

## Bank of Hawaii (BOH)

**\$69.15** (Stock Price as of 12/12/2025)

Price Target (6-12 Months): **\$71.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 06/30/25)

Prior Recommendation: Outperform

Short Term: 1-3 Months

**Zacks Rank: (1-5)**

**3-Hold**

Zacks Style Scores:

VGM: D

Value: C

Growth: F

Momentum: A

### Summary

Bank of Hawaii's shares have underperformed the industry in the past year. Its third quarter results were affected by higher expenses. Further, technology and innovation costs will keep expense base elevated. We expect total expenses to witness a three-year CAGR of 1.9% by 2027. Also, volatile trust and asset management income may limit fee income growth. Its concentrated lending footprint exposes it to regional risks. Yet, stable deposits and lower-risk loan assets support its strong balance sheet. We expect total loans and total deposits to witness a three-year CAGR of 3.1% and 4.2%, by 2027. Strong capital levels will aid its consistent capital distributions. Recent Fed rate cuts are driving net interest income (NII) and net interest margin (NIM) expansion, aiding top-line growth. We expect NII to witness a three-year CAGR of 8.9% by 2027.

### Data Overview

52 Week High-Low	\$76.00 - \$57.45
20 Day Average Volume (sh)	351,623
Market Cap	\$2.8 B
YTD Price Change	-2.9%
Beta	0.75
Dividend / Div Yld	\$2.80 / 4.0%
Industry	<a href="#">Banks - West</a>
Zacks Industry Rank	Top 12% (28 out of 243)

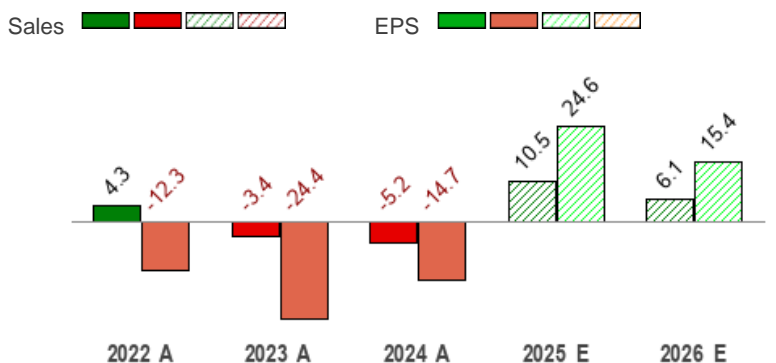
Last EPS Surprise	6.2%
Last Sales Surprise	3.6%
EPS F1 Est- 4 week change	1.7%
Expected Report Date	01/26/2026
Earnings ESP	-4.9%

P/E TTM	17.0
P/E F1	15.7
PEG F1	0.8
P/S TTM	2.6

### Price, Consensus & Surprise<sup>(1)</sup>



### Sales and EPS Growth Rates (Y/Y %)<sup>(2)</sup>



### Sales Estimates (millions of \$)<sup>(2)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	185 E	190 E	188 E	186 E	749 E
2025	170 A	174 A	183 A	179 E	706 E
2024	156 A	157 A	163 A	163 A	639 A

### EPS Estimates<sup>(2)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	1.21 E	1.29 E	1.30 E	1.28 E	5.08 E
2025	0.97 A	1.06 A	1.20 A	1.17 E	4.40 E
2024	0.87 A	0.86 A	0.93 A	0.85 A	3.53 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/12/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 11/26/2025.

## Overview

Headquartered at Honolulu, Hawaii, Bank of Hawaii Corporation is a bank holding company, which provides a broad array of products and services in Hawaii, Guam and other Pacific Islands, having a principal operating subsidiary — Bank of Hawaii. Directly and through its subsidiaries, Bank of Hawaii provides financial services and products to businesses, consumers and governments.

