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NEWS RELEASE

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**EAST WEST BANCORP REPORTS 46% INCREASE IN EARNINGS FOR THE
SECOND QUARTER 2010 TO \$36.3 MILLION AND NONPERFORMING
ASSETS TO TOTAL ASSETS BELOW 1.00%**

Pasadena, CA – July 27, 2010 – East West Bancorp, Inc. (Nasdaq: EWBC), parent company of East West Bank, one of the nation’s premier regional banks, today reported financial results for the second quarter of 2010. For the second quarter of 2010, net income was \$36.3 million or \$0.21 per diluted share.

“For the second quarter, East West increased net income 46% from \$24.9 million in the previous quarter to \$36.3 million. This continued profitability was driven by our improving asset quality, our ability to integrate the United Commercial Bank acquisition quickly and efficiently and the strong performance of our franchise,” stated Dominic Ng, Chairman and Chief Executive Officer of East West. “I am pleased to report that our credit indicators continue to trend in a positive direction. Quarter over quarter, our provision for loan losses decreased by \$21.2 million or 28% and net charge-offs decreased \$8.7 million or 14%. Further, our nonperforming assets to total assets ratio has remained below 1% for three consecutive quarters.”

Ng stated, “During the quarter, we acquired Washington First International Bank through an FDIC-assisted transaction and strengthened our operations in the greater Seattle area. This strategically attractive acquisition increased our market share in the Seattle region in a cost-effective, immediately accretive way.”

“For the remainder of 2010, East West will focus on growing our revenue and profitability and reinvesting in our business while remaining disciplined on expenses. For the past three consecutive quarters we have increased our profitability and expect to continue to do so for the remainder of 2010,” concluded Ng.

Second Quarter 2010 Highlights

- **Second Quarter Earnings** – For the second quarter 2010, net income was \$36.3 million, an increase of \$11.4 million over net income of \$24.9 million reported in the first quarter of 2010 and an increase of \$128.4 million over a net loss of \$92.1 million reported in the second quarter of 2009.
- **Acquisition of Washington First International Bank** – East West acquired the banking operations of Seattle-based Washington First International Bank (WFIB) in a purchase and assumption agreement with the Federal Deposit Insurance Corporation (FDIC) on June 11, 2010. East West acquired total assets of \$492.6 million, including \$313.9 million of loans (net of purchase accounting adjustments) and assumed \$395.9 million in deposits.
- **Net Charge-offs Down 14% from Q1 2010, Down 59% from Q2 2009** – Net charge-offs declined to \$55.2 million, a decrease of \$8.7 million or 14% from the prior quarter and a decrease of \$78.7 million or 59% from the second quarter of 2009.
- **Nonperforming Assets to Total Assets Below 1%** – Nonperforming assets remain low at \$195.6 million, or 0.98% of total assets, a decline of 51 basis points from June 30, 2009.
- **Strong Core Deposit Growth** – Core deposits grew to a record \$8.2 billion as of June 30, 2010, an increase of \$444.1 million or 6% from March 31, 2010. At June 30, 2010 core deposits from WFIB totaled \$84.2 million. Excluding the impact of the WFIB acquisition, East West grew core deposits by \$359.9 million or 5% from March 31, 2010.
- **Strong Net Interest Margin** – The net interest margin for the quarter totaled 4.66%. Excluding discount accretion on covered loan dispositions and recoveries, the net interest margin totaled 3.98% for the quarter, compared to 2.98% in the second quarter of 2009. (See reconciliation of the GAAP financial measure to this non-GAAP financial measure in the tables attached.)
- **Strong Capital Levels** – As of June 30, 2010, East West's Tier 1 risk-based capital and total risk-based capital ratios were 18.9% and 20.8%, respectively, significantly higher than the well capitalized requirements of 6% and 10%, respectively.

Management Guidance

The Company is providing guidance for the third quarter of 2010. Management currently estimates that fully diluted earnings per share for the third quarter of 2010 will range from \$0.19 to \$0.22 per diluted share. This EPS guidance is based on the following assumptions:

- Flat balance sheet growth
- A stable interest rate environment and a net interest margin between 3.98% and 4.02%, excluding the impact of discount accretion on covered loan dispositions and recoveries
- Provision for loan losses of approximately \$35 million to \$40 million for the quarter
- Noninterest expense of approximately \$105 million, net of FDIC reimbursable items
- Effective tax rate of approximately 37%

FDIC-Assisted Acquisition of Washington First International Bank

On June 11, 2010, East West acquired the banking operations of Seattle-based WFIB in a purchase and assumption agreement with the FDIC. East West acquired total assets of \$492.6 million and assumed \$395.9 million in deposits, net of purchase accounting adjustments. This strategically attractive transaction expands East West's footprint in the greater Seattle area, enhancing our ability to increase operating efficiencies and grow our customer base in this region.

In connection with the acquisition, East West entered into a loss-sharing agreement with the FDIC that covers approximately \$420.0 million in loans and real estate owned. Pursuant to the terms of the loss-sharing arrangement, the FDIC is obligated to reimburse the Bank for 80% of all eligible losses on covered assets. As a result of this transaction, East West recorded a pre-tax gain of \$19.5 million.

The integration of WFIB is progressing smoothly and we are on target for full integration of all systems by the end of October 2010.

All WFIB legacy loans were accounted for at fair value at the date of acquisition and recorded at a discount to book value. As such, losses that East West expects to incur have already been written off and considered in the fair value of loans acquired as of June 11, 2010.

A summary of the net assets received from the FDIC is as follows:

| | June 11, 2010 |
|--|-----------------------|
| | (in thousands) |
| Assets | |
| Cash and cash equivalents | 67,186 |
| Investment securities | 37,532 |
| Core deposit intangible | 3,065 |
| Loans covered by FDIC loss sharing (gross balance \$395,156 and shown net of discount of \$84,174) | 310,982 |
| Loans not covered by FDIC loss sharing | 2,869 |
| FDIC indemnification asset | 41,131 |
| Other real estate owned covered, net | 23,443 |
| Other assets | 6,380 |
| Total assets acquired | <u>492,588</u> |
| Liabilities | |
| Deposits | 395,910 |
| FHLB Advances | 65,348 |
| Securities sold under repurchase agreements | 1,937 |
| Other liabilities | 9,917 |
| Total liabilities assumed | <u>473,112</u> |
| Net assets acquired | <u><u>19,476</u></u> |

Balance Sheet Summary

At June 30, 2010 total assets were \$20.0 billion compared to \$20.3 billion at March 31, 2010, and \$12.7 billion at June 30, 2009. The decrease in total assets quarter over quarter was driven by prepayments on FHLB advances of \$740.0 million, sales of consumer student loans of \$227.3 million and sales of fixed rate investment securities of \$208.7 million.

Gross loans at June 30, 2010 totaled \$13.7 billion, compared to \$13.8 billion at March 31, 2010. Noncovered loan balances decreased \$82.7 million during the quarter to \$8.5 billion as of June 30, 2010. During the quarter, growth in commercial loans of \$84.1 million and single family loans of \$71.7 million was offset by decreases in consumer loans resulting from the sale of student loans and paydowns on commercial real estate, construction and land loans.

Covered loans totaled \$5.3 billion at June 30, 2010, as compared to \$5.2 billion at March 31, 2010. The increase in covered loans was a result of the addition of \$311.0 million in loans from the acquisition of WFIB, partially offset by a reduction in loan balances from United Commercial Bank.

