As filed with the Securities and Exchange Commission on November 7, 2008

Registration No. 333-

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

FORM S-3
Registration Statement
under
The Securities Act of 1933

Edison International	California	95-4137452
(Exact name of registrant as specified in its charter)	(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2244 Walnut Grove Avenue
Rosemead, California 91770
626-302-2222
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Michael A. Henry
Senior Attorney
2244 Walnut Grove Avenue (P.O. Box 800)
Rosemead, California 91770
626-302-4328
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Approximate Date of Commencement of Proposed Sale to the Public: From time to time after the effective date of this registration statement as determined by market conditions.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. X

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please 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(c) 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 registration statement pursuant to general Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. X

*Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer X Accelerated Filer __
Non-accelerated filer __ Smaller reporting company __
(Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	Amount To Be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, no par value	((1))	((1))	(1)	(1)

(1) We are not registering any additional shares. We registered 13,500,000 shares under Registration No. 333-121189. As of September 25, 2008, 12,146,739 of those shares remain unsold. We are filing this registration statement solely due to the expiration of Registration No. 333-121189, which is scheduled to expire on December 1, 2008. Since no additional shares are being registered, no fee is due.

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PROSPECTUS

EDISON INTERNATIONAL

Dividend Reinvestment and Direct Stock Purchase Plan

Our Dividend Reinvestment and Direct Stock Purchase Plan (the Plan) provides you an economical and convenient method of purchasing our Common Stock and reinvesting cash dividends in shares of our Common Stock. Current holders of record of our Common Stock may purchase additional shares of our Common Stock by reinvesting all or a portion of their cash dividends or making optional cash investments. Persons who are not already shareholders may purchase Common Stock through the Plan by paying an enrollment fee of $15 and by making an initial investment of at least $1,000 or authorizing automatic monthly withdrawals from a bank account of at least $100 per month for a minimum of ten consecutive months.

The Plan allows you to:

o elect to have cash dividends paid on all or a percentage of your

shares automatically reinvested in additional shares of our Common Stock;
- purchase our Common Stock through cash investments made by check or automatic monthly withdrawals from a checking or savings account;
- deposit all or a portion of your Common Stock certificates for credit to your Plan account;
- purchase shares for the account of another person;
- transfer shares to the existing account of another participant or to a newly-created account of a person not participating in the Plan;
- sell shares held in the Plan;
- obtain certificates for shares held in the Plan; and
- execute certain transactions by telephone or online.

The Administrator of the Plan is Wells Fargo Bank, N.A. (the Plan Administrator). Cash dividends and cash investments will be used to purchase shares of our Common Stock which, at our option, will be either newly issued by us or purchased by the Plan Administrator on behalf of Plan participants in the open market. To the extent required by applicable law in certain jurisdictions, shares of Common Stock offered under the Plan to persons that do not own any shares of our Common Stock at the time are offered through Wells Fargo Investments, LLC.

Our Common Stock is listed on the New York Stock Exchange under the symbol "EIX." The price of newly issued shares of Common Stock will be the average of the high and low sale prices of our Common Stock, as reported on the New York Stock Exchange Composite Tape, on the applicable investment date or, if the New York Stock Exchange is closed on the investment date, on the next trading day the New York Stock Exchange is open. The price of shares purchased in the open market will be the weighted average price at which the Plan Administrator acquires the shares.

This prospectus relates to 13,500,000 shares of our Common Stock registered for purchase under the Plan. We suggest that you keep this prospectus for future reference.

There are significant risks associated with an investment in our securities. These risks are discussed in detail in the documents that are incorporated by reference in this prospectus. You should review those documents for a discussion of matters that investors in our securities should consider.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 7, 2008.

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You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus is not an offer to sell nor is it seeking an offer to buy these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus or the documents incorporated by reference in this prospectus is only accurate as of the date of those documents. Our business, financial condition and results of operations may have changed since those dates.

Unless the context otherwise requires, references in this prospectus to the "Company," "we," "us" and "our" refer to Edison International.

CHANGES TO THE PLAN

This prospectus amends and restates our earlier Dividend Reinvestment and Direct Stock Purchase Plan. The Plan has not substantively been amended, although certain changes to this prospectus have been made to update information. The amended and restated Plan will become effective on March 1, 2009.

All participants in the old Plan will automatically continue in the amended Plan. In the event you are a participant in the old Plan and, after reviewing this prospectus, you do not wish to continue participation in the amended Plan, you should contact the Plan Administrator.

The Plan does not represent a change in our dividend policy, which will continue to depend on future earnings, financial requirements and other factors. The payment of dividends is at the discretion of our board of directors, which may change the amount and timing of dividends at any time without notice.

SUMMARY OF THE PLAN

The following summary description of the Plan is qualified by reference to the full text of the Plan which appears in this prospectus. The references in this summary to questions refer to the numbered questions and answers contained below in this prospectus under the heading "Description of the Dividend Reinvestment and Direct Stock Purchase Plan."

Dividend Reinvestment. You may elect to reinvest cash dividends on all, some, or none of your shares of Common Stock. The Plan Administrator will use the cash dividends, from the shares for which you elect reinvestment, to purchase shares of Common Stock that will be added to your Plan account (see Question 11). We will pay cash dividends to you by check or direct deposit on shares for which you do not select reinvestment.

Optional Cash Investments. After enrolling in the Plan, you may purchase shares of our Common Stock through the Plan in any amount from a minimum of $25 per investment to a maximum of $20,000 per month. You may make optional cash investments by authorizing automatic monthly withdrawals from your bank account or by sending a check to the Plan Administrator at any time (see Question 12).

Initial Investment. If you are not already a shareholder of record, you may purchase Common Stock in the Plan for an enrollment fee of $15 and by making an initial investment of at least $1,000 or authorizing automatic monthly withdrawals from your bank account of at least $100 for a minimum of ten consecutive months (see Questions 8 and 12).

Enrollment. To enroll in the Plan, you must complete and sign an account authorization form and return it to the Plan Administrator or establish online access and enroll over the internet (see Question 7). You will be charged a $15 enrollment fee.

Price of Shares Purchased Under the Plan. The price of shares of Common Stock purchased under the Plan will depend on whether the shares are purchased directly from us or on the open market. If the shares are purchased on the open market, the price will be the weighted average price at which the Plan Administrator acquires the shares plus a brokerage commission and other fees. If the shares are purchased directly from us, the price of the shares will be the average of the high and low sale prices for all trades of our Common Stock on the New York Stock Exchange on the applicable investment date (see Question 16).

Frequency of Purchases for Dividend Reinvestment. The Plan Administrator expects to reinvest cash dividends on the applicable dividend payment date or, if the dividend payment date is not a trading day, the next trading day following the dividend payment date (see Question 17).

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Frequency of Purchases for Optional Cash Investments. The Plan Administrator expects to invest initial and optional cash investments on Thursday of each week or, if Thursday is not a trading day, the next trading day following Thursday (see Question 17).

Certificate Issuance. You may receive stock certificates for any whole shares held in your Plan account without charge at any time upon request (see Question 19).

Share Transfers and Gifts. You may transfer shares from your Plan account to another person or purchase shares for others as a gift (see Questions 20 and 21).

Selling Shares. You may request the Plan Administrator to sell some or all of the shares held in your Plan account. You will be charged certain transaction costs such as a service fee and broker's commission (see Questions 22 and 23).

Safekeeping. You may deposit Common Stock certificates with the Plan Administrator for safekeeping (see Question 31).

FORWARD-LOOKING STATEMENTS

This prospectus and the additional information described under the heading "Where You Can Find More Information" may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties and are based on the beliefs and assumptions of our management, relying on information currently available to our management. When we use words such as "believes," "expects," "anticipates," "intends," "plans," "estimates," "should," or similar expressions, we are making forward-looking statements. Forward-looking statements include the information concerning possible or assumed future results of operations set forth under the headings "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" or similar headings in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, as well as information in our Current Reports on Form 8-K, incorporated by reference into this prospectus.

Forward-looking statements are not guarantees of performance. Our future results and shareholder value may differ materially from those expressed in these forward-looking statements. Many of the factors that will determine these results and value are beyond our ability to control or predict. These statements are necessarily based upon various assumptions involving judgments about the future. Factors which may cause results to differ are discussed in detail in our Annual Report on Form 10-k and Quarterly Reports on Form 10-Q. We caution you not to put undue reliance on any forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

ABOUT EDISON INTERNATIONAL

Edison International was incorporated on April 20, 1987, under the laws of the State of California. Edison International is engaged in the business of holding, for investment, the common stock of its subsidiaries. Edison International's principal operating subsidiaries are Southern California Edison Company, a rate-regulated electric utility, and Edison Mission Group. Edison Mission Group is the holding company for its principal wholly owned subsidiaries, Edison Mission Energy, which is engaged in the business of developing, acquiring, owning or leasing, operating and selling energy and capacity from independent power production facilities, and Edison Capital, a provider of capital and financial services.

The principal executive office of Edison International is located at 2244 Walnut Grove Avenue, Rosemead, California 91770, and the telephone number is (626) 302-2222.

USE OF PROCEEDS

We will receive no proceeds from open market purchases of our Common Stock by the Plan Administrator for participants under the Plan. We will receive proceeds from the sale by us of newly issued shares of our Common Stock to the Plan Administrator for participants under the Plan. However, we have no basis for estimating either the number of shares or prices of newly issued Common Stock that we may sell pursuant to the Plan. We expect to use any net proceeds for general corporate purposes.

DESCRIPTION OF THE DIVIDEND REINVESTMENT AND DIRECT STOCK PURCHASE PLAN

The following question and answer statements constitute the full provisions of the Plan.

Purpose

1. What is the purpose of the Plan?

The purpose of the Plan is to provide participants with an economical and convenient method of automatically investing all or a portion of their cash dividends and making optional cash investments to purchase shares of our Common Stock. When we direct the Plan Administrator to purchase Common Stock directly from us, the Plan provides us with a cost-efficient way to raise additional capital.

Advantages

2. What are some of the advantages of participating in the Plan?

- You have an economical and convenient method of automatically investing all or a portion of your cash dividends and making optional cash investments to purchase shares of our Common Stock.
- You may deposit all of your certificates of Common Stock with the Plan Administrator for safekeeping and credit to your Plan account.
- The price of shares of newly issued Common Stock purchased with reinvested dividends or optional cash payments will be 100 percent of the average market price, determined as set forth in the answer to Question 16.
- You pay no commission when shares are purchased under the Plan.
- Full investment of funds is possible under the Plan because the Plan permits fractions of shares, as well as full shares, to be credited to your account.
- Since the Plan Administrator holds shares in your account in book-entry form, you will avoid the cost and risk associated with the storage, loss, theft or destruction of stock certificates. You may receive stock certificates without charge at any time, upon request.
- Regular statements of account provide simplified record keeping.
- You may execute certain transactions over the telephone or online.

Disadvantages

3. What are some of the disadvantages of participating in the Plan?

- You will not be able to precisely time your purchases through the Plan and will bear the market risk associated with the fluctuations in the price of the Common Stock pending the investment of funds under the Plan (see Question 17).
- You will not be able to precisely time your sales of shares through the Plan and will bear the market risk associated with the fluctuations in the price of the Common Stock pending the sale of shares under the Plan (see Question 22).
- You will not earn interest on funds held by the Plan Administrator pending their investment (see Question 17).

- You may not pledge the shares credited to your Plan account until you withdraw the shares from the Plan.

- Plan accounts are not insured by the Securities Investor Protection Corporation, the Federal Deposit Insurance Corporation or any other entity.

Administration

4. Who administers the Plan?

The Plan Administrator, Wells Fargo Bank, N.A., administers the Plan. The Plan Administrator is responsible for enrolling new participants in the Plan, reinvesting dividends, processing optional cash investments, processing share sale requests, depositing and safekeeping Plan shares, processing requests for certificates, and issuing account statements. You may obtain information about the Plan, the Plan Administrator or your Plan account by contacting the Plan Administrator online, by telephone or in writing.

The Plan Administrator is also responsible for purchasing and selling shares of Common Stock for participants' Plan accounts, including the selection of the broker/dealer through which Plan purchases and sales are made. We have no control over the times or prices at which the Plan Administrator effects transactions in the open market or the selection of the broker/dealer used by the Plan Administrator to effect open market transactions.

If Wells Fargo Bank, N.A. ceases to serve as Plan Administrator, we will designate its successor.

General Shareowner Information

Plan Requests should be mailed to:
Wells Fargo Shareowner Services
PO Box 64856
St. Paul, MN 55164-0856

Certified/Overnight Mail:
Wells Fargo Shareowner Services
161 North Concord Exchange
South St. Paul, MN 55075-1139

General Information:
Fax: 1-651-450-4085
Tel: 1-800-347-8625
Tel: 1-651-450-4064 (outside the United States)

An automated voice response system is available 24 hours a day, 7 days a week. Customer Service Representatives are available from 7:00 a.m. to 7:00 p.m., Central Time, Monday through Friday.

Internet addresses:
General Inquiries: www.wellsfargo.com/shareownerservices
Account Information: www.shareowneronline.com

When communicating with the Plan Administrator about an existing account, you should provide your account number and a daytime telephone number. Please be sure to refer to "Edison International."

Eligibility for Participation

5. Who is eligible to participate in the Plan?

Any interested investor, whether or not an existing shareholder of record of our Common Stock, is eligible to participate in the Plan.

Under certain circumstances, the acquisition of shares through the Plan and any sale of shares by directors and executive officers of Edison International, or by immediate family members or trusts of such directors and officers, may be subject to Section 16 of the Securities Exchange Act of 1934, as amended, and the rules of the Securities and Exchange Commission. Such persons should consult with their own legal advisors concerning potential liabilities and reporting obligations under Section 16.

Regulations in certain countries may limit or prohibit participation in the Plan. Accordingly, persons residing outside the United States who wish to participate in the Plan should first determine whether they are subject to any governmental regulation prohibiting their participation.

Account Forms

6. What forms do I use to enroll in the Plan, request transactions or make changes to my Plan account?

You should obtain the proper form as described below and return it to the Plan Administrator. You may obtain these account forms by contacting the Plan Administrator by telephone, or downloading the forms online (see Question 4).

Account Authorization Form. An account authorization form is used to enroll in the Plan, change your address of record, select or change a dividend reinvestment option and, if you choose, to authorize, change or terminate your automatic monthly withdrawals or authorize automated account access.

Transaction Request Form. A transaction request form is used to establish, change or terminate automatic monthly withdrawals, make optional cash investments, sell Plan shares, deposit share certificates, request certificates for Plan shares or terminate participation in the Plan. A transaction request form is attached to each account statement mailed to participants.

You may conduct certain transactions by telephone or online without using these account forms (see Questions 24 and 25).

Enrollment

7. How do I enroll in the Plan?

You may enroll in the Plan online or by completing an account authorization form and returning it to the Plan Administrator.

Online. You may enroll online at www.shareowneronline.com. At the time of establishing online account access, you will be required to provide certain information such as: your social security and shareholder account numbers, company name (Edison International) and your email address in order to complete the enrollment process. After establishing online account access, you will be able to view your account and conduct certain transactions online (see Questions 25 and 26).

Mail. You may also enroll by completing an account authorization form and returning it to the Plan Administrator at the address set forth in Question 4. You may obtain an account authorization form at any time by going online or by contacting the Plan Administrator at the address or telephone number stated in Question 4.

In addition to the enrollment procedures described above, interested investors who are not already shareholders of record must make an initial investment as set forth in Question 8.

Note: Regulations in certain countries may limit or prohibit participation in this type of Plan. Accordingly, persons residing outside the United States who wish to participate in the Plan should first determine whether they are subject to any governmental regulation prohibiting their participation.

8. Are there any additional enrollment requirements for investors that are not already shareholders?

If you are not already a shareholder of record, you must also pay an enrollment fee of $15 and make an initial investment of at least $1,000 or authorize automatic monthly withdrawals from your bank account of at least $100 for a minimum of ten consecutive months.

9. How do I participate if my shares are held for me in the name of my bank or broker?

Beneficial owners whose shares are registered in names other than their own (for example, in the name of a broker, bank nominee or trustee) may participate in the Plan by one of the following three ways.

- Beneficial owners may participate by having at least one of their shares registered in their own names.

- Beneficial owners may make arrangements for participation with the broker or fiduciary institution in whose name the stock is registered without having to transfer any shares into their own names, if the broker or fiduciary institution agrees to provide such a service. In this case, it is the broker or fiduciary institution that becomes a participant in the Plan.

