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

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 1994
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from . . . . to . . . .

Commission file number 0-7949

FIRST HAWAIIAN, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	99-0156159
(State of incorporation)	(I.R.S. Employer Identification No.)
1132 BISHOP STREET, HONOLULU, HAWAII	96813
(Address of principal executive offices)	(Zip Code)

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

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

The number of shares outstanding of each of the issuer's classes of common stock as of October 31, 1994:

Class	Outstanding
Common Stock, $5 Par Value	31,984,255 Shares

PART I. FINANCIAL INFORMATION

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
First Hawaiian, Inc. and Subsidiaries (Unaudited)

	SEPTEMBER 30, 1994	December 31, 1993	September 30, 1993
		(in thousands)	
ASSETS			
Cash and due from banks	$ 215,167	$ 436,129	$ 234,004
Interest-bearing deposits in other banks	23,622	116,736	239,894
Federal funds sold and securities purchased under agreements to resell	154,523	35,000	134,939
Investment securities (note 2):			
Held-to-maturity (market value of $1,003,339, $1,144,327 and $1,081,043, respectively)	1,012,076	1,132,025	1,065,347
Available-for-sale	126,826	98,453	106,115
Total investment securities	1,138,902	1,230,478	1,171,462
Loans and leases:			
Loans and leases	5,278,372	5,066,809	4,965,725
Less allowance for loan and lease losses	61,660	62,253	61,882
Net loans and leases	5,216,712	5,004,556	4,903,843
Premises and equipment (note 3)	258,700	249,479	241,480
Customers' acceptance liability	1,738	854	1,125
Core deposit premium	14,132	15,380	15,797
Goodwill	79,802	81,231	80,336
Other assets	105,124	99,288	112,394
TOTAL ASSETS	$7,208,422	$7,269,131	$7,135,274
LIABILITIES AND STOCKHOLDERS' EQUITY			
Deposits:			
Noninterest-bearing demand	$ 841,071	$ 974,478	$ 912,443
Interest-bearing demand	1,105,409	1,143,037	1,416,743
Savings	1,296,983	1,507,200	1,214,246
Time	1,441,110	1,343,841	1,367,533
Foreign	374,423	251,572	184,297
Total deposits	5,058,996	5,220,128	5,095,262
Short-term borrowings	1,115,930	1,069,682	1,040,665
Acceptances outstanding	1,738	854	1,125
Other liabilities	182,358	148,331	174,849
Long-term debt	220,418	221,767	225,951
Total liabilities	6,579,440	6,660,762	6,537,852
Stockholders' equity:			
Common stock	162,713	162,713	162,507
Surplus	133,821	133,820	132,889
Retained earnings	340,777	311,836	302,026
Unrealized valuation adjustment (note 2)	(476)	--	--
Treasury stock	(7,853)	--	--
Total stockholders' equity	628,982	608,369	597,422
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$7,208,422	$7,269,131	$7,135,274

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

CONSOLIDATED STATEMENTS OF INCOME
First Hawaiian, Inc. and Subsidiaries (Unaudited)

	QUARTER ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	1994	1993	1994	1993
	(in thousands, except shares and per share data)			
INTEREST INCOME				
Interest and fees on loans	$ 105,810	$ 90,502	$ 297,106	$ 262,937
Lease financing income	2,480	3,343	8,100	9,956
Interest on investment securities:				
Taxable interest income	11,761	10,594	33,704	34,033
Exempt from Federal income taxes	3,269	3,679	9,971	11,061
Other interest income	1,056	3,091	5,361	9,920
Total interest income	124,376	111,209	354,242	327,907
INTEREST EXPENSE				
Deposits	33,449	31,426	93,484	97,482
Short-term borrowings	11,884	7,085	31,698	19,185
Long-term debt	2,767	2,145	8,701	4,157
Total interest expense	48,100	40,656	133,883	120,824
Net interest income	76,276	70,553	220,359	207,083
Provision for loan and lease losses	6,548	3,213	13,679	10,019
Net interest income after provision for loan and lease losses	69,728	67,340	206,680	197,064
OTHER OPERATING INCOME				
Trust income	5,250	5,002	17,713	15,788
Service charges on deposit accounts	6,093	5,896	17,907	15,675
Other service charges and fees	7,802	6,923	23,422	20,376
Securities gains, net	33	54	175	1,953
Other	1,927	2,962	6,056	5,040
Total other operating income	21,105	20,837	65,273	58,832
OTHER OPERATING EXPENSES				
Salaries and wages	22,927	21,675	69,211	63,182
Employee benefits	6,950	6,658	20,955	18,473
Occupancy expense	5,873	5,257	17,407	14,217
Equipment expense	6,144	5,223	18,208	14,758
Other (note 3)	18,595	18,216	57,690	55,699
Total other operating expenses	60,489	57,029	183,471	166,329
Income before income taxes and cumulative effect of a change in accounting principle	30,344	31,148	88,482	89,567
INCOME TAXES				
Provision before effect of change in tax rate	10,567	10,496	30,968	28,816
Adjustment to deferred tax liability for change in tax rate (note 2)	--	1,520	--	1,520
Adjustment to current tax provision for change in tax rate (note 2)	--	402	--	402
Total income taxes	10,567	12,418	30,968	30,738
Income before cumulative effect of a change in accounting principle	19,777	18,730	57,514	58,829
Cumulative effect of a change in accounting principle (note 2)	--	--	--	3,650
NET INCOME	$ 19,777	$ 18,730	$ 57,514	$ 62,479
PER SHARE DATA				
Income before cumulative effect of a change in accounting principle	$ .61	$ .57	$ 1.78	$ 1.81
Cumulative effect of a change in accounting principle	--	--	--	.11
NET INCOME	$ .61	$ .57	$ 1.78	$ 1.92
CASH DIVIDENDS	$ .295	$ .28	$ .885	$ .84
AVERAGE SHARES OUTSTANDING	32,255,897	32,501,611	32,326,053	32,501,611

