

# Second Quarter 2016 INVESTOR PRESENTATION

August 18, 2016



# Safe Harbor Statement

This presentation may include forward-looking statements that involve inherent risks and uncertainties. East West Bancorp, Inc. cautions readers that a number of important factors could cause actual results to differ materially from those in any forward-looking statements. These factors include economic conditions and competition in the geographic and business areas in which East West Bancorp and its subsidiaries operate, inflation or deflation, fluctuation in interest rates, legislation and governmental regulations, investigation of acquired banks and other factors discussed in the Company's filings with the SEC.

# East West Profile

**East West Bank** is the largest independent bank based in Los Angeles, CA.

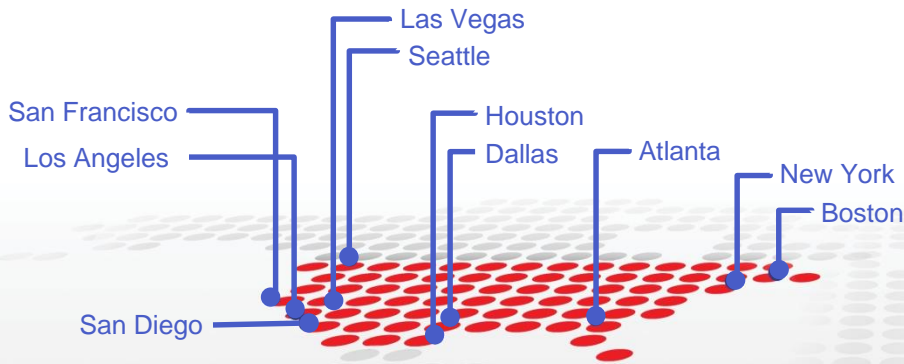
With \$33 billion in total assets, 43 years of operating history, and 2,800 associates, East West Bank is the leading bank serving the Asian community in the U.S.

## UNITED STATES

120+ Locations

*Across 60+ cities in 10 metropolitan areas*

89 U.S. branches in California



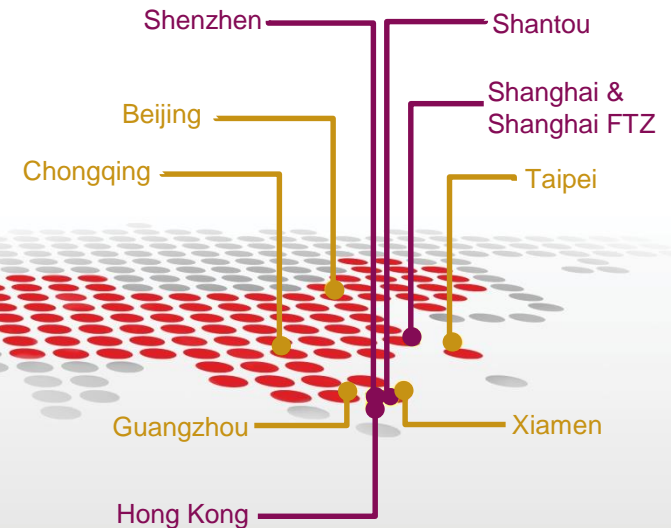
**130+** LOCATIONS  
THROUGHOUT

## GREATER CHINA

10 Locations

*5 Full-service branches*

*5 Representative offices*



# East West Bank Milestones

## The Beginning

**1973**  
First EWB Branch opens for business. First S&L bank serving the Asian American market in Southern California.

## Going Public

**1999**  
EWBC begins to trade on Nasdaq.

## Size Doubles

**2009**  
Acquired \$10 billion United Commercial Bank and doubled asset size to over \$20 billion.

Acquired China banking license.

## Expansion in TX and CA

**2014**  
Presence expanded in TX and CA with acquisition of \$2 billion in assets MetroCorp.

Opened new branches in Shanghai FTZ and Shenzhen.

## Today

**2016**  
6-months net income: \$210.8 million and assets of \$33.0 billion.

## 1980s

Branch network expanded in CA.

## 1991

Assets exceed \$1 billion.

## 1995

Converted to state chartered commercial Bank.

## 1998

Initiated management-led buyout.

## 2005

Annual net income exceeds \$100 million.

## 2007

First full-service branch in Greater China opened in Hong Kong.

