

CENTRAL PACIFIC FINANCIAL CORP
Form S-4/A
May 20, 2004

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As filed with the Securities and Exchange Commission on May 20, 2004

Registration No. 333-104783

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

AMENDMENT NO. 6
TO
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CENTRAL PACIFIC FINANCIAL CORP.

(formerly CPB INC.)

(Exact name of registrant as specified in its charter)

Hawaii
(State or other jurisdiction of
incorporation or organization)

6022
(Primary Standard Industrial
Classification Code Number)

99 0212597
(I.R.S. Employer
Identification Number)

**220 South King Street
Honolulu, Hawaii 96813
(808) 544-0500**

(Address, including zip code, and telephone number, including
area code, of registrant's principal executive offices)

**Neal K. Kanda
Vice President and Treasurer
220 South King Street
Honolulu, Hawaii 96813
(808) 544-0500**

(Name and address, including zip code, of agent for service)

Copies to:

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4 Times Square
New York, New York 10036
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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective and upon completion of the transactions described in the joint proxy statement-prospectus.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered(1)	Amount to be Registered(2)	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price(3)	Amount of Registration Fee
Common Stock, No Par Value (including associated preferred share purchase rights)	12,500,000	N/A	\$290,885,789	\$12,444.13(4)

- (1) This Registration Statement relates to securities of Central Pacific Financial Corp. exchangeable for shares of common stock, par value \$1.00 per share, of CB Bancshares, Inc., a Hawaii corporation, in the merger with CB Bancshares.
- (2) The number of shares registered pursuant to this Registration Statement is based upon the approximate number of shares of CB Bancshares common stock presently outstanding or reserved for issuance under various plans or otherwise expected to be issued upon the consummation of the proposed transaction to which this Registration Statement relates (less the 97,615 shares held by Central Pacific) multiplied by the exchange ratio of 2.6752 shares of Central Pacific common stock for each CB Bancshares share.
- (3) Computed solely for purposes of calculating the registration fee. The registration fee was calculated pursuant to Rules 457(f)(1) and 457(f)(3) under the Securities Act of 1933, as amended, based on the average of the high and low prices for shares of CB Bancshares common stock as reported on the Nasdaq National Market on May 18, 2004 (\$81.83) and the maximum number of such shares (approximately 4,704,606) that may be exchanged for the securities being registered, minus the maximum cash consideration payable for such shares.
- (4) Central Pacific paid a registration fee of \$15,586.89 on April 28, 2003 based on the number of shares expected to be issued in a proposed exchange offer at that time, with a proposed maximum aggregate offering price, computed solely for purposes of calculating the registration fee, of \$192,668,508. This Amendment No. 6 increases the number of shares expected to be issued in connection with the merger and increases the proposed maximum aggregate offering price, computed solely for purposes of calculating the registration fee, to \$290,885,789. The difference between the April 23, 2003 proposed maximum aggregate offering price and the proposed maximum aggregate offering price computed for purposes of this Amendment No. 6 is \$98,217,281, which is the amount on which an additional registration fee must be paid. Therefore, an additional registration fee in the amount of \$12,444.13 is due.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Subject to Completion, Dated May 20, 2004

MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT

The board of directors of each of Central Pacific Financial Corp. and CB Bancshares, Inc. has approved a merger of CB Bancshares into Central Pacific with Central Pacific as the surviving corporation. We are sending you this document to ask you to vote on the approval of the merger agreement between Central Pacific and CB Bancshares.

If the merger is completed each share of CB Bancshares common stock will be converted into the right to receive either (1) cash consideration in an amount equal to \$20.00 plus the product of 2.6752 times the average of the closing prices of Central Pacific stock over the 10 consecutive trading day period ending one day before completion of the transaction, which average we refer to as the measuring price, or (2) a number of shares of Central Pacific common stock equal to the cash consideration divided by the measuring price. This formula is designed to ensure that all shares of CB Bancshares stock will receive merger consideration of equal value, based on the measuring price, regardless of whether they are converted into cash or Central Pacific shares.

On _____, 2004, Central Pacific common stock closed at \$ _____ per share. Assuming that \$ _____ was the measuring price, a CB Bancshares shareholder would receive in the merger, for each share of CB Bancshares common stock held, either \$ _____ in cash or _____ shares of Central Pacific common stock. A chart showing the per share cash consideration and per share stock consideration to be received by CB Bancshares shareholders at various measuring prices of Central Pacific stock is provided on page 39 of this document.

A CB Bancshares shareholder will be entitled to elect to receive merger consideration in the form of Central Pacific common stock or cash for each CB Bancshares share held. However, because the total amount of cash consideration payable in the merger and the total amount of Central Pacific common stock to be issued in the merger will be fixed at the time the merger is completed, a CB Bancshares shareholder may receive consideration in a form other than the one elected with respect to some of his or her shares. Based on the average of the closing prices for Central Pacific's common stock for the five trading days prior to the announcement of the merger on April 23, 2004, approximately 78% of the currently outstanding shares of CB Bancshares common stock would be converted into the right to receive Central Pacific common stock and the remaining 22% would be converted into the right to receive cash. Former CB Bancshares shareholders will own approximately 42% of Central Pacific's outstanding common stock immediately after the merger.

CB Bancshares common stock is quoted on the Nasdaq National Market under the symbol "CBBI" and Central Pacific common stock is listed on the New York Stock Exchange under the symbol "CPF".

This joint proxy statement-prospectus gives you detailed information about the special meetings of Central Pacific and CB Bancshares shareholders, the merger and other related matters. You should read carefully this entire document, including all of its annexes. **Please see page 19 for risk factors relating to the merger which you should consider.**

Your Vote is Very Important

Your respective board of directors has determined that the merger and the merger agreement are in the best interests of the corporation and its shareholders and recommends that you vote "FOR" approval of the merger agreement. The merger cannot be completed unless three-fourths of the outstanding shares of each of Central Pacific's common stock and CB Bancshares' common stock vote to approve the merger agreement. Whether or not you plan to attend your special meeting, please take the time to vote by submitting a valid proxy, by completing the enclosed proxy card and mailing it in the enclosed self-addressed stamped envelope. **If you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be counted as a vote "FOR" approval of the merger agreement.**

We appreciate your interest in and consideration of this matter.

Clint Arnoldus
Chairman, President and Chief Executive Officer
Central Pacific Financial Corp.

Ronald K. Migita
President and Chief Executive Officer
CB Bancshares, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this joint proxy statement-prospectus. Any representation to the contrary is a criminal offense. The securities offered hereby are not savings accounts, deposits or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation, the Bank Insurance Fund, the Savings Association Insurance Fund or any other governmental agency. The joint proxy statement-prospectus is dated _____, 2004, and is first being mailed to you on or about _____, 2004.

ADDITIONAL INFORMATION

This joint proxy statement-prospectus incorporates important business and financial information about Central Pacific and CB Bancshares and their respective subsidiaries from documents filed with the Securities and Exchange Commission, or the SEC, that have not been included in, or delivered with, this joint proxy statement-prospectus. This information is available on the SEC's website at <http://www.sec.gov> and from other sources. See "Where Can I Find More Information?" on page 121. This information is available without charge to security holders upon written or oral request. If you request any incorporated documents, we will mail the documents and all exhibits specifically incorporated by reference in the requested documents to you by first class mail, or other equally prompt means.

In order to receive timely delivery of the documents, you must make requests no later than _____, 2004 (five business days before the date of the Central Pacific and CB Bancshares special meetings).

For documents relating to Central Pacific, direct requests to:

Central Pacific Financial Corp.
220 South King Street
Honolulu, Hawaii 96813
Attn: David Morimoto
(808) 544-0500

or

D.F. King & Co., Inc.
48 Wall Street
New York, NY 10005
Toll-Free: 1-888-644-5854

For documents relating to CB Bancshares, direct requests to:

CB Bancshares, Inc.
201 Merchant Street
Honolulu, Hawaii 96813
Attn: Investor Relations
(808) 535-2500

**220 South King Street
Honolulu, Hawaii 96813**

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To the Shareholders of Central Pacific Financial Corp.:

NOTICE IS HEREBY GIVEN that a special meeting of Central Pacific shareholders will be held on _____, _____, 2004 at _____, Hawaii Standard Time, at _____ for the purpose of considering and voting on the following matters:

1. To approve the Agreement and Plan of Merger, dated April 22, 2004, by and between Central Pacific Financial Corp. and CB Bancshares, Inc. providing for the merger of CB Bancshares with and into Central Pacific, including the issuance of Central Pacific common stock in connection with the merger.
2. To approve an amendment to Central Pacific's Restated Articles of Incorporation, as amended, to increase the number of shares of common stock authorized for issuance.
3. To approve the Central Pacific Financial Corp. 2004 Stock Compensation Plan.
4. To approve the Central Pacific Financial Corp. 2004 Annual Executive Incentive Plan.
5. To transact such other business as may properly come before the meeting or any postponements or adjournments thereof.

The merger proposal is described in more detail in the accompanying joint proxy statement-prospectus, which you should read carefully in its entirety before voting. A copy of the merger agreement is attached as Annex A to the joint proxy statement-prospectus. The other proposals Central Pacific shareholders are being asked to vote on are also described in more detail in the accompanying joint proxy statement-prospectus.

Central Pacific's board of directors is not aware of any other business to come before the special meeting. Only Central Pacific shareholders of record at the close of business on _____, 2004 are entitled to notice of and to vote at the special meeting, or any adjournment or postponement thereof. Three-fourths of the shares of Central Pacific common stock outstanding on the record date must be voted in favor of approval of the merger agreement in order for the merger to proceed. **Therefore, your vote is very important.**

All Central Pacific shareholders are cordially invited to attend the special meeting. However, we encourage you to vote by proxy so that your shares will be represented and voted at the meeting even if you cannot attend. You may vote by written proxy card using the instructions provided on your proxy card, or by authorizing the individuals named on your proxy card to vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction form. Of course, this will not prevent you from voting in person at the meeting. Your failure to vote your shares is the same as voting against approval of the merger agreement and against the proposal to amend the articles of incorporation. Failure to vote will have no

effect on the outcome of the vote on the proposal to approve the 2004 Stock Compensation Plan or the proposal to approve the 2004 Annual Executive Incentive Plan.

In connection with the proposed merger, Central Pacific shareholders will be given the opportunity to exercise dissenters' rights in accordance with certain procedures specified in Sections 414-341 through 414-372 of the Hawaii Business Corporation Act. A copy of the relevant sections of the Hawaii Business Corporation Act is attached as Appendix B to the joint proxy statement-prospectus accompanying this notice and is incorporated by reference into this notice.

By order of the Board of Directors,

Glenn K. C. Ching
Vice President and Secretary

Honolulu, Hawaii
, 2004

YOUR VOTE IS IMPORTANT

After careful consideration, Central Pacific's board of directors has determined that the merger agreement and the merger are in the best interests of Central Pacific and its shareholders, has adopted the merger agreement and recommends that Central Pacific shareholders vote "FOR" approval of the merger agreement.

Central Pacific's board of directors also recommends that Central Pacific shareholders vote "FOR" approval of the amendment to Central Pacific's articles of incorporation, "FOR" approval of the 2004 Stock Compensation Plan and "FOR" approval of the 2004 Annual Executive Incentive Plan.