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
First Hawaiian, Inc. and Subsidiaries (Unaudited)

	NINE MONTHS ENDED SEPTEMBER 30,	
	1994	1993
	(in thousands)	
CASH AND DUE FROM BANKS AT BEGINNING OF PERIOD	$ 436,129	$ 325,659
Cash flows from operating activities:		
Net income	57,514	62,479
Provision for loan and lease losses	13,679	10,019
Depreciation and amortization	18,143	15,113
Income taxes	10,392	(2,731)
Adjustment to current tax provision for change in tax rate	--	402
Adjustment to deferred tax liability for change in tax rate	--	1,520
Cumulative effect of a change in accounting principle	--	(3,650)
Decrease in interest receivable	3,896	3,428
Increase in interest payable	689	1,852
Increase in prepaid expenses	(5,745)	(3,194)
Write-off of building costs	--	5,444
Net cash provided by operating activities	98,568	90,682
Cash flows from investing activities:		
Net decrease (increase) in interest-bearing deposits in other banks	93,114	(83,578)
Net decrease (increase) in Federal funds sold and securities purchased under agreements to resell	(119,523)	270,061
Purchase of held-to-maturity investment securities	(239,404)	(874,815)
Proceeds from maturity of held-to-maturity investment securities	110,595	453,716
Proceeds from sale of held-to-maturity investment securities	248,758	262,450
Purchase of available-for-sale investment securities	(75,018)	--
Proceeds from maturity of available-for-sale investment securities	32,645	--
Proceeds from sale of available-for-sale investment securities	14,000	--
Net increase in loans and leases made to customers	(225,835)	(51,651)
Capital expenditures	(22,344)	(47,884)
Purchase of Pioneer Fed BanCorp, Inc., net of cash acquired	--	(68,950)
Other	16,140	33,133
Net cash used in investing activities	(166,872)	(107,518)
Cash flows from financing activities:		
Net decrease in deposits	(161,132)	(418,839)
Net increase in short-term borrowings	46,248	280,614
Proceeds from long-term debt	--	105,882
Payments on long-term debt	(1,349)	(15,223)
Cash dividends paid	(28,572)	(27,253)
Purchase of treasury stock	(7,853)	--
Net cash used in financing activities	(152,658)	(74,819)
CASH AND DUE FROM BANKS AT END OF PERIOD	$ 215,167	$ 234,004
Supplemental disclosures:		
Interest paid	$ 133,194	$ 119,116
Net income taxes paid	$ 20,576	$ 31,547

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

CONSOLIDATED STATEMENTS OF
CHANGES IN STOCKHOLDERS' EQUITY
First Hawaiian, Inc. and Subsidiaries (Unaudited)

	QUARTER ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	1994	1993	1994	1993
	(in thousands)			
BALANCE, BEGINNING OF PERIOD	$620,331	$587,776	$608,369	$562,196
Net income	19,777	18,730	57,514	62,479
Purchase of treasury stock	(1,348)	--	(7,853)	--
Unrealized valuation adjustment (note 2)	(274)	--	(476)	--
Cash dividends	(9,504)	(9,084)	(28,572)	(27,253)
BALANCE, END OF PERIOD	$628,982	$597,422	$628,982	$597,422

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
First Hawaiian, Inc. and Subsidiaries (Unaudited)

1. BASIS OF PRESENTATION

The consolidated financial statements of the Company include the accounts of First Hawaiian, Inc. and its wholly-owned subsidiaries -- First Hawaiian Bank and its wholly-owned subsidiaries; Pioneer Federal Savings Bank and its wholly-owned subsidiary; First Hawaiian Creditcorp, Inc.; First Hawaiian Leasing, Inc.; and FHI International, Inc. All significant intercompany balances and transactions have been eliminated in consolidation.

Certain amounts in the consolidated financial statements for 1993 have been reclassified to conform with the 1994 presentation. Such reclassifications had no effect on the consolidated net income as previously reported.

In the opinion of management, all adjustments (which included only normal recurring adjustments) necessary for a fair presentation are reflected in the consolidated financial statements.

2. ACCOUNTING CHANGES

Effective January 1, 1993, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes," the cumulative effect of which was the recognition of an income tax benefit of $3,650,000 in the first quarter of 1993. Under SFAS No. 109, deferred tax assets and liabilities are measured using enacted tax rates scheduled to be in effect at the time the related temporary differences between financial reporting and tax reporting of income and expenses are expected to reverse. The effect of changes in tax rates is recognized in income in the period that includes the enactment date. On August 10, 1993, the Omnibus Budget Reconciliation Act of 1993 was signed into law, increasing the Federal corporate tax rate from 34% to 35%, retroactive to January 1, 1993. As a result, the Company recognized adjustments to its deferred tax liability and current tax provision of $1,520,000 and $402,000, respectively, in the third quarter of 1993.