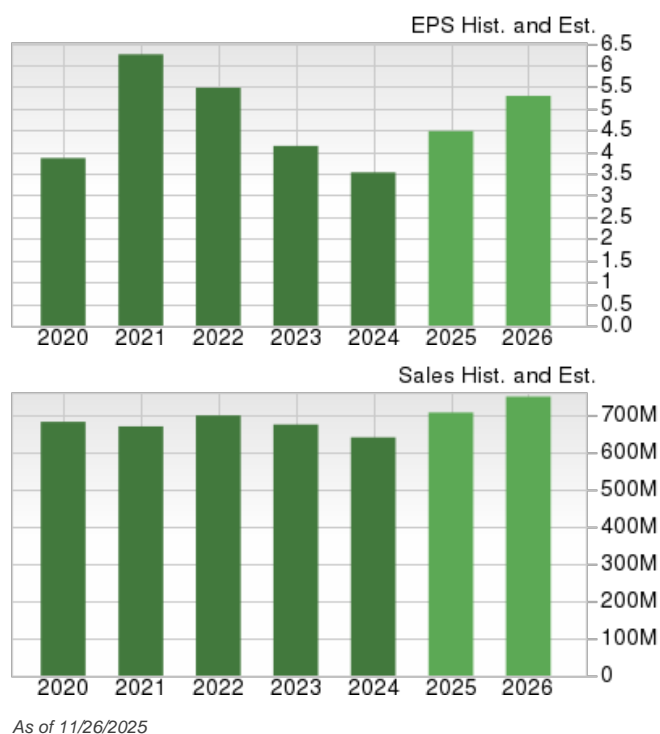
The company operates through the following business segments:

**Consumer Banking:** This segment offers a broad range of financial products and services to consumers and small businesses. It also offers consumer insurance products. The segment's products and services are served to customers through 50 branch locations and 322 automated teller machines throughout Hawaii and the Pacific Islands, e-Bankoh (on-line banking service), a customer service center and a mobile banking service.

**Commercial Banking:** This segment offers products including corporate banking, commercial real estate loans, commercial lease financing, auto dealer financing and deposit products to middle-market and large companies in Hawaii and the Pacific Islands. Deposit products are also offered to government entities in Hawaii. The segment also includes international banking and provides merchant services to its customers.

**Treasury and Other:** This segment consists of corporate asset and liability management activities, including interest rate risk management and a foreign currency exchange business. The net residual effect of the transfer pricing of assets and liabilities is included in Treasury, along with the elimination of intercompany transactions.

As of Sept. 30, 2025, Bank of Hawaii had \$24 billion in total assets, \$14 billion in net loans and leases, \$21.1 billion in deposits and \$1.8 billion in shareholders' equity.



## Reasons To Buy:

- ▲ Bank of Hawaii exhibits a strong balance sheet position. The company's deposit base saw a six-year (2018-2024) CAGR of 5.4%, while net loans and leases witnessed a CAGR of 6% during the same time frame. While deposits declined modestly in the first nine months of 2025, net loans continued to rise during the same period. The company's diversified and long-duration deposit base, along with its diversified and lower-risk loan assets, will support a robust balance sheet. Further, the company has positioned its balance sheet to remain resilient under different interest-rate conditions. In sync with this, in the first nine months of 2025, Bank of Hawaii had rate-sensitive assets of \$6.9 billion, while rate-sensitive interest-bearing assets stood at \$10.6 billion. We project both loans and deposits to witness a three-year CAGR of 3.1% and 4.2%, respectively, by 2027.
- ▲ Bank of Hawaii's NII has witnessed a seven-year (ended 2024) CAGR of nearly 1%, with the rising trend continuing in the first nine months of 2025. Going forward, NII and NIM are expected to continue to increase as a result of the balance sheet actions and ongoing asset cash-flow repricing. The momentum is further supported by a slowing deposit remix and the impact of the Fed rate cuts in 2025 and 2024. Management reaffirmed confidence that NII momentum will strengthen over the next one to two quarters as these factors take effect. We anticipate NII to rise 13.2%, 7.6% and 6.3% in 2025, 2026 and 2027, respectively.
- ▲ Bank of Hawaii is well-positioned to witness growth in fee income. The metric increased marginally, seeing a five-year CAGR (ended 2024), with the rising trend continuing in the first nine months of 2025. Non-interest income is expected to increase further in the upcoming period as revenues from trust services, merchant services and other transaction volumes continue to improve steadily. We expect non-interest income to rise 3.1%, 1.5% and 2% in 2025, 2026 and 2027, respectively.
- ▲ The company has a solid liquidity profile. As of Sept. 30, 2025, its liquidity amounted to \$985.2 million. Total debt (comprising securities sold under agreements to repurchase, as well as other debt) aggregated to \$608.2 million as of the same date. Given substantial liquidity, we believe that Bank of Hawaii is not likely to face problems repaying its borrowings in the near term, even if the economic situation worsens.
- ▲ We remain encouraged by the Bank of Hawaii's efforts to enhance shareholder value through its capital-distribution activities. In July 2021, the company hiked its quarterly dividend by 4.5% to 70 cents per share and has maintained it at the same level since then. It also has a share repurchase plan in place. In January 2023, the company's board of directors approved a \$100 million common stock repurchase program, with no expiration date, replacing the original 2001 authorization. As of Sept. 30, 2025, \$126 million was available under the buyback authorization. The company's strong capital levels and income-generation capacity will enable it to continue capital distribution activities.
- ▲ Bank of Hawaii's trailing 12-month return on equity (ROE) indicates its growth potential. The company's ROE of 13.33% compares favorably with the industry's 10.53%, highlighting its efficiency in using shareholders' funds.