Deposit balances totaled \$14.9 billion at June 30, 2010, compared to \$14.6 billion at March 31, 2010. During the quarter East West assumed \$395.9 million in deposits from the acquisition of WFIB, reduced brokered deposits by \$174.5 million and increased deposits organically by \$90.6 million. Total core deposits increased to a record \$8.2

billion as of June 30, 2010, or an increase of \$444.1 million or 6% from March 31, 2010. The average cost of deposits decreased to 0.80% for the second quarter, an improvement of 13 basis points from the first quarter of 2010 and an improvement of 67 basis points from the second quarter of 2009.

During the second quarter of 2010, East West continued to execute on its strategy to lower borrowing costs, prepaying \$740.0 million in FHLB advances with an average cost of 1.72% during the quarter. As of June 30, 2010, FHLB advances totaled \$1.0 billion, a decline of \$747.4 million or 42% from March 31, 2010. As a result of the prepayments, East West incurred a prepayment penalty of \$3.9 million, net of purchase accounting adjustments recorded, which is included in noninterest expense. The average cost of funds decreased to 1.17% for the second quarter of 2010, down 11 basis points from the first quarter of 2010 and down 95 basis points from the second quarter of 2009.

Second Quarter 2010 Operating Results

Net Interest Income

Despite a prolonged and challenging low interest rate environment, net interest income has remained stable. As previously discussed, East West has grown low-cost core deposits, reducing the cost of deposits to 0.80% for the second quarter of 2010, down from 0.93% in the first quarter of 2010. Further, East West prepaid higher-cost FHLB advances, improving the cost of funds.

Included in net interest income is discount accretion on early payoffs and recoveries on covered loans of \$29.8 million in the second quarter of 2010, compared to \$81.3 million in the first quarter of 2010. Excluding the impact of discount accretion, the net interest margin was 3.98% for the second quarter of 2010, compared to 4.02% in the prior quarter and an increase from 2.98% in the second quarter of 2009.

The adjustments to net interest income are summarized in the table below:

Reconciliation of Net Interest Income to Adjusted Net Interest Income

| | June 30, 2010 | | March 31, 2010 | |
|---|---------------|-------|----------------|-------|
| | Interest | Yield | Interest | Yield |
| Net interest income and net interest margin | \$ 203,623 | 4.66% | \$ 261,724 | 5.92% |
| Less yield adjustment related to: | | | | |
| Covered loan disposition and recoveries | 29,755 | | 81,343 | |
| Repurchase agreement termination gain | - | | 2,536 | |
| Total yield adjustment | 29,755 | | \$ 83,879 | |
| Net interest income and net interest margin, excluding yield adjustment | \$ 173,868 | 3.98% | \$ 177,845 | 4.02% |

Noninterest Income

Noninterest income for the second quarter totaled \$35.7 million, compared to a loss of \$8.5 million in the first quarter of 2010 and a loss of \$26.2 million in the second quarter

of 2009. The loss in the first quarter of 2010 was primarily due to a \$43.6 million decrease in the FDIC indemnification asset and receivable compared to a \$9.4 million decrease in the second quarter of 2010. The decreases in the FDIC indemnification asset and receivable in both the first and second quarters are primarily due to early payoffs on covered loans, resulting in a net reduction in the FDIC indemnification asset and receivable. The loss in the second quarter of 2009 was primarily due to impairment losses on investment securities of \$37.4 million compared to \$4.6 million of impairment losses in the second quarter of 2010.

As previously mentioned, during the second quarter we sold \$227.3 million in student loans and \$208.7 million in fixed rate investment securities at gains of \$8.1 million and \$5.8 million, respectively. Noninterest income for the second quarter also included a gain of \$19.5 million as a result of the acquisition of WFIB.

During the second quarter we recorded impairment losses on investment securities totaling \$4.6 million, of which \$2.4 million was recorded on pooled trust preferred securities and \$2.2 million was recorded on agency preferred stock. As of June 30, 2010, the agency preferred stock was written down to zero.

As compared to the second quarter of 2009, branch fees increased by \$3.2 million or 65%, letters of credit fees and commissions increased \$935 thousand or 48%, and ancillary loan fees increased \$1.0 million or 75%, primarily due to the acquisition of UCB. Excluding the impact of the decrease in the FDIC indemnification asset and receivable, gains on sales of investment securities and loans, gain on acquisition, and impairment charges on investment securities, noninterest income for the second quarter totaled \$16.4 million, a \$6.8 million or a 71% increase as compared to the second quarter of 2009. See reconciliation of the GAAP financial measure to this non-GAAP financial measure in the tables attached. A summary of these second quarter 2010 noninterest income items is detailed below:

| | Quarter Ended |
|---|----------------------|
| | June 30, 2010 |
| Noninterest income | \$ 35,685 |
| Add: | |
| Impairment loss on investment securities | 4,642 |
| Net gain on sale of investment securities | (5,847) |
| Net gain on sale of loans | (8,073) |
| Gain on acquisition | (19,476) |
| Decrease in FDIC indemnification asset and FDIC receivable | 9,424 |
| Operating noninterest income | <u>\$ 16,355</u> |

Noninterest Expense

Noninterest expense totaled \$125.3 million for the second quarter of 2010 compared to \$138.9 million for the first quarter of 2010. Second quarter noninterest expense includes \$28.7 million of expenses that are either not expected to be ongoing expenses in future quarters or are reimbursable from the FDIC, as detailed in the table below:

| | Quarter Ended |
|---|----------------------|
| | June 30, 2010 |
| Noninterest Expense: | \$ 125,318 |
| Prepayment penalty for FHLB advances | 3,900 |
| Expenses related to the integration of UCB | 3,602 |
| Expenses for UCB covered assets, reimbursable from the FDIC: | |
| OREO expenses | 15,258 |
| Loan related expenses | 4,062 |
| Legal expenses | 1,877 |
| Total reimbursable expenses on covered assets | <u>21,197</u> |
| Noninterest expense excluding prepayment penalty on FHLB advances, integration costs related to the acquisition of UCB, and reimbursable expenses | <u>\$ 96,619</u> |

Included in noninterest expense are integration expenses of \$3.6 million, of which \$1.5 million is related to severance costs. In addition, under the loss share agreement with the FDIC, 80% of eligible expenses on covered assets are reimbursable from the FDIC. In the second quarter, we incurred \$26.5 million in expenses on covered loans and REO assets, 80%, or \$21.2 million of which we expect to be reimbursed by the FDIC. As discussed above, East West also prepaid \$740.0 million in FHLB advances and paid a prepayment penalty of \$3.9 million. Management anticipates that in the third quarter of 2010, noninterest expense will total approximately \$105 million, net of FDIC reimbursable items.

The effective tax rate for the second quarter was 38.1% compared to 41.1% in the prior year period. The effective tax rate is reduced from the statutory tax rate primarily due to the utilization of tax credits related to affordable housing investments.

Credit Management

Credit indicators have continued to be strong. Nonperforming assets have remained low at \$195.6 million as of June 30, 2010. Nonperforming assets, excluding covered assets, to total assets was 0.98% at June 30, 2010, compared to 1.49% of total assets at June 30, 2009. Nonperforming assets, excluding covered assets, as of June 30, 2010 included nonaccrual loans totaling \$179.1 million and REO assets totaling \$16.6 million.

The provision for loan losses was \$55.3 million for the second quarter of 2010, a decrease of \$21.2 million or 28% compared to the previous quarter and a decrease of \$96.2 million or 64% from the second quarter of 2009. Total net charge-offs fell to \$55.2 million for the second quarter, a decrease of \$8.7 million or 14% from the previous quarter and a decrease of \$78.7 million or 59% from the second quarter of 2009. Management expects that the provision for loan losses and net charge-offs will continue

to decrease for the second half of 2010 and range from \$35 million to \$40 million for the third quarter of 2010.

