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NEWS RELEASE

**FOR FURTHER INFORMATION AT THE COMPANY:**

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**FOR IMMEDIATE RELEASE**

**January 23, 2003**

**EAST WEST BANCORP REPORTS RECORD ANNUAL EPS**

*Fourth Quarter Earnings per Share Increase 33% to \$0.52*

*Record EPS of \$2.01 for 2002, 25% Above 2001*

*Management Provides Initial Outlook for 2003*

**San Marino, CA – January 23, 2003** – East West Bancorp, Inc. (Nasdaq: EWBC), parent company of East West Bank, one of the nation's premier community banks and a leading institution focused on the Chinese-American and other niche markets, today reported financial results for the fourth quarter and full year 2002. Earnings per share for the fourth quarter totaled \$0.52, while EPS for all of 2002 equaled a record \$2.01. Management attributed the historic 2002 earnings to higher balances of loans and core deposits, an exceptional efficiency ratio and strong asset quality.

Highlights for the year include:

- Record annual net income of \$49.5 million;
- 2002 return on average assets of 1.63%, the highest in bank history;
- Total assets reached \$3.3 billion;
- Core deposits climbed to \$1.4 billion;
- 40.07% efficiency ratio for the year;
- Total net charge-offs of only 0.11% for 2002;
- Initiation of 99 Ranch in-store banking;
- Agreement to acquire Pacific Business Bank.

### *Financial Summary*

Net income for the full year 2002 totaled a record \$49.5 million, 28% above 2001, while net income for the fourth quarter was \$12.6 million, 33% higher than the prior year quarter. Diluted earnings per share increased by 25% to \$2.01 for the year and by 33% to \$0.52 for the quarter. Return on average assets for the year and fourth quarter equaled 1.63% and 1.55%, respectively, while return on average equity for the same periods was 18.29% and 17.29%, respectively.

Dominic Ng, Chairman, President and Chief Executive Officer, commented, "The financial results for 2002 represent the sixth consecutive year in which East West has rewarded shareholders with record earnings and we are especially pleased to produce such strong performance in all of our operating metrics in a very challenging environment. We believe that our focus on core niche markets where East West can provide value-added products and services to our client base, as well as our commitment to strong asset quality and prudent lending throughout a variety of economic conditions, were the primary drivers of our historic performance. We finished 2002 with record net income and earnings per share, returns on assets and equity above our targeted levels and asset quality ratios that also surpassed our goals. At the same time, during 2002 we laid the foundation for further continued growth, working to initiate our China representative office, beginning the acquisition of Pacific Business Bank and launching our supermarket banking in 99 Ranch stores. In all, we believe that we provided shareholders a solid mix of quality earnings in 2002 and the strongest balance sheet in the Bank's history, as well as a franchise well positioned for continued success in the coming year."

### *Management Outlook and Update*

Mr. Ng provided details of assumptions used in setting initial estimates for 2003 EPS, "We have established our initial estimates for 2003 EPS based on the results of 2002 and the current economic environment for the California market. We are assuming organic performance that includes loan growth of approximately 15%, gains in non-interest income of 10% to 12% and an increase in non-interest expense of 7% to 8%. Including the impact of the acquisition of Pacific Business Bank, we estimated loan growth of 24%, non-interest income growth of 12% to 14% and increases in non-interest expense of 12% to 14%. In addition, our tax rate will return to a normalized range of 37% to 38%, compared to the 2002 effective rate of 29%, due to the elimination of our registered investment company at the end of the fourth quarter of 2002. The most significant factor in our estimate is the interest rate environment. Under a stable interest rate scenario, these assumptions result in a margin in the 4.00% range for the first six months of the year, rising to 4.20% in the second half of 2003. Should interest rates increase during the year, we estimate our margin should expand to the 4.30% to 4.40% range by the end of the year, depending upon the timing and magnitude of any such increase. As a result, our estimate for 2003 EPS is \$2.25 to \$2.30, dependent upon the level of interest rates. The lower end of this range represents a 28% increase in the pretax earnings of East West, compared to 31% in 2002, and 13% growth in net income and EPS, with the higher effective tax rate responsible for the differential between pretax and net earnings. We believe this level of performance is the most prudent balance between earnings growth and our long-standing goal to protect shareholder value and asset quality."