- Beneficial owners may enroll in the Plan by completing an account authorization form and making the initial investment that is required for investors who are not already shareholders and paying an enrollment fee of $15 (see Question 8).

When to Join the Plan

10. When may I join the Plan?

You may join the Plan at any time. If you are a shareholder of record and have elected to have your cash dividends reinvested and the account authorization form is received by the Plan Administrator before the record date for the payment of a dividend, then the dividend will be used to purchase additional shares of Common Stock for you. If the account authorization form is received after the record date for a dividend, the reinvestment of dividends will not start until payment of the next dividend. Dividend payment dates for Common Stock dividends will generally be January 31, April 30, July 31 and October 31. Subject to our board of directors' determination, record dates will usually be the last business day of the month preceding the month of payment.

Dividend Reinvestment

11. How does dividend reinvestment work?

You will need to select one of three dividend reinvestment options offered through the Plan when you enroll. Your selection will apply to shares held in your Plan account and shares registered in your name. You may change your selection at any time by following the instructions in Question 13.

Your three dividend reinvestment options are as follows:

- Full Dividend Reinvestment. You may elect to automatically reinvest in shares of Common Stock the cash dividends paid on all shares then or subsequently held in physical certificate form registered in your name and all shares then or subsequently held in your Plan account, including fractional shares and shares purchased under the Plan.

- Partial Dividend Reinvestment. You may elect to automatically reinvest the cash dividends on a percentage from 10 percent to 90 percent, in increments of 10 percent, of the total number of shares then or subsequently held in physical certificate form registered in your name and then or subsequently held in your Plan account. The Plan Administrator will reinvest the cash dividends paid on the specified percentage in shares of Common Stock.

- Optional Cash Investments Only. You may elect optional cash investments only. This means you will continue to receive, by check or direct deposit, cash dividends paid on shares then or subsequently held in physical certificate form registered in your name and held in your Plan account.

- Direct Deposit of Dividends. You can have your cash dividends not being reinvested transferred directly to your bank for deposit. For electronic direct deposit of dividends funds, contact the Plan Administrator to request a direct deposit of dividends authorization form, complete and return to the Plan Administrator. Be sure to include a voided check for checking accounts or savings deposition sip for savings accounts. If your stock is jointly owned, all owners must sign the form.

Regardless of your choice of dividend reinvestment option, you may make optional cash investments at any time.

Optional Cash Investments

12. How do I make optional cash investments?

You may make optional cash investments by authorizing automatic monthly withdrawals from your designated United States bank account or by sending a check in U.S. funds payable to Shareowner Services at any time. You may vary your optional cash investments from a minimum of $25 per transaction up to a maximum of $20,000 per month. If you are not already a shareholder of record, there is an enrollment fee of $15 and your initial investment must be at least $1,000 or you must authorize automatic monthly withdrawals from your designated bank account of at least $100 for a minimum of ten consecutive months.

Check. When making optional cash investments by check, you must include a completed transaction request form. A transaction request form is attached to your account statement. You may also obtain a transaction request form by contacting the Plan Administrator (see Question 4).

You should make your checks payable to Shareowner Services, include your account number on your check and refer to Edison International. You should mail your check directly to the Plan Administrator at the address set forth in Question 4. The Plan Administrator will make every effort to process your investment for the next investment date, provided that it receives the funds no later than one business day prior to an investment date. Otherwise, the Plan

Administrator will hold cash investments for investment on the next investment date (see Question 17). Do not mail checks to Edison International.

Your check must be in U.S. dollars and drawn on a United States bank. If you live outside the United States, you should contact your bank to verify they may provide you with a check that clears through a United States bank and may print the dollar amount in U.S. funds. Due to the longer clearance period, we are unable to accept checks through a non-United States bank. Please do not send cash.

You may obtain a refund of any cash investment upon request received by the Plan Administrator on or before the second business day prior to the date on which it is to be invested. However, the Plan Administrator will not make any refunds until it has actually collected the funds from any check.

If any optional cash contribution, including payments by check or automatic withdrawal, is returned for any reason, the Plan Administrator will remove from the participant's account any shares purchased upon prior credit of such funds, and will sell those shares. The Plan Administrator may sell other shares in the account to recover a $25 returned funds fee for each optional cash contribution returned unpaid for any reason and may sell additional shares as necessary to cover any market loss incurred by the Plan Administrator.

Automatic Electronic Funds Transfer. In addition to making optional cash investments by check, you may authorize automatic monthly withdrawals from a designated United States bank account. With automatic monthly withdrawals, your bank account is debited five business days before the investment date. The investment date for funds received from automatic monthly withdrawals is the third Thursday of each month or, if the third Thursday is not a trading day, the next trading day following the third Thursday of each month. If the investment day is in a week in which a cash dividend is paid, the investment day will be the dividend payment date or, if the dividend payment date is not a trading day, the next trading day following the dividend payment date.

You will not receive any confirmation of the transfer of funds other than as reflected in your monthly Plan account statement and in your bank statement.

To authorize automatic monthly withdrawals from your designated United States bank account, new investors may go online or complete and sign the appropriate section of the account authorization form and return it to the Plan Administrator together with a voided blank check or deposit slip for the account from which funds are to be transferred. Current participants may go online to authorize monthly automatic withdrawals. Your automatic funds transfers will begin as soon as practicable after the Plan Administrator receives your request.

You may stop the automatic cash withdrawal and investment service by going online, by telephone if you have automated account access, or by writing to the Plan Administrator at the address shown in this prospectus (see Question 4).

Participants may change the designated account for automatic deduction by going online or by written instructions to the Plan Administrator. To be effective with respect to a particular investment date, your change or termination request must be received by the Plan Administrator at least 15 business days before the investment date.

Changing Your Investment Options

13. May I change my investment options under the Plan?

You may change your investment options at any time by contacting the Plan Administrator by telephone if you have automated account access, making the request online or completing and returning an account authorization form (see Questions 24 and 25 regarding telephone and online transactions).

Source of Shares Offered

14. What is the source of shares purchased under the Plan?

The Plan Administrator may acquire shares for participants under the Plan through:

- purchases of newly issued shares of Common Stock from us, at our discretion,
- purchase of shares of our Common Stock on the open market, or
- a combination of the foregoing.

Number of Shares to be Purchased

15. How many shares will be purchased for me?

The number of shares of Common Stock purchased for you will depend on the amount of cash dividends being reinvested, if any, the amount of your optional cash investments, if any, and the purchase price per share for the applicable purchase date. Income tax withholding may be deducted from your cash dividend if you fail to give the Plan Administrator your social security number or if you are a foreign shareholder (see Question 29). Both whole and fractional shares will be purchased, with the latter computed to three decimal places. Shares purchased, including fractional shares, will be credited to your Plan account.

Price of Shares

16. What will be the price of shares of Common Stock purchased under the Plan?

For shares of Common Stock purchased on the open market, the price of the shares will be the weighted average price at which the Plan Administrator acquires the shares. We will pay to the Plan Administrator brokerage commissions and other fees for shares purchased in the open market.

If we elect to sell newly issued shares of Common Stock to the Plan Administrator, the price of the shares will be 100 percent of the average of the high and low sale prices of our Common Stock on the New York Stock Exchange--Composite Transactions on the applicable investment date or, if the New York Stock Exchange is closed on the investment date, on the next trading day the New York Stock Exchange is open.

When are Shares Purchased?

17. When are shares purchased under the Plan?

The timing of purchases under the Plan depends on whether the Plan Administrator is reinvesting dividends or investing initial and optional cash investments.

Dividend Reinvestment. The Plan Administrator expects to reinvest cash dividends on the applicable dividend payment date or, if the dividend payment date is not a trading day, the next trading day following the dividend payment date.

Initial and Optional Cash Investments. The Plan Administrator expects to invest initial and optional cash investments on (a) Thursday of each week or, if Thursday is not a trading day, the next trading day following Thursday or (b) in any week in which a cash dividend is paid, the dividend payment date or, if the dividend payment date is not a trading day, the next trading day following the dividend payment date.

Although the Plan Administrator expects to complete all purchases on the dividend payment date or investment date, it will make all purchases within five business days of the dividend payment date or investment date, subject to any waiting periods required under applicable laws or stock exchange regulations.

The Plan Administrator will not be liable for any claim arising out of failure to purchase stock on a certain date or at a specific price. You bear this risk by participating in the Plan. You will not earn interest on funds held by the Plan Administrator pending their investment in Common Stock.

How to Withdraw from the Plan

18. When and how can I withdraw from the Plan?

You may terminate your participation in the Plan at any time by submitting the appropriate information on the transaction request form attached to your account statement or by submitting a written request, which includes your account number and references "Edison International" to the Plan Administrator. Your written request for termination should be signed by the authorized signers as their names appear on their account statement. You may also terminate your participation in the Plan by telephone if you have automated account access (see Question 24).

If your request to terminate from the Plan is received on or after a dividend record date, but before the dividend payment date, your termination will be processed as soon as practicable, and a separate dividend check will be mailed to you. Future dividends will be paid in cash, unless you rejoin the Plan. Your written request for termination should be signed by the authorized signers as their names appear on their account statement.

The Plan Administrator must receive requests to terminate automatic monthly withdrawals from a bank account at least 15 business days prior to the scheduled investment date to ensure your request is effective as to the next optional cash investment.

Upon termination of your participation in the Plan, the Plan Administrator will send you a statement representing the number of whole shares in your Plan account and a check, less any applicable brokerage commissions and service fees, for your fractional share interest. In order to receive a stock certificate, you must specifically request that a certificate be issued and sent to you. If you request, the Plan Administrator will sell some or all Plan shares on your behalf. After the settlement of the sale, the Plan Administrator will send you a check, less the applicable brokerage commissions and service fees, and a certificate representing any whole shares not sold. In every case, the participant's interest in a fractional share will be settled in cash at the current market price.

If you are submitting a request to sell all or part of your Plan shares and requesting net proceeds to be automatically deposited to a bank checking or savings account, you must provide a voided blank check for a checking account or blank savings deposit slip for a savings account. If you are unable to provide a voided check or deposit slip, your written request must have your signature medallion guaranteed by an eligible financial institution for direct deposit. Requests for automatic deposit of sale proceeds that do not provide the required documentation will not be honored and a check for the net proceeds will be issued.

Withdrawal of Shares

19. May I withdraw shares from my Plan account?

If you wish to remain in the Plan but withdraw full shares, you may do so at any time by returning the transaction request form attached to your account statement to the Plan Administrator or by contacting the Plan Administrator by telephone (see Question 24). Any remaining whole or fractional shares will remain in your Plan account. Your shares will be issued to you in book-entry form, unless you specifically request a stock certificate. A direct registration statement will be delivered to you reflecting any transactions processed in your account.

Withdrawal of your entire share balance from the Plan will be considered a termination. However, you may elect to re-enroll at any time by submitting a completed Account Authorization Form to the Plan Administrator.

Share Transfers and Gifts

20. May I transfer Plan shares to another person?

You may transfer Plan shares to another person, subject to compliance with any applicable laws. To do this, you must complete and sign a stock power and return the completed executed stock power to the Plan Administrator. Your signature on the stock power must be medallion guaranteed by an eligible financial institution. You may obtain a stock power online or by contacting the Plan Administrator by telephone.

To transfer shares to an existing account of a participant, you should provide the participant's name and account number on the stock power. If the recipient is not already a participant in the Plan, you may instruct the Plan Administrator to open an account for the recipient. You may do this by submitting an account authorization form and choosing a dividend reinvestment option for the recipient. You may also instruct the Plan Administrator to issue a share certificate in the recipient's name.

The Plan Administrator will use the following guidelines to execute share transfers when specific instructions are not provided on the stock power form:

- When transferring shares to a Plan participant, the Plan Administrator will transfer the shares to the participant's existing account.

- When transferring shares to a current shareholder not participating in the Plan, the Plan Administrator will issue a certificate in the shareholder's name.

- When transferring shares to a person who is not a current shareholder, the Plan Administrator will automatically open an account for the person and enroll them in the Plan. The Plan Administrator will select the "full dividend reinvestment" option for this account. The shareholder may change this dividend reinvestment option at any time (see Question 13).

21. May I purchase shares for others?

You may purchase shares of Common Stock for others by making cash investments on their behalf. If the recipient is not already a participant in the Plan, you must have them complete an account authorization form and return the completed form to the Plan Administrator together with a $15 enrollment fee and either an initial investment of at least $1,000 or authorization for automatic monthly withdrawals of at least $100 for a minimum of ten consecutive months. If the participant is already a participant in the Plan, you may submit a check of at least $25 with the recipient's account number and name on it.

Sale of Shares

22. How may I sell shares in my Plan account?

You may request at any time that the Plan Administrator sell some or all of the shares held in your Plan account by completing a transaction request form or submitting a written request, which includes your account number and references "Edison International" to the Plan Administrator.

If the current market value of the shares requested to be sold is $25,000 or less, and you have previously authorized automated account access, you may sell Plan shares by contacting the Plan Administrator by telephone or requesting the sale online (see Questions 24 and 25). This limitation is set to help protect against unauthorized sales. In addition, the Plan Administrator, for any reason at its sole discretion and at any time, has the right to decline to process a telephone or online sale request and in its place require written submission of the sales request.

The Plan Administrator will make every effort to process your sale order on the next trading day following receipt of your properly completed request, provided that instructions are received before 5:00 p.m. Central Time. Sale

requests involving multiple transactions may experience a delay. The Plan Administrator will not be liable for any claim arising out of failure to sell stock on a certain date or at a specific price. You bear the risk by participating in the Plan.

The Plan Administrator will mail the proceeds from the sale of the shares, less applicable brokerage commissions and service fees, to you after settlement of the sale. You may choose to receive the proceeds from the sale by check payable to the name or names in which your Plan account is registered or to have the proceeds deposited directly into your United States bank account.

23. Will I incur any expenses in connection with the sale of shares under the Plan?

The Plan Administrator charges a service fee of $10 per transaction and a broker commission of $0.035 per share sold. The Plan Administrator deducts these fees directly from the sale check or direct bank deposit.

Account Access

24. May I execute transactions by telephone?

In order to conduct transactions by telephone, you will need to authorize automated access for your account and select a personal identification number for security purposes. Investors who do not currently participate in the Plan must use the account authorization form to establish automated access. Current participants may establish automated access by completing the appropriate section of the account authorization form. You may obtain these forms from the Plan Administrator (see Question 4). After you have authorized automated access, you will be able to:

- Change your dividend reinvestment option;
- Change the dollar amount or terminate automatic monthly withdrawals from your bank account;
- Request a certificate for all or a portion of your whole Plan shares, if the current market value of the shares to be issued is $50,000 or less; and
- Sell all or a portion of your Plan shares, if the current market value of shares to be sold is $25,000 or less and you have a United States bank account.

25. May I view my account information and execute transactions online?

The Plan Administrator maintains an internet web site at www.shareowneronline.com that allows you to view your account balance, stock values, dividend information, reinvestment details and other helpful information. You may use online access to:

- Enroll in the Plan;
- Change your dividend reinvestment option;
- Authorize, change or terminate automatic monthly withdrawals from your bank account;
- Sell all or a portion of your Plan shares, if the current market value of the shares to be sold is $25,000 or less, you have an United States bank account and, for joint accounts, you have previously authorized automated account access; and
- Update your personal information.

26. How do I establish online access?

To establish online access go to www.shareowneronline.com and follow the instructions provided. Participation in the Plan through the Plan Administrator's online service is voluntary.

Stock Dividends, Splits and Rights Offerings

27. What happens if Edison International issues a stock dividend, declares a stock split, or has a rights offering?

If we have a stock dividend or a stock split, the Plan Administrator will credit your Plan account on the payable date with the number of shares of Common Stock distributable with respect to the Plan shares that you own as of the record date.

If you send a notice of termination or a request to sell to the Plan Administrator between the record date and the payable date for a stock distribution, the Plan Administrator will not process the request until the stock distribution is credited to your Plan account.

In a rights offering, your entitlement will be based on your total holdings, including those credited to your Plan account. Rights applicable to shares credited to your Plan account, however, will be sold by the Plan Administrator. The proceeds will be credited to your Plan account and applied as an optional cash payment to purchase Common Stock on the next investment date. You may request, in writing, the Plan Administrator to issue a certificate for whole shares of Common Stock credited to your Plan account prior to the record date for any rights offering, in which case you would receive the rights.