## 2013

New branch in Las Vegas.

# East West Bank's Advantage

## THE U.S. FACTOR

- Largest U.S. bank serving the Asian community.
- Among the top 30 largest public banks.
- Bank of choice for new Chinese-American immigrants.
- Ranked by Forbes as top 15 of America's best banks (2010-2015).

## THE CHINA FACTOR

- China is the 2<sup>nd</sup> largest world economy.
- Foreign direct investment in the U.S. continues to rise.
- Cross-border trade between U.S. and Greater China companies is strong.
- EWB is one of the few U.S. banks with a banking license in China.
- 10 locations in Greater China.

## BRIDGE BANKING EXPERTISE

- Knowledge and experience in:
  - Culture
  - Geography
  - Economics
  - Business practices
- Well-connected with business leaders and service professionals.
- Cross-border products and services.
- Long-term relationship building.

## VALUE FOR CUSTOMERS

- Help navigate complicated business transactions.
- Broaden opportunities with our partners and resources.
- Customized solutions meet the unique financial needs across various industries.
- Beyond banking approach helps customers assimilate seamlessly into a new country.

# Bank Rankings by Total Assets and Market Cap

Rank	Total Assets (as of 06.30.16)	\$ Billion	Rank	Market Cap (as of 08.16.16)	\$ Billion
1	JPMorgan Chase & Co.	2,466.1	1	Wells Fargo & Company	244.4
2	Bank of America Corporation	2,186.6	2	JPMorgan Chase & Co.	237.3
3	Wells Fargo & Company	1,889.2	3	Bank of America Corporation	154.8
4	Citigroup Inc.	1,818.8	4	Citigroup Inc.	135.4
5	U.S. Bancorp	438.5	5	U.S. Bancorp	73.6
6	Bank of New York Mellon Corporation	372.4	6	Bank of New York Mellon Corporation	42.7
7	PNC Financial Services Group, Inc.	361.3	7	PNC Financial Services Group, Inc.	42.1
8	Capital One Financial Corporation	339.1	8	Capital One Financial Corporation	34.7
9	State Street Corporation	255.4	9	BB&T Corporation	30.5
10	BB&T Corporation	221.9	10	State Street Corporation	26.9
11	SunTrust Banks, Inc.	199.1	11	SunTrust Banks, Inc.	20.9
12	Citizens Financial Group, Inc.	145.2	12	M&T Bank Corporation	18.4
13	Fifth Third Bancorp	143.6	13	Northern Trust Corporation	15.4
14	Regions Financial Corporation	126.2	14	Fifth Third Bancorp	14.9
15	M&T Bank Corporation	123.8	15	KeyCorp	13.2
16	Northern Trust Corporation	121.5	16	Citizens Financial Group, Inc.	12.2
17	KeyCorp	101.2	17	Regions Financial Corporation	12.0
18	Huntington Bancshares Incorporated	74.0	18	First Republic Bank	11.0
19	Comerica Incorporated	71.3	19	Comerica Incorporated	7.9
20	First Republic Bank	64.7	20	Huntington Bancshares Incorporated	7.7
21	Zions Bancorporation	59.6	21	Signature Bank	6.4
22	SVB Financial Group	43.1	22	Zions Bancorporation	5.9
23	People's United Financial, Inc.	40.2	23	SVB Financial Group	5.5
24	First Niagara Financial Group, Inc.	40.0	24	PacWest Bancorp	5.0
25	Popular, Inc.	37.6	25	East West Bancorp, Inc.	5.0
26	Signature Bank	36.5	26	People's United Financial, Inc.	4.8
27	East West Bancorp, Inc.	33.0	27	Commerce Bancshares, Inc.	4.7
28	First Citizens BancShares, Inc.	32.2	28	BOK Financial Corporation	4.4
29	BOK Financial Corporation	32.0	29	Cullen/Frost Bankers, Inc.	4.4
30	Synovus Financial Corp.	29.5	30	Synovus Financial Corp.	3.9

Source: S&P Global Market Intelligence.