As of December 31, 1993, the Company adopted SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities." Under SFAS No. 115, investment securities are to be classified in 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, and are reported at amortized cost; (2) trading securities are debt securities that are bought and held principally for the purpose of selling them in the near term and are reported at fair value, with unrealized gains and losses included in the current earnings; and (3) available-for-sale securities are debt securities not classified as either held-to-maturity securities or trading securities and are reported at fair value, with unrealized gains and losses excluded from current earnings and reported in a separate component of stockholders' equity. There were no trading securities as of September 30, 1994 and December 31, 1993.

Effective January 1, 1994, the Company adopted SFAS No. 112, "Employers' Accounting for Postemployment Benefits." Under SFAS No. 112, employers are required to recognize the obligation to provide postemployment benefits to former or inactive employees after employment but before retirement if the obligation is attributable to employees' services already rendered, employees' rights to those benefits accumulate or vest, payments of the benefits is probable, and the amount of the benefits can be reasonably estimated. The adoption of SFAS No. 112 did not have a material effect on the consolidated financial statements of the Company.

3. OTHER OPERATING EXPENSES

In connection with the Company's redevelopment of its former downtown headquarters block, the undepreciated cost of certain structures was written off in the first quarter of 1993. The write-off amounted to $5,444,000, and is included in "Other Operating Expenses" for that period.

4. BUSINESS COMBINATION

On August 6, 1993, the Company acquired all of the outstanding stock of Pioneer Fed BanCorp, Inc. ("Pioneer Holdings") for a cash purchase price of $87 million. As a result of the merger of Pioneer Holdings with and into the Company, Pioneer Federal Savings Bank ("Pioneer") became a wholly-owned subsidiary of the Company. The results of operations of Pioneer are included in the Company's Consolidated Statements of Income from the date of acquisition.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NET INCOME

Consolidated net income for the first nine months of 1994 was $57,514,000 compared to $62,479,000 for the first nine months of 1993, a decrease of 7.9%. Consolidated income from operations for the first nine months of 1994 was $57,514,000, or a decrease of 2.2%, as compared to the same period in 1993, excluding the cumulative effect of the change in accounting principle of $3,650,000 in the first quarter of 1993. For the third quarter of 1994, the consolidated net income of $19,777,000 represented an increase of 5.6% over the same quarter in 1993. The favorable comparative results in the third quarter of 1994 were primarily attributable to the increase in the Federal corporate tax rate from 34% to 35%, retroactive to January 1, 1993, which resulted in a nonrecurring income tax adjustment of $1,922,000 in 1993. Excluding such adjustment, consolidated net income declined by 4.2% in the third quarter of 1994 compared to the third quarter of 1993.

On a per share basis, consolidated net income for the nine months and quarter ended September 30, 1994 were $1.78 and $.61, respectively, a decrease of 7.3% and an increase of 7.0%, respectively, as compared to the same periods in 1993. Excluding the effect of the change in accounting principle, income from operations per share was $1.78 for the first nine months of 1994, a decrease of 1.7% as compared to the same period in 1993.

On an annualized basis, the Company's return on average total assets for the first nine months of 1994 was 1.08% compared to 1.26% for the same period in 1993 and return on average stockholders' equity was 12.44% compared to 14.43% for the same period in 1993. The decreases in return on average total assets and return on average stockholders' equity in 1994 as compared to 1993 were primarily attributable to the decrease in earnings previously mentioned and, with respect to the return on average stockholders' equity, a higher capital base.

NET INTEREST INCOME

On a fully taxable equivalent basis, net interest income increased $12,818,000, or 6.0%, to $225,846,000 for the nine months ended September 30, 1994 from $213,028,000 for the same period in 1993. The increase was due to the 8.4% increase in average earning assets (principally as a result of the acquisition of Pioneer), offset by a 10 basis point (1% equals 100 basis points) decrease in the net interest margin. For the third quarter of 1994, the yield on earning assets increased 50 basis points while the rate paid for interest-bearing deposits and liabilities increased 36 basis points compared to the same period in 1993, resulting in an increase in the interest rate spread from 4.11% to 4.25%. Utilizing average earning assets as the base, the net interest margin on earning assets for the third quarter of 1994 was 4.78% compared to 4.63% for the same period in 1993. Excluding the effect of certain nonrecurring loan fees of $2,545,000, the net interest margin on earning assets for the third quarter of 1994 was 4.63%.

The following table sets forth consolidated average balance sheets, an analysis of interest income/expense, and average yield/rate for each major category of interest-earning assets and interest-bearing liabilities for the periods indicated on a taxable equivalent basis. 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. The tax equivalent adjustment is based on the prevailing federal income tax rate of 35% for 1994 and 1993.