Credit metrics on our seasoned commercial real estate portfolio have remained strong. Nonperforming commercial real estate loans were 0.52% of total commercial real estate loans as of June 30, 2010 and net charge-offs on commercial real estate loans were 1.34% of total average commercial real estate loans (annualized) for the second quarter. Further, land and construction loan balances are down to only 5% of total gross loans receivable.

Notwithstanding the improvements noted above, we have maintained a strong allowance for loan losses at \$249.5 million or 2.94% of non-covered loans receivable at June 30, 2010, to cover inherent losses in the portfolio, as compared to allowance for loan losses of \$250.5 million or 2.93% at March 31, 2010 and \$223.7 million or 2.62% of outstanding loans at June 30, 2009.

All loans acquired from UCB and WFIB were recorded at estimated fair value as of the acquisition dates. East West entered into loss sharing agreements with the FDIC that covers future losses incurred on nearly all the UCB and WFIB legacy loans. As of June 30, 2010, we believe no allowance is required for these covered loans.

Capital Strength

Capital Strength
(Dollars in millions)

| | <u>June 30, 2010</u> | <u>Well Capitalized Regulatory Requirement</u> | <u>Total Excess Above Well Capitalized Requirement</u> |
|--|----------------------|--|--|
| Tier 1 leverage capital ratio | 10.5% | 5.00% | \$ 1,077 |
| Tier 1 risk-based capital ratio | 18.9% | 6.00% | 1,397 |
| Total risk-based capital ratio | 20.8% | 10.00% | 1,175 |
| Tangible common equity to tangible asset | 7.90% | N/A | N/A |
| Tangible common equity to risk weighted assets ratio | 14.2% | 4.00% * | 1,110 |

As there is no stated regulatory guideline for this ratio, the SCAP guideline of 4.00% tangible common equity has been used.

East West remains committed to maintaining strong capital levels that exceed regulatory requirements. As of the end of the second quarter of 2010, our Tier 1 leverage capital ratio increased to 10.5%, Tier 1 risk-based capital ratio totaled 18.9% and the total risk-based capital ratio totaled 20.8%. East West exceeds well capitalized requirements for all regulatory guidelines by over \$1.0 billion.

Dividend Payout

East West's Board of Directors has declared third quarter dividends on the common stock and Series A Preferred Stock. The common stock cash dividend of \$0.01 is payable on or about August 24, 2010 to shareholders of record on August 10, 2010. The dividend on the

Series A Preferred Stock of \$20.00 per share is payable on August 1, 2010 to shareholders of record on July 15, 2010.

About East West

East West Bancorp is a publicly owned company with \$20.0 billion in assets and is traded on the Nasdaq Global Select Market under the symbol “EWBC”. The Company’s wholly owned subsidiary, East West Bank, is one of the largest independent commercial banks headquartered in California with over 130 locations worldwide, including the U.S. markets of California, New York, Georgia, Massachusetts, Texas and Washington. In Greater China, East West’s presence includes a full service branch in Hong Kong and representative offices in Beijing, Shanghai, Shenzhen and Taipei. Through a wholly-owned subsidiary bank, East West’s presence in Greater China also includes full service branches in Shanghai and Shantou and representative offices in Beijing and Guangzhou. For more information on East West Bancorp, visit the Company's website at www.eastwestbank.com.

Forward-Looking Statements

This release may contain forward-looking statements, which are included in accordance with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 and accordingly, the cautionary statements contained in East West Bancorp’s Annual Report on Form 10-K for the year ended Dec. 31, 2009 (See Item I -- Business, and Item 7 -- Management’s Discussion and Analysis of Consolidated Financial Condition and Results of Operations), and other filings with the Securities and Exchange Commission are incorporated herein by reference. These factors include, but are not limited to: the effect of interest rate and currency exchange fluctuations; competition in the financial services market for both deposits and loans; EWBC’s ability to efficiently incorporate acquisitions into its operations; the ability of borrowers to perform as required under the terms of their loans; effect of additional provisions for loan losses; effect of any goodwill impairment, the ability of EWBC and its subsidiaries to increase its customer base; the effect of regulatory and legislative action, including California tax legislation and an announcement by the state’s Franchise Tax Board regarding the taxation of Registered Investment Companies; and regional and general economic conditions. Actual results and performance in future periods may be materially different from any future results or performance suggested by the forward-looking statements in this release. Such forward-looking statements speak only as of the date of this release. East West expressly disclaims any obligation to update or revise any forward-looking statements found herein to reflect any changes in the Bank’s expectations of results or any change in event.

EAST WEST BANCORP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except per share amounts)
(unaudited)

| | <u>June 30, 2010</u> | <u>December 31, 2009</u> |
|---|----------------------|--------------------------|
| Assets | | |
| Cash and cash equivalents | \$ 1,185,944 | \$ 835,141 |
| Short-term investments | 447,168 | 510,788 |
| Securities purchased under resale agreements | 230,000 | 227,444 |
| Investment securities | 2,077,011 | 2,564,081 |
| Loans receivable, excluding covered loans (net of allowance for loan losses of \$249,462 and \$238,833) | 8,177,966 | 8,246,685 |
| Covered loans | <u>5,275,492</u> | <u>5,598,155</u> |
| Total loans receivable, net | 13,453,458 | 13,844,840 |
| Federal Home Loan Bank and Federal Reserve stock | 223,395 | 217,002 |
| FDIC indemnification asset | 947,011 | 1,091,814 |
| Other real estate owned, net | 16,562 | 13,832 |
| Other real estate owned covered, net | 113,999 | 44,273 |
| Premiums on deposits acquired, net | 86,106 | 89,735 |
| Goodwill | 337,438 | 337,438 |
| Other assets | 849,229 | 782,824 |
| Total assets | <u>\$ 19,967,321</u> | <u>\$ 20,559,212</u> |
| Liabilities and Stockholders' Equity | | |
| Deposits | \$ 14,918,694 | \$ 14,987,613 |
| Federal Home Loan Bank advances | 1,022,011 | 1,805,387 |
| Securities sold under repurchase agreements | 1,051,192 | 1,026,870 |
| Subordinated debt and trust preferred securities | 235,570 | 235,570 |
| Other borrowings | 35,504 | 67,040 |
| Accrued expenses and other liabilities | <u>365,386</u> | <u>152,073</u> |
| Total liabilities | 17,628,357 | 18,274,553 |
| Stockholders' equity | <u>2,338,964</u> | <u>2,284,659</u> |
| Total liabilities and stockholders' equity | <u>\$ 19,967,321</u> | <u>\$ 20,559,212</u> |
| Book value per common share | \$ 13.31 | \$ 14.47 |
| Number of common shares at period end | 147,939 | 109,963 |
| Ending Balances | | |
| | <u>June 30, 2010</u> | <u>December 31, 2009</u> |
| Loans receivable | | |
| Real estate - single family | \$ 1,033,155 | \$ 930,840 |
| Real estate - multifamily | 985,194 | 1,025,849 |
| Real estate - commercial | 3,500,273 | 3,606,179 |
| Real estate - land | 297,364 | 370,394 |
| Real estate - construction | 354,547 | 458,292 |
| Commercial | 1,528,863 | 1,512,709 |
| Consumer | <u>774,746</u> | <u>624,784</u> |
| Total loans receivable, excluding covered loans | 8,474,142 | 8,529,047 |
| Covered loans | <u>5,275,492</u> | <u>5,598,155</u> |
| Total loans receivable | 13,749,634 | 14,127,202 |
| Unearned fees, premiums and discounts | (46,714) | (43,529) |
| Allowance for loan losses | <u>(249,462)</u> | <u>(238,833)</u> |
| Net loans receivable | \$ 13,453,458 | \$ 13,844,840 |
| Deposits | | |
| Noninterest-bearing demand | \$ 2,396,087 | \$ 2,291,259 |
| Interest-bearing checking | 685,572 | 667,177 |
| Money market | 4,162,128 | 3,138,866 |
| Savings | <u>946,043</u> | <u>991,520</u> |
| Total core deposits | 8,189,830 | 7,088,822 |
| Time deposits | <u>6,728,864</u> | <u>7,898,791</u> |
| Total deposits | \$ 14,918,694 | \$ 14,987,613 |

