its principal assets are its investments in Bank of the West, a State of California-chartered bank with authority to operate interstate branches in Oregon, Washington, Nevada, New Mexico and Idaho; First Hawaiian Bank ("First Hawaiian"), a State of Hawaii-chartered bank; FHL Lease Holding Company, Inc. ("FHL"), a financial services loan company; BancWest Capital I ("BWE Trust") and First Hawaiian Capital I ("FH Trust"), both Delaware business trusts. Bank of the West, First Hawaiian, FHL, BWE Trust and FH Trust are wholly-owned subsidiaries of the Corporation. At December 31, 2000, the Corporation had consolidated total assets of $18.5 billion, total loans and leases of $14 billion, total deposits of $14.1 billion and total stockholders' equity of $2 billion. Based on assets as of December 31, 2000, BancWest Corporation was the 36th largest bank holding company in the United States.

On November 1, 1998, the former BancWest Corporation ("Old BancWest"), parent company of Bank of the West, merged (the "BancWest Merger") with and into First Hawaiian, Inc. ("FHI"). Upon consummation of the BancWest Merger, FHI, the surviving corporation, changed its name to "BancWest Corporation." Prior to the consummation of the BancWest Merger, Old BancWest was wholly-owned by Banque Nationale de Paris, now BNP Paribas. BNP Paribas received approximately 25.8 million shares (equivalent to 51.6 million shares after adjusting for the two-for-one stock split in December 1999) of the Corporation's newly authorized Class A Common Stock representing approximately 45% of the then outstanding total voting stock of the Corporation in the BancWest Merger (a purchase price of approximately $905.7 million). As a result of the BancWest Merger, Bank of the West became a wholly-owned subsidiary of the Corporation. Additional information regarding the BancWest Merger is included in Note 2 Mergers and Acquisitions (pages 50 and 51), Note 3 Restructuring, Merger-Related and Other Nonrecurring Costs (pages 51 and 52) and Note 12 Common Stock and Earnings Per Share (pages 57 and 58).

On July 1, 1999, the Corporation acquired SierraWest Bancorp ("SierraWest"). SierraWest and its subsidiary, SierraWest Bank, were merged with and into Bank of the West (the "SierraWest Merger") resulting in the issuance of approximately 4.4 million shares (equivalent to 8.8 million shares after adjusting for the two-for-one stock split in December 1999) of the Corporation's common stock to the shareholders of SierraWest. The acquisition was accounted for using the pooling-of-interests method of accounting. Additional information regarding the SierraWest Merger is included in Management's Discussion and Analysis of Financial Condition and Results of Operations (pages 17 through 39), Note 2 Mergers and Acquisitions (pages 50 and 51), Note 3 Restructuring, Merger-Related and Other Nonrecurring Costs (pages 51 and 52) and Note 12 Common Stock and Earnings Per Share (pages 57 and 58).

In the third quarter of 2000, the Corporation entered into an agreement to acquire 23 branches in New Mexico and seven branches in Nevada. The branches will add approximately $1.2 billion of deposits and $300 million of loans. The branches are being divested as part of the merger between First Security Corporation and Wells Fargo & Company. The acquisition of the Nevada branches was completed in January 2001, while the acquisition of the New Mexico branches is expected to be completed by mid-February 2001.

BANK OF THE WEST

Bank of the West is a State of California-chartered bank that is not a member of the Federal Reserve System. The deposits of Bank of the West are insured by the Bank Insurance Fund ("BIF") and the Savings Association Insurance Fund ("SAIF") of the Federal Deposit Insurance Corporation ("FDIC") to the extent and subject to the limitations set forth in the Federal Deposit Insurance Act ("FDIA"). The predecessor of Bank of the West, "The Farmers National Gold Bank," was chartered as a national banking association in 1874 in San Jose, California.

On July 1, 1999, SierraWest Bancorp and SierraWest Bank were merged with and into Bank of the West. As a result of the SierraWest Merger, 20 SierraWest branches in California and Nevada became branches of Bank of the West.

Bank of the West is the fourth largest bank in California, with total assets of approximately $11.2 billion, total loans and leases of $8.5 billion, and total deposits of approximately $8.2 billion at December 31, 2000. Bank of the West conducts a general commercial banking business, providing retail and corporate banking

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and trust services to individuals, institutions, businesses and governments through 170 branches (including seven Nevada branches acquired in January 2001) and other commercial banking offices located primarily in the San Francisco Bay area and elsewhere in the Northern and Central Valley regions of California and in Oregon, Washington, Idaho and Nevada. The expected completion of the acquisition of 30 branches in the first quarter of 2001 will bring the total number of Bank of the West branches to 193 and will add approximately $1.2 billion in deposits and $300 million in loans. Bank of the West also originates indirect automobile loans and leases, recreational vehicle loans, recreational marine vessel loans, equipment leases and deeds of trust on single-family residences through a network of manufacturers, dealers, representatives and brokers in all 50 states. Bank of the West's principal subsidiary is Essex Credit Corporation ("Essex"), a Connecticut corporation. Essex is engaged primarily in the business of originating and selling consumer loans on a nationwide basis, such loans being made for the purpose of acquiring or refinancing pleasure boats or recreational vehicles. Essex generally sells the loans that it makes to various banks and other financial institutions, on a servicing released basis. Essex has a network of 11 regional direct lending offices located in the following states: California, Connecticut, Florida, Maryland, Massachusetts, New Jersey, New York, Texas and Washington.

COMMUNITY BANKING

The focus of Bank of the West's community banking strategy is primarily in Northern California, Nevada, the Pacific Northwest region and soon New Mexico. The Northern California market region is comprised of the San Francisco Bay area and the Central Valley area of California. The San Francisco Bay area is one of California's wealthiest regions, and the Central Valley of California is an area which has been experiencing rapid transition from a largely agricultural base to a mix of agricultural and commercial enterprises. The Pacific Northwest region includes Oregon, Washington and Idaho. The SierraWest Merger branch acquisition expanded the region Bank of the West services into Nevada. The First Security Corporation branch acquisition expands our presence to Las Vegas, Nevada and will also encompass New Mexico.

Bank of the West utilizes its branch network as its principal funding source. A key element of Bank of the West's community banking strategy is to seek to distinguish itself as the provider of the "best value" in community banking services. To this end, Bank of the West seeks to position itself within its markets as an alternative to both the higher-priced, smaller "boutique" commercial banks and the larger money center commercial banks, which may be perceived as offering lower service and lower prices on a "mass market" basis.

In pursuing the Northern California, Pacific Northwest and Nevada community banking markets, Bank of the West seeks to serve a broad customer base by furnishing a wide range of retail and commercial banking products. Through its branch network, Bank of the West originates a variety of consumer loans, including direct vehicle loans, lines of credit and second mortgages. In addition, Bank of the West originates and holds a small portfolio of first mortgage loans on one- to four-family residences. Through its commercial banking operations conducted from its branch network, Bank of the West offers a wide range of basic commercial banking products intended to serve the needs of smaller community-based businesses. These loan products include in-branch originations of standardized products for businesses with relatively simple banking and financing needs. More complex and customized commercial banking services are offered through Bank of the West's regional banking centers, which serve clusters of branches and provide lending, deposit and cash management services to companies operating in the relevant market areas. Bank of the West also provides a number of fee-based products and services such as annuities, insurance and securities brokerage.

PROFESSIONAL BANKING, TRUST SERVICES

The Professional Banking and Trust & Investment Services areas within the Community Banking Division provide a wide range of products to targeted markets. The Professional Banking Group, headquartered in San Francisco, serves the banking needs of attorneys, doctors and other working professionals. The Trust & Investment Services Group, headquartered in San Jose, and with offices in San Francisco, provides a full range of individual and corporate trust services.

COMMERCIAL BANKING

Bank of the West's Business Banking Division supports commercial lending activities for middle market business customers through ten regional lending centers located in Northern California, Central California, Oregon, Nevada, Idaho and Washington. Each regional office provides a wide range of loan and deposit services to medium-sized companies with borrowing needs of $500,000 to $25 million. Lending services include receivable and inventory financing, equipment term loans, letters of credit, agricultural loans and trade finance. Other banking services include cash management, insurance products, trust, investment, foreign exchange and various

international banking services.

The Specialty Lending Division seeks to provide focused banking services and products to specifically targeted markets where Bank of the West's resources, experience and technical expertise give it a competitive advantage. Through operations conducted in this division, Bank of the West has established itself as the national leader among those commercial banks which are lenders to religious organizations. In addition, leasing operations within Specialty Lending have made Bank of the West a significant provider of equipment lease financing, including both standard and tax-oriented products, to a wide array of clients. To support the cash management needs of both Bank of the West's corporate banking customers and large private and public deposit relationships maintained with Bank of the West, the Specialty Lending Division operates a Cash Management Group which provides a full range of innovative and relationship-focused cash management services.

The Real Estate Industries Division, whose primary markets are Northern and Central California, Nevada and Oregon, originates and services construction, short-term and permanent loans to residential developers, commercial builders and investors. The division is particularly active in financing the construction of detached residential subdivisions. Other construction lending activities include low-income housing, industrial development, apartment, retail and office projects. The division also originates single-family home loans sourced through Bank of the West's Community Bank branch network.

CONSUMER FINANCE

The Consumer Finance Division targets the production of auto loans and leases in the Western United States, and recreational vehicle and marine loans nationwide, with emphasis on originating credits at the high end of the credit spectrum. The Consumer Finance Division originates recreational vehicle and marine credits on a nationwide basis through sales representatives located throughout the country servicing a network of over 1,900 recreational vehicle and marine dealers and brokers. Essex primarily focuses on the origination and sale of loans in the broker marine market and also originates and sells loans to finance the acquisition of recreational vehicles.

The division's auto lending activity is primarily focused in the Western United States. Bank of the West originates loans and leases to finance the purchase of new and used autos, light trucks and vans through a network of more than 2,000 dealers and brokers in California, Nevada, Oregon, Arizona, Washington, Utah and Colorado.

SMALL BUSINESS ADMINISTRATION LENDING

Bank of the West operates in California, Nevada, Oregon, Arizona, Florida, Georgia, Illinois and Tennessee under the Preferred Lender Program of the Small Business Administration ("SBA"), which is headquartered in Washington, D.C. This designation is the highest lender status granted by the SBA. Bank of the West has over 18 years of experience and expertise in the generation and sale of SBA guaranteed loans.

COMMUNITY REINVESTMENT

Bank of the West provided direct capital investments that totaled more than $24 million to organizations that provide benefits to low- and moderate-income areas and people in the form of affordable housing and small business opportunity. It also made grants and/or contributions of $550,000 to a variety of qualifying community development organizations, which provide a wide array of benefits and services for low- and moderate-income areas and people within Bank of the West's assessment areas.

In addition, Bank of the West has funded, both on its own and through lender consortia, numerous construction, short-term and permanent loans for affordable housing, economic development and community facilities. Bank of the West is also an active participant in the Federal Home Loan Bank of San Francisco's Affordable Housing Program. As previously stated, Bank of the West is the nation's largest bank lender to religious organizations. Most, if not all of these loans are community development loans as they finance facilities for various community services.

FIRST HAWAIIAN BANK

First Hawaiian Bank is a State of Hawaii-chartered bank that is not a member of the Federal Reserve System. The deposits of First Hawaiian are insured by the BIF and the SAIF of the FDIC to the extent and subject to the limitations set forth in the FDIA. First Hawaiian, the oldest financial institution in Hawaii, was established as Bishop & Co. in 1858 in Honolulu.

At December 31, 2000, First Hawaiian had total assets of $7.5 billion, total loans and leases of $5.5 billion and total deposits of $5.9 billion, making it the largest bank in Hawaii, based on domestic deposits from individuals, corporations and partnerships.

First Hawaiian is a full-service bank conducting a general commercial and consumer banking business and offering trust and insurance services to individuals, institutions, businesses and governments. First Hawaiian's banking activities include: (1) receiving demand, savings and time deposits for personal and commercial accounts; (2) making commercial, agricultural, real estate and consumer loans; (3) acting as an United States tax depository

facility; (4) providing money transfer and cash management services; (5) selling insurance products, mutual funds and annuities, traveler's checks and personal money orders; (6) issuing letters of credit; (7) handling domestic and foreign collections; (8) providing safe deposit and night depository facilities; (9) offering lease financing; and (10) investing in U.S. Treasury securities and securities of other U.S. government agencies and corporations and state and municipal securities.

RETAIL COMMUNITY BANKING

First Hawaiian's Retail Banking Group operates its main banking office in Honolulu, Hawaii, and 55 other banking offices located throughout Hawaii. First Hawaiian also operates two branches in Guam and one branch in Saipan.

The focus of First Hawaiian's retail/community banking strategy is primarily in Hawaii, where it has a significant market share -- 41% of the domestic bank deposits by individuals, corporations and partnerships in the state. The predominant economic force in Hawaii is tourism, although there have been significant recent efforts to diversify the economy into high-tech and other industries.

In pursuing the community banking markets in Hawaii, Guam and Saipan, First Hawaiian seeks to serve a broad customer base by furnishing a range of retail and commercial banking products. Through its branch network, First Hawaiian generates first mortgage loans on residences and a variety of consumer loans, consumer lines of credit and second mortgages. Through commercial banking operations conducted from its branch network, First Hawaiian offers a wide range of banking products intended to serve the needs of smaller community-based businesses. First Hawaiian also provides a number of fee-based products and services such as annuities and mutual funds, insurance sales and securities brokerage.

First Hawaiian's principal funding source is its 59-branch network. Thanks to its significant market share in Hawaii, First Hawaiian already has product or service relationships with a majority of the households in the state. Therefore, a key goal of its retail community banking strategy is to build those relationships by cross-selling additional products and services to existing individual and business customers.

First Hawaiian's goal is to become each customer's primary bank, using core products such as demand deposit (checking) accounts as entry points to generate cross-sales and develop a multi-product relationship with individuals and business customers. Toward this goal, employees in First Hawaiian's branch network focus on selling bank, trust, investment and insurance products to meet customers' needs and build on those existing relationships.

To complement its branch network and serve these customers, First Hawaiian operates a system of automated teller machines, a 24-hour Phone Center in Honolulu and a full-service Internet banking system.

PRIVATE BANKING SERVICES

The Private Banking Department within First Hawaiian's Retail Banking Group provides a wide range of products to high-net-worth individuals.

LENDING ACTIVITIES

First Hawaiian engages in a broad range of lending activities, including making real estate, commercial and consumer loans. The majority of First Hawaiian's loans are for construction, commercial, and residential real estate. Commercial loans also comprise a major portion of the loan portfolio, with consumer and foreign loans and leases accounting for the balance of the portfolio.

REAL ESTATE LENDING--CONSTRUCTION. First Hawaiian provides construction financing for a variety of commercial and residential single-family subdivision and multi-family developments.

REAL ESTATE LENDING--COMMERCIAL. First Hawaiian provides permanent financing for a variety of commercial developments, such as various retail facilities, warehouses and office buildings.

REAL ESTATE LENDING--RESIDENTIAL. First Hawaiian makes residential real estate loans, including home equity loans, to enable borrowers to purchase, refinance or improve residential real property. The loans are collateralized by mortgage liens on the related property, substantially all located in Hawaii.

COMMERCIAL LENDING. First Hawaiian is a major lender to primarily small- and medium-sized businesses in Hawaii and Guam. Lending services include receivable and inventory financing, equipment term loans, letters of credit, dealer vehicle flooring financing and trade financing. Other banking services include insurance products, trust, investment, foreign exchange and various international banking services. To support the cash management needs of both commercial banking customers and large private and public deposit relationships maintained with the bank, First Hawaiian operates a Cash Management Department which provides a full range of innovative and relationship-focused cash management services.

SYNDICATED AND MEDIA LENDING. First Hawaiian, through its Wholesale Loan Group, participates in syndication lending to primarily highly-rated large corporate entities on the Mainland United States. The Wholesale Loan Group also participates in syndication lending to the media and telecommunications industry located on

the Mainland United States, a targeted specialty market where First Hawaiian's resources, experience and technical expertise give it a competitive advantage.

CONSUMER LENDING. First Hawaiian offers many types of loans and credits to consumers including lines of credit (uncollateralized or collateralized) and various types of personal and automobile loans. First Hawaiian also provides indirect consumer automobile financing on new and used autos by purchasing finance contracts from dealers. First Hawaiian's Dealer Center is the largest commercial bank automobile lender in the state of Hawaii. First Hawaiian is the largest issuer of MasterCard(R) credit cards and the second largest issuer of VISA(R) credit cards in Hawaii.

INTERNATIONAL BANKING SERVICES

First Hawaiian maintains an International Banking Division which provides international banking products and services through First Hawaiian's branch system, its international banking headquarters in Honolulu, a Grand Cayman branch, two Guam branches, a branch in Saipan and a representative office in Tokyo, Japan. First Hawaiian maintains a network of correspondent banking relationships throughout the world.

First Hawaiian's international banking activities are primarily trade-related and are concentrated in the Asia-Pacific area.

TRUST AND INVESTMENT SERVICES

First Hawaiian's Financial Management Group offers a full range of trust and investment management services, also seeking to reinforce customer relationships developed by or in conjunction with the Retail Banking Group. The Financial Management Group provides asset management, advisory and administrative services for estates, trusts and individuals. It also acts as trustee and custodian of retirement and other employee benefit plans. At December 31, 2000, the Trust and Investments Division had 5,523 accounts with a market value of $10.3 billion. Of this total, $7.2 billion represented assets in nonmanaged accounts and $3.1 billion were managed assets.

The Trust and Investments Division maintains custodial accounts pursuant to which it acts as agent for customers in rendering a variety of services, including dividend and interest collection, collection under installment obligations and rent collection.

SECURITIES AND INSURANCE SERVICES

First Hawaiian, through a wholly-owned subsidiary, First Hawaiian Insurance, Inc., provides personal, business and estate insurance to its customers. First Hawaiian Insurance offers insurance needs analysis for individuals, families and businesses, as well as life, disability and long-term care insurance products. In association with an independent registered broker-dealer, First Hawaiian offers mutual funds, annuities and other securities in its branches.

OTHER SUBSIDIARIES

First Hawaiian also conducts business through the following wholly-owned subsidiaries:

- BISHOP STREET CAPITAL MANAGEMENT CORPORATION, a registered investment advisor, which services the institutional investment markets in Hawaii and the Western United States.

- FH CENTER, INC., which owns certain real property in connection with First Hawaiian Center, the Company's headquarters.

- FHB PROPERTIES, INC., which holds title to certain property and premises used by First Hawaiian.

- FIRST HAWAIIAN LEASING, INC., which engages in commercial equipment and vehicle leasing.

- REAL ESTATE DELIVERY, INC., which holds title to certain real property acquired by First Hawaiian in business activities.

FHL LEASE HOLDING COMPANY, INC.

FHL, a financial services loan company, primarily finances and leases personal property including equipment and vehicles, and acts as an agent, broker or advisor in the leasing or financing of such property for affiliates as well as third parties. On January 1, 1997, FHL sold certain leases to First Hawaiian Leasing, Inc., a subsidiary of First Hawaiian. FHL is in a run-off mode and all new leveraged and direct financing leases are recorded by First Hawaiian Leasing, Inc.

At December 31, 2000, FHL's net investment in leases amounted to $58.4 million and total assets were $76.1 million.

BANCWEST CAPITAL I

BWE Trust is a Delaware business trust which was formed in November 2000. BWE Trust exchanged $150 million of its BancWest Capital I Quarterly Income Preferred Securities (the "BWE Capital Securities"), as well as all outstanding common securities of BWE Trust, for 9.5% junior subordinated deferrable interest debentures of the Corporation. The Corporation sold to the public $150 million of BWE Capital Securities. The BWE Capital Securities qualify as Tier 1 capital

of the Corporation and are solely, fully and unconditionally guaranteed by the Corporation. All of the common securities of the BWE Trust are owned by the Corporation.

At December 31, 2000, the BWE Trust's total assets were $155.6 million, comprised primarily of the Corporation's junior subordinated debentures.

FIRST HAWAIIAN CAPITAL I

FH Trust is a Delaware business trust which was formed in 1997. FH Trust issued $100 million of its Capital Securities (the "FH Capital Securities") and used the proceeds therefrom to purchase junior subordinated deferrable interest debentures of the Corporation. The FH Capital Securities qualify as Tier 1 capital of the Corporation and are solely, fully and unconditionally guaranteed by the Corporation. All of the common securities of the FH Trust are owned by the Corporation.

At December 31, 2000, the FH Trust's total assets were $107.4 million, comprised primarily of the Corporation's junior subordinated debentures.

HAWAII COMMUNITY REINVESTMENT CORPORATION

In an effort to support affordable housing and as part of First Hawaiian's community reinvestment program, First Hawaiian is a member of the Hawaii Community Reinvestment Corporation (the "HCRC"). The HCRC is a consortium of local financial institutions that provides $50 million in permanent long-term financing for affordable housing rental projects throughout Hawaii for low- and moderate-income residents.

The $50 million loan pool is funded by the member financial institutions which participate pro rata (based on deposit size) in each HCRC loan. First Hawaiian's participation in these HCRC loans are included in its loan portfolio. The member financial institutions have recently approved an increase in the loan pool to $65 million to meet projected demand for affordable permanent loans.

HAWAII INVESTORS FOR AFFORDABLE HOUSING, INC.

To further enhance First Hawaiian's community reinvestment program and provide support for the development of additional affordable housing rental units in Hawaii, First Hawaiian and other HCRC member institutions, have subscribed to a $19.7 million tax credit equity fund ("Hawaii Affordable Housing Fund I") and a $20.0 million tax credit equity fund ("Hawaii Affordable Housing Fund II"). Efforts are now underway to create a third tax credit equity fund to continue the support of additional affordable housing projects.

Hawaii Affordable Housing Fund I and Hawaii Affordable Housing Fund II (the "Funds") have been established to invest in qualified low-income housing tax credit rental projects and to ensure that these projects are maintained as low-income housing throughout the required compliance period. First Hawaiian's investments in these Funds are included in other assets.

EMPLOYEES

At December 31, 2000, the Corporation had 5,009 full-time equivalent employees. Bank of the West and First Hawaiian employed 2,821 and 2,188 persons, respectively. None of our employees are represented by any collective bargaining agreements and our relations with employees are considered excellent.

MONETARY POLICY AND ECONOMIC CONDITIONS

The earnings and businesses of the Corporation are affected not only by general economic conditions (both domestic and international), but also by the monetary policies of various governmental regulatory authorities of (i) the United States and foreign governments and (ii) international agencies. In particular, the Corporation's earnings and growth may be affected by actions of the Federal Reserve Board in connection with its implementation of national monetary policy through its open market operations in United States Government securities, control of the discount rate and establishment of reserve requirements against both member and non-member financial institutions' deposits. These actions have a significant effect on the overall growth and distribution of loans and leases, investments and deposits, as well as on the rates earned on loans and leases or paid on deposits. It is difficult to predict future changes in monetary policies.

COMPETITION

Competition in the financial services industry is intense. The Corporation competes with a large number of commercial banks (including domestic, foreign and foreign-affiliated banks), savings institutions, finance companies, leasing companies, credit unions and other entities that provide financial services such as mutual funds, insurance companies and brokerage firms. Many of these competitors are significantly larger and have greater financial resources than the Corporation. In addition, the increasing use of the Internet and other electronic distribution channels has resulted in increased competition with respect to many of the products and services that we offer. As a result, we compete with financial service providers located not only in our home markets but also those elsewhere in the United States that are able to offer their products and services through electronic and other non-conventional distribution channels.

Changes in federal law over the past several years have also made it easier for out-of-state banks to enter and compete in the states in which our bank subsidiaries operate. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (the "Riegle-Neal Act"), among other things, eliminated substantially all state law barriers to the acquisition of banks by out-of-state bank holding companies, effective September 29, 1995. A bank holding company may now acquire banks in states other than its home state, without regard to the permissi-

bility of such acquisitions under state law, but subject to any state requirement that the acquired bank has been organized and operating for a minimum period of time (not to exceed five years), and the requirement that the acquiring bank holding company, prior to or following the proposed acquisition, controls no more than 10 percent of the total amount of deposits of insured depository institutions in the United States and no more than 30 percent of such deposits in that state (or such lesser or greater amount as may be established by state law).

The Riegle-Neal Act also permits interstate branching by banks in all states other than those which have "opted out." Effective June 1, 1997, the Riegle-Neal Act permits banks to acquire branches located in another state by purchasing or merging with a bank chartered in that state or a national banking association having its headquarters located in that state. However, banks are not permitted to establish de novo branches or purchase individual branches located in other states unless expressly permitted by the laws of those other states. None of the states in which our banking subsidiaries operate have elected to "opt out" of the provisions of the Riegle-Neal Act permitting interstate branching through acquisition or mergers, although most do not permit de novo branching.

On November 12, 1999, the Gramm-Leach-Bliley Act (the "GLBA") was signed into law. The GLBA permits a financial holding company to engage in a wide variety of financial activities, including insurance underwriting and sales, investment banking, commercial banking, merchant banking and real estate investment. Each activity is to be conducted in a separate subsidiary that is regulated by a functional regulator: a state insurance regulator in the case of an insurance subsidiary, the Securities and Exchange Commission in the case of a broker-dealer or investment advisory subsidiary, or the appropriate federal banking regulator in the case of a bank or thrift institution. The Federal Reserve Board is the "umbrella" supervisor of financial holding companies. Section 23A of the Federal Reserve Act, which severely restricts lending by an insured bank subsidiary to nonbank affiliates, remains in place. We cannot predict at this time the potential effect that the GLBA will have on our business and operations, although we expect that a likely effect of the GLBA will be to increase competition in the financial services industry generally and lead to the formation of large financial services groups with significant market share and power.

SUPERVISION AND REGULATION

As a registered bank holding company, the Corporation is subject to regulation and supervision by the Federal Reserve Board under the BHCA. Our subsidiaries are subject to regulation and supervision by the banking authorities of California, Hawaii, Nevada, Washington, Oregon, Idaho, Guam and the Commonwealth of the Northern Mariana Islands, as well as by the FDIC (which is the primary federal regulator of our two bank subsidiaries) and various other regulatory agencies.

The consumer lending and finance activities of the Corporation's subsidiaries are also subject to extensive regulation under various Federal laws including the Truth-in-Lending, Equal Credit Opportunity, Fair Credit Reporting, Fair Debt Collection Practice and Electronic Funds Transfer Acts, as well as various state laws. These statutes impose requirements on the making, enforcement and collection of consumer loans and on the types of disclosures that need to be made in connection with such loans.

HOLDING COMPANY STRUCTURE. The BHCA currently limits the business of the Corporation to owning or controlling banks and engaging in such other activities as the Federal Reserve Board may determine to be so closely related to banking as to be a proper incident thereto. However, GLBA permits bank holding companies that qualify for, and elect to be regulated as, financial holding companies, to engage in a wide range of financial activities, including certain activities, such as insurance, merchant banking and real estate investment, that are not permissible for other bank holding companies. Financial holding companies are permitted to acquire nonbank companies without the prior approval of the Federal Reserve Board, but approval of the Federal Reserve Board continues to be required before acquiring more than 5% of the voting shares of another bank or bank holding company, before merging or consolidating with another bank holding company and before acquiring substantially all the assets of any additional bank. In addition, all acquisitions are reviewed by the Department of Justice for antitrust considerations. We have not elected financial holding company status.

DIVIDEND RESTRICTIONS. As a holding company, the principal source of our cash revenue has been dividends and interest received from the Corporation's bank subsidiaries. Each of the bank subsidiaries is subject to various federal regulatory restrictions relating to the payment of dividends. For example, if, in the opinion of the FDIC, a bank under its jurisdiction is engaged in or is about to engage in an unsafe or unsound practice (which, depending on the financial condition of the bank, could include the payment of dividends), the FDIC may require, after notice and hearing, that such bank cease and desist from such practice. In addition, the Federal Reserve Board has issued a policy statement which pro-

vides that, as a general matter, insured banks and bank holding companies should only pay dividends out of current operating earnings. The regulatory capital requirements of the Federal Reserve Board and the FDIC also may limit the ability of the Corporation and its insured depository subsidiaries to pay dividends. See "Prompt Corrective Action" and "Capital Requirements" below.

State regulations also place restrictions on the ability of our bank subsidiaries to pay dividends. Under Hawaii law, First Hawaiian is prohibited from declaring or paying any dividends in excess of its retained earnings. California law generally prohibits Bank of the West from paying cash dividends to the extent such payments exceed the lesser of retained earnings and net income for the three most recent fiscal years (less any distributions to stockholders during such three-year period). At December 31, 2000, the aggregate amount of dividends that such subsidiaries could pay to the Corporation under the foregoing limitations without prior regulatory approval was $366.7 million.

There are also statutory limits on the transfer of funds to the Corporation and its nonbanking subsidiaries by its banking subsidiaries, whether in the form of loans or other extensions of credit, investments or asset purchases. Such transfers by a bank subsidiary to any single affiliate are limited in amount to 10% of the bank's capital and surplus, or 20% in the aggregate to all affiliates. Furthermore, such loans and extensions of credit are required to be collateralized in specified amounts.

Under Federal Reserve Board policy, a bank holding company is expected to act as a source of financial strength to each subsidiary bank and to make capital infusions into a troubled subsidiary bank. The Federal Reserve Board may charge a bank holding company with engaging in unsafe and unsound practices for failure to commit resources to a subsidiary bank. This capital infusion may be required at times when a bank holding company may not have the resources to provide it. Any capital loans by us to one of our subsidiary banks would be subordinate in right of payment to deposits and to certain other indebtedness of such subsidiary bank.

In addition, depository institutions insured by the FDIC can be held liable for any losses incurred, or reasonably expected to be incurred, by the FDIC in connection with (i) the default of a commonly controlled FDIC-insured depository institution or (ii) any assistance provided by the FDIC to a commonly controlled FDIC-insured depository institution in danger of default. "Default" is defined generally as the appointment of a conservator or receiver and "in danger of default" is defined generally as the existence of certain conditions indicating that a "default" is likely to occur in the absence of regulatory assistance. Accordingly, in the event that any insured subsidiary of the Corporation causes a loss to the FDIC, other insured subsidiaries of the Corporation could be required to compensate the FDIC by reimbursing it for the amount of such loss. Any such obligation by our insured subsidiaries to reimburse the FDIC would rank senior to their obligations, if any, to the Corporation.

PROMPT CORRECTIVE ACTION. Pursuant to the Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA"), the federal banking agencies are required to take "prompt corrective action" with respect to insured depository institutions that do not meet minimum capital requirements. FDICIA established a five-tier framework for measuring the capital adequacy of insured depository institutions (including Bank of the West and First Hawaiian), with each depository institution being classified into one of the following categories: "well capitalized," "adequately capitalized," "undercapitalized," "significantly undercapitalized" and "critically undercapitalized."

Under the regulations adopted by the federal banking agencies to implement these provisions of FDICIA (commonly referred to as the "prompt corrective action" rules), a depository institution is "well capitalized" if it has (i) a total risk-based capital ratio of 10% or greater, (ii) a Tier 1 risk-based capital ratio of 6% or greater, (iii) a leverage ratio of 5% or greater and (iv) is not subject to any written agreement, order or directive to meet and maintain a specific capital level for any capital measure. An "adequately capitalized" depository institution is defined as one that has (i) a total risk-based capital ratio of 8% or greater, (ii) a Tier 1 risk-based capital ratio of 4% or greater and (iii) a leverage ratio of 4% or greater (or 3% or greater in the case of a bank rated a composite 1 under the Uniform Financial Institution Rating System, "CAMELS rating," established by the Federal Financial Institution Examinations Council). A depository institution is considered (i) "undercapitalized" if it has (A) a total risk-based capital ratio of less than 8%, (B) a Tier 1 risk-based capital ratio of less than 4% or (C) a leverage ratio of less than 4% (or 3% in the case of an institution with a CAMELS rating of 1), (ii) "significantly undercapitalized" if it has (A) a total risk-based capital ratio of less than 6%, (B) a Tier 1 risk-based capital ratio of less than 3% or (C) a leverage ratio of less than 3% and (iii) "critically undercapitalized" if it has a ratio of tangible equity to total assets equal to or less than 2%. An institution may be deemed by the regulators to be in a capitalization category that is lower than is indicated by

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its actual capital position if, among other things, it receives an unsatisfactory examination rating. At December 31, 2000, all of the Corporation's subsidiary depository institutions were "well capitalized."