Federal Income Tax Consequences

28. What are the Federal income tax consequences of participating in the Plan?

You have the same federal income tax obligations with respect to your dividends as do holders of Common Stock who are not participating in the Plan. This means that cash dividends reinvested pursuant to the Plan will be taxable as having been received even though you do not actually receive them in cash.

As a general rule, the tax basis for shares or fractions of a share credited to you under the Plan will be equal to the amount paid for the shares. The holding period for shares credited to you under the Plan commences the day following the credit of the shares to your account.

You will not realize any taxable income when you receive certificates for whole shares credited to your account under the Plan (for example, when you withdraw from the Plan or for other reasons request certificates), but you will realize gain or loss upon the sale by you or the sale by the Plan Administrator of any share or fraction of a share held in your account, in an amount equal to the difference between the amount received for the shares sold and your tax basis in those shares. Shares acquired through the reinvestment of dividends during the period January 1, 1982 through December 31, 1985, may be "Qualified Shares" under the Economic Recovery Tax of 1981.

The foregoing description is only a summary of certain federal income tax consequences of participation in the Plan and does not purport to be a complete description of the federal income tax consequences you might experience. The description may be affected by future legislation, Internal Revenue Service rulings and regulations, or court decisions. You are advised to consult with your own tax advisor as to the application of the foregoing summary of federal income tax consequences to your own tax situation.

Foreign Shareholders

29. What provision is made for foreign shareholders whose dividends are subject to income tax withholding?

In the case of those foreign shareholders whose dividends are subject to United States income tax withholding, an amount equal to the dividends, less the amount of tax required to be withheld, will be applied to the purchase of shares of Common Stock. The statement confirming purchases made for foreign participants will indicate the net dividend payment reinvested.

Optional cash payments received from foreign shareholders in the form of a check must be in United States dollars and drawn on a United States bank and will be invested in the same manner as payments from other participants.

Voting of Shares

30. How will shares held in my Plan account be voted at meetings of shareholders?

For each meeting of shareholders, you will receive proxy materials that allow you to vote your Plan shares by proxy. If you do not return the proxy or return it unsigned, none of your shares will be voted unless you vote in person. Fractional shares may not be voted.

Safekeeping Services

31. May I deposit certificated shares in my account?

You may deposit Common Stock certificates in your possession with the Plan Administrator for safekeeping. Deposited shares represented by Common Stock certificates will be credited to your Plan account. Thereafter, the shares will be treated in the same manner as shares purchased through the Plan.

You are responsible for maintaining your own records of the cost basis of certificated shares deposited with the Plan Administrator.

To use this service, you must send your certificates to the Plan Administrator, accompanied by the transaction request form attached to your account statement. You should not endorse the certificates or complete the assignment section on the back of the certificates.

Because you bear the risk of loss when sending stock certificates through the mail, we recommend that you send them registered and insured for at least 2 percent of the current market value of the shares represented by the certificates.

32. May my shares remain on deposit if my participation in the Plan is discontinued?

No. Upon withdrawal from the Plan, you must elect to receive your Plan shares either in certificated form, uncertificated form held in a direct registration account or in cash (see Question 18).

Fees and Expenses

33. Will I incur any fees or expenses participating in the Plan?

You will pay no fees or expenses when purchasing newly issued shares either with reinvested dividends or optional cash payments. We will pay to the Plan Administrator brokerage commissions and other fees for shares purchased in the open market. If you terminate participation in the Plan and elect to have the Plan Administrator sell shares, you will pay a transaction charge plus brokerage commissions (see Question 23).

Fee Disclosure Table

Certificate Deposit	Company-paid
Certificate Issuance	Company-paid
Enrollment Fee	$15, Participant-paid
Investment Fees	
via optional cash investment	Company-paid
via dividend reinvestment	Company-paid
purchase commission	Company-paid
Sales Fees	Participant-paid
service fee	$10 per transaction
sales commission	$0.035 per share
Fee for Returned Checks or Rejected Automatic Bank Withdrawals	$25 per item
Prior Year Duplicate Statements	$15 per year

Interpretation and Regulation

34. Who interprets and regulates the Plan?

We reserve the right to interpret and regulate the Plan as we deem desirable or necessary. We and the Plan Administrator will not be liable for any act done in good faith or for any omission in good faith to act, including, without limitation, any claim of liability arising out of failure to terminate a participant's account upon the participant's death prior to receipt of written notice of the death, the prices at which shares are purchased or sold for a participant's account, the times when purchases or sales are made, check clearing, or fluctuations in the market value of our Common Stock.

We and the Plan Administrator cannot assure you of profits, or protect you against losses, on the shares purchased under the Plan.

You should be aware and are cautioned that neither the Plan nor this prospectus provides you with any guarantee regarding the frequency or amount of future dividends, which will continue to depend upon our future earnings, financial requirements and other factors, and the judgment of our board of directors.

Modification and Discontinuation of Plan

35. May the Plan be modified or discontinued?

We reserve the right to suspend, modify or terminate the Plan at any time.

Notification of any suspension, material modification or termination of the Plan will be sent to all affected participants in the Plan.

The Plan Administrator may terminate your participation in the Plan if you do not own at least one full share in your name or hold at least one full share through the Plan.

LIMITED LIABILITY

Other than with respect to actions or inactions constituting willful misconduct, neither the Company nor Wells Fargo nor any broker/dealer selected by Wells Fargo to execute purchases and sales on behalf of the Plan shall be liable for any act, or for any omission to act, hereunder, including without limitation, any claims of liability (a) with respect to the time or prices at which shares are purchased or sold for a participant's account, or any inability to purchase or sell shares, (b) for any fluctuation in the market value after purchase or sale of shares, (c) any administrative delay in effecting payroll deductions, (d) delays resulting from the improper completion or delivery of authorization forms, changes thereto or withdrawal requests, or (e) arising out of a failure to terminate a participant's account upon such participant's death prior to receipt of notice in writing of such death. Wells Fargo is acting solely as agent of the Company and owes no duties, fiduciary or otherwise, to any other person by reason of this Plan, and no implied duties, fiduciary or otherwise, shall be read into this Plan. Wells Fargo undertakes to perform such duties and only such duties as are expressly set forth herein, to be performed by it, and no implied covenants or obligations shall be read into this Plan against Wells Fargo or the Company.

In the absence of negligence or willful misconduct on its part, Wells Fargo, whether acting directly or through agents or attorneys, shall not be liable for any action taken, suffered, or omitted or for any error of judgment made by it in the performance of its duties hereunder. In no event shall Wells Fargo be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profit), even if Wells Fargo has been advised of the likelihood of such loss or damage and regardless of the form of action.

Wells Fargo shall: (i) not be required to and shall make no representations and have no responsibilities as to the validity, accuracy, value or genuineness of any signatures or endorsements, other than its own; and (ii) not be obligated to take any legal action hereunder that might, in its judgment, involve any expense or liability, unless it has been furnished with reasonable indemnity.

Wells Fargo shall not be responsible or liable for any failure or delay in the performance of its obligations under this Plan arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fires; floods; wars; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities; interruptions, loss or malfunctions of computers (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental actions; it being understood that Wells Fargo shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Plan participants should recognize that neither the Company nor Wells Fargo can assure the participant of a profit or protect the participant against a loss on the stock purchased or sold by the participant under the Plan.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal

Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K of Edison International for the year ended December 31, 2007, have bee so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registere public accounting firm, given on the authority of said firm as experts in auditing and accounting

LEGAL OPINION

The validity of the Common Stock offered by this prospectus has been passed upon for us by Barbara E. Mathews, Vice President, Associate General Counsel, Chief Governance Officer and Corporate Secretary of Edison International. Ms. Mathews is a salaried employee of Southern California Edison Company, which is a subsidiary of Edison International, and she earns stock-based compensation based on Edison International's Common Stock.

WHERE YOU CAN FIND MORE INFORMATION

Available Information

We file reports, proxy statements and other information with the Securities and Exchange Commission. You may read and copy these reports and proxy statements and other information at the Public Reference Room maintained by the Securities and Exchange Commission at 450 Fifth Street, N.W., Washington, D.C. 20549. You may obtain further information on the operation of the Securities and Exchange Commission's Public Reference Room by calling them at 1-800-SEC-0330.

The Securities and Exchange Commission also maintains an Internet web site that contains reports, proxy statements and other information about issuers, such as Edison International, that file electronically with the Securities and Exchange Commission. The address of that web site is http://www.sec.gov.

You may also review reports, proxy statements and other information about Edison International at our offices at 2244 Walnut Grove Avenue, Rosemead, California 91770. You may view and obtain copies of some of those reports and other information on our web site at http://www.edison.com.

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission. You may obtain the full registration statement from the Securities and Exchange Commission or us, as indicated below. We filed forms or copies of our articles of incorporation and other documents establishing the terms of the Common Stock as exhibits to the registration statement. Statements in this prospectus about these documents are summaries. You should refer to the actual documents for a more complete description of the relevant matters.

Incorporation by Reference

The rules of the Securities and Exchange Commission allow us to "incorporate by reference" into this prospectus, which means we may disclose important information to you by referring you to another document filed separately with the Securities and Exchange Commission. The information incorporated by reference is considered to be part of this prospectus, and later information we file with the Securities and Exchange Commission will automatically update and supersede the earlier information. This prospectus incorporates by reference the documents listed below that we have previously filed or may file in the future with the Securities and Exchange Commission. These documents contain important information about Edison International.

- Our Annual Report on Form 10-K for the year ended December 31, 2007.
- Our Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30, and

September 30, 2008.

- Our Current Reports on Form 8-K filed March 5, March 19, May 16, and July 1, 2008.
- The "Description of Registrant's Securities to be Registered" on page 2 of our Registration Statement on Form 8-A filed November 22, 1996 and the "Description of Registrant's Securities to be Registered" on pages 4-5 of the Registration Statement on Form 8-B filed by SCEcorp (the former name of Edison International) on May 20, 1988.
- All additional documents that we file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 between the date of this prospectus and the end of the offering of the securities described in this prospectus. Those documents include Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and proxy statements mailed to our shareholders.

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Upon request, we will provide a copy of any of these filings without charge to each person to whom a copy of this prospectus has been delivered. You may request a copy of these filings by writing or calling us at:

Edison International
2244 Walnut Grove Avenue
P.O. Box 976
Rosemead, California 91770
Attention: Corporate Governance
Telephone (626) 302-6103
Fax (626) 302-2050

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

The following is a statement of estimated expenses in connection with the issuance and distribution of the securities being registered, other than underwriting discounts and commissions.

1. Securities and Exchange Commission Registration Fee.........	$0
2. Printing, Engraving and Freight Expenses....................	$25,000
3. Accounting Fees and Expenses................................	$50,000
4. Miscellaneous...	$0
Total..	$75,000

Item 15. Indemnification of Directors and Officers.

Section 317 of the California Corporations Code provides that a corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding or action by reason of the fact that he or she is or was a director, officer, employee or other agent of such corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or other enterprise. Section 317 also grants authority to a corporation to include in its articles of incorporation indemnification provisions in excess of that permitted in Section

317, subject to certain limitations.

Article Sixth of the Restated Articles of Incorporation of Edison International authorizes Edison International to provide indemnification of directors, officers, employees, and other agents through bylaw provisions, agreements with agents, votes of shareholders or disinterested directors, or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits set forth in Section 204 of the California Corporations Code.

Article VI of the Amended Bylaws of Edison International contains provisions implementing the authority granted in Article Sixth of the Restated Articles of Incorporation. The Amended Bylaws provide for the indemnification of any director or officer of Edison International, or any person acting at the request of Edison International as a director, officer, employee or agent of another corporation or other enterprise, for any threatened, pending or completed action, suit or proceeding to the fullest extent permissible under California law and the Restated Articles of Incorporation of Edison International, subject to the terms of any agreement between Edison International and such a person; provided that, no such person shall be indemnified: (i) except to the extent that the aggregate of losses to be indemnified exceeds the amount of such losses for which the director or officer is paid pursuant to any directors' or officers' liability insurance policy maintained by Edison International; (ii) on account of any suit in which judgment is rendered for an accounting of profits made from the purchase or sale of securities of Edison International pursuant to Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any federal, state or local statutory law; (iii) if a court of competent jurisdiction finally determines that the indemnification is unlawful; (iv) for acts or omissions involving intentional misconduct or knowing and culpable violation of law; (v) for acts or omissions that the director or officer believes to be contrary to the best interests of Edison International or its shareholders, or that involve the absence of good faith; (vi) for any transaction from which the director or officer derived an improper personal benefit; (vii) for acts or omissions that show a reckless disregard for the director's or officer's duty to Edison International or its shareholders in circumstances in which the director or officer was aware, or should have been aware, in the ordinary course of performing his or her duties, of a risk of serious injury to Edison International; (viii) for acts or omissions that constitute an unexcused pattern of inattention that amounts to an abdication of the director's or officer's duties to Edison International or its shareholders; (ix) for costs, charges, expenses, liabilities and losses arising under Section 310 or 316 of the California Corporations Code; or (x) as to circumstances in which indemnity is expressly prohibited by Section 317 of the California Corporations Code. The exclusions set forth in clauses (iv) through (ix) above shall apply only to indemnification with regard to any action brought by or in the right of Edison International for breach of duty to Edison International or its shareholders. The Amended Bylaws of Edison International also

provide
that Edison International shall indemnify any director or officer in connection with (a) a proceeding (or part thereof) initiated by him or her only if such proceeding (or part thereof) was authorized by the Board of Directors of Edison International or (b) a proceeding (or part thereof) other than a proceeding by or in the name of Edison International to procure a judgment in its favor, only if any settlement of such a proceeding is approved in writing by Edison International. Indemnification shall cover all costs, charges, expenses, liabilities and losses, including attorneys' fees, judgments, fines, ERISA excise taxes, or penalties and amounts paid or to be paid in settlement, reasonably incurred or suffered by the director or officer.

Edison International has directors' and officers' liability insurance policies in force insuring directors and officers of Edison International and its subsidiaries. Edison International has also entered into written agreements with each of its directors incorporating the indemnification provisions of its Amended Bylaws.

Item 16. Exhibits.

See Exhibit Index.

Item 17. Undertakings.

The undersigned registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (i) and (ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the registrants pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining liability of the registrant under the Securities Act of 1933 to any purchaser of the initial distribution of the securities: The undersigned registrant undertakes that in a primary offering of securities to the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser;

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424 (ss.230.424 of this chapter);

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(5) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrants' annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrants pursuant to the provisions described in Item 15 above, or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrants of expenses incurred or paid by a director, officer, or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of their counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by them is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Edison International certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Rosemead, State of California on the 7th day of November, 2008.

EDISON INTERNATIONAL

By Linda G. Sullivan

/s/ Linda G. Sullivan
Vice President and Controller

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the date indicated.

Signature	Title	Date

Principal Executive Officer:

/s/ Theodore F. Craver, Jr.

Theodore F. Craver, Jr. — Chairman of the Board, President and Chief Executive Officer — November 7, 2008

Principal Financial Officer:

/s/ W. James Scilacci

W. James Scilacci — Executive Vice President, Chief Financial Officer and Treasurer — November 7, 2008

Controller or Principal Accounting Officer:

/s/ Linda G. Sullivan

Linda G. Sullivan — Vice President and Controller — November 7, 2008

Majority of Board of Directors:

France A. Cordova*	Director	November 7, 2008
Bradford M. Freeman*	Director	November 7, 2008
Luis G. Nogales*	Director	November 7, 2008
Ronald L. Olson*	Director	November 7, 2008
James M. Rosser*	Director	November 7, 2008
Richard T. Schlosberg, III*	Director	November 7, 2008
Thomas C. Sutton *	Director	November 7, 2008

*By /s/ Michael A. Henry

(Michael A. Henry, Attorney-in-Fact)

EXHIBIT INDEX

Exhibit Number	Description
3.1	Restated Articles of Incorporation of Edison International dated May 9, 1996 (File No. 1-9936, Form 10-K for the year ended December 31, 1998)*
3.2	Certificate of Determination of Series A Junior Participating Cumulative Preferred Stock of Edison International dated November 21, 1996 (File No. 1-9936, Form 8-A filed November 22, 1996)*

3.3	Amended Bylaws of Edison International, effective October 20, 2005 (File No. 1-9936, Form 8-K dated October 26, 2005)*
5	Opinion of Barbara E. Mathews
23.1	Consent of PricewaterhouseCoopers LLP
24.1	Power of Attorney as to Edison International (File No. 1-9936, Form S-3 dated December 13, 2004)*

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* Incorporated by reference pursuant to Rule 411.