201 Merchant Street
Honolulu, Hawaii 96813

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To the Shareholders of CB Bancshares, Inc.:

NOTICE IS HEREBY GIVEN that a special meeting of CB Bancshares shareholders will be held on _____, _____, 2004 at _____, Hawaii Standard Time, at _____, for the purpose of considering and voting on the following matters:

1. To approve the Agreement and Plan of Merger, dated April 22, 2004, by and between Central Pacific Financial Corp. and CB Bancshares, Inc. providing for the merger of CB Bancshares with and into Central Pacific.
2. To transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

The merger is described in more detail in the accompanying joint proxy statement-prospectus, which you should read carefully in its entirety before voting. A copy of the merger agreement is attached as Annex A to the joint proxy statement-prospectus.

CB Bancshares' board of directors is not aware of any other business to come before the special meeting. Only CB Bancshares shareholders of record at the close of business on _____, 2004 are entitled to notice of and to vote at the special meeting, or any adjournment or postponement thereof. Three-fourths of the shares of CB Bancshares common stock outstanding on the record date must be voted in favor of approval of the merger agreement in order for the merger to proceed. **Therefore, your vote is very important.**

All CB Bancshares shareholders are cordially invited to attend the special meeting. However, we encourage you to vote by proxy so that your shares will be represented and voted at the meeting even if you cannot attend. You may vote by written proxy card using the instructions provided on your proxy card, or by authorizing the individuals named on your proxy card to vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction form. Of course, this will not prevent you from voting in person at the meeting. Your failure to vote your shares is the same as voting against approval of the merger agreement.

In connection with the proposed merger, CB Bancshares shareholders will be given the opportunity to exercise dissenters' rights in accordance with certain procedures specified in Sections 414-341 through 414-372 of the Hawaii Business Corporation Act. A copy of the relevant sections of the Hawaii Business Corporation Act is attached as Appendix B to the joint proxy statement-prospectus accompanying this notice and is incorporated by reference into this notice.

By order of the Board of Directors,

Caryn S. Morita
Corporate Secretary

Honolulu, Hawaii
, 2004

YOUR VOTE IS IMPORTANT

After careful consideration, CB Bancshares' board of directors has determined that the merger agreement and the merger are in the best interests of CB Bancshares and its shareholders, has adopted the merger agreement and recommends that CB Bancshares shareholders vote "FOR" approval of the merger agreement.

TABLE OF CONTENTS

	<u>Page</u>
SUMMARY	4
SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION	10
SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION	12
COMPARATIVE PER SHARE DATA	14
MARKET PRICE DATA AND DIVIDEND INFORMATION	16
RISK FACTORS	19
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION	23
Unaudited Pro Forma Condensed Combined Balance Sheet As of March 31, 2004	25
Unaudited Pro Forma Condensed Combined Statement of Income For the Three Months Ended March 31, 2004	28
Unaudited Pro Forma Condensed Combined Statement of Income For the Year Ended December 31, 2003	30
CB BANCSHARES SPECIAL MEETING	32
CENTRAL PACIFIC SPECIAL MEETING	35
THE MERGER	39
THE MERGER AGREEMENT	81
OPERATIONS AFTER THE MERGER	91
PROPOSAL TO AMEND ARTICLES OF INCORPORATION OF CENTRAL PACIFIC FINANCIAL CORP.	92
PROPOSAL TO APPROVE THE CENTRAL PACIFIC FINANCIAL CORP. 2004 STOCK COMPENSATION PLAN	93
PROPOSAL TO APPROVE THE CENTRAL PACIFIC FINANCIAL CORP. 2004 EXECUTIVE INCENTIVE PLAN	98
INFORMATION ABOUT CENTRAL PACIFIC AND CB BANCSHARES	101
REGULATION AND SUPERVISION	103
DESCRIPTION OF CENTRAL PACIFIC CAPITAL STOCK	106
COMPARISON OF RIGHTS OF HOLDERS OF CENTRAL PACIFIC COMMON STOCK AND CB BANCSHARES COMMON STOCK	108
DISSENTERS' RIGHTS	116
EXPERTS	119
VALIDITY OF COMMON STOCK	119
OTHER MATTERS	119
SHAREHOLDER PROPOSALS	119

	Page
WHERE CAN I FIND MORE INFORMATION?	121
FORWARD LOOKING STATEMENTS	123
Appendix A	Agreement and Plan of Merger
Appendix B	Part XIV of the Hawaii Business Corporation Act
Appendix C	Opinion of Bear, Stearns & Co. Inc.
Appendix D	Opinion of Sandler O'Neill & Partners, L.P.
Appendix E	Central Pacific Financial Corp. 2004 Stock Compensation Plan
Appendix F	Central Pacific Financial Corp. 2004 Annual Executive Incentive Plan

QUESTIONS AND ANSWERS

Q.

What am I being asked to vote on?

A.

Shareholders of both CB Bancshares and Central Pacific will vote on a proposal to approve the merger agreement by and between Central Pacific and CB Bancshares. Central Pacific shareholders will also vote on a proposal to amend Central Pacific's articles of incorporation to increase the number of shares of common stock available for issuance, a proposal to adopt the Central Pacific Financial Corp. 2004 Stock Compensation Plan and a proposal to approve the Central Pacific Financial Corp. 2004 Annual Executive Incentive Plan.

Q.

What do I need to do now?

A.

First, carefully read this document in its entirety. Then, vote your shares by one of the following methods:

marking, signing, dating and returning your proxy card in the enclosed prepaid envelope,

authorizing the individuals named on your proxy card to vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction card, or

attending the special meeting and submitting a properly executed proxy or ballot. If a broker holds your shares in "street name", you will need to get a proxy from your broker to vote your shares in person.

Q.

If my shares are held in "street name" by my broker, will my broker automatically vote my shares for me?

A.

No. If you do not provide your broker with instruction on how to vote your shares that are held in street name, your broker will not be permitted to vote them. Therefore, you should be sure to provide your broker with instructions on how to vote these shares. **If you do not give voting instructions to your broker, you will, in effect, be voting against approval of the merger agreement, and, if you are a Central Pacific shareholder, against the proposal to amend the Central Pacific articles of incorporation as well.**

Q.

Why is my vote important?

A.

The Hawaii Business Corporation Act provides that with respect to corporations incorporated before July 1, 1987, like Central Pacific and CB Bancshares, a plan of merger must generally be approved by the affirmative vote of the holders of three-fourths of all the issued and outstanding shares having voting power. Approval of the merger agreement by shareholders of Central Pacific and CB Bancshares is a condition to completion of the merger.

Q.

Can I change my vote?

A.

If you have not voted through your broker, there are several ways you can change your vote after you have submitted a proxy.

First, you may send a written notice to the Corporate Secretary of Central Pacific or CB Bancshares, as the case may be, stating that you would like to revoke your proxy;

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Second, you may complete and submit a new proxy card or change your vote through the telephone or Internet. Any earlier proxy will be revoked automatically; or

Third, you may attend the meeting and vote in person. Any earlier proxy will be revoked. However, simply attending the meeting without voting will not revoke your earlier proxy.

If you have instructed a broker to vote your shares, you must follow the directions you receive from your broker to change your vote.

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Q. *Can I vote if I hold shares of Central Pacific common stock in the Central Pacific Bank 401(k) Retirement Savings Plan?*

A. If you hold shares of Central Pacific common stock in an account under the Central Pacific Bank 401(k) Retirement Savings Plan, you will receive with this document a separate voting instruction card for shares of Central Pacific common stock allocated to your account as a participant or beneficiary under this plan. The voting instruction cards will direct the plan's trustee to vote shares allocated to your account in accordance with the instructions noted on the card. You should return this voting instruction card to the plan's trustee, The Vanguard Group, as indicated in the instructions that accompany the card. See "Central Pacific Special Meeting Central Pacific Bank 401(k) Retirement Savings Plan Account Holders."

Q. *Can I vote if I hold shares of CB Bancshares common stock in the CB Bancshares, Inc. Employee Stock Ownership Plan?*

A. If you hold shares of CB Bancshares common stock in an account under the CB Bancshares, Inc. Employee Stock Ownership Plan, you will receive with this document a separate voting instruction card for shares of CB Bancshares common stock allocated to your account as a participant or beneficiary under this plan. The voting instruction cards will direct the plan's trustee to vote shares allocated to your account in accordance with the instructions noted on the card. You should return this voting instruction card to the plan's trustee, Bank of Hawaii, as indicated in the instructions that accompany the card. Shares of CB Bancshares common stock for which proper voting instructions have not been received or properly completed, and shares of CB Bancshares common stock which are not yet allocated to participant accounts under the ESOP, will be voted by the plan's trustee as directed by the plan's committee. See "CB Bancshares Special Meeting Participants in CB Bancshares, Inc. Employee Stock Ownership Plan."

Q. *If I am a CB Bancshares shareholder, what will I receive in the merger?*

A. For each share of CB Bancshares common stock you own, you will have the right to elect, on a share-by-share basis, to receive either:

cash, or

Central Pacific common stock.

A CB Bancshares shareholder may elect to receive a combination of cash and Central Pacific common stock in exchange for his or her total shares of CB Bancshares common stock, but with respect to each individual share of CB Bancshares stock, a shareholder must elect to receive the per share consideration in either cash or in Central Pacific common stock. The amount of cash or Central Pacific common stock a CB Bancshares shareholder will receive will be determined based on a formula described on page 39.

Q. *If I am a CB Bancshares shareholder, will I always receive the form of consideration I elect to receive?*

A. No. A fixed number of shares of Central Pacific common stock will be issued and a fixed amount of cash paid in the merger. Accordingly, there is no assurance that you will receive the form of consideration that you elect with respect to all shares of CB Bancshares common stock you hold. If the elections result in an oversubscription of the pool of cash or Central Pacific common stock, the exchange agent will allocate between cash and Central Pacific common stock following the proration procedures described beginning on page 41 of this joint proxy statement-prospectus.

Q. *If I am a CB Bancshares shareholder, is the value of the per share consideration that I receive expected to be substantially equivalent regardless of which election I make?*

A. Yes. The formula that will be used to calculate the per share consideration is designed to equalize the value of the consideration to be received for each share of CB Bancshares common stock in the merger based on the market price of Central Pacific stock as measured during a valuation period ending immediately prior to closing, regardless of whether you elect to receive cash or stock.

Q.

As a holder of CB Bancshares common stock, how do I elect the form of payment I prefer?

A.

We are sending a letter of transmittal and election form to each CB Bancshares shareholder in a separate mailing. If you wish to make an election, you should complete the appropriate form and send it in the envelope provided with the form of election to American Stock Transfer & Trust Company, which is the exchange agent. For you to make an effective election, your properly executed election form must be received by the exchange agent before the election deadline, which is the date two trading days prior to the closing date, which date we will publicly announce at least two weeks before the closing of the merger. You must include your CB Bancshares stock certificates with your letter of transmittal and election form. Please read the instructions to the letter of transmittal and election form for information on completing it. Those instructions will also explain what you need to do if your stock certificates have been lost, stolen or destroyed.

Do not send your CB Bancshares stock certificates in the envelope provided for returning your proxy card. The stock certificates should only be forwarded to the exchange agent with the letter of transmittal and election form which will be provided in a separate mailing.

Copies of this joint proxy statement-prospectus and the letter of transmittal and election form will be provided upon request to all persons who become CB Bancshares shareholders after the record date and prior to the election deadline in order to permit them to make an election.

Q.

If I am a CB Bancshares shareholder, what happens if I don't make an election for cash or shares of Central Pacific common stock?

A.

