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 June 30, 1996

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 l5(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 July 29, 1996 was:

Class	Outstanding
Common Stock, $5 Par Value	31,127,897 Shares

Part I. FINANCIAL INFORMATION

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	JUNE 30, 1996	December 31, 1995	June 30, 1995
		(in thousands)	
ASSETS			
Interest-bearing deposits in other banks	$ 174,130	$ 244,570	$ 11,770
Federal funds sold and securities purchased under agreements to resell	201,840	169,803	180,000
Investment securities:			
Available-for-sale	1,269,854	1,175,293	156,560
Held-to-maturity (fair value of $1,186,636)	--	--	1,186,214
Loans:			
Loans	5,658,838	5,259,545	5,253,682
Less allowance for loan losses	84,531	78,733	61,200
Net loans	5,574,307	5,180,812	5,192,482
Total earning assets	7,220,131	6,770,478	6,727,026
Cash and due from banks	261,353	304,051	264,456
Premises and equipment	260,679	241,987	242,439
Customers' acceptance liability	712	1,995	1,701
Core deposit premium	35,007	16,665	12,902
Goodwill	88,542	75,309	77,106
Other assets	181,438	154,024	145,071
TOTAL ASSETS	$ 8,047,862	$ 7,564,509	$ 7,470,701
LIABILITIES AND STOCKHOLDERS' EQUITY			
Deposits:			
Noninterest-bearing demand	$ 928,544	$ 913,228	$ 825,597
Interest-bearing demand	1,252,308	1,073,136	1,107,981
Savings	1,154,894	1,147,997	1,119,705
Time	2,314,335	1,927,011	1,714,216
Foreign	222,958	296,941	413,559
Total deposits	5,873,039	5,358,313	5,181,058
Short-term borrowings	992,573	1,083,179	1,174,543
Acceptances outstanding	712	1,995	1,701
Other liabilities	239,159	232,733	224,014
Long-term debt	275,750	238,752	243,771
TOTAL LIABILITIES	7,381,233	6,914,972	6,825,087
Stockholders' equity:			
Preferred stock	--	--	--
Common stock	162,713	162,713	162,713
Surplus	133,933	133,925	133,927
Retained earnings	408,560	385,976	365,119
Unrealized valuation adjustment	202	5,489	329
Treasury stock	(38,779)	(38,566)	(16,474)
TOTAL STOCKHOLDERS' EQUITY	666,629	649,537	645,614
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 8,047,862	$ 7,564,509	$ 7,470,701

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

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

	QUARTER ENDED JUNE 30, 1996	QUARTER ENDED JUNE 30, 1995	SIX MONTHS ENDED JUNE 30, 1996	SIX MONTHS ENDED JUNE 30, 1995
	(in thousands, except shares and per share data)			
INTEREST INCOME				
Interest and fees on loans	$ 112,732	$ 122,322	$ 222,984	$ 240,978
Lease financing income	2,502	2,408	5,339	6,000
Interest on investment securities:				
Taxable interest income	17,459	10,440	34,257	21,800
Exempt from Federal income taxes	773	1,509	1,633	3,163
Other interest income	5,140	4,966	10,172	8,298
Total interest income	138,606	141,645	274,385	280,239
INTEREST EXPENSE				
Deposits	42,955	45,956	85,004	88,105
Short-term borrowings	13,202	20,875	27,036	41,388
Long-term debt	4,391	3,397	8,267	6,576
Total interest expense	60,548	70,228	120,307	136,069
Net interest income	78,058	71,417	154,078	144,170
Provision for loan losses	5,191	3,341	8,513	6,681
Net interest income after provision for loan losses	72,867	68,076	145,565	137,489
NONINTEREST INCOME				
Trust income	5,829	5,624	12,326	11,978
Service charges on deposit accounts	6,211	5,874	12,197	12,180
Other service charges and fees	10,081	8,510	19,898	16,764
Securities gains, net	7	--	27	1
Other	5,282	1,692	6,930	3,760
Total noninterest income	27,410	21,700	51,378	44,683
NONINTEREST EXPENSES				
Salaries and wages	24,947	22,857	49,141	46,084
Employee benefits	8,778	5,612	17,956	12,846
Occupancy expense	6,372	6,499	12,817	12,925
Equipment expense	5,641	5,823	11,122	12,209
Other	22,208	19,544	44,316	39,616
Total noninterest expenses	67,946	60,335	135,352	123,680
Income before income taxes	32,331	29,441	61,591	58,492
Income taxes	11,587	10,573	20,644	20,854
NET INCOME	$ 20,744	$ 18,868	$ 40,947	$ 37,638
PER SHARE DATA				
NET INCOME	$ .67	$ .59	$ 1.32	$ 1.18
CASH DIVIDENDS	$ .295	$ .295	$ .59	$ .59
AVERAGE SHARES OUTSTANDING	31,127,822	31,988,345	31,124,513	32,004,804