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Richard I. Murakami

Richard I. Murakami

David S. Murakami

Number of Meetings in 2013:

1

4

7

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* Denotes Chairperson.

Audit Committee. Pursuant to Territorial Bancorp Inc. s Audit Committee Charter, the Audit Committee assists the Board of Directors in its oversight of the Company s accounting and reporting practices, the quality and integrity of the Company s financial reports and the Company s compliance with applicable laws and regulations. The Audit Committee is also responsible for engaging the Company s independent registered public accounting firm and monitoring its conduct and independence. In addition to meeting the independence requirements of the NASDAQ Stock Market, Inc., each member of the Audit Committee meets the audit committee independence requirements of the Securities and Exchange Commission. The Board of Directors has designated Howard Y. Ikeda as an audit committee financial expert under the rules of the Securities and Exchange Commission. The report of the Audit Committee required by the rules of the Securities and Exchange Commission is included in this proxy statement. See Audit Committee Report.

Compensation Committee. Pursuant to Territorial Bancorp Inc. s Compensation Committee Charter, the Compensation Committee approves the compensation objectives for the Company and Territorial Savings Bank and establishes the compensation for the Chief Executive Officer and other executives. Our Chairman of the Board, President and Chief Executive Officer, Allan Kitagawa, provides recommendations to the Compensation Committee on matters of compensation philosophy, plan design, and the general guidelines for employee compensation. However, Mr. Kitagawa does not vote on and is not present for any discussion of his own compensation. These recommendations are then considered by the Compensation Committee. The Compensation Committee reviews all compensation components for the Company s Chief Executive Officer and other highly compensated executive officers compensation including base salary, annual incentive, long-term incentives, and perquisites. In addition to reviewing competitive market values, the committee also examines the total compensation mix, pay-for-performance relationship, and how all elements, in the aggregate, comprise the executive s total compensation package. Decisions by the Compensation Committee with respect to the compensation of executive officers are approved by the full Board of Directors. See Compensation Discussion and Analysis for more information regarding the role of the Compensation Committee in determining and/or recommending the amount or form of executive compensation. The report of the Compensation Committee required by the rules of the Securities and Exchange Commission is included in this proxy statement. See Compensation Committee Report.

Nominating and Corporate Governance Committee. Pursuant to Territorial Bancorp Inc. s Nominating and Corporate Governance Committee charter, the Nominating and Corporate Governance Committee assists the Board of Directors in identifying qualified individuals to serve as Board members, in determining the composition of the Board of Directors and its committees, in monitoring a process to assess Board effectiveness, and in developing and implementing the Company s corporate governance guidelines. The Nominating and Corporate Governance Committee also considers and recommends the nominees for director to stand for election at the Company s annual meeting of stockholders. The procedures of the Nominating and Corporate Governance Committee required to be disclosed by the rules of the Securities and Exchange Commission are included in this proxy statement. See Nominating and Corporate Governance Committee Procedures.

Attendance at the Annual Meeting

The Board of Directors encourages each director to attend annual meetings of stockholders. All of our then-current directors attended the 2013 Annual Meeting of Stockholders.

Board Leadership Structure

The Board of Directors currently combines the position of Chairman of the Board with the position of Chief Executive Officer, coupled with a lead independent director to strengthen the Company s governance structure. The Board of Directors believes this provides an efficient and effective leadership model for the Company. Combining the Chairman of the Board and Chief Executive Officer positions fosters clear accountability, effective decision-making, alignment on corporate strategy, and a clear and direct channel of communication from senior management to the full Board of Directors. To further strengthen the leadership of the Board of Directors, the Board selects a lead independent director on an annual basis, currently Director Richard Murakami. The responsibilities of the lead independent director include leading all Board meetings of nonmanagement directors. The Board of Directors believes its administration of its risk oversight function is not adversely affected by the Board of Directors leadership structure. To assure effective independent oversight, the Board has adopted a number of governance practices, including holding executive sessions of the independent directors at least twice a year or more often as needed. In addition, the Compensation Committee, which consists only of independent directors, evaluates the performance of our Chairman of the Board and Chief Executive Officer and presents its findings to our independent directors.

Risk Oversight

The Board of Directors has an active role, as a whole and also at the committee level, in overseeing management of the Company s risks. The Board of Directors satisfies this responsibility through the review of minutes from each committee regarding such committee s considerations and actions, through frequent attendance as nonvoting guests at committee meetings and through regular reports directly from officers responsible for oversight of particular risks within our organization. The Board of Directors regularly reviews information regarding the Company s credit, liquidity, and operations, as well as the risks associated with such areas. The Company s Compensation Committee is responsible for overseeing the management of risks relating to the Company s executive compensation plans and arrangements. The Audit Committee oversees management of financial risks. The Nominating and Corporate Governance Committee manages risks associated with the Company s corporate governance, including the independence of the Board of Directors and potential conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board of Directors is regularly informed about such risks. The Board of Directors annually reviews our conflicts of interest policy to ensure all directors are in compliance with the policy.

Risks relating to the direct operations of Territorial Savings Bank are further overseen by its Board of Directors, who are the same individuals who serve on the Board of Directors of Territorial Bancorp Inc. The Board of Directors of Territorial Savings Bank also has additional committees that conduct additional risk oversight. Further, the Board of Directors oversees risks through the establishment of policies and procedures that are designed to guide daily operations in a manner consistent with applicable laws, regulations, and risks acceptable to the organization, such as the requirement that all loan relationships in excess of $5.0 million must be submitted to the Board of Directors Loan Committee for approval, subject to ratification by the full Board of Directors, or to the full Board of Directors for approval.

Stock Ownership

The following table provides information as of April 3, 2014, with respect to persons known by the Company to be the beneficial owners of more than 5% of the Company s outstanding common stock. A person may be considered to own any shares of common stock over which he or she has, directly or indirectly, sole or shared voting or investing power. Percentages are based on 9,880,383 shares of Company common stock issued and outstanding as of April 3, 2014.

Name and Address	Number of Shares Owned	Percent of Common Stock Outstanding
Territorial Savings Bank Employee Stock Ownership Plan 1132 Bishop St., Suite 2200 Honolulu, Hawaii 96813	973,230	9.9%
Terry Maltese (1) Sandler O Neill Asset Management LLC 150 East 52nd St., 30th Floor New York, New York 10022	522,600(1)	5.3%

(1) Based on a Schedule 13G filed with the Securities and Exchange Commission on February 12, 2014.

Proposal 1 Election of Directors

The Board of Directors of Territorial Bancorp Inc. is presently composed of six members. The Board is divided into three classes, each with three-year staggered terms, with approximately one-third of the directors elected each year. The nominees for election this year are Howard Y. Ikeda and David S. Murakami, both of whom are current directors of the Company and the Bank.

The Board of Directors has determined that each of our directors, with the exception of Chairman of the Board, President and Chief Executive Officer Allan S. Kitagawa, is independent as defined in the listing standards of the NASDAQ Stock Market. Mr. Kitagawa is not independent because he is one of our executive officers.

In determining the independence of the directors listed above, the Board of Directors reviewed the following transactions, none of which is required to be reported under Transactions with Certain Related Persons below. Director Kirk Caldwell has a mortgage loan with Territorial

Savings Bank. Director David Murakami has a mortgage loan and two overdraft lines of protection with Territorial Savings Bank. Director Richard Murakami has a mortgage loan and overdraft protection with Territorial Savings Bank. Director Francis Tanaka has a mortgage loan with Territorial Savings Bank.

It is intended that the proxies solicited by the Board of Directors will be voted for the election of the nominees named below. If any nominee is unable to serve, and you have returned a validly executed proxy card, the persons named in the proxy card will vote your shares to approve the election of any substitute proposed by the Board of Directors. Alternatively, the Board of Directors may adopt a resolution to reduce the size of the Board. At this time, the Board of Directors knows of no reason why any nominee might be unable to serve.

The table below sets forth certain information regarding our directors, nominees proposed by the Board of Directors, and executive officers. Shares beneficially owned include shares of common stock over which a person has, directly or indirectly, sole or shared voting or investment power. Unless otherwise indicated, none of the shares listed are pledged as security, and each of the named individuals has sole voting power and sole investment power with respect to the number of shares shown. Percentages of common stock owned are based on 9,880,383 shares of Company common stock issued and outstanding as of April 3, 2014.

Name	Position(s) Held With Territorial Bancorp Inc.	Age (1)	Director Since (2)	Current Term Expires	Shares Beneficially Owned as of April 3, 2014	Percent of Common Stock
NOMINEES						
Howard Y. Ikeda	Director	68	1988	2014	71,006(3)	*
David S. Murakami (4)	Director	74	2006	2014	57,504(5)	*
CONTINUING DIRECTORS						
Allan S. Kitagawa	Chairman of the Board, President and Chief Executive Officer	68	1986	2015	309,383(6)	3.1%
Richard I. Murakami (4)	Director	86	1981	2015	61,386(7)	*
Kirk W. Caldwell	Director	61	2007	2016	66,718(8)	*
Francis E. Tanaka	Director	68	2011	2016	3,722(9)	*
EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS						
Vernon Hirata	Vice Chairman, Co-Chief Operating Officer, General Counsel and Corporate Secretary	61			223,647(10)	2.3%
Ralph Y. Nakatsuka	Vice Chairman and Co-Chief Operating Officer	58			212,118(11)	2.1%
Karen J. Cox	Senior Vice President-Administration	68			39,944(12)	*
Richard K.C. Lau	Senior Vice President and Chief Lending Officer	71			59,188(13)	*
Melvin M. Miyamoto	Senior Vice President and Treasurer	60			40,334(14)	*
All Directors and Executive Officers as a Group (11 persons)					1,144,950	11.6%

* Less than 1%.

(1) As of December 31, 2013.

(2) Includes services with Territorial Savings Bank.

(3) Includes 3,200 shares held by an individual retirement account, 10,022 shares owned by Mr. Ikeda s spouse, 20,637 stock options that are exercisable within 60 days of April 3, 2014 and 18,413 unvested shares of restricted stock over which Mr. Ikeda has voting power.

(4) David S. Murakami and Richard I. Murakami are not related.

(5) Includes 900 shares held jointly by David S. Murakami s spouse and his children, 20,637 stock options that are exercisable within 60 days of April 3, 2014 and 18,413 unvested shares of restricted stock over which Mr. David S. Murakami has voting power.

(6) Includes 25,515 shares held through the Territorial Savings Bank 401(k) Plan, 5,701 shares held through the Territorial Savings Bank Employee Stock Ownership Plan, 10,000 shares owned by Mr. Kitagawa s spouse, 102,987 stock options that are exercisable within 60 days of April 3, 2014 and 92,056 unvested shares of restricted stock over which Mr. Kitagawa has voting power.

(7) Includes 10,000 shares held in trust, 20,637 stock options that are exercisable within 60 days of April 3, 2014 and 18,413 unvested shares of restricted stock over which Mr. Richard I. Murakami has voting power.

(8) Includes 20,637 stock options that are exercisable within 60 days of April 3, 2014 and 18,413 unvested shares of restricted stock over which Mr. Caldwell has voting power.

(9) Includes 1,234 stock options that are exercisable within 60 days of April 3, 2014 and 1,641 unvested shares of restricted stock over which Mr. Tanaka has voting power.

(10) Includes 34,902 shares held through the Territorial Savings Bank 401(k) Plan, 5,701 shares held through the Territorial Savings Bank Employee Stock Ownership Plan, 15,600 shares held in trust, 344 shares owned by Mr. Hirata s spouse, 76,965 stock options that are exercisable within 60 days of April 3, 2014 and 60,756 unvested shares of restricted stock over which Mr. Hirata has voting power.

(11) Includes 5,701 shares held through the Territorial Savings Bank Employee Stock Ownership Plan, 73,215 stock options that are exercisable within 60 days of April 3, 2014 and 53,392 unvested shares of restricted stock over which Mr. Nakatsuka has voting power.

(12) Includes 12,864 shares held through the Territorial Savings Bank 401(k) Plan, 4,721 shares held through the Territorial Savings Bank Employee Stock Ownership Plan, 500 shares held as trustee for two grandchildren, 9,762 stock options that are exercisable within 60 days of April 3, 2014 and 7,367 unvested shares of restricted stock over which Ms. Cox has voting power.

(13) Includes 10,569 shares held through the Territorial Savings Bank 401(k) Plan, 5,157 shares held through the Territorial Savings Bank Employee Stock Ownership Plan, 1,500 shares held by a corporation, 9,762 stock options that are exercisable within 60 days of April 3, 2014 and 7,367 unvested shares of restricted stock over which Mr. Lau has voting power.

(14) Includes 13,766 shares held through the Territorial Savings Bank 401(k) Plan, 4,681 shares held through the Territorial Savings Bank Employee Stock Ownership Plan, 9,762 stock options that are exercisable within 60 days of April 3, 2014 and 7,367 unvested shares of restricted stock over which Mr. Miyamoto has voting power.

The Board of Directors recommends a vote FOR the election of all nominees.

The business experience for at least the past five years of each of our directors and nominees proposed by the Board of Directors is set forth below. The biographies of each of the nominees and continuing board members below contain information regarding the person s business experience and the experiences, qualifications, attributes, or skills that caused the Nominating Committee and the Board of Directors to determine that the person should serve as a director. Each director is also a director of Territorial Savings Bank. Unless otherwise indicated, directors and executive officers have held their positions for the past five years.

All of the nominees and directors continuing in office are long-time residents of the communities served by Territorial Bancorp Inc. and its subsidiaries and many of such individuals have operated, or currently operate, businesses located in such communities. As a result, each nominee and director continuing in office has significant knowledge of the businesses that operate in Territorial Bancorp Inc. s market area, an understanding of the general real estate market, values and trends in such communities, and an understanding of the overall demographics of such communities. Additionally, as residents of such communities, each nominee and continuing director has direct knowledge of the trends and developments occurring in such communities. As the holding company for a community banking institution, Territorial Bancorp Inc. believes that the local knowledge and experience of its directors assists Territorial Bancorp Inc. in assessing the credit and banking needs of its customers, developing products and services to better serve its customers, and assessing the risks inherent in its lending operations, and provides Territorial Bancorp Inc. with greater business development opportunities. As local residents, our nominees and directors are also exposed to the advertising, product offerings, and community development efforts of competing institutions which, in turn, assists Territorial Bancorp Inc. in structuring its marketing efforts and community outreach programs.

Nominees for Election of Directors

The nominees standing for election are:

Howard Y. Ikeda is the President of Ikeda and Wong, CPA, Inc., an independent public accounting firm in the State of Hawaii. Mr. Ikeda is a Certified Public Accountant licensed to practice in the State of Hawaii. He has been in public accounting for over 40 years. Mr. Ikeda s professional and business experience provide the Board of Directors with valuable insight into the accounting issues Territorial Bancorp Inc. faces and in assessing strategic transactions involving Territorial Bancorp Inc. and Territorial Savings Bank. His experience as a Certified Public Accountant qualifies him to be a member of the Audit Committee as a financial expert for purposes of the rules and regulations of the Securities and Exchange Commission.

David S. Murakami was a Certified Residential Appraiser in the State of Hawaii, and was the owner of DSM Appraisal Company from 1982 until 2011, when he retired. Mr. Murakami previously worked as a Senior Vice President-Loan Administrator with financial institutions in the State of Hawaii beginning in 1962. Mr. Murakami s employment experience, both with financial institutions and as a Certified Residential Appraiser, gives him extensive insights into Territorial Savings Bank s challenges and opportunities in its overall operations and lending activities. He is also well-known in the local community as he was a long-time assistant coach for the highly visible University of Hawaii-Manoa baseball program.

Directors Continuing in Office

The following directors have terms ending in 2015:

Allan S. Kitagawa has served as Chairman of the Board and Chief Executive Officer of Territorial Savings Bank since 1986, and was named President in 2007. Mr. Kitagawa worked with American Savings and Loan Association from 1974 to 1986, including service as Executive Vice President and Chief Executive Officer of the Hawaii Division. Mr. Kitagawa is a Certified Public Accountant. Under Mr. Kitagawa s leadership, Territorial Savings Bank has grown significantly while Territorial Savings Bank s conservative lending practices have resulted in continued low levels of nonperforming assets.

Richard I. Murakami is the retired President of a major building, material and bonding company and previously was employed for 20 years as a Vice President of a Hawaii based commercial bank. Mr. Murakami is a well-known and respected member of the Japanese-American community. He also provides insight into the traditional savings and loan depositor as these customers constitute a significant part of the customer base of Territorial Savings Bank.