	QUARTER ENDED SEPTEMBER 30,					
	1994			1993		
	AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	YIELD/ RATE(1)	Average Balance	Interest Income/ Expense	Yield/ Rate(1)
			(dollars in thousands)			
Earning assets:						
Interest-bearing deposits in other banks	$ 32,549	$ 270	3.30%	$ 256,497	$ 1,863	2.88%
Federal funds sold and securities purchased under agreements to resell	74,155	646	3.46	152,676	1,228	3.19
Investment securities	1,084,666	15,293	5.59	999,140	15,178	6.03
Available-for-sale securities	123,805	1,617	5.18	99,556	919	3.66
Loans and leases(2),(3)	5,162,097	108,349	8.33	4,701,902	94,003	7.93
Total earning assets	6,477,272	126,175	7.73	6,209,771	113,191	7.23
Nonearning assets	641,521			641,705		
Total assets	$7,118,793			$6,851,476		

	NINE MONTHS ENDED SEPTEMBER 30,					
	1994			1993		
	AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	YIELD/ RATE(1)	Average Balance	Interest Income/ Expense	Yield/ Rate(1)
			(dollars in thousands)			
Earning assets:						
Interest-bearing deposits in other banks	$ 85,130	$ 2,167	3.40.%	$ 230,672	$ 5,378	3.12%
Federal funds sold and securities purchased under agreements to resell	113,230	2,965	3.50	190,590	4,542	3.19
Investment securities	1,083,885	44,786	5.52	1,045,547	49,749	6.36
Available-for-sale securities	121,094	4,161	4.59	33,904	919	3.62
Loans and leases(2),(3)	5,096,888	305,650	8.02	4,497,293	273,408	8.13
Total earning assets	6,500,227	359,729	7.40	5,998,006	333,996	7.44
Nonearning assets	648,097			638,881		
Total assets	$7,148,324			$6,636,887		

(1) Annualized.

(2) Nonaccruing loans and leases have been included in the computations of average loan and lease balances.

(3) Interest income for loans and leases included loan fees of $8,513 and $22,408 for the quarter and nine months ended September 30, 1994, respectively, and $6,321 and $18,844 for the quarter and nine months ended September 30, 1993, respectively.

QUARTER ENDED SEPTEMBER 30,

LIABILITIES AND STOCKHOLDERS' EQUITY	1994 AVERAGE BALANCE	1994 INTEREST INCOME/ EXPENSE	1994 YIELD/ RATE (1)	1993 Average Balance	1993 Interest Income/ Expense	1993 Yield/ Rate (1)
	(dollars in thousands)					
Interest-bearing deposits and liabilities:						
Deposits	$4,210,678	$33,449	3.15%	$4,180,415	$31,468	2.99%
Short-term borrowings	1,053,198	11,884	4.48	842,416	7,085	3.34
Long-term debt	213,674	2,767	5.14	150,478	2,145	5.66
Total interest-bearing deposits and liabilities	5,477,550	48,100	3.48	5,173,309	40,698	3.12
Interest rate spread			4.25%			4.11%
Noninterest-bearing demand deposits	860,221			925,803		
Other liabilities	154,940			160,525		
Total liabilities	6,492,711			6,259,637		
Stockholders' equity	626,082			591,839		
Total liabilities and stockholders' equity	$7,118,793			$6,851,476		
Net interest income and margin on earning assets		78,075	4.78%		72,493	4.63%
Tax equivalent adjustment		1,799			1,982	
Net interest income		$76,276			$70,511	

(1) Annualized.

NINE MONTHS ENDED SEPTEMBER 30,

LIABILITIES AND STOCKHOLDERS' EQUITY	1994 AVERAGE BALANCE	1994 INTEREST INCOME/ EXPENSE	1994 YIELD/ RATE (1)	1993 Average Balance	1993 Interest Income/ Expense	1993 Yield/ Rate (1)
	(dollars in thousands)					
Interest-bearing deposits and liabilities:						
Deposits	$4,193,357	$ 93,484	2.98%	$4,088,779	$ 97,626	3.19%
Short-term borrowings	1,083,400	31,698	3.91	796,655	19,185	3.22
Long-term debt	212,279	8,701	5.48	95,180	4,157	5.84
Total interest-bearing deposits and liabilities	5,489,036	133,883	3.26	4,980,614	120,968	3.25
Interest rate spread			4.14%			4.19%
Noninterest-bearing demand deposits	888,603			920,175		
Other liabilities	152,370			157,290		
Total liabilities	6,530,009			6,058,079		
Stockholders' equity	618,315			578,808		
Total liabilities and						

stockholders' equity	$7,148,324			$6,636,887		
Net interest income and margin on earning assets		225,846	4.65%		213,028	4.75%
Tax equivalent adjustment		5,487			6,089	
Net interest income		$220,359			$206,939	

(1) Annualized.

INVESTMENT SECURITIES

Comparative book and market values of held-to-maturity investment securities at September 30, 1994, December 31, 1993, and September 30, 1993 were as follows:

	SEPTEMBER 30, 1994	December 31, 1993	September 30, 1993
		(in thousands)	
Book value	$ 1,012,076	$ 1,132,025	$ 1,065,347
Unrealized gains	5,054	14,036	16,440
Unrealized losses	(13,791)	(1,734)	(744)
Market value	$ 1,003,339	$ 1,144,327	$ 1,081,043

The decrease in unrealized gains and increase in unrealized losses from September 30, 1993 to September 30, 1994 is attributable to the rise in the overall level of interest rates resulting from monetary actions of the Federal Reserve Board during the first nine months of 1994.

At September 30, 1994, gross unrealized gains and losses on available-for-sale investment securities were $1,000 and $477,000, respectively. At December 31, 1993, the unamortized cost of available-for-sale investment securities approximated fair value.