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

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

	SIX MONTHS ENDED JUNE 30, 1996	SIX MONTHS ENDED JUNE 30, 1995
	(in thousands)	
CASH AND DUE FROM BANKS AT BEGINNING OF PERIOD	$ 304,051	$ 262,894
Cash flows from operating activities:		
Net income	40,947	37,638
Provision for loan losses	8,513	6,681
Depreciation and amortization	15,298	13,328
Income taxes	12,213	8,850
Increase in interest receivable	(3,254)	(3,207)
Increase (decrease) in interest payable	(7,006)	8,217
Decrease in prepaid expenses	1,594	446
Other	(22,985)	(22,352)
Net cash provided by operating activities	45,320	49,601
Cash flows from investing activities:		
Net decrease (increase) in interest-bearing deposits in other banks	70,440	(100)
Net increase in Federal funds sold and securities purchased under agreements to resell	(32,037)	--
Purchase of available-for-sale investment securities	(466,457)	(11,743)
Proceeds from sale of available-for-sale investment securities	5,009	5,000
Proceeds from maturity of available-for-sale investment securities	358,109	2,175
Purchase of held-to-maturity investment securities	--	(51,831)
Proceeds from maturity of held-to-maturity investment securities	--	348,129
Net decrease (increase) in loans to customers	10,501	(213,473)
Net cash provided by Pacific Northwest acquisition	218,966	--
Capital expenditures	(13,765)	(6,094)
Other	5,208	3,216
Net cash provided by investing activities	155,974	75,279
Cash flows from financing activities:		
Net increase (decrease) in deposits	(171,816)	28,845
Net decrease in short-term borrowings	(90,606)	(155,273)
Proceeds from long-term debt	53,000	24,447
Payments on long-term debt	(16,002)	(7)
Cash dividends paid	(18,363)	(18,864)
Repurchased common stock	(205)	(2,466)
Net cash used in financing activities	(243,992)	(123,318)
CASH AND DUE FROM BANKS AT END OF PERIOD	$ 261,353	$ 264,456
Supplemental disclosures:		
Interest paid	$ 127,313	$ 127,852
Net income taxes paid	$ 8,431	$ 12,004
Supplemental schedule of noncash investing and financing activities:		
Loans exchanged for mortgage backed securities	$ --	$ 486,625

The Company purchased 31 branches in the Pacific Northwest. In conjunction with the acquisition, liabilities were assumed as follows:

Fair value of assets acquired	$ 431,352
Cash received	218,966
Liabilities assumed	$ 650,318

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

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

	QUARTER ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1996	1995	1996	1995
	(in thousands)			
BALANCE, BEGINNING OF PERIOD	$ 657,229	$ 637,961	$ 649,537	$ 627,944
Net income	20,744	18,868	40,947	37,638
Issuance (purchase) of treasury stock, net	8	(2,311)	(213)	(2,466)
Incentive plan for key executives	--	--	8	--
Unrealized valuation adjustment	(2,169)	526	(5,287)	1,362
Cash dividends	(9,183)	(9,430)	(18,363)	(18,864)
BALANCE, END OF PERIOD	$ 666,629	$ 645,614	$ 666,629	$ 645,614

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

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

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.; Pacific One Bank; 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 1995 have been reclassified to conform with the 1996 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, 1996, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 122, "Accounting for Mortgage Servicing Rights." SFAS 122 amends SFAS No. 65, "Accounting for Certain Mortgage Banking Activities," to require that mortgage banking enterprises recognize as separate assets rights to service mortgage loans for others. SFAS No. 122 also requires that mortgage banking enterprises assess capitalized mortgage servicing rights based on the fair value of those rights on a disaggregated basis. The adoption of this standard did not have a material effect on the consolidated financial statements of the Company.

Effective January 1, 1995, the Company adopted SFAS No. 114, "Accounting by Creditors for Impairment of a Loan," and SFAS No. 118, "Accounting by Creditors for Impairment of a Loan - Income Recognition and Disclosures." SFAS No. 114 requires that impaired loans be measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, or at the loan's observable market price, or at the fair value of the collateral if the loan is collateral dependent. The adoption of SFAS No. 114 did not result in additional provisions for loan losses primarily because the majority of impaired loan valuations continue to be based on the fair value of the collateral.

The provision for loan losses charged to expense is based upon the Company's historical loss experience and estimates of future loan losses in the current loan portfolio, including the evaluation of impaired loans in accordance with SFAS No. 114. A loan is considered to be impaired when, based upon current information and events, it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the loan. Impairment is primarily measured based on the fair value of the collateral. Impairment losses are included in the provision for loan losses. SFAS No. 114 does not apply to large groups of smaller balance homogeneous loans that are collectively evaluated for impairment, except for those loans restructured under a troubled debt structuring. Loans collectively evaluated for impairment include certain smaller balance commercial loans, consumer loans and residential real estate loans, and are not included in the data that follows.

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

The following table summarizes impaired loan information as of June 30, 1996:

	(in thousands)
Impaired loans	$ 74,233
Impaired loans with related allowance for loan losses calculated under SFAS No. 114	$ 55,132

Interest payments on impaired loans are applied to principal.