If you fail to make an election prior to the election deadline, other than because you are exercising your dissenters' rights, the actual form of merger consideration that will be paid to you will depend upon how many CB Bancshares shareholders elect shares of Central Pacific common stock versus how many elect cash. If one form of consideration has been oversubscribed, you will receive the other form of consideration in exchange for all of your shares. For more information concerning the merger consideration and election procedures, see "The Merger" on page 39.

Q.

When do you expect the merger to be completed?

A.

We currently expect to complete the merger in the third quarter of 2004, assuming all the conditions to completion of the merger, including obtaining the approval of Central Pacific and CB Bancshares shareholders at their respective special meetings and other customary conditions, have been fulfilled. Fulfilling some of these conditions, such as receiving certain governmental approvals, is not entirely within our control.

Q.

Whom do I call if I have questions about the special meeting or the merger?

A.

You should direct any questions regarding the special shareholders meeting or the merger to:

CENTRAL PACIFIC SHAREHOLDERS:

Central Pacific Financial Corp.
220 South King Street
Honolulu, Hawaii 96813
Attn: David Morimoto
(808) 544-0500

or

D.F. King & Co., Inc.
48 Wall Street
New York, NY 10005
Toll-Free: 1-888-644-5854

CB BANCSHARES SHAREHOLDERS:

CB Bancshares, Inc.
201 Merchant Street
Honolulu, Hawaii 96813
Attn: Investor Relations
(808) 535-2500

SUMMARY

Information about Central Pacific and CB Bancshares (Page 101).

Central Pacific Financial Corp.

Central Pacific Financial Corp.
220 South King Street
Honolulu, Hawaii 96813
(808) 544-0500

Central Pacific is a Hawaii bank holding company with \$2.28 billion in assets as of March 31, 2004. Central Pacific Bank, a wholly owned subsidiary of Central Pacific, is the third largest commercial bank in the State of Hawaii based on assets, with 24 branch offices statewide.

Central Pacific was organized in 1982 to serve as a holding company for Central Pacific Bank. Central Pacific Bank was incorporated in its present form in 1982 in connection with Central Pacific's holding company reorganization, and its predecessor entity was incorporated in the State of Hawaii in 1954. Central Pacific Bank was initially founded by Japanese Americans to meet the banking needs of the Japanese American community and World War II veterans in Hawaii. Since its founding, Central Pacific Bank has developed into a financial institution with 24 branches offering a full range of banking services and products to businesses, professionals and individuals in Hawaii. Central Pacific Bank's deposits are insured by the Federal Deposit Insurance Corporation, or FDIC, up to applicable limits.

CB Bancshares, Inc.

CB Bancshares, Inc.
201 Merchant Street
Honolulu, Hawaii 96813
(808) 535-2500

CB Bancshares is a bank holding company with \$1.87 billion in assets as of March 31, 2004. CB Bancshares was incorporated in the State of Hawaii in 1980 and currently has three wholly owned subsidiaries, City Bank, Datatronix Financial Services, Inc. and O.R.E., Inc., which is inactive.

City Bank is a state-chartered bank which was organized under the laws of the State of Hawaii in 1959. City Bank is insured by the FDIC and provides full commercial banking services through 17 branches on the Island of Oahu, two branches on the Island of Hawaii, two branches on the Island of Maui and one branch on the Island of Kauai. These services include receiving demand, savings and time deposits; making commercial, real estate and consumer loans; financing leases and leasing activities; financing international trade activities; issuing letters of credit; handling domestic and foreign collections; selling travelers' checks and bank money orders; and renting safe deposit boxes. With assets of \$1.90 billion as of March 31, 2004, City Bank is the fourth-largest commercial bank in the State of Hawaii. City Bank's primary focus has been corporate lending to small to medium-sized businesses.

Special meeting of CB Bancshares shareholders (Page 32).

The special meeting of CB Bancshares shareholders will be held on _____, 2004 at _____, Hawaii Standard Time, at _____ at _____, Honolulu, Hawaii _____. At the special meeting, you will be asked to approve the merger agreement by and between Central Pacific and CB Bancshares.

The affirmative vote, in person or by properly executed proxy, of three-fourths of the shares of CB Bancshares common stock outstanding on the record date, is required to approve the merger agreement.

Special meeting of Central Pacific shareholders (Page 35).

The special meeting of Central Pacific shareholders will be held _____, 2004 at _____, Hawaii Standard Time, at _____ at _____, Honolulu, Hawaii _____. At the special meeting, you will be asked to:

approve the merger agreement between Central Pacific and CB Bancshares, including the issuance of Central Pacific common stock to shareholders of CB Bancshares,

approve an amendment to Central Pacific's articles of incorporation to increase the number of authorized shares of common stock of Central Pacific,

approve the Central Pacific Financial Corp. 2004 Stock Compensation Plan, and

approve the Central Pacific Financial Corp. 2004 Annual Executive Incentive Plan.

The affirmative vote, in person or by properly executed proxy, of three-fourths of the shares of Central Pacific common stock outstanding on the record date, is required to approve the merger agreement. The affirmative vote, in person or by properly executed proxy, of two-thirds of the shares of Central Pacific common stock outstanding on the record date, is required to approve the amendment to Central Pacific's articles of incorporation. The affirmative vote, in person or by properly executed proxy, of a majority of the shares represented at the meeting, is required to approve the 2004 Stock Compensation Plan and approve the 2004 Annual Executive Incentive Plan.

The merger (Page 39).

If the merger is approved by the shareholders of each of Central Pacific and CB Bancshares and all of the other conditions to the merger are satisfied or waived, then CB Bancshares will be merged with and into Central Pacific with Central Pacific being the surviving corporation in the merger.

Consideration paid in the merger (Page 39).

If the merger is completed each share of CB Bancshares common stock will be converted into the right to receive either (1) cash consideration in an amount equal to \$20.00 plus the product of 2.6752 times the average of the closing prices of Central Pacific stock over the 10 consecutive trading day period prior to completion of the transaction (we refer to this average as the "measuring price"), or (2) a number of shares of Central Pacific common stock equal to the cash consideration divided by the measuring price. This formula is designed to ensure that all shares of CB Bancshares stock will receive merger consideration of equal value, based on the measuring price, regardless of whether they are converted into cash or Central Pacific shares. However, CB Bancshares shareholders may actually receive a form of consideration different from what they elected to receive with respect to some of their shares because the total amount of cash consideration payable in the merger is fixed at an amount equal to the product of \$20.00 and the number of CB Bancshares shares outstanding immediately prior to the effective time of the merger and the total amount of stock consideration is fixed at a number of shares of Central Pacific common stock equal to the product of 2.6752 and the number of CB Bancshares shares outstanding immediately prior to the effective time of the merger.

Ownership of Central Pacific following the merger (Page 43).

Existing CB Bancshares shareholders will own approximately 42% of the shares of Central Pacific common stock outstanding immediately after the merger.

The board of directors of CB Bancshares recommends shareholder approval of the merger agreement (Page 56).

After careful consideration, the board of directors of CB Bancshares determined that the merger is in the best interests of CB Bancshares and its shareholders and adopted the merger agreement.

Based on CB Bancshares' reasons for the merger described in this document, the CB Bancshares board of directors recommends that you vote "FOR" the proposal to approve the merger agreement.

The board of directors of Central Pacific recommends shareholder approval of the merger agreement (Page 47).

After careful consideration, the board of directors of Central Pacific determined that the merger is in the best interests of Central Pacific and its shareholders and adopted the merger agreement.

Based on Central Pacific's reasons for the merger described in this document, the Central Pacific board of directors recommends that you vote "FOR" the proposal to approve the merger agreement, including the issuance of shares of Central Pacific common stock pursuant to the merger.

Opinions of Central Pacific's and CB Bancshares' financial advisors (Pages 49 and 58).

At the April 22, 2004 meeting at which Central Pacific's board considered and adopted the merger agreement, Bear, Stearns & Co. Inc. delivered to the board its oral opinion (which was confirmed in a written opinion, dated as of April 22, 2004) that, as of such date, the merger consideration was fair to Central Pacific's shareholders from a financial point of view. The full text of the opinion of Bear, Stearns & Co. Inc., which sets forth the assumptions made, matters considered and limitations on the review undertaken in connection with such opinion, is attached to this joint proxy statement-prospectus as Annex C and is incorporated herein by reference. **Central Pacific shareholders are urged to, and should, read such opinion in its entirety.**

On April 22, 2004, Sandler O'Neill & Partners, L.P., financial advisor to CB Bancshares, delivered its opinion to the CB Bancshares board of directors that, as of such date, the consideration to be received by holders of CB Bancshares common stock pursuant to the merger agreement is fair from a financial point of view to such holders. Sandler O'Neill & Partners, L.P. has confirmed that opinion by delivering an opinion dated the date of this joint proxy statement-prospectus. The full text of the updated opinion of Sandler O'Neill & Partners, L.P., which sets forth the assumptions made, matters considered and limitations on the review undertaken in connection with such opinion, is attached to this joint proxy statement-prospectus as Annex D and is incorporated herein by reference. **CB Bancshares shareholders are urged to, and should, read such opinion in its entirety.**

Regulatory approvals (Page 68).

In order to complete the merger, we must first obtain the approval of the Board of Governors of the Federal Reserve System, or Federal Reserve Board, and the Commissioner of Financial Institutions, Division of Financial Institutions, Hawaii Department of Commerce and Consumer Affairs, or Commissioner of Financial Institutions. Central Pacific filed applications for approval to acquire control of CB Bancshares with the Federal Reserve Board and the Commissioner of Financial Institutions on April 28, 2003. Central Pacific's applications were approved by the Federal Reserve Board on December 15, 2003 and by the Commissioner of Financial Institutions on February 3, 2004, each subject to certain conditions and limitations and on the basis of the information and terms provided to it. Central Pacific has submitted further information with respect to the merger and the merger agreement to the Federal Reserve Board and the Commissioner of Financial Institutions and intends to submit an additional application with respect to the merger to the Commissioner of Financial

Institutions. The Federal Reserve Board's approval order requires us to complete the merger by June 15, 2004. We expect to submit a request for an extension of that order.

Material United States federal income tax considerations (Page 68).

CB Bancshares and Central Pacific will each, as a condition for each party's obligation to complete the merger, receive an opinion of counsel substantially to the effect that, based on the facts, representations, covenants and assumptions set forth or referred to in the opinion, the merger will be treated as a reorganization within the meaning of Section 368(a) of the Code. As a result, CB Bancshares shareholders who exchange their shares solely for Central Pacific common stock pursuant to the merger will not recognize gain or loss for United States federal income tax purposes except to the extent of any cash received in lieu of fractional shares. CB Bancshares shareholders who receive cash in exchange for all or a portion of their shares pursuant to the merger (other than cash paid in lieu of fractional shares) will recognize gain in an amount equal to the lesser of (1) the excess of the sum of the fair market value of the Central Pacific common stock and the amount of cash received over such holder's tax basis in the CB Bancshares common stock surrendered in the merger, and (2) the amount of cash received in the merger. CB Bancshares shareholders should consult their own tax advisors to determine the particular United States federal, state, local or foreign income or other tax consequences to them of the merger.

Directors and executive officers have financial interests in the merger (Page 71).

The directors and executive officers of Central Pacific and CB Bancshares have financial interests in the merger in addition to their interests as shareholders. Each of the Central Pacific board of directors and the CB Bancshares board of directors considered these interests in its decision to enter into the merger.

For some CB Bancshares executive officers, the merger will result in payment of benefits under existing change-in-control agreements and supplemental executive retirement agreements, while other CB Bancshares executive officers will be integrated into the management of the combined company without triggering such payments. Some executive officers of both Central Pacific and CB Bancshares will have the opportunity to enter into employment agreements (and in the case of one director, a consulting agreement) with the combined company, and some Central Pacific executive officers will be entitled to receive retention bonuses.