Gross realized gains and losses for the nine months ended September 30, 1994 and 1993 were as follows:

	1994	1993
	(in thousands)	
Realized gains	$ 176	$ 2,028
Realized losses	(1)	(75)
Securities gains, net	$ 175	$ 1,953

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

LOANS

The following table sets forth the loan portfolio by major categories and loan mix at September 30, 1994, December 31, 1993 and September 30, 1993:

	SEPTEMBER 30, 1994		December 31, 1993		September 30, 1993	
	AMOUNT	%	Amount	%	Amount	%
			(dollars in thousands)			
Commercial, financial and agricultural	$1,209,247	22.9%	$1,208,912	23.8%	1,176,958	23.7%
Real estate:						
Commercial	970,282	18.4	882,628	17.4	816,592	16.4
Construction	299,609	5.7	317,036	6.2	373,295	7.5
Residential:						
Insured, guaranteed or conventional	1,573,490	29.8	1,427,299	28.2	1,378,283	27.8
Home equity credit lines	366,032	6.9	358,662	7.1	362,957	7.3
Total real estate loans	3,209,413	60.8	2,985,625	58.9	2,931,127	59.0
Consumer	444,697	8.4	459,910	9.1	452,089	9.1
Lease financing	193,539	3.7	201,449	4.0	189,049	3.8
Foreign	221,476	4.2	210,913	4.2	216,502	4.4
TOTAL LOANS AND LEASES	5,278,372	100.0%	5,066,809	100.0%	4,965,725	100.0%
Less allowance for loan and lease losses	61,660		62,253		61,882	
Total net loans and leases	$5,216,712		$5,004,556		$4,903,843	

The loan and lease portfolio is the largest component of earning assets and accounts for the greatest portion of total interest income. At September 30, 1994, total loans and leases were $5,278,372,000, an increase of 4.2% from December 31, 1993.

Total loans and leases at September 30, 1994, represented 73.2% of total assets, 80.0% of total earning assets and 104.3% of total deposits compared to 69.7% of total assets, 78.6% of total earning assets and 97.1% of total deposits at December 31, 1993. Governmental and certain other time deposits were shifted into security repurchase agreements at September 30, 1994, December 31, 1993 and September 30, 1993 to reduce the Company's deposit insurance premiums. If these repurchase agreements were included in the deposit base, total loans and leases as a percentage of total deposits would represent 89.3%, 83.8% and 83.2%, respectively, at such dates.

Loan concentrations are considered to exist when there are amounts loaned to multiple borrowers engaged in similar activities which would cause them to be similarly impacted by economic or other conditions. At September 30, 1994, commercial real estate loans totalled $970,282,000, or 18.4%, of total loans and leases. The Company has selectively participated as a lender on commercial properties on the mainland United States, principally on the west coast. Such loans totalled $57.1 million at September 30, 1994, a decrease of 15.7% from December 31, 1993. At September 30, 1994, the largest concentration of commercial real estate loans to a single borrower was $29.0 million.

Commercial loans outstanding remained virtually unchanged since year-end, reflecting the continuing weakness in the Hawaii economy and corresponding lack of growth in appropriate lending opportunities. Construction and land development loans decreased 5.5% from December 31, 1993 to September 30, 1994 due to repayments and loans transferred to commercial real estate because of project completion and receipt of permanent financing.

NONPERFORMING ASSETS

A summary of nonperforming assets at September 30, 1994, December 31, 1993 and September 30, 1993 follows:

	SEPTEMBER 30, 1994	December 31, 1993	September 30, 1993
	(dollars in thousands)		
Nonperforming loans and leases:			
Nonaccrual:			
Commercial, financial and agricultural	$ 14,237	$ 13,823	$ 21,559
Real estate:			
Commercial	27,847	12,145	6,227
Construction	7,858	28,571	31,073
Residential:			
Insured, guaranteed, or conventional	4,654	5,473	3,067
Home equity credit lines	698	255	253
Total real estate loans	41,057	46,444	40,620
Consumer	109	45	132
Lease financing	--	--	27
Total nonaccrual loans and leases	55,403	60,312	62,338
Renegotiated:			
Commercial real estate	3,128	--	--
Commercial, financial and agricultural	--	20	31
Total nonperforming loans and leases	58,531	60,332	62,369
Other real estate owned	3,640	13,034	12,683
Total nonperforming assets	$ 62,171	$ 73,366	$ 75,052
Loans and leases past due 90 days or more and still accruing interest	$ 35,389	$ 40,285	$ 15,930
Nonperforming assets to total loans and leases and other real estate owned (end of period):			
Excluding past due loans and leases	1.18%	1.44%	1.51%
Including past due loans and leases	1.85%	2.24%	1.83%
Nonperforming assets to total assets (end of period):			
Excluding past due loans and leases	.86%	1.01%	1.05%
Including past due loans and leases	1.35%	1.56%	1.28%

NONPERFORMING ASSETS, CONTINUED

Nonperforming assets decreased from $73,366,000 at December 31, 1993 to $62,171,000 at September 30, 1994. The decrease was primarily attributable to: (1) the sale of a $10.0 million commercial property classified as other real estate owned; (2) $9.3 million in loan repayments; (3) a $9.1 million real estate construction loan which was returned to accrual status; and (4) the partial charge-offs of three real estate construction loans totalling $6.8 million. The decrease was offset by the addition to nonaccrual status of two commercial loans totalling $12.5 million and three commercial real estate loans totalling $13.3 million.