EAST WEST BANCORP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(unaudited)

| | Quarter Ended | | |
|--|---------------|----------------|---------------|
| | June 30, 2010 | March 31, 2010 | June 30, 2009 |
| Interest and dividend income | \$ 253,533 | \$ 318,703 | \$ 146,333 |
| Interest expense | (49,910) | (56,979) | (58,073) |
| Net interest income before provision for loan losses | 203,623 | 261,724 | 88,260 |
| Provision for loan losses | (55,256) | (76,421) | (151,422) |
| Net interest income after provision for loan losses | 148,367 | 185,303 | (63,162) |
| Noninterest income (loss) | 35,685 | (8,451) | (26,199) |
| Noninterest expense | (125,318) | (138,910) | (57,912) |
| Income (loss) before benefit for income taxes | 58,734 | 37,942 | (147,273) |
| Provision (benefit) for income taxes | 22,386 | 13,026 | (60,548) |
| Net income (loss) before extraordinary item | 36,348 | 24,916 | (86,725) |
| Extraordinary item, net of tax | - | - | (5,366) |
| Net income (loss) after extraordinary item | \$ 36,348 | \$ 24,916 | \$ (92,091) |
| Preferred stock dividend, inducement, and amortization of preferred stock discount | (6,147) | (6,138) | (23,623) |
| Net income (loss) available to common stockholders | \$ 30,201 | \$ 18,778 | \$ (115,714) |
| Net income (loss) per share, basic | \$ 0.21 | \$ 0.17 | \$ (1.83) |
| Net income (loss) per share, diluted | \$ 0.21 | \$ 0.13 | \$ (1.83) |
| Shares used to compute per share net loss: | | | |
| - Basic | 146,372 | 109,961 | 63,105 |
| - Diluted | 147,131 | 146,865 | 63,105 |

| | Quarter Ended | | |
|--|---------------|----------------|---------------|
| | June 30, 2010 | March 31, 2010 | June 30, 2009 |
| Noninterest income (loss): | | | |
| Decrease in FDIC indemnification asset and FDIC receivable | \$ (9,424) | \$ (43,572) | \$ - |
| Impairment loss on investment securities | (4,642) | (4,799) | (37,447) |
| Net gain on sale of investment securities | 5,847 | 16,111 | 1,680 |
| Gain on acquisition | 19,476 | 8,095 | - |
| Branch fees | 8,219 | 8,758 | 4,991 |
| Net gain on sale of loans | 8,073 | - | 3 |
| Letters of credit fees and commissions | 2,865 | 2,740 | 1,930 |
| Ancillary loan fees | 2,369 | 1,689 | 1,356 |
| Other operating income | 2,902 | 2,527 | 1,288 |
| Total noninterest income (loss) | \$ 35,685 | \$ (8,451) | \$ (26,199) |
| Noninterest expense: | | | |
| Compensation and employee benefits | \$ 41,579 | \$ 50,779 | \$ 16,509 |
| Other real estate owned expense | 20,983 | 18,012 | 8,682 |
| Occupancy and equipment expense | 13,115 | 11,944 | 6,297 |
| Legal expense | 6,183 | 2,907 | 1,755 |
| Prepayment penalty for FHLB advances | 3,900 | 9,932 | - |
| Deposit insurance premiums and regulatory assessments | 4,528 | 11,581 | 9,568 |
| Amortization of premiums on deposits acquired | 3,310 | 3,384 | 1,092 |
| Data processing | 3,046 | 2,482 | 1,141 |
| Amortization of investments in affordable housing partnerships | 2,638 | 3,037 | 1,652 |
| Consulting expense | 1,919 | 2,141 | 672 |
| Loan related expenses | 5,254 | 2,997 | 1,642 |
| Other operating expense | 18,863 | 19,714 | 8,902 |
| Total noninterest expense | \$ 125,318 | \$ 138,910 | \$ 57,912 |

EAST WEST BANCORP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(unaudited)

| | Year To Date | |
|--|----------------------|----------------------|
| | June 30, 2010 | June 30, 2009 |
| Interest and dividend income | \$ 572,236 | \$ 291,256 |
| Interest expense | <u>(106,889)</u> | <u>(123,315)</u> |
| Net interest income before provision for loan losses | 465,347 | 167,941 |
| Provision for loan losses | <u>(131,677)</u> | <u>(229,422)</u> |
| Net interest income after provision for loan losses | 333,670 | (61,481) |
| Noninterest income (loss) | 27,234 | (12,405) |
| Noninterest expense | <u>(264,228)</u> | <u>(109,318)</u> |
| Income (loss) before benefit for income taxes | 96,676 | (183,204) |
| Provision (benefit) for income taxes | <u>35,412</u> | <u>(74,013)</u> |
| Net loss before extraordinary item | 61,264 | (109,191) |
| Extraordinary item, net of tax | - | (5,366) |
| Net income (loss) after extraordinary item | \$ 61,264 | \$ (114,557) |
| Preferred stock dividend, inducement, and amortization of preferred stock discount | <u>(12,285)</u> | <u>(32,366)</u> |
| Net income (loss) available to common stockholders | \$ 48,979 | \$ (146,923) |
| Net income (loss) per share, basic | \$ 0.40 | \$ (2.33) |
| Net income (loss) per share, diluted | \$ 0.34 | \$ (2.33) |
| Shares used to compute per share net loss: | | |
| - Basic | 123,445 | 63,052 |
| - Diluted | 142,143 | 63,052 |

| | Year To Date | |
|--|----------------------|----------------------|
| | June 30, 2010 | June 30, 2009 |
| Noninterest income (loss): | | |
| Decrease in FDIC indemnification asset and FDIC receivable | \$ (52,996) | \$ - |
| Impairment loss on investment securities | (9,441) | (37,647) |
| Net gain on sale of investment securities | 21,958 | 5,201 |
| Gain on acquisition | 27,571 | - |
| Branch fees | 16,977 | 9,784 |
| Net gain on sale of loans | 8,073 | 11 |
| Letters of credit fees and commissions | 5,605 | 3,784 |
| Ancillary loan fees | 4,058 | 3,585 |
| Other operating income | <u>5,429</u> | <u>2,877</u> |
| Total noninterest income (loss) | \$ 27,234 | \$ (12,405) |
| Noninterest expense: | | |
| Compensation and employee benefits | \$ 92,358 | \$ 33,617 |
| Other real estate owned expense | 38,995 | 15,713 |
| Occupancy and equipment expense | 25,059 | 13,688 |
| Deposit insurance premiums and regulatory assessments | 16,109 | 12,893 |
| Prepayment penalty for FHLB advances | 13,832 | - |
| Legal expense | 9,090 | 3,533 |
| Amortization of premiums on deposits acquired | 6,694 | 2,217 |
| Amortization of investments in affordable housing partnerships | 5,675 | 3,412 |
| Data processing | 5,528 | 2,283 |
| Consulting expense | 4,060 | 1,120 |
| Loan related expenses | 8,251 | 3,077 |
| Other operating expense | <u>38,577</u> | <u>17,765</u> |
| Total noninterest expense | \$ 264,228 | \$ 109,318 |