Bank of Hawaii's revenue growth is fueled by higher NII and fee income. The rising loans and deposits strengthen its balance sheet, while strong liquidity supports steady capital distributions.

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## Reasons To Sell:

- ▼ Bank of Hawaii's rising cost base is a concern. Non-interest expenses witnessed a CAGR of 2.5% over the last six years (2018-2024). The rising trend continued in the first nine months of 2025. Bank of Hawaii's expenses are expected to remain elevated due to additional investments in technology, innovation, and other variable expenses in the upcoming period. Management expects core expenses to increase 2-3% in 2025. We project total expenses to witness a rise of 2.9%, 2% and 0.9% in 2025, 2026 and 2027, respectively.
- ▼ Deteriorating asset quality remains concerning for Bank of Hawaii. Non-performing assets witnessed a CAGR of 6.9% over the past six years (ending 2024), while allowance for credit losses witnessed a CAGR of 5.7% over the same time frame. Both metrics increased year over year in the first nine months of 2025. With the operating backdrop expected to remain challenging for borrowers, the company's credit quality is expected to remain under pressure in the near term. We project non-performing assets to decrease by 14% in 2025 while it projects to increase by 5.1% and 2.9% in 2026 and 2027 respectively.
- ▼ As of Sept. 30, 2025, 93% of Bank of Hawaii's total loans are concentrated in the Hawaii region, while the remaining 4% and 3% are in the Western Pacific and Mainland, respectively. Such geographic concentration makes the company vulnerable to potential economic or political doldrums in the region.

Persistently rising expenses are likely to hurt Bank of Hawaii's bottom-line growth. Further, deteriorating asset quality poses risks. Also, the geographic concentration remains a major headwind.

## Last Earnings Report

### Bank of Hawaii Q3 Earnings Beat on Strong NII, Provisions Decline Y/Y

Bank of Hawaii reported third-quarter 2025 earnings per share of \$1.20, which beat the Zacks Consensus Estimate of \$1.13. The bottom line compared favorably with 93 cents in the year-ago quarter.

Results benefited from the increase in net interest income (NII) and strong fee income growth. Also, higher loan and deposit balances, along with lower provisions, were encouraging. However, an increase in expenses acted as a key spoilsport.

The company's net income (GAAP basis) came in at \$53.3 million, up 32.2% year over year.

#### Quarterly Revenues & Expenses Rise

The company's quarterly revenues increased 12.2% year over year to \$182.6 million. The top line surpassed the Zacks Consensus Estimate by 3.7%.

NII was \$136.7 million, up 16.2% year over year. NIM increased 28 basis points to 2.46%. Our estimate for NII and NIM was pegged at \$126.4 million and 2.49%, respectively.