Other interests of directors and executive officers of Central Pacific and CB Bancshares may include rights under stock-based benefit programs, the expectation of continued directorship with the combined company and the right to continued indemnification and insurance coverage for acts before the merger.

In addition, in the interest of retaining talented employees and incentivizing management in integrating the banks, Central Pacific approved retention bonuses for certain executive officers.

Composition of the board of directors and officers of Central Pacific following the merger (Page 89).

After the merger, the board of directors of the combined company will consist of all nine current Central Pacific directors and six current CB Bancshares directors.

Clint Arnoldus, currently Chairman of the board of directors, Chief Executive Officer and President of Central Pacific, will serve as Chief Executive Officer of the combined company. Ronald Migita, currently Chief Executive Officer and President of CB Bancshares, will serve as non-executive Chairman of the board of directors of the combined company. Other executive officers of both Central Pacific and CB Bancshares will be offered positions at the combined company.

Stock ownership by directors and executive officers of CB Bancshares and Central Pacific and vote required (Pages 32 and 36).

Directors, executive officers and affiliates of CB Bancshares hold _____ % of CB Bancshares' outstanding common stock, including shares held in the CB Bancshares Employee Stock Ownership Plan, and the vote required for approval of the merger agreement is the affirmative vote of at least three-fourths of CB Bancshares' outstanding common stock.

Directors, executive officers and affiliates of Central Pacific hold _____ % of Central Pacific's outstanding common stock, including shares held in the Central Pacific 401(k) Retirement Savings Plan, and the vote required for approval of the merger agreement is the affirmative vote of at least three-fourths of Central Pacific's outstanding common stock. The vote required for approval of the amendment to Central Pacific's articles of incorporation is the affirmative vote of two-thirds of Central Pacific's outstanding common stock. The vote required for approval of the 2004 Stock Compensation Plan and the 2004 Annual Executive Incentive Plan is the affirmative vote of a majority of Central Pacific common stock represented at the special meeting.

CB Bancshares' largest shareholder, TON Finance, B.V., representing approximately 8.8% of CB Bancshares' outstanding shares, has entered into an agreement with CB Bancshares agreeing to vote those shares in a manner consistent with the recommendation of the CB Bancshares board of directors on all matters voted upon by CB Bancshares shareholders.

NYSE listing (Page 80).

If we complete the merger, existing CB Bancshares shareholders will be able to trade the shares of Central Pacific they receive in the merger on the NYSE.

The merger agreement (Page 81).

The merger agreement is attached as Annex A to this joint proxy statement-prospectus. We encourage you to read the merger agreement in its entirety. It is the most important legal document governing the merger.

Conditions to the merger (Page 86).

The merger will be completed only if several conditions are satisfied or, if permissible, waived. The conditions include:

approval of the merger agreement by the holders of three-fourths of the outstanding shares of each of Central Pacific and CB Bancshares;

all regulatory approvals required to complete the merger having been obtained and all statutory waiting periods having expired;

no governmental authority having enacted, issued, promulgated, enforced or entered any statute, rule, regulation, judgment, decree, injunction or other order which is in effect and prohibits or makes illegal the consummation of the merger; and

the accuracy of the representations and warranties made by Central Pacific and CB Bancshares, provided that, subject to limited exceptions, no representation or warranty will be deemed untrue or deemed to be breached as a consequence of any fact, event or circumstance unless the fact, event or circumstance, taken individually or with other facts or events, has had or is reasonably likely to have a material adverse effect on CB Bancshares or Central Pacific, as the case may be.

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We cannot be certain when (or if) the conditions to the merger will be satisfied or that the merger will be completed.

Termination (Page 88).

Central Pacific and CB Bancshares can agree to terminate the merger agreement without completing the merger, and either company can terminate the merger agreement if any of the following occurs:

the other party breaches any of its representations, warranties, covenants or agreements contained in the merger agreement and fails to or is unable to timely cure such breach, provided that, subject to limited exceptions, a representation or warranty is not deemed to have been breached as a consequence of any fact or event unless such fact or event, individually or taken with other facts and events, has had or is reasonably likely to have a material adverse effect on CB Bancshares or Central Pacific, as the case may be;

either party's shareholders do not approve the merger;

the other party's board of directors withdraws or materially and adversely modifies its recommendation to its shareholders to approve the merger, recommends a competing acquisition proposal or negotiates for more than five days with a third party regarding a competing acquisition proposal;

the merger is not completed by September 30, 2004; or

a required governmental approval is denied.

Termination fee (Page 88).

CB Bancshares has agreed to pay Central Pacific a termination fee equal to \$12,520,000 under certain circumstances. In general, the termination fee is due if there is a competing acquisition proposal for CB Bancshares, the merger agreement is thereafter terminated for specified reasons and within 18 months following termination of the merger agreement, CB Bancshares is merged with another company or there is an acquisition of a substantial portion of CB Bancshares' assets, deposits or voting stock or CB Bancshares enters into a definitive agreement for such a transaction.

There are dissenters' rights in connection with the merger (Page 116).

If the merger is consummated, shareholders of CB Bancshares and Central Pacific will have certain rights under the Hawaii Business Corporation Act to dissent and to receive payment in cash of the fair value of their shares. Shareholders who perfect such rights by complying with the procedures set forth in Sections 414-352 and 414-354 of the Hawaii Business Corporation Act will be paid their corporation's estimate of the fair value of the dissenting shareholder's shares. Section 414-341 defines "fair value" as the value of the shares immediately before the effectuation of the corporate action to which the dissenter objects, excluding any appreciation or depreciation in anticipation of the corporate action unless exclusion would be inequitable.

Pursuant to Section 414-359, if the dissenter is not satisfied with their corporation's payment or offer of payment, the dissenter may estimate the fair value of his or her shares and demand payment of the dissenter's estimate. If a demand for payment under Section 414-359 remains unsettled, CB Bancshares or Central Pacific, as the case may be, must commence a proceeding in a Hawaii circuit court pursuant to Section 414-371 and petition the court to determine the fair value of the shares and accrued interest, or pay each dissenter whose demand remains unsettled the amount of the demand. In determining the fair value of the shares, the court may appoint appraisers to receive evidence and recommend a decision on the question of fair value. Each dissenter made a party to the proceeding would be entitled to judgment for the amount, if any, by which the court finds the fair value of the dissenter's shares, plus interest, exceeds the amount paid by CB Bancshares or Central Pacific, as the case may be.

A copy of Part XIV of the Hawaii Business Corporation Act, which contains the sections described above, is provided in Annex B of this joint proxy statement-prospectus.

**SELECTED UNAUDITED PRO FORMA
CONDENSED COMBINED FINANCIAL INFORMATION**

The Selected Unaudited Pro Forma Condensed Combined Financial Information set forth below is based upon the historical financial statements of Central Pacific and CB Bancshares adjusted to give effect to the merger. The pro forma financial information for the year ended December 31, 2003 has been developed from (a) the audited consolidated financial statements of Central Pacific contained in its Annual Report on Form 10-K for the year ended December 31, 2003, which is incorporated by reference in this joint proxy statement-prospectus, and (b) the audited consolidated financial statements of CB Bancshares contained in its Annual Report on Form 10-K for the year ended December 31, 2003, which is incorporated by reference in this joint proxy statement-prospectus. The pro forma financial information as of and for the three months ended March 31, 2004 is derived from Central Pacific's and CB Bancshares' unaudited financial statements contained in their Quarterly Reports on Form 10-Q for the quarterly period ended March 31, 2004, which are incorporated by reference in this document.

The final determination and allocation of the purchase price paid for the merger may differ from the amounts assumed in the Selected Unaudited Pro Forma Condensed Combined Financial Information set forth below.

The Selected Unaudited Pro Forma Condensed Combined Financial Information is provided for illustrative purposes only and does not purport to represent what the actual consolidated results of operations or the consolidated financial position of Central Pacific would have been had the merger occurred on the dates assumed, nor is it necessarily indicative of future consolidated results of operations or financial position.

The Selected Unaudited Pro Forma Condensed Combined Financial Information does not include the realization of cost savings from operating efficiencies, synergies or other restructurings resulting from the merger, nor does it reflect the costs to be incurred to integrate the two companies.

The Selected Unaudited Pro Forma Condensed Combined Financial Information should be read in conjunction with the separate historical consolidated financial statements and accompanying notes of Central Pacific and CB Bancshares that are incorporated by reference in this joint proxy statement-prospectus and the Unaudited Pro Forma Condensed Combined Financial Information beginning on page 23.

Selected Unaudited Pro Forma Condensed Combined Financial Information
(Dollars in thousands, except per share data)

	<u>As of March 31,</u> <u>2004</u>	
Selected Balance Sheet Data		
Total assets	\$	4,348,384
Net loans		2,734,068
Total deposits		3,113,845
Shareholders' equity		526,373
Basic book value per share	\$	18.83
Shares outstanding		27,948

	<u>Quarter ended</u> <u>March 31, 2004</u>	<u>Year ended</u> <u>December 31, 2003</u>
Selected Operating Data		
Total interest income	\$ 53,627	\$ 210,084
Total interest expense	10,757	44,794
Net interest income	42,870	165,290
Provision for loan losses	800	7,880
Net interest income after provision for loan losses	42,070	157,410
Total other operating income	11,356	39,120
Total other operating expense	29,678	122,802
Income before income taxes	23,748	73,728
Income taxes	7,297	23,951
Net income	\$ 16,451	\$ 49,777
Basic earnings per share from continuing operations	\$ 0.59	\$ 1.79
Diluted earnings per share from continuing operations	\$ 0.57	\$ 1.74
Weighted average basic shares outstanding	27,934	27,859
Weighted average diluted shares outstanding	28,638	28,615

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION
Central Pacific Financial Corp.

The following selected consolidated financial information for Central Pacific has been derived from, and is qualified by reference to, the audited consolidated financial statements and notes thereto contained in Central Pacific's Annual Reports on Form 10-K for the years ended December 31, 2003, 2002, 2001, 2000 and 1999, and the unaudited consolidated financial statements and notes thereto contained in Central Pacific's Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2004, and March 31, 2003, which were filed with the SEC. See "Where Can I Find More Information?" on page 121 for information on where these documents are available. You should read this summary financial information together with the financial statements and notes thereto referred to above.