3. BUSINESS COMBINATION

On May 31, 1996, the Company acquired 31 branches in Oregon, Washington and Idaho (the "Pacific Northwest Acquisition"), which were being divested by U.S. Bancorp and West One Bancorp as a result of their merger, at a purchase price of $36 million. The branch acquisitions included the purchase of loans of $400 million and assumption of deposits of $687 million. Of the 31 branches acquired by the Company, the 26 Oregon and Idaho branches will be operated as Pacific One Bank, a wholly-owned subsidiary of the Company. The five branches acquired in Washington will operate as Pacific One Bank, FSB and will be branches of Pioneer Federal Savings Bank, another wholly-owned subsidiary of the Company. The Pacific Northwest Acquisition was accounted for using the purchase method of accounting and the results of its operations were included in the 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

The Company recorded consolidated net income for the first six months of 1996 of $40,947,000, an increase of $3,309,000, or 8.8%, over the first six months of 1995. For the second quarter of 1996, the consolidated net income of $20,744,000 represented an increase of 9.9% over the same quarter in 1995. The improved operating results for the Company reflects the slow, but steady recovery of the Hawaii economy and a reduction in the Federal Deposit Insurance Corporation deposit insurance premium.

On a per share basis, consolidated net income for the six months and quarter ended June 30, 1996 were $1.32 and $.67, respectively, representing increases of 11.9% and 13.6%, respectively, over the same periods in 1995. The proportionately greater increase in earnings per share was attributable to the fewer average number of shares outstanding in 1996 as compared to 1995, as a result of the Company's stock repurchase plan which authorized the total repurchase of up to 1.6 million shares (of which 1.1 million shares were repurchased as of June 30, 1996), or five percent of the Company's approximately 31 million shares outstanding.

On an annualized basis, the Company's return on average total assets for the first six months of 1996 was 1.10%, an increase of 11.1% over the same period in 1995, and return on average stockholders' equity was 12.52%, or an increase of 5.3%, over the same period in 1995. The increase in return on average total assets was primarily attributable to the increase in net income. The increase in return on average shareholders' equity was due to the increase in net income and the stock repurchase plan previously discussed.

NET INTEREST INCOME

Net interest income, on a fully taxable equivalent basis, increased $7,997,000, or 5.4%, to $155,201,000 for the first six months of 1996 from $147,204,000 for the same period in 1995. Net interest income increased $5,732,000, or 7.9%, to $78,595,000 for the second quarter of 1996 from $72,863,000 for the same period in 1995. The increases in net interest income for the first six months and second quarter of 1996 over the same periods in 1995, were primarily due to increases in the net interest margin, partially offset by decreases in average earning assets.

The net interest margin was 4.59% for the first six months and second quarter of 1995, up 34 basis points (1% equals 100 basis points) and 42 basis points, respectively, over the same periods in 1995. Both the yield on average earning assets and rate paid on funding sources decreased during the first six months and second quarter of 1996 as compared with the same periods in 1995 due to a lower interest rate environment. However, the 38 basis point decrease in the rate paid on funding sources outpaced the decrease in the yield on average earning assets of 4 basis points for the first six months of 1996 as compared to the same period in 1995, resulting in a favorable impact on the net interest margin. In addition, the increases in noninterest-bearing demand deposits during the first six months and second quarter of 1996 over the same periods in 1995 also contributed to the increase in the net interest margin. The disproportionate decrease in the rate paid on funding sources was attributable in part to the positive impact of interest rate swaps designed to minimize the effect on the net interest margin from declining interest rates. For the first six months of 1996, the net interest rate swap expense on deposit accounts decreased $4,699,000 compared to the same period in 1995.

Average earning assets decreased by $173,526,000, or 2.5%, and $127,168,000, or 1.8%, for the first six months and second quarter of 1996, respectively, as compared to the same periods in 1995. In addition, in the second quarter of 1995, the Company securitized approximately $490,000,000 of adjustable rate mortgage loans with the Federal National Mortgage Association ("FNMA") in an effort to increase its funding capacity and liquidity. The securities backed by these loans are held by the Company and were reclassified to the investment securities portfolio. Excluding the aforementioned Pacific Northwest acquisition and loan securitization, the investment securities portfolio reflected decreases of $329,780,000, or 32.6%, and $264,459,000 or 28.1%, for the first six months and second quarter of 1996, respectively, compared to the same periods in 1995. The investment securities portfolio was allowed to run-off as securities matured since the securitized loans provided the necessary collateral for public deposits and reverse repurchase agreements. In addition, the increases in the overall yield on the investment securities portfolio, compared to the first six months and second quarter of 1995, were primarily attributable to the upward repricing of the securitized adjustable rate mortgage loans as a result of the increases in prevailing interest rates during the second half of 1995.

Excluding the effect of the Pacific Northwest acquisition and loan securitization, average loans for the first six months and second quarter of 1996 reflected slight decreases of .5% and 1.7%, respectively, compared to the same periods in 1995. The Company continues its efforts to diversify the loan portfolio, both geographically and by industry. Also, the mix of average earning assets continues to change (excluding the effect of the Pacific Northwest acquisition and loan securitization), with higher-yielding average loans representing 84.3% of average earning assets for the first six months and second quarter of 1996, as compared to 81.4% and 81.8%, respectively, for the same periods in 1995.

Average interest-bearing deposits and liabilities decreased by $226,820,000, or 3.8%, and $189,662,000, or 3.2%, for the first six months and second quarter of 1996, respectively, compared to the same periods in 1995. These decreases were due primarily to the repayment of short-term borrowings from proceeds received from the run-off of the investment securities portfolio. These decreases were offset by increases in average deposits resulting primarily from the previously mentioned Pacific Northwest acquisition and deposits acquired from a depository financial services loan company in the fourth quarter of 1995. In addition, the Company issued $50 million of long-term subordinated debt during the second quarter of 1996 to fund the Pacific Northwest acquisition.