FDICIA generally prohibits a depository institution from making any capital distribution (including payment of a cash dividend) or paying any management fees to its holding company if the depository institution is, or would thereafter be, undercapitalized. Undercapitalized depository institutions are subject to growth limitations and are required to submit a capital restoration plan. The federal banking agencies may not accept a capital plan without determining, among other things, that the plan is based on realistic assumptions and is likely to succeed in restoring the depository institution's capital. In addition, for a capital restoration plan to be acceptable, the depository institution's parent holding company must guarantee that the institution will comply with such capital restoration plan. The aggregate liability of the parent holding company under such guarantee is limited to the lesser of (i) an amount equal to 5% of the depository institution's total assets at the time it became undercapitalized, or (ii) the amount which is necessary (or would have been necessary) to bring the institution into compliance with all capital standards applicable to such institution as of the time it fails to comply with the plan. If a depository institution fails to submit an acceptable plan, it is treated as if it is significantly undercapitalized.

Significantly undercapitalized depository institutions may be subject to a number of other requirements and restrictions, including orders to sell sufficient voting stock to become adequately capitalized, requirements to reduce total assets and cessation of receipt of deposits from correspondent banks. Critically undercapitalized institutions may not make any payments of interest or principal on their subordinated debt and are subject to the appointment of a conservator or receiver, generally within 90 days of the date such institution becomes critically undercapitalized. In addition, the FDIC has adopted regulations under FDICIA prohibiting an insured depository institution from accepting brokered deposits (as defined by the regulations) unless the institution is "well capitalized" or is "adequately capitalized" and receives a waiver from the FDIC.

FDIC INSURANCE ASSESSMENTS. The FDIC has implemented a risk-based deposit insurance assessment system under which the assessment rate for an insured institution may vary according to the regulatory capital levels of the institution and other factors (including supervisory evaluations). Depository institutions insured by the BIF which are ranked in the least risky category currently have no annual assessment for deposit insurance while all other banks are required to pay premiums ranging from .03% to .27% of domestic deposits. As a result of the enactment on September 30, 1996 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (the "Deposit Funds Act"), the deposit insurance premium assessment rates for depository institutions insured by the SAIF were reduced, effective January 1, 1997, to the same rates that were applied to depository institutions insured by the BIF. The Deposit Funds Act also provided for a one-time assessment of 65.7 basis points on all SAIF-insured deposits in order to fully recapitalize the SAIF (which assessment was paid by the Corporation in 1996), and imposes annual assessments on all depository institutions to pay interest on bonds issued by the Financing Corporation (the "FICO") in connection with the resolution of savings association insolvencies occurring prior to 1991. The FICO assessment rate for the first quarter of 2001 was 2.0 basis points. These rate schedules are adjusted quarterly by the FDIC. In addition, the FDIC has authority to impose special assessments from time to time, subject to certain limitations specified in the Deposit Funds Act.

CAPITAL REQUIREMENTS. We and certain of our subsidiaries are subject to regulatory capital guidelines issued by the federal banking agencies. Information with respect to the applicable capital requirements is included in Note 14 Regulatory Capital Requirements, on pages 58 and 59.

FDICIA required each federal banking agency to revise its risk-based capital standards to ensure that those standards take adequate account of interest rate risk, concentration of credit risk and the risk of nontraditional activities, as well as reflect the actual performance and expected risk of loss on multi-family mortgages. The federal banking agencies have adopted amendments to their respective risk-based capital requirements that explicitly identify concentrations of credit risk and certain risks arising from nontraditional activities, and the management of such risks, as important factors to consider in assessing an institution's overall capital adequacy. The amendments do not, however, mandate any specific adjustments to the risk-based capital calculations as a result of such factors.

In August 1996, the federal banking regulators adopted amendments to their risk-based capital rules to incorporate a measure for market risk in foreign exchange and commodity activities and in the trading of debt and equity instruments. Under these amendments, which became effective in 1997, banking institutions with relatively large trading activities are required to calculate their capital charges for market risk using their

own internal value-at-risk models (subject to parameters set by the regulators) or, alternatively, risk management techniques developed by the regulators. As a result, these institutions are required to hold capital based on the measure of their market risk exposure in addition to existing capital requirements for credit risk. These institutions are able to satisfy this additional requirement, in part, by issuing short-term subordinated debt that qualifies as Tier 3 capital. The adoption of these amendments did not have a material effect on the Corporation's business or operations.

On March 8, 2000, the federal banking regulators proposed for comment regulations establishing new risk-based capital requirements for recourse arrangements and direct credit substitutes. "Recourse" for this purpose means any retained risk of loss associated with any transferred asset that exceeds a pro rata share of the bank's or bank holding company's remaining claim on the asset, if any. Under existing regulations, banks and bank holding companies have to maintain capital against the full amount of any assets for which risk of loss is retained, unless the resulting capital amount would exceed the maximum contractual liability or exposure retained, in which case the capital required would equal, dollar-for-dollar, such maximum contractual liability or exposure. The proposal would extend this treatment to direct credit substitutes. "Direct credit substitute" means any assumed risk of loss associated with any asset or other claim that exceeds the bank's or bank holding company's pro rata share of the asset or claim, if any. The proposal also included a multi-level approach to assessing capital charges based upon the relative credit risk of the bank's or bank holding company's position in a securitization (i.e., recourse arrangements, direct credit substitute or asset-backed security) and the rating assigned to such position by a nationally recognized statistical rating agency (or, in certain circumstances, by the bank's internal risk rating system). The regulators also proposed an additional measure to address the risk associated with early amortization features in certain asset securitizations. The Corporation does not believe the adoption of this proposal will have a material adverse effect on its operations or financial position.

On September 27, 2000, the federal banking regulators proposed amendments to their capital guidelines relating to "residual interests," which the proposal defines as on-balance-sheet assets that represent interests retained by a seller after a securitization or other transfer of financial assets, which interests are structured to absorb more than a pro-rata share of credit loss related to the transferred assets. "Residual interests" do not include interests purchased from a third party. The proposed rule would require that risk-based capital be held in an amount equal to the amount of the residual interest even if the capital charge exceeds the full risk-based capital charge that would have been held against the transferred assets. The proposal would also limit such residual interests, when aggregated with nonmortgage servicing assets and purchased credit card relationships, to 25% of Tier 1 capital, with any excess amount to be deducted from Tier 1 capital. The Corporation does not believe the adoption of this proposal will have a material adverse effect on its operations or financial position.

On January 16, 2001, the Basel Committee on Banking Supervision (the "Committee") proposed a new capital adequacy framework to replace the framework adopted in 1988. Under the new framework, risk weights for certain types of claims, including corporate credits, would be based on ratings assigned by rating agencies. Certain low quality exposures would be assigned a risk weight greater than 100%. Short-term commitments to lend, which currently do not require capital, would be subject to a 20% conversion factor. In addition to this "standardized" approach, banks with more advanced risk management capabilities, which can meet rigorous supervisory standards, can make use of an internal ratings-based approach under which some of the key elements of credit risk, such as the probability of default, will be estimated internally by a bank. The Committee also proposes capital charges for operational risk. The Committee indicated that it intends to finalize the proposed new capital adequacy requirement by the end of 2001, with implementation in 2004. If adopted by the Committee, the new accord would then be the subject of rulemaking by the U.S. bank regulatory agencies. Because the timing and final content of the proposal are not yet clear, the Corporation cannot predict at this time the potential effect that the adoption of such a proposal will have on its regulatory capital requirements and financial position.

REAL ESTATE ACTIVITIES. The FDIC adopted regulations, effective January 1, 1999, that make it significantly easier for state non-member banks to engage in a variety of real estate investment activities. These regulations generally allow a majority-owned corporate subsidiary of a state non-member bank to make equity investments in real estate if the bank complies with certain investment and transaction limits and satisfies certain capital requirements (after giving effect to its investment in the majority-owned subsidiary). In addition, the regulations permit a subsidiary of an insured state non-member bank to act as a lessor under a real property lease that is the equivalent of a financing transaction, meets certain criteria applicable to the lease and the underlying real estate and does not represent a significant risk to the deposit insurance funds.

FUTURE LEGISLATION

Legislation relating to banking and other financial services has been introduced from time to time in Congress and is likely to be introduced in the future. If enacted, such legislation could significantly change the competitive environment in which we and our subsidiaries operate. Management cannot predict whether these or any other proposals will be enacted or the ultimate impact of any such legislation on our competitive situation, financial condition or results of operations.

FOREIGN OPERATIONS

Foreign outstandings are defined as the balances outstanding of cross-border loans, acceptances, interest-bearing deposits with other banks, other interest-bearing investments and any other monetary assets. At December 31, 2000, 1999 and 1998, we had no foreign outstandings to any country which exceeded 1% of total assets. Additional information concerning foreign operations is also included in Management's Discussion and Analysis of Financial Condition and Results of Operations and in Note 21 International Operations, on pages 33 and 65, respectively.

OPERATING SEGMENTS

Information regarding the Corporation's operating segments is included in Management's Discussion and Analysis of Financial Condition and Results of Operations and in Note 20 Operating Segments, on page 21 and 64 and 65, respectively.

ITEM 2. PROPERTIES

Bank of the West leases a site in Walnut Creek, California, which is its primary administrative headquarters. The administrative headquarters office is a 132,000-square-foot, three-story building. Bank of the West also leases 48,382 square feet of executive office space in downtown San Francisco in the same building that houses its San Francisco Main Branch at 180 Montgomery Street, see Note 22 Lease Commitments (pages 65 and 66). Approximately 30,396 square feet of leased space at 180 Montgomery Street is subleased to BNP Paribas.

As of December 31, 2000, 54 of Bank of the West's active branches are located on land owned by Bank of the West. The remaining 109 active branches are located on leasehold properties. Bank of the West also has 11 surplus branch properties, 10 of which are currently leased to others. In addition, Bank of the West leases 23 properties that are utilized for administrative (including warehouses), lease support, management information systems and regional management services, see Note 22 Lease Commitments(pages 65 and 66).

First Hawaiian indirectly (through two subsidiaries) owns all of a city block in downtown Honolulu. The administrative headquarters of the Corporation and First Hawaiian, as well as the main branch of First Hawaiian are located in a modern banking center on this city block. The headquarters building includes 418,000 square feet of gross office space. Information about the lease financing of the headquarters building is included in Note 22 Lease Commitments (pages 65 and 66).

As of December 31, 2000, 19 of First Hawaiian's offices in Hawaii are located on land owned in fee simple by First Hawaiian. The other branches of First Hawaiian in Hawaii and one branch each in Guam and Saipan are situated on leasehold premises or in buildings constructed on leased land, see Note 22 Lease Commitments (pages 65 and 66). In addition, First Hawaiian owns an operations center which is located on 125,919 square feet of land owned in fee simple by First Hawaiian in an industrial area near downtown Honolulu. First Hawaiian occupies most of this four-story building.

First Hawaiian owns a five-story, 75,000-square-foot office building, including a branch, which is situated on property owned in fee simple in Maite, Guam, where it maintains a branch.

ITEM 3. LEGAL PROCEEDINGS

The information required by this Item is set forth in Note 23 to the Consolidated Financial Statements on pages 66 and 67 of this Form 10-K, and is expressly incorporated herein by reference.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders during the fourth quarter of the fiscal year ended December 31, 2000.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Our common stock is traded on the New York Stock Exchange under the symbol BWE. At December 31, 2000, there were 4,679 holders of record of the common stock. A large number of shares are also held in the names of nominees and brokers for individuals and institutions.

All Class A common shares are owned by BNP Paribas and a BNP Paribas subsidiary. A share of Class A common stock is generally the same as a share of common stock in all respects, except that holders of the Class A common stock have the right to elect a separate class of directors (the "Class A Directors"), and to vote as a class on certain fundamental corporate actions. The number of Class A Directors will generally be comparable to the percentage of Class A

common shares in rela-

tion to total stock outstanding (common stock plus Class A common stock). Note 12 to the Consolidated Financial Statements on pages 57 and 58 discusses key terms of the Class A common stock. The Class A common stock is not publicly traded.

BNP Paribas is bound by a standstill and governance agreement. Among the key features of this agreement are provisions that: (1) limit BNP Paribas' ability to acquire, directly or indirectly, additional common stock that would result in its ownership of more than 45% of the outstanding voting stock of the Company; (2) restrict BNP Paribas' ability to transfer its shares; (3) restrict BNP Paribas' ability to exercise control over the Company or our Board of Directors (the "Board"), other than through its representation on the Board; and (4) create various other restrictions. Note 12 to the Consolidated Financial Statements on pages 57 and 58 contains additional information.

At December 31, 2000, a total of 71,041,450 shares of common stock were issued, including 2,565,581 shares in the treasury stock account.

On November 18, 1999, our Board approved a two-for-one stock split of the total issued shares of the Company's common stock and Class A common stock. The additional shares issued as a result of the stock split were distributed on December 15, 1999, to stockholders of record at the close of business on December 1, 1999. A total of 63,522,968 shares of common stock and Class A common stock were issued in connection with the stock split. In addition, due to the stock split, treasury shares increased by 1,220,408 shares. As a result of the stock split, $63.5 million was reclassified from capital surplus to common stock and Class A common stock. The stock split did not cause any changes in the $1 par value per share of the common stock, the $1 par value per share of the Class A common stock or in total stockholders' equity.

Unless otherwise noted, the number of common shares and per common share amounts include Class A common shares and have been restated to reflect the effects of the stock split.

On November 1, 1998, in connection with the merger of the former BancWest Corporation with and into First Hawaiian, Inc., as described in Note 2 to the Consolidated Financial Statements on pages 50 and 51, we issued 25,814,768 shares of Class A common stock, which became 51,629,536 shares due to the two-for-one stock split. At December 31, 2000, a total of 56,074,874 shares of Class A common stock remained outstanding.

Here are quarterly and annual per share data, computed using the common stock and Class A common shares and restated for the effects of a two-for-one stock split:

	Diluted Earnings	Cash Dividends Paid	Market Price High	Market Price Low	Market Price Close
2000					
FIRST QUARTER..........	$ .40	$.17	$19.75	$14.44	$19.75
SECOND QUARTER..........	.43	.17	19.38	14.44	16.45
THIRD QUARTER..........	.45	.17	20.19	16.44	19.44
FOURTH QUARTER..........	.45 (1)	.17	26.13	17.25	26.13
ANNUAL................	$1.73 (1)	$.68	26.13	14.44	26.13
1999					
First Quarter..........	$ .34	$.15	$24.25	$19.44	$21.25
Second Quarter..........	.36	.15	21.22	18.50	18.56
Third Quarter..........	.29 (2)	.15	22.03	18.56	20.31
Fourth Quarter..........	.39	.17	22.75	19.06	19.50
Annual..............	$1.38 (2)	$.62	24.25	18.50	19.50
1998..................	$1.05 (3)	$.58	24.00	13.81	24.00
1997..................	$1.29	$.58	21.94	14.31	19.88
1996..................	$1.20	$.57	18.38	12.88	17.50

On July 1, 1999, we acquired SierraWest Bancorp. That merger was accounted for as a pooling of interests. Therefore, all financial information has been restated for all periods presented.

(1) Amounts include after-tax other nonrecurring costs of $755,000 recorded in 2000 for the acquisition of new branches in New Mexico and Nevada expected to be completed in the first quarter of 2001. Excluding those costs, operating diluted earnings per share were $.46 for the quarter ended December 31, 2000 and $1.74 for the year ended December 31, 2000.

(2) Amounts include after-tax restructuring, merger-related and other nonrecurring costs of $11.6 million in connection with the acquisition of SierraWest Bancorp and the consolidation of data centers. Excluding those costs, adjusted diluted earnings per share were $.39 for the quarter ended September 30, 1999, and $1.48 for the year ended December 31, 1999.

(3) Amounts include after-tax restructuring, merger-related and other nonrecurring costs of $21.9 million in connection with the merger of the former BancWest Corporation with and into First Hawaiian, Inc. on November 1, 1998. Excluding those costs, adjusted diluted earnings per share were $1.32 for the year ended December 31, 1998.

We expect to continue our policy of paying quarterly cash dividends. The declaration and payment of cash dividends are subject to our future earnings, capital requirements, financial condition and certain limitations as described in Note 15 to the Consolidated Financial Statements on page 59.

ITEM 6. SELECTED FINANCIAL DATA

(dollars in thousands)	2000	1999	1998	1997	1996
INCOME STATEMENTS AND DIVIDENDS					
Interest income	$1,309,856	$1,135,711	$749,541	$651,048	$620,511
Interest expense	562,922	446,877	315,822	281,232	270,755
Net interest income	746,934	688,834	433,719	369,816	349,756
Provision for credit losses	60,428	55,262	30,925	20,010	25,048
Noninterest income	216,076	197,632	134,182	110,550	95,575
Noninterest expense, without restructuring, merger-related and other nonrecurring costs	532,692	517,541	366,548	322,171	296,567
Restructuring, merger-related and other nonrecurring costs	1,269	17,534	25,527	--	--
Income before income taxes	368,621	296,129	144,901	138,185	123,716
Provision for income taxes	152,227	123,751	60,617	44,976	38,533
Net income	$ 216,394	$ 172,378	$ 84,284	$ 93,209	$ 85,183
Cash dividends	$ 84,731	$ 77,446	$ 40,786	$ 41,116	$ 38,946
Average shares outstanding (in thousands)	124,634	124,048	79,516	70,939	68,738
OPERATING AND CASH EARNINGS					
Operating earnings (1)	$ 217,149	$ 184,008	$106,150	$ 93,209	$ 85,183
Cash earnings (2)	$ 249,131	$ 204,886	$ 95,366	$ 99,832	$ 90,845
Operating cash earnings (1), (2)	$ 249,886	$ 216,516	$117,232	$ 99,832	$ 90,845

On July 1, 1999, we acquired SierraWest Bancorp. That merger was accounted for as a pooling of interests. Therefore, all financial information has been restated for all periods presented.

(1) Excluding after-tax restructuring, merger-related and other nonrecurring costs of:

(a) $755,000 recorded in 2000 for the acquisition of new branches in Nevada and New Mexico expected to be completed in the first quarter of 2001,

(b) $11.6 million in connection with the acquisition of SierraWest Bancorp and the consolidation of data centers in 1999, and

(c) $21.9 million in connection with the merger of the former BancWest Corporation with and into First Hawaiian, Inc. on November 1, 1998 ("BancWest Merger").

(2) Excluding amortization of goodwill and core deposit intangible.

ITEM 6. SELECTED FINANCIAL DATA (CONTINUED)

	2000	1999	1998	1997	1996
COMMON STOCK DATA, PER SHARE(1)					
Basic earnings	$ 1.74	$ 1.39	$ 1.06	$ 1.31	$ 1.24
Diluted earnings	1.73	1.38	1.05	1.29	1.20
Cash dividends	.68	.62	.58	.58	.57
Book value (at December 31)	15.97	14.79	14.15	11.30	10.85
Market price (close at December 31)	26.13	19.50	24.00	19.88	17.50
OPERATING AND CASH EARNINGS, PER SHARE(1)					
Diluted operating earnings(2)	$ 1.74	$ 1.48	$ 1.32	$ 1.29	$ 1.20
Diluted cash earnings(3)	1.99	1.64	1.19	1.38	1.28
Diluted operating cash earnings(2), (3)	2.00	1.74	1.46	1.38	1.28
BALANCE SHEETS (in millions)					
Average balances:					
Total assets	$17,600	$16,294	$10,033	$ 8,635	$8,306
Total earning assets	15,742	14,492	9,036	7,768	7,558
Loans and leases	13,286	12,291	7,659	6,477	5,907
Deposits	13,380	12,517	7,710	6,541	6,102
Long-term debt and capital securities	964	790	354	279	265
Stockholders' equity	1,903	1,793	938	786	720
At December 31:					
Total assets	$18,457	$16,681	$15,929	$8,880	$8,642
Loans and leases	13,972	12,524	11,965	6,792	6,243
Deposits	14,128	12,878	12,043	6,790	6,507
Long-term debt and capital securities	967	802	734	324	218
Stockholders' equity	1,989	1,843	1,746	801	753
SELECTED RATIOS					
Return on average:					
Total assets	1.23%	1.06%	.84%	1.08%	1.03%
Stockholders' equity	11.37	9.61	8.99	11.86	11.82
SELECTED OPERATING AND CASH RATIOS(4)					
Return on average:					
Tangible total assets	1.48%	1.39%	1.19%	1.17%	1.11%
Tangible stockholders' equity	20.32	19.70	16.31	15.14	14.94
OTHER SELECTED DATA					
Dividend payout ratio	39.31%	44.93%	55.24%	44.96%	47.50%
Average stockholders' equity to average total assets	10.81	11.00	9.35	9.10	8.67
Year ended December 31:					
Net interest margin	4.75	4.76	4.81	4.77	4.63
Net loans and leases charged off to average loans and leases	.37	.42	.31	.33	.42
Efficiency ratio (2), (3)	51.53	54.47	62.50	65.53	64.54
At December 31:					
Risk-based capital ratios:					
Tier 1	9.73	8.80	8.32	9.63	8.49
Total	11.39	10.56	10.18	11.87	11.93
Tier 1 leverage ratio	9.09	8.11	9.13	9.09	7.24
Allowance for credit losses to total loans and leases	1.23	1.29	1.32	1.33	1.46
Nonperforming assets to total loans and leases and other real estate owned and repossessed personal property	.86	1.01	1.11	1.42	1.68
Allowance for credit losses to nonperforming loans and leases	1.84x	1.64x	1.61x	1.40x	1.15x

On July 1, 1999, we acquired SierraWest Bancorp. That merger was accounted for as a pooling of interests. Therefore, all financial information has been restated for all periods presented.

(1) All per share data have been calculated to include both common and Class A common shares and have been adjusted to give retroactive effect to the two-for-one stock split in the fourth quarter of 1999.

(2) Excluding after-tax restructuring, merger-related and other nonrecurring costs of:

  (a) $755,000 recorded in 2000 for the acquisition of new branches in Nevada and New Mexico expected to be completed in the first quarter of 2001,

  (b) $11.6 million in connection with the acquisition of SierraWest Bancorp and the consolidation of data centers in 1999, and

  (c) $21.9 million in connection with the merger of the former BancWest Corporation with and into First Hawaiian, Inc. on November 1, 1998 ("BancWest Merger").

(3) Excluding amortization of goodwill and core deposit intangible.

(4) Defined as operating cash earnings as a percentage of average total assets or average stockholders' equity minus average goodwill and core

deposit intangible.

PART II (continued)

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

Certain matters contained in this filing are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Our forward-looking statements (such as those concerning its plans, expectations, estimates, strategies, projections and goals) involve risks and uncertainties that could cause actual results to differ materially from those discussed in the statements. Readers should carefully consider those risks and uncertainties in reading this report. Factors that could cause or contribute to such differences include, but are not limited to:

(1) global, national and local economic and market conditions, specifically with respect to changes in the United States economy and the impact recent increases in energy costs will have on the California economy;

(2) the level and volatility of interest rates and currency values;

(3) government fiscal and monetary policies;

(4) credit risks inherent in the lending process;

(5) loan and deposit demand in the geographic regions where we conduct business;

(6) the impact of intense competition in the rapidly evolving banking and financial services business;

(7) extensive federal and state regulation of our business, including the effect of current and pending legislation and regulations;

(8) whether expected revenue enhancements and cost savings are realized within expected time frames;

(9) whether Bank of the West completes as anticipated its expected acquisition of New Mexico and Nevada branches and is successful in retaining and further developing related loan, deposit, customer and employee relationships;

(10) matters relating to the integration of our business with that of past and future merger partners, including the impact of combining these businesses on revenues, expenses, deposit attrition, customer retention and financial performance;

(11) our reliance on third parties to provide certain critical services, including data processing;

(12) the proposal or adoption of changes in accounting standards by the Financial Accounting Standards Board ("FASB"), the Securities and Exchange Commission ("SEC") or other standard setting bodies;

(13) technological changes;

(14) other risks and uncertainties discussed in this document or detailed from time to time in other SEC filings that we make, including our 1999 Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2000; and

(15) management's ability to manage risks that result from these and other factors.

Our forward-looking statements are based on management's current views about future events. Those statements speak only as of the date on which they are made. We do not intend to update forward-looking statements, and we disclaim any obligation or undertaking to update or revise any such statements to reflect any change in our expectations or any change in events, conditions, circumstances or assumptions on which forward-looking statements are based.

See "Glossary of Financial Terms" on page 70 for definitions of certain terms used in this annual report.

OVERVIEW

Thanks to strong performances in both West Coast and Hawaii operations, our operating earnings during 2000 increased 18% over 1999 to a record $217.1 million. These were some of the key events affecting our financial statements:

- In the fourth quarter of 2000, we completed our consolidation of our data processing for all of our operations into a single facility in Honolulu. The consolidated operations of our data center are now being managed by the national information management service provider, ALLTEL. Through the facilities management contract with ALLTEL, certain noninterest expenses, such as salaries and employee benefits and equipment expense have been reduced, contributing to the further improvement in our operating efficiency.

- By the end of the first quarter of 2001, our acquisition of 30 branches in New Mexico and Nevada should be completed. The branches, being divested as a result of the merger between First Security Corporation and Wells Fargo & Company, have approximately $1.2 billion in deposits and $300 million in loans. This cash transaction is being accounted under the purchase method

of accounting. Related to the branch acquisition, we recorded pre-tax, other nonrecurring costs of $1.3 million ($755,000 after-tax) in the fourth quarter of 2000. Furthermore, we formed BWE Trust and issued $150 million of BWE Capital Securities in the fourth quarter of 2000 to enhance our capital resources in anticipation of the branch acquisition. In addition, our planned acquisition of 68 branches in Utah and Idaho was cancelled due to the termination of the merger of Zions Bancorporation and First Security Corporation, resulting in the receipt of $5 million in termination fees and the payment of

approximately $3 million in expenses related to the cancelled branch acquisition.

- As a result of an increase in loan and lease volume and noninterest-bearing deposits, our net interest income has increased by over 8% in 2000 over 1999.

- We continue to improve our credit quality. The improving economy in Hawaii helped to decrease our consolidated nonperforming assets. The ratio of nonperforming assets to total loans and leases and other real estate owned and repossessed personal property ("OREO") decreased by nearly 15% to .86% in 2000 from 1.01% in 1999.

For further information regarding the Company's mergers and acquisitions, see Note 2 to the Consolidated Financial Statements on pages 50 and 51. For further information regarding the Company's restructuring, merger-related, and other nonrecurring costs, see Note 3 to the Consolidated Financial Statements on pages 51 and 52. For additional information regarding net interest income, see Net Interest Income and Table 1 on pages 22 and 23. For additional information on nonperforming assets, see Nonperforming Assets and Past Due Loans and Leases on pages 32 and 33.

2000 VS. 1999

The table below compares our 2000 financial results to 1999. The improvement in our financial results is primarily attributed to higher net interest income, caused mainly by increased loan and lease and deposit volume, increased noninterest income, a result of our continuing efforts to diversify our revenue base, and controlled noninterest expense. In addition, the $11.6 million after-tax restructuring, merger-related and other nonrecurring costs that we incurred in 1999 for the SierraWest Merger and the consolidation of data centers are reflected in the results for 1999. The $755,000 in after-tax other nonrecurring costs related to the New Mexico and Nevada branch acquisition are included in the results for 2000. We expect to incur an additional $4.3 million (pre-tax) in nonrecurring costs in the first quarter of 2001 related to this acquisition.

(dollars in thousands, except per share data)	2000	1999	Change
Consolidated net income	$ 216,394	$ 172,378	25.5%
Diluted earnings per share	1.73	1.38	25.4
Operating earnings(*)	217,149	184,008	18.0
Diluted operating earnings per share(*)	1.74	1.48	17.6
Diluted operating cash earnings per share(*)(**)	2.00	1.74	14.9
Return on average tangible total assets(*)	1.48%	1.39%	6.5
Return on average tangible stockholders' equity(*)	20.32%	19.70%	3.1

(*) Excludes after-tax restructuring, merger-related and other nonrecurring costs of $755,000 and $11.6 million in 2000 and 1999, respectively.

(**) Operating earnings per share before amortization of goodwill and core deposit intangible.

1999 VS. 1998

In most income and expense categories, the increases in the amounts we reported for 1999 compared to the prior year resulted primarily from including the results of operations of Bank of the West for a full year versus two months in 1998. The table below compares our 1999 financial results to 1998.

(dollars in thousands, except per share data)	1999	1998	Change
Consolidated net income	$ 172,378	$ 84,284	104.5%
Diluted earnings per share	1.38	1.05	31.4
Operating earnings(*)	184,008	106,150	73.3
Diluted operating earnings per share(*)	1.48	1.32	12.1
Diluted operating cash earnings per share(*)(**)	1.74	1.46	19.2
Return on average tangible total assets(*)	1.39%	1.19%	16.8
Return on average tangible stockholders' equity(*)	19.70%	16.31%	20.8

(*) Excludes after-tax restructuring, merger-related and other nonrecurring costs of $11.6 million in 1999 and $21.9 million in 1998.

(**) Operating earnings per share before amortization of goodwill and core deposit intangible.

NET INTEREST INCOME

2000 VS. 1999

(in thousands)	2000	1999	Change
Net interest income...........	$746,934	$688,834	8.4%

The increase in our net interest income in 2000 was principally the result of a $1.3 billion, or 8.7%, increase in average earning assets. This increase was partially offset by a one-basis-point (1% equals 100 basis points) reduction in our net interest margin. The increase in our average earning assets was primarily a result of growth in our Bank of the West operating segment. The rebound in Hawaii has stopped the nearly decade-long economic decline, leading to a double-digit increase in the earnings of our First Hawaiian operating segment.

1999 VS. 1998

(in thousands)	1999	1998	Change
Net interest income..........	$688,834	$433,719	58.8%

The increase in our net interest income in 1999 was principally the result of a $5.5 billion, or 60.4%, increase in average earning assets. This increase was partially offset by a five-basis-point reduction in our net interest margin. The increase in our average earning assets was primarily the

result of the inclusion of Bank of the West for all of 1999 as compared to two months in 1998. In addition to the increase caused by the BancWest Merger, the economic expansion on the Western United States increased our loan and lease volume. Also, Hawaii is slowly recovering from the prolonged economic downturn that it has experienced over the last nine years, which had slowed growth in loans and leases, deposits and net interest income.

NONINTEREST INCOME

(in thousands)	2000	1999	Change
Noninterest income..........	$216,076	$197,632	9.3%

The increase in noninterest income reflects the continued strengthening and diversification of our revenue base. Key components of noninterest income that increased in 2000 over 1999 include: (1) fees from the sales of annuities and mutual funds, up 45.8%; (2) fees from the processing of retail merchant's debit and credit card transactions, up 36.1%, on increased fees and volumes and more participating merchants; (3) fees from bank cards, up 40.3%, due to higher card use and an increase in the customer base; and (4) trust and investment management fees, up 10.8%, due to increased use by both retail and institutional clients.

NONINTEREST EXPENSE

(in thousands)	2000	1999	Change
Noninterest expense..........	$533,961	$535,075	(.2)%

The decrease in noninterest expense in 2000 was primarily due to the $17.5 million pre-tax restructuring, merger-related, and other nonrecurring costs related to the SierraWest Merger and the consolidation of data centers in 1999. Excluding the pre-tax restructuring, merger-related and other nonrecurring costs of $1.3 million in 2000 and $17.5 million in 1999, noninterest expense increased by 2.9%, due primarily to an increase in salaries and employee benefits and an increase in occupancy expense, primarily due to continued expansion in our Bank of the West operating segment. These increases were partially offset by a decrease in equipment expense caused primarily by the ALLTEL facilities management agreement.

EFFICIENCY RATIO

	2000	1999	1998
Efficiency ratio(*)...........	51.53%	54.47%	62.50%

(*)Calculated as noninterest expense (exclusive of nonrecurring costs) minus the amortization of goodwill and core deposit intangible as a percentage of total operating revenue (net interest income plus noninterest income).

Our efficiency ratio improved in 2000 over 1999 principally because of increased revenue from higher net interest income, primarily from more earning assets, and higher noninterest income. In addition, the containment of noninterest expense, aided by savings from our data center consolidation, contributed to the improvement in our efficiency ratio.

NONPERFORMING ASSETS

The provision for credit losses increased in 2000 over 1999 primarily because of the 8.1% increase in average total loans and leases outstanding in 2000 over 1999. The improvement in the ratio of nonperforming assets to total loans and leases, OREO and repossessed personal property in 2000 compared to 1999 was primarily due to the increase in average total loans and leases, as well as the reduction of restructured loans and leases and OREO and repossessed personal property, partially offset by an increase in nonaccrual loans and leases. Net charge-offs decreased primarily due to the 22% increase in recoveries on loans and leases previously charged off.