EAST WEST BANCORP, INC.
QUARTERLY ALLOWANCE FOR LOAN LOSSES RECAP
(In thousands)
(unaudited)

| | Quarter Ended | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 6/30/2010 | 3/31/2010 | 12/31/2009 | 9/30/2009 | 6/30/2009 |
| LOANS | | | | | |
| Allowance balance, beginning of period | \$ 250,517 | \$ 238,833 | \$ 230,650 | \$ 223,700 | \$ 195,450 |
| Allowance for unfunded loan commitments and letters of credit | (1,115) | (808) | (1,161) | (1,051) | 1,442 |
| Provision for loan losses | 55,256 | 76,421 | 140,000 | 159,244 | 151,422 |
| Impact of desecuritization | - | - | - | - | 9,262 |
| Net Charge-offs: | | | | | |
| Real estate - single family | 3,257 | 3,426 | 7,083 | 8,034 | 14,058 |
| Real estate - multifamily | 7,552 | 4,860 | 8,425 | 7,231 | 2,256 |
| Real estate - commercial | 11,836 | 8,201 | 13,305 | 23,105 | 12,472 |
| Real estate - land | 9,765 | 26,828 | 20,390 | 39,988 | 33,183 |
| Real estate - residential construction | 3,086 | 11,642 | 48,919 | 32,535 | 30,634 |
| Real estate - commercial construction | 8,548 | 2,029 | 21,355 | 23,051 | 28,602 |
| Commercial | 10,563 | 6,422 | 5,789 | 14,956 | 11,577 |
| Trade finance | (88) | (54) | 2,569 | 2,256 | 774 |
| Consumer | 677 | 575 | 2,821 | 87 | 320 |
| Total net charge-offs (recovery) | 55,196 | 63,929 | 130,656 | 151,243 | 133,876 |
| Allowance balance, end of period | \$ 249,462 | \$ 250,517 | \$ 238,833 | \$ 230,650 | \$ 223,700 |
| UNFUNDED LOAN COMMITMENTS AND LETTERS OF CREDIT: | | | | | |
| Allowance balance, beginning of period | \$ 8,927 | \$ 8,119 | \$ 6,958 | \$ 5,907 | \$ 7,349 |
| Provision for unfunded loan commitments and letters of credit | 1,115 | 808 | 1,161 | 1,051 | (1,442) |
| Allowance balance, end of period | \$ 10,042 | \$ 8,927 | \$ 8,119 | \$ 6,958 | \$ 5,907 |
| GRAND TOTAL, END OF PERIOD | \$ 259,504 | \$ 259,444 | \$ 246,952 | \$ 237,608 | \$ 229,607 |
| Nonperforming assets to total assets (1) | 0.98% | 0.89% | 0.91% | 1.84% | 1.49% |
| Allowance for loan losses to total gross non-covered loans at end of period | 2.94% | 2.93% | 2.80% | 2.74% | 2.62% |
| Allowance for loan losses and unfunded loan commitments to total gross non-covered loans at end of period | 3.06% | 3.03% | 2.90% | 2.82% | 2.69% |
| Allowance to non-covered nonaccrual loans at end of period | 139.31% | 143.62% | 137.91% | 112.82% | 137.94% |
| Nonaccrual loans to total loans (2) | 1.30% | 1.27% | 1.23% | 2.43% | 1.90% |

(1) Nonperforming assets excludes covered loans and REOs. Total assets includes covered assets.

(2) Nonaccrual loans excludes covered loans. Total loans includes covered loans.

EAST WEST BANCORP, INC
TOTAL NON-PERFORMING ASSETS, EXCLUDING COVERED ASSETS
(in thousands)
(unaudited)

AS OF JUNE 30, 2010

| Loan Type | Total Nonaccrual Loans | | Total Nonaccrual Loans | REO Assets | Total Non-Performing Assets |
|--|------------------------|---------------------------|------------------------|------------------|-----------------------------|
| | 90+ Days Delinquent | Under 90+ Days Delinquent | | | |
| Real estate - single family | \$ 14,835 | \$ - | \$ 14,835 | \$ 395 | \$ 15,230 |
| Real estate - multifamily | 13,180 | 5,521 | 18,701 | 3,131 | 21,832 |
| Real estate - commercial | 15,778 | 2,569 | 18,347 | 7,047 | 25,394 |
| Real estate - land | 43,775 | 5,292 | 49,067 | 2,541 | 51,608 |
| Real estate - residential construction | 1,454 | 23,370 | 24,824 | 2,272 | 27,096 |
| Real estate - commercial construction | 22,997 | 449 | 23,446 | 830 | 24,276 |
| Commercial | 19,310 | 8,994 | 28,304 | - | 28,304 |
| Trade Finance | - | - | - | - | - |
| Consumer | 1,436 | 104 | 1,540 | 346 | 1,886 |
| Total | \$ 132,765 | \$ 46,299 | \$ 179,064 | \$ 16,562 | \$ 195,626 |

AS OF MARCH 31, 2010

| Loan Type | Total Nonaccrual Loans | | Total Nonaccrual Loans | REO Assets | Total Non-Performing Assets |
|--|------------------------|---------------------------|------------------------|-----------------|-----------------------------|
| | 90+ Days Delinquent | Under 90+ Days Delinquent | | | |
| Real estate - single family | \$ 13,673 | \$ - | \$ 13,673 | \$ - | \$ 13,673 |
| Real estate - multifamily | 12,444 | 4,780 | 17,224 | 712 | 17,936 |
| Real estate - commercial | 28,484 | 4,127 | 32,611 | 2,979 | 35,590 |
| Real estate - land | 27,077 | 32,266 | 59,343 | 2,007 | 61,350 |
| Real estate - residential construction | 3,188 | 782 | 3,970 | 379 | 4,349 |
| Real estate - commercial construction | 15,066 | 9,652 | 24,718 | 830 | 25,548 |
| Commercial | 7,209 | 13,722 | 20,931 | - | 20,931 |
| Trade Finance | - | 505 | 505 | - | 505 |
| Consumer | 1,218 | 234 | 1,452 | - | 1,452 |
| Total | \$ 108,359 | \$ 66,068 | \$ 174,427 | \$ 6,907 | \$ 181,334 |

AS OF DECEMBER 31, 2009

| Loan Type | Total Nonaccrual Loans | | Total Nonaccrual Loans | REO Assets | Total Non-Performing Assets |
|--|------------------------|---------------------------|------------------------|------------------|-----------------------------|
| | 90+ Days Delinquent | Under 90+ Days Delinquent | | | |
| Real estate - single family | \$ 3,262 | \$ - | \$ 3,262 | \$ 264 | \$ 3,526 |
| Real estate - multifamily | 10,631 | - | 10,631 | 2,118 | 12,749 |
| Real estate - commercial | 11,654 | 18,450 | 30,104 | 5,687 | 35,791 |
| Real estate - land | 27,179 | 42,666 | 69,845 | 4,393 | 74,238 |
| Real estate - residential construction | 17,179 | - | 17,179 | 540 | 17,719 |
| Real estate - commercial construction | - | 17,132 | 17,132 | 830 | 17,962 |
| Commercial | 8,002 | 16,765 | 24,767 | - | 24,767 |
| Trade Finance | - | - | - | - | - |
| Consumer | 114 | 146 | 260 | - | 260 |
| Total | \$ 78,021 | \$ 95,159 | \$ 173,180 | \$ 13,832 | \$ 187,012 |