Non-interest income came in at \$45.9 million, up 1.9% year over year. This included a \$0.8 million charge incurred in connection with a change in the Visa Class B conversion ratio. Adjusted for these items, non-interest income increased 3.4% year over year. This rise was primarily driven by an increase in fees, exchange and other service charges, higher trust and asset management, service charges on deposit accounts, bank-owned life insurance income, and other income. Our estimate for the metric was pinned at \$44.5 million.

Non-interest expenses rose 4.9% year over year to \$112.4 million. It included a severance-related charge of \$2.1 million. Adjusted for these items, non-interest expense increased 3% from adjusted non-interest expenses recorded in the year-ago quarter. The increase was primarily due to higher salaries and benefits, partially offset by lower professional fees. Our estimate for the metric was pinned at \$107.9 million.

The efficiency ratio was 61.53%, down from 65.81% in the year-ago period. A fall in the efficiency ratio reflects increased profitability.

#### Loans & Deposits Increase

As of Sept. 30, 2025, total loans and leases increased slightly from the prior-quarter end to \$14 billion.

Total deposits moved up 1.3% on a sequential basis to \$21.1 billion.

#### Credit Quality Improves

As of Sept. 30, 2025, non-performing assets were \$16.9 million, which declined 14.7% year over year.

Net loans and lease charge-offs were \$2.6 million, down \$1.2 million from the year-ago quarter.

Provision for credit losses was \$2.5 million, down 16.7% from the year-ago quarter.

The allowance for credit losses rose marginally to \$148.8 million.

#### Capital Ratios Improve

As of Sept. 30, 2025, the Tier 1 capital ratio was 14.34%, up from 14.05% as of Sept. 30, 2024. The total capital ratio was 15.40%, which rose from 15.11% in the year-ago period.

The ratio of tangible common equity to risk-weighted assets was 9.95%, which increased from 9.17% at the end of the year-ago quarter.

#### Profitability Ratios Improve

Return on average assets was 0.88% at the end of the third quarter of 2025, which increased from 0.69% in the prior-year quarter. Return on average shareholders' equity was 12.10%, up from 9.90% as of Sept. 30, 2024.

#### Outlook

The company expects non-interest income to be \$44-\$45 million per quarter for the remainder of 2025.

Management expects core non-interest expenses to increase 2-3% in 2025.

The tax rate is now anticipated to be between 21% and 22%, slightly lower than the prior guidance of 22.5%.

**FY Quarter Ending** **12/31/2024**

Earnings Reporting Date	Oct 27, 2025
Sales Surprise	3.57%
EPS Surprise	6.19%
Quarterly EPS	1.20
Annual EPS (TTM)	4.08

## Recent News

### Dividend Update

On Oct. 27, 2025, Bank of Hawaii announced a quarterly cash dividend of 70 cents per share. The dividend will be paid out on Dec. 12, 2025, to its shareholders of record as of Nov. 28.

## Valuation

Bank of Hawaii's shares are up 0.2% in the past six months and down 4.9% over the past 12 months. Stocks in the Zacks sub-industry and those in the Zacks Finance sector are up 15.7% and up 13.4%, respectively, over the past six months. Over the past year, the Zacks sub-industry is down 1.5% and sector is up 12.0%.

The S&P 500 Index is up 23.0% over the past six-month period and up 13.9% in the trailing 12-month period.

The stock is currently trading at 12.83X forward 12-months earnings, which compares to 9.77X for the Zacks sub-industry, 16.81X for the Zacks sector, and 23.15X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 23.36X and as low as 7.89X, with a five-year median of 15.49X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$71 price target reflects 13.56X forward earnings.

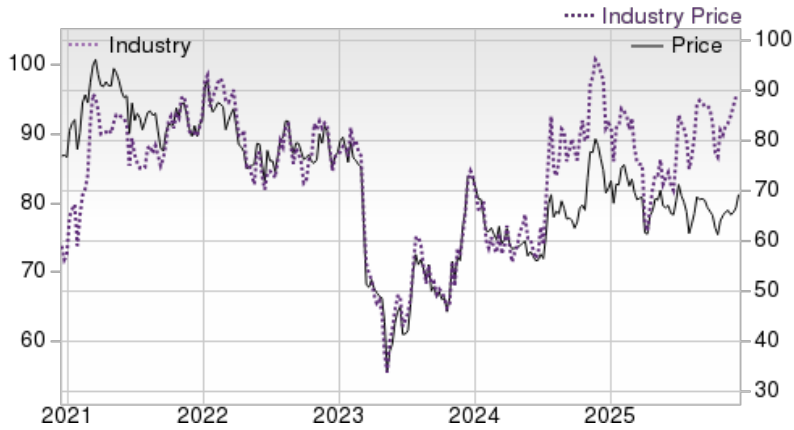
The table below shows the summary valuation data for BOH.