Selected Consolidated Financial Information
(Dollars in thousands, except per share data)

	As of or For the Three Months Ended March 31,		As of or For the Year Ended December 31,				
	2004	2003	2003	2002	2001	2000	1999
Consolidated statements of income data:							
Total interest income	\$ 27,612	\$ 27,873	\$ 110,231	\$ 118,462	\$ 129,873	\$ 126,783	\$ 112,840
Total interest expense	4,911	5,467	20,178	29,483	51,421	55,559	44,418
Net interest income	22,701	22,406	90,053	88,979	78,452	71,224	68,422
Provision for loan losses	300		700	1,000	3,000	4,500	3,700
Net interest income after provision for loan losses	22,401	22,406	89,353	87,979	75,452	66,724	64,722
Total other operating income	3,911	3,665	15,834	15,282	14,113	12,887	13,103
Total other operating expense	14,528	13,055	55,578	55,023	50,683	49,592	53,448
Income before income taxes	11,784	13,016	49,609	48,238	38,882	30,019	24,377
Income taxes	3,874	4,440	15,669	14,955	10,177	10,585	8,051
Net income	\$ 7,910	\$ 8,576	\$ 33,940	\$ 33,283	\$ 28,705	\$ 19,434	\$ 16,326
Net income available for common stock	\$ 7,910	\$ 8,576	\$ 33,940	\$ 33,283	\$ 28,705	\$ 19,434	\$ 16,326
Per share amounts:							
Basic earnings per share	\$ 0.49	\$ 0.54	\$ 2.12	\$ 2.09	\$ 1.75	\$ 1.09	\$ 0.85
Diluted earnings per share	0.48	0.52	2.07	2.04	1.72	1.07	0.84
Balance sheet data at period end:							
Total assets	\$ 2,284,325	\$ 2,033,442	\$ 2,170,268	\$ 2,028,163	\$ 1,835,641	\$ 1,816,918	\$ 1,646,491
Cash and due from banks	70,854	53,533	63,851	62,273	39,820	52,207	83,425
Total investment securities	649,367	528,300	554,957	540,924	391,947	384,619	321,670
Loans	1,459,442	1,339,338	1,443,154	1,289,892	1,266,949	1,290,145	1,167,466
Allowance for loan losses	24,848	25,109	24,774	24,197	24,564	22,612	20,768
Other real estate		547		1,903	812	1,792	1,366
Total deposits	1,805,267	1,654,386	1,753,284	1,641,101	1,450,925	1,363,066	1,305,654
Long term debt	228,425	161,790	184,184	147,155	175,572	220,970	98,279

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As of or For the Three Months
Ended March 31,

As of or For the Year Ended December 31,

Total shareholders' equity	203,513	178,630	194,599	173,443	147,070	143,312	144,079
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12

CB Bancshares, Inc.

The following selected consolidated financial information for CB Bancshares has been derived from, and is qualified by reference to, the audited consolidated financial statements and notes thereto contained in CB Bancshares' Annual Reports on Form 10-K for the years ended December 31, 2003, 2002, 2001, 2000 and 1999, and the unaudited consolidated financial statements and notes thereto contained in CB Bancshares' Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2004, and March 31, 2003, which were filed with the SEC. See "Where Can I Find More Information?" on page 121 for information on where these documents are available. You should read this summary financial information together with the financial statements and notes thereto referred to above.

Selected Consolidated Financial Information
(Dollars in thousands, except per share data)

	As of or For the Three Months Ended March 31,		As of or For the Year Ended December 31,				
	2004	2003	2003	2002	2001	2000	1999
Consolidated statements of income data:							
Total interest income	\$ 26,803	\$ 24,933	\$ 103,010	\$ 106,945	\$ 128,254	\$ 132,472	\$ 111,233
Total interest expense	5,546	6,631	23,416	30,292	57,448	71,478	52,717
Net interest income	21,257	18,302	79,594	76,653	70,806	60,994	58,516
Provision for loan losses	500	4,330	7,180	17,110	13,628	7,539	4,975
Net interest income after provision for loan losses	20,757	13,972	72,414	59,543	57,178	53,455	53,541
Total other operating income	7,445	5,511	23,286	12,815	2,817	10,024	10,328
Total other operating expense	14,542	13,642	64,927	52,618	50,595	46,679	58,336
Income before income taxes	13,660	5,841	30,773	19,740	9,400	16,800	5,533
Income taxes	3,858	1,869	10,025	6,258	3,250	5,582	5,227
Net income	\$ 9,802	\$ 3,972	\$ 20,748	\$ 13,482	\$ 6,150	\$ 11,218	\$ 306
Net income available for common stock	\$ 9,802	\$ 3,972	\$ 20,748	\$ 13,482	\$ 6,150	\$ 11,218	\$ 306
Per share amounts:							
Basic earnings per share	\$ 2.27	\$ 0.93	\$ 4.86	\$ 3.17	\$ 1.45	\$ 2.62	\$ 0.07
Diluted earnings per share	2.21	0.92	4.72	3.11	1.43	2.62	0.07
Balance sheet data at period end:							
Total assets	\$ 1,873,523	\$ 1,656,759	\$ 1,903,661	\$ 1,674,358	\$ 1,586,040	\$ 1,721,602	\$ 1,619,549
Cash and due from banks	56,577	34,410	46,566	75,069	22,395	40,172	66,918
Total investment securities	419,086	407,112	468,385	370,234	261,969	330,519	348,225
Loans	1,328,160	1,046,633	1,286,072	1,064,780	1,192,342	1,267,972	1,145,024
Allowance for loan losses	28,686	31,210	28,490	27,123	19,464	17,447	17,942
Other real estate		771	173	2,193	4,674	3,458	6,385

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	As of or For the Three Months Ended March 31,		As of or For the Year Ended December 31,				
Total deposits	1,308,578	1,146,094	1,205,725	1,163,227	1,138,435	1,218,463	1,106,145
Long term debt	244,385	319,402	194,389	319,407	214,424	181,563	225,140
Total shareholders' equity	177,953	154,526	169,210	151,009	133,762	123,162	114,691
			13				

COMPARATIVE PER SHARE DATA

The following table sets forth selected historical and pro forma per share consolidated financial information for Central Pacific and CB Bancshares. The historical information presented for Central Pacific and CB Bancshares as of and for the year ended December 31, 2003 is derived from the audited historical consolidated financial statements of Central Pacific and CB Bancshares contained in Central Pacific's Annual Report on Form 10-K for the year ended December 31, 2003, and CB Bancshares' Annual Report on Form 10-K for the year ended December 31, 2003, which are incorporated by reference in this joint proxy statement-prospectus. The historical information for Central Pacific and CB Bancshares as of and for the three months ended March 31, 2004 is derived from the unaudited historical consolidated financial statements of Central Pacific and CB Bancshares contained in Central Pacific's Quarterly Report on Form 10-Q for the quarter ended March 31, 2004, and CB Bancshares' Quarterly Report on Form 10-Q for the quarter ended March 31, 2004, which are incorporated by reference in this joint proxy statement-prospectus.

The pro forma combined information, which gives effect to the merger under the purchase method of accounting, is presented for informational purposes only. The pro forma information should not be construed as indicative of the actual results of operations that would have occurred had the merger occurred at the dates or at the beginning of the periods indicated or that may be obtained in the future. The pro forma information assumes that the merger had been completed on the dates and at the beginning of the earliest period presented.

You should read the information set forth below in conjunction with the audited and unaudited consolidated financial statements of Central Pacific and CB Bancshares incorporated by reference in this joint proxy statement-prospectus. See "Where Can I Find More Information?" on page 120 for information on how you can get a copy of the financial reports of Central Pacific and CB Bancshares.

	Historical		Pro Forma Combined(1)	CB Bancshares Equivalent Pro Forma(2)
	Central Pacific	CB Bancshares		
Basic earnings per share:				
Three months ended March 31, 2004	\$ 0.49	\$ 2.27	\$ 0.59	\$ 2.03
Year ended December 31, 2003	2.12	4.86	1.79	6.17
Diluted earnings per share:				
Three months ended March 31, 2004	0.48	2.21	0.57	1.97
Year ended December 31, 2003	2.07	4.72	1.74	6.00
Cash dividends declared Common				
Three months ended March 31, 2004	0.16	0.36	0.16	0.55
Year ended December 31, 2003	0.64	0.95	0.64	2.21
Book value per share Basic(3)				
As of March 31, 2004	12.65	41.22	18.83	64.94
As of December 31, 2003	12.11	39.35	18.58	64.08

- (1) The pro forma earnings per share are computed by dividing the pro forma net income for the relevant period by the pro forma weighted average number of shares outstanding for the relevant period. The pro forma combined book value per share is computed by dividing total pro forma shareholders' equity at the end of the relevant period by the pro forma number of common shares outstanding at the end of the relevant period.

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Common stock issued and outstanding as of March 31, 2004 was 16,093,999 for Central Pacific, 4,353,213 for CB Bancshares, and 27,948,185 for the pro forma combined entity. Pro forma share calculations are provided below:

CB Bancshares common stock outstanding	4,353,213
Exercise of CB Bancshares stock options outstanding*	175,542
Less: CB Bancshares stock owned by Central Pacific	(97,615)
	4,431,140
Total CB Bancshares shares subject to merger	4,431,140
Exchange ratio per share	2.6752
	11,854,186
Total Central Pacific shares to be issued	11,854,186
Central Pacific common stock outstanding	16,093,999
	27,948,185
Total pro forma shares outstanding	27,948,185

*

Assumes that 50% of outstanding CB Bancshares stock options will be exercised and 50% will be rolled over into Central Pacific stock options.

Common stock issued and outstanding as of December 31, 2003 was 16,063,957 for Central Pacific, 4,337,211 for CB Bancshares, and 27,896,345 for the pro forma combined entity. Pro forma share calculations are provided below:

CB Bancshares common stock outstanding	4,337,211
Exercise of CB Bancshares stock options outstanding*	183,396
Less: CB Bancshares stock owned by Central Pacific	(97,615)
	4,422,992
Total CB Bancshares shares subject to merger	4,422,992
Exchange ratio per share	2.6752
	11,832,388
Total Central Pacific shares to be issued	11,832,388
Central Pacific common stock outstanding	16,063,957
	27,896,345
Total pro forma shares outstanding	27,896,345

*

Assumes that 50% of outstanding CB Bancshares stock options will be exercised and 50% will be rolled over into Central Pacific stock options.

(2)

Equivalent pro forma per share data represent the pro forma per share amounts attributed to one share of CB Bancshares common stock that has been exchanged for stock consideration. Equivalent pro forma per share amounts are calculated by multiplying the pro forma combined amounts by an implied exchange ratio of 3.4489. The implied exchange ratio was determined using the average of the closing stock prices of Central Pacific common stock over a five-day trading period beginning on April 21, 2004, and ending on April 27, 2004, or two trading days before and after the public announcement of the merger.

(3)

Historical book value per share amounts were calculated using period end shares outstanding.

MARKET PRICE DATA AND DIVIDEND INFORMATION

Comparative Market Data

Central Pacific's common stock trades on the NYSE under the symbol "CPF" and CB Bancshares' common stock trades on the Nasdaq National Market under the symbol "CBBI". The following table presents the closing prices for Central Pacific and CB Bancshares common stock on:

April 22, 2004 the day before the public announcement of the proposed merger between Central Pacific and CB Bancshares, and

, 2004 the day before the date of this joint proxy statement-prospectus.

The April 22, 2004 CB Bancshares equivalent per share amount and the , 2004 CB Bancshares equivalent per share amount are calculated by multiplying each of the closing prices of Central Pacific common stock on April 22, 2004 and , 2004, respectively, by 2.6752, the number of shares of Central Pacific common stock that will be issued for each share of CB Bancshares common stock in the merger, and adding \$20.00. You should read the information presented below in conjunction with the next subsection, " Historical Market Price and Dividend Information".

	Central Pacific Common Stock	CB Bancshares Common Stock	CB Bancshares Equivalent Per Share
April 22, 2004	\$ 26.85	\$ 73.13	\$ 91.83
, 2004	\$	\$	\$

You should obtain current market quotations for Central Pacific common stock. The market price of Central Pacific common stock will fluctuate between the date of this joint proxy statement-prospectus and the date the merger is completed. Because the amount of cash and/or stock you receive will be determined by reference to the average of the closing prices of Central Pacific common stock over a ten consecutive day trading period ending on the day before the closing of the merger, fluctuations in Central Pacific's stock price will affect the value of the consideration you receive in the merger. In addition, if you receive any portion of the consideration in Central Pacific common stock, the value of the consideration you receive will fluctuate based on changes in the market price of Central Pacific common stock.