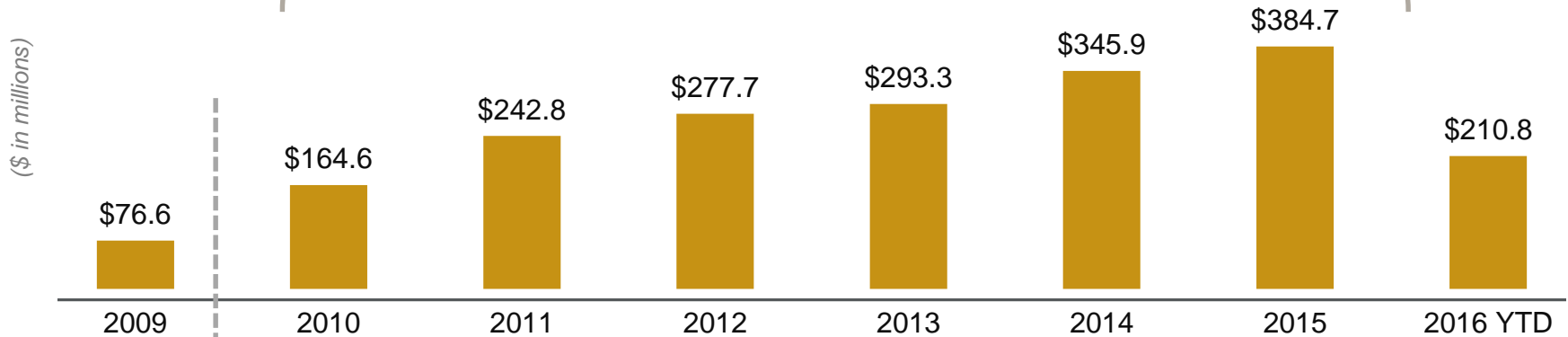
# Second Quarter 2016 Highlights

<i>(\$ in millions, except per share data)</i>	<b>2Q16</b>	<b>1Q16</b>	<b>QoQ Change</b>	<b>2Q15</b>	<b>YoY Change</b>
Net income	\$ 103.3	\$ 107.5	-4%	\$ 98.7	+5%
Earnings per share (diluted)	\$ 0.71	\$ 0.74	-4%	\$ 0.68	+4%
<b>At period-end</b>					
Total loans	\$ 24,287.5	\$ 23,796.7	+2%	\$ 22,160.0	+10%
Total deposits	\$ 28,217.2	\$ 28,596.2	-1%	\$ 25,528.2	+11%
Total assets	\$ 32,952.2	\$ 33,109.2	<-1%	\$ 30,064.1	+10%
<b>Selected ratios</b>					
Return on average assets	1.27%	1.33%	-6 bps	1.34%	-7 bps
Return on average equity	12.71%	13.59%	-88 bps	13.25%	-54 bps
Net interest margin	3.31%	3.32%	-1 bp	3.31%	unchanged
Cost of deposits	0.29%	0.28%	+1 bp	0.29%	unchanged
Cost of funds	0.35%	0.34%	+1 bp	0.43%	-8 bps
Adjusted efficiency ratio <sup>1</sup>	44.59%	44.53%	+6 bps	40.36%	+4.23%

<sup>1</sup> Represents noninterest expense, excluding repurchase agreements' extinguishment costs, amortization of tax credit and other investments and amortization of premiums on deposits acquired, divided by the aggregate of net interest income before provision for credit losses, and noninterest income.