(dollars in thousands)	2000	1999	1998
Provision for credit			

losses	$ 60,428	$ 55,262	$ 30,925
Net charge-offs to average loans & leases	.37%	.42%	.31%
Allowance for credit losses (year end)	$172,443	$161,418	$158,294
Allowance for credit losses as % of total loans & leases (year end)	1.23%	1.29%	1.32%
Nonperforming assets(*) as % of total loans & leases, OREO & repossessed personal property (year end)	.86%	1.01%	1.11%

(*)Principally loans and leases collateralized by real estate.

CAPITAL RATIOS

	2000	1999
Tier 1 capital to risk-weighted assets	9.73%	8.80%
Total capital to risk-weighted assets	11.39%	10.56%
Tier 1 capital to average assets	9.09%	8.11%

These ratios were in excess of the minimum required for capital adequacy purposes of 4.00%, 8.00% and 4.00%, respectively, specified by the Federal Reserve Board.

NET INTEREST MARGIN

2000 VS. 1999

	2000	1999	Change
Net interest margin	4.75%	4.76%	-1 basis pt.

The net interest margin decreased by one basis point in 2000 from 1999 due primarily to the effects of the

PART II (continued)

increasing interest rate environment that was experienced for most of 2000. Although the increasing rate environment raised our yield on earning assets by 48 basis points to 8.32% in 2000 over 7.84% in 1999, it also raised our rate paid on sources of funds by 49 basis points to 3.57% in 2000 over 3.08% in 1999. Therefore, our net interest margin decreased by one basis point in 2000. Partially offsetting the increase on the rate paid on sources of funds, average noninterest-bearing deposits increased in 2000 by $262.5 million, or 10.7%, compared to 1999.

1999 VS. 1998

	1999	1998	Change
Net interest margin...........	4.76%	4.81%	-5 basis pts.

The net interest margin decreased by five basis points in 1999 from 1998 primarily due to the continuing effects of the lower interest rate environment that began in the second half of 1998. Although we paid 41 basis points less for sources of funds used for average earning assets, the yield on our average earning assets fell by 46 basis points. Partially offsetting the decline on the yield of average earning assets, average noninterest-bearing deposits increased in 1999 by $1.1 billion, or 80%, compared to 1998, primarily as a result of the BancWest Merger.

AVERAGE EARNING ASSETS

2000 VS. 1999

(in thousands)	2000	1999	Change
Average earning assets..........	$15,752,238	$14,491,126	8.7%

The continuing growth of our Bank of the West operating segment is primarily responsible for the increase in average earning assets. In particular, the $994.5 million, or 8.1%, increase in average total loans and leases was primarily due to growth in the Western United States. Average total investment securities also increased by $370.4 million, or 21.5%, to $2.1 billion in 2000 over 1999.

1999 vs. 1998

(in thousands)	1999	1998	Change
Average earning assets..........	$14,491,126	$9,032,164	60.4%

The BancWest Merger significantly increased our average earning assets due to the inclusion of Bank of the West average balances for all of 1999. The increase in average earning assets was primarily due to increases in average total loans and leases of $4.6 billion, or 60.5%, and average total investment securities of $744 million, or 76.3%.

In addition, the mix of earning assets continues to change, with average investment securities representing 11.9% of average earning assets for 1999 as compared to 10.8% for 1998.

AVERAGE LOANS AND LEASES

2000 VS. 1999

(in thousands)	2000	1999	Change
Average loans and leases....	$13,285,586	$12,291,095	8.1%

The increase in average loans and leases was primarily due to growth from our Bank of the West operating segment's consumer loan and lease financing portfolios. In addition, the rebounding economy in Hawaii led to a modest increase in average loans and leases in our First Hawaiian operating segment.

1999 vs. 1998

(in thousands)	1999	1998	Change
Average loans and leases....	$12,291,095	$7,658,998	60.5%

The inclusion of Bank of the West balances for an entire year was the primary reason for the increase in average loans and leases. The growth in loan and lease volumes outside of Hawaii was also a factor in the increase in average loans and leases.

AVERAGE INTEREST-BEARING DEPOSITS AND LIABILITIES

2000 VS. 1999

(in thousands)	2000	1999	Change
Average interest-bearing deposits and liabilities.....................	$12,289,972	$11,494,121	6.9%

The increase in average interest-bearing deposits and liabilities in 2000 over 1999 was principally caused by growth in our customer deposit base, primarily in our Bank of the West operating segment. In addition, we grew deposits by initiating various deposit product programs. Also, we increased our utilization of negotiable and brokered time certificates of deposits.

1999 VS. 1998

(in thousands)	1999	1998	Change
Average interest-bearing deposits and liabilities..........	$11,494,121	$7,424,256	54.8%

The increase in average interest-bearing deposits and liabilities in 1999 over 1998 was principally caused by the effects of having Bank of the West balances included for an entire year, as well as growth in our customer deposit base.

OPERATING SEGMENTS RESULTS

As detailed in Note 20 to the Consolidated Financial Statements on pages 64 and 65, our operations are managed principally through our two major bank subsidiaries, Bank of the West and First Hawaiian. Bank of the West operates primarily in California, Oregon, Washington, Idaho and Nevada. It also conducts business nationally through its Consumer Finance Division and its Essex Credit Corporation subsidiary. First Hawaiian's primary base of operations is in Hawaii. It also has significant operations extending nationally, and to a lesser degree internationally, through its media finance, national corporate lending and leveraged leasing operations. The "other" category in the table below consists principally of BancWest Corporation (Parent Company), FHL Lease Holding Company, Inc., BancWest Capital I and First Hawaiian Capital I. The reconciling items are principally consolidating entries to eliminate intercompany balances and transactions. The following table summarizes significant financial information, as of or for years ended December 31, of our reportable segments:

(in millions)	2000	1999	1998
NET INTEREST INCOME			
Bank of the West	$ 423	$ 384	$ 126
First Hawaiian	329	312	322
Other	(5)	(7)	(14)
CONSOLIDATED TOTAL	$ 747	$ 689	$ 434
NET INCOME			
Bank of the West	$ 110	$ 84	$ 18
First Hawaiian	112	94	75
Other	(6)	(6)	(9)
CONSOLIDATED TOTAL	$ 216	$ 172	$ 84
YEAR END SEGMENT ASSETS			
Bank of the West	$11,159	$ 9,571	$ 8,603
First Hawaiian	7,452	7,081	7,248
Other	3,215	2,747	2,458
Reconciling items	(3,369)	(2,718)	(2,380)
CONSOLIDATED TOTAL	$18,457	$16,681	$15,929

2000 VS. 1999

- Our net interest income for 2000 increased over 1999, principally due to the growth in loan and lease volume in the Western United States and increase in noninterest-bearing deposits. Bank of the West's annual average loan volume increased in 2000 by 14.4% over 1999. First Hawaiian's 5.4% increase in net interest income between 2000 and 1999 was primarily due to higher net interest margins.

- Our net income for 2000 increased over 1999, primarily due to: (1) higher net interest income from both Bank of the West and First Hawaiian; (2) lower restructuring, merger-related and other nonrecurring costs in 2000 compared to 1999; (3) higher noninterest income in 2000 over 1999 for both Bank of the West and First Hawaiian, such as income from service charges on deposit accounts, trust and investment services, annuity and mutual fund sales and other service charges and fees; and (4) controlled noninterest expense growth.

- Our total assets at December 31, 2000, grew by 10.6% over December 31, 1999, predominantly due to the 16.6% growth in Bank of the West's assets. An increase in earning assets, mainly consumer loans and lease financing, contributed to Bank of the West's growth. The 5.2% increase in First Hawaiian's assets in 2000 from 1999 was principally due to an increase in commercial, financial and agricultural loans, reflecting a rebounding Hawaiian economy.

1999 VS. 1998

- Our net interest income for 1999 increased over 1998, principally due to the inclusion of an entire year of Bank of the West operations in 1999 as opposed to two months for the year ended December 31, 1998. First Hawaiian's 3.1% decrease in net interest income in 1999 from 1998 reflects the effects of the slow recovery from the prolonged economic downturn in Hawaii, which decreased loan and lease volume.

- Our net income for 1999 increased over 1998, primarily due to the inclusion of Bank of the West's results for an entire year. The 25.3% increase in First Hawaiian's net income was primarily due to: (1) lower restructuring, merger-related and other nonrecurring costs in 1999 compared to 1998; (2) higher noninterest income in 1999 over 1998, such as income from trust and investment products and services; and (3) a reduction in noninterest expense, achieved through efficiencies gained from the BancWest Merger and cost containment initiatives.

- Our total assets at December 31, 1999, grew by 4.7% over December 31, 1998, predominantly due to the 11.3% growth in Bank of the West's assets. An increase in earning assets, mainly consumer loans and lease

financing, contributed to Bank of the West's growth. The 2.3% decrease in First Hawaiian's assets in 1999 from 1998 was principally due to a decline in loans, reflecting the challenging economy in Hawaii.

PART II (continued)

TABLE 1: AVERAGE BALANCES, INTEREST INCOME AND EXPENSE, AND YIELDS AND RATES (TAXABLE-EQUIVALENT BASIS)

The following table sets forth the condensed consolidated average balance sheets, an analysis of interest income/expense and average yield/rate for each major category of earning assets and interest-bearing deposits and liabilities for the years indicated on a taxable-equivalent basis. The taxable-equivalent adjustment is made for items exempt from Federal income taxes (assuming a 35% tax rate for 2000, 1999 and 1998) to make them comparable with taxable items before any income taxes are applied.

	2000			1999		
(dollars in thousands)	AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	YIELD/ RATE	Average Balance	Interest Income/ Expense	Yield/ Rate
ASSETS						
Earning assets:						
Interest-bearing deposits in other banks:						
Domestic	$ 5,405	$ 233	4.30%	$ 3,712	$ 156	4.22%
Foreign	172,265	11,228	6.52	291,097	15,096	5.19
Total interest-bearing deposits in other banks	177,670	11,461	6.45	294,809	15,252	5.17
Federal funds sold and securities purchased under agreements to resell	199,970	13,016	6.51	186,569	9,537	5.11
Investment securities (1):						
Taxable	2,074,238	136,295	6.57	1,695,460	101,706	6.00
Exempt from Federal income taxes	14,774	1,168	7.91	23,193	1,699	7.33
Total investment securities	2,089,012	137,463	6.58	1,718,653	103,405	6.02
Loans and leases (2), (3):						
Domestic	12,941,488	1,117,404	8.63	11,933,259	977,575	8.19
Foreign	344,098	30,934	8.99	357,836	30,553	8.54
Total loans and leases	13,285,586	1,148,338	8.64	12,291,095	1,008,128	8.20
TOTAL EARNING ASSETS	15,752,238	1,310,278	8.32	14,491,126	1,136,322	7.84
Cash and due from banks	632,780			621,964		
Premises and equipment	277,831			280,587		
Core deposit intangible	60,887			69,050		
Goodwill	612,284			624,886		
Other assets	263,959			205,902		
TOTAL ASSETS	$17,599,979			$16,293,515		

	1998		
(dollars in thousands)	Average Balance	Interest Income/ Expense	Yield/ Rate
ASSETS			
Earning assets:			
Interest-bearing deposits in other banks:			
Domestic	$ 60,824	$ 3,641	5.99%
Foreign	115,576	6,448	5.58
Total interest-bearing deposits in other banks	176,400	10,089	5.72
Federal funds sold and securities purchased under agreements to resell	222,069	11,932	5.37
Investment securities (1):			
Taxable	955,448	60,938	6.38
Exempt from Federal			

income taxes	19,249	1,426	7.41
Total investment securities	974,697	62,364	6.40
Loans and leases (2), (3):			
Domestic	7,281,289	632,245	8.68
Foreign	377,709	33,453	8.86
Total loans and leases	7,658,998	665,698	8.69
TOTAL EARNING ASSETS	9,032,164	750,083	8.30
Cash and due from banks	343,029		
Premises and equipment	259,130		
Core deposit intangible	21,868		
Goodwill	197,178		
Other assets	179,189		
TOTAL ASSETS	$10,032,558		

Notes:

(1) For the years ended December 31, 2000, 1999, and 1998, average debt investment securities were computed based on historical amortized cost, excluding the effects of SFAS No. 115 adjustments.

(2) Nonaccruing loans and leases are included in the average loan and lease balances.

(3) Interest income for loans and leases include loan fees of $32,811, $32,803 and $32,133 for 2000, 1999 and 1998, respectively.

(dollars in thousands)	2000 AVERAGE BALANCE	2000 INTEREST INCOME/ EXPENSE	2000 YIELD/ RATE	1999 Average Balance	1999 Interest Income/ Expense	1999 Yield/ Rate	1998 Average Balance	1998 Interest Income/ Expense	1998 Yield/ Rate
LIABILITIES AND STOCKHOLDERS' EQUITY									
Interest-bearing deposits and liabilities:									
Deposits:									
Domestic:									
Interest-bearing demand	$ 289,317	$ 3,546	1.23%	$ 289,142	$ 3,609	1.25%	$ 534,967	$ 11,743	2.20%
Savings	4,062,828	98,876	2.43	4,067,056	93,100	2.29	2,378,057	65,665	2.76
Time	6,083,739	345,939	5.69	5,497,583	264,336	4.81	3,202,516	166,860	5.21
Foreign	222,351	9,843	4.43	203,846	7,576	3.72	228,333	9,592	4.20
Total interest-bearing deposits	10,658,235	458,204	4.30	10,057,627	368,621	3.67	6,343,873	253,860	4.00
Short-term borrowings	667,809	40,174	6.02	646,576	30,326	4.69	726,119	36,727	5.06
Long-term debt and capital securities	963,928	64,544	6.70	789,918	47,930	6.07	354,264	25,235	7.12
TOTAL INTEREST-BEARING DEPOSITS AND LIABILITIES	12,289,972	562,922	4.58	11,494,121	446,877	3.89	7,424,256	315,822	4.25
Interest rate spread			3.74%			3.95%			4.05%
Noninterest-bearing deposits	2,721,818			2,459,305			1,366,226		
Other liabilities	685,563			547,128			304,018		
Total liabilities	15,697,353			14,500,554			9,094,500		
Stockholders' equity	1,902,626			1,792,961			938,058		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 17,599,979			$ 16,293,515			$ 10,032,558		
NET INTEREST INCOME AND MARGIN ON TOTAL EARNING ASSETS		747,356	4.75%		689,445	4.76%		434,261	4.81%
Tax-equivalent adjustment		422			611			542	
NET INTEREST INCOME		$ 746,934			$ 688,834			$ 433,719	

[PERFORMANCE GRAPHS]

	TOTAL ASSETS ($ in billions) DECEMBER 31	LOANS & LEASES ($ in billions) DECEMBER 31	TOTAL REVENUE- NET INTEREST INCOME AND NONINTEREST INCOME ($ in millions) Net Interest Income	Noninterest Income	NET INTEREST MARGIN (%)
'96	8.6	6.2	349.8	95.6	4.63
'97	8.9	6.8	369.8	110.6	4.77
'98	15.9	12.0	433.7	134.2	4.81
'99	16.7	12.5	688.8	197.6	4.76
'00	18.5	14.0	746.9	216.1	4.75

PART II (continued)

TABLE 2: ANALYSIS OF CHANGES IN NET INTEREST INCOME (TAXABLE-EQUIVALENT BASIS)

The following table analyzes the dollar amount of change (on a taxable-equivalent basis) in interest income and expense and the changes in dollar amounts attributable to:

(a) changes in volume (changes in volume times the prior year's rate),
(b) changes in rates (changes in rates times the prior year's volume), and
(c) changes in rate/volume (change in rate times change in volume).

In this table, the dollar change in rate/volume is prorated to volume and rate proportionately.

The taxable-equivalent adjustment is made for items exempt from Federal income taxes (assuming a 35% tax rate for 2000, 1999 and 1998) to make them comparable with taxable items before any income taxes are applied.

	2000 COMPARED TO 1999-- INCREASE (DECREASE) DUE TO:			1999 Compared to 1998-- Increase (Decrease) Due to:		
(in thousands)	VOLUME	RATE	NET INCREASE (DECREASE)	Volume	Rate	Net Increase (Decrease)
Interest earned on:						
Interest-bearing deposits in other banks:						
Domestic	$ 73	$ 4	$ 77	$ (2,646)	$ (839)	$ (3,485)
Foreign	(7,134)	3,266	(3,868)	9,133	(485)	8,648
Total interest-bearing deposits in other banks	(7,061)	3,270	(3,791)	6,487	(1,324)	5,163
Federal funds sold and securities purchased under agreements to resell	724	2,755	3,479	(1,836)	(559)	(2,395)
Investment securities:						
Taxable	24,241	10,348	34,589	44,591	(3,823)	40,768
Exempt from Federal income taxes	(657)	126	(531)	289	(16)	273
Total investment securities	23,584	10,474	34,058	44,880	(3,839)	41,041
Loans and leases(1):						
Domestic	85,314	54,515	139,829	382,948	(37,618)	345,330
Foreign	(1,199)	1,580	381	(1,723)	(1,177)	(2,900)
Total loans and leases	84,115	56,095	140,210	381,225	(38,795)	342,430
Total earning assets	101,362	72,594	173,956	430,756	(44,517)	386,239
Interest paid on:						
Deposits:						
Domestic:						
Interest-bearing demand	2	(65)	(63)	(4,195)	(3,939)	(8,134)
Savings	(97)	5,873	5,776	40,211	(12,776)	27,435
Time	30,081	51,522	81,603	111,249	(13,773)	97,476
Foreign	730	1,537	2,267	(972)	(1,044)	(2,016)
Total interest-bearing deposits	30,716	58,867	89,583	146,293	(31,532)	114,761
Short-term borrowings	1,025	8,823	9,848	(3,847)	(2,554)	(6,401)
Long-term debt and capital securities	11,302	5,312	16,614	26,929	(4,234)	22,695
Total interest-bearing deposits and liabilities	43,043	73,002	116,045	169,375	(38,320)	131,055
INCREASE (DECREASE) IN NET INTEREST INCOME	$ 58,319	$ (408)	$ 57,911	$ 261,381	$ (6,197)	$ 255,184

Note:

(1) Interest income for loans and leases include loan fees of $32,811, $32,803 and $32,133 for 2000, 1999 and 1998, respectively.

NONINTEREST INCOME

Components of and changes in noninterest income are reflected below for the years indicated:

(dollars in thousands)	2000	1999	1998	2000/99 CHANGE AMOUNT	2000/99 CHANGE %	1999/98 Change Amount	1999/98 Change %
Service charges on deposit accounts	$ 74,718	$ 67,674	$ 39,545	$ 7,044	10.4%	$ 28,129	71.1%
Trust and investment services income	36,161	32,644	26,971	3,517	10.8	5,673	21.0
Other service charges and fees	73,277	65,484	39,770	7,793	11.9	25,714	64.7
Securities gains, net	211	16	441	195	1,218.8	(425)	(96.4)
Other	31,709	31,814	27,455	(105)	(.3)	4,359	15.9
TOTAL NONINTEREST INCOME	$216,076	$197,632	$134,182	$ 18,444	9.3%	$ 63,450	47.3%

2000 VS. 1999

As the table above shows in more detail, noninterest income increased $18.4 million or 9.3%, from $197.6 million in 1999 to $216.1 million in 2000. Factors causing the increase included:

- Service charges on deposit accounts increased primarily due to higher levels of deposits caused by the expansion of our customer deposit base in our Bank of the West operating segment.

- Trust and investment services income increased primarily due to increased money management services to both retail and institutional clients, reflecting our continuing efforts to strengthen and diversify our revenue base.

- Other service charges and fees increased primarily due to higher merchant services fees, higher bank card fees, higher ATM convenience fee income, higher annuity and mutual fund sales and higher miscellaneous service fees.

- Other noninterest income decreased by .3% compared to 1999. Significant items in 2000 included $5 million in termination fees from the cancelled First Security Corporation and Zions Bancorp merger and a gain on the sale of the former SierraWest Bank headquarters of $1.2 million in 2000. It should be noted that 1999's other noninterest income total included a gain on the transfer of rights associated with the termination of a leveraged lease of approximately $5 million.

1999 VS. 1998

The 47.3% increase in total noninterest income from 1998 to 1999, as shown in more detail in the table above, was primarily due to the inclusion of the results of operations for an entire year of Bank of the West versus two months in 1998, as well as the following factors:

- Trust and investment services income increased, primarily due to higher investment and trust management fees earned.

- Service charges on deposit accounts increased, primarily due to higher service charges and an increase in volume.

- Other service charges and fees increased, primarily due to higher mortgage servicing fees for mortgage loans that were originated and sold with servicing retained, higher ATM convenience fee income and higher merchant-discount fees.

- Other noninterest income increased, primarily due to increases in foreclosed property income and miscellaneous service charges and fees. In addition, we recognized a gain on the transfer of rights associated with the termination of a leveraged lease of approximately $5 million in 1999. It should be noted that 1998's other noninterest income total included a $3.9 million gain on the sale of a corporate aircraft and a $2.1 million gain on the sale of a regional manager's residence.

[PERFORMANCE GRAPHS]

	ALLOWANCE FOR CREDIT LOSSES TO TOTAL LOANS AND LEASES DECEMBER 31 (%)	NET LOANS AND LEASES CHARGED OFF TO AVERAGE LOANS AND LEASES (%)	NONPERFORMING ASSETS TO TOTAL LOANS AND LEASES & OTHER REAL ESTATE OWNED AND REPOSSESSED PERSONAL PROPERTY DECEMBER 31 (%)
'96	1.46	.42	1.68
'97	1.33	.33	1.42
'98	1.32	.31	1.11
'99	1.29	.42	1.01

'00	1.23	.37	.86

PROVISION AND ALLOWANCE FOR CREDIT LOSSES

The following sets forth the activity in the allowance for credit losses for the years indicated:

(dollars in thousands)	2000	1999	1998	1997	1996
LOANS AND LEASES OUTSTANDING (END OF YEAR)	$ 13,971,831	$ 12,524,039	$ 11,964,563	$ 6,792,394	$ 6,243,124
AVERAGE LOANS AND LEASES OUTSTANDING	$ 13,285,586	$ 12,291,095	$ 7,658,998	$ 6,476,822	$ 5,906,929
Allowance for credit losses:					
Balance at beginning of year	$ 161,418	$ 158,294	$ 90,487	$ 90,895	$ 83,736
Provision for credit losses	60,428	55,262	30,925	20,010	25,048
Loans and leases charged off:					
Commercial, financial and agricultural	8,693	7,715	6,440	7,487	10,671
Real estate:					
Commercial	2,715	6,385	740	1,150	1,883
Construction	3,480	3,646	--	180	1,450
Residential	6,589	5,539	4,217	3,731	2,937
Consumer	28,331	27,927	17,911	13,994	10,957
Lease financing	10,202	9,111	1,385	105	117
Foreign	2,121	1,222	458	197	415
Total loans and leases charged off	62,131	61,545	31,151	26,844	28,430
Recoveries on loans and leases previously charged off:					
Commercial, financial and agricultural	1,954	1,761	1,314	1,830	1,199
Real estate:					
Commercial	178	311	821	310	112
Construction	751	18	1,244	--	117
Residential	1,143	1,101	250	985	234
Consumer	6,261	5,681	3,040	2,347	1,706
Lease financing	2,018	1,397	253	26	3
Foreign	423	163	124	64	64
Total recoveries on loans and leases previously charged off	12,728	10,432	7,046	5,562	3,435
Net charge-offs	(49,403)	(51,113)	(24,105)	(21,282)	(24,995)
Transfer of allowance allocated to securitized loans	--	(1,025)	--	--	--
Allowances of subsidiaries purchased (1)	--	--	60,987	864	7,106
BALANCE AT END OF YEAR	$ 172,443	$ 161,418	$ 158,294	$ 90,487	$ 90,895
Net loans and leases charged off to average loans and leases	.37%	.42%	.31%	.33%	.42%
Net loans and leases charged off to allowance for credit losses	28.65%	31.66%	15.23%	23.52%	27.50%
Allowance for credit losses to total loans and leases (end of year)	1.23%	1.29%	1.32%	1.33%	1.46%
Allowance for credit losses to nonperforming loans and leases (end of year):					
Excluding 90 days or more past due accruing loans and leases	1.84x	1.64x	1.61x	1.40x	1.15x
Including 90 days or more past due accruing loans and leases	1.56x	1.39x	1.16x	.91x	.81x

Note:

(1) Allowance for credit losses of $60,987 in 1998, $864 in 1997 and $7,106 in 1996 were related to the BancWest Merger, a SierraWest Bancorp merger and the 1996 acquisition of divested branches in the Pacific Northwest, respectively.

We have allocated a portion of the allowance for credit losses according to the amount deemed to be reasonably necessary to provide for the possibility of losses being incurred within the various loan and lease categories as of December 31 for the years indicated:

(dollars in thousands)	2000 ALLOWANCE AMOUNT	2000 PERCENT OF LOANS/LEASES IN EACH CATEGORY TO TOTAL LOANS/LEASES	1999 Allowance Amount	1999 Percent of Loans/Leases in Each Category to Total Loans/Leases	1998 Allowance Amount	1998 Percent of Loans/Leases in Each Category to Total Loans/Leases
Domestic:						
Commercial, financial and agricultural	$ 22,185	19%	$ 19,175	18%	$ 28,988	19%
Real estate:						
Commercial	11,030	19	10,275	19	13,245	19
Construction	3,780	3	4,755	3	4,899	4
Residential	7,055	17	12,305	19	12,009	22
Consumer	39,025	26	34,200	24	32,251	22
Lease financing	16,295	14	12,855	14	9,992	11
Foreign	1,400	2	850	3	1,435	3
Unallocated	71,673	N/A	67,003	N/A	55,475	N/A
TOTAL	$ 172,443	100%	$ 161,418	100%	$ 158,294	100%

(dollars in thousands)	1997 Allowance Amount	1997 Percent of Loans/Leases in Each Category to Total Loans/Leases	1996 Allowance Amount	1996 Percent of Loans/Leases in Each Category to Total Loans/Leases
Domestic:				
Commercial, financial and agricultural	$ 17,113	25%	$ 17,091	24%
Real estate:				
Commercial	5,829	22	8,111	23
Construction	570	3	414	4
Residential	8,779	30	6,407	32
Consumer	15,464	10	11,130	9
Lease financing	546	5	894	4
Foreign	1,405	5	1,540	4
Unallocated	40,781	N/A	45,308	N/A
TOTAL	$ 90,487	100%	$ 90,895	100%

The provision for credit losses is based on management's judgment as to the adequacy of the allowance for credit losses (the "Allowance"). Management uses a systematic methodology to determine the related provision for credit losses to be reported for financial statement purposes. The determination of the adequacy of the Allowance is ultimately one of management judgment, which includes consideration of many factors such as: (1) the amount of problem and potential problem loans and leases; (2) net charge-off experience; (3) changes in the composition of the loan and lease portfolio by type and location of loans and leases; (4) changes in overall loan and lease risk profile and quality; (5) general economic factors; (6) specific regional economic factors; and (7) the fair value of collateral.

Using this methodology, we allocate the Allowance to individual loans and leases and to categories of loans and leases, representing probable losses based on available information. At least quarterly, we conduct internal credit analyses to determine which loans and leases are impaired. As a result, we allocate specific amounts of the Allowance to individual loan and lease relationships. Note 1 to the Consolidated Financial Statements on pages 45 through 50 describes how we evaluate loans for impairment. Note 7 to the Consolidated Financial Statements on page 55 details additional information regarding the Allowance and impaired loans.

Some categories of loans and leases are not subjected to a loan-by-loan credit analysis. Management makes an allocation to these categories based on our statistical analysis of historic trends of impairment and charge-offs of such loans and leases. Additionally, we allocate a portion of the Allowance based on

risk classifications of certain loan types. Some of the Allowance is not allocated to specific impaired loans because of the subjective nature of the process of estimating an adequate allowance for credit losses, economic uncertainties and other factors.

As the table on page 26 illustrates, the provision for credit losses for 2000 was $60.4 million, an increase of $5.2 million, or 9.3%, over 1999.

The most notable factor causing the increase in the provision for credit losses was the increase in our loan and lease volume.

NET CHARGE-OFFS

2000 VS. 1999

(in thousands)	2000	1999	Change
Net charge-offs	$49,403	$51,113	(3.3)%

In 2000, net charge-offs decreased by $1.7 million compared to 1999 due to the following factors:

- Real estate - commercial net charge-offs decreased by $3.5 million, primarily due to fewer charge-offs of nonperforming loans in Hawaii. The decrease in nonperforming loans reflected the rebound in Hawaii's commercial property values.

- Real estate - residential net charge-offs increased by $1 million, primarily due to increased charge-offs of nonperforming residential loans in our First Hawaiian operating segment.

- Lease financing net charge-offs increased in 2000 over 1999 by 6.1% or $470,000, primarily in the Bank of the West operating segment. The charge-offs were

primarily in the consumer and equipment areas.

- Foreign net charge-offs increased in 2000 over 1999 by $639,000 or 60.3%, primarily due to increased charge-offs in Guam and Saipan.

1999 VS. 1998

(in thousands)	1999	1998	Change
Net charge-offs	$51,113	$24,105	112.0%

In 1999, net charge-offs increased by $27 million over 1998 due to the following factors:

- Real estate - commercial net charge-offs increased by $6.2 million, primarily due to the write-down of values of certain nonperforming loans in Hawaii. The charge-offs reflected the lingering effect that the prolonged economic downturn in Hawaii has had on real estate property values.

- Real estate - construction net charge-offs increased in 1999 over 1998 by $4.9 million, primarily due to a partial write-down of a restructured loan in Hawaii.

- Consumer net charge-offs increased in 1999 over 1998 by $7.4 million, or 49.6%, primarily due to the BancWest Merger. The addition of Bank of the West for an entire year, versus two months in 1998, was the main factor in the increase in net charge-offs in this category.

- Lease financing net charge-offs increased in 1999 over 1998 by $6.6 million, or 581.4%, primarily due to the BancWest Merger. The addition of Bank of the West's lease financing portfolio for an entire year increased the amount of charge-offs. The charge-offs were primarily in the consumer and equipment areas.

ALLOWANCE FOR CREDIT LOSSES

2000 VS. 1999

(dollars in thousands)	2000	1999	Change
Allowance for credit losses (year end)	$172,443	$161,418	6.8%
Allowance for credit losses as a % of total loans and leases (year end)	1.23%	1.29%	(4.7)%
Allowance for credit losses to nonperforming loans and leases, excluding 90 days or more past due accruing loans and leases (year end)	1.84x	1.64x	12.2%

The percentage of the Allowance compared to total loans and leases decreased in 2000 from 1999, primarily due to the growth in loan and lease volume in 2000. The ratio of the Allowance to nonperforming loans and leases increased to 1.84x in 2000 compared to 1.64x in 1999. The increase is primarily attributable to the decrease in nonperforming loans and leases and an increase in the allowance for credit losses in 2000.

In management's judgment, the Allowance is adequate to absorb losses inherent in the loan and lease portfolio at December 31, 2000. However, if economic conditions in our markets change, the Allowance,nonperforming assets and charge-offs could change as a result. While we have seen no impact to date from higher energy prices on the California economy, we are monitoring this factor closely.

NONINTEREST EXPENSE

The table below shows the categories of noninterest expense and how they have changed between 2000 and 1999, and between 1999 and 1998:

				2000/99 CHANGE		1999/98 Change	
(in thousands)	2000	1999	1998	AMOUNT	%	Amount	%
Personnel:							
Salaries and wages	$ 184,901	$ 181,914	$ 130,986	$ 2,987	1.6%	$ 50,928	38.9%

Employee benefits	55,362	52,103	38,670	3,259	6.3	13,433	34.7
Total personnel expense	240,263	234,017	169,656	6,246	2.7	64,361	37.9
Occupancy expense	62,715	60,056	47,107	2,659	4.4	12,949	27.5
Outside services	45,924	44,697	21,858	1,227	2.7	22,839	104.5
Intangible amortization	36,597	35,760	13,789	837	2.3	21,971	159.3
Equipment expense	29,241	30,422	29,125	(1,181)	(3.9)	1,297	4.5
Stationery and supplies	20,286	21,275	12,958	(989)	(4.6)	8,317	64.2
Advertising and promotion	16,950	15,788	11,909	1,162	7.4	3,879	32.6
Restructuring, merger-related and other nonrecurring costs	1,269	17,534	25,527	(16,265)	(92.8)	(7,993)	(31.3)
Other	80,716	75,526	60,146	5,190	6.9	15,380	25.6
TOTAL NONINTEREST EXPENSE	$ 533,961	$ 535,075	$ 392,075	$ (1,114)	(.2)%	$ 143,000	36.5%

2000 VS. 1999

Total noninterest expense for 2000 was $534 million, a decrease of $1.1 million, or .2%, from 1999. The main factor causing the decrease was pre-tax restructuring, merger-related and other nonrecurring costs of $1.3 million in 2000 compared to $17.5 million in 1999. Excluding pre-tax restructuring, merger-related and other nonrecurring costs, noninterest expense was $532.7 million in 2000, an increase of $15.2 million, or 2.9%, over $517.5 million in 1999. Significant factors for the difference included:

- Total personnel expense increased by $6.2 million, or 2.7%, due to the larger number of employees, primarily in our Bank of the West operating segment due to need for increased staffing as a result of our continuing expansion. The increase was partially offset by higher net periodic pension benefit credits and a decrease in personnel expense for First Hawaiian employees affected by the ALLTEL facilities management agreement.