As a result of depositors seeking higher yields, the mix of average interest-bearing deposits and liabilities changed with higher-yielding average time deposits representing 48.4% and 49.0% of average interest-bearing deposits and liabilities for the first six months and second quarter of 1996, respectively, as compared to 44.8% and 46.5%, respectively, for the same periods in 1995.

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 (assuming a 35% tax rate for 1996 and 1995) to make them comparable with taxable items before any income taxes are applied.

QUARTER ENDED JUNE 30, (dollars in thousands)

ASSETS	1996 AVERAGE BALANCE	1996 INTEREST INCOME/ EXPENSE	1996 YIELD/ RATE (1)	1995 Average Balance	1995 Interest Income/ Expense	1995 Yield/ Rate (1)
Earning assets:						
Interest-bearing deposits in other banks	$ 200,787	$ 2,755	5.52%	$ 17,686	$ 264	5.97%
Federal funds sold and securities purchased under agreements to resell	173,394	2,385	5.53	312,632	4,701	6.03
Investment securities	1,157,550	18,633	6.47	953,268	13,234	5.57
Loans (2),(3)	5,352,206	115,369	8.67	5,727,519	124,892	8.77
Total earning assets	6,883,937	139,142	8.13	7,011,105	143,091	8.19
Nonearning assets	672,224			671,145		
Total assets	$7,556,161			$7,682,250		

SIX MONTHS ENDED JUNE 30, (dollars in thousands)

ASSETS	1996 AVERAGE BALANCE	1996 INTEREST INCOME/ EXPENSE	1996 YIELD/ RATE (1)	1995 Average Balance	1995 Interest Income/ Expense	1995 Yield/ Rate (1)
Earning assets:						
Interest-bearing deposits in other banks	$ 204,168	$ 5,653	5.57%	$ 14,093	$ 418	5.97%
Federal funds sold and securities purchased under agreements to resell	164,399	4,519	5.53	272,244	7,881	5.84
Investment securities	1,145,829	36,736	6.45	1,016,748	27,675	5.49
Loans (2),(3)	5,292,443	228,600	8.69	5,677,280	247,299	8.78
Total earning assets	6,806,839	275,508	8.14	6,980,365	283,273	8.18
Nonearning assets	645,151			660,625		
Total assets	$7,451,990			$7,640,990		

(1) Annualized.

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

(3) Interest income for loans included loan fees of $6,183 and $11,801 for the quarter and six months ended June 30, 1996, respectively, and $6,091 and $12,006 for the quarter and six months ended June 30, 1995, respectively.

LIABILITIES AND STOCKHOLDERS' EQUITY	QUARTER ENDED JUNE 30, 1996 AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	YIELD/ RATE (1)	1995 Average Balance	Interest Income/ Expense	Yield/ Rate (1)
	(dollars in thousands)					
Interest-bearing deposits and liabilities:						
Deposits	$ 4,549,312	$ 42,955	3.80%	$ 4,417,055	$ 45,956	4.18%
Short-term borrowings	976,131	13,201	5.44	1,341,108	20,875	6.24
Long-term debt	280,498	4,391	6.30	237,440	3,397	5.74
Total interest-bearing deposits and liabilities	5,805,941	60,547	4.19	5,995,603	70,228	4.70
Interest rate spread			3.94%			3.49%
Noninterest-bearing demand deposits	872,528			826,791		
Other liabilities	215,405			213,468		
Total liabilities	6,893,874			7,035,862		
Stockholders' equity	662,287			646,388		
Total liabilities and stockholders' equity	$ 7,556,161			$ 7,682,250		
Net interest income and margin on earning assets		78,595	4.59%		72,863	4.17%
Tax equivalent adjustment		537			1,446	
Net interest income		$ 78,058			$ 71,417	

LIABILITIES AND STOCKHOLDERS' EQUITY	SIX MONTHS ENDED JUNE 30, 1996 AVERAGE BALANCE	INCOME/ EXPENSE	YIELD/ RATE (1)	1995 Average Balance	Income/ Expense	Yield/ Rate (1)
	(dollars in thousands)					
Interest-bearing deposits and liabilities:						
Deposits	$ 4,470,853	$ 85,004	3.82%	$ 4,371,111	$ 88,105	4.06%
Short-term borrowings	1,010,700	27,036	5.38	1,370,252	41,388	6.09
Long-term debt	263,658	8,267	6.31	230,668	6,576	5.75
Total interest-bearing deposits and liabilities	5,745,211	120,307	4.21	5,972,031	136,069	4.59
Interest rate spread			3.93%			3.59%
Noninterest-bearing demand deposits	851,740			828,221		
Other liabilities	197,236			202,243		
Total liabilities	6,794,187			7,002,495		
Stockholders' equity	657,803			638,495		
Total liabilities and stockholders' equity	$ 7,451,990			$ 7,640,990		
Net interest income and margin on						

earning assets	155,201	4.59%	147,204	4.25%
Tax equivalent adjustment	1,123		3,031	
Net interest income	$ 154,078		$ 144,173	