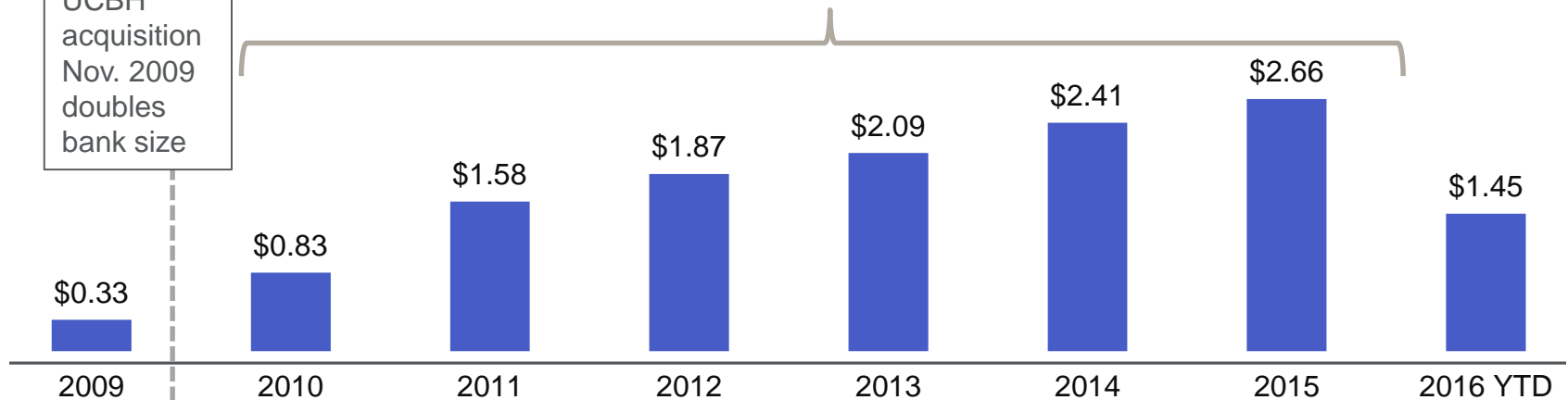
# Six Consecutive Years of Strong Earnings Growth

**19%** CAGR for Net Earnings



**26%** CAGR for Net Earnings per share

UCBH acquisition  
Nov. 2009  
doubles  
bank size

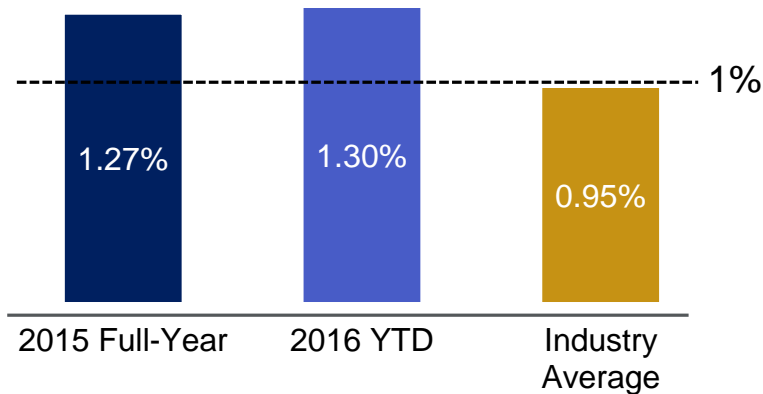


Note: 2010-2014 were restated to reflect the adoption of new accounting guidance related to the Company's investments in qualified affordable housing projects, Accounting Standards Update ("ASU") 2014-01.