- Occupancy expense increased by $2.7 million, or 4.4%, due to higher building maintenance and rent expense for certain facilities.

- Equipment expense decreased by $1.2 million, or 3.9%, due to the transfer of certain assets to the outside service provider under the ALLTEL facilities management agreement for the consolidation and operation of a single data center.

- Outside services increased by $1.2 million, or 2.7%, primarily due to the fees paid for the ALLTEL facilities management agreement.

- Other noninterest expense increased by $5.2 million, or 6.9%, primarily due to $3 million in expenses related to the terminated branch purchase agreement resulting from the cancellation of the merger between Zions Bancorporation and First Security Corporation.

1999 VS. 1998

Total noninterest expense for 1999 was $535.1 million, an increase of $143 million, or 36.5%, over 1998. The main reason was the inclusion of an entire year of operations of Bank of the West in 1999 as opposed to only two months in 1998. Major areas of difference between 1999 and 1998 were:

- Total personnel expense increased $64.4 million, or 37.9%, due to the larger number of employees. This increase was partially offset by: (1) lower salaries and wages expense as a result of our reengineering and consolidation efforts; and (2) higher net periodic pension benefit credits.

- Occupancy expense increased by $12.9 million, or 27.5%, because we had more facilities after the BancWest Merger.

- Intangible amortization expense increased by $22 million, or 159.3%, primarily due to an entire year of amortization of intangible assets associated with the BancWest Merger.

- Outside services increased by $22.8 million, or 104.5%, due in part to our outsourcing of the data processing operations to ALLTEL in the third quarter of 1999.

The following factors also contributed to the increase:

- We recorded pre-tax restructuring, merger-related and other nonrecurring costs totaling $17.5 million in 1999, primarily due to the merger with SierraWest Bancorp and the consolidation of our three data centers into a single facility in Honolulu.

- Other noninterest expense increased by $15.4 million, or 25.6%, due to write-downs and losses on the sale of certain OREO, higher foreclosed property expenses and the charitable donation of an employee recreational center to a community group in Hawaii, resulting in a pre-tax loss on donation of $1.3 million, but a tax benefit of $2.4 million.

INCOME TAXES

The provision for income taxes as shown in the Consolidated Statements of Income on page 42 represents 41.3% for 2000 and 41.8% of pre-tax income for 1999 and 1998, respectively.

On a taxable-equivalent basis, the effective tax rate was 41.4% for 2000, 41.9% for 1999 and 42.1% for 1998. Additional information on our consolidated income taxes is provided in Note 19 to the Consolidated Financial Statements on pages 63 and 64.

LOANS AND LEASES

The following table shows the major categories in the loan and lease portfolio as of December 31 for the years indicated:

(in millions)	2000	1999	1998	1997	1996
Domestic:					
Commercial, financial and agricultural	$ 2,605	$ 2,213	$ 2,233	$ 1,710	$ 1,482
Real estate:					
Commercial	2,618	2,467	2,284	1,509	1,421
Construction	406	408	430	228	262
Residential	2,360	2,363	2,692	1,980	1,963
Consumer	3,600	2,987	2,583	689	590
Lease financing	2,038	1,738	1,361	338	245
Foreign:					
Commercial and industrial	66	65	81	68	55
Other	279	283	301	270	225
TOTAL LOANS AND LEASES	$13,972	$12,524	$11,965	$ 6,792	$ 6,243

The BancWest Merger illustrates our continuing efforts to diversify our loan and lease portfolio, both geographically and by industry. Our overall growth in loan and lease volume was primarily in our Mainland United States operations. However, loan and lease volumes in Hawaii are also rebounding.

The loan and lease portfolio is the largest component of total earning assets and accounts for the greatest portion of total interest income. As the table above shows, total loans and leases increased by 11.6% at December 31, 2000 over December 31, 1999. The increase was primarily due to increases in the volume of commercial, financial and agricultural loans, consumer loans and leases, mainly due to the increased lending in the Western United States. The increase was partially offset by a decrease in the amount of residential real estate loans, mainly in Hawaii, resulting from the prolonged economic downturn experienced for most of the 1990's, from which Hawaii is rebounding.

COMMERCIAL, FINANCIAL AND AGRICULTURAL LOANS

As of December 31, 2000, commercial, financial and agricultural loans totaled 18.6% of total loans and leases. Loan volume in this category was higher between 2000 and 1999.

We seek to maintain reasonable levels of risk in commercial and financial lending by following prudent underwriting guidelines primarily based on cash flow. Most commercial and financial loans are collateralized and/or supported by guarantors judged to have adequate net worth. We make unsecured loans to customers based on character, net worth, liquidity and repayment ability.

REAL ESTATE LOANS

Real estate loans represented 38.5% and 41.8% of total loans and leases at December 31, 2000 and 1999, respectively. The relative decrease was primarily due to lower production resulting from the higher interest rate environment.

We seek to maintain reasonable levels of risk in real estate lending by financing projects selectively, by adhering to prudent underwriting guidelines and by closely monitoring general economic conditions affecting local real estate markets.

MULTIFAMILY AND COMMERCIAL REAL ESTATE LOANS. We analyze each application to assess the project's economic viability, the loan-to-value ratio of the real estate securing the financing and the underlying financial strength of the borrower. In this type of lending, we will generally: (1) lend no more than 75% of the appraised value of the underlying project or property; and (2) require a minimum debt service ratio of 1.20.

SINGLE-FAMILY RESIDENTIAL LOANS. We will generally lend no more than 80% of the appraised value of the underlying property. Although the majority of our loans adhere to that limit, loans made in excess of that limit are generally covered by third-party mortgage insurance that reduces our equivalent risk to an 80% loan-to-appraised-value ratio.

HOME EQUITY LOANS. We generally lend up to 75% of appraised value or tax assessed value for fee simple properties. This includes any senior mortgages. Debt-to-income ratio should not exceed 45% and good credit is required.

CONSUMER LOANS

Consumer loans, including credit cards, totaled 25.8% of total loans and leases at December 31, 2000. Balances in this category increased 20.5% from a year earlier, primarily due to the growth in the Bank of the West operating segment. The strong economy in Bank of the West's area of operation has fueled the demand for consumer credit.

Consumer loans consist primarily of open- and closed-end direct and indirect credit facilities for personal, automobile and household purchases. We seek to maintain reasonable levels of risk in consumer lending by following prudent underwriting guidelines which include an evaluation of: (1) personal credit history; (2) personal cash flow; and (3) collateral values based on existing market conditions.

LEASE FINANCING

Lease financing as of December 31, 2000, increased 17.3% from 1999. The increase is primarily due to an increased volume of consumer leases on the Mainland United States.

LOAN AND LEASE CONCENTRATIONS

Loan and lease concentrations exist when there are loans to multiple borrowers who are engaged in similar activities and thus would be impacted by the same economic or other conditions. At December 31, 2000, we did not have a concentration of loans and leases greater than 10% of total loans and leases which were not otherwise disclosed as a category in the table on page 30.

The loan and lease portfolio is principally located in California and Hawaii and, to a lesser extent, Oregon, Washington, Idaho and Nevada. The risk inherent in the portfolio is dependent upon both the economic stability of those states and the financial well-being and credit-worthiness of the borrowers.

LOAN AND LEASE MATURITIES

The contractual maturities of loans and leases (shown in the table below) do not necessarily reflect the actual term of our loan and lease portfolio. In our experience, the average life of residential real estate and consumer loans is substantially less than their contractual terms because borrowers prepay loans.

In general, the average life of real estate loans tends to increase when current interest rates exceed rates on existing loans. In contrast, borrowers are more likely to prepay loans when current interest rates are below the rates on existing loans. The volume of such prepayments depends upon changes in both the absolute level of interest rates, the relationship between fixed and adjustable-rate loans and the relative values of the underlying collateral. As a result, the average life of our fixed-rate real estate loans has varied widely.

We generally sell our fixed-rate residential loans on the secondary market, but retain variable-rate residential loans in our portfolio.

At December 31, 2000, loans and leases with maturities over one year were comprised of fixed-rate loans totaling $6.6 billion and floating or adjustable-rate loans totaling $3.6 billion.

The following table sets forth the contractual maturities of our loan and lease portfolio by category at December 31, 2000. Demand loans are included as due within one year.

(in millions)	Within One Year	After One But Within Five Years	After Five Years	Total
Commercial, financial and agricultural	$ 1,251	$ 992	$ 362	$ 2,605
Real estate:				
Commercial	946	1,144	528	2,618
Construction	394	9	3	406
Residential	357	458	1,545	2,360
Consumer	497	1,531	1,572	3,600
Lease financing	293	1,292	453	2,038
Foreign	62	187	96	345
TOTAL	$ 3,800	$ 5,613	$ 4,559	$ 13,972

NONPERFORMING ASSETS AND PAST DUE LOANS AND LEASES

Nonperforming assets and past due loans and leases as of December 31 are reflected below for the years indicated:

(dollars in thousands)	2000	1999	1998	1997	1996
Nonperforming assets:					
Nonaccrual:					
Commercial, financial and agricultural	$ 42,089	$ 22,222	$ 21,951	$ 10,372	$ 21,648
Real estate:					
Commercial	15,331	25,790	23,128	9,941	10,736
Construction	403	2,990	485	--	2,173
Residential:					
Insured, guaranteed, or conventional	11,521	18,174	10,137	6,478	13,815
Home equity credit lines	--	940	527	50	489
Total real estate loans	27,255	47,894	34,277	16,469	27,213
Consumer	3,257	1,625	2,416	139	92
Lease financing	6,532	3,391	1,816	10	27
Foreign	5,496	2,162	1,174	--	--
Total nonaccrual loans and leases	84,629	77,294	61,634	26,990	48,980
Restructured:					
Commercial, financial and agricultural	927	1,004	3,894	1,532	3,429
Real estate:					
Commercial	7,055	7,905	17,161	18,241	25,853
Construction	--	11,024	14,524	14,524	--
Residential:					
Insured, guaranteed, or conventional	937	1,100	1,100	2,626	267
Home equity credit lines	--	--	--	559	561
Total real estate loans	7,992	20,029	32,785	35,950	26,681
Total restructured loans and leases	8,919	21,033	36,679	37,482	30,110
Total nonperforming loans and leases	93,548	98,327	98,313	64,472	79,090
Other real estate owned and repossessed personal property	27,479	28,429	34,440	32,294	26,170
TOTAL NONPERFORMING ASSETS	$121,027	$126,756	$132,753	$ 96,766	$105,260
Past due loans and leases(1):					
Commercial, financial and agricultural	$ 6,183	$ 1,280	$ 1,578	$ 3,158	$ 8,818
Real estate:					
Commercial	1,987	1,436	5,212	866	8,527
Construction	--	--	440	447	--
Residential:					
Insured, guaranteed, or conventional	3,387	7,751	23,413	25,002	9,812
Home equity credit lines	499	575	1,710	2,077	2,220
Total real estate loans	5,873	9,762	30,775	28,392	20,559
Consumer	3,719	2,043	3,552	3,769	3,164
Lease financing	113	113	74	24	40
Foreign	1,321	4,824	1,816	--	--
TOTAL PAST DUE LOANS AND LEASES	$ 17,209	$ 18,022	$ 37,795	$ 35,343	$ 32,581
Nonperforming assets to total loans and leases and other real estate owned and repossessed personal property (end of year):					
Excluding past due loans and leases	.86%	1.01%	1.11%	1.42%	1.68%
Including past due loans and leases	.99%	1.15%	1.42%	1.94%	2.20%
Nonperforming assets to total assets (end of year):					
Excluding past due loans and leases	.66%	.76%	.83%	1.09%	1.22%
Including past due loans and leases	.75%	.87%	1.07%	1.49%	1.60%

Note:

(1) Represents loans and leases which are past due 90 days or more as to principal and/or interest, are still accruing interest, are adequately collateralized and are in the process of collection.

NONPERFORMING ASSETS

As shown in the table on page 32, nonperforming assets decreased by 4.5%, or $5.7 million, between December 31, 1999 and December 31, 2000. The decrease was principally due to the following:

- A decrease in real estate-commercial nonaccrual loans, due to the payoff of three loans, two loans transferred to OREO and one loan returned to accrual status.

- A decrease in real estate-residential nonaccrual loans, the result of charge-offs and transfers of loans to OREO, reflecting the lingering effects of the prolonged economic downturn, from which Hawaii is slowly emerging.

- A decrease in restructured real estate-construction loans due to write-downs and a payoff of an $11 million restructured loan.

These decreases were partially offset by:

- An increase in commercial, financial and agricultural nonaccrual loans, a result of three commercial loans placed on nonaccrual status in the fourth quarter of 2000.

- An increase in foreign nonaccrual loans, primarily due to a real estate-construction loan originated in Guam being placed on nonaccrual status in 2000.

- Increases in nonaccrual consumer loan and lease financing are the result of the increases in average consumer loan and lease financing balances.

IMPACT OF HAWAII ECONOMY

A nine-year economic downturn in Hawaii increased the level of our nonaccrual loans and leases and charge-offs during the 1990s. Hawaii's overall economic growth and the level of growth in tourism reflected an increase during 2000. Some improvement was seen in 2000 and 1999 in certain sectors of the Hawaii real estate market. There was a continued increase in residential real estate properties transferred to OREO in 2000 because of overall weakness in the market, including declining leasehold real estate values. However, sales of OREO began to increase in the second half of 2000.

IMPACT OF WESTERN REGION ECONOMY

The economy in California and the Pacific Northwest continues to expand. As a result, there has been an overall decline in the ratio of nonperforming assets to total loans and leases and OREO. Given the concern over the energy industry in California, we are closely monitoring developments and their potential impact to us. However, other than our utility bills, we have no direct exposure to any of the California utilities. We will further expand our presence in the Western United States with the acquisition of 30 branches in Nevada and New Mexico in the first quarter of 2001. See further discussion in Note 2 to the Consolidated Financial Statements on pages 50 and 51.

ASIA-PACIFIC LOAN EXPOSURE

A number of countries in the Asia-Pacific region, including Japan, experienced significant weaknesses in their economies beginning in 1998. Our aggregate outstanding loans and leases to these countries totaled $46.5 million, or .25% of our total assets, at December 31, 2000. The economic downturn in Asia has reduced the number of Asian visitors, especially from Japan, to Hawaii. This in turn has hindered the recovery of Hawaii's economy. In 2000, signs of the slow recovery of Asian economies became evident.

The following table presents the direct claims on or claims guaranteed by borrowers in the Asian countries indicated below at December 31, 2000:

(in thousands)	Outstanding Commitment	Outstanding Balance
China	$ 160	$ 160
Hong Kong	18,520	18,520
Indonesia	262	262
South Korea	268	268
Philippines	1,531	1,531
Singapore	1,785	1,155
Taiwan	40	40
Total non-Japan	22,566	21,936
Japan	33,117	24,517
TOTAL	$ 55,683	$ 46,453

Outstanding commitments of Asian countries other than Japan represented .12% of total assets and 1.13% of total stockholders' equity. Including Japan, exposures to Asian countries represented .30% of total assets and 2.80% of total

stockholders' equity. Loans to Asian countries are primarily collateralized by certificates of deposit, Hawaii real estate, standby letters of credit issued by Asian banks or guarantees by creditworthy Asian individuals and corporations.

LOANS AND LEASES PAST DUE, STILL ACCRUING

Loans and leases past due 90 days or more and still accruing interest decreased 4.5% between December 31, 2000 and December 31, 1999. All loans which are past due 90 days or more and still accruing interest are, in management's judgment, adequately collateralized and in the process of collection.

POTENTIAL PROBLEM LOANS

Other than the loans listed in the table on page 32, at December 31, 2000, we were not aware of any significant potential problem loans where possible credit problems of the borrower caused us to seriously question the

borrower's ability to repay the loan on existing terms.

The following table presents information related to nonaccrual and nonaccrual restructured loans and leases as of December 31, 2000:

(in thousands)	Domestic	Foreign	TOTAL
Interest income which would have been recorded if loans had been current	$7,296	$--	$7,296
Interest income recorded during the year	$4,552	$--	$4,552

DEPOSITS

Deposits are the largest component of our total liabilities and account for the greatest portion of total interest expense. At December 31, 2000, total deposits were $14.1 billion, an increase of 9.7% over December 31, 1999. The increase was primarily due to the growth in our customer deposit base, primarily in the Bank of the West operating segment, and various deposit product programs that we initiated. The increase in nearly all of the rates paid on deposits reflect the higher interest rate environment, caused primarily by rate increases by the Federal Reserve's Open Market Committee. Additional information on our average deposit balances and rates paid is provided in Table 1: Average Balances, Interest Income and Expense, and Yields and Rates on pages 22 and 23.

INVESTMENT SECURITIES BY MATURITIES AND WEIGHTED AVERAGE YIELDS

The following tables present the maturities of held-to-maturity and available-for-sale investment securities and the weighted average yields (for obligations exempt from Federal income taxes on a taxable-equivalent basis assuming a 35% tax rate) of such securities at December 31, 2000. The tax-equivalent adjustment is made for items exempt from Federal income taxes to make them comparable with taxable items before any income taxes are applied.

HELD-TO-MATURITY

	Maturity							
	After One But Within Five Years		After Five But Within Ten Years		After Ten Years		TOTAL	
(dollars in millions)	Amount	Yield	Amount	Yield	Amount	Yield	AMOUNT	YIELD
U.S. Treasury and other U.S. Government agencies and corporations	$ 16	5.53%	$ --	--%	$ --	--%	$ 16	5.53%
Other asset-backed securities	--	--	3	6.69	35	6.10	38	6.14
Collateralized mortgage obligations	--	--	6	5.76	33	6.20	39	6.14
TOTAL	$ 16	5.53%	$ 9	6.08%	$ 68	6.15%	$ 93	6.03%

Note: The weighted average yields were calculated on the basis of the cost and effective yields weighted for the scheduled maturity of each security.

AVAILABLE-FOR-SALE

	Maturity									
	Within One Year		After One But Within Five Years		After Five But Within Ten Years		After Ten Years		TOTAL	
(dollars in millions)	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	AMOUNT	YIELD
U.S. Treasury and other U.S. Government agencies and corporations	$ 437	6.02%	$ 325	6.22%	$ --	--%	$ 5	7.09%	$ 767	6.11%
Mortgage and asset-backed securities:										
Government	--	--	--	--	47	6.33	573	7.06	620	7.00
Other	13	6.68	105	6.59	31	6.68	196	6.88	345	6.76
Collateralized mortgage obligations	--	--	--	--	10	5.48	68	6.99	78	6.82
States and political subdivisions	--	--	--	--	--	--	9	4.91	9	4.91
SUBTOTAL	$ 450	6.04%	$ 430	6.31%	$ 88	6.35%	$ 851	6.99%	1,819	6.56%
Securities with no stated maturity									129	

TOTAL	$ 1,948

Note: The weighted average yields were calculated on the basis of the cost and effective yields weighted for the scheduled maturity of each security.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

INTEREST RATE RISK MEASUREMENT AND MANAGEMENT

The net interest income of the Corporation is subject to interest rate risk to the extent the Corporation's interest-bearing liabilities (primarily deposits and borrowings) mature or reprice on a different basis than its interest-earning assets (primarily loans and leases and investment securities). When interest-bearing liabilities mature or reprice more quickly than interest-earning assets during a given period, an increase in interest rates could reduce net interest income. Similarly, when interest-earning assets mature or reprice more quickly than interest-bearing liabilities, a decrease in interest rates could have a negative impact on net interest income. In addition, the impact of interest rate swings may be exacerbated by factors such as our customers' propensity to manage their demand deposit balances more or less aggressively or to refinance mortgage and other consumer loans depending on the interest rate environment.

The Asset/Liability Committees of the Corporation and its major subsidiary companies are responsible for managing interest rate risk. The frequency of meetings of the Asset/Liability Committees generally range from monthly to quarterly. Recommendations for changes to a particular subsidiary's interest rate profile, should they be deemed necessary and exceed established policies, are made to their respective Board of Directors. Other than loans and leases that are originated and held for sale and commitments to purchase and sell foreign currencies and mortgage-backed securities, the Corporation's interest rate derivatives and other financial instruments are not entered into for trading purposes.

The Corporation's exposure to interest rate risk is managed primarily by taking actions that impact certain balance sheet accounts (e.g., lengthening or shortening maturities in the investment portfolio, changing asset and/or liability mix -- including increasing or decreasing the amount of fixed and/or variable instruments held by the Corporation -- to adjust sensitivity to interest rate changes) and/or utilizing off-balance-sheet instruments such as interest rate swaps, caps, floors, options, or forwards.

The Corporation models its net interest income in order to quantify its exposure to changes in interest rates. Generally, the size of the balance sheet is held relatively constant and then subjected to interest rate shocks up and down of 100 and 200 basis points each. Each account-level item is repriced according to its respective contractual characteristics, including any imbedded options which might exist (e.g., periodic interest rate caps or floors or loans and leases which permit the borrower to prepay the principal balance of the loan or lease prior to maturity without penalty). Off-balance-sheet instruments such as interest rate swaps, swaptions, caps or floors are included as part of the modeling process. For each interest rate shock scenario, net interest income over a 12-month horizon is compared against the results of a scenario in which no interest rate change occurs (a "flat rate scenario") to determine the level of interest rate risk at that time.

The projected impact of 100 and 200 basis-point increases and decreases in interest rates on the Corporation's consolidated net interest income over the next 12 months beginning January 1, 2001 and 2000 is shown below.

(dollars in millions)	+2%	+1%	Flat	-1%	-2%
2001					
NET INTEREST INCOME	$816.9	$829.2	$825.2	$811.0	$793.6
DIFFERENCE FROM FLAT	$ (8.3)	$ 4.0	$ --	$(14.2)	$(31.6)
% VARIANCE	(1.0)%	0.5%	--%	(1.7)%	(3.8)%
2000					
Net interest income	$690.0	$710.3	$720.4	$718.4	$709.8
Difference from flat	$(30.4)	$(10.1)	$ --	$(2.0)	$(10.6)
% variance	(4.2)%	(1.4)%	--%	(.3)%	(1.5)%

The changes in the models are due to differences in interest rate environments which include the absolute level of interest rates, the shape of the yield curve, and spreads between various benchmark rates.

SIGNIFICANT ASSUMPTIONS UTILIZED AND INHERENT LIMITATIONS

The significant net interest income changes for each interest rate scenario presented above include assumptions based on accelerating or decelerating mortgage prepayments in declining or rising scenarios, respectively, and adjusting deposit levels and mix in the different interest rate scenarios. The magnitude of changes to both areas in turn are based upon analyses of customers' behavior in differing rate environments. However, these analyses may differ from actual future customer behavior. For example, actual prepayments may differ from current assumptions as prepayments are affected by

many variables which cannot be predicted with certainty (e.g., prepayments of mortgages may differ on fixed and adjustable loans depending upon current interest rates, expectations of future interest rates, availability of refinancing, economic benefit to borrower, financial viability of borrower, etc.).

As with any model for analyzing interest rate risk, certain limitations are inherent in the method of analysis presented above. For example, the actual impact on net interest income due to certain interest rate shocks may differ from those projections presented should market conditions vary from assumptions used in the analysis. Furthermore, the analysis does not consider the effects of a changed level of overall economic activity that could exist in certain interest rate environments. Moreover, the method of analysis used does not take into account the actions that management might take to respond to changes in interest rates because of inherent difficulties in determining the likelihood or impact of any such response.

CREDIT RISK MANAGEMENT

Our approach to managing exposure to credit risk involves an integrated program of setting appropriate standards for credit underwriting and diversification, monitoring trends that may affect the risk profile of the credit portfolio and making appropriate adjustments to reflect changes in economic and financial conditions that could affect the quality of the portfolio and loss probability. The components of this integrated program include:

- Setting Underwriting and Grading Standards. In 1996, we refined our loan grading system to ten different principal risk categories where "1" is "no risk" and "10" is "loss" and began an effort to decrease our exposure to customers in the weaker credit categories. We also established risk parameters so that the cost of credit risk is an integral part of the pricing and evaluation of credit decisions and the setting of portfolio targets.

- Diversification. We actively manage our credit portfolio to avoid excessive concentration by obligor, risk grade, industry, product and geographic location. As part of this process, we also monitor changes in risk correlation among concentration categories. In addition, we seek to reduce our exposure to concentrations by actively participating portions of our commercial and commercial real estate loans to other banks.

- Risk Mitigation. Over the past few years, we have reduced our exposure to higher-risk areas such as real estate construction (which accounted for only 2.9% of total loans and leases at December 31, 2000), Hawaii commercial real estate, health care, hotel and agricultural loans. We have also reduced our exposure in the Asia-Pacific region from $101.0 million at December 31, 1997 to $46.5 million at December 31, 2000. These outstanding loans are collateralized by Hawaii real estate and letters of credit.

- Participation in Syndicated National Credits. In addition to the back-up commercial paper facilities to primarily investment-grade companies, we participate in media finance credits in the national market, one of our traditional niches where we have developed a special expertise over a long period of time and with experienced personnel. At December 31, 2000, the ratio of nonperforming shared national credits and media finance loans to total shared national credits and media finance loans outstanding was 3.15%.

- Emphasis on Consumer Lending. Consumer loans represent our single largest category of loans and leases. We focus our consumer lending activities on loan grades with predictable loss rates. As a result, we are able to use formula-based approaches to calculate appropriate reserve levels that reflect historical loss experience. We generally do not participate in subprime lending activities. We also seek to reduce our credit exposures where feasible by obtaining third-party insurance or similar protections. For example, in our vehicle lease portfolio (which represents approximately 64.5% of our lease financing portfolio and 23.3% of our combined lease financing and consumer loans at December 31, 2000), we obtain third-party insurance for the estimated residual value of the leased vehicle. To the extent that these policies include deductible values we set aside reserves to fully cover the uninsured portion.

LIQUIDITY MANAGEMENT

Liquidity refers to our ability to provide sufficient cash flows to fund operations and to meet obligations and commitments on a timely basis at reasonable costs. We achieve our liquidity objectives with both assets and liabilities.

We obtain asset-based liquidity through our investment securities portfolio and short-term investments which can be readily converted to cash. These liquid assets consist of cash and due from banks, interest-bearing deposits in other banks, Federal funds sold, securities purchased under agreements to resell and investment securities. Such assets represented 17.6% of total assets at the end of 2000 compared to 17.4% at the end of 1999. Additional information related to our off-balance-sheet instruments at December 31, 2000 and 1999 is included in Note 23 to the Consolidated Financial Statements on pages 66 and 67.

We obtain liability-based liquidity primarily from deposits. Average total deposits for 2000 increased 6.9% to $13.4 billion, primarily due to continued expansion of our customer base in the Western United States and a rebound in the economy of Hawaii. Average total deposits funded 76% of average total assets for 2000 and 76.8% in 1999.

We also obtain liquidity from short-term borrowings, including issuing our own commercial paper, purchasing Federal funds, selling securities under agreements to

repurchase, lines of credit from other banks and credit facilities from the Federal Home Loan Banks. Additional information on short-term borrowings is provided in Note 10 to the Consolidated Financial Statements on pages 55 and 56. Also, offshore deposits in the international market provide another available source of funds.

Our commercial paper is assigned a rating of P1 by Moody's Investor Services ("Moody's") and A2 by Standard & Poor's ("S&P"). Our subordinated debt is assigned a rating of A3 by Moody's and BBB by S&P.

CASH FLOWS

The following is a summary of our cash flows for 2000, 1999 and 1998. (There is more detail in the Consolidated Statements of Cash Flows on page 44.)

(in thousands)	2000	1999	1998
Net cash provided by operating and financing activities	$1,839,752	$847,981	$546,610
Net cash used in investing activities	$1,776,114	$702,792	$223,088

For the year ended December 31, 2000, due primarily to increased deposit volume and the issuance of $150 million of capital securities by BWE Trust, net cash increased by $63.6 million over the year ended 1999. The net cash provided by operating and financing activities in 2000 was used principally to fund earning assets. In 1999, the inclusion of the operations of Bank of the West for the entire year was the primary reason for net cash to increase by $145.2 million. In 1998, the BancWest Merger significantly changed our cash flows, providing $207.5 million out of the total increase of $323.5 million in net cash.

DIVIDENDS

Our ability to pay dividends depends primarily upon dividends and other payments from our subsidiaries, which are subject to certain limitations as described in Note 15 to the Consolidated Financial Statements on page 59.

CONCORD-STAR MERGER

BancWest holds about 5% of the shares of Star Systems, Inc., the nation's largest PIN-secured payments network. A merger agreement with Concord EFS, Inc. (NASDAQ: CEFT) was completed on February 1, 2001. In connection with the closing of the transaction, Concord EFS, Inc. issued 24.75 million shares of unregistered common stock for all of the outstanding shares of Star Systems, Inc.'s common stock. At February 6, 2001, Concord EFS, Inc.'s shares closed at $43.75 per share.

ACCOUNTING DEVELOPMENTS

We have a substantial amount of intangible assets, mainly goodwill and core deposit intangibles, that stem primarily from the BancWest Merger. The amortization of these intangible assets have a significant effect on our net income and earnings per share, among other items, as measured under current generally accepted accounting principles. The FASB's Business Combination Project has recently announced a preliminary proposal that may have a material effect on our financial information.

In December 2000, the FASB decided that purchased goodwill should not be amortized; rather, it should be reviewed for impairment. An acquired intangible asset (other than goodwill, for example, core deposit intangibles) should be amortized over its useful economic life and reviewed for impairment in accordance with FASB Statement No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." The FASB's decisions related to the accounting for purchased goodwill and other intangible assets would apply not only to goodwill and intangible assets arising from acquisitions completed after the issuance date of the final statement but also to goodwill and intangible assets arising from acquisitions completed before that date. Therefore, if the proposed statement is finalized with no significant changes, our amortization of goodwill, amounting to $27.3 million (after-tax) for the year ended December 31, 2000, may cease in future periods. The final statement is expected to be issued in June of 2001.

We continue to closely monitor developments related to this issue. The final outcome of the FASB's deliberations are not ascertainable at this time and the final statement may be significantly different from the developments described above.

INTEREST RATE SENSITIVITY

The following table presents our interest rate sensitivity position at December 31, 2000. The interest rate sensitivity gap, shown at the bottom of the table, refers to the difference between assets and liabilities subject to repricing, maturity, runoff and/or volatility during a specified period. The gap is adjusted for interest rate swaps, which are hedging certain assets or

liabilities on the balance sheet. (For ease of analysis, all of these swap adjustments are consolidated into the "off-balance-sheet adjustment" line on the gap table.)

Since all interest rates and yields do not adjust at the same velocity or magnitude, and since volatility is subject to change, the gap is only a general indicator of interest rate sensitivity. At December 31, 2000, we had a cumulative one-year gap that was a negative $465.2 million, representing 2.52% of total assets.

(dollars in thousands)	Within Three Months	After Three But Within 12 Months	After One But Within Five Years	After Five Years	Total
ASSETS:					
Interest-bearing deposits in other banks	$ 5,872	$ 100	$ --	$ --	$ 5,972
Federal funds sold and securities purchased under agreements to resell	307,100	--	--	--	307,100
Investment securities:					
Held-to-maturity	6,101	9,971	53,992	22,876	92,940
Available-for-sale	612,843	499,629	669,921	178,387	1,960,780
Net loans and leases:					
Commercial, financial and agricultural	2,691,228	568,289	917,045	206,493	4,383,055
Real estate--construction	399,852	4,088	3,124	236	407,300
Foreign	84,648	115,540	139,614	4,948	344,750
Other	1,460,505	1,975,917	4,289,824	938,037	8,664,283
Total earning assets	5,568,149	3,173,534	6,073,520	1,350,977	16,166,180
Nonearning assets	318,939	420,927	848,118	702,902	2,290,886
TOTAL ASSETS	$ 5,887,088	$ 3,594,461	$ 6,921,638	$ 2,053,879	$18,457,066
LIABILITIES AND STOCKHOLDERS' EQUITY:					
Interest-bearing deposits	$ 4,292,029	$ 3,581,923	$ 2,423,506	$ 805,821	$11,103,279
Noninterest-bearing deposits	616,326	282,935	1,508,985	616,614	3,024,860
Short-term borrowings	487,366	92,455	4,247	--	584,068
Long-term debt and capital securities	125,985	111,014	252,608	477,816	967,423
Stockholders' equity	6,966	--	--	1,982,527	1,989,493
Off-balance-sheet adjustment	(42,743)	(62,601)	68,571	36,773	--
Noncosting liabilities	148,938	306,173	127	332,705	787,943
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 5,634,867	$ 4,311,899	$ 4,258,044	$ 4,252,256	$18,457,066
Interest rate sensitivity gap	$ 252,221	$ (717,438)	$ 2,663,594	$(2,198,377)	
Cumulative gap	$ 252,221	$ (465,217)	$ 2,198,377	$ --	
Cumulative gap as a percent of total assets	1.37%	(2.52)%	11.91%	--%	

FOURTH QUARTER RESULTS

(dollars in thousands, except per share data)	2000	1999	Change
Consolidated net income	$56,169	$48,498	15.8%
Diluted earnings per share	.45	.39	15.4
Operating earnings	56,924(*)	48,498	17.4
Diluted operating earnings per share	.46(*)	.39	17.9
Diluted operating cash earnings per share(**)	.52(*)	.46	13.0
Return on average tangible total assets (annualized)	1.48%(*)	1.41%	5.0
Return on average tangible stockholders' equity (annualized)	19.89%(*)	19.58%	1.6

(*) Excludes after-tax other nonrecurring costs of $755,000 in December 2000.