Historical Market Price and Dividend Information

The table below sets forth, for the calendar quarters indicated, the high and low sales prices per share reported on the NYSE and/or Nasdaq National Market(1) for Central Pacific common stock and the Nasdaq National Market for CB Bancshares common stock and the dividends declared on Central Pacific common stock and on CB Bancshares common stock.

	Central Pacific Common Stock(2)			CB Bancshares Common Stock(3)		
	High	Low	Dividends	High	Low	Dividends
2002						
March 31, 2002	\$ 17.43	\$ 14.63	\$ 0.09	\$ 31.12	\$ 27.69	\$ 0.09
June 30, 2002	23.38	17.00	0.10	37.15	30.47	0.09
September 30, 2002	23.68	13.82	0.10	36.56	30.05	0.10
December 31, 2002	31.24	22.16	0.11	39.09	31.84	0.10
2003						
March 31, 2003	\$ 31.08	\$ 25.14	\$ 0.16	\$ 45.91	\$ 37.18	\$ 0.10
June 30, 2003	29.76	23.92	0.16	63.03	40.78	0.11
September 30, 2003	27.98	24.00	0.16	63.48	58.74	0.36
December 31, 2003	30.50	24.52	0.16	65.50	59.95	0.36
2004						
March 31, 2004	\$ 30.34	\$ 25.71	\$ 0.16	\$ 73.51	\$ 62.50	\$ 0.36
June 30, 2004 (through , 2004)						

- (1) On December 31, 2002, Central Pacific transferred its common stock listing to the NYSE from the Nasdaq National Market; therefore all prices included above for dates prior to December 31, 2002 are per share prices as reported on the Nasdaq National Market.
- (2) Adjusted for a 2-for-1 stock split effected on November 8, 2002.
- (3) Adjusted for 10% stock dividends paid on June 28, 2001, June 27, 2002 and June 27, 2003.

On , 2004, the last day prior to the date of this joint proxy statement-prospectus, the last sale price per share of Central Pacific's common stock on the NYSE was \$, and the last sale price per share of CB Bancshares common stock on the Nasdaq National Market was \$.

We urge you to obtain current market quotations for Central Pacific and CB Bancshares common stock before making any decision regarding the merger.

Dividend Policies

Central Pacific. Central Pacific and its predecessor have paid regular semi-annual cash dividends on its common stock since 1958. Beginning in 1988, Central Pacific commenced paying regular quarterly cash dividends. Central Pacific expects to continue to pay regular quarterly cash dividends. However, since substantially all of the funds available for the payment of dividends are derived from Central Pacific Bank, future dividends will depend upon Central Pacific Bank's earnings, its financial condition, its capital needs, applicable governmental policies and regulations and such other matters as Central Pacific's board of directors may deem to be appropriate.

Central Pacific's ability to pay dividends is also limited by certain restrictions imposed on Hawaii corporations. Central Pacific may pay dividends out of funds legally available at such times as its board of directors determines are appropriate.

CB Bancshares. CB Bancshares' ability to pay dividends is limited by certain restrictions generally imposed on Hawaii corporations. CB Bancshares may pay dividends out of funds legally available at such times as its board of directors determines are appropriate.

Effect of Regulatory Restrictions on Central Pacific's and CB Bancshares' Dividend Policies. The principal source of Central Pacific's and CB Bancshares' cash flow has been dividend payments received from Central Pacific Bank and City Bank, respectively. Under the laws of Hawaii, payment of dividends by Central Pacific Bank and City Bank to Central Pacific and CB Bancshares, respectively, is subject to certain restrictions, and payment of dividends by Central Pacific and CB Bancshares to their respective shareholders is likewise subject to certain restrictions.

Federal Reserve Board policy provides that, as a matter of prudent banking, a bank holding company generally should not maintain a rate of cash dividends unless its net income available to common shareholders has been sufficient to fully fund the dividends, and the prospective rate of earnings retention appears to be consistent with the holding company's capital needs, asset quality and overall financial condition. Under federal law, a depository institution is prohibited from paying a dividend if the depository institution would thereafter be "undercapitalized" as determined by the federal bank regulatory agencies. The relevant federal regulatory agencies and the state regulatory agency also have authority to prohibit a bank or bank holding company from engaging in what, in the opinion of those regulatory bodies, constitutes an unsafe or unsound practice in conducting its business. The payment of dividends could, depending upon the financial condition of Central Pacific or CB Bancshares, be deemed to constitute such an unsafe or unsound practice.

RISK FACTORS

In deciding whether to approve the merger agreement, you should read carefully this joint proxy statement-prospectus and all other documents attached to or incorporated by reference into this joint proxy statement-prospectus. You should, in particular, read and consider the following risk factors, as well as the other risks associated with each of the businesses of CB Bancshares and Central Pacific, because these risks also will affect the combined businesses should the merger be completed. These other risks associated with the businesses of CB Bancshares and Central Pacific can be found in CB Bancshares' Annual Report on Form 10-K for the year ended December 31, 2003, and Central Pacific's Annual Report on Form 10-K for the year ended December 31, 2003, and CB Bancshares' and Central Pacific's documents filed subsequent thereto with the SEC and incorporated by reference into this joint proxy statement-prospectus. Additional risks and uncertainties not presently known to Central Pacific or CB Bancshares also may adversely affect the merger and Central Pacific following the merger.

Risks Related to the Merger

Central Pacific's stock price has fluctuated over the past twelve months, and decreases in Central Pacific's stock price will adversely affect the value of the consideration a CB Bancshares shareholder receives in the merger.

The trading price of Central Pacific common stock has been and will continue to be subject to fluctuations, which will affect the value of the consideration a CB Bancshares shareholder receives in the merger. As of _____, 2004, Central Pacific's 52-week high and low stock prices were \$ _____ and \$ _____, respectively. Central Pacific's stock price may fluctuate in response to a number of events and factors, such as quarterly variations in operating results, changes in financial estimates and recommendations by securities analysts, the operating and stock price performance of other companies that investors may deem comparable, and news reports relating to trends in Central Pacific's markets. In addition, the stock market in general, and the market prices for financial services companies in particular, have experienced volatility that often has been unrelated to the operating performance of such companies. These broad market and industry fluctuations may adversely affect the price of Central Pacific's stock, regardless of its operating performance.

Central Pacific will calculate the consideration that a shareholder will receive for each share of CB Bancshares by reference to the average of the closing prices of Central Pacific common stock over a 10 consecutive trading day period ending one trading day prior to the date the merger closes, or the measuring price. Fluctuations in Central Pacific's common stock price will affect the measuring price and, therefore, affect the per share consideration that is determined. If a CB Bancshares shareholder elects to receive stock or receives stock as a result of proration, the value of the stock portion of the consideration that such CB Bancshares shareholder receives will fluctuate based on changes in the price of Central Pacific common stock.

CB Bancshares shareholders may not receive the form of merger consideration that they elect.

Because Central Pacific will pay no more than a set amount of cash in exchange for CB Bancshares shares as part of the total consideration for the merger and issue no more than a set number of shares of Central Pacific common stock in exchange for CB Bancshares shares as part of the total consideration for the merger, if elections are made by CB Bancshares shareholders that would result in CB Bancshares shareholders as a group receiving more cash for their shares than that set amount of cash or more shares than that set amount of shares, shareholders may have the consideration in the form they elected reduced by a pro rata amount and will receive a portion of their consideration in the form they did not elect. CB Bancshares shareholders' receipt of a portion of the merger consideration in a form that they did not elect could result in, among other things, tax consequences that differ from those that would have resulted had they received the form of

consideration they elected, including the recognition of taxable gain to the extent cash is received. See "The Merger Material United States Federal Income Tax Considerations of the Merger".

If we do not successfully integrate Central Pacific's and CB Bancshares' business operations, and those of their respective subsidiary banks, the anticipated benefits of the merger may not be fully realized or may not occur for an extended period of time.

If we do not successfully integrate the two companies and their subsidiary banks upon completion of the merger, the anticipated benefits of the merger, including expected cost saves, may not be fully realized or may not occur for an extended period of time. No assurance can be given that we will be able to integrate the two companies' operations without encountering difficulties, including, without limitation, the loss of key employees and customers, the disruption of respective ongoing businesses or possible inconsistencies in standards, controls, procedures and policies.

The combined company's business, results of operations and earnings may also be negatively affected if:

the integration of the businesses of Central Pacific and CB Bancshares and those of their subsidiary banks takes longer, or is more difficult, time consuming or costly to accomplish than expected,

the diversion of the attention of management from normal daily operations of the business to the integration effort and any difficulties encountered in connection with such efforts is significant, or

operating costs, customer losses and business disruption following the merger, including adverse effects on relationships with employees, are greater than expected.

Successful integration of CB Bancshares' consolidated operations will depend primarily on Central Pacific's ability and the ability of its subsidiary bank, Central Pacific Bank, to consolidate operations, systems and procedures with CB Bancshares and its subsidiary bank, City Bank, and eliminate redundancies and costs. There can be no assurance that we will succeed in these consolidation efforts.

There can be no assurance that the costs of the merger will not be greater than Central Pacific has anticipated, which could adversely affect Central Pacific's business and results of operations.

The aggregate costs of the merger may be greater than Central Pacific has anticipated. Direct costs to Central Pacific, which will be included as part of the total purchase price for accounting purposes, are estimated at approximately \$64 million, consisting of transaction costs, such as fees for investment bankers, attorneys, accountants, public relations, proxy solicitation and other consultants, change-in-control payments, and other merger-related costs, such as lease terminations and severance payments. Approximately \$59 million of these costs are reflected as adjustments in the Unaudited Pro Forma Condensed Combined Balance Sheet as transaction costs, change-in-control payments and accrued merger-related costs. An additional \$5 million in merger-related costs are expected to be incurred as restructuring charges following consummation of the merger and are not included in the pro forma adjustments. Central Pacific also believes the combined company may incur charges to operations, which are not currently reasonably estimable, in the quarter in which the merger is completed or the following quarters to reflect costs associated with integrating the business and the operations of Central Pacific and CB Bancshares. The combined company could incur additional material charges in subsequent quarters to reflect additional costs associated with the merger. If these aggregate costs are greater than anticipated, they could adversely affect Central Pacific's business, results of operations and financial condition.

Integration of the two companies and banks may prove more difficult than we anticipate.

The merger with CB Bancshares would be Central Pacific's first merger with a bank holding company. Although Central Pacific believes that CB Bancshares' business is fundamentally similar to its own and that it will be able to integrate CB Bancshares and City Bank with its current operations, there can be no assurance that it will not encounter unforeseen difficulties in integrating the companies.

Risks Related to Central Pacific Following Completion of the Merger

References to "we", "our" and "us" in this subsection mean Central Pacific.

Our business is subject to interest rate risk, and variations in interest rates may negatively affect our financial performance.

Changes in the interest rate environment may reduce the combined entity's net interest income. After the merger, it is expected that Central Pacific will continue to realize income from the differential or "spread" between the interest earned on loans, securities and other interest-earning assets, and interest paid on deposits, borrowings and other interest-bearing liabilities. Net interest spreads are affected by the difference between the maturities and repricing characteristics of interest-earning assets and interest-bearing liabilities. In addition, loan volume and yields are affected by market interest rates on loans, and rising interest rates generally are associated with a lower volume of loan originations. Central Pacific cannot assure you that we can minimize our interest rate risk. In addition, an increase in the general level of interest rates may adversely affect the ability of certain borrowers to pay the interest on and principal of their obligations. Accordingly, changes in levels of market interest rates could materially and adversely affect our net interest spread, asset quality, loan origination volume and overall profitability.