The decrease in the nonaccrual real estate - construction loan category and increase in the renegotiated commercial real estate loan category was primarily attributable to a $13.0 million loan which was renegotiated with the borrower. Subsequently, $9.1 million of the loan balance was returned to accrual status based on the performance of the loan under the renegotiated terms.

Loans and leases past due 90 days or more and still accruing interest totalled $35,389,000 at September 30, 1994, a decrease of 12.2% from December 31, 1993. All of the loans which are past due 90 days or more and still accruing interest are in management's judgement adequately collateralized and in the process of collection.

In recent periods, the level of the Company's nonperforming assets and charge-offs has been adversely affected by the unusually long recession experienced by the Hawaii economy and weaknesses in both the local and California real estate markets. The Company believes that the Hawaii economy is beginning to show signs of improvement, and local commercial real estate markets evidence signs of having stabilized. A significant and sustained improvement in the Hawaii economy and in local real estate markets should have a positive effect on the Company's overall asset quality; however, there can be no assurance that such improvements will result in a significant reduction in the level of nonperforming assets (which consist primarily of commercial real estate loans) or related charge-offs in the near term.

DEPOSITS

The following table sets forth the average balances and the average rates paid on deposits for the periods indicated:

	QUARTER ENDED SEPTEMBER 30,				NINE MONTHS ENDED SEPTEMBER 30,			
	1994		1993		1994		1993	
	AVERAGE BALANCE	AVERAGE RATE(1)	Average Balance	Average Rate(1)	AVERAGE BALANCE	AVERAGE RATE(1)	Average Balance	Average Rate(1)
	(dollars in thousands)							
Interest-bearing demand	$1,105,142	2.21%	$1,264,736	2.09%	$1,164,714	2.02%	$1,237,276	2.23%
Savings	1,269,977	2.20	1,441,851	2.30	1,292,044	2.12	1,416,801	2.68
Time	1,835,559	4.38	1,473,828	4.43	1,736,599	4.26	1,434,702	4.53
Total interest-bearing deposits	4,210,678	3.15	4,180,415	2.99	4,193,357	2.98	4,088,779	3.19
Noninterest-bearing demand	860,221	--	925,803	--	888,603	--	920,175	--
Total deposits	$5,070,899	2.62%	$5,106,218	2.44%	$5,081,960	2.46%	$5,008,954	2.61%

(1) Annualized.

Average deposits for the nine months ended September 30, 1994 increased $73.0 million, or 1.5%, compared to the same period in 1993. For the current quarter, average deposits decreased $35.3 million, or .7%, as compared to the third quarter of 1993. Exclusive of the average deposits of Pioneer for the nine months and quarter ended September 30, 1994 (which consisted primarily of time deposits), average deposits decreased $174.4 million, or 3.6%, and $231.4 million, or 4.7%, respectively. The investment by customers in higher-yielding alternative investments, generally with non-financial institutions, and the shift of public deposits into security repurchase agreements, contributed to the decrease in average deposits.

PROVISION AND ALLOWANCE FOR LOAN AND LEASE LOSSES

The following table sets forth the activity in the allowance for loan and lease losses for the periods indicated:

	QUARTER ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	1994	1993	1994	1993
	(dollars in thousands)			
Loans and leases outstanding	$5,278,372	$4,965,725	$5,278,372	$4,965,725
Average loans and leases outstanding	$5,162,097	$4,701,902	$5,096,888	$4,497,293
Allowance for loan and lease losses summary:				
Balance at beginning of period	$ 61,873	$ 56,828	$ 62,253	$ 56,385
Allowance due to merger of Pioneer	--	4,525	--	4,525
Loans and leases charged off:				
Commercial, financial and agricultural	1,149	607	4,257	2,235
Real estate - mortgage	405	153	1,557	203
Real estate - construction	4,240	1,302	6,445	3,574
Consumer	1,700	1,500	4,705	4,864
Lease financing	--	3	--	3
Total loans and leases charged off	7,494	3,565	16,964	10,879
Recoveries on loans and leases charged off:				
Commercial, financial and agricultural	254	19	1,140	172
Real estate - mortgage	51	369	96	370
Real estate - construction	37	--	242	--
Consumer	381	491	1,200	1,286
Lease financing	10	2	14	4
Total recoveries on loans and leases charged off	733	881	2,692	1,832
Net charge-offs	(6,761)	(2,684)	(14,272)	(9,047)
Provision charged to expense	6,548	3,213	13,679	10,019
Balance at end of period	$ 61,660	$ 61,882	$ 61,660	$ 61,882
Ratio of net loans and leases charged off to average loans and leases	.52%(1)	.23%(1)	.37%(1)	.27%(1)
Ratio of net loans and leases charged off to allowance for loan and lease losses	43.50%(1)	17.21%(1)	30.95%(1)	19.55%(1)
Ratio of allowance for loan and lease losses to total loans and leases (end of period)	1.17%	1.25%	1.17%	1.25%
Ratio of allowance for loan and lease losses to nonperforming loans and leases (end of period):				
Excluding past due loans and leases	105.35%	99.22%	105.35%	99.22%
Including past due loans and leases	65.65%	79.03%	65.65%	79.03%

(1) Annualized.

PROVISION AND ALLOWANCE FOR LOAN AND LEASE LOSSES, CONTINUED

For the first nine months of 1994, the provision for loan and lease losses was $13,679,000, an increase of $3,660,000, or 36.5%, over the first nine months of 1993. The provision for loan and lease losses was $6,548,000 for the third quarter of 1994, an increase of $3,335,000, or 103.8%, over the third quarter of 1993. These increases are consistent with the increase in net charge-offs for the respective periods.