(**) Operating earnings per share before amortization of goodwill and core deposit intangible.

Our consolidated net income in the fourth quarter of 2000 increased over the fourth quarter of 1999. Revenue growth was the major factor in the increase of operating earnings for the period. Net interest income was up over the same period last year primarily due to an increase in average loans and leases. Noninterest income in the fourth quarter of 2000 was up over the fourth quarter of 1999, excluding the $5 million gain on the termination of a leveraged lease in the fourth quarter of 1999, due to increases in commissions from annuity and mutual fund sales, merchant services fees, bank card fees, trust and investment services fees and bank-owned life insurance income.

SUMMARY OF QUARTERLY FINANCIAL DATA (UNAUDITED)

A summary of unaudited quarterly financial data for 2000 and 1999 is presented below:

	Quarter				
(in thousands, except per share data)	First	Second	Third	Fourth	Annual Total
2000					
INTEREST INCOME	$ 301,387	$ 324,259	$ 338,066	$ 346,144	$1,309,856
INTEREST EXPENSE	122,115	137,530	148,226	155,051	562,922
NET INTEREST INCOME	179,272	186,729	189,840	191,093	746,934
PROVISION FOR CREDIT LOSSES	12,930	16,250	14,800	16,448	60,428
NONINTEREST INCOME	50,037	58,208	53,567	54,264	216,076
NONINTEREST EXPENSE, WITHOUT RESTRUCTURING, MERGER-RELATED AND OTHER NONRECURRING COSTS	131,577	135,443	131,479	134,193	532,692
RESTRUCTURING, MERGER-RELATED AND OTHER NONRECURRING COSTS	--	--	--	1,269	1,269
INCOME BEFORE INCOME TAXES	84,802	93,244	97,128	93,447	368,621
PROVISION FOR INCOME TAXES	35,371	39,262	40,316	37,278	152,227
NET INCOME	$ 49,431	$ 53,982	$ 56,812	$ 56,169	$ 216,394
BASIC EARNINGS PER SHARE	$ .40	$ .43	$ .46	$ .45	$ 1.74
DILUTED EARNINGS PER SHARE	.40	.43	.45	.45	1.73
1999					
Interest income	$ 276,665	$ 278,038	$ 288,299	$ 292,709	$1,135,711
Interest expense	108,293	109,295	112,794	116,495	446,877
Net interest income	168,372	168,743	175,505	176,214	688,834
Provision for credit losses	10,225	13,345	11,835	19,857	55,262
Noninterest income	46,818	49,621	46,483	54,710	197,632
Noninterest expense, without restructuring, merger-related and other nonrecurring costs	129,582	130,079	128,961	128,919	517,541
Restructuring, merger-related and other nonrecurring costs	786	632	16,116	--	17,534
Income before income taxes	74,597	74,308	65,076	82,148	296,129
Provision for income taxes	32,091	29,789	28,221	33,650	123,751
Net income	$ 42,506	$ 44,519	$ 36,855	$ 48,498	$ 172,378
Basic earnings per share	$ .34	$ .36	$ .30	$ .39	$ 1.39
Diluted earnings per share	.34	.36	.29	.39	1.38

PART II (continued)

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

TO THE STOCKHOLDERS
BANCWEST CORPORATION

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, changes in stockholders' equity and cash flows present fairly, in all material respects, the consolidated financial position of BancWest Corporation and its subsidiaries at December 31, 2000 and 1999, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2000, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PRICEWATERHOUSECOOPERS LLP
Honolulu, Hawaii
January 16, 2001

CONSOLIDATED BALANCE SHEETS

(in thousands, except number of shares and per share data)	DECEMBER 31, 2000	1999
ASSETS		
Cash and due from banks	$ 873,599	$ 809,961
Interest-bearing deposits in other banks	5,972	9,135
Federal funds sold and securities purchased under agreements to resell	307,100	71,100
Investment securities (note 5):		
Held-to-maturity (fair value of $91,625 in 2000 and $139,102 in 1999)	92,940	142,868
Available-for-sale	1,960,780	1,868,003
Loans and leases:		
Loans and leases (note 6)	13,971,831	12,524,039
Less allowance for credit losses (note 7)	172,443	161,418
Net loans and leases	13,799,388	12,362,621
Premises and equipment, net (note 8)	276,012	281,665
Customers' acceptance liability	1,080	1,039
Core deposit intangible (net of accumulated amortization of $33,882 in 2000 and $24,995 in 1999)	56,640	65,092
Goodwill (net of accumulated amortization of $88,766 in 2000 and $61,056 in 1999)	599,139	613,620
Other real estate owned and repossessed personal property	27,479	28,429
Other assets	456,937	427,489
TOTAL ASSETS	$ 18,457,066	$ 16,681,022
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Domestic:		
Interest-bearing	$ 10,899,009	$ 10,085,395
Noninterest-bearing	2,955,880	2,553,909
Foreign	273,250	238,648
Total deposits	14,128,139	12,877,952
Short-term borrowings (note 10)	584,068	503,977
Acceptances outstanding	1,080	1,039
Long-term debt (note 11)	717,423	701,792
Guaranteed preferred beneficial interests in Company's junior subordinated debentures (note 11)	250,000	100,000
Other liabilities	786,863	653,532
Total liabilities	16,467,573	14,838,292
Commitments and contingent liabilities (notes 16, 22 and 23)		
Stockholders' equity:		
Preferred stock, par value $1 per share		
Authorized and unissued--50,000,000 shares in 2000 and 1999	--	--
Class A common stock, par value $1 per share (notes 2 and 12)		
Authorized--75,000,000 shares in 2000 and 1999		
Issued--56,074,874 shares in 2000 and 51,629,536 shares in 1999	56,075	51,630
Common stock, par value $1 per share (notes 2, 12 and 17)		
Authorized--200,000,000 shares in 2000 and 1999		
Issued--71,041,450 shares in 2000 and 75,418,850 shares in 1999	71,041	75,419
Surplus	1,125,652	1,124,512
Retained earnings (note 15)	770,350	638,687
Accumulated other comprehensive income, net (note 13)	7,601	(9,873)
Treasury stock, at cost--2,565,581 shares in 2000 and 2,437,556 shares in 1999	(41,226)	(37,645)
Total stockholders' equity	1,989,493	1,842,730
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 18,457,066	$ 16,681,022

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except number of shares and per share data)	YEAR ENDED DECEMBER 31, 2000	1999	1998
INTEREST INCOME			
Interest and fees on loans	$ 1,019,301	$ 895,079	$ 632,634
Lease financing income	129,032	113,035	32,983
Interest on investment securities:			
Taxable interest income	136,295	101,706	60,938
Exempt from Federal income taxes	751	1,102	965
Other interest income	24,477	24,789	22,021
Total interest income	1,309,856	1,135,711	749,541
INTEREST EXPENSE			
Deposits (note 9)	458,204	368,621	253,860
Short-term borrowings	40,174	30,326	36,727
Long-term debt	64,544	47,930	25,235
Total interest expense	562,922	446,877	315,822
Net interest income	746,934	688,834	433,719
Provision for credit losses (note 7)	60,428	55,262	30,925
Net interest income after provision for credit losses	686,506	633,572	402,794
NONINTEREST INCOME			
Service charges on deposit accounts	74,718	67,674	39,545
Trust and investment services income	36,161	32,644	26,971
Other service charges and fees	73,277	65,484	39,770
Securities gains, net (note 5)	211	16	441
Other	31,709	31,814	27,455
Total noninterest income	216,076	197,632	134,182
NONINTEREST EXPENSE			
Salaries and wages	184,901	181,914	130,986
Employee benefits (note 16)	55,362	52,103	38,670
Occupancy expense (notes 8 and 22)	62,715	60,056	47,107
Outside services	45,924	44,697	21,858
Intangible amortization	36,597	35,760	13,789
Equipment expense (notes 8 and 22)	29,241	30,422	29,125
Restructuring, merger-related and other nonrecurring costs (note 3)	1,269	17,534	25,527
Other (note 18)	117,952	112,589	85,013
Total noninterest expense	533,961	535,075	392,075
Income before income taxes	368,621	296,129	144,901
Provision for income taxes (note 19)	152,227	123,751	60,617
NET INCOME	$ 216,394	$ 172,378	$ 84,284
PER SHARE DATA:			
Basic earnings (note 12)	$ 1.74	$ 1.39	$ 1.06
Diluted earnings (note 12)	$ 1.73	$ 1.38	$ 1.05
CASH DIVIDENDS	$ .68	$ .62	$ .58
AVERAGE SHARES OUTSTANDING	124,633,956	124,047,664	79,515,996

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(in thousands, except number of shares and per share data)	Class A Common Stock		Common Stock				(note 13) Accumulated Other Comprehensive Income, net		
	Shares	Amount	Shares	Amount	Surplus	Retained Earnings		Treasury Stock	Total
Balance, December 31, 1997....	--	$ --	37,306,162	$ 186,531	$ 169,734	$ 500,257	$ 396	$(55,834)	$ 801,084
Comprehensive income:									
Net income..................	--	--	--	--	--	84,284	--	--	84,284
Unrealized valuation adjustment, net of tax and reclassification adjustment.................	--	--	--	--	--	--	5,832	--	5,832
Comprehensive income	--	--	--	--	--	84,284	5,832	--	90,116
Reduction in par value of common stock (note 12).......	--	--	--	(149,225)	149,225	--	--	--	--
Issuance of Class A common stock (notes 2 and 12).......	25,814,768	25,815	--	--	858,115	--	--	--	883,930
Issuance of common stock(1)....................	--	--	102,912	103	1,451	--	--	--	1,554
Issuance of common stock on conversion of debenture(1)...	--	--	128,740	129	2,152	--	--	--	2,281
Purchase of treasury stock, net.........................	--	--	--	--	(25)	--	--	(7,297)	(7,322)
Issuance of treasury stock....	--	--	--	--	2,622	--	--	12,677	15,299
Cash dividends ($.58 per share)(note 15)....	--	--	--	--	--	(40,786)	--	--	(40,786)
Balance, December 31, 1998....	25,814,768	25,815	37,537,814	37,538	1,183,274	543,755	6,228	(50,454)	1,746,156
Comprehensive income:									
Net income..................	--	--	--	--	--	172,378	--	--	172,378
Unrealized valuation adjustment, net of tax and reclassification adjustment	--	--	--	--	--	--	(16,101)	--	(16,101)
Comprehensive income	--	--	--	--	--	172,378	(16,101)	--	156,277
Issuance of common stock for two-for-one stock split (note 12)	25,814,768	25,815	37,708,200	37,708	(63,523)	--	--	--	--
Issuance of common stock......	--	--	172,836	173	4,887	--	--	10,808	15,868
Issuance of treasury stock....	--	--	--	--	(126)	--	--	2,001	1,875
Cash dividends ($.62 per share)(note 15)....	--	--	--	--	--	(77,446)	--	--	(77,446)
Balance, December 31, 1999....	51,629,536	51,630	75,418,850	75,419	1,124,512	638,687	(9,873)	(37,645)	1,842,730
COMPREHENSIVE INCOME:									
NET INCOME..................	--	--	--	--	--	216,394	--	--	216,394
UNREALIZED VALUATION ADJUSTMENT, NET OF TAX AND RECLASSIFICATION ADJUSTMENT.................	--	--	--	--	--	--	17,474	--	17,474
COMPREHENSIVE INCOME	--	--	--	--	--	216,394	17,474	--	233,868
CONVERSION OF COMMON STOCK TO CLASS A COMMON STOCK	4,445,338	4,445	(4,445,338)	(4,445)	--	--	--	--	--
ISSUANCE OF COMMON STOCK......	--	--	67,938	67	518	--	--	--	585
ISSUANCE OF TREASURY STOCK....	--	--	--	--	(475)	--	--	3,901	3,426
PURCHASE OF TREASURY STOCK, NET	--	--	--	--	--	--	--	(7,482)	(7,482)
INCOME TAX BENEFIT FROM STOCK-BASED COMPENSATION.....	--	--	--	--	1,097	--	--	--	1,097
CASH DIVIDENDS ($.68 PER SHARE)(NOTE 15)....	--	--	--	--	--	(84,731)	--	--	(84,731)
BALANCE, DECEMBER 31, 2000....	56,074,874	$56,075	71,041,450	$ 71,041	$1,125,652	$770,350	$ 7,601	$(41,226)	$1,989,493

(1) Transaction is a SierraWest Bancorp restatement item reported under the pooling-of-interests method of accounting.

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	YEAR ENDED DECEMBER 31, 2000	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 216,394	$ 172,378	$ 84,284
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for credit losses	60,428	55,262	30,925
Net gain on sale of assets	(1,218)	(3,675)	(6,022)
Depreciation and amortization	70,142	67,484	35,437
Deferred income taxes	112,848	95,231	47,076
Increase in accrued income taxes	3,295	16,054	6,295
Increase in interest receivable	(16,868)	(6,848)	(1,328)
Increase (decrease) in interest payable	14,497	28,145	(2,408)
Decrease (increase) in prepaid expense	(16,208)	(15,264)	608
Restructuring, merger-related and other nonrecurring costs	1,269	17,534	25,527
Other	(12,534)	(2,231)	4,937
NET CASH PROVIDED BY OPERATING ACTIVITIES	432,045	424,070	225,331
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net decrease (increase) in interest-bearing deposits in other banks	3,163	269,320	(136,711)
Net decrease (increase) in Federal funds sold and securities purchased under agreements to resell	(236,000)	(4,600)	90,049
Proceeds from maturity of held-to-maturity investment securities	49,928	163,906	14,172
Purchase of held-to-maturity investment securities	--	(15,852)	--
Proceeds from maturity of available-for-sale investment securities	809,692	526,621	421,571
Proceeds from sale of available-for-sale investment securities	136,345	27,828	41,428
Purchase of available-for-sale investment securities	(1,009,802)	(968,209)	(446,432)
Purchase of bank-owned life insurance	--	(50,000)	--
Net increase in loans to customers	(1,509,172)	(627,239)	(372,387)
Net cash provided by acquisitions	--	--	207,454
Proceeds from sale of premises and equipment	--	--	11,402
Purchase of premises and equipment	(10,120)	(38,823)	(18,599)
Other	(10,148)	14,256	(35,035)
NET CASH USED IN INVESTING ACTIVITIES	(1,776,114)	(702,792)	(223,088)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase in deposits	1,250,187	835,080	402,118
Net increase (decrease) in short-term borrowings	80,091	(418,890)	(5,989)
Proceeds from long-term debt and capital securities	265,949	94,483	--
Payments on long-term debt	(100,318)	(27,059)	(27,836)
Cash dividends paid	(84,731)	(77,446)	(40,786)
Proceeds from issuance of common stock	585	4,934	1,094
Issuance (purchase) of treasury stock, net	(4,056)	12,809	(7,322)
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,407,707	423,911	321,279
NET INCREASE IN CASH AND DUE FROM BANKS	63,638	145,189	323,522
CASH AND DUE FROM BANKS AT BEGINNING OF YEAR	809,961	664,772	341,250
CASH AND DUE FROM BANKS AT END OF YEAR	$ 873,599	$ 809,961	$ 664,772
SUPPLEMENTAL DISCLOSURES:			
Interest paid	$ 548,425	$ 418,732	$ 307,139
Income taxes paid	$ 36,084	$ 12,466	$ 13,289
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:			
Loans converted into other real estate owned and repossessed personal property	$ 5,800	$ 10,931	$ 18,020
Issuance of common stock in connection with convertible debentures	$ --	$ --	$ 2,281
IN CONNECTION WITH MERGERS, THE FOLLOWING LIABILITIES WERE ASSUMED:			
Fair value of assets acquired	$ --	$ --	$6,425,007
Cash received	--	--	207,454
Issuance of Class A common stock	--	--	(883,930)
Issuance of treasury stock	--	--	(15,299)
LIABILITIES ASSUMED	$ --	$ --	$5,733,232

The accompanying notes are an integral part of these consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF OPERATIONS

BancWest Corporation is a bank holding company headquartered in Honolulu, Hawaii and incorporated under the laws of the State of Delaware. Through our principal subsidiaries, Bank of the West and First Hawaiian Bank, we provide commercial and consumer banking services, engage in commercial and equipment and vehicle leasing and offer trust and insurance products. BancWest Corporation's subsidiaries operate 222 offices in the states of California, Hawaii, Oregon, Washington, Idaho and Nevada and in Guam and Saipan.

The accounting and reporting policies of BancWest Corporation and Subsidiaries (the "Company" or "we/our") conform with generally accepted accounting principles and practices within the banking industry. The following is a summary of the significant accounting policies:

CONSOLIDATION

The consolidated financial statements of the Company include the accounts of BancWest Corporation (the "Parent") and its wholly-owned subsidiary companies:

- Bank of the West and its wholly-owned subsidiaries ("Bank of the West");
- First Hawaiian Bank and its wholly-owned subsidiaries ("First Hawaiian");
- FHL Lease Holding Company, Inc. and its wholly-owned subsidiary ("Leasing");
- BancWest Capital I ("BWE Trust");
- First Hawaiian Capital I ("FH Trust"); and
- FHI International, Inc.

All significant intercompany balances and transactions have been eliminated in consolidation.

RECLASSIFICATIONS

The 1999 and 1998 Consolidated Financial Statements were reclassified in certain respects to conform to the 2000 presentation. Such reclassifications did not have a material effect on the Consolidated Financial Statements.

BUSINESS COMBINATIONS

In business combinations accounted for as a pooling of interests, the financial position and results of operations and cash flows of the respective companies are restated as though the companies were combined for all historical periods.

In business combinations accounted for using the purchase method of accounting, the net assets of the companies acquired are recorded at their fair values at the date of acquisition. The results of operations of the acquired companies are included from the date of acquisition.

USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. These estimates and assumptions also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND DUE FROM BANKS

Cash and due from banks include amounts from other financial institutions as well as in-transit clearings. Under the terms of the Depository Institutions Deregulation and Monetary Control Act, the Company is required to place reserves with the Federal Reserve Bank based on the amount of deposits held. The average amount of these reserve balances were $205.3 million for 2000, $192 million for 1999 and $113.5 million for 1998.

INVESTMENT SECURITIES

Investment securities consist principally of debt and asset-backed securities issued by the U.S. Treasury and other U.S. Government agencies and corporations and state and local government units. These securities have been adjusted for amortization of premiums or accretion of discounts using the interest method.

Investment securities are classified into three categories and accounted for as follows:

(1) Held-to-maturity securities are debt securities which the Company has the positive intent and ability to hold to maturity. These securities are reported at amortized cost.

(2) Trading securities are debt and equity securities which are bought and held principally for the purpose of selling them in the near term. These securities are reported at fair value, with unrealized gains and losses

included in current earnings.

(3) Available-for-sale securities are debt and equity securities not classified as either held-to-maturity or trading securities. Available-for-sale securities are reported at fair value, with unrealized gains and losses excluded from current earnings. The unrealized gains and losses are reported as a separate component of stockholders' equity.

Gains and losses realized on the sales of investment securities are determined using the specific identification method.

LOANS AND LEASES

Loans and leases are stated at the principal amounts outstanding, net of any unearned income or discounts. Interest income is accrued and recognized on the principal amount outstanding unless the loan is determined to be impaired and placed on nonaccrual status. (See Impaired and Nonaccrual Loans and Leases below.) Loans identified as held-for-sale are carried at the lower of cost or market value and are included in other assets on the Consolidated Balance Sheets.

We provide lease financing under a variety of arrangements, primarily consumer automobile leases, commercial equipment leases and leveraged leases.

- Leases for consumer automobiles and commercial equipment are classified as direct financing leases. Unearned income on direct financing leases is accreted over the lives of the leases to provide a constant periodic rate of return on the net investment in the lease.

- Leveraged lease transactions are subject to outside financing through one or more participants, without recourse to the Company. These transactions are accounted for by recording as the net investment in each lease the aggregate of rentals receivable (net of principal and interest on the related nonrecourse debt) and the estimated residual value of the equipment less the unearned income. Income from these lease transactions is recognized during the periods in which the net investment is positive.

IMPAIRED AND NONACCRUAL LOANS AND LEASES

We evaluate certain loans and leases for impairment on a case-by-case basis. We consider a loan or lease to be impaired when it is probable that we will be unable to collect all amounts due according to the contractual terms of the loan or lease. We measure impairment based on the present value of the expected future cash flows discounted at the loan or lease's effective interest rate, except for collateral-dependent loans and leases. For collateral-dependent loans and leases, we measure impairment based on the fair value of the collateral. On a case-by-case basis, we may measure impairment based upon a loan or lease's observable market price.

Based primarily on historical loss experience for each portfolio, we collectively evaluate for impairment large groups of homogeneous loans and leases with smaller balances that are not evaluated on a case-by-case basis. Examples of such small balance portfolios are credit cards and consumer loans and leases, including 1-4 family mortgage loans with balances less than $250,000.

We generally place a loan or lease on nonaccrual status:

- When management believes that collection of principal or income has become doubtful; or

- When loans or leases are 90 days past due as to principal or income, unless they are well secured and in the process of collection. We may make an exception to the general 90-day-past-due rule when the fair value of the collateral exceeds our recorded investment in the loan or lease or when other factors indicate that the borrower will shortly bring the loan or lease current.

While the majority of consumer loans and leases are subject to our general policies regarding nonaccrual loans and leases, certain past due consumer loans and leases are not placed on nonaccrual status because they are charged off upon reaching a predetermined delinquency status varying from 120 to 180 days, depending on product type.

When we place a loan or lease on nonaccrual status, previously accrued and uncollected interest is reversed against interest income of the current period. When we receive a cash interest payment on a nonaccrual loan or lease, we apply it as a reduction of the principal balance when we have doubts about the ultimate collection of the principal. Otherwise, we record such payments as income.

Nonaccrual loans and leases are generally returned to accrual status when they: (1) become current as to principal and interest; or (2) become both well secured and in the process of collection.

LOAN AND LEASE FEES

We generally charge fees for originating loans and leases and for commitments to extend credits. Origination fees (net of direct costs of underwriting, closing costs and premiums) are deferred and amortized to interest income, using methods which approximate a level yield, adjusted for actual prepayment experience. We recognize unamortized fees and premiums on loans and leases paid in full as a component of interest income.

We also charge other loan and lease fees consisting of delinquent payment charges and other common loan and lease servicing fees, including fees for servicing loans sold to third parties. We recognize these fees as income when earned.

ALLOWANCE FOR CREDIT LOSSES

We maintain the allowance for credit losses (the "Allowance") at a level which, in management's judgment, is adequate to absorb losses in the Company's loan and lease portfolio. While the Company has a formalized methodology for determining an adequate and appropriate level of the Allowance, estimates of

inherent credit losses involve judgment and assumptions as to various factors
which deserve current recognition in the Allowance. Principal factors considered
by management

in determining the Allowance include historical loss experience, the value and adequacy of collateral, the level of nonperforming loans and leases, the growth and composition of the portfolio, periodic review of loan and lease delinquencies, results of examinations of individual loans and leases and/or evaluation of the overall portfolio by senior credit personnel, internal auditors and regulators, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay and general economic conditions.

The Allowance is increased by provisions for credit losses and reduced by charge-offs, net of recoveries. Charge-offs for loans and leases that are evaluated for impairment are made based on impairment evaluations as described above. Consumer loans and leases are generally charged off upon reaching a predetermined delinquency status that ranges from 120 to 180 days and varies by product type. Other loans and leases are charged off to the extent they are classified as loss, either internally or by the Company's regulators. Recoveries of amounts that have previously been charged off are credited to the Allowance and are generally recorded only to the extent that cash is received.

The provision for credit losses reflects management's judgment of the current period cost of credit risk inherent in the Company's loan and lease portfolio. Specifically, the provision for credit losses represents the amount charged against current period earnings to achieve an allowance for credit losses that in management's judgment is adequate to absorb losses inherent in the Company's loan and lease portfolio. Accordingly, the provision for credit losses will vary from period to period based on management's on-going assessment of the adequacy of the Allowance.

OTHER REAL ESTATE OWNED AND REPOSSESSED PERSONAL PROPERTY

Other real estate owned and repossessed personal property ("OREO") is primarily comprised of properties that we acquired through foreclosure proceedings. We value these properties at the lower of cost or fair value at the time we acquire them, which establishes their new cost basis. We charge against the Allowance any losses arising at the time of acquisition of such properties. After we acquire them, we carry such properties at the lower of cost or fair value less estimated selling costs. If we record any write-downs or losses from the disposition of such properties after acquiring them, we include this amount in other noninterest expense.

PREMISES AND EQUIPMENT

Premises and equipment, including leasehold improvements, are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of 10-40 years for premises, 3-25 years for equipment and the lease term for leasehold improvements.

CORE DEPOSIT AND OTHER IDENTIFIABLE INTANGIBLE ASSETS

Core deposit and other identifiable intangible assets are amortized on the straight-line method over the period of benefit, generally 10 years. We review core deposit and other identifiable intangible assets for impairment whenever events or changes in circumstances indicate that we may not recover our investment in the underlying assets or liabilities which gave rise to such core deposit and other identifiable intangible assets.

GOODWILL

Goodwill represents the cost of acquired companies in excess of the fair value of net assets acquired. This excess is being amortized on the straight-line method over 25 years. It is our policy to review goodwill for impairment whenever events or changes in circumstances indicate that we may not recover our investment in the underlying assets/businesses which gave rise to such goodwill. Should such an evaluation of impairment become necessary, we will evaluate the performance of such acquired business on an undiscounted basis.

REPURCHASE AND REVERSE REPURCHASE AGREEMENTS

We apply a control-oriented, financial-components approach to financial-asset-transfer transactions by: (1) recognizing the financial and servicing assets we control and the liabilities we have incurred; (2) derecognizing financial assets only when control has been surrendered; and (3) derecognizing liabilities once they are extinguished.

Control is considered to have been surrendered only if: (i) the transferred assets have been isolated from the transferor and its creditors, even in bankruptcy or other receivership; (ii) the transferee has the unconditional right to pledge or exchange the transferred assets, or is a qualifying special-purpose entity and the holders of beneficial interests in that entity have the unconditional right to pledge or exchange those interests; and (iii) the transferor does not maintain effective control over the transferred assets through: (a) an agreement that both entitles and obligates it to repurchase or redeem those assets prior to maturity; or (b) an agreement which both entitles and obligates it to repurchase or redeem those assets if they were not readily obtainable elsewhere. If none of these conditions are met, we account for the transfer as a secured borrowing.

Securities purchased under agreements to resell and securities sold under agreements to repurchase generally qualify as financing transactions under generally accepted accounting principles. We carry such securities at the amounts at which they subsequently will be resold or reacquired as specified in the respective agreements, including accrued interest.

Repurchase and reverse-repurchase agreements are presented in the accompanying Consolidated Balance Sheets where net presentation is consistent with generally accepted accounting principles. It is our policy to take possession of securities purchased under agreements to resell. We monitor the fair value of the underlying securities as compared to the related receivable, including accrued interest and as necessary we request additional collateral. Where deemed appropriate, our agreements with third parties specify our rights to request additional collateral. All collateral is held by the Company or a custodian.

SERVICING ASSETS

Servicing assets primarily consist of originated mortgage servicing rights which are capitalized and included in other assets in the accompanying Consolidated Balance Sheets. These rights are recorded based on the relative fair values of the servicing rights and the underlying loan. They are amortized over the period of the related loan-servicing income stream. We reflect amortization of these rights in our Consolidated Statements of Income under the caption "other service charges and fees." We evaluate servicing assets for impairment in accordance with generally accepted accounting principles. For the years presented, servicing assets and the related amortization were not material.

TRUST PROPERTY

We do not include in our Consolidated Balance Sheets trust property, other than cash deposits which we hold as fiduciaries or agents for our customers, because such items are not assets of the Company.

INCOME TAXES

We recognize deferred income tax liabilities and assets for the expected future tax consequences of events that we include in our financial statements or tax returns. Under this method, we determine deferred income tax liabilities and assets based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

We account for excise tax credits relating to premises and equipment under the flow-through method, recognizing the benefit in the year the asset is placed in service. The excise tax credits related to lease equipment, except for excise tax credits that are passed on to lessees, are recognized during the periods in which the net investment is positive.

We file a consolidated Federal income tax return. Amounts equal to income tax benefits of those subsidiaries having taxable losses or credits are reimbursed by other subsidiaries which would have incurred current income tax liabilities.

DERIVATIVE AND OFF-BALANCE-SHEET FINANCIAL INSTRUMENTS

In the normal course of business, we are a party to various financial instruments entered into to meet the financing needs of our customers and to reduce our own exposure to fluctuations in interest rates and foreign exchange rates. These financial instruments include commitments to extend credit; standby and commercial letters of credit; interest rate swaps, caps and floors; options on mortgage-backed securities; and commitments to purchase or sell foreign currencies. These instruments involve, to varying degrees, elements of credit, interest rate and foreign exchange rate risk in excess of the amounts recognized in the Consolidated and Parent Company Balance Sheets (see Note 25 on page 68). The contract or notional amounts of those instruments reflect the extent of involvement that we have in particular classes of financial instruments.

If a counterparty to a commitment to extend credit or to a standby or commercial letter of credit fails to perform, our exposure to credit losses would be the contractual notional amount. Since these commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash flows. For interest rate swap transactions, the notional amounts do not represent exposure to credit losses.

Options on mortgage-backed securities allow us to decide to make or take delivery of certain mortgage-backed securities. The notional amount of securities covered by the amount of the contracts does not represent exposure to credit losses.

Commitments to purchase or sell foreign currencies obligate us to take or make delivery of a foreign currency. Risks in such instruments arise from fluctuations in foreign exchange rates and the ability of counterparties to fulfill the terms of the contracts.

Derivative financial instruments must meet the same criteria of acceptable risk established for our lending and other financing activities. We manage the credit risk of counterparty defaults in these transactions by:

- Limiting the total amount of outstanding arrangements, both by the individual counterparty and in the aggregate;

- Monitoring the size and maturity structure of the derivative financial instruments portfolio; and

- Applying the uniform credit standards maintained for all of our credit activities, including, in some cases, taking collateral to secure the counterparty obligations.

We enter into interest rate swap agreements as an end-user only. These instruments are used as hedges against various balance sheet accounts. The net interest payable or receivable is accrued and recognized as an adjustment to the interest expense or interest income of the hedged item.

We enter into commitments to purchase or sell foreign currencies for our own account and on behalf of our customers. These commitments are generally matched through offsetting positions. Foreign exchange positions are valued monthly with the resulting gain or loss recognized as incurred.

We use short-term (60 days or less) forward sales of mortgage-backed securities to hedge the market risk associated with timing differences between the commitment of the interest rate, documentation and subsequent sale of residential real estate loans. We value these option contracts monthly and recognize the gain or loss in noninterest income, if the options are exercised.

We monitor and manage interest rate and market risk in conjunction with our overall interest rate risk position. Off-balance-sheet agreements are not entered into if they would increase our interest rate risk above approved guidelines. Our testing to measure and monitor this risk, using net interest income simulations and market value of equity analysis, is usually conducted quarterly.

Effective January 1, 2001, our policies were changed to incorporate the provisions of Statement of Financial Accounting Standard ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended. See "New Pronouncements" on page 50.

ADVERTISING AND PROMOTIONS

Expenditures for advertising and promotions are expensed as incurred. Such expenses are included under the caption "other noninterest expense" in the accompanying Consolidated Statements of Income.