Changes in economic conditions, in particular an economic slowdown in Hawaii, could hurt our business materially.

Our business is directly affected by factors such as economic, political and market conditions, broad trends in industry and finance, legislative and regulatory changes, changes in government monetary and fiscal policies and inflation, all of which are beyond our control. A deterioration in economic conditions, in particular an economic slowdown in Hawaii, could result in the following consequences, any of which could hurt our business materially:

loan delinquencies may increase,

problem assets and foreclosures may increase,

demand for our products and services may decline,

low cost or non-interest bearing deposits may decrease, and

collateral for loans made by us, especially real estate, may decline in value, in turn reducing customers' borrowing power, and reducing the value of assets and collateral associated with our existing loans.

CB Bancshares' recent expansion in California loan production, which has positively affected CB Bancshares' results of operations, may not be sustainable.

Sustaining the expansion of loan production in California depends on a number of factors, including CB Bancshares' current loan staff remaining with Central Pacific after the merger and the continued strength of the California real estate market. If some or all of the loan officers leave Central Pacific after the merger, it could adversely affect the expansion of California operations. In addition,

the strength of the Southern California real estate market could be negatively affected by anticipated increases in interest rates and any economic downturn, and results of operation could be negatively impacted.

Future results of the combined company may materially differ from the pro forma financial information presented in this document.

Future results of the combined company may be materially different from those shown in the pro forma financial statements, which only show a combination of our historical results. We have estimated that the combined company will record approximately \$365 million for transaction costs, merger-related charges and purchase accounting adjustments. The charges may be higher or lower than we have estimated, depending upon how costly or difficult it is to integrate our two companies. Furthermore, these charges may decrease capital of the combined company that could be used for profitable, income-earning investments in the future. Approximately \$24 million of transaction costs, \$35 million of merger-related costs and \$301 million of purchase accounting adjustments will be recorded upon completion of the merger. The remaining \$5 million of merger-related costs is expected to be recorded after completion of the merger in years 2004 through 2006 and are not reflected in the pro forma financial information. Costs associated with integrating the business and the operations of Central Pacific and CB Bancshares, which are not currently estimable and are not reflected in the pro forma financial information, are also expected to be recorded as charges against future earnings in years 2004 and 2005.

Resales of our common stock in the public market following the merger may cause its market price to fall.

We expect that we will issue a maximum of 12,500,000 shares in connection with the merger. The issuance of these new shares and the sale of additional shares of our common stock that, upon the exercise of options, may become eligible for sale in the public market from time to time could have the effect of depressing the market price for our common stock.

The potential loss of significant customer deposits and revenues from branch consolidations could adversely affect our business and results of operations.

Following the merger, we expect to consolidate and integrate the operations of certain branches of City Bank and Central Pacific Bank that are located within close proximity of each other. If the loss of customer deposits and revenues from branch consolidations exceeds our anticipated savings from such consolidations, our business and results of operations could be harmed.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The Unaudited Pro Forma Condensed Combined Financial Statements presented below are derived from the historical consolidated financial statements of each of Central Pacific and CB Bancshares. The Unaudited Pro Forma Condensed Combined Financial Statements are prepared using the purchase method of accounting, with Central Pacific treated as the acquiror and as if the merger had been completed as of the beginning of the periods presented for statement of income purposes and as of March 31, 2004 for balance sheet purposes. **For a summary of the merger, see "The Merger" beginning on page 39.**

The Unaudited Pro Forma Condensed Combined Financial Statements are based upon the historical financial statements of Central Pacific and CB Bancshares adjusted to give effect to the merger. The pro forma adjustments are described in the accompanying notes presented on the following pages. The pro forma financial statements have been developed from (a) the audited consolidated financial statements of Central Pacific contained in its Annual Report on Form 10-K for the year ended December 31, 2003 and Central Pacific's unaudited consolidated financial statements contained in its Quarterly Report on Form 10-Q for the quarter ended March 31, 2004, which are incorporated by reference in this joint proxy statement-prospectus, and (b) the audited consolidated financial statements of CB Bancshares contained in its Annual Report on Form 10-K for the year ended December 31, 2003, and its unaudited consolidated financial statements contained in its Quarterly Report on Form 10-Q for the quarter ended March 31, 2004, which are incorporated by reference in this joint proxy statement-prospectus.

The merger agreement provides that all outstanding and unexercised employee and director options to purchase shares of CB Bancshares common stock will be converted automatically into options to purchase Central Pacific common stock. For purposes of the pro forma financial statements, we assume that 50% of the outstanding CB Bancshares stock options will be exercised prior to consummation of the merger, and will therefore become outstanding shares of CB Bancshares common stock, while the remaining 50% of the outstanding CB Bancshares stock options will be converted into options to purchase Central Pacific common stock.

In determining the estimated purchase price for the purposes of the pro forma financial statements, we have calculated a value of \$25.85 for each share of Central Pacific common stock to be issued in the merger based on the average closing price of Central Pacific common stock over a five-day trading period beginning on April 21, 2004, two trading days before the public announcement of the merger, and ending on April 27, 2004, two trading days after the public announcement of the merger. Because the stock price of Central Pacific common stock will fluctuate, the value of the shares of Central Pacific common stock issued in the merger will also fluctuate. Central Pacific cannot predict what the closing price for Central Pacific common stock will be upon consummation of the merger.

Once Central Pacific determines the required purchase price allocations and identifies any necessary conforming changes for CB Bancshares, such pro forma financial statements will be subject to adjustment. Such adjustments will likely result in changes to the pro forma balance sheets to reflect the final allocations of purchase price and the pro forma statements of income, and there can be no assurance that such adjustments will not be material.

The Unaudited Pro Forma Condensed Combined Financial Statements are provided for illustrative purposes only and do not purport to represent what the actual consolidated results of operations or the consolidated financial position of Central Pacific would have been had the merger occurred on the dates assumed, nor are they necessarily indicative of future consolidated results of operations or financial position.

The Unaudited Pro Forma Condensed Combined Financial Statements do not include the realization of cost savings from operating efficiencies, synergies or other restructurings that may result

from the combination of Central Pacific and CB Bancshares. The Unaudited Pro Forma Condensed Combined Financial Statements include adjustments for the costs associated with Central Pacific's anticipated consolidation of certain branches of Central Pacific Bank or City Bank where the branches are nearby or adjacent. We estimate that approximately 10 such branches will be consolidated. Consolidation of branches may result in revenue and deposit run-off, which could result from, among other things, reduced interest income and service fees and lower deposit balances. We have assumed that there will be no material revenue or deposit run-off as a result of consolidations based on our historical experience with retention rates upon consolidating branches and the similarity in interest rates on deposits offered by Central Pacific and CB Bancshares. These assumptions may or may not turn out to be accurate.

The Unaudited Pro Forma Condensed Combined Financial Statements should be read in conjunction with the separate historical consolidated financial statements and accompanying notes of Central Pacific and CB Bancshares that are incorporated by reference in this joint proxy statement-prospectus.

**Unaudited Pro Forma Condensed Combined
Balance Sheet
As of March 31, 2004**

	Historical		Pro Forma	
	Central Pacific	CB Bancshares	Adjustments	Combined
(Dollars in thousands)				
ASSETS				
Cash and due from banks	\$ 70,854	\$ 56,577	\$ (28,526)(A)	\$ 98,905
Interest bearing deposits in other banks	2,645	1,109		3,754
Federal funds sold		2,300		2,300
Investment securities:				
Held to maturity, at cost	33,642	105,441		139,083
Available for sale, at fair value	615,725	313,645	(71,824)(B)	857,546
	<u>649,367</u>	<u>419,086</u>	<u>(71,824)</u>	<u>996,629</u>
Total investment securities				
Loans held for sale	2,337	21,352		23,689
Loans	1,459,442	1,328,160		2,787,602
Less allowance for loan losses	24,848	28,686		53,534
	<u>1,434,594</u>	<u>1,299,474</u>		<u>2,734,068</u>
Net loans				
Premises and equipment	57,355	16,712		74,067
Other real estate				
Intangible assets			300,980 (C)	300,980
Other assets	67,173	56,913	(10,094)(D)	113,992
	<u>2,284,325</u>	<u>1,873,523</u>	<u>190,536</u>	<u>4,348,384</u>
Total assets				
LIABILITIES AND SHAREHOLDERS' EQUITY				
Deposits:				
Noninterest bearing deposits	\$ 369,151	\$ 205,336		574,487
Interest bearing deposits	1,436,116	1,103,242		2,539,358
	<u>1,805,267</u>	<u>1,308,578</u>		<u>3,113,845</u>
Total deposits				
Short-term borrowings	12,851	115,400		128,251
Long-term debt	228,425	244,385	30,000 (E)	502,810
Minority interest	10,362	2,720		13,082
Other liabilities	23,907	24,487	15,629 (F)	64,023
	<u>2,080,812</u>	<u>1,695,570</u>	<u>45,629</u>	<u>3,822,011</u>
Total liabilities				

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	<u>Historical</u>		<u>Pro Forma</u>	
Shareholders' equity:				
Preferred stock, no par value, authorized 1,000,000 shares, none issued				
Common stock, no par value, authorized 50,000,000 shares; issued and outstanding 27,948,185 shares on a pro forma combined basis as of March 31, 2004	9,907	4,353	(4,353)(G)	316,338
			306,431 (H)	
Surplus	45,848	103,466	(103,466)(G)	63,950
			18,102 (I)	
Retained earnings	147,972	64,778	(64,778)(G)	147,972
Deferred stock awards	(47)			(47)
Unreleased shares to employee stock ownership plan		(1,284)	1,284 (G)	
Accumulated other comprehensive income (loss)	(167)	6,640	(6,640)(G)	(1,840)
			(1,673)(J)	
Total shareholders' equity	203,513	177,953	144,907	526,373
Total liabilities and shareholders' equity	\$ 2,284,325	\$ 1,873,523	\$ 190,536	\$ 4,348,384

Notes to Unaudited Pro Forma Condensed Combined Balance Sheet as of March 31, 2004

(A)

Represents net cash used in merger transaction. Cash used includes \$88.6 million for the cash component of the merger consideration, \$27.9 million in change-in-control and supplemental executive retirement payments and \$13.5 million for transaction costs. Sources of cash include \$65.0 million from maturities and sales of investment securities, \$30.0 million from the issuance of trust preferred securities and \$6.5 million from the exercise of outstanding CB Bancshares stock options.

Pursuant to the merger agreement, each CB Bancshares shareholder will be entitled to receive merger consideration in the form of Central Pacific common stock or cash for each CB Bancshares share held. The total amount of stock consideration payable in the merger is limited to 2.6752 shares of Central Pacific common stock multiplied by the number of shares of CB Bancshares outstanding immediately before the effective time of the merger, and the total amount of cash consideration payable in the merger is limited to \$20.00 multiplied by the number of shares of CB Bancshares outstanding immediately before the effective time of the merger. For purposes of the pro forma financial statements, the total number of CB Bancshares shares entitled to receive the merger consideration is estimated to be 4,431,140 as calculated in Note (1) to the Comparative Per Share Data information on page 14. Based on the estimated value of Central Pacific common stock of \$25.85, the total consideration to be paid in connection with the merger is as follows (dollars in thousands):

Stock consideration	\$ 306,431
Cash consideration	88,623
	<hr/>
Total estimated purchase price	\$ 395,054
	<hr/>

Certain executive officers of CB Bancshares will receive change-in-control severance benefits and supplemental executive retirement benefits pursuant to existing agreements with CB Bancshares. A portion of the change-in-control severance benefits and supplemental executive retirement benefits will be paid in lump-sum payments prior to the closing of the merger, while other benefits will be deferred until the termination or retirement of the executive officers. For purposes of the pro forma financial statements, the total amount of change-in-control and supplemental executive retirement benefits payable at the time of closing is expected to be \$27.9 million, although the actual amount payable will depend on, among other things, Central Pacific's stock price prior to closing and the actual discount rate applied in the calculations.

