

REPORT OF THE FINANCIAL CONDITION OF



located at
1132 Bishop Street, Suite 2200, Honolulu, Hawaii 96813

DECEMBER 31, 2008

ASSETS

Cash and Deposits.....	\$ 16,244,000
Mortgage-Backed Securities.....	524,942,000
Mortgage Loans	629,622,000
Nonmortgage Loans	5,970,000
Repossessed Assets	131,000
Office Premises and Equipment	4,256,000
Other Assets	41,433,000
TOTAL ASSETS	\$1,222,598,000

LIABILITIES AND EQUITY CAPITAL

LIABILITIES

Deposits	\$ 936,046,000
Borrowings	150,991,000
Other Liabilities	15,961,000
TOTAL LIABILITIES	\$ 1,102,998,000

Redeemable Preferred Stock and Minority
Interest in Consolidated Subsidiaries..... \$ 13,000

TOTAL EQUITY CAPITAL..... \$ 119,587,000
TOTAL LIABILITIES AND EQUITY CAPITAL **\$1,222,598,000**

**TWELVE MONTHS ENDED
DECEMBER 31, 2008**

STATEMENT OF OPERATING RESULTS

Gross Revenue.....	\$ 65,926,000
Total Expenses	53,227,000
Income Before Taxes	12,699,000
Income Taxes.....	4,402,000
NET INCOME	\$ 8,297,000



On October 3, 2008, FDIC deposit insurance approval is provided from \$100,000 to \$250,000 per depositor through December 31, 2009.