Valuation Multiples - BOH					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	12.83	9.77	16.81	23.15
	5-Year High	23.36	14.15	18.31	23.81
	5-Year Low	7.89	6.05	12.38	15.73
	5-Year Median	15.49	10.00	16.14	21.21
P/TB TTM	Current	1.91	1.45	5.76	12.62
	5-Year High	3.14	2.14	6.02	16.56
	5-Year Low	1.18	0.95	3.44	10.52
	5-Year Median	2.31	1.65	4.76	13.67
P/S F12M	Current	3.51	3.22	8.90	5.23
	5-Year High	5.81	4.35	10.06	5.50
	5-Year Low	1.93	1.89	6.68	3.83
	5-Year Median	4.14	2.98	8.35	5.04

As of 11/25/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 12% (28 out of 243)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
First Hawaiian, Inc. (FHB)	Outperform	2
TriCo Bancshares (TCBK)	Outperform	2
Cathay General Banco... (CATY)	Neutral	3
Coastal Financial Co... (CCB)	Neutral	3
Columbia Banking Sys... (COLB)	Neutral	3
CVB Financial Corpor... (CVBF)	Neutral	3
Glacier Bancorp, Inc... (GBCI)	Neutral	3
Hope Bancorp, Inc. (HOPE)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Banks - West

	BOH	X Industry	S&P 500	CATY	GBCI	HOPE
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	D	-	-	D	D	C
Market Cap	2.75 B	831.74 M	39.38 B	3.40 B	5.72 B	1.48 B
# of Analysts	4	3	22	2	4	3
Dividend Yield	4.05%	2.64%	1.41%	2.72%	3.00%	4.86%
Value Score	C	-	-	B	D	B
Cash/Price	0.36	0.37	0.04	0.38	0.15	0.31
EV/EBITDA	9.90	6.11	14.60	5.96	12.94	5.35
PEG Ratio	0.79	0.97	2.23	NA	NA	NA
Price/Book (P/B)	1.90	1.23	3.35	1.19	1.58	0.65
Price/Cash Flow (P/CF)	14.02	11.78	15.20	9.76	18.97	8.91
P/E (F1)	15.72	11.79	19.78	11.35	20.09	13.24
Price/Sales (P/S)	2.60	2.51	3.06	2.48	4.23	1.49
Earnings Yield	6.48%	8.42%	4.99%	8.82%	4.98%	7.55%
Debt/Equity	0.39	0.11	0.57	0.11	0.31	0.06
Cash Flow (\$/share)	4.93	3.08	8.99	5.13	2.32	1.29
Growth Score	F	-	-	F	D	D
Hist. EPS Growth (3-5 yrs)	-8.52%	1.46%	8.16%	6.30%	-13.15%	-10.58%
Proj. EPS Growth (F1/F0)	24.65%	12.31%	8.57%	6.01%	30.36%	2.35%
Curr. Cash Flow Growth	-10.04%	-12.56%	6.75%	-20.42%	-9.53%	-7.54%
Hist. Cash Flow Growth (3-5 yrs)	-6.68%	3.98%	7.43%	1.55%	0.14%	-2.13%
Current Ratio	0.70	0.86	1.19	1.04	0.82	0.94
Debt/Capital	23.76%	10.12%	38.01%	10.12%	23.56%	5.67%
Net Margin	17.41%	17.32%	12.78%	22.26%	17.52%	4.89%
Return on Equity	13.33%	10.53%	17.00%	10.60%	7.11%	4.70%
Sales/Assets	0.04	0.05	0.53	0.06	0.05	0.06
Proj. Sales Growth (F1/F0)	10.50%	5.70%	5.77%	10.80%	23.50%	13.10%
Momentum Score	A	-	-	C	B	C
Daily Price Chg	-0.50%	0.00%	-1.07%	-0.40%	-0.83%	-0.52%
1 Week Price Chg	3.97%	3.18%	-0.63%	0.32%	4.02%	5.40%
4 Week Price Chg	4.80%	7.30%	1.39%	5.33%	3.90%	11.95%
12 Week Price Chg	3.83%	5.08%	2.45%	1.58%	-11.45%	5.30%
52 Week Price Chg	-6.66%	2.29%	12.83%	-1.09%	-19.62%	-13.58%
20 Day Average Volume	351,623	72,269	2,728,366	388,792	672,195	994,938
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.11%	0.00%
(F1) EPS Est 4 week change	1.74%	0.00%	0.00%	-1.53%	-0.90%	0.00%
(F1) EPS Est 12 week change	2.76%	2.65%	0.69%	-2.33%	0.37%	-2.97%
(Q1) EPS Est Mthly Chg	1.86%	0.00%	0.00%	0.00%	0.42%	0.00%