INVESTMENT SECURITIES

The following table presents the amortized cost and fair values of available-for-sale investment securities as of the dates indicated:

	June 30, 1996	December 31, 1995	June 30, 1995
		(in thousands)	
Amortized cost	$ 1,269,525	$ 1,166,178	$ 156,015
Unrealized gains	4,098	9,920	696
Unrealized losses	(3,769)	(805)	(151)
Fair value	$ 1,269,854	$ 1,175,293	$ 156,560

Book and fair values of held-to-maturity investment securities at June 30, 1995, were as follows:

	(in thousands)
Book value	$ 1,186,214
Unrealized gains	3,630
Unrealized losses	(3,208)
Fair value	$ 1,186,636

In December 1995, the Company made a one-time reclassification of its investment securities portfolio from held-to-maturity to available-for-sale as allowed by SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities."

Gross realized gains and losses for the six months ended June 30, 1996 and 1995 were as follows:

	1996	1995
	(in thousands)	
Realized gains	$ 37	$ 4
Realized losses	(10)	(3)
Securities gains, net	$ 27	$ 1

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 June 30, 1996, December 31, 1995 and June 30, 1995:

	JUNE 30, 1996		December 31, 1995		June 30, 1995	
	AMOUNT	%	Amount	%	Amount	%
			(dollars in thousands)			
Commercial, financial and agricultural	$1,375,920	24.3%	$1,315,736	25.0 %	$1,439,730	27.4%
Real estate:						
Commercial	1,162,909	20.5	996,715	18.9	952,797	18.1
Construction	211,842	3.7	256,943	4.9	283,310	5.4
Residential:						
Insured, guaranteed or conventional	1,418,345	25.1	1,334,063	25.4	1,286,529	24.5
Home equity credit lines	416,875	7.4	432,229	8.2	393,080	7.5
Total real estate loans	3,209,971	56.7	3,019,950	57.4	2,915,716	55.5
Consumer	593,316	10.5	473,909	9.0	475,367	9.0
Lease financing	232,614	4.1	241,721	4.6	225,836	4.3
Foreign	247,017	4.4	208,229	4.0	197,033	3.8
Total loans	5,658,838	100.0%	5,259,545	100.0 %	5,253,682	100.0%
Less allowance for loan losses	84,531		78,733		61,200	
Total net loans	$5,574,307		$5,180,812		$5,192,482	

The loan portfolio is the largest component of earning assets and accounts for the greatest portion of total interest income. At June 30, 1996, total loans were $5,658,838,000, an increase of 7.6% from December 31, 1995. This increase was due to the Pacific Northwest acquisition. Excluding the impact of the Pacific Northwest acquisition, total loans would have reflected a slight decrease as compared to June 30, 1995 and December 31, 1995.

Total loans at June 30, 1996, represented 70.3% of total assets, 78.4% of total earning assets and 96.4% of total deposits compared to 69.5% of total assets, 77.7% of total earning assets and 98.2% of total deposits at December 31, 1995 and 70.3% of total assets, 78.1% of total earning assets and 101.4% of total deposits at June 30, 1995.

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 June 30, 1996, commercial real estate loans totalled $1,162,909,000, or 20.5%, of total loans. The Company has selectively participated as a lender on commercial properties on the mainland United States, principally on the west coast. Such loans totalled $59,817,000 at June 30, 1996, an increase of 2.4% from December 31, 1995. At June 30, 1996, the largest concentration of commercial real estate loans to a single borrower was $34,524,000.

NONPERFORMING ASSETS

A summary of nonperforming assets at June 30, 1996, December 31, 1995 and June 30, 1995 follows:

	June 30, 1996	December 31, 1995	June 30, 1995
	(dollars in thousands)		
Nonperforming loans:			
Nonaccrual:			
Commercial, financial and agricultural	$ 19,573	$ 16,229	$ 19,581
Real estate:			
Commercial	23,578	40,664	39,249
Construction	7,444	9,697	2,260
Residential:			
Insured, guaranteed, or conventional	10,241	12,238	7,716
Home equity credit lines	173	496	470
Total real estate loans	41,436	63,095	49,695
Consumer	357	390	893
Lease financing	21	19	318
Total nonaccrual loans	61,387	79,733	70,487
Renegotiated:			
Commercial, financial and agricultural	617	682	--
Real estate - commercial	2,500	2,500	2,500
Total nonperforming loans	64,504	82,915	72,987
Other real estate owned	14,720	9,312	9,711
Total nonperforming assets	$ 79,224	$ 92,227	$ 82,698
Loans past due 90 days or more and still accruing interest	$ 24,875	$ 28,790	$ 34,929
Nonperforming assets to total loans and other real estate owned (end of period):			
Excluding 90 days past due accruing loans	1.40%	1.75%	1.57%
Including 90 days past due accruing loans	1.83%	2.30%	2.23%
Nonperforming assets to total assets (end of period):			
Excluding 90 days past due accruing loans	.98%	1.22%	1.11%
Including 90 days past due accruing loans	1.29%	1.60%	1.57%

NONPERFORMING ASSETS, Continued

Nonperforming assets decreased from $92,227,000 at December 31, 1995 to $79,224,000 at June 30, 1996.