AS OF JUNE 30, 2009

| Loan Type | Total Nonaccrual Loans | | Total Nonaccrual Loans | REO Assets | Total Non-Performing Assets |
|--|------------------------|---------------------------|------------------------|------------------|-----------------------------|
| | 90+ Days Delinquent | Under 90+ Days Delinquent | | | |
| Real estate - single family | \$ 5,181 | \$ - | \$ 5,181 | \$ 4,921 | \$ 10,102 |
| Real estate - multifamily | 7,938 | - | 7,938 | 281 | 8,219 |
| Real estate - commercial | 19,786 | 4,590 | 24,376 | 2,887 | 27,263 |
| Real estate - land | 35,660 | 1,656 | 37,316 | 13,307 | 50,623 |
| Real estate - residential construction | 46,176 | - | 46,176 | 4,154 | 50,330 |
| Real estate - commercial construction | 20,629 | - | 20,629 | - | 20,629 |
| Commercial | 8,034 | 8,067 | 16,101 | 626 | 16,727 |
| Trade Finance | 3,706 | - | 3,706 | 211 | 3,917 |
| Consumer | 339 | 412 | 751 | 801 | 1,552 |
| Total | \$ 147,449 | \$ 14,725 | \$ 162,174 | \$ 27,188 | \$ 189,362 |

EAST WEST BANCORP, INC.
QUARTER TO DATE AVERAGE BALANCES, YIELDS AND RATES PAID

(In thousands)
(unaudited)

| | Quarter Ended | | | | | |
|---|----------------------|-------------------|--------------|----------------------|------------------|--------------|
| | June 30, 2010 | | | June 30, 2009 | | |
| | Average Volume | Interest | Yield (1) | Average Volume | Interest | Yield (1) |
| ASSETS | | | | | | |
| Interest-earning assets: | | | | | | |
| Short-term investments and interest bearing deposits in other banks | \$ 948,361 | \$ 1,502 | 0.64% | \$ 876,386 | \$ 2,509 | 1.15% |
| Securities purchased under resale agreements | 455,743 | 2,630 | 2.28% | 51,374 | 1,292 | 9.95% |
| Investment securities (2) | 2,202,676 | 14,741 | 2.68% | 2,612,998 | 30,440 | 4.67% |
| Loans receivable | 8,556,680 | 116,916 | 5.48% | 8,244,850 | 111,669 | 5.43% |
| Loans receivable - covered | 5,137,863 | 116,867 | 9.12% | - | - | - |
| Federal Home Loan Bank and Federal Reserve Bank stocks | 224,473 | 877 | 1.56% | 123,514 | 545 | 1.76% |
| Total interest-earning assets | <u>17,525,796</u> | <u>253,533</u> | <u>5.80%</u> | <u>11,909,122</u> | <u>146,455</u> | <u>4.93%</u> |
| Noninterest-earning assets: | | | | | | |
| Cash and due from banks | 603,907 | | | 113,853 | | |
| Allowance for loan losses | (255,904) | | | (198,802) | | |
| Other assets | 2,012,470 | | | 794,849 | | |
| Total assets | <u>\$ 19,886,269</u> | | | <u>\$ 12,619,022</u> | | |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | | |
| Interest-bearing liabilities: | | | | | | |
| Checking accounts | 663,936 | 527 | 0.32% | 356,756 | 324 | 0.36% |
| Money market accounts | 3,968,293 | 8,336 | 0.84% | 1,822,470 | 6,140 | 1.35% |
| Savings deposits | 961,374 | 1,274 | 0.53% | 415,828 | 659 | 0.64% |
| Time deposits | 6,714,972 | 18,995 | 1.13% | 4,548,935 | 23,767 | 2.10% |
| Federal Home Loan Bank advances | 1,238,400 | 6,175 | 2.00% | 1,273,640 | 13,142 | 4.14% |
| Securities sold under repurchase agreements | 1,042,305 | 12,045 | 4.57% | 1,006,614 | 12,004 | 4.72% |
| Subordinated debt and trust preferred securities | 235,570 | 1,591 | 2.67% | 235,570 | 2,034 | 3.42% |
| Other borrowings | 49,785 | 967 | 7.68% | 4,849 | 3 | 0.24% |
| Total interest-bearing liabilities | <u>14,874,635</u> | <u>49,910</u> | <u>1.35%</u> | <u>9,664,662</u> | <u>58,073</u> | <u>2.41%</u> |
| Noninterest-bearing liabilities: | | | | | | |
| Demand deposits | 2,300,228 | | | 1,300,676 | | |
| Other liabilities | 400,783 | | | 123,431 | | |
| Stockholders' equity | 2,310,623 | | | 1,530,253 | | |
| Total liabilities and stockholders' equity | <u>\$ 19,886,269</u> | | | <u>\$ 12,619,022</u> | | |
| Interest rate spread | | | 4.45% | | | 2.52% |
| Net interest income and net interest margin | | <u>\$ 203,623</u> | 4.66% | | <u>\$ 88,382</u> | 2.98% |
| Net interest income and net interest margin adjusted (3) | | <u>\$ 173,868</u> | 3.98% | | | |

(1) Annualized

(2) Amounts calculated on a fully taxable equivalent basis using the current statutory federal tax rate.

(3) Amounts exclude yield adjustment related to covered loan disposition and recoveries of \$29,755 for the three months ended June 30, 2010.

EAST WEST BANCORP, INC.
YEAR TO DATE AVERAGE BALANCES, YIELDS AND RATES PAID

(In thousands)
(unaudited)

| | Year To Date | | | | | |
|---|----------------------|-------------------|--------------|----------------------|-------------------|--------------|
| | June 30, 2010 | | | June 30, 2009 | | |
| | Average Volume | Interest | Yield (1) | Average Volume | Interest | Yield (1) |
| ASSETS | | | | | | |
| Interest-earning assets: | | | | | | |
| Short-term investments and interest bearing deposits in other banks | \$ 1,119,912 | \$ 5,043 | 0.91% | \$ 804,379 | \$ 5,485 | 1.38% |
| Securities purchased under resale agreements | 358,074 | 8,893 | 4.94% | 50,691 | 2,542 | 9.97% |
| Investment securities (2) | 2,194,322 | 34,931 | 3.21% | 2,658,478 | 59,905 | 4.54% |
| Loans receivable | 8,582,214 | 238,944 | 5.61% | 8,221,143 | 222,485 | 5.46% |
| Loans receivable - covered | 5,256,293 | 282,783 | 10.85% | - | - | - |
| Federal Home Loan Bank and Federal Reserve Bank stocks | 223,097 | 1,656 | 1.48% | 121,786 | 1,051 | 1.73% |
| Total interest-earning assets | <u>17,733,912</u> | <u>572,250</u> | <u>6.51%</u> | <u>11,856,477</u> | <u>291,468</u> | <u>4.96%</u> |
| Noninterest-earning assets: | | | | | | |
| Cash and due from banks | 485,965 | | | 118,351 | | |
| Allowance for loan losses | (254,700) | | | (192,465) | | |
| Other assets | 2,195,865 | | | 775,633 | | |
| Total assets | <u>\$ 20,161,042</u> | | | <u>\$ 12,557,996</u> | | |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | | |
| Interest-bearing liabilities: | | | | | | |
| Checking accounts | 651,655 | 1,141 | 0.35% | 358,492 | 717 | 0.40% |
| Money market accounts | 3,716,606 | 16,302 | 0.88% | 1,655,476 | 11,834 | 1.44% |
| Savings deposits | 976,695 | 2,416 | 0.50% | 413,046 | 1,361 | 0.66% |
| Time deposits | 7,013,720 | 42,721 | 1.23% | 4,681,241 | 54,051 | 2.33% |
| Federal Home Loan Bank advances | 1,634,910 | 15,180 | 1.87% | 1,279,323 | 27,019 | 4.26% |
| Securities sold under repurchase agreements | 1,035,539 | 24,586 | 4.72% | 1,002,621 | 23,876 | 4.74% |
| Subordinated debt and trust preferred securities | 235,570 | 3,138 | 2.65% | 235,570 | 4,451 | 3.76% |
| Other borrowings | 74,893 | 1,405 | 3.73% | 3,653 | 6 | 0.33% |
| Total interest-bearing liabilities | <u>15,339,588</u> | <u>106,889</u> | <u>1.41%</u> | <u>9,629,422</u> | <u>123,315</u> | <u>2.58%</u> |
| Noninterest-bearing liabilities: | | | | | | |
| Demand deposits | 2,260,847 | | | 1,270,716 | | |
| Other liabilities | 258,399 | | | 122,326 | | |
| Stockholders' equity | 2,302,208 | | | 1,535,532 | | |
| Total liabilities and stockholders' equity | <u>\$ 20,161,042</u> | | | <u>\$ 12,557,996</u> | | |
| Interest rate spread | | | 5.10% | | | 2.38% |
| Net interest income and net interest margin | | <u>\$ 465,361</u> | 5.29% | | <u>\$ 168,153</u> | 2.86% |
| Net interest income and net interest margin adjusted (3) | | <u>\$ 351,728</u> | 4.00% | | | |