## Analyst Earnings Model<sup>(2)</sup>

### Bank of Hawaii Corporation (BOH)

In SMM, except per share data

	2020A	2021A	2022A	2023A	2024A	2025E				2026E				2027E		
	FY	FY	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement																
Net Interest Income, FTE	\$497.6	\$498.4	\$541.8	\$499.0	\$470.4	\$127.3	\$131.3	\$138.3	\$137.4	\$534.3	\$141.2	\$146.3	\$143.1	\$143.8	\$574.5	\$610.4
FTE Adjustment	\$1.3	\$1.1	\$1.3	\$2.0	\$3.8	\$1.5	\$1.6	\$1.6	\$1.6	\$6.3	\$1.6	\$1.6	\$1.6	\$1.6	\$6.4	\$6.4
Net Interest Income	\$496.3	\$497.3	\$540.6	\$497.0	\$466.6	\$125.8	\$129.7	\$136.7	\$135.8	\$528.0	\$139.6	\$144.7	\$141.5	\$142.2	\$568.1	\$604.0
Provision For Credit Losses	\$117.8	(\$50.5)	(\$7.8)	\$9.0	\$11.2	\$3.3	\$3.3	\$2.5	\$3.3	\$12.3	\$3.2	\$3.2	\$3.2	\$3.2	\$12.9	\$13.5
NII After Provision, FTE	\$379.8	\$548.9	\$549.6	\$490.0	\$459.3	\$124.1	\$128.1	\$135.8	\$134.1	\$522.0	\$138.0	\$143.0	\$140.0	\$140.6	\$561.6	\$596.9
NII After Provision	\$378.5	\$547.8	\$548.4	\$488.0	\$455.4	\$122.6	\$126.4	\$134.2	\$132.5	\$515.6	\$136.4	\$141.4	\$138.4	\$139.0	\$555.2	\$590.5
Trust and Asset Management	\$43.5	\$46.1	\$43.8	\$43.6	\$47.5	\$11.7	\$12.1	\$12.6	\$11.6	\$48.1	\$11.9	\$12.1	\$12.7	\$11.6	\$48.3	\$48.5
Mortgage Banking	\$17.9	\$15.0	\$6.0	\$4.3	\$4.1	\$1.0	\$0.8	\$0.9	\$0.8	\$3.6	\$0.9	\$0.7	\$0.8	\$0.7	\$3.1	\$2.6
Service Charges on DepositAccounts	\$24.9	\$25.6	\$29.6	\$31.1	\$32.4	\$8.3	\$8.1	\$8.5	\$8.4	\$33.3	\$8.5	\$8.3	\$8.7	\$8.5	\$34.0	\$34.6
Fees, Exchange, and Other Service Charges	\$47.1	\$55.5	\$54.9	\$55.6	\$57.2	\$14.4	\$14.4	\$15.2	\$14.0	\$58.0	\$14.6	\$14.6	\$15.3	\$14.0	\$58.5	\$58.9
Investment Securities Gains (Losses), Net	\$9.9	(\$1.3)	(\$6.1)	(\$11.5)	(\$7.5)	(\$1.6)	(\$1.1)	(\$1.9)	(\$1.9)	(\$6.6)	(\$1.9)	(\$1.9)	(\$1.9)	(\$1.9)	(\$7.8)	(\$7.8)
Annuity and Insurance	\$3.4	\$3.2	\$3.8	\$4.7	\$5.4	\$1.6	\$1.4	\$1.1	\$1.4	\$5.5	\$1.6	\$1.3	\$1.0	\$1.4	\$5.4	\$5.3
Bank-Owned Life Insurance	\$7.4	\$7.8	\$10.0	\$11.6	\$13.6	\$3.6	\$3.7	\$3.7	\$3.3	\$14.3	\$3.8	\$3.9	\$3.8	\$3.4	\$14.8	\$15.4