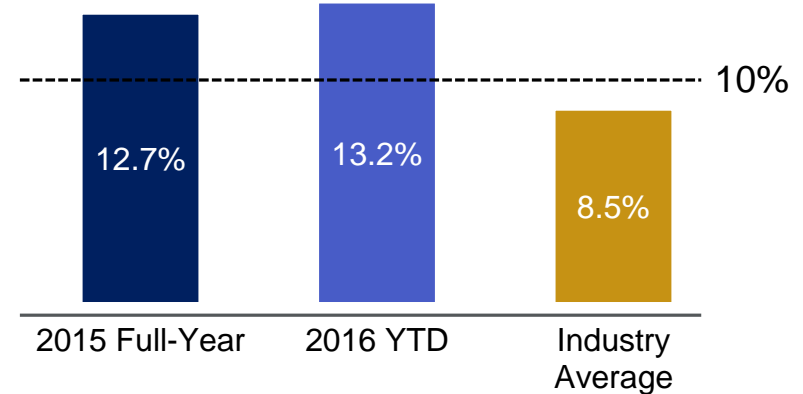


# Outperforming Peers on Key Profitability Metrics

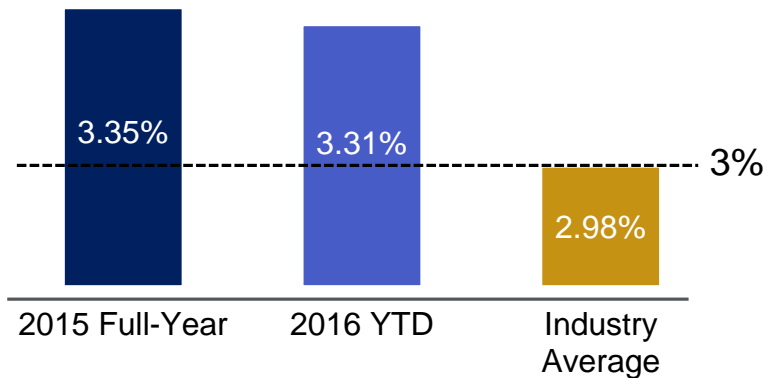
Return on Average Assets



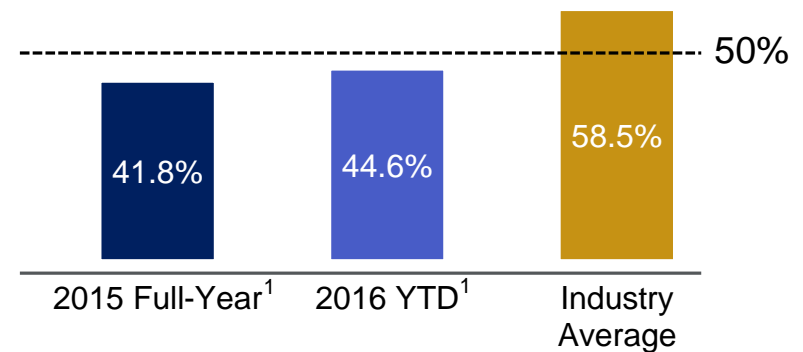
Return on Average Equity



Net Interest Margin



Adjusted Efficiency Ratio



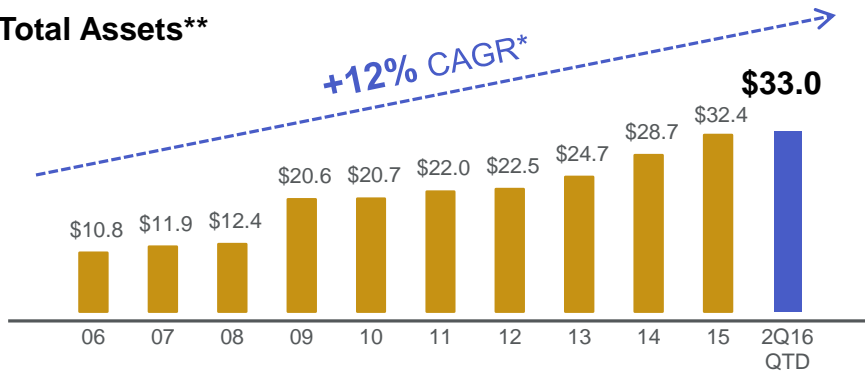
<sup>1</sup> Represents noninterest expense, excluding repurchase agreements' extinguishment costs, amortization of tax credit and other investments and amortization of premiums on deposits acquired, divided by the aggregate of net interest income before provision for credit losses, and noninterest income.

Note: Industry average based on FDIC's 1Q16 Quarterly Banking Profile for FDIC Insured Banks with Asset size >\$10bn.

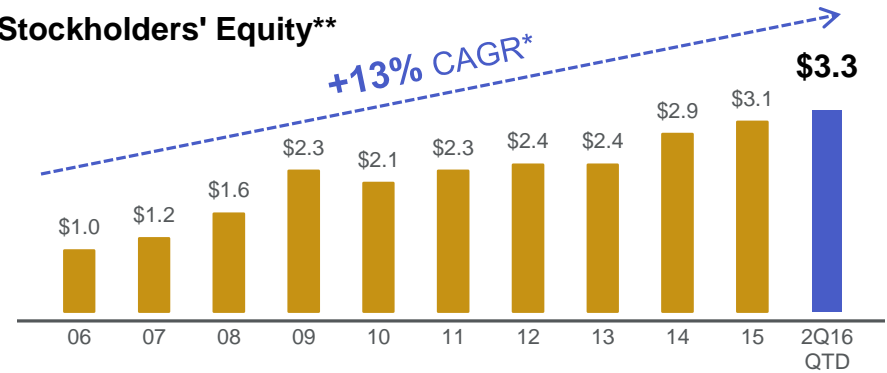
# Strong Growth and Performance

(\$ in billions)