Total estimated transaction costs, which include investment banking, legal, accounting, proxy solicitation and related costs, are projected to be \$23.6 million, of which \$10.1 million has been paid and capitalized as of the balance sheet date as discussed in Note (D), while the remaining \$13.5 million is expected to be paid at or near the closing of the merger.

As of the balance sheet date, CB Bancshares had 351,084 stock options outstanding at a weighted average exercise price of \$36.90. Central Pacific assumes that 50% of outstanding options, or 175,542 options, will be exercised prior to completion of the merger at the weighted average exercise price of \$36.90, for a total of \$6.5 million in option exercise proceeds.

(B)

Represents elimination of \$6.8 million carrying value of CB Bancshares common stock owned by Central Pacific and \$65.0 million in maturities and sales proceeds used to fund the cash requirements of the merger transaction.

(C)

Represents goodwill of \$276.7 million and core deposit premium of \$24.3 million. For pro forma purposes only, we have estimated the core deposit premium at approximately 3% of CB Bancshares' core deposits to be amortized over an estimated useful life of 10 years.

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(D) Represents transaction costs paid and capitalized as of the balance sheet date. Total transaction costs are estimated to be \$23.6 million, of which \$10.1 million has been paid and capitalized to date. Remaining \$13.5 million is included in net cash used in merger transaction per Note (A).

(E) Represents trust preferred securities to be issued prior to closing.

(F) Represents \$7.0 million in accrued merger-related costs, net of taxes, \$9.7 million deferred tax liability on core deposit premium and reduction of deferred tax liability of \$1.1 million related to the unrealized gain on CB Bancshares common stock owned by Central Pacific.

The following table presents Central Pacific's current estimate of the aggregate costs, excluding merger consideration, expected to be incurred in connection with the merger. \$10.1 million of the transaction costs have been paid and capitalized as of the balance sheet date as discussed in Note (D). \$27.9 million in change-in-control and supplemental executive retirement benefits and \$13.5 million in transaction costs are expected to be paid in cash at or near the merger closing as discussed in Note (A). The remaining \$11.7 million in costs, net of \$4.7 million in aggregate tax benefit, will be accrued at the merger closing.

Change-in-control and supplemental executive retirement costs, a portion of which is nondeductible	\$ 29,500
Employee severance and retention costs	2,100
Lease termination fees	6,000
Other costs, including contract termination fees and asset writedowns	2,000
	<hr/>
Total merger-related costs	39,600
Tax benefits on deductible merger-related costs	4,680
	<hr/>
Merger-related costs, net of tax benefits,	34,920
Transaction costs	23,575
	<hr/>
Total	\$ 58,495
	<hr/>

(G) Represents elimination of CB Bancshares equity accounts.

(H) Represents value of Central Pacific common stock issued in merger transaction. For purposes of the pro forma financial statements, the value assigned to each of the 11.9 million shares of Central Pacific common stock issued in the merger of \$25.85 was calculated based on the average closing price of Central Pacific common stock over a five-day trading period beginning on April 21, 2004, two trading days before the public announcement of the merger, and ending on April 27, 2004, two trading days after the public announcement of the merger.

(I) Represents fair value of Central Pacific stock options issued in exchange for 175,542 outstanding CB Bancshares stock options, which represents 50% of outstanding CB Bancshares stock options. Central Pacific assumes that 50% of outstanding CB Bancshares stock options will be exercised prior to completion of the merger, and 50% will be rolled over into Central Pacific stock options. The fair value of each Central Pacific stock option issued of \$29.92 was calculated using the Black-Scholes model with the following assumptions: weighted average exercise price of approximately \$11.00; weighted average remaining life of 6.5 years; Central Pacific's closing stock price on April 22, 2004, the last trading day before the public announcement of the merger, of \$26.85; dividend yield of 2.38%; a risk-free rate of return of approximately 3.75%; volatility of 28.58%; and immediate vesting of all Central Pacific stock options issued in exchange for CB Bancshares stock options.

(J) Represents elimination of accumulated other comprehensive income related to the unrealized gain on CB Bancshares common stock owned by Central Pacific.

**Unaudited Pro Forma Condensed Combined
Statement of Income
For the Three Months Ended March 31, 2004**

	Historical		Pro Forma	
	Central Pacific	CB Bancshares	Adjustments	Combined
(Dollars in thousands, except per share data)				
Interest Income:				
Interest and fees on loans	\$ 21,291	\$ 22,313	\$	\$ 43,604
Interest and dividends on investment securities:				
Taxable interest	5,081	3,784	(699)(A)	8,166
Tax exempt interest	991	386		1,377
Dividends	217	314		531
Other interest income	32	6	(89)(B)	(51)
Total interest income	27,612	26,803	(788)	53,627
Interest expense:				
Interest on deposits	2,925	2,711		5,636
Interest on short term borrowings	36	542		578
Interest on long term debt	1,950	2,293	300 (C)	4,543
Total interest expense	4,911	5,546	300	10,757
Net interest income before provision for loan losses	22,701	21,257	(1,088)	42,870
Provision for loan losses	300	500		800
Net interest income after provision for loan losses	22,401	20,757	(1,088)	42,070
Other operating income:				
Income from fiduciary activities	549			549
Service charges on deposit accounts	1,443	1,092		2,535
Other service charges and fees	1,251	1,634		2,885
Investment securities gains (losses)		2,353		2,353
Gains on sales of loans	139	1,066		1,205
Item processing fees		479		479
Other	529	821		1,350
Total other operating income	3,911	7,445		11,356
Other operating expense:				
Salaries and employee benefits	8,206	7,975		16,181
Net occupancy	1,094	1,723		2,817
Equipment	568	573		1,141
Other	4,660	4,271	608 (D)	9,539
Total other operating expense	14,528	14,542	608	29,678

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	Historical		Pro Forma	
Income before income taxes	11,784	13,660	(1,696)	23,748
Income taxes	3,874	3,858	(435)(E)	7,297
Net income	\$ 7,910	\$ 9,802	\$ (1,261)	\$ 16,451
Per share data:				
Basic earnings per share	\$ 0.49	\$ 2.27		\$ 0.59
Diluted earnings per share	0.48	2.21		0.57
Cash dividends per share	0.16	0.36		0.16
Weighted average basic shares outstanding	16,080	4,311		27,934
Weighted average diluted shares outstanding	16,411	4,439		28,638

Notes to Unaudited Pro Forma Condensed Combined Statement of Income for the Three Months Ended March 31, 2004

- (A) Represents interest income foregone on investment securities maturities and sales at an assumed weighted average rate of 4.30%.
- (B) Represents interest income foregone on net cash used at an assumed weighted average rate of 1.25%.
- (C) Represents interest expense on trust preferred securities issued at an assumed weighted average rate of 4.00%.
- (D) Represents amortization of core deposit premium using a 10-year amortization period.
- (E) Represents tax effect of taxable and tax-deductible adjustments using an assumed effective tax rate of 40%.

**Unaudited Pro Forma Condensed Combined
Statement of Income
For the Year Ended December 31, 2003**

	Historical		Pro Forma	
	Central Pacific	CB Bancshares	Adjustments	Combined
(Dollars in thousands, except per share data)				
Interest Income:				
Interest and fees on loans	\$ 88,922	\$ 85,635	\$	\$ 174,557
Interest and dividends on investment securities:				
Taxable interest	16,307	13,906	(2,795)(A)	27,418
Tax exempt interest	3,841	1,546		5,387
Dividends	1,027	1,693		2,720
Other interest income	134	230	(362)(B)	2
Total interest income	110,231	103,010	(3,157)	210,084
Interest expense:				
Interest on deposits	14,380	11,135		25,515
Interest on short term borrowings	43	1,158		1,201
Interest on long term debt	5,755	11,123	1,200 (C)	18,078
Total interest expense	20,178	23,416	1,200	44,794
Net interest income before provision for loan losses	90,053	79,594	(4,357)	165,290
Provision for loan losses	700	7,180		7,880
Net interest income after provision for loan losses	89,353	72,414	(4,357)	157,410
Other operating income:				
Income from fiduciary activities	1,793			1,793
Service charges on deposit accounts	4,551	4,559		9,110
Other service charges and fees	5,196	7,147		12,343
Investment securities gains (losses)	956	1,718		2,674
Gains on sales of loans	801	2,533		3,334
Item processing fees		1,866		1,866
Other	2,537	5,463		8,000
Total other operating income	15,834	23,286		39,120
Other operating expense:				
Salaries and employee benefits	29,220	29,852		59,072
Net occupancy	4,198	6,639		10,837
Equipment	2,457	2,406		4,863
Merger-related costs	1,276	6,621		7,897
Other	18,427	19,409	2,297 (D)	40,133
Total other operating expense	55,578	64,927	2,297	122,802

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	Historical		Pro Forma	
Income before income taxes	49,609	30,773	(6,654)	73,728
Income taxes	15,669	10,025	(1,743)(E)	23,951
Net income	\$ 33,940	\$ 20,748	\$ (4,911)	\$ 49,777
Per share data:				
Basic earnings per share	\$ 2.12	\$ 4.86		\$ 1.79
Diluted earnings per share	2.07	4.72		1.74
Cash dividends declared	0.64	0.95		0.64
Weighted average basic shares outstanding	16,027	4,269		27,859
Weighted average diluted shares outstanding	16,397	4,392		28,615

30

Notes to Unaudited Pro Forma Condensed Combined Statement of Income for the Year Ended December 31, 2003

- (A) Represents interest income foregone on investment securities maturities and sales at an assumed weighted average rate of 4.30%.
- (B) Represents interest income foregone on net cash used at an assumed weighted average rate of 1.25%.
- (C) Represents interest expense on trust preferred securities issued at an assumed weighted average rate of 4.00%.
- (D) Represents amortization of core deposit premium using a 10-year amortization period.
- (E) Represents tax effect of taxable and tax-deductible adjustments using an assumed effective tax rate of 40%.

CB BANCSHARES SPECIAL MEETING

General

This joint proxy statement-prospectus is being furnished to CB Bancshares shareholders in connection with the solicitation of proxies by the CB Bancshares board of directors to be used at the special meeting of shareholders to be held on _____, 2004 at _____, Hawaii Standard Time, at _____, and at any adjournment or postponement of that meeting. This joint proxy statement-prospectus and the enclosed form of proxy are being sent to CB Bancshares shareholders on or about _____, 2004.

Purpose of the Meeting

The purpose of the special meeting is to consider and vote on a proposal to approve the agreement and plan of merger, dated as of April 22, 2004, by and between Central Pacific and CB Bancshares, providing for the merger of CB Bancshares with and into Central Pacific with Central Pacific as the surviving corporation.

Record Date and Voting

The CB Bancshares board of directors has fixed the close of business on _____, 2004, as the record date for determining the holders of shares of CB Bancshares common stock entitled to receive notice of and to vote at the special meeting. Only holders of record of shares of CB Bancshares common stock at the close of business on that date will be entitled to vote at the special meeting and at any adjournment or po