The following directors have terms ending in 2016:

Kirk W. Caldwell was elected Mayor of the City and County of Honolulu in November 2012, and took office January 2, 2013. He previously held this position as acting Mayor from July 2010 to October 2012. Mr. Caldwell served as Managing Director of the City and County of Honolulu, Hawaii, from January 2009 until July 2010. Mr. Caldwell was Of Counsel to the law firm of Ashford & Wriston from 2011 until December 31, 2012, where he had worked from 1984 until 2009, including as partner. Much of his practice consisted of representing financial institutions, including Territorial Savings Bank. Prior to his appointment as Managing Director of the City and County of Honolulu, Mr. Caldwell also served as the majority leader of the State of Hawaii House of Representatives, and had served as a state representative since 2002. Mr. Caldwell provides the Board of Directors with a significant understanding of the communities in which we operate.

Francis E. Tanaka retired in 2001 as the Executive Vice President Controller of Haseko (Hawaii), Inc., the U.S. subsidiary of a large Japanese publicly-traded company that is in the engineering, construction, real estate development, investment, and property management business throughout the world. For 18 years, Mr. Tanaka was in charge of the financial management of the Hawaii subsidiary, which does residential, office, and commercial development in Hawaii. Prior to that, he was controller of a construction company. He is a Certified Public Accountant and was employed by national and local certified public accounting firms early in his career. He continues to perform limited tax services and business consulting in his retirement. Mr. Tanaka s financial and accounting background, including supervision and preparation of financial statements for a Securities and Exchange Commission-registered real estate venture of the Hawaii subsidiary, adds depth to the Audit Committee. He also provides the Board of Directors with knowledge of real estate development in Hawaii and of Japanese companies doing business in Hawaii.

Proposal 2 Ratification of Independent Registered Public Accounting Firm

The Audit Committee of the Board of Directors has appointed KPMG LLP to be the Company s independent registered public accounting firm for the year ending December 31, 2014, subject to ratification by stockholders. A representative of KPMG LLP is expected to be present at the annual meeting to respond to appropriate questions from stockholders and will have the opportunity to make a statement should he or she desire to do so.

If the ratification of the appointment of KPMG LLP is not approved by a majority of the votes cast by stockholders at the annual meeting, other independent registered public accounting firms may be considered by the Audit Committee of the Board of Directors.

Even if the selection of KPMG LLP is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such change is in the best interest of the Company and its stockholders.

The Board of Directors recommends that stockholders vote FOR the ratification of the appointment of KPMG LLP as the Company s independent registered public accounting firm.

Audit Fees

The following table sets forth the fees to KPMG LLP for the years ended December 31, 2013 and 2012.

		2013		2012
Audit fees (1)	$	388,100	$	351,000
Audit-related fees (2)	$	65,700	$	64,000
Tax fees (3)	$	77,500	$	35,000
All other fees	$		$	

(1) Audit fees relate to the audit of Territorial Bancorp Inc. s consolidated financial statements, the audits of internal controls over financial reporting, reviews of financial statements included in the Company s quarterly reports on Form 10-Q and regulatory and statutory engagements related to the aforementioned statements, and to Securities and Exchange Commission registration statements.

(2) Audit-related fees pertain to the audit of the financial statements of certain employee benefit plans.

(3) Tax fees consist of tax return preparation and other tax matters.

Pre-Approval of Services by the Independent Registered Public Accounting Firm

The Audit Committee is responsible for appointing, setting compensation and overseeing the work of the independent registered public accounting firm. In accordance with its charter and written policy, the Audit Committee approves, in advance, all audit and permissible non-audit services to be performed by the independent registered public accounting firm. Such approval process ensures that the external auditor does not provide any non-audit services to us that are prohibited by law or regulation.

Requests for services by the independent registered public accounting firm for compliance with the audit or services policy must be specific as to the particular services to be provided. The request may be made with respect to either specific services or a type of service for predictable or recurring services. During each of the years ended December 31, 2013 and 2012, 100% of audit-related fees and tax fees were approved, in advance, by the Audit Committee.

Proposal 3 Advisory (Nonbinding) Vote on Executive Compensation

Based upon a board determination that considered the advice of stockholders at our 2011 Annual Meeting of Stockholders, stockholders are annually being given the opportunity to vote on an advisory (nonbinding) resolution to approve the compensation of our Named Executive Officers, as described in this proxy statement under Compensation Discussion and Analysis and the compensation tables and narrative disclosure. This proposal, commonly known as a say-on-pay proposal, gives stockholders the opportunity to endorse or not endorse the Company s executive pay program.

The purpose of our compensation policies and procedures is to attract and retain experienced, highly qualified executives critical to the Company s long-term success and enhancement of stockholder value. The Board of Directors believes the Company s compensation policies and procedures achieve this objective, and therefore recommend stockholders vote **FOR** the proposal. Specifically, stockholders are being asked to approve the following resolution:

RESOLVED, that the compensation paid to the Company s Named Executive Officers, as disclosed in this proxy statement pursuant to Item 402 of Securities and Exchange Commission Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion is hereby APPROVED.

Although nonbinding, the Board of Directors and the Compensation Committee value constructive dialogue on executive compensation and other important governance topics with our stockholders and encourage all stockholders to vote their shares on this matter. The Board of Directors and the Compensation Committee will review the voting results and take them into consideration when making future decisions regarding our executive compensation programs.

Unless otherwise instructed, validly executed proxies will be voted FOR this resolution.

The Board of Directors unanimously recommends that you vote FOR the resolution set forth in Proposal 3.

Audit Committee Report

The Company s management is responsible for the Company s internal controls and financial reporting process. The Company s independent registered public accounting firm is responsible for performing an independent audit of the Company s consolidated financial statements, issuing an opinion on the conformity of those financial statements with generally accepted accounting principles, and issuing a report on internal control over financial reporting. The Audit Committee oversees the Company s internal controls and financial reporting process on behalf of the Board of Directors.

In this context, the Audit Committee has met and held discussions with management and the independent registered public accounting firm. Management represented to the Audit Committee that the Company s consolidated financial statements were prepared in accordance with generally accepted accounting principles and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee discussed with the independent registered public accounting firm the matters related to the results of the audit in accordance with PCAOB Standard No. 16, *Communications with Audit Committees*; Related Amendments to PCAOB Standards and Transitional Amendments to PCAOB AU 380.

In addition, the Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by the Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees) and has discussed with the independent registered public accounting firm the firm s independence from the Company and its management. In concluding that the registered public accounting firm is independent, the Audit Committee considered, among other factors, whether the non-audit services provided by the firm were compatible with its independence.

The Audit Committee discussed with the Company s independent registered public accounting firm the overall scope and plans for their audit. The Audit Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of their audit, their evaluation of the Company s internal controls, and the overall quality of the Company s financial reporting.

In performing all of these functions, the Audit Committee acts only in an oversight capacity. In its oversight role, the Audit Committee relies on the work and assurances of the Company s management, which has the primary responsibility for financial statements and reports, and of the independent registered public accounting firm who, in their report, express an opinion on the conformity of the Company s financial statements to generally accepted accounting principles. The Audit Committee s oversight does not provide it with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee s considerations and discussions with management and the independent registered public accounting firm do not assure that the Company s financial statements are presented in accordance with generally accepted accounting principles, that the audit of the Company s financial statements has been carried out in accordance with generally accepted auditing standards, or that the Company s independent registered public accounting firm is in fact independent.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the audited consolidated financial statements be included in the Company s Annual Report on Form 10-K for the year ended December 31, 2013, for filing with the Securities and Exchange Commission. The Audit Committee also has approved, subject to stockholder ratification, the selection of KPMG LLP as the Company s independent registered public accounting firm for the year ending December 31, 2014.

Audit Committee of the Board of Directors of

Territorial Bancorp Inc.

Howard Y. Ikeda (Chairman)

David S. Murakami

Richard I. Murakami

Francis E. Tanaka

Information about Executive Officers

The following provides information regarding our executive officers who are not directors of the Company.

Vernon Hirata has served as Territorial Savings Bank s Vice Chairman, Co-Chief Operating Officer, General Counsel and Corporate Secretary since 2007. Mr. Hirata joined Territorial Savings Bank in 1986 as Senior Vice President/General Counsel, and was named Executive Vice President/General Counsel and Corporate Secretary in 1987. Previously, Mr. Hirata was employed at American Savings and Loan Association from 1978 to 1986, including service as Senior Vice President and Staff Attorney.

Ralph Y. Nakatsuka joined Territorial Savings Bank in 2007 as Vice Chairman and Co-Chief Operating Officer, and was employed at American Savings Bank from 1980 to 2007, including service as Executive Vice President of Lending and Chief Lending Officer from 1997 to 2007 and Chief Financial Officer from 1987 to 1997. Mr. Nakatsuka is a Certified Public Accountant.

Karen J. Cox has served as Senior Vice President of Administration of Territorial Savings Bank since 1984, and has been employed by Territorial Savings Bank since 1968. Ms. Cox previously worked with other financial institutions in the State of Hawaii beginning in 1964.

Richard K.C. Lau has served as Senior Vice President and Chief Lending Officer of Territorial Savings Bank since 1985. Mr. Lau was employed at other financial institutions in the State of Hawaii beginning in 1970.

Melvin M. Miyamoto has served as Senior Vice President and Treasurer of Territorial Savings Bank since 1986, and has been employed by Territorial Savings Bank since 1984. Mr. Miyamoto is a Certified Public Accountant.

Executive Compensation

Director Fees

Each of Territorial Savings Bank s outside directors receives an annual retainer for board meetings of $32,650 per year and an annual retainer for committee meetings of $2,450 per year. Each of Territorial Bancorp Inc. s outside directors receives an annual retainer for board meetings of $5,100 per year and an annual retainer for committee meetings of $615 per year. The retainer fees are increased to the following amounts for the following committees: the Chairman of Territorial Savings Bank s Audit Committee receives a committee retainer of $2,650 and the Chairman of Territorial Bancorp Inc. s Audit Committee receives a committee retainer of $8,570; the Chairman of Territorial Savings Bank s Compensation Committee receives a committee retainer of $4,900; and the Chairman of Territorial Bancorp Inc. s Compensation Committee receives a committee retainer of $1,225. Receipt of full retainer payments is based upon a director attending at least 75% of board or committee meetings, as applicable, with reductions for the failure to attend such number of board or committee meetings.

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The following table sets forth for the year ended December 31, 2013, certain information as to the total remuneration we paid to our directors. Mr. Kitagawa does not receive separate fees for service as a director.

Director Compensation Table for the Year Ended December 31, 2013

Name	Fees earned or paid in cash ($)	All other compensation (1)	Total ($)
David S. Murakami	40,812	13,748	54,560
Richard I. Murakami	40,812	13,748	54,560
Howard Y. Ikeda	48,960	13,748	62,708
Kirk W. Caldwell	43,872	13,748	57,620
Francis E. Tanaka	40,812	1,225	42,037

(1) Amounts represent cash dividends paid on shares of unvested restricted stock.

At December 31, 2013, Directors David Murakami, Richard Murakami, Ikeda, and Caldwell each had 18,413 shares of unvested restricted stock, and Director Tanaka had 1,641 shares of unvested restricted stock. In addition, at December 31, 2013, Directors David Murakami, Richard Murakami, Ikeda, and Caldwell each had 20,637 vested stock options and 20,638 unvested stock options. Director Tanaka had 1,234 vested stock options and 1,851 unvested stock options.

On August 19, 2010, directors David Murakami, Richard Murakami, Ikeda and Caldwell were each granted 36,821 shares of restricted stock and 41,275 stock options with an exercise price of $17.36 per option. Shares of restricted stock and options vest at a rate of one-sixth per year beginning August 19, 2011.

On August 19, 2012, director Tanaka was granted 2,735 shares of restricted stock and 3,085 stock options with an exercise price of $23.62 per option. Shares of restricted stock and options vest at a rate of one-fifth per year beginning August 19, 2012.

The Company has no stock ownership guidelines for directors. However, each director must retain 50% of each restricted stock or stock option award (net of taxes) until their service on the Board ends.

Compensation Discussion and Analysis

The following Compensation Discussion and Analysis, or CD&A, describes our 2013 executive compensation program, as well as certain aspects of the 2014 program. Our compensation program and practices are specifically designed to reward executives consistent with our performance against our short-term goals as well as in reflection of long-term sustained results to our stockholders. In particular, the following pages explain the process, objectives, and structure of the executive compensation decisions undertaken by our Compensation Committee and our Board of Directors for 2013 and 2014. This CD&A is intended to be read in conjunction with the tables beginning on page 35 below, which provide detailed historical compensation information for our named executive officers, described below.

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For 2013, our named executive officers are:

Name	Title
Allan S. Kitagawa	Chairman of the Board, President, and Chief Executive Officer
Melvin M. Miyamoto	Senior Vice President and Treasurer
Vernon Hirata	Vice Chairman, Co-Chief Operating Officer, General Counsel, and Corporate Secretary
Ralph Y. Nakatsuka	Vice Chairman and Co-Chief Operating Officer
Richard K.C. Lau	Senior Vice President and Chief Lending Officer

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I. Executive Summary

What were the 2013 key performance highlights?

Financial Highlights

In the environment we face today, we believe the value of the performance of any banking institution should not only be based upon profitability, but should also consider the management of credit quality and the institution s capital strength. These factors affect whether positive long-term stockholder returns are achieved.

In 2013, we continued our solid performance in a challenging banking and business environment. To that end we closed a record number of residential mortgage loans without a major increase in loan personnel. In addition we opened our 28th branch in Manoa Marketplace (Oahu). From an overall corporate perspective, we achieved strong financial results that compare favorably to our peers including the following:

• ***Total Stockholder Return(1).*** A stockholder who invested $10.00 would have earned a 151.7% total return from July 10, 2009 (the date of our initial public offering) through December 31, 2013, as compared to 54% total return from the SNL U.S. Bank & Thrift Index. Our one-year 2013 total stockholder return is 4.3% and our three-year total stockholder return (2011 to 2013) is 24.8%.

• ***Special Dividend.*** We paid a special dividend of $0.10 per share on December 23, 2013 to reflect our performance during the current year, our strong capital position, and as a thank you to stockholders for being supportive over the past four years.

• ***Profits Returned to Stockholders***. We returned over 176% of our profits in 2013 back to the shareholders in the form of dividends and stock repurchases. We repurchased approximately 844,088 shares during 2013, and announced a fifth buyback program with plans to repurchase up to 300,000 shares or 3% of outstanding shares. Approximately 21% (2,528,259 shares) of the original number of shares (12,233,125 shares) issued when we went public in 2009 have been repurchased by us. In 2013, we paid a total of five dividends amounting to $0.62 per share, or an increase of almost 15% over 2012. We continue to focus on building stockholder value through our payment of dividends and our stock repurchase program.

• ***Profitability(1)***. Our return on average assets (ROAA) over a one-year and three-year average basis were 0.93% and 0.91%, respectively. One-year ROAA is at the 83rd percentile compared to our peer group and three-year ROAA is at the 85th percentile.

• ***Earnings Per Share Growth.*** In 2013, earnings per share increased from $1.45 in 2012 to $1.49 representing a 2.8% increase.

• ***Credit Quality***. A bank s number one challenge during the recent economic crisis has been to manage credit risk and asset quality. Mismanagement of these risks has led to banks requiring material recapitalizations, assistance through government-sponsored programs such as TARP, merging to offset credit costs, or failing by being taken over by the Federal Deposit Insurance Corporation. One common measurement of credit management is the ratio of non-performing-assets to total assets (NPA Ratio(2)). Our one-year and three-year NPA ratios are in the top decile of our peer group.

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(1) As reported by SNL Financial.

(2) Nonaccrual loans and leases, renegotiated loans and leases, and real estate owned as a percent of fiscal year-end assets.

- ***Capitalization***. Another important ratio for banks is their level of capital. How much capital do they have to protect against unforeseen circumstances? One measure of this is tangible equity as a ratio to tangible assets. At the bank level, at December 31, 2013, Territorial Savings Bank had capital ratios of total capital to risk-weighted assets of 31.99% and Tier I capital to total assets of 12.35%.

- ***Net Interest Margin***. An important source of bank profitability is the net interest margin. This reflects the level of net interest earnings made on loans to our customers. Our net interest margin increased 4.3% from 3.24% for the fourth quarter of 2012 to 3.38% for the fourth quarter of 2013.