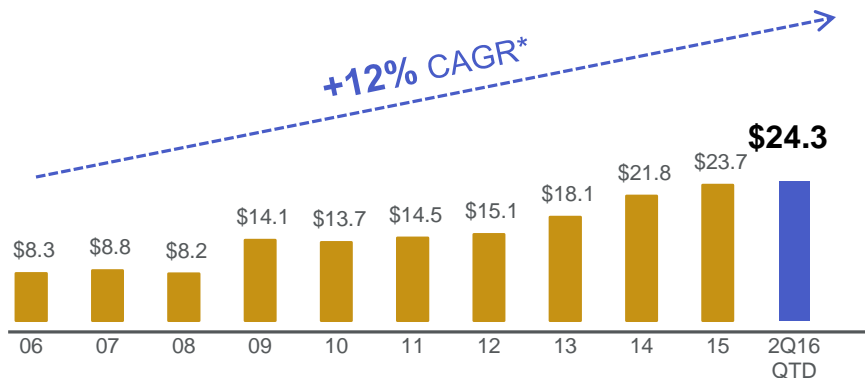
## Total Assets\*\*



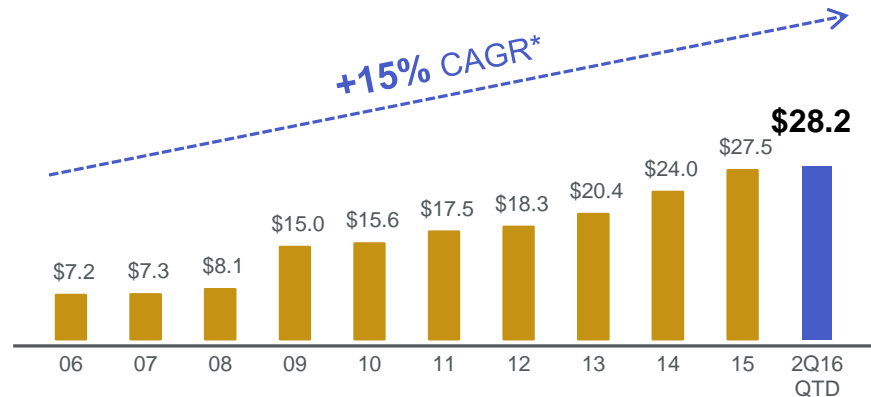
## Stockholders' Equity\*\*



## Total Loans



## Total Deposits

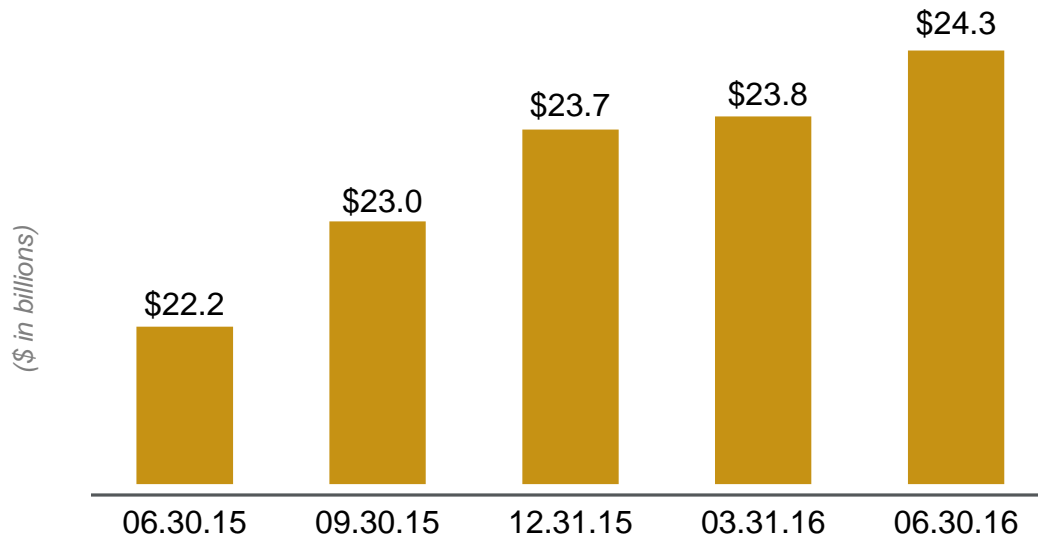


\* CAGR from December 31, 2006 – June 30, 2016.