The decrease in the nonaccrual real estate - commercial category and corresponding increase in the other real estate owned category were primarily due to the foreclosure of two real estate - commercial loans with carrying values totalling $7,295,000. The increase in other real estate owned was partially offset by the sale of a property with a carrying value of $4,167,000. In addition, paydowns on two nonaccrual real estate - commercial loans totalling $14,553,000 contributed to the decrease in nonperforming assets. These decreases were partially offset by the addition of a real estate - commercial loan totalling $6,050,000.

Loans past due 90 days or more and still accruing interest totalled $24,875,000 at June 30, 1996, a decrease of 13.6% from December 31, 1995. The decrease was primarily due to various loans totalling $7,687,000 which were placed on nonaccrual status and two real estate - residential loans and one real estate - commercial loan totalling $3,656,000 which were either paid current or in full at June 30, 1996. These decreases were partially offset by the addition of various loans, principally real estate - commercial loans, totalling $9,424,000. All of the 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.

In recent years, the level of the Company's nonperforming assets and charge-offs has been adversely affected by the prolonged economic downturn in Hawaii and related weakness in the local real estate market. Although the Company believes that the Hawaii economy continues to show signs of improvement, and certain local real estate sectors evidence signs of having stabilized, the recovery of the Hawaii economy has been slow and the effects of the economic downturn may continue to affect the level of nonperforming assets and related charge-offs in future periods.

DEPOSITS

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

	QUARTER ENDED JUNE 30,			
	1996		1995	
	AVERAGE BALANCE	AVERAGE RATE (1)	AVERAGE BALANCE	AVERAGE RATE (1)
	(dollars in thousands)			
Interest-bearing demand	$ 1,172,203	2.71%	$ 1,143,182	2.70%
Savings	1,149,066	2.08	1,220,087	3.11
Time	2,228,043	5.25	2,053,786	5.63
Total interest-bearing deposits	4,549,312	3.80	4,417,055	4.18
Noninterest-bearing demand	872,528	-	826,791	-
Total deposits	$ 5,421,840	3.19%	$ 5,243,846	3.52%

	SIX MONTHS ENDED JUNE 30,			
	1996		1995	
	AVERAGE BALANCE	AVERAGE RATE (1)	AVERAGE BALANCE	AVERAGE RATE (1)
	(dollars in thousands)			
Interest-bearing demand	$ 1,148,673	2.66%	$ 1,163,996	2.69%
Savings	1,156,531	2.11	1,247,378	3.16
Time	2,165,649	5.36	1,959,737	5.45
Total interest-bearing deposits	4,470,853	3.82	4,371,111	4.06
Noninterest-bearing demand	851,740	-	828,221	-
Total deposits	$ 5,322,593	3.21%	$ 5,199,332	3.42%

Average interest-bearing deposits increased $99,742,000, or 2.3%, and $132,257,000, or 3.0%, over the first six months and second quarter of 1995. The increase in average interest-bearing deposits was due to the Pacific Northwest acquisition, the purchase of deposits from a depository financial services loan company in the fourth quarter of 1995 and various deposit product programs initiated by the Company in the latter part of 1995 and 1996. With the acquisitions and assumption of deposits and depositors seeking higher yields through the aforementioned deposit product programs, the mix of average interest-bearing deposits changed, with higher yielding average time certificate of deposits representing 48.4% and 49.0% of average interest-bearing deposits in the first six months and second quarter of 1996, respectively, as compared to 44.8% and 46.5% in the same periods in 1995.

(1) Annualized.

PROVISION AND ALLOWANCE FOR LOAN LOSSES

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

	QUARTER ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1996	1995	1996	1995
	(dollars in thousands)			
Loans outstanding (end of period)	$ 5,658,838	$ 5,253,682	$ 5,658,838	$ 5,253,682
Average loans outstanding	$ 5,352,206	$ 5,727,519	$ 5,292,443	$ 5,677,280
Allowance for loan losses summary:				
Balance at beginning of period	$ 79,585	$ 61,236	$ 78,733	$ 61,250
Allowance due to Pacific Northwest acquisition	6,200	--	6,200	--
Loans charged off:				
Commercial, financial and agricultural	1,978	922	2,396	1,755
Real estate:				
Commercial	1,240	460	1,286	1,056
Construction	--	1	--	828
Residential	980	398	1,190	515
Consumer	3,149	2,048	5,611	3,530
Foreign	15	--	77	--
Total loans charged off	7,362	3,829	10,560	7,684
Recoveries on loans charged off:				
Commercial, financial and agricultural	503	43	583	69
Real estate:				
Commercial	6	1	7	2
Construction	--	1	--	6
Residential	84	--	137	17
Consumer	319	405	903	855
Lease financing	--	2	2	4
Foreign	5	--	13	--
Total recoveries on loans charged off	917	452	1,645	953
Net charge-offs	(6,445)	(3,377)	(8,915)	(6,731)
Provision charged to expense	5,191	3,341	8,513	6,681
Balance at end of period	$ 84,531	$ 61,200	$ 84,531	$ 61,200
Net loans charged off to average loans	.48%(1)	.24%(1)	.34%(1)	.24%(1)
Net loans charged off to allowance for loan losses	30.67%(1)	22.13%(1)	21.21%(1)	22.18%(1)
Allowance for loan losses to total loans (end of period)	1.49%	1.16%	1.49%	1.16%
Allowance for loan losses to nonperforming loans (end of period):				
Excluding 90 days past due accruing loans	1.31x	.84x	1.31X	.84x
Including 90 days past due accruing loans	.95X	.57x	.95X	.57x

(1) Annualized.