### *Balance Sheet Summary*

Total assets as of December 31, 2002 totaled \$3.3 billion, the highest in the bank's history and 18% above year-end 2001. Period-end gross loans were \$2.3 billion, 9% above a year ago. During the fourth quarter, East West securitized approximately \$35 million of single family loans in exchange for Fannie Mae securities and sold approximately \$43 million of single-family mortgages and SBA loans, in addition to the \$160 million securitized in the third quarter of 2002. These transactions were executed for liquidity and capital management purposes. Annual loan growth, excluding the loan sales and securitizations, equaled 19.6%. Average earning assets for the fourth quarter totaled \$3.1 billion, 15% higher than the fourth quarter of 2001, while average loans for the quarter were \$2.3 billion, 8% above the year ago quarter. Multifamily, commercial real estate and consumer loans contributed the majority of the loan growth for the period.

Year-end deposits totaled \$2.9 billion, a 21% increase from December 2001. Core deposits as of December 31, 2002 increased by 26% to \$1.4 billion and now represent 48% of total deposits. Average deposits for the fourth quarter equaled \$2.8 billion, 18% above the fourth quarter of 2001, while average core deposits increased by 22% to \$1.3 billion. Demand, checking and savings accounts contributed the majority of the growth in deposits for the fourth quarter, with both commercial and retail operations generating growth in deposit balances. Management anticipates growth in core and total deposits in 2003 in the 12% to 15% range, with a continued balance between commercial, traditional retail and in-store relationships.

The cost of deposits for the fourth quarter totaled 1.46% versus 2.34% in the prior year period, while the total cost of funds for the quarter equaled 1.59%, compared to 2.50% a year ago. Management believes that, based on recent interest rate cuts by the Federal Reserve, the cost of core deposits has reached a natural floor and is unlikely to experience meaningful reductions in the future. East West does believe, however, that it has the opportunity to further lower the cost of time deposits as these balances reprice during 2003. The year-end cost of time deposits was 2.29%, compared to the current average rate offered by East West of 1.50% to 1.75%. 58% of the bank's time deposits will reprice during the first six months of 2003, and 90% during the full year.

### *Operating Results*

For the fourth quarter of 2002, net interest income totaled \$28.9 million, 9% above the fourth quarter of 2001. The net interest margin for the quarter equaled 3.78%, compared to 4.00% for the year ago quarter. The decline in the net interest margin resulted from the yield on earning assets decreasing at a faster rate than the cost of funds, in addition to the amortization of purchase premiums on two Collateralized Mortgage Obligations. The amortization of the CMO premiums resulted from the early retirement of the entire balance of two securities and reduced net interest income by \$894,000, representing 0.12% of average earning assets for the quarter. As of December 31, 2002, East West had a total of \$738,000 in remaining premiums on \$160 million of mortgage backed securities on its balance sheet. Based on the current time deposit repricing schedule, the anticipated growth in earning assets and a flat interest rate environment, management expects the net interest margin to be in the 4.00% range for the first half of 2003, increasing to the 4.20% range in the second half of the year.

Total provision for loan losses for the fourth quarter equaled \$2.6 million, compared to \$2.5 million in the prior year period. The level of provision reflects the growth in the loan portfolio as well as management's assessment of the overall risk of the portfolio.

Non-interest income totaled \$7.9 million for the quarter, 47% higher than the year ago quarter. Core non-interest income, which excludes non-recurring gains on sales of loans, securities and other assets and the amortization of negative intangibles, totaled \$7.0 million, a 38% increase over the comparable figure for the fourth quarter of 2001. The gains in core non-interest income resulted primarily from higher loan, branch and letter of credit fees, as well as other income, including insurance and investment product sales. During the fourth quarter, East West recognized a non-recurring cash gain on the sale of \$39 million of single-family loans of approximately \$800,000, as well as gains on the sale of SBA loans and single-family mortgages into the secondary market of approximately \$600,000, which are from recurring sources.

Total non-interest expense for the fourth quarter equaled \$16.3 million, a decrease of 1% from the prior year period. Cash operating expenses, which exclude the amortization of positive intangibles and investments in affordable housing partnerships, totaled \$14.6 million, also a 1% decrease. The decrease in operating expenses resulted from lowered compensation and other employee expenses due to selected staff reductions and lower bonus accruals, as well as reductions in occupancy costs and lower data processing costs, offset by higher deposit insurance premiums and higher other operating expenses. The efficiency ratio for the fourth quarter was 39.67%, compared to 46.18% for the prior year period. Management anticipates an efficiency ratio in the 40% to 42% range for 2003, with a 7% to 8% increase in the level of organic expenses, and 12% to 14% including increases due to the acquisition of Pacific Business Bank.