Our long-term performance over a five-year period compared to peers, with peer annual and peer 5 year average information reported by SNL Financial, is as follows (see peer group on page 27):

Return on Average Assets (ROAA)

	2009	**2010**	**2011**	**2012**	**2013**	**5 Year Average**
Average	0.05	0.23	0.61	0.54	0.86	0.46
25th Percentile	(0.34)	0.33	0.38	0.43	0.62	0.28
50th Percentile	0.39	0.63	0.66	0.66	0.69	0.61
75th Percentile	0.72	0.77	0.81	0.83	0.82	0.79
TBNK	0.66	0.77	0.85	0.95	0.93	0.83
Percent Rank	72%	80%	79%	96%	83%	82%

Return on Average Equity (ROAE)

	2009	**2010**	**2011**	**2012**	**2013**	**5 Year Average**
Average	1.39	2.69	5.50	4.79	7.14	4.30
25th Percentile	(2.72)	1.83	2.42	2.87	4.79	1.84
50th Percentile	2.54	4.64	4.95	5.05	6.04	4.65
75th Percentile	6.39	7.21	8.11	7.26	8.16	7.43
TBNK	5.50	4.91	5.72	6.78	6.71	5.93
Percent Rank	69%	59%	70%	73%	62%	67%

Historical Financial Comparisons

We use ROAA as our primary performance measure. We consider ROAA to be the most common measurement of profitability for banks and thrifts. We believe it is more useful than return on equity since we still have an abundance of capital from our initial public offering and we do not intend to take undue risk to leverage our capital. This chart compares the changes in ROAA to the changes in total stockholder return as reported by SNL Financial.

What were the key 2013 compensation decisions?

Decisions for 2013

- Base salaries increased 1% for the CEO and 2% for the other named executive officers. Two percent was the general company-wide increase; the CEO received half of this increase.

- We achieved the maximum 2013 Annual Incentive Plan objective in all performance categories, which resulted in cash awards of 100% of salary for the top three executives. Mr. Miyamoto and Mr. Lau received a discretionary bonus for maximum ROAA and individual performance results (25% of salary).

Decisions for 2014

- At the request of Messrs. Kitagawa, Hirata, and Nakatsuka, their approved salary increases for 2014 were voluntarily waived. Two percent was the general company-wide increase; Mr. Miyamoto and Mr. Lau received a 2% increase.

Management Say on Pay Results

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, we held an advisory vote on the approval of the compensation of our named executive officers (the Say-on-Pay vote) at our 2013 annual stockholders meeting. The results were that 90% of the stockholders who voted on our Say on Pay proposal voted in favor of it. While we received an overall passing vote, we continued our shareholder outreach communication; we made efforts to reach 20 of our largest institutional investors, representing 47.4% of our common shares outstanding, and were able to communicate with seven institutional stockholders, representing 19% of our common shares outstanding, to understand their perspectives on our executive compensation program. In addition, two of these institutional shareholders told us that they did not see a need to have a conference call with them.

The major themes that were heard and acted on were as follows:

- They appreciated our outreach effort, and we decided to continue to have ongoing outreach each year to discuss our compensation philosophy and strategy.

- They liked the 50% retention requirement for vested and/or exercised equity. We will continue this practice.

- Adopted the following anti-hedging policy in 2013: The Company prohibits directors and officers from engaging in short sales or hedging including purchases or sales of puts or calls, collars or other hedging on the Company s Common Stock, and such transactions violate the Company s policies. Directors and executive officers must certify compliance with the Company s policies on these matters annually.

- Added gender to the board of director selection criteria.

II. <u>Compensation Decision Process</u>

What is the Compensation Committee s Philosophy on Named Executive Officer Compensation?

Our Compensation Committee has the responsibility for establishing and reviewing our compensation philosophy and objectives. In this role, the Compensation Committee has sought to design a compensation structure that attracts and retains qualified and experienced officers and, at the same time, is reasonable and competitive, taking into account both short- and long-term incentives. Prior to our initial public offering, our compensation consisted primarily of cash compensation (i.e., salary and bonuses, and retirement benefits). In 2010, we adopted a stock-based benefit plan, which was approved by stockholders at the 2010 annual meeting of stockholders. While the use of incentive compensation programs is an important element in our overall compensation philosophy, it is understood that incentive compensation programs, if not properly structured, could expose us to compensation-related enterprise risks. Therefore, we seek to structure, implement and monitor sound incentive compensation programs that promote the safety and soundness of Territorial Savings Bank and the Company.

When setting the compensation of Messrs. Kitagawa, Hirata, and Nakatsuka, the Compensation Committee generally seeks to provide total compensation (base salary, incentive payments under our Annual Incentive Plan, accruals under our retirement plans, and all other compensation) for these executive officers at the 50th to the 75th percentiles of total compensation for our peer group. This compensation philosophy is supported by upper quartile overall financial performance over the last five years and top quartile performance for credit quality. Subjective adjustments can be made based on Territorial Savings Bank s financial performance or an officer s experience or proven contribution to Territorial Savings Bank over time. Compensation for Messrs. Miyamoto and Lau is determined without reference to targets or peer group information. All Senior Vice Presidents have a discretionary bonus where the annual amount is recommended by the CEO to the Compensation Committee. The bonus is a percentage of salary, not to exceed 30%. The recommendation is based on the return on assets ratio for Territorial Savings Bank meeting or exceeding the target ROA (i.e., median for the Company s peer group) for that year.

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What is the role of the Compensation Committee in determining named executive officer compensation?

2013 compensation for the named executive officers was determined under programs adopted by the Compensation Committee and approved by the Board of Directors. The Compensation Committee established our executive compensation philosophy, policy, elements and strategy and reviewed executive compensation proposals for approval by the Board of Directors. Specifically, the Compensation Committee:

- approved salary adjustments for named executive officers other than the CEO (whose salary adjustment was recommended by the Compensation Committee and approved by the independent members of the Board of Directors);
- determined the named executive officers eligible to participate in the Annual Incentive Plan;
- assessed corporate performance results and the CEO s assessment of individual performance results to determine final Annual Incentive Plan award payouts for our named executive officers other than the CEO;
- administered our benefit plans and perquisites; and
- assessed and monitored the performance, design, function and potential risk components of our compensation programs for our named executive officers.

In addition, the Compensation Committee recommended to the Board of Directors for approval: (1) the performance measures and targets for the Annual Incentive Plan; (2) the Annual Incentive Plan award for our CEO; and (3) executive benefits, retirement plans and perquisites.

What is the role of management in determining named executive officer compensation?

Mr. Kitagawa, our Chairman of the Board, President and Chief Executive Officer, provides recommendations to the Compensation Committee on matters of compensation philosophy, plan design and the general guidelines for employee compensation. However, Mr. Kitagawa does not vote on and is not present for any discussion of his own compensation. These recommendations are then considered by the Compensation Committee. During 2013, consistent with our Compensation Committee Charter, Mr. Kitagawa did not attend Compensation Committee meetings where his compensation was discussed. Certain members of our management team participate in the Compensation Committee meetings to provide information to the committee on an as-needed basis.

In 2013, the CEO:

- recommended base salaries and cash and equity incentive targets for named executive officers other than the CEO; and
- proposed incentive metrics and budgeted performance levels for the Annual Incentive Plan.

The Compensation Committee reviews and discusses management s recommendations in conjunction with its independent compensation consultant in making compensation decisions or recommendations to the full Board.

Who is the compensation consultant and what is the consultant s role?

In October 2013, the Compensation Committee again retained McLagan, a division of Aon Hewitt to provide the Compensation Committee with independent advice on executive compensation matters and to assist in making compensation recommendations to the Board of Directors. During 2013, McLagan assisted the Compensation Committee by preparing information on competitive executive compensation levels and practices, compiling information relating to executive compensation from selected peer banks (see Peer Group Evaluation for 2013), and advising the Committee regarding its response to the 2013 Say-on-Pay vote. McLagan reported directly to the Compensation Committee, which retains sole authority to select, retain, terminate, and approve the fees and other retention terms of its relationship with McLagan.

In 2013, the Compensation Committee reviewed its relationship with McLagan and Aon Hewitt. Considering all relevant factors, including those set forth in Rule 10C-1(b)(4)(i) through (vi) under the Securities Exchange Act of 1934, the Compensation Committee does not believe McLagan and Aon Hewitt s work has raised a conflict of interest.

What are the elements of 2013 named executive officer compensation?

The following table outlines the major elements of 2013 total compensation for our named executive officers:

Compensation Element	Purpose	Link to Performance	Fixed/ Performance Based	Short/ Long-Term Focus
Base Salary	Attracts and retains executives through market-competitive base pay	Based on individual performance	Fixed	Short-Term
Annual Incentive Plan	Encourages achievement of strategic and financial performance metrics that create long-term stockholder value through the use of one-year and three-year performance measures.	Based on achievement of predefined financial and non-financial measures.	Performance Based	Short-Term & Long-Term
Defined Benefit and Defined Contribution Retirement Plans	Provides market-competitive income security into retirement and creates a retention incentive through use of multi-year vesting • Pension Plan frozen • 401(k) Match • ESOP • Supplemental ESOP (Kitagawa, Hirata, Nakatsuka only) • SERP (Kitagawa, Hirata, Nakatsuka only)	The SERP benefit for Hirata and Nakatsuka is linked to final average compensation.	Fixed	Long-Term
Benefits and Perquisites	Includes health and welfare benefits under employer-wide programs and executive perquisites		Fixed	Short-Term

III. Compensation Decisions for 2013

Do we utilize a peer group for compensation comparisons?

Yes. In 2013, McLagan provided the Compensation Committee with an analysis of executive total compensation compared to the compensation of the peer group of financial institutions similar to us in size and business profile. This peer group is determined based on banks and thrifts similar to us in asset size and business focus.

The Compensation Committee approved the following peer group of 19 institutions for 2013. Although the Compensation Committee also included Roma Financial Corp. in the peer group, information with respect to Roma Financial Corp. is no longer available due to its being acquired in 2013. Sterling Bancorp acquired Provident New York Bancorp by merger.

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Company Name	**State**	**Total Assets 2013Y ($000)**
Sterling Bancorp	NY	6,667,437
Berkshire Hills Bancorp Inc.	MA	5,672,799
Brookline Bancorp Inc.	MA	5,325,106
TrustCo Bank Corp NY	NY	4,521,452
Kearny Financial Corp. (MHC)	NJ	3,259,026
Meridian Interstate Bncp (MHC)	MA	2,682,101
United Financial Bancorp	MA	2,481,843
Rockville Financial Inc.	CT	2,301,615
OceanFirst Financial Corp.	NJ	2,249,711
ESB Financial Corp.	PA	1,906,917
United Community Finl Corp.	OH	1,756,202
MutualFirst Financial Inc.	IN	1,392,519
OmniAmerican Bancorp Inc.	TX	1,391,313
Hingham Institution for Savings	MA	1,356,441
Provident Financial Holdings, Inc.	CA	1,134,062
Clifton Svgs Bncp Inc. (MHC)	NJ	1,099,073
Cape Bancorp Inc.	NJ	1,092,879
First Financial Northwest Inc	WA	920,979
Territorial Bancorp Inc.	**HI**	1,616,904

What is the pay mix for named executive officers?

One-third of the target (half of maximum) direct compensation of our top three named executive officers is in the form of performance-based pay, thus reinforcing our pay-for-performance philosophy. Our compensation program in 2013 included appropriate financial recognition for our named executive officers based on their strategic leadership and superior performance.

What are the base salaries of each named executive officer?

The Compensation Committee considers general market movement, individual performance, and the recommendation of Mr. Kitagawa (for all executives other than himself) in making base salary adjustments. The base salary for Mr. Kitagawa is recommended by the Committee to the full Board of Directors for approval. Before providing a recommendation to the Board, the Committee considers base salaries paid to CEOs in the peer group in addition to the factors below. Our named executive officers have received base salary adjustments of 1% to 2%, which were effective January 1, 2013 and 0% to 2% effective January 1, 2014.

Base salaries for each of the named executive officers are shown in the table below.

Name	2012 Base Salary ($)	2013 Base Salary ($)	% Change 2012-2013	2014 Base Salary ($)	% Change 2013-2014
Allan S. Kitagawa	842,697	851,124	1%	851,124	
Melvin M. Miyamoto	138,178	140,942	2%	143,760	2%
Vernon Hirata	299,850	305,847	2%	305,847	
Ralph Y. Nakatsuka	299,850	305,847	2%	305,847	
Richard K.C. Lau	162,127	165,370	2%	168,677	2%

Base salary is the primary source of compensation for services performed during the year for all employees. Base salary ranges for named executive officers are determined based on the executive s position and performance and, for Messrs. Kitagawa, Hirata, and Nakatsuka, compensation levels paid by our peers to executives in similar positions. Base salaries are reviewed annually and adjusted from time to time to realign salaries with market levels after taking into account individual responsibilities, performance, and experience.

During its review of base salaries for executives, the Compensation Committee primarily considers:

- market data for peer institutions, direct competitors, and publicly held businesses located in Hawaii, as the cost of living in Hawaii is significantly higher than in the continental United States;
- internal review of the executive s compensation, both individual and relative to others;
- internal performance of the executive;
- qualifications and experience of the executive;
- our financial condition and results of operations, including the tax and accounting impact of particular forms of compensation; and
- the percent used for company-wide salary increases.

Special Salary Considerations

The Compensation Committee s determination with respect to Mr. Kitagawa s base salary, as well as the overall level of compensation, was based upon non-formula criteria, including Mr. Kitagawa s considerable experience in the banking industry and his contribution to Territorial Savings Bank as Chairman of the Board and Chief Executive Officer over the course of more than 25 years. As a result of these considerations, Mr. Kitagawa s base salary exceeds the 90th percentile of base salaries set forth above for the highest paid officer of the peer group companies. The Compensation Committee s determination with respect to Mr. Hirata s base salary reflects his considerable experience in the banking industry and his contribution to Territorial Savings Bank over the course of more than 25 years. As a result, Mr. Hirata s base salary was near the 70th percentile of base salaries set forth above for the second highest paid officer of the peer group companies. Mr. Nakatsuka s base salary was established at the same level as Mr. Hirata s base salary, reflecting Mr. Nakatsuka s position with Territorial Savings Bank as well as his considerable experience in the banking industry. This creation of the Co-Chief Operating Officer positions followed the retirement of the former President-Chief Operating Officer. Mr. Kitagawa assumed the title of President, while the Chief Operating Officer position was split between Mr. Hirata and Mr. Nakatsuka (who was hired from another bank). Thus, the compensation of the two chief operating officers are relatively equal and the Company s succession plan contemplates the selection of one of these individuals as our next chief executive officer should Mr. Kitagawa retire. On average, salaries for the named executive officers are near the 75th percentile of the peer group.

The Compensation Committee also took into account that our total stockholder return of 151.7% since our initial public offering, compared favorably to 54% for all U.S. banks and thrifts during that period, and the fact that other financial institutions in Hawaii have seen great turnover in their senior leadership positions during Messrs. Kitagawa s and Hirata s tenures with us. Some of that turnover was due to operational difficulties and some was due to our growth and profitability as a competitor for those institutions. Moreover, during their tenure, our senior leadership team transformed Territorial Savings Bank from a negative net worth mutually-owned organization into the solid, publicly traded financial institution that we are today.

What was the cash incentive plan for 2013 and how were payouts determined?

Our Annual Incentive Plan, or AIP, is designed to motivate executives to attain superior annual performance in key areas that we believe create long-term value to us and our stockholders. Awards under the AIP are contingent on performance in the following categories:

- Return on assets compared to peers;
- Three-year average return on assets compared to peers; and
- Non-performing assets to total assets.

In addition, the Compensation Committee determined that awards for the year ended December 31, 2013 would be limited by an amount equal to 7.5% of our net income before taxes, and could be reduced in accordance with the terms of the AIP. By implementing pay methodologies that utilize well-defined performance metrics and measure financial and strategic performance, the Committee believes that it can properly and adequately motivate our named executive officers to achieve our business goals and enhance long-term stockholder value without creating incentives for excessive risk-taking.

2013 Goals & Results

The Compensation Committee selected the following quantitative corporate performance factors for use in the 2013 AIP. Results for 2013 were calculated for the Compensation Committee based upon quarterly financial information provided by McLagan.