FAIR VALUE OF FINANCIAL INSTRUMENTS

SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," requires that we disclose estimated fair values for certain financial instruments. Financial instruments include such items as loans, deposits, securities, interest rate and foreign exchange contracts, swaps and other instruments as defined by the standard.

Disclosure of fair values is not required for certain items such as lease financing, investments accounted for under the equity method of accounting, obligations for pension and other postretirement benefits, premises and equipment, OREO, prepaid expenses, core deposit intangibles and other customer relationships, other intangible assets and income tax assets and liabilities. Accordingly, the aggregate fair value amounts presented do not purport to represent, and should not be considered representative of, the underlying "market" or franchise value of the Company.

Because the standard permits many alternative calculation techniques and because numerous assumptions have been used to estimate our fair values, reasonable comparisons of our fair value information with that of other financial institutions cannot necessarily be made.

We use the following methods and assumptions to estimate the fair value of our financial instruments:

CASH AND DUE FROM BANKS: The carrying amounts reported in the Consolidated Balance Sheets of cash and short-term instruments approximate fair values.

INVESTMENT SECURITIES: Fair values of investment securities are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments.

LOANS: Fair values are estimated for portfolios of performing loans with similar characteristics. For variable-rate loans that reprice frequently and with no significant change in credit risk, fair values are based on carrying values. We use discounted cash flow analyses, which utilize interest rates currently being offered for loans with similar terms to borrowers of similar credit quality, to estimate the fair values of: (1) fixed-rate commercial and industrial loans; (2) financial institution loans; (3) agricultural loans; (4) certain mortgage loans (e.g., 1-4 family residential, commercial real estate and rental property); (5) credit card loans; and (6) other consumer loans. For certain loans, we may estimate fair value based upon a loan's observable market price. The carrying amount of accrued interest approximates its fair value.

DEPOSITS: The fair value of deposits with no maturity date (e.g., interest and noninterest-bearing checking, passbook savings, and certain types of money market accounts) are, according to generally accepted accounting principles, equal to the amount payable on demand at the reporting date (i.e., their carrying amounts). Fair values of fixed-rate certificates of deposit are estimated using a discounted cash flow calculation that applies interest rates currently being offered on certificates to a schedule of aggregated expected monthly maturities on time deposits.

SHORT-TERM BORROWINGS: The carrying amounts of overnight Federal funds purchased, borrowings under

repurchase agreements and other short-term borrowings approximate their fair values.

LONG-TERM DEBT AND CAPITAL SECURITIES: The fair values of our long-term debt (other than deposits) and capital securities are estimated using quoted market prices or discounted cash flow analyses based on our current incremental borrowing rates for similar types of borrowing arrangements.

OFF-BALANCE-SHEET COMMITMENTS AND CONTINGENT LIABILITIES: Fair values are based upon: (1) quoted market prices of comparable instruments (options on mortgage-backed securities and commitments to buy or sell foreign currencies); (2) fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the counterparties' credit standing (letters of credit and commitments to extend credit); or (3) pricing models based upon quoted markets, current levels of interest rates and specific cash flow schedules (interest rate swaps).

NEW PRONOUNCEMENTS

In September 2000, the Financial Accounting Standards Board ("FASB") issued SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" (a replacement of SFAS No. 125). This statement revises the standards for accounting for securitizations and other transfers of financial assets and collateral and requires certain disclosures, but it carries over most of SFAS No. 125's provisions without reconsideration. This statement is effective for transfers and servicing of financial assets and extinguishments of liabilities occurring after March 31, 2001. This statement is effective for the recognition and reclassification of collateral and for disclosure relating to securitization transactions and collateral for fiscal years ending after December 15, 2000. The adoption of the recognition, reclassification and disclosure provisions of SFAS No. 140 did not have a material effect on the Company's Consolidated Financial Statements. The adoption of the transfers and servicing of financial assets and extinguishment of liabilities provisions of SFAS No. 140 is not expected to have a material effect on the Company's Consolidated Financial Statements.

In January 1999, we adopted SFAS No. 134, "Accounting of Mortgage-Backed Securities Retained after the Securitization of Mortgage Loans Held for Sale by a Mortgage Banking Enterprise, an amendment to SFAS No. 65." SFAS No. 134 requires mortgage banking enterprises to classify loans held-for-sale that they have securitized, based on their intent to sell or hold these investments. The adoption of SFAS No. 134 did not have a material effect on the Company's Consolidated Financial Statements.

In January 2001, the Company adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities--Deferral of the Effective Date of FASB Statement No. 133" and SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities--An Amendment of FASB Statement No. 133." SFAS No. 133, as amended by SFAS Nos. 137 and 138, requires the recognition of all derivative instruments in the statement of financial position as either assets or liabilities and the measurement of derivative instruments at fair value. The accounting for gains or losses resulting from changes in the value of those derivatives depends on the intended use of the derivative and whether it qualifies for hedge accounting. The transition adjustments resulting from the adoption of SFAS No. 133, as amended by SFAS Nos. 137 and 138, were recorded in consolidated net income or accumulated other comprehensive income on January 1, 2001, as a cumulative effect of a change in accounting principle. As of the date of transition, the adoption of SFAS No. 133, as amended by SFAS Nos. 137 and 138, did not have a material effect on the Company's Consolidated Financial Statements.

2. MERGERS AND ACQUISITIONS

NEW MEXICO AND NEVADA BRANCH ACQUISITIONS

In the third quarter of 2000, we entered into an agreement to acquire 30 branches in New Mexico and Nevada being divested by First Security Corporation in connection with its merger with Wells Fargo & Company. These branches have approximately $1.2 billion in deposits and approximately $300 million in loans. The acquisition of the Nevada branches was completed in January 2001 and the acquisition of the New Mexico branches is expected to be completed by mid-February 2001. The cash transaction is being accounted for under the purchase method of accounting. We have incurred pre-tax other nonrecurring costs of $1.3 million in 2000, as described in Note 3 on pages 51 and 52.

SIERRAWEST BANCORP

On July 1, 1999, the Company completed its acquisition of SierraWest Bancorp ("SierraWest"). SierraWest was merged with and into the Company and its subsidiary, SierraWest Bank, was merged with and into Bank of the West (the "SierraWest Merger") resulting in the issuance of approximately 4.4 million shares (8.8 million shares, after adjustment for the two-for-one stock split in December 1999) of our common stock to the shareholders of SierraWest. The acquisition was accounted for using the

pooling-of-interests method of accounting. No material adjustments were required to conform SierraWest's accounting policies with those of the Company.

In connection with the SierraWest Merger, the Company recorded pre-tax restructuring, merger-related and other nonrecurring costs totaling $10.7 million in 1999, as described in Note 3.

The following table sets forth the results of operations of SierraWest and the Company for the six months ended June 30, 1999. These six-month results are included in the consolidated results of operations for the year ended December 31, 1999, presented in the accompanying Consolidated Statements of Income.

SIX MONTHS ENDED JUNE 30, 1999

(in thousands)	SierraWest	Company	Combined
Net interest income	$ 21,703	$315,412	$337,115
Net income	$ 4,765	$ 82,260	$ 87,025

The following table reconciles the net interest income and net income previously reported by the Company with the combined amounts presented in the accompanying Consolidated Statements of Income for the year ended December 31, 1998.

YEAR ENDED DECEMBER 31, 1998

(in thousands)	SierraWest	Company	Combined
Net interest income	$ 39,482	$394,237	$433,719
Net income	$ 7,678	$ 76,606	$ 84,284

BANCWEST CORPORATION

On November 1, 1998, for a purchase price of $905.7 million, BancWest Corporation ("Old BancWest"), parent company of Bank of the West, was merged with and into First Hawaiian, Inc. ("FHI") (the "BancWest Merger"). At that date, Bank of the West, headquartered in San Francisco, was California's fifth-largest bank with approximately $6.1 billion in assets and 103 branches in 21 counties in Northern and Central California.

Prior to the BancWest Merger, Old BancWest was wholly-owned by Banque Nationale de Paris, now BNP Paribas, one of the largest commercial banks in France and among the largest in Europe. In the BancWest Merger, BNP Paribas received approximately 25.815 million shares (51.630 million shares after adjustment for the two-for-one stock split in December 1999) of the Company's newly authorized Class A common stock (representing approximately 45% of the outstanding voting stock). The transaction was accounted for using the purchase method of accounting. The excess of cost over fair value of net assets acquired amounted to approximately $599.0 million. FHI, the surviving corporation of the BancWest Merger, changed its name to "BancWest Corporation" on November 1, 1998.

The Company recorded pre-tax restructuring, merger-related and other nonrecurring costs totaling $25.5 million in 1998, as described in Note 3.

3. RESTRUCTURING, MERGER-RELATED AND OTHER NONRECURRING COSTS

NEW MEXICO AND NEVADA BRANCH ACQUISITIONS

In connection with the acquisition of 30 branches in New Mexico and Nevada, the Company recorded pre-tax other nonrecurring costs of $1.3 million in the fourth quarter of 2000. The costs were primarily composed of fees for outside service providers for preparations for the acquisition of the New Mexico and Nevada branches in 2001.

SIERRAWEST BANCORP MERGER

In connection with the SierraWest Merger, the Company recorded pre-tax restructuring, merger-related and other nonrecurring costs of $10.7 million in 1999. These costs were comprised of: (1) $3.4 million in severance and other employee benefits; (2) $1.6 million in equipment and occupancy expense; (3) $4.2 million in expenses for legal and other professional services; and (4) $1.5 million in other nonrecurring costs. During 1999, we wrote off $1.6 million of capitalized equipment and occupancy expense, paid $2.7 million in accrued severance and other employee benefits and paid $5.4 million in legal and other professional services and other nonrecurring costs. At December 31, 1999, $682,000 of severance and other employee benefits and $267,000 in other nonrecurring costs remained accrued. During 2000, we paid $479,000 in severance and other employee benefits and paid $267,000 in other nonrecurring costs. As of December 31, 2000, accrued expenses related to the SierraWest Merger had been substantially paid.

BANCWEST MERGER AND RELATED MATTERS

The Company recorded pre-tax restructuring, BancWest Merger-related and other nonrecurring costs totaling $25.5 million in 1998. Restructuring and BancWest Merger-related costs of $20 million included: (1) severance and termination payments to employees of $2.2 million; (2) data processing contract termination penalties of $2.1 million; (3) write-off of capitalized software costs of $2.8 million; (4) write-downs or losses associated with excess leased commercial properties of $8.2 million; (5) write-off of signage, forms, prepaid expenses and other miscellaneous assets totaling $3.8 million; and (6) other integration costs of $987,000. Other nonrecurring costs included impairment charges of $5.5 million related to intangible assets associated with earlier acquisitions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

As a result of these costs of $25.5 million, a liability of $11.3 million was recorded in 1998. During 1999, this liability was reduced by a total of $6.6 million, as a result of: (1) $2 million for the payment of data processing contract termination penalties; (2) $2 million for severance payments; (3) $2 million related to excess leased commercial properties; and (4) $600,000 for payments on other nonrecurring costs. The remaining amount accrued was $4.7 million at December 31, 1999. During 2000, this liability was reduced by a total of $2.2 million, as a result of: (1) $58,000 for the reversal of accrued data processing contract termination penalties; (2) $175,000 for reversal of accrued severance payments; (3) $1.9 million related to excess leased commercial properties; and (4) $30,000 for reversal of other accrued costs. The remaining amount accrued at December 31, 2000 is $2.5 million, primarily related to excess leased commercial properties. The majority of the amount related to excess leased commercial property will be fully amortized in December 2002.

On July 19, 1999, the Company announced plans to consolidate its three existing data centers into a single data center in Honolulu. The consolidation was accomplished through a facilities management contract with a service provider which has assumed management of First Hawaiian's existing data center. As a result of this consolidation effort, the Company recorded pre-tax restructuring and other nonrecurring costs of $6.9 million in the third quarter of 1999. Those costs were comprised of: (1) $3.8 million for the write-off of capitalized information technology costs; (2) $1.5 million for employee severance costs; and (3) $1.6 million in other nonrecurring costs. During 1999, we wrote off $3.8 million in capitalized information technology costs and paid $459,000 in other nonrecurring costs. At December 31, 1999, the remaining amount accrued for these costs was $2.6 million. During 2000, we paid $970,000 in employee severance costs and $1 million in other nonrecurring costs. In addition, we reversed $465,000 in accrued employee severance costs and $135,000 in other nonrecurring costs. As of December 31, 2000 the amounts accrued related to the data center consolidation had been substantially paid. See Note 23 to the Consolidated Financial Statements on pages 66 and 67 for additional information.

4. TRANSACTIONS WITH AFFILIATES

Bank of the West participates in various transactions with BNP Paribas and its affiliates. These transactions are subject to review by the Federal Deposit Insurance Corporation (the "FDIC") and other regulatory authorities. The transactions are required to be on terms at least as favorable to Bank of the West as those prevailing at the time for similar non-affiliate transactions. These transactions have included the sales and purchases of assets, foreign exchange activities, financial guarantees, international services, interest rate swaps and intercompany deposits and borrowings. Amounts due to and from affiliates and off-balance-sheet transactions at December 31, 2000 and 1999 were as follows:

(in thousands)	2000	1999
Cash and due from banks	$ 1,278	$ 3,520
Noninterest-bearing demand deposits	3,529	4,618
Short-term borrowings	50,000	--
Time certificates of deposit	467,000	305,000
Other liabilities	121	161
Subordinated capital notes included in long-term debt	51,595	51,783
Off-balance-sheet transactions:		
Standby letters of credit	7,473	7,626
Guarantees received	15,987	24,168
Commitments to purchase foreign currencies	20,144	5,464
Commitments to sell foreign currencies	2,680	901

The subordinated capital notes were sold directly to BNP Paribas. They are subordinated to the claims of depositors and creditors and qualify for inclusion as a component of risk-based capital under current FDIC guidelines for assessing capital adequacy.

5. INVESTMENT SECURITIES

HELD-TO-MATURITY

Amortized cost and fair value of held-to-maturity investment securities at December 31, 2000, 1999 and 1998 were as follows:

	2000			
(in thousands)	AMORTIZED COST	UNREALIZED GAINS	UNREALIZED LOSSES	FAIR VALUE
U.S. TREASURY AND OTHER U.S.				

GOVERNMENT AGENCIES AND CORPORATIONS	$15,990	$--	$ 99	$15,891
OTHER ASSET-BACKED SECURITIES	38,233	11	524	37,720
COLLATERALIZED MORTGAGE OBLIGATIONS	38,717	4	707	38,014
TOTAL HELD-TO MATURITY INVESTMENT SECURITIES	$92,940	$ 15	$ 1,330	$91,625

	1999			
(in thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. Treasury and other U.S. Government agencies and corporations ...	$ 15,985	$--	$ 543	$ 15,442
Other asset-backed securities	72,388	--	1,557	70,831
Collateralized mortgage obligations	54,495	2	1,668	52,829
Total held-to-maturity investment securities	$142,868	$ 2	$3,768	$139,102

	1998			
(in thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. Treasury and other U.S. Government agencies and corporations	$ 80,174	$ 456	$ --	$ 80,630
Other asset-backed securities	111,130	387	141	111,376
Collateralized mortgage obligations	99,618	231	441	99,408
Total held-to-maturity investment securities	$290,922	$1,074	$582	$291,414

The amortized cost and fair value of held-to-maturity investment securities at December 31, 2000, by contractual maturity, are shown below. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations.

(in thousands)	Amortized Cost	Fair Value
Due after one but within five years ...	$15,990	$15,891
Due after five but within ten years ...	8,540	8,523
Due after ten years	68,410	67,211
TOTAL HELD-TO-MATURITY INVESTMENT SECURITIES	$92,940	$91,625

AVAILABLE-FOR-SALE

Amortized cost and fair value of available-for-sale investment securities at December 31, 2000, 1999 and 1998 were as follows:

	2000			
(in thousands)	AMORTIZED COST	UNREALIZED GAINS	UNREALIZED LOSSES	FAIR VALUE
U.S. TREASURY AND OTHER U.S.				

GOVERNMENT AGENCIES AND CORPORATIONS	$ 766,905	$ 3,868	$ 641	$ 770,132
MORTGAGE AND ASSET-BACKED SECURITIES:				
GOVERNMENT	619,791	8,550	1,539	626,802
OTHER	345,229	3,251	676	347,804
COLLATERALIZED MORTGAGE OBLIGATIONS	77,529	243	144	77,628
STATES AND POLITICAL SUBDIVISIONS	9,871	22	183	9,710
OTHER	128,704	--	--	128,704
TOTAL AVAILABLE-FOR-SALE INVESTMENT SECURITIES	$1,948,029	$15,934	$3,183	$1,960,780

	1999			
(in thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. Treasury and other U.S. Government agencies and corporations	$ 775,778	$ 38	$ 7,672	$ 768,144
Mortgage and asset-backed securities:				
Government	556,735	5,043	6,746	555,032
Other	384,378	118	4,244	380,252
Collateralized mortgage obligations	16,374	6	334	16,046
States and political subdivisions	22,104	205	670	21,639
Other	126,896	3	9	126,890
Total available-for-sale investment securities	$1,882,265	$5,413	$19,675	$1,868,003

	1998			
(in thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. Treasury and other U.S. Government agencies and corporations	$ 529,164	$ 2,187	$ 436	$ 530,915
Mortgage and asset-backed securities:				
Government	547,025	7,084	1,226	552,883
Other	247,483	2,091	362	249,212
Collateralized mortgage obligations	685	--	--	685
States and political subdivisions	37,370	1,222	42	38,550
Other	108,729	2	--	108,731
Total available-for-sale investment securities	$1,470,456	$12,586	$2,066	$1,480,976

The amortized cost and fair value of available-for-sale investment securities at December 31, 2000, by contractual maturity, are shown below. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations.

(in thousands)	Amortized Cost	Fair Value
Due within one year	$ 449,635	$ 449,813
Due after one but within five years...	430,502	434,115
Due after five but within ten years...	87,623	87,512
Due after ten years	851,565	860,636
Subtotal	1,819,325	1,832,076
Securities with no stated maturity....	128,704	128,704
TOTAL AVAILABLE-FOR-SALE INVESTMENT SECURITIES	$1,948,029	$1,960,780

The Company held no trading securities at December 31, 2000, 1999 and 1998.

Investment securities with an aggregate carrying value of $1.7 billion at December 31, 2000, were pledged to secure public deposits, repurchase agreements and Federal Home Loan Bank advances.

We held no investment securities of any single issuer (other than the U.S. Government and its agencies) which were in excess of 10% of consolidated stockholders' equity at December 31, 2000.

Gross gains of $865,000, $38,000 and $462,000 and gross losses of $654,000, $22,000 and $21,000 were realized on sales of investment securities during 2000, 1999 and 1998, respectively.

6. LOANS AND LEASES

At December 31, 2000 and 1999, loans and leases were comprised of the following:

(in thousands)	2000	1999
Commercial, financial and agricultural	$ 2,604,590	$ 2,212,757
Real estate:		
Commercial	2,618,312	2,466,822
Construction	405,542	408,078
Residential	2,360,167	2,362,789
Consumer	3,599,954	2,987,347
Lease financing	2,038,516	1,738,048
Foreign	344,750	348,198
TOTAL LOANS AND LEASES...	$13,971,831	$12,524,039

The loan and lease portfolio is principally located in California and Hawaii and, to a lesser extent, Oregon, Washington, Nevada and Idaho. The risk inherent in the portfolio depends upon both the economic stability of those states, which affects property values, and the financial well being and creditworthiness of the borrowers.

At December 31, 2000 and 1999, loans and leases of $93.5 million and $98.3 million, respectively, were on nonaccrual status or restructured.

Our leasing activities consist primarily of: (1) leasing automobiles and commercial equipment; and (2) leveraged leases. Lessees are responsible for all maintenance, taxes and insurance on the leased property. The leases are reported net of unearned income of $452.2 million at December 31, 2000, and $391 million at December 31, 1999. At December 31, 2000, minimum lease receivables for the five succeeding years were as follows:

- 2001 -- $450.9 million

- 2002 -- $446.9 million

- 2003 -- $411.4 million

- 2004 -- $362.3 million

- 2005 -- $249.1 million

In the normal course of business, the Company makes loans to executive officers and directors of the Company and to entities and individuals affiliated with those executive officers and directors. Those loans were made on terms no

less favorable to the Company than those prevailing at the time for comparable transactions with other persons or, in the case of certain residential real estate loans, on terms that were widely available to employees of the Company who were not directors or executive officers. Changes in the loans to such executive officers, directors and affiliates during 2000 and 1999 were as follows:

(in thousands)	2000	1999
Balance at beginning of year ..	$267,245	$238,290
New loans made	34,763	60,317
Less repayments	38,173	31,362
BALANCE AT END OF YEAR	$263,835	$267,245

At December 31, 2000, loans to such parties by the Parent were $4 million; at December 31, 1999, $4.5 million. Interest income related to these loans was $290,000 in 2000, $323,000 in 1999, and $576,000 in 1998.

Real estate loans totaling $1.5 billion were pledged to collateralize the Company's borrowing capacity at the Federal Home Loan Bank at December 31, 2000.

7. PROVISION AND ALLOWANCE FOR CREDIT LOSSES

Changes in the allowance for credit losses were as follows for the years indicated:

(in thousands)	2000	1999	1998
Balance at beginning of year ...	$161,418	$158,294	$ 90,487
Provision for credit losses ...	60,428	55,262	30,925
Net charge-offs:			
Loans and leases charged off	(62,131)	(61,545)	(31,151)
Recoveries on loans and leases previously charged off	12,728	10,432	7,046
Net charge-offs	(49,403)	(51,113)	(24,105)
Transfer of allowance allocated to securitized loans ...	--	(1,025)	--
Allowance of subsidiaries purchased	--	--	60,987
BALANCE AT END OF YEAR	$172,443	$161,418	$158,294

The following table presents information related to impaired loans as of and for the years ended December 31, 2000, 1999 and 1998:

(in thousands)	2000	1999	1998
Impaired loans with related allowance	$ 77,518	$ 72,258	$ 76,513
Impaired loans with no related allowance	35,358	23,163	32,855
Total impaired loans	$112,876	$ 95,421	$109,368
Total allowance for credit losses on impaired loans ...	$ 14,702	$ 15,833	$ 19,710
Average impaired loans	93,572	107,948	88,736
Interest income recognized on impaired loans	5,099	4,349	3,295

Impaired loans without a related allowance for credit losses are generally collateralized by assets with fair values in excess of the recorded investment in the loans. Interest payments on impaired loans are generally applied to reduce the outstanding principal amounts of such loans.

8. PREMISES AND EQUIPMENT

At December 31, 2000 and 1999, premises and equipment were comprised of the following:

(in thousands)	2000	1999
Premises	$278,979	$282,066
Equipment	194,404	176,437
Total premises and equipment ..	473,383	458,503
Less accumulated depreciation and amortization	197,371	176,838
NET BOOK VALUE	$276,012	$281,665

Occupancy and equipment expenses include depreciation and amortization expenses of $25.5 million for 2000, $24.3 million for 1999 and $22.6 million for 1998.

9. DEPOSITS

Interest expense related to deposits for the years indicated was as follows:

(in thousands)	2000	1999	1998
Domestic:			
Interest-bearing demand .	$ 3,546	$ 3,609	$ 11,743
Savings	98,876	93,100	65,665
Time--under $100	150,797	136,797	94,037
Time--$100 and over	195,142	127,539	72,823
Foreign	9,843	7,576	9,592
TOTAL INTEREST EXPENSE ON DEPOSITS	$458,204	$368,621	$253,860

The following table presents the maturity distribution of domestic time certificates of deposits of $100,000 or more at December 31 for the years indicated:

(in millions)	2000	1999
3 months or less	$2,029	$1,980
Over 3 months through 6 months ...	917	738
Over 6 months through 12 months ..	435	371
Over 1 year through 2 years	179	110
Over 2 years through 3 years	23	24
Over 3 years through 4 years	6	5
Over 4 years through 5 years	4	3
Over 5 years	1	1
TOTAL	$3,594	$3,232

Time certificates of deposits in denominations of $100,000 or more at December 31, 2000 and 1999 were as follows:

(in thousands)	2000	1999
Domestic	$3,593,563	$3,231,994
Foreign	87,990	76,259

10. SHORT-TERM BORROWINGS

At December 31 for the years indicated, short-term borrowings were comprised of the following:

(in thousands)	2000	1999	1998
BancWest Corporation (Parent):			
Commercial paper	$ 5,477	$ 2,600	$ 13,903
Bank of the West:			
Securities sold under agreements to repurchase	215,767	142,842	68,696
Federal funds purchased	115,000	2,095	209,070
Advances from Federal Home Loan Bank of San Francisco	--	--	1,000
Other short-term borrowings	306	16,274	4,069
First Hawaiian:			
Securities sold under agreements to repurchase	241,929	301,571	447,667
Federal funds purchased	5,589	38,595	164,462
Advances from Federal Home Loan Bank of Seattle	--	--	14,000
TOTAL SHORT-TERM BORROWINGS	$584,068	$503,977	$922,867

Weighted average interest rates and weighted average and maximum balances for these short-term borrowings were as follows for the years indicated:

(dollars in thousands)	2000	1999	1998
Commercial paper:			
Weighted average interest rate at December 31	6.0%	6.1%	4.9%
Highest month-end balance ..	$ 8,424	$ 9,400	$ 13,903
Weighted average daily outstanding balance	$ 5,541	$ 4,962	$ 4,265
Weighted average daily interest rate paid	6.0%	4.9%	5.0%
Securities sold under agreements to repurchase:			
Weighted average interest rate at December 31	6.1%	5.1%	4.5%
Highest month-end balance ..	$503,936	$564,207	$552,921
Weighted average daily outstanding balance	$439,886	$499,728	$505,529
Weighted average daily interest rate paid	5.8%	4.6%	5.1%
Federal funds purchased:			
Weighted average interest rate at December 31	6.4%	4.7%	4.6%
Highest month-end balance ..	$370,889	$392,325	$373,532
Weighted average daily outstanding balance	$217,447	$138,101	$ 85,405
Weighted average daily interest rate paid	6.3%	4.9%	5.2%
Advances from Federal Home Loan Banks of Seattle and San Francisco:			
Weighted average interest rate at December 31	--%	--%	5.4%
Highest month-end balance ..	$ --	$ 1,000	$441,089
Weighted average daily outstanding balance	$ --	$ 414	$130,804
Weighted average daily interest rate paid	--%	6.3%	4.8%
Other short-term borrowings:			
Weighted average interest rate at December 31	6.5%	5.5%	4.1%
Highest month-end balance ..	$ 22,071	$ 25,085	$ 4,069
Weighted average daily outstanding balance	$ 4,935	$ 2,959	$ 116
Weighted average daily interest rate paid	8.2%	5.6%	4.7%

We treat securities sold under agreements to repurchase as financings. We reflect the obligations to repurchase the identical securities sold as liabilities, with the dollar amount of securities underlying the agreements remaining in the asset accounts. At December 31, 2000, the weighted average maturity of these agreements was 49 days and primarily represented investments by public (governmental) entities. Maturities of these agreements were as follows:

(in thousands)	
Overnight	$214,257
Less than 30 days	86,706
30 through 90 days ...	59,365
Over 90 days	97,368
TOTAL	$457,696

The Parent had $40 million in unused lines of credit with BNP Paribas to support its commercial paper borrowings as of December 31, 2000.

11. LONG-TERM DEBT AND CAPITAL SECURITIES

At December 31 for the years indicated, long-term debt and capital securities were comprised of the following:

(dollars in thousands)	2000	1999
BancWest Corporation (Parent):		

7.375% subordinated notes due 2006	$ 50,000	$ 50,000
7.00% note due 2004	50,000	50,000
6.25% subordinated notes due 2000	--	100,000
Bank of the West:		
6.33%-8.80% notes due through 2014	616,340	496,578
Capital leases due through 2012	613	738
First Hawaiian:		
Capital leases due through 2022	470	476
5.70%-5.84% notes due 2000	--	4,000
Total long-term debt	717,423	701,792
Capital Securities	250,000	100,000
TOTAL LONG-TERM DEBT AND CAPITAL SECURITIES	$967,423	$801,792

BANCWEST CORPORATION (PARENT)

The 7.375% subordinated notes due in 2006 are unsecured obligations with interest payable semiannually.

The 7.00% note due in 2004 is unsecured and accrues interest at London Interbank Offered Rates ("LIBOR") plus 0.25% per annum (7.00% per annum at December 31, 2000). Interest is paid on a quarterly basis.

BANK OF THE WEST

The 6.33%-8.80% notes due through 2014 primarily represent advances from the Federal Home Loan Bank of San Francisco and $51.6 million in subordinated capital notes sold to BNP Paribas. Interest on the Federal Home Loan Bank of San Francisco advances are payable monthly. Interest on the subordinated capital notes sold to BNP Paribas is payable semiannually.

BANCWEST CAPITAL I

In November 2000, the Company sold to the public $150 million in aggregate liquidation amount of BancWest Capital I Quarterly Income Preferred Securities (the "BWE Capital Securities") issued by the BWE Trust, a Delaware business trust. The Company received the BWE Capital Securities (as well as all outstanding common securities of BancWest Capital I) in exchange for the Company's

9.50% junior subordinated deferrable interest debentures, which are the sole assets of the BWE Trust. Holders of BWE Capital Securities are entitled to cumulative cash dividends at an annual rate of 9.50%, subject to possible deferral. The BWE Capital Securities and the debentures will mature on December 1, 2030, but on or after December 1, 2005 are subject to redemption in whole or in part at par plus accrued interest. The BWE Capital Securities qualify as Tier 1 capital of the Company, which has solely, fully and unconditionally guaranteed payment of all amounts due on the BWE Capital Securities to the extent the BWE Trust has funds available for payment of such distributions.

FIRST HAWAIIAN CAPITAL I

In 1997, FH Trust, a Delaware business trust, issued capital securities (the "FH Capital Securities") with an aggregate liquidation amount of $100 million. The proceeds were used to purchase junior subordinated deferrable interest debentures of the Company. These debentures are the sole assets of the FH Trust. The FH Capital Securities qualify as Tier 1 capital of the Company and are solely, fully and unconditionally guaranteed by the Company. The Company owns all the common securities issued by the FH Trust.

The FH Capital Securities accrue and pay interest semi-annually at an annual interest rate of 8.343%. The FH Capital Securities are mandatorily redeemable upon maturity date of July 1, 2027, or upon earlier redemption in whole or in part (subject to a prepayment penalty) as provided for in the governing indenture.

Under the terms of both the BWE Capital Securities and the FH Capital Securities, the interest on the junior subordinated debentures is deferrable. If we defer interest payments on the capital securities, BWE Trust and FH Trust will also defer distributions on the capital securities. During any period in which we defer interest payments on the junior subordinated debentures, we will not and our subsidiaries will not do any of the following, with certain limited exceptions:

- pay a dividend or make any other payment or distribution on our capital stock;
- redeem, purchase or make a liquidation payment on any of our capital stock;
- make an interest, principal or premium payment on, or repay, repurchase or redeem, any of our debt securities that rank equally with or junior to the junior subordinated debentures; or
- make any guarantee payment regarding any guarantee by us of debt securities of any of our subsidiaries, if the guarantee ranks equal with or junior to the junior subordinated debentures.

As of December 31, 2000, the principal payments due on long-term debt and capital securities were as follows:

(in thousands)	BancWest Corporation (Parent)	Bank of the West	First Hawaiian	BancWest Capital I	First Hawaiian Capital I	Total
2001	$ --	$187,273	$ 12	$ --	$ --	$187,285
2002	--	308,978	13	--	--	308,991
2003	--	67,282	15	--	--	67,297
2004	50,000	1,617	16	--	--	51,633
2005	--	208	18	--	--	226
2006 and thereafter	50,000	51,595	396	150,000	100,000	351,991
TOTAL	$100,000	$616,953	$ 470	$150,000	$100,000	$967,423

12. COMMON STOCK AND EARNINGS PER SHARE

There have been three significant stock-related issues since November 1998:

(1) In December 1999, the Company declared a two-for-one stock split which doubled the amount of common and Class A common shares issued and outstanding. Per share information, such as earnings per share, dividends per share and book value per share, was restated for all periods presented in this report.

(2) On July 1, 1999, the Company completed its acquisition of SierraWest. The acquisition was accounted for using the pooling-of-interests method of accounting. SierraWest was merged with and into the Company, resulting in the issuance of approximately 4.4 million shares (8.8 million shares after adjustment for the two-for-one stock split in December 1999) of the Company's common stock to shareholders of SierraWest.