PROVISION AND ALLOWANCE FOR LOAN LOSSES, CONTINUED

For the first six months of 1996, the provision for loan losses was $8,513,000, an increase of $1,832,000, or 27.4%, over the same period in 1995. The provision for loan losses was $5,191,000 for the second quarter of 1996, an increase of $1,850,000, or 55.4%, over the same period in 1995. The increase in the provision for loan losses for the first six months and second quarter of 1996 is consistent with the increase in net charge-offs for the same periods.

Net charge-offs for the first six months of 1996 were $8,915,000, an increase of $2,184,000, or 32.4%, over the same period in 1995. Net charge-offs for the second quarter of 1996 were $6,445,000 compared to $3,377,000 for the same period a year ago. The increases were primarily due to increased charge-offs in all categories of consumer loans which include direct loans, indirect dealer loans, and credit cards.

The allowance for loan losses increased to 131% of nonperforming loans at June 30, 1996 (excluding 90 days past due accruing loans) from 95% at December 31, 1995, reflecting the decrease in nonperforming loans and increase in the allowance for loan losses in the first six months of 1996.

In management's judgment, the allowance for loan losses is adequate to absorb potential losses currently inherent in the portfolio, however, changes in prevailing economic conditions in the Company's markets could result in changes in the level of nonperforming assets and charge-offs in the future and, accordingly, changes in the allowance for loan losses.

NONINTEREST INCOME

Noninterest income of Pacific One Bank is included in the Company's results of operations since May 31, 1996.

Exclusive of securities transactions, noninterest income totalled $51,351,000 and $27,403,000 for the first six months and second quarter of 1996, respectively, an increase of 14.9% and 26.3%, respectively, over the same periods in 1995.

Trust and Investment Division income increased $348,000, or 2.9%, and $205,000, or 3.6%, for the first six months and second quarter of 1996, respectively, over the same periods in 1995.

Service charges on deposit accounts for the first six months of 1996 increased slightly over the same period in the prior year, and increased $337,000, or 5.7%, in the second quarter of 1996 over the same period a year ago.

Other service charges and fees increased $3,134,000, or 18.7%, and $1,571,000, or 18.5%, for the first six months and second quarter of 1996, respectively, over the same periods in 1995. These increases were primarily the result of higher merchant discount and mortgage brokerage fees and income earned from annuity and mutual fund sales.

Other noninterest income increased $3,170,000, or 84.3%, and $3,590,000, or 212.2%, for the first six months and second quarter of 1996, respectively, over the same periods in 1995. These increases were attributable to a gain on sale of other real estate owned of $3,029,000 in the second quarter of 1996.

NONINTEREST EXPENSES

Noninterest expenses of Pacific One Bank are included in the Company's results of operations since May 31, 1996.

Noninterest expenses totalled $135,352,000 for the first six months of 1996, an increase of 9.4% over the first six months of 1995. Noninterest expenses totalled $67,946,000 for the second quarter of 1996, an increase of $7,611,000, or 12.6%, over the same period a year ago.

Total personnel expenses (salaries and wages and employee benefits) increased $8,167,000 and $5,256,000, or 13.9% and 18.5%, for the first six months and second quarter of 1996, respectively, over the same periods in 1995. The increase was primarily due to an increase in costs associated with the curtailment of a noncontributory pension plan in the fourth quarter of 1995, which was replaced with a 401(k) match and money purchase plan effective January 1, 1996. Also, higher salaries and wages reflecting normal merit increases in 1996 and lower expenses related to various employee benefit and incentive accounts in 1995 contributed to the increases.

Occupancy expense for the first six months and second quarter of 1996 decreased $108,000, or .8%, and $127,000, or 2.0%, respectively, compared to the same periods in 1995.

Equipment expense decreased $1,087,000, or 8.9%, for the first six months of 1996 compared to the same period in 1995, as a result of lower depreciation on furniture and equipment and service contract expenses in 1996. For the second quarter, equipment expense decreased $182,000, or 3.1%, compared to the same period in 1995.

Exclusive of a pre-tax loss of $1,925,000 (after-tax gain of $399,000 due to a net tax benefit of $2,344,000 resulting from the reversal of the related tax liabilities) recognized on the sale of a certain leveraged lease in the first quarter of 1996, other noninterest expenses for the first six months and second quarter increased $2,775,000, or 7.0%, and $2,664,000, or 13.6%, respectively over the same periods in 1995. These increases were primarily due to higher interchange settlement fees, outside services, legal fees (primarily related to foreclosed property) and nonrecurring losses in connection with a certain credit card fraud. These increases were partially offset by: (1) a decrease in the Federal Deposit Insurance Corporation deposit insurance assessment rate from 23 cents to zero per $100 of insured deposits; and (2) the write-off of the residual values of $620,000 related to the early termination of certain leveraged leases in June 1995.