		2013 Performance Ranges			
Measure	**Weighting**	**Threshold**	**Target**	**Maximum**	**2013 Results**
ROAA	35%	0.58%	0.68%	0.78%	0.93% (above maximum)
Three-Year Average ROAA	44%	0.57%	0.67%	0.77%	0.91% (above maximum)
Non-performing assets/total assets	21%	1.60%	1.36%	1.16%	0.51% (above maximum)

Target ROAA, three-year average ROAA and non-performing assets to total assets is set at the 50th percentile of the peer group. The threshold is set at approximately 85% of the target and the maximum is set at approximately 115% of the target. No award is paid if actual results are below the threshold.

AIP Award Opportunities & Award Results

The Committee established the following AIP award opportunities for 2013. The Compensation Committee has determined that the AIP terms are appropriate in comparison to the target and maximum opportunity for bonuses paid to employees with the same position at comparable organizations, as reported in publicly available salary surveys, as well as in the 2013 McLagan compensation report that was specifically prepared for us. The Compensation Committee also considered the overall market for executive officer level positions at publicly held businesses located in Hawaii.

In February 2014, the Compensation Committee met and determined the degree to which our financial and strategic performance goals were achieved during 2013. The Committee approved the following awards and the CEO s award was approved by the full Board of Directors.

	2013 AIP Opportunity			Award Results	
Named Executive Officer	**Threshold % of Salary**	**Target % of Salary**	**Maximum % of Salary**	**2013 AIP Award $**	**2013 AIP % of Salary**
Allan S. Kitagawa	0%	50%	100%	851,124	100%
Vernon Hirata	0%	50%	100%	305,847	100%
Ralph Y. Nakatsuka	0%	50%	100%	305,847	100%

		2013 Discretionary Award $	**2013 Discretionary Award % of Salary**
Melvin M. Miyamoto	See below	35,235	25%
Richard K.C. Lau	See below	41,342	25%

Discretionary Cash Bonuses

Messrs. Miyamoto and Lau are eligible to receive an annual cash bonus, the amount of which is discretionary. Messrs. Kitagawa, Hirata, and Nakatsuka do not receive any discretionary cash bonuses. For 2013, the awards were based on our achieving the maximum return on average assets performance measure and individual performance results.

IV. Equity, Benefits and other Compensation Related Policies

Were any equity awards granted in 2013?

No equity awards have been granted to our named executive officers since 2010 when the Equity Incentive Plan was approved by stockholders. The grants were designed to be similar in size to grants made by organizations completing a mutual to stock conversation.

Restricted stock and stock options granted in 2010 contained the following conditions to ensure that grants are viewed as long-term incentive compensation:

- Six year vesting schedule (1/6th per year);
- 50% of each award (net of taxes) must be retained by the grantee until termination of employment; and
- No automatic vesting upon retirement. Rather, taking into account that some of our senior executives and directors are close to what many people might consider retirement age, and that their long tenure and expertise are very valuable, unique resources that we may wish to continue to rely upon after their retirement, the grants provide that if the individual is asked by us to continue to serve as a consultant following termination of service (including termination of service due to retirement), vesting credit will continue to be earned during the post-termination period of service. Structuring the vesting schedule in this manner has the added benefit of avoiding an immediate financial statement expense, which otherwise would have occurred if the grants had provided for accelerated vesting upon retirement.

The Compensation Committee believes that these conditions also mitigate against inappropriate risk-taking behavior by the grantee by ensuring that the grantee s individual business decisions that are made during the course of the grantee s service with us do not have the effect of maximizing short-term share value, which, in turn, could inappropriately increase the grantee s short-term compensation from us.

In general, awards become fully vested upon death, disability, or change in control (as defined in the plan). Generally, even if the awards are unvested, dividends are paid on restricted stock awards and restricted stock awards are entitled to vote. Stock options are generally granted with exercise prices equal to the fair market value of our common stock on the date of grant and are intended, to the extent permissible under applicable law, to be incentive stock options. In general, the Board of Directors may amend or terminate the Equity Incentive Plan or any award, except that consent of the affected individual is required if the amendment adversely impairs his or her rights under an outstanding award. However, the Board may not amend the Equity Incentive Plan to allow repricing, materially increase the number of shares that may be issued under the Plan, materially increase the benefits accruing to a participant, or materially modify the requirements for participation in the Plan, without approval of stockholders. The term of the Equity Incentive Plan is ten years.

What benefits and perquisites do named executive officers have?

We offer various fringe benefits to all of our employees, including medical, dental, vision, group life, accidental death and dismemberment and long-term disability insurance. We provide individual coverage to employees, with the employee being responsible for a portion of the premium. In addition, for some of our named executive officers we pay for an automobile or an automobile allowance, parking, club dues, long-term care insurance, cellular phone reimbursement, spousal travel (at national trade conventions where spouses are expected to participate in the networking activities), and up to $5,000 in personal tax and financial planning assistance (up to $6,000 for Mr. Kitagawa) annually. The Compensation Committee believes these benefits are appropriate and assist these officers in fulfilling their employment obligations.

What retirement benefits do named executive officers have?

- ***401(k) Plan.*** We provide all of our employees, including our named executive officers, with tax-qualified retirement benefits through our 401(k) plan. All employees who meet the age and service requirements may participate in the 401(k) plan on a nondiscriminatory basis. We provide a 401(k) match equal to at least 5% of a participant s salary deferral and we may exercise our discretion to increase the amount of the match.

- ***Employee Stock Ownership Plan.*** In connection with our initial public stock offering, we implemented an employee stock ownership plan (ESOP), using the proceeds of a loan from Territorial Bancorp Inc. to purchase our common stock pursuant to applicable regulatory guidelines. The ESOP provides our employees with additional retirement savings in the form of our common stock and encourages employee ownership. See Executive Officer Compensation Tax-Qualified Benefit Plans Employee Stock Ownership Plan for further description of the terms of the ESOP.

- ***Supplemental Employee Stock Ownership Plan.*** Territorial Savings Bank adopted the Supplemental Employee Stock Ownership Plan (Supplemental ESOP) effective January 1, 2009, to provide certain executives with benefits that they would otherwise be entitled to under the tax-qualified employee stock ownership plan, but for limitations imposed by the Internal Revenue Code. See Nonqualified Deferred Compensation Plans Supplemental Employee Stock Ownership Plan for further information about the Supplemental ESOP.

- ***Supplemental Executive Retirement Agreement.*** We provide supplemental executive retirement benefits for Messrs. Kitagawa, Hirata, and Nakatsuka. We provide these retirement benefits in order to remain competitive and to attract and retain these executive officers. See Pension Benefits Supplemental Executive Retirement Agreements for further description of the terms of the agreements.

- ***Pension Plan.*** In 2008, we froze our tax-qualified defined benefit plan such that no further benefit accruals will be earned after December 31, 2008; however, participants will continue to earn vesting credit. We made this change because many of our peer banks have also frozen or terminated their defined benefit pension plans, and we have found that a 401(k) plan and ESOP are more attractive retirement vehicles in recruiting and retaining employees.

Do named executive officers have employment agreements?

Yes. We maintain employment agreements with Messrs. Kitagawa, Hirata and Nakatsuka, which provide severance payments in the event of involuntary or good reason termination of employment or termination following a change in control. The rationale for providing these payments is to provide security for our key executives and stability among our senior management team. For a discussion of these agreements and the payments that would be received by the named executive officers under certain scenarios with respect to those agreements, see Executive Officer Compensation Employment Agreements below.

Do we consider the deductibility of executive compensation?

Yes. Section 162(m) of the Internal Revenue Code generally provides that no deduction is allowed for compensation in excess of $1 million paid by a public company to its chief executive officer or any of its other three most highly paid executive officers (other than the chief financial officer). Compensation that qualifies as performance-based compensation is not subject to the deductibility limit. The Compensation Committee attempts to maximize the deductibility of compensation under Section 162(m) to the extent doing so is reasonable and consistent with our strategies and goals. To that end, in 2012, we received stockholder approval for the Annual Incentive Plan. This allows us to continue to maximize the deductibility of our executive compensation programs for 2012 and future years. However, the Committee recognizes that paying certain compensation that is *not* tax-deductible may sometimes be in our best interest, and to that end we do not have a policy requiring that all compensation must be deductible.

Do we conduct an annual risk review of compensation policies and procedures?

Yes. The Compensation Committee is responsible for the oversight of employee compensation policies and procedures, including the determination of whether any material risk arises from our compensation policies and procedures. The Compensation Committee has reviewed our compensation policies and procedures, including those related to the payment of commissions and bonuses to any of our employees, and believes that any risks arising from our compensation policies and practices are not reasonably likely to have a material adverse effect on Territorial Bancorp Inc. and Territorial Savings Bank. The Committee has evaluated the risks of its incentive compensation arrangements in accordance with published bank regulatory guidance on safety and soundness of incentive compensation. The Committee also works with an outside compensation consultant that is independent when designing the compensation of our top three named executive officers.

Do we have stock ownership guidelines beyond those described in   Were any equity awards granted in 2013   ?

No. However we require that 50% of each restricted stock or stock option award (net of taxes) must be retained by the grantee until termination of employment.

Does the Company prohibit hedging or pledging of its stock?

Yes. In addition to the requirement that insiders retain 50% of each restricted stock or stock option award (net of taxes), our Insider Trading Policy also prohibits hedging and pledging of stock, which further encourages the retention of grants of restricted stock and shares acquired on the exercise of stock options.

Executive Officer Compensation

Summary Compensation Table. The table below summarizes the total compensation paid to or earned by our named executive officers for the years ended December 31, 2013, 2012, and 2011.

Name and Principal Position	Year	Salary ($)	Bonus ($)(1)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)(2)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(3)	All Other Compensation ($)	Total ($)
Allan S. Kitagawa Chairman of the Board, President, and Chief Executive Officer	2013	851,124				851,124	65,398	270,093(4)	2,037,739
	2012	842,697				842,697	130,199	273,867	2,089,460
	2011	834,353				834,353	419,274	237,472	2,325,452
Melvin M. Miyamoto Senior Vice President and Treasurer (principal financial officer)	2013	140,942	35,235					42,623(5)	218,800
	2012	138,178	41,453				46,915	41,558	268,104
	2011	135,469	40,641				50,425	37,133	263,668
Vernon Hirata Vice Chairman, Co-Chief Operating Officer, General Counsel, and Corporate Secretary	2013	305,847				305,847	100,572	144,617(6)	856,883
	2012	299,850				299,850	185,948	146,507	932,155
	2011	293,970				293,970	191,425	127,872	907,237
Ralph Y. Nakatsuka Vice Chairman and Co-Chief Operating Officer	2013	305,847				305,847	152,281	139,342(7)	903,317
	2012	299,850				299,850	149,968	131,127	880,795
	2011	293,970				293,970	142,579	113,304	843,823

Richard K.C. Lau Senior Vice President and Chief Lending Officer	2013	165,370	41,342	64,054	48,452(8)	319,218
	2012	162,127	48,638	110,278	46,638	367,681
	2011	158,948	47,684	104,663	42,586	353,881

(footnotes begin on following page)

(footnotes from previous page)

(1) The amounts in this column represent discretionary cash bonuses.

(2) The amounts in this column represent the dollar value of the cash bonus incentives earned under the Annual Incentive Plan.

(3) For 2013, the amount in this column for Mr. Kitagawa represents a change in value for the pension plan; for 2013, Mr. Miyamoto had a decrease in pension value of $6,663. Applicable Securities and Exchange Commission regulations require that we not reflect such negative value in the summary compensation table; for 2013, the amount in this column for Mr. Hirata represents a change in value of $(7,351) for the pension plan, $102,610 for the supplemental executive retirement agreement and $5,313 for above-market earnings (defined for these purposes as the difference between 7%, which is the annual amount of interest paid on the deferred account balances, and 5.64%, which is 120% of the applicable federal long-term rate for December 2004 (the rate at the time the interest rate was established)); for Mr. Nakatsuka a change in value of $(581) for the pension plan and $152,862 for the supplemental executive retirement agreement; and for Mr. Lau a change in value for the pension plan.

(4) Includes $851 for 401(k) plan matching contributions, $1,534 for long-term care premiums, $4,125 for personal use of company automobile, $1,560 for parking, $11,760 for club dues and fees, $2,464 for cell phone reimbursement, $26,052 for ESOP allocations, $150,901 for non-qualified supplemental ESOP allocations, $68,735 for cash dividends paid on unvested shares of restricted stock and $2,111 for life insurance.

(5) Includes $851 for 401(k) plan matching contributions, $773 for long-term care premiums, $7,200 for automobile allowance, $4,050 for parking, $22,966 for ESOP allocations, $1,283 for life insurance, and $5,500 for cash dividends paid on unvested shares of restricted stock.

(6) Includes $851 for 401(k) plan matching contributions, $1,195 for long-term care premiums, $4,697 for personal use of company automobile, $1,560 for parking, $687 for club dues and fees, $1,300 for cell phone reimbursement, $26,052 for ESOP allocations, $61,658 for non-qualified supplemental ESOP allocations, $45,634 for cash dividends paid on unvested shares of restricted stock and $1,253 for life insurance.

(7) Includes $851for 401(k) plan matching contributions, $1,231 for long-term care premiums, $2,382 for personal use of company automobile, $1,560 for parking, $5,196 for club dues and fees, $815 for cell phone reimbursement, $26,052 for ESOP allocations, $60,957 for non-qualified supplemental ESOP allocations, $39,866 for cash dividends paid on unvested shares of restricted stock and $432 for life insurance.

(8) Includes $851 for 401(k) plan matching contributions, $1,186 for long-term care premiums, $7,200 for automobile allowance, $4,500 for parking, $1,981 for club dues and fees, $24,469 for ESOP allocations, $2,765 for life insurance, and $5,500 for cash dividends paid on unvested shares of restricted stock.

Plan-Based Awards. The following table sets forth for the year ended December 31, 2013 certain information as to grants of plan-based awards for the named executive officers. There were no equity awards made for the year ended December 31, 2013.

Grants Of Plan-Based Awards For The Year Ended December 31, 2013

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)		
Name	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**
Allan S. Kitagawa			425,562	851,124
Melvin M. Miyamoto				

Vernon Hirata	152,924	305,847
Ralph Y. Nakatsuka	152,924	305,847
Richard K.C. Lau		

(1) On an annual basis, Messrs. Kitagawa, Hirata, and Nakatsuka are eligible to receive incentive cash bonuses under the Annual Incentive Plan. Mr. Miyamoto and Mr. Lau do not participate in the plan.

For the year ended December 31, 2013, cash payments under our Annual Incentive Plan were paid in February 2014 in the amounts listed in the Summary Compensation Table. For a discussion of this plan, see Compensation Discussion and Analysis What was the cash incentive plan for 2013 and how were payouts determined?

Outstanding Equity Awards at Year End. The following table sets forth information with respect to outstanding equity awards as of December 31, 2013 for the named executive officers.

Outstanding Equity Awards At December 31, 2013

	Option Awards				Stock Awards	
Name	**Number of securities underlying unexercised options exercisable (#)**	**Number of securities underlying unexercised options unexercisable (#) (1)**	**Option exercise price ($)**	**Option expiration date**	**Number of shares or units of stock that have not vested (#)(1)**	**Market value of shares or units of stock that have not vested ($)(2)**
Allan S. Kitagawa	102,987	102,992	17.36	08/19/2021	92,056	2,135,699
Melvin M. Miyamoto	9,762	9,762	17.36	08/19/2021	7,367	170,914
Vernon Hirata	76,965	76,965	17.36	08/19/2021	60,756	1,409,539
Ralph Y. Nakatsuka	73,215	73,215	17.36	08/19/2021	53,392	1,238,694
Richard K.C. Lau	9,762	9,762	17.36	08/19/2021	7,367	170,914

(1) Options and shares of restricted stock vest one-sixth per year beginning August 19, 2011.

(2) Based on the closing price of our stock on December 31, 2013 of $23.20 per share.

Option Exercises and Stock Vested. The following table sets forth information with respect to option exercises and stock that vested during the year ended December 31, 2013 for the named executive officers.

Option Exercises And Stock Vested For The Year Ended December 31, 2013

	Option awards		Stock awards	
Name	**Number of shares acquired on exercise (#)**	**Value realized on exercise ($)**	**Number of shares acquired on vesting (#)**	**Value realized on vesting ($)(1)**
Allan S. Kitagawa			30,684	679,344
Melvin M. Miyamoto			2,454	54,332
Vernon Hirata			20,252	448,379
Ralph Y. Nakatsuka			17,797	394,026
Richard K.C. Lau			2,454	54,332

(1) Based on the $22.14 per share trading price of our common stock on August 19, 2013.