(1) Annualized

(2) Amounts calculated on a fully taxable equivalent basis using the current statutory federal tax rate.

(3) Amounts exclude yield adjustment related to covered loan disposition and recoveries of \$111,097 and repurchase agreement termination gain of \$2,536 for the six months ended June 30, 2010.

EAST WEST BANCORP, INC.
SELECTED FINANCIAL INFORMATION
(In thousands)
(unaudited)

| Average Balances | Quarter Ended | | |
|---|---------------|----------------|---------------|
| | June 30, 2010 | March 31, 2010 | June 30, 2009 |
| Loans receivable | | | |
| Real estate - single family | \$ 989,744 | \$ 931,318 | \$ 686,073 |
| Real estate - multifamily | 998,090 | 1,071,910 | 823,890 |
| Real estate - commercial | 3,530,045 | 3,601,112 | 3,516,257 |
| Real estate - land | 317,291 | 356,908 | 523,799 |
| Real estate - construction | 383,846 | 449,272 | 1,072,319 |
| Commercial | 1,492,560 | 1,472,451 | 1,387,257 |
| Consumer | 845,104 | 731,771 | 235,255 |
| Total loans receivable, excluding covered loans | 8,556,680 | 8,614,742 | 8,244,850 |
| Covered loans | 5,137,863 | 5,369,328 | - |
| Total loans receivable | 13,694,543 | 13,984,070 | 8,244,850 |
| Investment securities | 2,202,676 | 2,185,875 | 2,612,998 |
| Earning assets | 17,525,796 | 17,940,933 | 11,909,122 |
| Total assets | 19,886,269 | 20,398,717 | 12,619,022 |
| Deposits | | | |
| Noninterest-bearing demand | \$ 2,300,228 | \$ 2,222,104 | \$ 1,300,676 |
| Interest-bearing checking | 663,936 | 636,039 | 356,756 |
| Money market | 3,968,293 | 3,464,234 | 1,822,470 |
| Savings | 961,374 | 992,186 | 415,828 |
| Total core deposits | 7,893,831 | 7,314,563 | 3,895,730 |
| Time deposits | 6,714,972 | 7,315,789 | 4,548,935 |
| Total deposits | 14,608,803 | 14,630,352 | 8,444,665 |
| Interest-bearing liabilities | 14,874,635 | 15,763,168 | 9,664,662 |
| Stockholders' equity | 2,310,623 | 2,293,712 | 1,530,253 |

| Selected Ratios | Quarter Ended | | |
|--|---------------|----------------|---------------|
| | June 30, 2010 | March 31, 2010 | June 30, 2009 |
| For The Period | | | |
| Return on average assets | 0.73% | 0.49% | -2.92% |
| Return on average common equity | 6.26% | 4.71% | -43.81% |
| Interest rate spread (2) | 4.45% | 5.73% | 2.52% |
| Net interest margin (2) | 4.66% | 5.92% | 2.98% |
| Net interest margin adjusted (4) | 3.98% | 4.02% | 2.98% |
| Yield on earning assets (2) | 5.80% | 7.20% | 4.93% |
| Cost of deposits | 0.80% | 0.93% | 1.47% |
| Cost of funds | 1.17% | 1.28% | 2.12% |
| Noninterest expense/average assets (1) | 2.32% | 2.40% | 1.75% |
| Efficiency ratio (3) | 56.56% | 58.45% | 55.12% |

(1) Excludes the amortization of intangibles, amortization and impairment loss of premiums on deposits acquired, amortization of investments in affordable housing partnerships and prepayment penalty for FHLB advances.

(2) Yields on certain securities have been adjusted upward to a "fully taxable equivalent" basis in order to reflect the effect of income which is exempt from federal income taxation at the current statutory tax rate.

(3) Represents noninterest expense, excluding the amortization of intangibles, amortization and impairment loss of premiums on deposits acquired, investments in affordable housing partnerships and prepayment penalty for FHLB advances, divided by the aggregate of net interest income before provision for loan losses, excluding nonrecurring adjustments and noninterest income, excluding impairment loss on investment securities and gain on acquisition and the decrease in FDIC indemnification asset and FDIC receivable.

(4) Amounts exclude yield adjustment related to covered loan disposition and recoveries of \$29,755 for the quarter ended June 30, 2010, and yield adjustment related to covered loan disposition of \$74,439 for the quarter ended December 31, 2009.

EAST WEST BANCORP, INC.
SELECTED FINANCIAL INFORMATION
(In thousands)
(unaudited)

| Average Balances | Year To Date | |
|---|----------------------|----------------------|
| | <u>June 30, 2010</u> | <u>June 30, 2009</u> |
| Loans receivable | | |
| Real estate - single family | \$ 961,800 | \$ 596,913 |
| Real estate - multifamily | 1,034,830 | 758,744 |
| Real estate - commercial | 3,563,975 | 3,491,166 |
| Real estate - land | 336,990 | 552,917 |
| Real estate - construction | 416,378 | 1,151,836 |
| Commercial | 1,479,533 | 1,437,732 |
| Consumer | 788,708 | 231,835 |
| Total loans receivable, excluding covered loans | <u>8,582,214</u> | <u>8,221,143</u> |
| Covered loans | <u>5,256,293</u> | <u>-</u> |
| Total loans receivable | 13,838,507 | 8,221,143 |
| Investment securities | 2,194,322 | 2,658,478 |
| Earning assets | 17,733,912 | 11,856,477 |
| Total assets | 20,161,042 | 12,557,996 |
| Deposits | | |
| Noninterest-bearing demand | \$ 2,260,847 | \$ 1,270,716 |
| Interest-bearing checking | 651,655 | 358,492 |
| Money market | 3,716,606 | 1,655,476 |
| Savings | 976,695 | 413,046 |
| Total core deposits | <u>7,605,803</u> | <u>3,697,730</u> |
| Time deposits | <u>7,013,720</u> | <u>4,681,241</u> |
| Total deposits | 14,619,523 | 8,378,971 |
| Interest-bearing liabilities | 15,339,588 | 9,629,422 |
| Stockholders' equity | 2,302,208 | 1,535,532 |

| Selected Ratios | Year To Date | |
|--|----------------------|----------------------|
| | <u>June 30, 2010</u> | <u>June 30, 2009</u> |
| For The Period | | |
| Return on average assets | 0.61% | -1.82% |
| Return on average common equity | 5.55% | -27.66% |
| Interest rate spread (2) | 5.10% | 2.38% |
| Net interest margin (2) | 5.29% | 2.86% |
| Net interest margin adjusted (4) | 4.00% | 2.86% |
| Yield on earning assets (2) | 6.51% | 4.96% |
| Cost of deposits | 0.86% | 1.64% |
| Cost of funds | 1.22% | 2.28% |
| Noninterest expense/average assets (1) | 2.36% | 1.65% |
| Efficiency ratio (3) | 57.52% | 53.51% |

(1) Excludes the amortization of intangibles, amortization and impairment loss of premiums on deposits acquired, amortization of investments in affordable housing partnerships and prepayment penalty for FHLB advances.