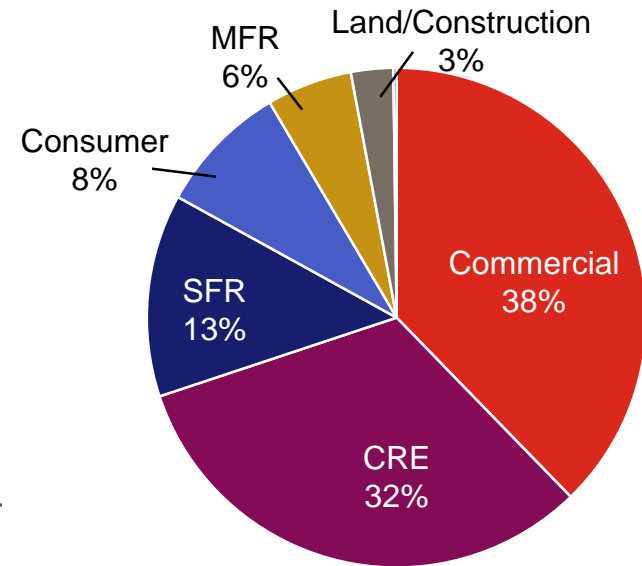
\*\* 2010-2014 were restated to reflect the adoption of new accounting guidance related to the Company's investments in qualified affordable housing projects, Accounting Standards Update ("ASU") 2014-01.

# Diversified Loan Portfolio

**\$24.3 billion** RECORD loans as of June 30, 2016



**Loan Distribution** (as of 06.30.16)



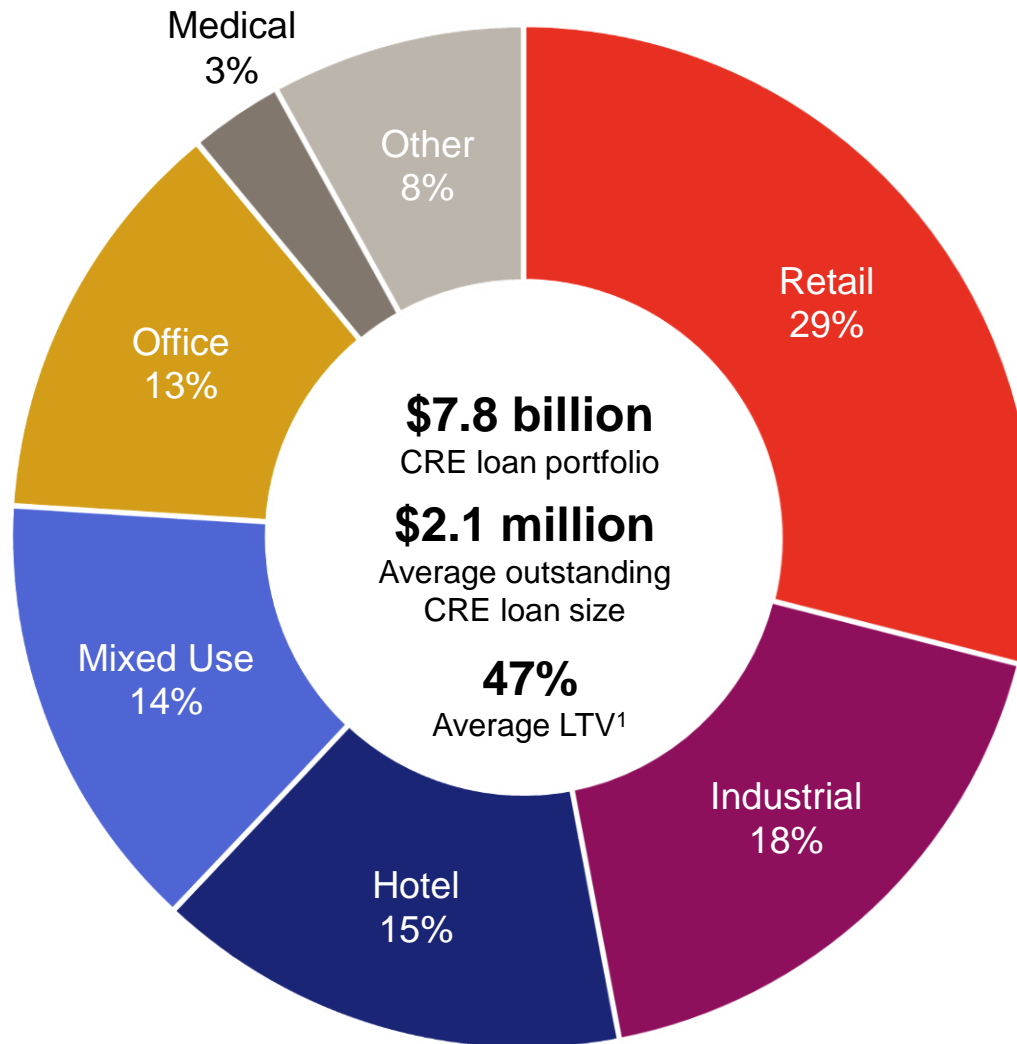
+\$490.8 million or 2% QoQ increase  
+\$2.1 billion or 10% YoY increase