Other	\$30.4	\$19.6	\$15.6	\$37.2	\$19.8	\$5.1	\$5.3	\$5.9	\$5.4	\$21.7	\$5.6	\$6.1	\$6.5	\$5.8	\$24.0	\$26.5
Total Non-Interest Income	\$184.4	\$171.4	\$157.5	\$176.6	\$172.5	\$44.1	\$44.8	\$46.0	\$43.0	\$177.8	\$45.0	\$45.1	\$46.8	\$43.5	\$180.4	\$184.0
Total Revenue, FTE	\$682.0	\$669.8	\$699.3	\$675.6	\$642.9	\$171.4	\$176.1	\$184.3	\$180.4	\$712.1	\$186.3	\$191.4	\$189.9	\$187.3	\$754.9	\$794.4
Total Revenue	\$680.7	\$668.6	\$698.1	\$673.6	\$639.1	\$169.9	\$174.5	\$182.6	\$178.8	\$705.8	\$184.7	\$189.8	\$188.3	\$185.7	\$748.5	\$788.0
Net Revenue after Provision, FTE	\$564.2	\$720.3	\$707.1	\$666.6	\$631.8	\$168.1	\$172.8	\$181.8	\$177.1	\$699.8	\$183.0	\$188.2	\$186.8	\$184.0	\$742.0	\$780.9
Net Revenue after Provision	\$562.9	\$719.1	\$705.9	\$664.6	\$628.0	\$166.6	\$171.2	\$180.1	\$175.5	\$693.4	\$181.4	\$186.6	\$185.2	\$182.4	\$735.6	\$774.5
Salaries and Benefits	\$207.3	\$228.3	\$235.3	\$234.1	\$232.6	\$62.9	\$61.3	\$62.9	\$60.5	\$247.6	\$65.7	\$65.3	\$63.1	\$62.7	\$256.9	\$259.5
Net Occupancy	\$39.5	\$26.2	\$39.4	\$39.9	\$42.1	\$10.6	\$10.5	\$10.9	\$10.4	\$42.4	\$10.6	\$10.6	\$10.9	\$10.5	\$42.7	\$43.0
Net Equipment	\$35.4	\$35.7	\$38.4	\$40.3	\$40.9	\$10.2	\$10.0	\$10.3	\$10.4	\$40.9	\$10.2	\$9.9	\$10.3	\$10.4	\$40.9	\$41.0
Data Processing	\$18.5	\$20.3	\$18.4	\$18.8	\$19.5	\$5.3	\$5.5	\$5.6	\$6.0	\$22.3	\$6.0	\$6.3	\$6.5	\$6.9	\$25.6	\$29.5
Professional Fees	\$12.2	\$12.9	\$14.6	\$17.5	\$19.3	\$4.3	\$4.3	\$4.0	\$4.5	\$17.1	\$3.8	\$3.7	\$3.5	\$4.0	\$15.0	\$13.2
FDIC Insurance	\$5.8	\$6.5	\$6.5	\$28.3	\$17.9	\$1.6	\$3.6	\$3.5	\$2.0	\$10.8	\$1.1	\$2.5	\$2.6	\$1.3	\$7.4	\$5.1
Other Expenses	\$55.0	\$63.6	\$62.7	\$58.7	\$57.9	\$15.7	\$15.6	\$15.1	\$15.1	\$61.5	\$15.7	\$16.2	\$15.5	\$15.5	\$62.9	\$64.4
Total Non-Interest Expense	\$373.8	\$393.6	\$415.3	\$437.5	\$430.1	\$110.5	\$110.8	\$112.4	\$109.0	\$442.6	\$113.1	\$114.6	\$112.5	\$111.3	\$451.5	\$455.7
Pre-Tax Pre Provision Income, FTE	\$308.2	\$276.2	\$284.1	\$238.1	\$212.8	\$60.9	\$65.3	\$71.9	\$71.4	\$269.5	\$73.2	\$76.8	\$77.4	\$76.0	\$303.4	\$338.8