INCOME TAXES

The Company's effective income tax rate (exclusive of the tax equivalent adjustment) for the first six months and second quarter of 1996 was 33.5% and 35.8%, respectively, as compared to 35.7% and 35.9%, respectively, for the same periods in 1995. The decrease in the effective income tax rate for the six month period ended June 30, 1996, was primarily due to the reversal of deferred tax liabilities (reflecting a change in the State tax laws) related to the aforementioned leveraged lease sale.

LIQUIDITY AND CAPITAL

Stockholders' equity was $666,629,000 at June 30, 1996, a 2.6% increase from $649,537,000 at December 31, 1995. Average stockholders' equity represented 8.8% of average total assets for the second quarter of 1996 compared to 8.4% in the same quarter last year. There was no significant change in the Company's liquidity position during the second quarter of 1996.

The following tables present the Company's regulatory capital position at June 30, 1996:

RISK-BASED CAPITAL RATIOS

	AMOUNT	RATIO
	(dollars in thousands)	
Tier 1 Capital	$ 555,083	8.34%
Tier 1 Capital minimum requirement (1)	266,285	4.00
Excess	$ 288,798	4.34%
Total Capital	$ 788,313	11.84%
Total Capital minimum requirement (1)	532,570	8.00
Excess	$ 255,743	3.84%
Risk-weighted assets	$ 6,657,127	

LEVERAGE RATIO

	AMOUNT	RATIO
	(dollars in thousands)	
Tier 1 Capital to average quarterly total assets (net of certain intangibles) Tier 1 Leverage Ratio	$ 555,083	7.46%
Minimum leverage requirement (2)	223,345	3.00
Excess	$ 331,738	4.46%
Average quarterly total assets (net of certain intangibles)	$ 7,444,817	

(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 Federal Reserve Board has stated that the Leverage Ratio of 3% is the minimum requirement for the most highly rated banking organizations which are not experiencing or anticipating significant growth. Other banking organizations are expected to maintain leverage ratios of at least one to two percent higher.

PART II. OTHER INFORMATION

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

At the annual meeting of stockholders held on April 18, 1996, the stockholders voted on the following matters:

(a) Fix the total number of Directors at fifteen: for - 29,067,239 (99.1%), against - 114,013 (.4%), abstained - 157,738 (.5%) and unvoted - 10,007 (-%).

(b) Election of five directors for a term of three years expiring in 1999, or until their successors are elected and qualified:

	Votes			
Name	For		Withheld	
Walter A. Dods, Jr.	29,229,039	(99.6%)	119,954	(.4%)
Paul Mullin Ganley	29,224,790	(99.6%)	124,203	(.4%)
Dr. Richard T. Mamiya	29,229,918	(99.6%)	119,073	(.4%)
Dr. Fujio Matsuda	29,227,731	(99.6%)	121,261	(.4%)
George P. Shea, Jr.	29,229,524	(99.6%)	119,469	(.4%)

There were no abstentions or unvoted shares.

(c) Amendment to the Corporation's Certificate of Incorporation to increase the number of shares of authorized stock by authorizing 50,000,000 shares of a new class of preferred stock, par value $5.00 per share: for - 24,850,183 (84.7%), against - 4,498,814 (15.3%).

(d) Election of Coopers & Lybrand as the Auditor of the Company to serve for the ensuing year: for - 29,155,971 (99.3%), against - 49,272 (.2%), abstained - 143,744 (.5%) and unvoted - 10 (-%).

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

Exhibit 12 Statement regarding computation of ratios.

Exhibit 27 Financial data schedule

(b) Reports on Form 8-K - No reports on Form 8-K were filed during the quarter ended June 30, 1996.

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 August 12, 1996 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 JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1996	1995	1996	1995
	(dollars in thousands)			
Income before income taxes	$ 32,331	$ 29,441	$ 61,591	$ 58,492
Fixed charges:(1)				
Interest expense	60,548	70,228	120,307	136,069
Rental expense	1,174	1,295	2,376	2,506
	61,722	71,523	122,683	138,575
Less interest on deposits	42,955	45,956	85,004	88,105
Net fixed charges	18,767	25,567	37,679	50,470
Earnings, excluding interest on deposits	$ 51,098	$ 55,008	$ 99,270	$ 108,962
Earnings, including interest on deposits	$ 94,053	$ 100,964	$ 184,274	$ 197,067
Ratio of earnings to fixed charges:				
Excluding interest on deposits	2.72X	2.15x	2.63X	2.16x
Including interest on deposits	1.52X	1.41x	1.50X	1.42x

(1) For purposes of computing the above ratios, earnings represent income before income taxes 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.

6-MOS
DEC-31-1996
JAN-01-1996
JUN-30-1996
261,353
174,130
201,840
0
1,269,854
0
0
5,658,838
84,531
8,047,862
5,873,039
992,573
239,159
275,750
0
0
162,713
503,916
8,047,862
228,323
35,890
10,172
274,385
85,004
120,307
154,078
8,513
27
135,352
61,591
40,947
0
0
40,947
1.32
1.32
8.14
61,387
24,875
3,117
0
78,733
10,560
1,645
84,531
35,205
1,175
48,151