Net charge-offs for the first nine months of 1994 were $14,272,000, an increase of $5,225,000, or 57.8%, over the first nine months of 1993. Net charge-offs for the third quarter of 1994 were $6,761,000 compared to $2,684,000 a year ago. The increase in the net charge-offs for the third quarter of 1994 was primarily due to the charge-offs on two Hawaii commercial real estate loans aggregating $3,215,000, as a result of the Shared National Credit report by the regulatory agencies. Management believes that the increased levels of net charge-offs, which reflect the continuing weakness in the Hawaii economy and local real estate markets, may continue in future periods.

The ratio of the allowance for loan and lease losses to nonperforming loans and leases increased from 99.22% at September 30, 1993 to 105.35% at September 30, 1994. The increase was primarily attributable to the decline in nonperforming loans and leases from $62,369,000 at September 30, 1993 to $58,531,000 at September 30, 1994, a decrease of $3,838,000, or 6.2%.

OTHER OPERATING INCOME

Exclusive of securities transactions, other operating income for the first nine months and third quarter of 1994 increased 14.4% and 1.4%, respectively, over the same periods in 1993. The increase for the first nine months of 1994 was primarily attributable to the increases in trust income and service charges/fees described below, and the acquisition of Pioneer.

Trust fees increased $1,925,000, or 12.2%, for the first nine months of 1994 over the same period in 1993. Similarly, trust fees increased 5.0% for the third quarter of 1994 over the third quarter of 1993. The increases were primarily the result of increases in fees from pension plans and irrevocable trusts and investment management fees which were the result of new business.

Service charges on deposit accounts increased $2,232,000, or 14.2%, and $197,000, or 3.3%, for the first nine months and third quarter of 1994, respectively, over the same periods in 1993. These increases were primarily attributable to increases in fees on checking accounts and service fees at Pioneer.

Other service charges and fees increased $3,046,000, or 14.9%, and $879,000, or 12.7%, for the first nine months and third quarter of 1994, respectively, over the same periods in 1993. These increases were primarily attributable to increases in merchant discount income and commissions.

Security transactions resulted in a net pre-tax gain of $175,000 and $33,000 for the first nine months and third quarter of 1994, respectively, compared to a net pre-tax gain of $1,953,000 and $54,000, respectively, for the same periods in 1993. The Company recognized a pre-tax gain of $1,873,000 from the sale of its Fannie Mae and Sallie Mae stocks in the second quarter of 1993.

Other operating income increased $1,016,000 for the first nine months and decreased $1,035,000 for the third quarter of 1994, respectively, over the same periods in 1993. The increase for the first nine months of 1994 was primarily attributable to advisory fee income and the acquisition of Pioneer. The decrease for the third quarter of 1994 was principally due to the gain on sale of a lease of $1,368,000 in the third quarter of 1993.

OTHER OPERATING EXPENSES

Other operating expenses totalled $183,471,000 for the first nine months of 1994, an increase of $17,142,000, or 10.3% over the first nine months of 1993. Other operating expenses totalled $60,489,000 for the third quarter of 1994, an increase of $3,460,000, or 6.1%, over the third quarter of 1993.

Total personnel expenses (salaries and wages and employee benefits) increased $8,511,000, or 10.4%, for the first nine months of 1994 over the same period in 1993. Personnel expenses attributable to recent acquisitions account for $4,523,000 of the increase. The balance of the increase was attributable to normal merit increases and higher workers' compensation, health and payroll tax expenses. Total personnel expenses increased 5.4% for the third quarter of 1994 over the same quarter in 1993.

Occupancy expense for the first nine months of 1994 increased $3,190,000, or 22.4%, over the same period in 1993 with $3,040,000 attributable to the Pioneer acquisition. Occupancy expense increased 11.7% for the third quarter of 1994 over the same quarter in 1993.

Equipment expense increased $3,450,000, or 23.4%, for the first nine months of 1994 over the same period in 1993, primarily as a result of higher depreciation and rental expense and maintenance service contracts in connection with the migration from a Unisys to IBM information technology platform and improvements in the delivery and processing systems. Equipment expense increased 17.6% for the third quarter of 1994 over the same quarter in 1993.

Excluding the loss of $1,409,000 on the disposition of certain other real estate owned in the second quarter of 1994 and the write-off of $5,444,000 for the undepreciated cost of certain structures on the Company's redevelopment block in the first quarter of 1993, other operating expenses increased $6,026,000, or 12.0%, for the first nine months of 1994 over the same period in 1993. The acquisition of Pioneer accounts for $4,081,000 of this increase. The remainder of the increase was due to higher utility, professional fees and outside services. Other operating expense increased 2.1% for the third quarter of 1994 over the same quarter in 1993.

INCOME TAXES

The Company's effective income tax rate (exclusive of the tax equivalent adjustment) for the nine months and quarter ended September 30, 1994 was 35.0% and 34.8%, respectively, as compared to 34.3% and 39.9%, respectively, for the same periods in 1993. The decrease in the Company's effective income tax rate in the third quarter of 1994 was due to the retroactive adjustment for current and deferred income taxes totalling $1,922,000 as a result of the Omnibus Budget Reconciliation Act of 1993.