(3) On November 1, 1998, in connection with the BancWest Merger, the Company issued approximately 25.815 million shares (51.630 million shares after adjustment for the two-for-one stock split in December 1999) of newly authorized Class A common stock to BNP Paribas and 411,049 shares of treasury stock to satisfy stock appreciation rights of certain Bank of the West employees. The 411,049 shares were issued as dividend-paying restricted stock. On November 1,

2000, the restrictions on the 822,098 shares (adjusted for the two-for-one stock split in December 1999) expired.

A share of Class A common stock is generally the same as a share of common stock in all respects, except that holders of the Class A common stock have the right to elect a separate class of directors (the "Class A Directors"), and the Class A common stock is entitled to vote as a class on certain fundamental corporate actions unless such actions have been approved by two-thirds of the entire board of directors. The number of Class A Directors will generally be comparable to the percentage of Class A common stock shares in relation to total common stock outstanding (common stock plus Class A common stock).

As of December 31, 2000, the holders of Class A common stock were entitled to elect nine of the Company's 20 directors.

Shares of Class A common stock automatically convert

to common stock under certain circumstances, principally if they are transferred by BNP Paribas to a third party.

Additionally, BNP Paribas is bound by a standstill and governance agreement that governs most aspects of the relationship between BNP Paribas and the Company. The standstill and governance agreement extends for a four-year period from the time of the BancWest Merger, with certain provisions continuing beyond that initial period. Among the key features of this agreement are provisions that:

- Limit BNP Paribas' ability to acquire, directly or indirectly, additional common stock that would result in its ownership of more than 45% of the outstanding voting stock of the Company;

- Restrict BNP Paribas' ability to transfer its shares;

- Restrict BNP Paribas' ability to exercise control over the Company or the Board (other than through its representation on the Board); and

- Create various other restrictions.

Additionally, concurrent with the BancWest Merger, the Company increased the number of authorized shares of common stock from 100 million to 200 million, while reducing the common stock's par value from $5.00 per share to $1.00 per share.

The following is a reconciliation of the numerators and denominators of the basic and diluted earnings per share (includes both common and Class A common shares):

(in thousands, except number of shares and per share data)	2000 INCOME (NUMERATOR)	2000 SHARES (DENOMINATOR)	2000 PER SHARE AMOUNT
BASIC NET INCOME	$ 216,394	124,633,956	$1.74
EFFECT OF DILUTIVE SECURITIES-- STOCK INCENTIVE PLAN OPTIONS	--	415,750	--
DILUTED NET INCOME	$ 216,394	125,049,706	$1.73

(in thousands, except number of shares and per share data)	1999 Income (Numerator)	1999 Shares (Denominator)	1999 Per Share Amount
Basic net income	$ 172,378	124,047,664	$1.39
Effect of dilutive securities-- Stock incentive plan options	--	651,729	--
Diluted net income	$ 172,378	124,699,393	$1.38

(in thousands, except number of shares and per share data)	1998 Income (Numerator)	1998 Shares (Denominator)	1998 Per Share Amount
Basic net income	$ 84,284	79,515,996	$1.06
Effect of dilutive securities-- Stock incentive plan options	--	853,890	--
Diluted net income	$ 84,284	80,369,886	$1.05

13. ACCUMULATED OTHER COMPREHENSIVE INCOME, NET

Comprehensive income is defined as the change in equity from all transactions other than those with stockholders, and it includes net income and other comprehensive income. The Company's only significant item of other comprehensive income is net unrealized gains or losses on certain debt and equity securities and the related reclassification adjustments. Reclassification adjustments include the gains or losses realized in the current period on

certain assets that were included in accumulated other comprehensive income at the beginning of the period. Accumulated other comprehensive income, net, for each of the three years in the period ended December 31, 2000, is presented below.

(in thousands)	Pre-tax Amount	Income Tax (Expense) Benefit	After-tax Amount
Accumulated other comprehensive income, net, December 31, 1997	$ 678	$ (282)	$ 396
Unrealized net holding gain arising in 1998	9,401	(3,824)	5,577
Reclassification adjustment for gains and losses realized in net income	441	(186)	255
Accumulated other comprehensive income, net, December 31, 1998	10,520	(4,292)	6,228
Unrealized net holding loss arising in 1999	(27,119)	11,009	(16,110)
Reclassification adjustment for gains and losses realized in net income	16	(7)	9
Accumulated other comprehensive income, net, December 31, 1999	(16,583)	6,710	(9,873)
UNREALIZED NET HOLDING GAIN ARISING IN 2000	29,123	(11,773)	17,350
RECLASSIFICATION ADJUSTMENT FOR GAINS AND LOSSES REALIZED IN NET INCOME	211	(87)	124
ACCUMULATED OTHER COMPREHENSIVE INCOME, NET, DECEMBER 31, 2000	$ 12,751	$ (5,150)	$ 7,601

14. REGULATORY CAPITAL REQUIREMENTS

The Company is subject to various regulatory capital requirements administered by the Federal banking agencies. If we fail to meet minimum capital requirements, these agencies can initiate certain discretionary (and, in the case of the Company's depository institution subsidiaries, mandatory) actions. Such regulatory actions could have a material effect on the Company's financial statements.

Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and its depository institution subsidiaries must each meet specific capital guidelines that involve quantitative measures of their assets, liabilities and certain off-balance-sheet items as calculated under regulatory accounting practices. These capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Company and its depository institution subsidiaries to maintain minimum amounts and ratios of Tier 1 and Total capital to risk-weighted assets, and of Tier 1 capital to average assets. The table below sets forth those ratios at December 31, 2000 and 1999.

(dollars in thousands)	ACTUAL		FOR CAPITAL ADEQUACY PURPOSES		TO BE WELL-CAPITALIZED UNDER PROMPT CORRECTIVE ACTION PROVISIONS	
	AMOUNT	RATIO	AMOUNT	RATIO	AMOUNT	RATIO
AS OF DECEMBER 31, 2000:						
TIER 1 CAPITAL TO RISK-WEIGHTED ASSETS:						
BANCWEST CORPORATION	$1,597,992	9.73%	$ 656,617	4.00%		
BANK OF THE WEST	820,691	8.78	373,878	4.00	$ 560,818	6.00%
FIRST HAWAIIAN	648,751	9.19	282,500	4.00	423,750	6.00
TOTAL CAPITAL TO RISK-WEIGHTED ASSETS:						
BANCWEST CORPORATION	$1,870,435	11.39%	$1,313,234	8.00%		
BANK OF THE WEST	1,095,240	11.72	747,757	8.00	$ 934,696	10.00%
FIRST HAWAIIAN	795,657	11.27	564,999	8.00	706,249	10.00
TIER 1 CAPITAL TO AVERAGE ASSETS:						
BANCWEST CORPORATION	$1,597,992	9.09%	$ 703,305	4.00%(1)		
BANK OF THE WEST	820,691	7.95	413,174	4.00 (1)	$ 516,468	5.00%
FIRST HAWAIIAN	648,751	8.99	288,756	4.00 (1)	360,945	5.00

(dollars in thousands)	Actual		For Capital Adequacy Purposes		To Be Well-Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 1999:						
Tier 1 Capital to Risk-Weighted Assets:						
BancWest Corporation	$1,297,796	8.80%	$ 590,165	4.00%		
Bank of the West	572,775	7.35	311,531	4.00	$ 467,296	6.00%
First Hawaiian	691,297	9.98	277,056	4.00	415,583	6.00
Total Capital to Risk-Weighted Assets:						
BancWest Corporation	$1,558,494	10.56%	$1,180,329	8.00%		
Bank of the West	834,791	10.72	623,061	8.00	$ 778,827	10.00%
First Hawaiian	838,985	12.11	554,111	8.00	692,639	10.00
Tier 1 Capital to Average Assets:						
BancWest Corporation	$1,297,796	8.11%	$ 640,281	4.00%(1)		
Bank of the West	572,775	6.39	358,269	4.00 (1)	$ 447,836	5.00%
First Hawaiian	691,297	9.92	278,725	4.00 (1)	348,407	5.00

(1) The leverage ratio consists of a ratio of Tier 1 capital to average assets. The minimum leverage ratio guideline is three percent for banking organizations that do not anticipate or are not experiencing significant growth, and that have well-diversified risk, excellent asset quality, high liquidity, good earnings, a strong banking organization, and rated a composite 1 under the Uniform Financial Institution Rating System established by the Federal Financial Institution Examination Council.

Pursuant to applicable law and regulations, each of the depository

institution subsidiaries have been notified by the Federal Deposit Insurance Corporation ("FDIC") that each of them is deemed to be well-capitalized. To be well-capitalized, a bank must have a total risk-based capital ratio of 10.00% or greater, a Tier 1 risk-based capital ratio of 6.00% or greater, a leverage ratio of 5.00% or greater and not be subject to any agreement, order or directive to meet a specific capital level for any capital measure. Management believes that no conditions or events have occurred since the respective notifications to change the capital category of either of its depository institution subsidiaries.

15. LIMITATIONS ON PAYMENT OF DIVIDENDS

The primary source of funds that we use to pay dividends to stockholders are dividends the Parent receives from its subsidiaries. Regulations limit the amount of dividends Bank of the West and First Hawaiian may declare or pay. At December 31, 2000, the aggregate amount available for payment of dividends by such subsidiaries without prior regulatory approval was $366.7 million.

16. BENEFIT PLANS

PENSION AND OTHER POSTRETIREMENT BENEFIT PLANS

The Company sponsors a noncontributory defined benefit pension plan, which is a merger of two separate plans. The first plan, for First Hawaiian employees, was frozen at December 31, 1995. As a result of that freeze, there are no further benefit accruals for First Hawaiian employees in the merged plan. The second plan, for Bank of the West employees, was a cash balance pension plan. The merged plan continues to provide cash balance benefit accruals for eligible Bank of the West employees.

The Company also sponsors an unfunded excess benefit pension plan covering employees whose pay or benefits exceed certain regulatory limits, unfunded postretirement medical and life insurance plans, and, for certain key executives, an unfunded supplemental executive retirement plan.

In addition, the Company also has a non-qualified pension plan (the "Director's Retirement Plan") that provides for eligible directors to qualify for retirement

benefits based on their service as a director. The Director's Retirement Plan's benefit obligations have been reflected in the following table.

The following tables summarize changes to the benefit obligation and fair value of plan assets for the years indicated:

	Pension Benefits		Other Benefits	
(in thousands)	2000	1999	2000	1999
Benefit obligation at beginning of year	$ 142,101	$ 148,206	$ 16,651	$ 16,174
Service cost	3,594	3,295	888	945
Interest cost	10,268	9,909	1,174	1,000
Amendments	8,619	--	(42)	517
Actuarial (gain) loss	5,467	(6,990)	729	(1,353)
Benefit payments	(10,493)	(12,319)	(986)	(632)
BENEFIT OBLIGATION AT END OF YEAR	$ 159,556	$ 142,101	$ 18,414	$ 16,651

	Pension Benefits		Other Benefits	
(in thousands)	2000	1999	2000	1999
Fair value of plan assets at beginning of year	$ 196,481	$ 183,955	$ --	$ --
Actual return on plan assets	(11,035)	23,334	--	--
Employer contributions	1,017	1,511	986	632
Benefit payments	(10,493)	(12,319)	(986)	(632)
FAIR VALUE OF PLAN ASSETS AT END OF YEAR	$ 175,970	$ 196,481	$ --	$ --

The following table summarizes the funded status of the plans and amounts recognized/unrecognized in the Consolidated Balance Sheets:

	Pension Benefits		Other Benefits	
(in thousands)	2000	1999	2000	1999
Funded status	$ 16,414	$ 54,380	$(18,414)	$(16,651)
Unrecognized net (gain) loss	1,008	(38,546)	1,627	1,057
Unrecognized prior service cost	14,117	6,772	454	517
Unrecognized transition (asset) obligation	(1,200)	(2,400)	3	33
PREPAID (ACCRUED) BENEFIT COST	$ 30,339	$ 20,206	$(16,330)	$(15,044)

Pension plan assets at December 31 include the following shares of common stock of the Company:

(dollars in thousands)	Shares	Fair value
2000	1,175,712	$ 30,715
1999	1,175,712	$ 22,926

Key provisions for the merged pension plan as of December 31, 2000 and 1999 are as follows:

(in thousands)	2000	1999
Projected benefit obligation	$125,608	$113,670
Accumulated benefit obligation	124,745	112,765
Fair value of plan assets for the retirement plan with plan assets in excess of accumulated benefit obligations	175,970	196,481
Prepaid benefit cost for the overfunded plan	57,601	43,760

Except for the merged pension plan, the remaining plans had an accrued benefit liability.

The weighted average discount rate was 7% as of December 31, 2000 and 1999, respectively. In determining the 2000 net periodic benefit cost, the expected return on plan assets was 9.5% for the funded defined benefit pension plan; the rate of increase in future compensation used in determining the projected benefit obligation averaged 4.7% for the unfunded supplemental executive retirement plan and 4% for the defined benefit pension plan.

For measurement purposes for First Hawaiian employees, a 7% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2000. The rate was assumed to decrease gradually to 4% after 6 years and remain level at 4% thereafter. These assumptions are not applicable for First Hawaiian retirees over age 65 because benefits are capped at $50 per month. For Bank of the West employees, the annual rate of increase in the per capita cost of covered health care benefits was 5% for 2000 and 4.25% thereafter, except on certain employees employed in the Pacific Northwest, the rate was 6.5% for 2000 decreasing gradually to 4% over 5 years and remaining at 4% thereafter.

The following table sets forth the components of the net periodic benefit cost (credit) for 2000, 1999 and 1998:

	Pension Benefits			Other Benefits		
(in thousands)	2000	1999	1998	2000	1999	1998
Service cost	$ 3,594	$ 3,295	$ 1,483	$ 888	$ 945	$ 369
Interest cost	10,268	9,909	7,345	1,174	1,000	623
Expected return on plan assets	(18,333)	(15,773)	(11,004)	--	--	--
Amortization of transition (asset) obligation	(1,200)	(1,200)	(1,200)	--	3	143
Amortization of prior service cost	1,278	851	886	51	--	26
Recognized net actuarial (gain) loss	(4,723)	(3,934)	(2,450)	159	129	--
Curtailment loss	N/A	N/A	N/A	N/A	139	N/A
NET PERIODIC BENEFIT COST (CREDIT)	$ (9,116)	$ (6,852)	$ (4,940)	$ 2,272	$ 2,216	$ 1,161

Assumed health care cost trend rates have an impact on the amounts reported for the health care plans. A one-percentage-point change in the assumed health care cost trend rates would have the following pre-tax effect:

(in thousands)	One-Percentage-Point Increase	One-Percentage-Point Decrease
Effect on 2000 total of service and interest cost components	$ 61	$ (51)
Effect on postretirement benefit obligation at December 31, 2000	508	(450)

MONEY PURCHASE AND 401(k) MATCH PLANS

The Company contributes to a defined contribution money purchase plan. The Company also matches employees' contributions (up to 3% of pay) to a 401(k) component of the defined contribution plan. The plans cover substantially all employees who satisfy applicable age and length-of-service requirements, except for a select group of key executives who are eligible for the Company's unfunded supplemental executive retirement plan.

For 2000, 1999 and 1998, the money purchase plan contribution was $4.5 million, $5 million and $5.2 million, respectively. The matching employer contributions to the 401(k) plan were $3.9 million, $2 million and $2 million, respectively. Matching employer contributions for 2000 reflect the addition of the Bank of the West Savings Plan participants to the Company's defined contribution plan.

Effective July 1, 1999, the Bank of the West Savings Plan was merged into the Company's defined contribution plan. Effective June 30, 1999, SierraWest amended the SierraWest Bancorp KSOP Plan (the "KSOP") to cease all contributions. Effective July 1, 1999, all eligible employees who participated in the KSOP became eligible to participate in the Company's defined contribution plan.

Effective January 1, 2000, the KSOP was divided into two separate plans: (1) the SierraWest Bancorp Employee Stock Ownership Plan (the "ESOP"); and (2) the SierraWest Bancorp Savings Plan (the "SierraWest Savings Plan") (together, the "Plans"). On August 15, 2000, the Plans were separately submitted to the Internal Revenue Service (the "IRS") for determination letters that they remain qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended. As soon as administratively practicable following the favorable determination letters from the IRS, the ESOP will be terminated as of an appropriate date and its assets will be distributed to participants, and the SierraWest Savings Plan will be merged into the Company's defined contribution plan.

PROFIT-SHARING AND CASH-BONUS PLANS

Previously, the profit-sharing and cash-bonus plans covered substantially all employees who satisfied age and length-of-service requirements. Annual contributions to the plans were based upon a formula and were limited to the total amount deductible under the applicable provisions of the Internal Revenue Code. The profit-sharing and cash-bonus formula provided that:

- 50% of the Company's contribution be paid directly to eligible members as a year-end cash-bonus, and
- The other 50%, less forfeitures, be paid into the profit-sharing trust fund.

The profit-sharing contribution and cash-bonus (reflected in salaries and wages) totaled $4.3 million for 1998. Contributions to the profit-sharing and cash-bonus plans have been terminated for periods commencing after December 31, 1998.

INCENTIVE PLAN FOR KEY EXECUTIVES

The Company has an Incentive Plan for Key Executives (the "IPKE"), under which awards of cash or our common stock, or both, are made to key executives. The IPKE limits the aggregate and individual value of the awards that could be issued in any one fiscal year. Shares of common stock awarded under the IPKE are held in escrow. Key executives concerned may not, under any circumstances, voluntarily dispose of or transfer such shares prior to the earliest of:

- Attaining 60 years of age,
- Completion of 20 full years of employment with the Company, or
- Retirement, death or termination of employment prior to retirement with the approval of the Company.

Additionally, any key executive who has met the minimum restrictions of 20 years of employment or 60 years of age may not voluntarily dispose of subsequent shares awarded for a five-year period.

LONG-TERM INCENTIVE PLAN

We have a Long-Term Incentive Plan (the "LTIP") designed to reward selected key executives for their performance and the Company's performance measured over multi-year performance cycles. Due to the timing of the BancWest Merger, the cycle that ended December 31, 2000 ran for two years (1999-2000). Concurrently, the second and third cycles for three years (1999-2001 and 2000-2002) are running.

Even though the Company was the surviving corporation, the BancWest Merger constituted a "Change in Control" as defined by the LTIP. As of the effective date of an LTIP Change in Control, the LTIP provides that participants will be deemed to have fully earned the

maximum target value attainable for the entire performance period, regardless of whether the Company met the target levels.

Based on actual performance to November 1, 1998, it did not appear that any payments would be made for either of the three-year performance periods that began in 1996 and 1997. If the LTIP Change in Control provisions had been implemented, on the other hand, participants would have received maximum payments under the LTIP for the three-year periods that began on January 1, 1996, 1997 and 1998.

We also recognized that, because of the BancWest Merger, the LTIP's performance goals would no longer be appropriate. As a result, we amended the LTIP to:

(1) specify that the BancWest Merger would not be considered an LTIP Change in Control for purposes of the LTIP; and (2) pay the maximum target value attainable for one year of the three-year performance period that began on January 1, 1998. A payment of $1 million, equal to one-third of the maximum target value attainable for the 1998-2000 performance cycle, was made to participants in the LTIP in January 1999. The payments were based upon 1998 compensation levels.

The initial two-year performance cycle (1999-2000) ended on December 31, 2000. The threshold earnings per share level for the Company and specified levels relative to peer banks were achieved during this cycle. Awards will be paid for this cycle in early 2001 when the Executive Compensation Committee of the Board of Directors can approve awards. As of December 31, 2000 the Company has accrued $4.4 million for potential LTIP payouts.

17. STOCK-BASED COMPENSATION

The Company has two Stock Incentive Plans, one effective in 1991 (the "1991 SIP") and one effective in 1998 (the "1998 SIP" and, together with the 1991 SIP, the "SIP"). The SIP authorizes the grant of up to 6,000,000 shares of common stock to selected key employees. The SIP aims to enhance the value of the Company by providing additional incentives for outstanding performance to selected key employees, linking their interests with those of our stockholders. The SIP is administered by the Executive Compensation Committee of the Board.

The Company began administering the Sierra Tahoe Bancorp 1996 Stock Option Plan, the Sierra Tahoe Bancorp 1998 Stock Option Plan, the California Community BancShares Corporation 1993 Stock Option Plan and the Continental Pacific Bank 1990 Amended Stock Option Plan (the "SierraWest Option Plans") as a result of the SierraWest Merger. There will be no future options granted under the SierraWest Option Plan.

The SIP provides for grants of restricted stock, incentive stock options and non-qualified stock options. Options are granted at exercise prices that are not less than the fair market value of the common stock on the date of grant. The exercise price for stock options may be paid in whole or in part in cash, by delivery or withholding of shares (if allowed by the option agreement) or by various other methods. Options generally vest at a rate of 25% per year after the date of grant and must generally be exercised within ten years from the date of grant. Because options become immediately vested and exercisable if there is a change in control of the Company, the BancWest Merger in November 1998 resulted in vesting of substantially all then outstanding options.

In connection with the two-for-one stock split in December 1999, the number of shares of the Company's common stock available for grants under the SIP was doubled. Outstanding options under the SIP and SierraWest Option Plans were adjusted by doubling the aggregate number of shares issuable under each outstanding option and by halving their per share exercise price.

The following table summarizes activity under the SIP and SierraWest Option Plans for 2000, 1999 and 1998:

	Options Outstanding	
	Shares	Weighted Average Exercise Price
Balance at December 31, 1997	1,209,881	$12.08
Granted	420,362	19.30
Exercised	(118,753)	5.65
Forfeited	(16,305)	10.58
Balance at December 31, 1998	1,495,185	14.61
Granted	2,183,567	20.08
Exercised	(234,661)	10.00
Forfeited	(8,981)	19.71
Balance at December 31, 1999	3,435,110	18.31
GRANTED	1,330,761	15.13
EXERCISED	(297,678)	14.67
FORFEITED	(43,953)	20.52
BALANCE AT DECEMBER 31, 2000	4,424,240	$16.66

At December 31, 2000, 335,634 stock options were available for future grants under the SIP.

The following table summarizes SIP and SierraWest Option Plans options outstanding and exercisable as of December 31, 2000:

Range of Exercise Prices	Options Outstanding: Number of Shares Outstanding	Options Outstanding: Weighted Average Exercise Price	Options Outstanding: Weighted Average Remaining Contractual Life (Years)	Options Exercisable: Number of Shares Outstanding	Options Exercisable: Weighted Average Exercise Price
Less than $12.50	117,284	$ 6.95	5.00	117,284	$ 6.95
$12.50-$15.00	2,072,316	14.60	3.53	747,086	13.67
$15.50-$17.50	563,976	16.62	6.50	563,976	16.62
$18.00-$20.00	1,670,664	19.89	7.50	981,210	19.87
BALANCE AT DECEMBER 31, 2000	4,424,240	$ 16.66	5.45	2,409,556	$ 16.56

In accounting for our option plans, the Company applies Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. There has been no compensation cost charged against income for the option plans, as options are granted at exercise prices that are not less than the fair market value of the common stock on the date of grant. Had compensation cost for the option plans been determined in accordance with SFAS No. 123, "Accounting for Stock-Based Compensation," the Company's net income and basic earnings per share would have been reduced to the pro forma amounts indicated below:

(in thousands, except per share data)	2000	1999	1998
Net income:			
As reported	$ 216,394	$ 172,378	$ 84,284
Pro forma	214,978	171,543	81,544
Basic earnings per share:			
As reported	$ 1.74	$ 1.39	$ 1.06
Pro forma	1.73	1.38	1.03

Under SFAS No. 123, the fair value of each grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for the grants:

	2000	1999	1998
Expected dividend yield	3.27%	3.32%	3.20%
Expected common stock volatility	24.76%	22.58%	19.84%
Risk-free interest rate	6.66%	5.47%	5.35%
Expected life of the options	6 years	6 years	6 years

The weighted average grant date fair value of options granted was $3.98 in 2000, $4.45 in 1999 and $4.01 in 1998.

18. OTHER NONINTEREST EXPENSE

For the years indicated, other noninterest expense included the following:

(in thousands)	2000	1999	1998
Stationery and supplies	$ 20,286	$ 21,275	$ 12,958
Advertising and promotion	16,950	15,788	11,909
Other	80,716	75,526	60,146
TOTAL OTHER NONINTEREST EXPENSE	$117,952	$112,589	$ 85,013

19. INCOME TAXES

For the years indicated, the provision for income taxes was comprised of the following:

(in thousands)	2000	1999	1998
Current:			
Federal	$ 30,164	$ 22,075	$ 9,030
States and other	9,215	6,445	4,511
Total current	39,379	28,520	13,541
Deferred:			
Federal	89,451	76,184	33,491
States and other	23,397	19,047	13,585
Total deferred	112,848	95,231	47,076
TOTAL PROVISION FOR INCOME TAXES	$152,227	$123,751	$ 60,617

At December 31, 2000, the Company had no federal or state tax credit carryforwards.

The components of the Company's net deferred income tax liabilities at December 31, 2000 and 1999 were as follows:

(in thousands)	2000	1999
ASSETS		
Allowance for credit losses and nonperforming assets	$ 76,183	$ 71,894
Deferred compensation expenses	4,325	10,835
State income and franchise taxes	2,749	841
Other	--	19,361
Total deferred income tax assets	83,257	102,931
LIABILITIES		
Leases	561,009	453,092
Intangible assets	11,893	13,212
Investment securities	26,966	12,493
Depreciation expense	15,761	11,626
Other	13,977	--
Total deferred income tax liabilities	629,606	490,423
NET DEFERRED INCOME TAX LIABILITIES	$546,349	$387,492

Net deferred income tax liabilities are included in other liabilities in the Consolidated Balance Sheets.

The following analysis reconciles the Federal statu-

tory income tax rate to the effective income tax rate for the years indicated:

	2000	
(dollars in thousands)	Amount	%
FEDERAL STATUTORY INCOME TAX RATE	$ 129,017	35.0%
FOREIGN, STATE AND LOCAL TAXES, NET OF FEDERAL INCOME TAX BENEFIT	22,113	6.0
GOODWILL AMORTIZATION	10,784	2.9
TAX CREDITS	(7,467)	(2.0)
OTHER	(2,220)	(.6)
EFFECTIVE INCOME TAX RATE	$ 152,227	41.3%

	1999	
(dollars in thousands)	Amount	%
Federal statutory income tax rate	$ 103,644	35.0%
Foreign, state and local taxes, net of Federal income tax benefit	17,678	6.0
Goodwill amortization	10,469	3.5
Tax credits	(6,214)	(2.1)
Other	(1,826)	(.6)
Effective income tax rate	$ 123,751	41.8%

	1998	
(dollars in thousands)	Amount	%
Federal statutory income tax rate	$ 50,716	35.0%
Foreign, state and local taxes, net of Federal income tax benefit	7,211	5.0
Goodwill amortization	2,741	1.9
Tax credits	(3,023)	(2.1)
Other	2,972	2.0
Effective income tax rate	$ 60,617	41.8%

20. OPERATING SEGMENTS

In 1998, the Company adopted SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." SFAS No. 131 superseded SFAS No. 14, "Financial Reporting for Segments of a Business Enterprise," replacing the "industry segment" approach with the "management" approach. Using the management approach, we report the same operating segments that management uses to make decisions and assess the Company's performance. SFAS No. 131 also requires disclosures about products and services, geographic areas and major customers. The adoption of SFAS No. 131 did not affect consolidated results of operations or consolidated financial position as previously reported.

The Company has determined that our reportable segments are the ones we use in our internal reporting: Bank of the West and First Hawaiian. The Bank of the West segment operates primarily in California, Oregon, Washington, Idaho and Nevada.

Although the First Hawaiian segment operates primarily in Hawaii, it also has significant operations outside the state, such as media finance, leveraged leases and international banking.

The financial results of these operating segments are presented on an accrual basis. There are no significant differences among the accounting policies of the segments as compared to the Consolidated Financial Statements. The Company evaluates the performance of its segments and allocates resources to them based on net interest income and net income. There are no material intersegment revenues.

The tables below present information about the Company's operating segments as of or for the years ended December 31:

	Bank of the	First		Reconciling	Consolidated

(in millions)	West	Hawaiian	Other	Items	Totals
2000:					
NET INTEREST INCOME	$ 423	$ 329	$ (5)	$ --	$ 747
PROVISION FOR CREDIT LOSSES	38	22	--	--	60
DEPRECIATION AND AMORTIZATION	43	27	--	--	70
RESTRUCTURING, MERGER-RELATED AND OTHER NONRECURRING COSTS	1	--	--	--	1
PROVISION FOR INCOME TAXES	85	71	(4)	--	152
NET INCOME	110	112	(6)	--	216
SEGMENT ASSETS (YEAR END)............................	11,159	7,452	3,215	(3,369)	18,457
CAPITAL EXPENDITURES	24	7	--	--	31
1999:					
Net interest income	$ 384	$ 312	$ (7)	$ --	$ 689
Provision for credit losses	28	27	--	--	55
Depreciation and amortization	41	26	--	--	67
Restructuring, merger-related and other nonrecurring costs	11	7	--	--	18
Provision for income taxes	72	56	(4)	--	124
Net income	84	94	(6)	--	172
Segment assets (year end)	9,571	7,081	2,747	(2,718)	16,681
Capital expenditures	18	21	--	--	39
1998:					
Net interest income	$ 126	$ 322	$ (14)	$ --	$ 434
Provision for credit losses	8	23	--	--	31
Depreciation and amortization	12	23	--	--	35
Restructuring, merger-related and other nonrecurring costs	10	16	--	--	26
Provision for income taxes	15	53	(7)	--	61
Net income	18	75	(9)	--	84
Segment assets (year end)	8,603	7,248	2,458	(2,380)	15,929
Capital expenditures	8	11	--	--	19

The "other" category in the table above consists primarily of the Parent, Leasing, BWE Trust and FH Trust.

The Company also identifies business units based on

the products or services offered and the channels through which the products or services are delivered. In addition to the operating segment information, the table below presents selected Company-wide information regarding business units for the respective years ended December 31:

(in millions)	Wholesale	Retail	Other	Reconciling Items	Consolidated Totals
Interest income:					
2000	$397	$750	$188	$(25)	$1,310
1999	352	657	149	(22)	1,136
1998	227	465	70	(12)	750

Wholesale banking primarily provides commercial, financial, and agricultural, small business and commercial and construction real estate loans. It also is comprised of equipment lease financing. Retail banking is primarily composed of consumer and residential real estate loans, credit card services and automobile leases. The "other" category is composed primarily of interest income from investments.

The reconciling items in the above tables are principally intercompany eliminations.

21. INTERNATIONAL OPERATIONS

The Company's international operations are principally in Guam, Saipan and Grand Cayman, British West Indies. These operations involve foreign banking and international financing activities, including short-term investments, loans and leases, acceptances, letters of credit financing and international funds transfers.

We identify international activities on the basis of the domicile of the customer.

The table below presents information about the Company's foreign, domestic and consolidated operations as of or for the years ended December 31:

(in thousands)	Foreign	Domestic	Consolidated
2000:			
TOTAL REVENUE	$ 47,747	$ 1,478,185	$ 1,525,932
INCOME BEFORE INCOME TAXES	6,674	361,947	368,621
NET INCOME	4,271	212,123	216,394
TOTAL ASSETS	389,589	18,067,477	18,457,066
1999:			
Total revenue	$ 50,730	$ 1,282,613	$ 1,333,343
Income before income taxes	6,270	289,859	296,129
Net income	4,013	168,365	172,378
Total assets	404,666	16,276,356	16,681,022
1998:			
Total revenue	$ 45,197	$ 838,526	$ 883,723
Income before income taxes	4,274	140,627	144,901
Net income	2,735	81,549	84,284
Total assets	695,698	15,233,366	15,929,064

Our current procedure is to price intercompany transfers of funds at prevailing market rates. In general, we have allocated all direct expenses and a proportionate share of general and administrative expenses to the income derived from loans and leases and transactions by the Company's international operations.

The following table presents the percentages of assets and liabilities attributable to foreign operations. For this purpose, assets attributable to foreign operations are defined as: (1) assets in foreign offices; and (2) loans and leases to and investments in customers domiciled outside the United States. Deposits received and other liabilities are classified on the basis of domicile of the depositor/creditor.

	2000	1999	1998
Average foreign assets to average total assets	2.93%	3.98%	4.92%
Average foreign liabilities to average total liabilities	1.79	1.75	3.12

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22. LEASE COMMITMENTS

At December 31, 2000, we had the following future minimum lease payments (by year and in the aggregate) under noncancelable operating leases having initial or remaining terms in excess of one year:

(in thousands)	Operating Leases	Less Sublease Income	Net Operating Leases
2001	$ 45,224	$ 10,299	$ 34,925
2002	40,247	9,215	31,032
2003	35,831	7,507	28,324
2004	17,991	6,827	11,164
2005	14,413	6,318	8,095
2006 and thereafter	63,326	6,677	56,649
Total	$217,032	$ 46,843	$170,189

These leases of premises and equipment extend for varying periods up to 41 years. Some of them may be renewed for periods ranging from one to 41 years. Under the premises' leases, we are also required to pay real property taxes, insurance and maintenance.