(2) Yields on certain securities have been adjusted upward to a "fully taxable equivalent" basis in order to reflect the effect of income which is exempt from federal income taxation at the current statutory tax rate.

(3) Represents noninterest expense, excluding the amortization of intangibles, amortization and impairment loss of premiums on deposits acquired, investments in affordable housing partnerships and prepayment penalty for FHLB advances, divided by the aggregate of net interest income before provision for loan losses, excluding nonrecurring adjustments and noninterest income, excluding impairment loss on investment securities and gain on acquisition and the decrease in FDIC indemnification asset and FDIC receivable.

(4) Amounts exclude yield adjustment related to covered loan disposition and recoveries of \$111,097 and repurchase agreement termination gain of \$2,536 for the six months ended June 30, 2010.

EAST WEST BANCORP, INC.
GAAP TO NON-GAAP RECONCILIATION
(In thousands)
(Unaudited)

The tangible common equity to risk weighted asset and tangible common equity to tangible asset ratios is a non-GAAP disclosure. The Company uses certain non-GAAP financial measures to provide supplemental information regarding the Company's performance to provide additional disclosure. As the use of tangible common equity to tangible asset is more prevalent in the banking industry and with banking regulators and analysts, we have included the tangible common equity to risk-weighted assets and tangible common equity to tangible asset ratios.

| | As of |
|--|----------------------|
| | June 30, 2010 |
| Stockholders' Equity | \$ 2,338,964 |
| Less: | |
| Preferred Equity | (369,695) |
| Goodwill and other intangible assets | (424,746) |
| Tangible common equity | <u>\$ 1,544,523</u> |
| | |
| Risk-weighted assets | <u>10,863,240</u> |
| | |
| Tangible Common Equity to risk-weighted assets | <u>14.2%</u> |
| | |
| | As of |
| | June 30, 2010 |
| Total assets | \$ 19,967,321 |
| Less: | |
| Goodwill and other intangible assets | (424,746) |
| Tangible assets | <u>\$ 19,542,575</u> |
| | |
| Tangible common equity to tangible asset ratio | 7.90% |

Operating noninterest income is a non-GAAP disclosure. The Company uses certain non-GAAP financial measures to provide supplemental information regarding the Company's performance to provide additional disclosure. There are noninterest income line items that are non-core in nature. Operating noninterest income excludes such non-core noninterest income line items. The Company believes that presenting the operating noninterest income provides more clarity to the users of financial statements regarding the core noninterest income amounts.

| | Quarter Ended |
|--|----------------------|
| | June 30, 2010 |
| Noninterest income | \$ 35,685 |
| Add: | |
| Impairment loss on investment securities | 4,642 |
| Net gain on sale of investment securities | (5,847) |
| Net gain on sale of loans | (8,073) |
| Gain on acquisition | (19,476) |
| Decrease in FDIC indemnification asset and FDIC receivable | 9,424 |
| Operating noninterest income (non-GAAP) | <u>\$ 16,355</u> |

| | Quarter Ended |
|--|----------------------|
| | June 30, 2009 |
| Noninterest income | \$ (26,199) |
| Add: | |
| Impairment loss on investment securities | 37,447 |
| Net gain on sale of investment securities | (1,680) |
| Net gain on sale of loans | (3) |
| Gain on acquisition | - |
| Decrease in FDIC indemnification asset and FDIC receivable | - |
| Operating noninterest income (non-GAAP) | <u>\$ 9,565</u> |

EAST WEST BANCORP, INC.
GAAP TO NON-GAAP RECONCILIATION
(In thousands)
(Unaudited)

Operating noninterest expense is a non-GAAP disclosure. The Company uses certain non-GAAP financial measures to provide supplemental information regarding the Company's performance to provide additional disclosure. There are noninterest expense line items that are non-core in nature. Operating noninterest expense excludes such non-core noninterest expense line items. The Company believes that presenting the operating noninterest expense provides more clarity to the users of financial statements regarding the core noninterest expense amounts.

| | | Quarter Ended June 30, 2010 |
|--|----|---|
| Noninterest Expense: | \$ | 125,318 |
| Prepayment penalty for FHLB advances | | 3,900 |
| Expenses related to the integration of UCB | | 3,602 |
| | | |
| Expenses for UCB covered assets, reimbursable from the FDIC: | | |
| OREO Expenses | | 15,258 |
| Loan related expenses | | 4,062 |
| Legal expenses | | 1,877 |
| Total reimbursable expenses on covered assets | | 21,197 |
| | | |
| Noninterest expense excluding prepayment penalty on FHLB advances, integration costs related to the acquisition of UCB, and reimbursable expenses | \$ | 96,619 |
| | | |
| | | Quarter Ended March 31, 2010 |
| Noninterest Expense: | \$ | 138,910 |
| Prepayment penalty for FHLB advances | | 9,932 |
| Expenses related to the integration of UCB | | |
| Compensation and employee benefits | | 6,240 |
| Other integration expenses | | 3,664 |
| Total integration costs related to the acquisition of UCB | | 9,904 |
| | | |
| REO expense for UCB covered assets, reimbursable from the FDIC | | 11,092 |
| | | |
| Non interest expense excluding prepayment penalty on FHLB advances, integration costs related to the acquisition of UCB, and reimbursable REO expenses | \$ | 107,982 |

EAST WEST BANCORP, INC.
GAAP TO NON-GAAP RECONCILIATION

(In thousands)

(Unaudited)

The Company uses certain non-GAAP financial measures to provide supplemental information regarding the Company's performance to provide additional disclosure. For the second quarter of 2010, the quarter to date net interest income and net interest margin includes a yield adjustment of \$29,755 related to covered loan disposition, the year to date net interest income and net interest margin includes a yield adjustment of \$111,097 related to covered loan disposition and recoveries and repurchase agreement termination gain of \$2,536. For the first quarter of 2010 net interest income and net interest margin includes a yield adjustment of \$81,343 related to covered loan disposition and recoveries and repurchase agreement termination gain of \$2,536. These amounts are nonrecurring in nature. As such, the Company believes that presenting the net interest income and net interest margin excluding these nonrecurring items provides additional clarity to the users of financial statements regarding the core net interest income and net interest margin.

| | Quarter Ended June 30, 2010 | | |
|---|------------------------------------|------------|-------|
| | Average Volume | Interest | Yield |
| Total interest-earning assets | \$ 17,525,796 | \$ 253,533 | 5.80% |
| Net interest income and net interest margin | | \$ 203,623 | 4.66% |
| Less yield adjustment related to: | | | |
| Covered loan disposition and recoveries | | 29,755 | |
| Net interest income and net interest margin, excluding yield adjustment | | \$ 173,868 | 3.98% |

| | Quarter Ended March 31, 2010 | | |
|---|-------------------------------------|------------|-------|
| | Average Volume | Interest | Yield |
| Total interest-earning assets | \$ 17,940,933 | \$ 318,717 | 7.20% |
| Net interest income and net interest margin | | \$ 261,724 | 5.92% |
| Less yield adjustment related to: | | | |
| Covered loan disposition and recoveries | | 81,343 | |
| Repurchase agreement termination gain | | 2,536 | |
| Total yield adjustment | | \$ 83,879 | |
| Net interest income and net interest margin, excluding yield adjustment | | \$ 177,845 | 4.02% |