The effective tax rate for the quarter was 29.5%, compared to 26.3% in the fourth quarter of 2001. The increase in the effective rate reflects a lower yield on assets placed into the Bank's registered investment company ("RIC") during the quarter, the elimination of the RIC at the end of December 2002, offset by the impact of the recognition of enterprise zone tax credits during the fourth quarter. Management anticipates an effective tax rate in the 37% to 38% range for 2003, due to the tax benefits of the bank's long-standing investment in affordable housing partnerships.

Diluted earnings per share for the fourth quarter equaled \$0.52, 33% above the \$0.39 reported a year ago. Diluted shares outstanding increased by 1% to 24.4 million shares.

#### *Asset Quality*

East West continued to experience strong asset quality ratios well within its targeted levels, with non-performing assets for the fourth quarter of \$12.2 million, or 0.37% of total assets, compared to \$5.8 million, or 0.20% at year-end 2001. Non-accrual loans totaled \$8.9 million, or 0.38% of total loans, compared to \$3.7 million, or 0.17% in the year ago quarter. The increase in the level of nonperforming assets and nonaccrual loans is related to one multifamily real estate loan and two commercial business loans. Management believes that the performance of these loans represent individual situations and are not reflective of the overall condition of the loan portfolio and do not represent a systemic issue with the Bank's borrowers. Net charge-offs for the fourth quarter totaled \$1.5 million, or an annualized 0.26% of

average loans, compared to \$1.0 million, or 0.18% in the prior year period. Net chargeoffs for the full year 2002 equaled \$2.5 million, or 0.11% of average loans, compared to \$4.1 million or 0.21% in 2001. Management believes that the general level of asset quality remains stable and anticipates that the level of nonperforming assets will remain below 0.50% of total assets and the level of net charge-offs will remain below 0.35% in 2003.

### *Capitalization*

East West remains “well-capitalized” under all regulatory guidelines, with a Tier I risk-based capital ratio of 10.20%, a total risk-based capital ratio of 11.45% and a Tier I leverage ratio of 8.62%. Total stockholders’ equity at the end of 2002 equaled \$302.1 million representing a book value of \$12.65 per share. East West did not repurchase any shares during the quarter and has a total authorized amount of \$9 million remaining under its existing repurchase programs. East West believes that it has sufficient capital to support anticipated growth for 2003.

### *About East West*

East West Bancorp is a publicly owned company, with \$3.3 billion in assets, whose stock is traded on the Nasdaq National Market under the symbol “EWBC”. The company’s wholly-owned subsidiary, East West Bank, is the third largest independent commercial bank headquartered in Los Angeles. East West Bank serves the community with 34 branches throughout Los Angeles, Orange, San Francisco, Alameda and Santa Clara counties. It is also one of the largest financial institutions in the nation focusing on the Chinese-American community. For more information on East West Bancorp call toll-free 800-713-6506. The Company’s Web site can be reached at <http://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, 2001 (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 EWBC and its subsidiaries to increase its customer base; 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 events.

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

	December 31, 2002	December 31, 2001	% Change
<b>Assets</b>			
Cash and cash equivalents	\$ 295,272	\$ 224,334	32
Investment securities	531,607	323,099	65
Loans (net of allowance for loan losses of \$35,292 and \$27,557)	2,313,199	2,132,838	8
Intangible assets	26,530	29,907	(11)
Other assets	154,881	115,125	35
Total assets	\$ 3,321,489	\$ 2,825,303	18
<b>Liabilities and Stockholders' Equity</b>			
Deposits	\$ 2,926,352	\$ 2,417,974	21
FHLB advances	34,000	104,000	(67)
Accrued expenses and other liabilities	36,170	35,906	1
Notes payable	2,100	900	133
Junior subordinated debt securities	20,750	20,750	0
Total liabilities	3,019,372	2,579,530	17
Negative intangibles	-	1,358	(100)
Stockholders' equity	302,117	244,415	24
Total liabilities and stockholders' equity	\$ 3,321,489	\$ 2,825,303	18
Book value per share	\$ 12.65	\$ 10.46	21
Number of shares at period end	23,882	23,376	2
<b>Ending Balances</b>			
	December 31, 2002	December 31, 2001	% Change
<b>Loans</b>			
Residential first mortgage	\$ 108,508	\$ 316,504	(66)
Real estate - multifamily	628,303	377,224	67
Real estate - commercial	983,481	868,989	13
Real estate - construction	176,221	161,953	9
Commercial	246,798	276,563	(11)
Trade finance	89,573	86,768	3
Consumer	112,924	72,127	57
Total gross loans	\$ 2,345,808	\$ 2,160,128	9
Unearned fees, premiums and discounts	2,683	267	905
Allowance for loan losses	(35,292)	(27,557)	28
Net loans	\$ 2,313,199	\$ 2,132,838	8
<b>Deposits</b>			
Noninterest-bearing	\$ 741,891	\$ 529,365	40
Checking	230,769	196,469	17
Money market	167,148	163,831	2
Savings	256,995	220,436	17
Total core deposits	1,396,803	1,110,101	26
Time deposits	1,529,549	1,307,873	17
Total deposits	\$ 2,926,352	\$ 2,417,974	21

CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
(unaudited)  
(In thousands, except per share amounts)

	For the three months ended December 31,		
	2002	2001	% Change
Interest and dividend income	\$ 40,450	\$ 42,391	(5)
Interest expense	(11,585)	(15,840)	(27)
Net interest income	28,865	26,551	9
Provision for loan losses	(2,550)	(2,500)	2
Net interest income after provision for loan losses	26,315	24,051	9
Noninterest income	7,930	5,403	47
Noninterest expense	(16,317)	(16,559)	(1)
Income before taxes	17,928	12,895	39
Income taxes	(5,293)	(3,393)	56
Net income	\$ 12,635	\$ 9,502	33
Net income per share, basic	\$ 0.53	\$ 0.41	29
Net income per share, diluted	\$ 0.52	\$ 0.39	33
Shares used to compute per share net income:			
- Basic	23,802	23,300	2
- Diluted	24,436	24,248	1

	For the year ended December 31,		
	2002	2001	% Change
Interest and dividend income	\$ 166,213	\$ 182,698	(9)
Interest expense	(48,979)	(83,348)	(41)
Net interest income	117,234	99,350	18
Provision for loan losses	(10,200)	(6,217)	64
Net interest income after provision for loan losses	107,034	93,133	15
Noninterest income	25,462	21,591	18
Noninterest expense	(63,680)	(62,124)	3
Income before taxes	68,816	52,600	31
Income taxes	(20,115)	(13,730)	47
Net income before cumulative effect of change in accounting principle	48,701	38,870	25
Cumulative effect of change in accounting principle	788	(87)	(1,006)
Net income	\$ 49,489	\$ 38,783	28
Net income per share, basic	\$ 2.10	\$ 1.68	25
Net income per share, diluted	\$ 2.01	\$ 1.61	25
Shares used to compute per share net income:			
- Basic	23,596	23,033	2
- Diluted	24,630	24,054	2

SELECTED FINANCIAL INFORMATION  
(unaudited)  
(Dollars in thousands)

Average Balances	For the three months ended December 31,		
	2002	2001	% Change
<b>Loans</b>			
Residential first mortgage	\$ 135,711	\$ 315,430	(57)
Real estate - multifamily	585,216	363,004	61
Real estate - commercial	968,695	856,275	13
Real estate - construction	183,409	157,052	17
Commercial	240,100	269,311	(11)
Trade finance	82,027	91,472	(10)
Consumer	105,006	68,542	53
Total loans	2,300,164	2,121,086	8
Investment securities	486,940	477,452	2
Earning assets	3,056,119	2,652,876	15
Total assets	3,255,393	2,816,467	16
<b>Deposits</b>			
Noninterest-bearing	641,230	461,795	39
Checking	226,313	192,185	18
Money market	176,574	196,956	(10)
Savings	253,054	216,286	17
Total core deposits	1,297,171	1,067,222	22
Time deposits	1,539,234	1,339,400	15
Total deposits	2,836,405	2,406,622	18
Interest-bearing liabilities	2,280,616	2,076,903	10
Stockholders' equity	292,302	238,699	22

SELECTED FINANCIAL INFORMATION  
(unaudited)  
(Dollars in thousands)