In most cases, leases for premises provide for periodic renegotiation of rents based upon a percentage of the appraised value of the leased property. The renegotiated annual rent is usually not less than the annual amount paid in the previous period. Where future commitments are subject to appraisals, the minimum annual rental commitments are based on the latest annual rents.

Rental expense for the years indicated was:

2000: $45.9 million
1999: $45.1 million
1998: $37.2 million

In December 1993, the Company entered into a noncancelable agreement to lease its administrative headquarters building on land owned in fee simple by the Company. (Construction of the building was completed in September 1996.) Also in December 1993, the Company entered into a ground lease of the land to the lessor of the building.

Rent obligation for the building commenced on December 1, 1996 and will expire on December 1, 2003 (the "Primary Term"). We are obligated to pay all taxes, insurance, maintenance and other operating costs associated with the building during the Primary Term. As of December 31, 2000, the Company has executed certain noncancelable subleases with third parties. These amounts are included in sublease income in the above table.

At the end of the Primary Term, the Company may decide whether to: (1) extend the lease term at rents based on the lessor's cost of funds at the time of renewal; (2) purchase the building for an amount approximately equal to that expended by the lessor to construct the building; or (3) arrange for the sale of the building to a third party on behalf of the lessor. If we choose option (3), we must pay to the lessor any shortfall between the sales proceeds and a specified residual value, such payment not to exceed $162 million. This lease is accounted for as an operating lease.

23. COMMITMENTS AND CONTINGENT LIABILITIES

Off-balance-sheet commitments and contingent liabilities were as follows at December 31 for the years indicated:

(in thousands)	2000 NOTIONAL/ CONTRACT AMOUNT	1999 Notional/ Contract Amount
Contractual Amounts Which Represent Credit Risk:		
Commitments to extend credit	$5,573,817	$5,552,476
Standby letters of credit	305,970	247,620
Commercial letters of credit	10,543	7,150
Contractual Amounts Where Credit Risk is Less Than Contractual Amount:		
Commitments to purchase foreign currencies	23,842	8,870
Commitments to sell foreign currencies	25,285	11,458
Interest rate swaps	123,564	131,471
Swaptions	8,576	--
Forward contracts	5,000	10,000
Put options	5,000	2,000
Call options	2,676	--
Guarantees received	17,172	31,003

ROLLFORWARD SCHEDULE

The following is a summary of derivative financial instruments for 2000 and 1999:

(in millions)	Receive Fixed Swaps	Pay Fixed Swaps	Variable/ Variable Swaps	Forward Starting Swaps	Swap-tions	Forward Con-tracts	Put/ Call Options	Total
Balance, December 31, 1998	$ 20	$111	$ 10	$ 4	$--	$ 33	$ 6	$184
Additions	--	11	--	--	--	130	29	170
Maturities/ amortization	20	4	--	--	--	153	33	210
Terminations	--	1	--	--	--	--	--	1
Balance, December 31, 1999	--	117	10	4	--	10	2	143
ADDITIONS	--	3	--	3	9	64	24	103
MATURITIES/ AMORTIZATION	--	3	--	3	--	69	18	93
TERMINATIONS	--	8	--	--	--	--	--	8
BALANCE, DECEMBER 31, 2000	$--	$109	$ 10	$ 4	$ 9	$ 5	$ 8	$145

HEDGING SUMMARY

The following is additional hedging information related to the Company's

interest rate swaps as of December 31, 2000:

(dollars in millions)	Notional Amount	Pay Rate	Receive Rate	Asset Yield	Net Yield	Original Maturity	Remaining Maturity
Asset hedges:							
Fixed rate loans	$109	6.37%	6.71%	8.07%	8.41%	10.1 yrs.	5.2 yrs.

The following summarizes the impact of the Company's interest rate swap and floor activities on its weighted average borrowing rate and on net interest expense for the years indicated:

(dollars in thousands)	2000	1999	1998
AVERAGE BORROWING RATE:			
WITHOUT INTEREST RATE SWAPS AND FLOORS	4.58%	3.89%	4.25%
WITH INTEREST RATE SWAPS AND FLOORS	4.58	3.89	4.25
INTEREST RATE SWAP AND FLOOR EXPENSE, NET	$285	$1,128	$1,256

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

FACILITIES MANAGEMENT AGREEMENT

In August 1999, the Company signed a six-year facilities management agreement in connection with the consolidation of the three data centers. At December 31, 2000, the Company had the following future minimum payments under this noncancelable agreement:

(in thousands)	Minimum Payments
2001	$16,934
2002	16,934
2003	16,934
2004	16,934
2005	11,289
TOTAL	$79,025

Expenses under this facilities management agreement for the year ended December 31, 2000 were approximately $18.2 million.

LITIGATION

Various legal proceedings are pending against the Company. Our ultimate liability, if any, cannot be determined at this time. Based upon consultation with counsel, management does not expect that the aggregate liability, if any, resulting from these proceedings would have a material effect on the Company's consolidated financial position, results of operations or liquidity.

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents a summary of the book and fair value of the Company's financial instruments, excluding leases, at December 31 for the years indicated:

	2000	
(in thousands)	Book Value	Fair Value
FINANCIAL ASSETS:		
CASH AND DUE FROM BANKS	$ 873,599	$ 873,599
INTEREST-BEARING DEPOSITS IN OTHER BANKS	5,972	6,329
FEDERAL FUNDS SOLD AND SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL	307,100	307,100
INVESTMENT SECURITIES (NOTE 5):		
HELD-TO-MATURITY	92,940	91,625
AVAILABLE-FOR-SALE	1,960,780	1,960,780
LOANS	11,920,001	11,904,583
CUSTOMERS' ACCEPTANCE LIABILITY	1,080	1,080
FINANCIAL LIABILITIES:		
DEPOSITS	$14,128,139	$14,149,011
SHORT-TERM BORROWINGS	584,068	584,068
ACCEPTANCES OUTSTANDING	1,080	1,080
LONG-TERM DEBT	717,423	731,864
GUARANTEED PREFERRED BENEFICIAL INTERESTS IN JUNIOR SUBORDINATED DEBENTURES	250,000	251,650

	1999	
(in thousands)	Book Value	Fair Value
Financial Assets:		
Cash and due from banks	$ 809,961	$ 809,961
Interest-bearing deposits in other banks	9,135	6,979
Federal funds sold and securities purchased under agreements to resell	71,100	71,100
Investment securities (note 5):		
Held-to-maturity	142,868	139,102
Available-for-sale	1,868,003	1,868,003
Loans	10,782,210	10,741,599
Customers' acceptance liability	1,039	1,039
Financial Liabilities:		

Deposits	$12,877,952	$12,866,814
Short-term borrowings	503,977	503,977
Acceptances outstanding	1,039	1,039
Long-term debt	701,792	697,000
Guaranteed preferred beneficial interests in junior subordinated debentures	100,000	95,782

The following table presents a summary of the fair value of the Company's off-balance-sheet financial instruments, excluding leases, (Note 23) at December 31, 2000 and 1999:

(in thousands)	2000	1999
Commitments to extend credit	$26,565	$26,850
Standby letters of credit	2,988	2,433
Commercial letters of credit	105	71
Commitments to purchase foreign currencies	978	(90)
Commitments to sell foreign currencies	(936)	333
Interest rate swaps	(1,211)	3,841
Swaptions	291	--
Forward contracts	(59)	141
Put options	17	13
Call options	39	--

25. BANCWEST CORPORATION (PARENT COMPANY ONLY) FINANCIAL STATEMENTS

In the financial statements presented below, the investment in subsidiaries is accounted for under the equity method.

BALANCE SHEETS

(in thousands, except number of shares and per share data)	DECEMBER 31, 2000	1999
ASSETS:		
Cash on deposit with First Hawaiian	$ 246	$ 207
Loans, net of allowance for credit losses of $120 in 2000 and 1999	3,875	4,338
Available-for-sale investment securities............................	300	300
Securities purchased from First Hawaiian	15,665	16,354
Investment in subsidiaries:		
Bank of the West	1,384,600	1,151,059
First Hawaiian	729,548	761,688
Other subsidiaries	19,636	15,565
Due from:		
Bank of the West	307,783	248,853
First Hawaiian	351,654	236,094
Other subsidiaries	54,569	97,191
Other assets	7,744	1,618
TOTAL ASSETS	$2,875,620	$2,533,267
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Short-term borrowings (note 10)	$ 5,477	$ 2,600
Current and deferred income taxes	515,271	375,384
Due to subsidiaries	257,732	103,093
Other liabilities	7,647	9,460
Long-term debt (note 11)	100,000	200,000
Total liabilities	886,127	690,537
Commitments and contingent liabilities (notes 16, 22 and 23)		
Stockholders' equity:		
Preferred stock, par value $1 per share Authorized and unissued--50,000,000 shares in 2000 and 1999	--	--
Class A common stock, par value $1 per share (notes 2 and 12) Authorized--75,000,000 shares in 2000 and 1999 Issued--56,074,874 shares in 2000 and 51,629,536 shares in 1999	56,075	51,630
Common stock, par value $1 per share (notes 2, 12 and 17) Authorized--200,000,000 shares in 2000 and 1999 Issued--71,041,450 shares in 2000 and 75,418,850 shares in 1999	71,041	75,419
Surplus	1,125,652	1,124,512
Retained earnings (note 15)	770,350	638,687
Accumulated other comprehensive income, net (note 13)	7,601	(9,873)
Treasury stock, at cost--2,565,581 shares in 2000 and 2,437,556 shares in 1999 ...	(41,226)	(37,645)
Total stockholders' equity	1,989,493	1,842,730
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY................................	$2,875,620	$2,533,267

STATEMENTS OF INCOME

(in thousands)	YEAR ENDED DECEMBER 31, 2000	1999	1998
INCOME:			
Dividends from:			
Bank of the West	$ 41,140	$ 31,366	$ 2,151
First Hawaiian	147,384	54,267	143,176
Other subsidiaries	1,558	1,558	1,558
Interest and fees from:			

Bank of the West	8,087	7,182	907
First Hawaiian	6,066	5,543	1,946
Other subsidiaries	37	435	633
Other interest and dividends	527	354	3,830
Total income	204,799	100,705	154,201
EXPENSE:			
Interest expense:			
Short-term borrowings	360	254	290
Long-term debt	20,749	21,434	21,785
Professional services	147	491	745
Other	5,120	2,580	1,053
Total expense	26,376	24,759	23,873
Income before income tax benefit and equity in undistributed income of subsidiaries	178,423	75,946	130,328
Income tax benefit	4,487	4,282	6,332
Income before equity in undistributed income of subsidiaries	182,910	80,228	136,660
Equity in undistributed income (loss) of subsidiaries:			
Bank of the West	68,959	52,537	15,967
First Hawaiian	(35,035)	40,108	(67,846)
Other subsidiaries	(440)	(495)	(497)
NET INCOME	$216,394	$172,378	$ 84,284

STATEMENTS OF CASH FLOWS

(in thousands)	Year Ended December 31, 2000	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$216,394	$172,378	$ 84,284
Adjustments to reconcile net income to net cash provided by operating activities:			
Deficiency (excess) of equity in earnings of subsidiaries over dividends received	(33,484)	(92,150)	52,407
Other	(5,795)	3,071	(4,897)
NET CASH PROVIDED BY OPERATING ACTIVITIES	177,115	83,299	131,794
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net change in:			
Interest-bearing deposits in other banks	--	5,000	65,000
Securities sold under agreements to repurchase	689	6,526	980
Loans repaid by directors and executive officers	463	1,318	4,035
Repayments from (advances to) subsidiaries	6,000	(25,000)	(167,000)
Investment in Bank of the West	(150,000)	--	--
Cash acquired in acquisition	--	--	57
Investment in BancWest Capital I	(4,639)	--	--
NET CASH USED IN INVESTING ACTIVITIES	(147,487)	(12,156)	(96,928)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase (decrease) in short-term borrowings	2,877	(11,303)	12,103
Proceeds from long-term debt and junior subordinated debentures	154,639	--	--
Payment on long-term debt	(100,000)	--	--
Cash dividends paid	(84,731)	(77,446)	(40,786)
Proceeds from issuance of common stock	585	4,934	1,094
Issuance (purchase) of treasury stock, net	(4,056)	12,809	(7,322)
Income tax benefit from stock-based compensation	1,097	--	--
NET CASH USED IN FINANCING ACTIVITIES	(29,589)	(71,006)	(34,911)
NET INCREASE (DECREASE) IN CASH	39	137	(45)
CASH AT BEGINNING OF YEAR	207	70	115
CASH AT END OF YEAR	$ 246	$ 207	$ 70
SUPPLEMENTAL DISCLOSURES:			
Interest paid	$ 34,914	$ 21,422	$ 21,981
Income taxes refunded	$ 5,186	$ 6,535	$ 2,018
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:			
Issuance of common stock in connection with convertible debentures	$ --	$ --	$ 2,281

GLOSSARY OF FINANCIAL TERMS

BALANCE SHEET: A statement of financial position reflecting our assets, liabilities and stockholders' equity at a particular point in time in accordance with generally accepted accounting principles.

BASIS-POINT: A measure of the yield on a bond, note or other indebtedness equal to 1/100th of a percentage point. For example, a yield of 5% is 500 basis points.

CASH EARNINGS: Earnings before amortization of goodwill and core deposit intangible.

COLLATERAL: An asset or property pledged to secure the payment of a debt or performance of an obligation.

DEPRECIATION: A charge against our earnings that writes off the cost of a capital asset over its estimated useful life.

DERIVATIVES: Financial instruments where the performance is derived from the performance of another financial instrument or an interest rate, currency or other index. Derivative instruments are used for asset and liability management and to mitigate risks associated with other instruments that are reflected on the balance sheet.

DIVIDEND: Usually a cash distribution to our stockholders of a portion of our earnings.

EARNINGS PER SHARE: Basic earnings per share--earnings for the period divided by the weighted-average number of shares of common stock outstanding for the period. Diluted earnings per share--earnings for the period divided by the weighted-average number of shares of common stock outstanding for the period, including the treatment of all dilutive securities, such as options, warrants and convertible debt.

EFFICIENCY RATIO: Noninterest expense (exclusive of nonrecurring costs) minus the amortization of goodwill and core deposit intangible as a percentage of total operating revenue (net interest income plus noninterest income).

HEDGE: A strategy used to avoid, reduce or transfer risk.

INCOME STATEMENT: A financial statement that reflects our performance by measuring our revenues and expenses for the period.

INTEREST RATE RISK: The risk to earnings or capital arising from the movement of interest rates.

INTEREST RATE SWAP: A contract used for the purpose of interest rate risk management in which two parties agree to exchange interest payments of a different character over a specified period based on an underlying notional amount of principal. The term "notional principal" is the amount on which the interest payments are calculated, as the swap contracts generally involve no exchange of the principal.

LEVERAGE RATIO: Tier 1 Capital divided by the sum of average total assets minus average allowance for credit losses and certain intangible assets.

LIQUIDITY: The ability of an entity to provide sufficient cash to fund its operations and to pay its debts on a timely basis at a reasonable cost.

NET INTEREST INCOME: Interest income plus loan fees minus interest expense.

NET INTEREST MARGIN: Net interest income divided by average earning assets (e.g., loans and leases and investment securities).

NONACCRUAL LOANS AND LEASES: Loans and leases on which interest is not being accrued for income statement purposes. Payments received on nonaccrual loans and leases are applied against the principal balance.

NONINTEREST EXPENSE: Expenses for such items as salaries, benefits, building occupancy and supplies, as opposed to interest expense paid for deposits and other interest-bearing liabilities.

NONINTEREST INCOME: Income received from such sources as fees, charges and commissions, as opposed to interest income received from loans and leases, and investment securities.

NONPERFORMING ASSETS: Nonaccrual loans and leases plus restructured loans and leases plus OREO (other real estate owned) and repossessed personal property.

OPERATING EARNINGS: Earnings before restructuring, merger-related and other nonrecurring costs.

OPERATING CASH EARNINGS: Earnings before restructuring, merger-related and other nonrecurring costs and amortization of goodwill and core deposit intangible.

OREO: Other real estate owned. Primarily includes foreclosed assets and assets taken in lieu of foreclosure.

REPURCHASE AGREEMENTS, ALSO CALLED "REPOs": Agreement between a seller and a buyer in which the seller agrees to repurchase the securities at an agreed-upon price at a stated time. A repo is similar to a secured borrowing and lending of funds equal to the sales price of the related collateral.

RETURN ON AVERAGE TOTAL ASSETS (ROA): Measures the productivity of assets. Calculated by dividing net income by average total assets.

RETURN ON AVERAGE TANGIBLE TOTAL ASSETS: Calculated by dividing cash earnings by average total assets minus average goodwill and core deposit intangible.

RETURN ON AVERAGE STOCKHOLDERS' EQUITY (ROE): Measures the rate of return on the stockholders' investment in the Company. Calculated by dividing net income by average total stockholders' equity.

RETURN ON AVERAGE TANGIBLE STOCKHOLDERS' EQUITY: Calculated by dividing cash earnings by average stockholders' equity minus average goodwill and core deposit intangible.

RISK-BASED CAPITAL RATIOS: Equity measurements used by regulatory agencies to assess capital adequacy. These ratios are: Tier 1 Capital divided by risk-weighted assets; and Total Capital divided by risk-weighted assets.

STATEMENT OF CASH FLOWS: A financial statement that reflects cash flows from operating, investing and financing activities, providing a comprehensive view of changes in our cash and cash equivalents for the period.

STOCK OPTION: Form of employee incentive and compensation in which the employee of the Company is given the right to purchase our shares at a determinable price within a specified period of years.

TIER 1 CAPITAL: Common stockholders' equity plus perpetual preferred stock and certain minority equity interests in subsidiaries, minus goodwill and certain qualifying intangible assets.

TOTAL CAPITAL: Tier 1 Capital plus the allowance for credit losses (not to exceed 1.25% of risk-weighted assets) plus qualifying subordinated debt, trust preferred stock, convertible debt securities and certain hybrid investments.

PART II (continued)

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Required information relating to directors is included in "Election of Directors" "Executive Officers" and "Change-in-Control and Employment Arrangements" of the Corporation's Proxy Statement and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

Required information is included in "Executive Compensation" of the Corporation's Proxy Statement and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Required information is included in "Security Ownership of Directors, Named Executive Officers and Others" of the Corporation's Proxy Statement and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Required information is included in "Certain Transactions" of the Corporation's Proxy Statement and is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

The following financial statements are included in Part II of the 10-K.

	PAGE NUMBER
(a) 1. FINANCIAL STATEMENTS	
Report of Independent Accountants	40
BancWest Corporation and Subsidiaries: Consolidated Balance Sheets at December 31, 2000 and 1999	41
Consolidated Statements of Income for the years ended December 31, 2000, 1999 and 1998	42
Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2000, 1999 and 1998	43
Consolidated Statements of Cash Flows for the years ended December 31, 2000, 1999 and 1998	44
BancWest Corporation (Parent Company): Balance Sheets at December 31, 2000 and 1999	68
Statements of Income for the years ended December 31, 2000, 1999 and 1998	68
Statements of Changes in Stockholders' Equity for the years ended December 31, 2000, 1999 and 1998	43
Statements of Cash Flows for the years ended December 31, 2000, 1999 and 1998	69
Notes to Consolidated Financial Statements	45-69
Summary of Quarterly Financial Data (Unaudited)	39

2. Financial Statement Schedules

Schedules to the consolidated financial statements required by this Item 14(a)2 are not required under the related instructions, or the information is included in the consolidated financial

statements, or are inapplicable, and
therefore have been omitted.

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3. EXHIBITS

3.1 Certificate of Incorporation of BancWest Corporation is incorporated by reference to Exhibit 3.1 of the Corporation's Current Report on Form 8-K filed with the SEC on November 5, 1998.

3.2 Amended and Restated Bylaws of BancWest Corporation are incorporated by reference to Exhibit 3.2 of the Corporation's Current Report on Form 8-K filed with the SEC on November 5, 1998.

4.1 Instruments with respect to long-term debt not filed herewith will be furnished to the Commission upon its request.

4.2 Indenture, dated as of August 9, 1993, between First Hawaiian, Inc. and The First National Bank of Chicago, Trustee, is incorporated by reference to Exhibit 4.2 to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1993.

4.3 Indenture, dated as of June 30, 1997, between First Hawaiian, Inc. and The First National Bank of Chicago, Trustee, is incorporated by reference to the Corporation's Registration Statement on Form S-4 filed with the SEC on October 17, 1997.

4.4 Standstill and Governance Agreement between First Hawaiian, Inc. and Banque Nationale de Paris, dated as of November 1, 1998, is incorporated by reference to Exhibit 4.1 to the Corporation's Current Report on Form 8-K filed with the SEC on November 5, 1998.

4.5 Registration Rights Agreements between First Hawaiian, Inc. and Banque Nationale de Paris, dated as of November 1, 1998, is incorporated by reference to the Corporation's Current Report on Form 8-K filed with the SEC on November 5, 1998.

10.1 Lease Agreement, dated as of December 1, 1993, between REFIRST, Inc. and First Hawaiian Bank is incorporated by reference to Exhibit 10.3 to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1993.

10.2 Ground Lease, dated as of December 1, 1993, among First Hawaiian Center Limited Partnership, FH Center, Inc. and REFIRST, Inc. is incorporated by reference to Exhibit 10.5 to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1993.

10.3 Stock Incentive Plan of First Hawaiian, Inc., dated as of November 22, 1991, and Amendments No. 1, 2 and 3, are incorporated by reference to Exhibit 10 to the Corporation's Form 10-Q for the quarterly period ended June 30, 1998.*

10.4 Long-Term Incentive Plan of First Hawaiian, Inc., effective as of January 1, 1992, and Amendments No. 1 and 2, are incorporated by reference to Exhibit 10 to the Corporation's Form 10-Q for the quarterly period ended June 30, 1998.*

10.5 Amendment No. 3 to the BancWest Corporation Long-Term Incentive Plan, approved March 16, 2000, is incorporated by reference to Exhibit 10 to the Corporation's Report on Form 10-Q for the quarterly period ended March 31, 2000.*

10.6 First Hawaiian, Inc. Supplemental Executive Retirement Plan, as amended and restated as of January 1, 1998, is incorporated by reference to Exhibit 10 to the Corporation's Form 10-Q for the quarterly period ended June 30, 1998.*

10.7 Amendment No. 1 to First Hawaiian, Inc. Supplemental Executive Retirement Plan, effective November 1, 1998, is incorporated by reference to Exhibit 10(x) to the Corporation's Form 10-K for the fiscal year ended December 31, 1998.*

10.8 First Hawaiian, Inc. Deferred Compensation Plan, as amended and restated as of January 1, 1998, and Amendment No. 1, are incorporated by reference to Exhibit 10 to the Corporation's Form 10-Q for the quarterly period ended June 30, 1998.*

10.9 First Hawaiian, Inc. Incentive Plan for Key Executives, and amendments effective January 1, 1998, are incorporated by reference to Exhibit 10 to the Corporation's Form 10-Q for the quarterly period ended June 30, 1998.*

10.10 Amendment to First Hawaiian, Inc. Incentive Plan for Key Executives adopted October 15, 1998 is incorporated by reference to Exhibit 10.9 to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1999.*

10.11 IPKE Award Policy for Certain Executives adopted February 28, 2000 is incorporated by reference to Exhibit 10.10 to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1999.*

PART IV (continued)

10.12 Directors' Retirement Plan, effective as of January 1, 1992, and Amendments No. 1 and 2, are incorporated by reference to Exhibit 10 to the Corporation's Form 10-Q for the quarterly period ended June 30, 1998.*

10.13 First Hawaiian, Inc. 1998 Stock Incentive Plan, effective as of January 1, 1998, is incorporated by reference to Exhibit 10 to the Corporation's Form 10-Q for the quarterly period ended June 30, 1998.*

10.14 Sierra Tahoe Bancorp amended 1988 Stock Option Plan is incorporated by reference to Exhibit A of SierraWest Bancorp Proxy Statement for its August 16, 1995 annual meeting of shareholders (File No. 001-11611).*

10.15 SierraWest Bancorp 1996 Stock Option Plan, as amended is incorporated by reference to Exhibit 99.1 of Registration Statement on Form S-8 (Registration No. 333-13031) filed by SierraWest Bancorp on September 30, 1996.*

10.16 Continental Pacific Bank 1990 Amended Stock Option Plan is incorporated by reference to Exhibit 4.1 of Registration Statement on Form S-8 (Registration No. 333-51733) filed by SierraWest Bancorp on May 4, 1998.*

10.17 California Community Bancshares Corporation 1993 Amended and Restated Stock Option Plan is incorporated by reference to Exhibit 4.2 of Registration Statement on Form S-8 (Registration No. 333-51733) filed by SierraWest Bancorp on May 4, 1998.*

10.18 Employment Agreement between Don J. McGrath and the Corporation, effective November 1, 1998, is incorporated by reference to Exhibit 10.17 to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1999.*

10.19 BancWest Corporation Umbrella Trust(TM) Trust Agreement by and between BancWest Corporation and Wachovia Bank, N.A., for BancWest Corporation Supplemental Executive Retirement Plan and BancWest Corporation Deferred Compensation Plan, executed November 23, 1999, is incorporated by reference to Exhibit 10.18 to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1999.*

10.20 BancWest Corporation Split-Dollar Plan For Executives, effective January 1, 1999, is incorporated by reference to Exhibit 10.19 to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1999.*

10.21 Sublease made as of November 1, 1993, between Bank of the West and Banque Nationale de Paris, is incorporated by reference to Exhibit 10.19 to the Corporation's Form 10-K for the fiscal year ended December 31, 1998.

12. Statement re: computation of ratios, filed herewith.

21. Subsidiaries of the registrant, filed herewith.

23. Consent of independent accountants, filed herewith.

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* Management contract or compensatory plan or arrangement.

(b) REPORTS ON FORM 8-K

On December 6, 2000, the Corporation filed a Current Report on Form 8-K to report under Item 5 that it had entered into an Underwriting Agreement pertaining to the sale of $150 million in aggregate liquidation amount of 9.50% Quarterly Income Preferred Securities issued by BancWest Capital I and registered pursuant to a Registration Statement on Form S-3 (No. 333-48552).

(c) THE EXHIBITS LISTED IN ITEM 14(a)3 ARE INCORPORATED BY REFERENCE OR ATTACHED HERETO.

(d) RESPONSE TO THIS ITEM IS THE SAME AS THE RESPONSE TO ITEM 14(a)2.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BANCWEST CORPORATION
(Registrant)

By /s/ HOWARD H. KARR

Howard H. Karr
Executive Vice President
and Chief Financial Officer

Date: February 15, 2001

PART IV (continued)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Signature	Title	Date
/s/ WALTER A. DODS, JR. Walter A. Dods, Jr.	Chairman, Chief Executive Officer & Director	February 15, 2001
/s/ JACQUES ARDANT Jacques Ardant	Director	February 15, 2001
/s/ JOHN W. A. BUYERS John W. A. Buyers	Director	February 15, 2001
/s/ JULIA ANN FROHLICH Julia Ann Frohlich	Director	February 15, 2001
/s/ ROBERT A. FUHRMAN Robert A. Fuhrman	Director	February 15, 2001
/s/ PAUL MULLIN GANLEY Paul Mullin Ganley	Director	February 15, 2001
/s/ DAVID M. HAIG David M. Haig	Director	February 15, 2001
/s/ JOHN A. HOAG John A. Hoag	Director	February 15, 2001
/s/ BERT T. KOBAYASHI, JR. Bert T. Kobayashi, Jr.	Director	February 15, 2001
/s/ MICHEL LARROUILH Michel Larrouilh	Director	February 15, 2001
/s/ PIERRE MARIANI Pierre Mariani	Director	February 15, 2001
/s/ YVES MARTRENCHAR Yves Martrenchar	Director	February 15, 2001
/s/ FUJIO MATSUDA Fujio Matsuda	Director	February 15, 2001
/s/ DON J. McGRATH Don J. McGrath	President, Chief Operating Officer & Director	February 15, 2001

PART IV (continued)

Signature	Title	Date
/s/ RODNEY R. PECK Rodney R. Peck	Director	February 15, 2001 Date
/s/ JOEL SIBRAC Joel Sibrac	Vice Chairman & Director	February 15, 2001 Date
/s/ JOHN K. TSUI John K. Tsui	Vice Chairman, Chief Credit Officer & Director	February 15, 2001 Date
/s/ JACQUES HENRI WAHL Jacques Henri Wahl	Director	February 15, 2001 Date
/s/ FRED C. WEYAND Fred C. Weyand	Director	February 15, 2001 Date
/s/ ROBERT C. WO Robert C. Wo	Director	February 15, 2001 Date
/s/ HOWARD H. KARR Howard H. Karr	Executive Vice President & Chief Financial Officer (Principal financial and accounting officer)	February 15, 2001 Date

PART IV (continued)

EXHIBIT 12

EXHIBIT 12. STATEMENT RE: COMPUTATION OF RATIOS

BANCWEST CORPORATION AND SUBSIDIARIES
COMPUTATION OF CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES

	YEAR ENDED DECEMBER 31,				
(dollars in thousands)	2000	1999	1998	1997	1996
Income before income taxes	$368,621	$296,129	$144,901	$138,185	$123,716
Fixed charges (1):					
Interest expense	562,922	446,877	315,822	281,232	270,755
Rental expense	15,290	15,017	13,659	12,502	6,574
	578,212	461,894	329,481	293,734	277,329
Less interest on deposits	458,204	368,621	253,860	220,116	199,094
Net fixed charges	120,008	93,273	75,621	73,618	78,235
Earnings, excluding interest on deposits	$488,629	$389,402	$220,522	$211,803	$201,951
Earnings, including interest on deposits	$946,833	$758,023	$474,382	$431,919	$401,045
Ratio of earnings to fixed charges:					
Excluding interest on deposits	4.07x	4.17x	2.92x	2.88x	2.58x
Including interest on deposits	1.64x	1.64x	1.44x	1.47x	1.45x

(1) For purposes of computing the consolidated ratios of earnings to fixed charges, earnings represent income before income taxes and fixed charges. Fixed charges, excluding interest on deposits, include interest (other than on deposits), whether expensed or capitalized, and that portion of rental expense (generally one third) deemed representative of the interest factor. Fixed charges, including interest on deposits, consist of the foregoing items plus interest on deposits.

EXHIBIT 21. SUBSIDIARIES OF THE REGISTRANT

The Corporation or one of its wholly-owned subsidiaries beneficially owns 100% of the outstanding capital stock, voting securities and ownership interests of each of the corporations and limited partnerships listed below and all of the common securities of BancWest Capital I and First Hawaiian Capital I. The Corporation is indirectly the sole general partner of First Hawaiian Center Limited Partnership.

NAME	STATE OR OTHER JURISDICTION OF INCORPORATION
Bank of the West	California
Oakwood Financial Service Corporation	California
First National Bancorporation	California
Essex Credit Corporation	Connecticut
First National Bancorp, Inc.	California
CB Insurance Agency, Inc.	California
Church Loan Corporation	California
United Communities Corporation	California
First Santa Clara Corporation	California
Central Valley National Corporation	California
First Hawaiian Bank	Hawaii
Real Estate Delivery, Inc.	Hawaii
FH Center, Inc.	Hawaii
FHB Properties, Inc.	Hawaii
First Hawaiian Center, L.P.	Hawaii
Pacific One Dealer Center, Inc.	Hawaii
The Bankers Club,Inc.	Hawaii
Center Club, Inc.	Hawaii
First Hawaiian Leasing, Inc.	Hawaii
First Hawaiian Insurance, Inc.	Hawaii
Bishop Street Capital Management Corporation	Hawaii
FHL Lease Holding Company, Inc.	Hawaii
FHL SPC One, Inc.	Hawaii
FHI International, Inc.	Hawaii
BancWest Capital I	Delaware
First Hawaiian Capital I	Delaware

All subsidiaries were included in the consolidated financial statements of the Corporation.

EXHIBIT 23. CONSENT OF INDEPENDENT ACCOUNTANTS

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the registration statements on Form S-8 (Registration Nos. 33-66400, 333-22107 and 333-75483), the Post-Effective Amendment on Form S-8 to Form S-4 (Registration No. 333-76271) and Form S-3 (Registration No. 333-48552) of BancWest Corporation, of our report dated January 16, 2001, relating to the financial statements, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Honolulu, Hawaii
February 15, 2001