Equity awards set forth in the tables above were granted pursuant to the Territorial Bancorp Inc. 2010 Equity Incentive Plan on August 19, 2010. All of the awards vest at a rate of one-sixth per year beginning August 19, 2011. Awards become fully vested upon death, disability, or change in control (as defined in the plan), but do not automatically vest upon retirement. Awards may continue to vest if the named executive officer continues to provide post-retirement consulting services, at our request. We may request such services when the named executive officer retires, because, among other reasons, we may believe that the individual s tenure with us and expertise may be a valuable and unique resource that we may wish to continue to rely upon after the named executive officer s retirement in order to maintain our stability, growth, and success. Structuring the vesting schedule in this manner avoids an immediate financial statement expense, which we otherwise may have incurred if certain grants had provided for accelerated vesting upon retirement, due to the fact that some of our named executive officers are close to what many people might consider normal retirement age. In addition, for all of the 2010 grants, 50% of each award (net of taxes) must be retained by the grantee until termination of employment. The long vesting period, no automatic vesting upon retirement, and the mandatory holding requirement for 50% of each award, are all intended to ensure that the grants are viewed as long-term incentive compensation. Stock option grants are intended to be incentive stock options to the extent permissible under applicable law. Stock options are generally exercisable for three months after termination of employment and for one year following death or disability. Restricted stock granted pursuant to a restricted stock award is entitled to vote and to receive dividends, even while the award is unvested. The rate of dividends paid on shares of restricted stock is not preferential. For a discussion of this Plan, see Compensation Discussion and Analysis Were any equity awards granted in 2013?

Employment Agreements. Territorial Savings Bank has entered into separate employment agreements with Messrs. Kitagawa, Hirata, and Nakatsuka (referred to below as the executives or executive). Territorial Bancorp Inc. has entered into separate employment agreements with each executive, which have essentially identical provisions as the Territorial Savings Bank agreements, except that the employment agreements will provide that Territorial Bancorp Inc. will make any payments not made by Territorial Savings Bank under its agreements with the executives and that the executives will not receive any duplicate payments. Our continued success depends to a significant degree on the skills and competence of these officers, and the employment agreements are intended to ensure that we maintain a stable management base following the offering.

The employment agreements each provide for three-year terms, subject to annual renewal by the Board of Directors for an additional year beyond the then-current expiration date. The 2013 base salaries under the employment agreements are $851,124 for Mr. Kitagawa, $305,847 for Mr. Hirata, and $305,847 for Mr. Nakatsuka. The agreements also provide for participation in employee benefit plans and programs maintained for the benefit of senior management personnel, including discretionary bonuses, participation in stock-based benefit plans, and certain fringe benefits as described in the agreements.

Upon termination of an executive s employment for cause, as defined in each of the agreements, the executive will receive no further compensation or benefits under the agreement. If we terminate the executive for reasons other than for cause or if the executive terminates voluntarily under specified circumstances that constitute constructive termination, the executive will receive an amount equal to the base salary and cash bonus and employer contributions to benefit plans that would have been payable for the remaining term of the agreement. We will also continue to pay for each executive s life, health, and dental coverage for up to three years, with the executive responsible for his share of the employee premium.

If the executive terminates employment for any reason other than for cause within 12 months following a change in control, the executive will receive the greater of (a) the amount he would have received if we terminated the executive for a reason other than for cause or if the executive voluntarily terminated under specified circumstances that constitute constructive termination (as described in the immediately preceding paragraph), or (b) three times his prior five-year average of taxable compensation less one dollar. We will also continue to pay for each executive s life, health, and dental coverage for up to three years, with the executive responsible for his share of the employee premium.

Upon termination of employment (other than a termination in connection with a change in control), each executive will be required to adhere to a one-year noncompetition provision. The executive will be required to release us from any and all claims in order to receive any payments and benefits under his agreement. We will agree to pay all reasonable costs and legal fees of the executives in relation to the enforcement of the employment agreements, provided the executives succeed on the merits in a legal judgment, arbitration proceeding, or settlement. The employment agreements also provide for indemnification of the executives to the fullest extent legally permissible.

Separation Pay Plan. The Territorial Savings Bank Separation Pay Plan provides severance benefits to eligible employees whose employment is involuntarily terminated within 24 months after a change in control of Territorial Bancorp Inc. All regular employees who do not receive severance pay under an employment or change in control agreement are participants in this plan. Terminated employees will receive a severance payment of one month of base compensation for each year of service, up to a maximum of 24 months of base compensation, and employees who are at the level of Senior Vice President or above will receive a minimum severance payment of 12 months of base compensation. In addition, terminated employees who are at the level of Senior Vice President and above will also be eligible to continue to participate in our health insurance plan for up to one year, with the employee responsible for their share of the employee premium.

Pension Benefits

The following table sets forth the actuarial present value of each named executive officer s accumulated benefit under our pension plan, along with the number of years of credited service, and for Messrs. Kitagawa, Hirata, and Nakatsuka, the value of their benefits in each of their supplemental executive retirement agreements.

Pension Benefits at and for the Year Ended December 31, 2013

Name	Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit (1)($)	Payments During Last Fiscal Year ($)
Allan S. Kitagawa	Pension Plan	23	1,070,370	$
	Supplemental Executive Retirement Agreement	N/A	6,349,107	
Melvin M. Miyamoto	Pension Plan	25	329,056	
Vernon Hirata	Pension Plan	23	547,043	
	Supplemental Executive Retirement Agreement	N/A	1,044,665	
Ralph Y. Nakatsuka	Pension Plan	1	17,078	
	Supplemental Executive Retirement Agreement	N/A	805,628	
Richard K.C. Lau	Pension Plan	27	906,761	

(1) Present value of accumulated benefits under the pension plan and the supplemental executive retirement agreement as of December 31, 2013, determined using interest rate and mortality rate assumptions consistent with those used for our financial reporting purposes, assuming that the executive s normal retirement age is his retirement date. The valuation method and all material assumptions applied in quantifying the present value of the current accrued benefit are set forth in the footnotes to the consolidated financial statements.

Pension Plan. Territorial Savings Bank sponsors the Territorial Savings Bank Employee Retirement Plan, a defined benefit pension plan that covers substantially all of our employees. Employees become eligible for participation in the pension plan on the first day of the calendar month on or after completing one year of service and attaining age 21. Effective December 31, 2008, the pension plan was frozen, such that no further benefit accruals will be earned after that date; however, participants will continue to earn vesting credit.

Participants in the pension plan become fully vested in their retirement benefits upon completion of five years of service. They also become 100% vested upon attaining age 65 or upon death. A participant who terminates employment on or after reaching age 65 is entitled to the full retirement benefit. A participant s normal retirement benefit is generally based on a formula that takes into account the amount credited under the pension plan for service before January 1, 1984, and the amount credited under the pension plan for service from 1984 to 1998 and the amount credited from 1998 to 2008, as well as salary and certain other compensation. The plan does not grant additional years of service for any purpose.

The pension plan permits early retirement at age 55. Participants who retire after age 65 will be entitled to the full amount of their benefit, generally calculated through their late retirement date. Eligible participants who elect an early retirement benefit will receive a reduced normal retirement benefit. As of December 31, 2013, Messrs. Hirata, Nakatsuka, and Miyamoto were each eligible for early retirement, and Messrs. Kitagawa and Lau were each eligible for normal retirement.

The normal form of retirement for participants who are not married is a single life annuity. The normal form of retirement benefit for participants who are married is a 50% joint and survivor annuity. Other optional forms of benefit are available, such as an early retirement benefit, and all optional forms of benefit are the actuarial equivalent of the normal form (e.g., a participant does not receive more or less by selecting an optional form of benefit). In the event of the participant s death, benefits normally will be paid to the participant s spouse unless the spouse consents to an alternative beneficiary in writing. In the event of death any time after a participant is vested or eligible for a pension benefit, provided the participant has been married for at least one year and provided that benefits have not commenced at the time of death, the participant s spouse may either receive the full benefit when the participant would have reached age 65 or receive a reduced benefit anytime after the deceased participant would have attained age 55.

For the 2013 plan year, we did not make a contribution to the pension plan.

Supplemental Executive Retirement Agreements. We provide supplemental executive retirement benefits to each of Messrs. Kitagawa, Hirata, and Nakatsuka. Under Mr. Kitagawa s agreement, he is entitled to receive an amount equal to the present value of $600,000 per year for 15 years payable in a lump sum on the first day of the month upon retirement after attaining age 66. Under the agreements with Messrs. Hirata and Nakatsuka, each executive will receive an annual benefit upon retirement after age 66 equal to 65% of the average of his compensation for the three years immediately preceding his termination of employment reduced by the sum of the benefits payable under the pension plan and Social Security benefits. Mr. Hirata s benefits will be paid in monthly installments for 15 years and Mr. Nakatsuka will receive a lump sum equal to the present value of installments over 15 years.

Each executive may also retire early, before attaining age 66, and receive a reduced benefit. Mr. Kitagawa will receive the amount accrued for accounting purposes as of the end of the calendar year before his termination of employment, payable in a lump sum. Messrs. Hirata s and Nakatsuka s benefits are reduced by a fraction, the numerator of which is completed years of service and the denominator of which is the executive s potential years of service if he had remained employed until age 66, with such benefits paid by lump sum for Mr. Nakatsuka and in installments for Mr. Hirata over 15 years.

For Mr. Kitagawa, if his employment is terminated within three years following a change in control, he will receive his normal retirement benefit. Messrs. Hirata and Nakatsuka will each receive 65% of their final average compensation projected to age 66, without any reduction for amounts payable under the pension plan or Social Security. All amounts are paid as a lump sum, except Mr. Hirata will receive installments for 15 years. The agreements contain change of control tax gross up provisions such that if a payment to any of the three executives exceeds the limit on such payments pursuant to Internal Revenue Code Section 280G, and thereby imposes an excise tax on the officer, Territorial Savings Bank, or its successor, will pay such executive additional amounts to compensate for the excise tax.

In the event of disability or death, Messrs. Hirata and Nakatsuka will receive the same benefit as if they had terminated employment following a change in control. Upon death, Mr. Kitagawa s designee will receive a lump-sum payment equal to the present value of his projected normal retirement benefit and upon disability Mr. Kitagawa will receive a lump sum equal to the amount accrued for accounting purposes under the plan.

No benefits are payable in the event of a termination for cause.

Non-Qualified Deferred Compensation Plans

The following table provides information with respect to each non-qualified deferred compensation plan in which the named executive officers participated in 2013.

Non-Qualified Deferred Compensation at and for the Year Ended December 31, 2013

Name	Plan Name	Executive Contributions in Last Fiscal Year ($)	Registrant Contributions in Last Fiscal Year ($)	Aggregate Earnings in Last Fiscal Year ($)(1)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last Fiscal Year End ($)(2)
Vernon Hirata	Executive Deferred Incentive Agreement			27,346		417,998

(1) The amount in this column includes above-market earnings for the executive deferred incentive agreement in the amount of $5,313, which has been reported as compensation for the year ended December 31, 2013 in the Summary Compensation Table. The account balance accrues interest at the rate of 7% per year. We ceased making contributions to the agreements for calendar years beginning after 2006 (other than the interest crediting).

(2) Amounts attributed to above-market earnings have been reported as compensation for the years ended December 31, 2013, 2012, and 2011 in the Summary Compensation Table.

Executive Deferred Incentive Agreement. We provide executive deferred incentive benefits to Mr. Hirata, whose agreement was frozen effective August 29, 2007. Before the agreement was frozen, it provided for the grant of annual cash awards equal to a specified percentage of base salary, based on the attainment of established criteria. Payment of all awards is deferred until the earlier of:

- normal retirement age,

- early termination,

- separation from service within three years following a change in control,
- termination due to disability, or
- death, in which case the benefit will be paid in a lump sum.

Supplemental Employee Stock Ownership Plan. Territorial Savings Bank adopted the Supplemental Employee Stock Ownership Plan (Supplemental ESOP) effective January 1, 2009, to provide certain executives with benefits that they otherwise would be entitled to under the tax-qualified Employee Stock Ownership Plan (ESOP), but for limitations imposed by the Internal Revenue Code. During 2013, three employees participated in the Supplemental ESOP. The Compensation Committee of the Board of Directors of Territorial Savings Bank administers the Supplemental ESOP. Each year, participants in the Supplemental ESOP are credited with a dollar amount equal to the difference between the value of the shares of our common stock that would have been allocated to the participant under the tax-qualified ESOP, but for the limitations imposed by the Internal Revenue Code, and the actual value of shares of our common stock allocated to the participant under the ESOP for the relevant plan year. Participants in the Supplemental ESOP may direct the investment of their Supplemental ESOP accounts among a select group of broadly diversified mutual funds selected by the Compensation Committee. Benefits are generally payable in a cash lump sum within 90 days of the first to occur of: (i) the participant s separation from service; (ii) the participant s death; (iii) the participant s disability; or (iv) a change in control of Territorial Savings Bank or Territorial Bancorp Inc., but, in order to comply with Section 409A of the Internal Revenue Code, payments will be delayed for six months for any specified employee (as defined in Section 409A of the Internal Revenue Code).

Potential Payments on Termination or Change in Control

Assuming that each of our named executive officers terminated employment as of December 31, 2013, they would have been entitled to certain payments and benefits, as set forth in the following tables. Information with respect to Messrs. Kitagawa, Hirata and Nakatsuka is based upon their employment agreements. No other named executive officer was a party to an employment agreement as of December 31, 2013. There are no payments or benefits payable solely on account of a change in control.

Allan S. Kitagawa

Payments and Benefits	Voluntary Termination or Retirement	Involuntary Termination for Cause	Involuntary Termination Without Cause or Termination by the Executive for Good Reason	Change in Control With Termination of Employment	Termination Upon Death (3)	Termination Upon Disability (4)
Severance Pay (1)	$	$	$ 3,122,543	$ 6,155,633	$ 141,854	$
Medical, Dental, Life Insurance Continuation (2)			18,354	18,354		
Life Insurance Benefits					185,000	
Accelerated Vesting of Options (5)				601,473	601,473	601,473
Accelerated Vesting of Restricted Stock (6)				2,135,699	2,135,699	2,135,699
Total	$	$	$ 3,140,897	$ 8,911,159	$ 3,064,026	$ 2,737,172

Melvin M. Miyamoto

Payments and Benefits	Voluntary Termination or Retirement	Involuntary Termination for Cause	Involuntary Termination Without Cause or Termination by the Executive for Good Reason	Change in Control With Termination of Employment	Termination Upon Death (3)	Termination Upon Disability (4)
Severance Pay (1)	$	$	$	$ 281,884	$	$
Medical, Dental, Life Insurance Continuation (2)				4,152		
Life Insurance Benefits					212,000	
Accelerated Vesting of Options (5)				57,010	57,010	57,010
Accelerated Vesting of Restricted Stock (6)				170,914	170,914	170,914
Total	$	$	$	$ 513,960	$ 439,924	$ 227,924

Vernon Hirata

Payments and Benefits	**Voluntary Termination or Retirement**	**Involuntary Termination for Cause**	**Involuntary Termination Without Cause or Termination by the Executive for Good Reason**	**Change in Control With Termination of Employment**	**Termination Upon Death (3)**	**Termination Upon Disability (4)**
Severance Pay (1)	$	$	$ 1,335,304	$ 1,335,304	$ 50,975	$ 1,299,931
Medical, Dental, Life Insurance Continuation (2)			18,755	18,755		23,271
Life Insurance Benefits					290,000	
Accelerated Vesting of Options (5)				449,476	449,476	449,476
Accelerated Vesting of Restricted Stock (6)				1,409,539	1,409,539	1,409,539
Total	$	$	$ 1,354,059	$ 3,213,074	$ 2,199,990	$ 3,182,217

Ralph Y. Nakatsuka

Payments and Benefits	**Voluntary Termination or Retirement**	**Involuntary Termination for Cause**	**Involuntary Termination Without Cause or Termination by the Executive for Good Reason**	**Change in Control With Termination of Employment**	**Termination Upon Death (3)**	**Termination Upon Disability (4)**
Severance Pay (1)	$	$	$ 1,438,536	$ 1,438,536	$ 50,975	$ 2,393,232
Medical, Dental, Life Insurance Continuation (2)			18,656	18,656		42,616
Life Insurance Benefits					290,000	
Accelerated Vesting of Options (5)				427,576	427,576	427,576
Accelerated Vesting of restricted Stock (6)				1,238,694	1,238,694	1,238,694
Total	$	$	$ 1,457,192	$ 3,123,462	$ 2,007,245	$