Pre-Tax Pre Provision Income	\$306.9	\$275.1	\$282.8	\$236.1	\$209.0	\$59.4	\$63.7	\$70.3	\$69.8	\$263.1	\$71.6	\$75.2	\$75.8	\$74.4	\$297.0	\$332.4
Pre-Tax Income, FTE	\$190.4	\$326.7	\$291.9	\$229.1	\$201.7	\$57.6	\$62.1	\$69.4	\$68.1	\$257.1	\$69.9	\$73.6	\$74.3	\$72.7	\$290.5	\$325.2
Pre-Tax Income	\$189.1	\$325.6	\$290.6	\$227.1	\$197.9	\$56.2	\$60.4	\$67.8	\$66.5	\$250.8	\$68.3	\$72.0	\$72.7	\$71.1	\$284.1	\$318.8
Income Tax	\$35.3	\$72.2	\$64.8	\$55.9	\$47.9	\$12.2	\$12.8	\$14.4	\$14.4	\$53.8	\$14.8	\$15.6	\$15.8	\$15.4	\$61.6	\$69.2
Tax Rate	18.7%	22.2%	22.3%	24.6%	24.2%	21.7%	21.2%	21.3%	21.7%	21.5%	21.7%	21.7%	21.7%	21.7%	21.7%	21.7%
Net Income	\$153.8	\$253.4	\$225.8	\$171.2	\$150.0	\$44.0	\$47.6	\$53.3	\$52.0	\$197.0	\$53.5	\$56.4	\$56.9	\$55.7	\$222.5	\$249.7
Preferred Stock Dividends	\$0.0	\$3.0	\$7.9	\$7.9	\$12.6	\$5.3	\$5.3	\$5.3	\$5.3	\$21.1	\$5.3	\$5.3	\$5.3	\$5.3	\$21.1	\$21.1
Net Income Available to Common Shareholders	\$153.8	\$250.4	\$217.9	\$163.3	\$137.4	\$38.7	\$42.4	\$48.1	\$46.8	\$175.9	\$48.3	\$51.1	\$51.6	\$50.4	\$201.4	\$228.6
Basic Shares Outstanding	39.7	39.8	39.6	39.3	39.5	39.6	39.6	39.7	39.6	39.6	39.5	39.4	39.3	39.2	39.3	38.9
Diluted Shares Outstanding	39.9	40.1	39.8	39.4	39.7	39.9	39.9	40.0	39.9	39.9	39.8	39.7	39.6	39.5	39.6	39.2
Basic EPS	\$3.87	\$6.29	\$5.50	\$4.16	\$3.48	\$0.98	\$1.07	\$1.21	\$1.18	\$4.44	\$1.22	\$1.30	\$1.32	\$1.29	\$5.12	\$5.88
Diluted EPS	\$3.86	\$6.25	\$5.48	\$4.14	\$3.46	\$0.97	\$1.06	\$1.20	\$1.17	\$4.40	\$1.21	\$1.29	\$1.30	\$1.28	\$5.08	\$5.83
Dividend per Share	\$2.68	\$2.74	\$2.80	\$2.80	\$2.80	\$0.70	\$0.70	\$0.70	\$0.70	\$2.80	\$0.70	\$0.70	\$0.70	\$0.70	\$2.80	\$2.80



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## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

### Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

### Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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### Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	F
Momentum Score	A
VGM Score	D

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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