LIQUIDITY AND CAPITAL-

Stockholders' equity was $628,982,000 at September 30, 1994, a 3.4% increase from $608,369,000 at December 31, 1993. Average stockholders' equity represented 8.79% of average total assets for the third quarter of 1994 compared to 8.64% in the same quarter last year. There was no significant change in the Company's liquidity position during the third quarter of 1994.

The following tables present the Company's regulatory capital position at September 30, 1994:

RISK-BASED CAPITAL RATIOS

	AMOUNT	RATIO
	(dollars in thousands)	
Tier 1 Capital	$ 545,715	9.85%
Tier 1 Capital minimum requirement (1)	221,574	4.00
Excess	$ 324,141	5.85%
Total Capital	$ 707,375	12.77%
Total Capital minimum requirement (1)	443,148	8.00
Excess	$ 264,227	4.77%
Risk-weighted assets	$5,539,356	

LEVERAGE RATIO

	AMOUNT	RATIO
	(dollars in thousands)	
Tier 1 Capital to average total assets (Tier 1 Leverage Ratio)	$ 545,715	7.76%
Minimum leverage requirement (2)	211,052	3.00
Excess	$ 334,663	4.76%
Average total assets, net of goodwill and certain intangible assets	$7,035,050	

(1) Risk-based capital guidelines as established by the Federal Reserve Board for bank holding companies require minimum Tier 1 and Total capital ratios of 4% and 8%, respectively.

(2) The Leverage Ratio of 3% is the minimum requirement for the most highly rated banking organizations which are not experiencing or anticipating significant growth. According to the Federal Reserve Board, other banking organizations will be expected to maintain capital at higher levels of at least an additional one to two percent.

The Board of Directors of the Company has authorized the purchase from time to time of shares of outstanding common stock of the Company for issuance under the Company's Incentive Plan for Key Executives and Stock Incentive Plan. During the last quarter, the Company acquired 46,000 shares at an average price of $29.30 per share under this authorization.

On October 25, 1994, the Company acquired 200,000 shares at an average price of $27.875 per share in a private purchase authorized by the Board of Directors.

PART II. OTHER INFORMATION

ITEM 5. OTHER INFORMATION

RECENT DEVELOPMENT

As a result of a review by the Company of investment accounts managed by its trust group, the Company has preliminarily determined that certain of such accounts may have decreased in value due in part to the inclusion of collateralized mortgage obligations which were not within the applicable customer instructions for such accounts. The Company has stated that it intends to cover any customer losses caused by investments that were not made in compliance with the applicable customer instructions. The Company is currently continuing its review of the accounts in question and at this point cannot quantify the precise amount of losses involved, although the Company believes that any losses to it will be mitigated by insurance coverage. The Company believes that any such losses will not have a material effect on its financial condition, although there could be an impact on its results of operations in a future quarter.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

Exhibit 12 Statement regarding computation of consolidated ratios of earnings to fixed charges.

Exhibit 27 Financial Data Schedule

(b) Reports on Form 8-K - No reports on Form 8-K were filed during the quarter ended September 30, 1994.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FIRST HAWAIIAN, INC.
(REGISTRANT)

Date November 14, 1994

By /s/ HOWARD H. KARR

HOWARD H. KARR
EXECUTIVE VICE PRESIDENT AND TREASURER
(PRINCIPAL FINANCIAL OFFICER)

EXHIBIT INDEX

EXHIBIT 12. STATEMENT RE: COMPUTATION OF RATIOS

First Hawaiian, Inc. and Subsidiaries
Computation of Consolidated Ratios of Earnings to Fixed Charges

	QUARTER ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	1994	1993	1994	1993
	(dollars in thousands)			
Income before income taxes and cumulative effect of a change in accounting principle	$30,344	$31,148	$ 88,482	$ 89,567
Fixed charges:(1)				
Interest expense	48,100	40,698	133,883	120,968
Capitalized interest	1,825	2,364	5,573	3,456
Rental expense	1,155	778	3,395	1,996
	51,080	43,840	142,851	126,420
Less interest on deposits	33,449	31,468	93,484	97,626
Net fixed charges	17,631	12,372	49,367	28,794
Earnings, excluding interest on deposits	$47,975	$43,520	$137,849	$118,361
Earnings, including interest on deposits	$81,424	$74,988	$231,333	$215,987
Ratio of earnings to fixed charges:				
Excluding interest on deposits	2.72 x	3.52 x	2.79 x	4.11 x
Including interest on deposits	1.59 x	1.71 x	1.62 x	1.71 x

(1) For purposes of computing the above ratios, earnings represent income before income taxes and cumulative effect of a change in accounting principle plus 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, include all interest, whether expensed or capitalized, and that portion of rental expense (generally one third) deemed representative of the interest factor.

9
1,000
US DOLLARS

9-MOS
DEC-31-1994
JAN-01-1994
SEP-30-1994
1.00
215,167
23,622
154,523
0
126,826
1,012,076
1,003,339
5,278,372
61,660
7,208,422
5,058,996
1,115,930
182,358
220,418
0
0
162,713
466,269
7,208,422
305,206
43,675
5,361
354,242
93,484
133,883
220,359
13,679
175
183,471
88,482
57,514
0
0
57,514
1.78
1.78
7.40
55,403
35,389
3,128
633
62,253
16,964
2,692
61,660
42,660
0
19,000