Average Balances	For the year ended December 31,		
	2002	2001	% Change
<b>Loans</b>			
Residential first mortgage	\$ 268,553	\$ 315,444	(15)
Real estate - multifamily	497,559	345,602	44
Real estate - commercial	948,004	766,077	24
Real estate - construction	167,029	140,773	19
Commercial	252,650	248,065	2
Trade finance	84,792	100,272	(15)
Consumer	91,322	58,624	56
Total loans	2,309,909	1,974,857	17
Investment securities	379,668	429,790	(12)
Earning assets	2,855,426	2,493,328	15
Total assets	3,034,066	2,646,925	15
<b>Deposits</b>			
Noninterest-bearing	546,332	349,330	56
Checking	212,281	159,679	33
Money market	163,789	170,090	(4)
Savings	241,894	213,098	14
Total core deposits	1,164,296	892,197	30
Time deposits	1,453,295	1,352,342	7
Total deposits	2,617,591	2,244,539	17
Interest-bearing liabilities	2,182,442	2,045,685	7
Stockholders' equity	270,626	218,745	24

SELECTED FINANCIAL INFORMATION  
(unaudited)  
(Dollars in thousands)

	For the Three months ended December 31,			For the Year ended December 31,		
	2002	2001	%Change	2002	2001	%Change
<b>Selected Ratios</b>						
<b>For The Period</b>						
Return on average assets	1.55%	1.35%	15	1.63%	1.47%	11
Return on average equity	17.29%	15.92%	9	18.29%	17.73%	3
Interest rate spread	3.26%	3.34%	(2)	3.58%	3.26%	10
Net interest margin	3.78%	4.00%	(6)	4.11%	3.98%	3
Yield on earning assets	5.29%	6.39%	(17)	5.82%	7.33%	(21)
Cost of deposits	1.46%	2.34%	(38)	1.66%	3.29%	(50)
Cost of funds	1.59%	2.50%	(36)	1.79%	3.48%	(49)
Noninterest expense/ average assets (1)	1.79%	2.09%	(14)	1.88%	2.06%	(9)
Efficiency ratio (1)	39.67%	46.18%	(14)	40.07%	45.22%	(11)
Net chargeoffs to average loans (annualized)	0.26 %	0.18%	44	0.11%	0.21%	(48)
<b>Period End</b>						
Tier 1 risk-based capital ratio (Bank)				10.20%	9.77%	4
Total risk-based capital ratio (Bank)				11.45%	10.95%	5
Tier 1 leverage ratio (Bank)				8.62%	8.22%	5
Nonperforming assets to total assets				0.37%	0.20%	85
Nonaccrual loans to total loans				0.38%	0.17%	124
Allowance for loan losses to total loans				1.50%	1.28%	17
Allowance for loan losses to nonaccrual loans				398.55%	753.34%	(47)
<b>Noninterest income:</b>						
	2002	2001	%Change	2002	2001	%Change
Loan fees	\$ 1,718	\$ 1,291	33	\$ 5,929	\$ 4,128	44
Branch fees	1,578	1,472	7	6,186	5,353	16
Letters of credit fees and commissions	1,532	1,286	19	5,641	4,324	30
Gain on sale of loans	1,400	321	336	1,946	1,088	79
Gain on sale of securitized loans	126	-	100	328	-	100
Gain on securities	-	-	0	13	2,459	(99)
Amortization of negative intangibles	-	24	(100)	-	255	(100)
Other	1,576	1,009	56	5,419	3,984	36
Total	\$ 7,930	\$ 5,403	47	\$ 25,462	\$ 21,591	18
<b>Noninterest expense:</b>						
Compensation and other employee benefits	\$ 6,287	\$ 6,837	(8)	\$ 25,761	\$ 25,136	2
Net occupancy of premises	2,421	2,511	(4)	10,261	9,899	4
Deposit insurance premiums and regulatory assessments	165	144	15	621	552	13
Data processing	408	442	(8)	1,711	1,775	(4)
Amortization of positive intangibles	444	850	(48)	1,806	3,766	(52)
OREO operations	(7)	4	(275)	3	34	(91)
Amortization of investments in affordable housing partnerships	1,277	964	32	4,698	3,782	24
Other	5,322	4,807	11	18,819	17,180	10
Total	\$ 16,317	\$ 16,559	(1)	\$ 63,680	\$ 62,124	3

(1) Excludes the amortization of intangibles and investments in affordable housing partnerships