QoQ organic loan growth driven by Commercial and Single Family Residential loans

YoY loan growth driven by CRE and Commercial loans

2Q16 average loan yield was 4.28%, compared to 4.29% in 2Q15

# Diversified Commercial Real Estate Portfolio\*

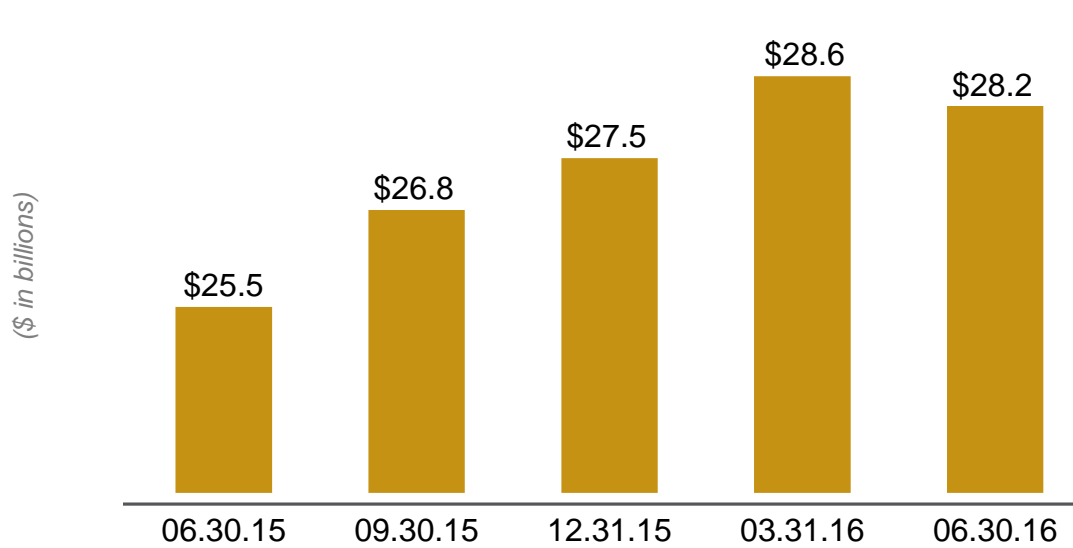


<sup>1</sup>LTV based on current loan balance and appraisal value at origination or renewal.

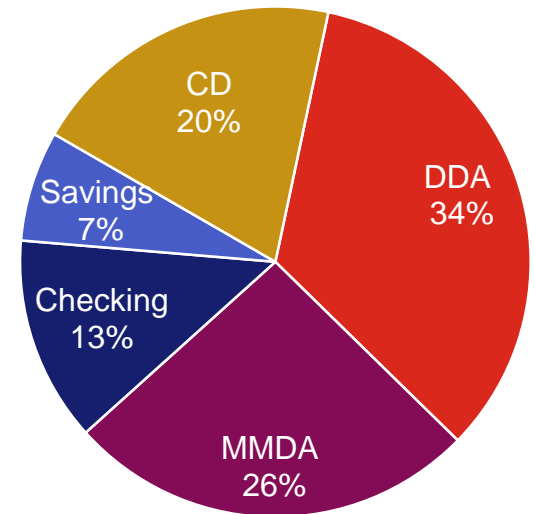
\*As of June 30, 2016.

# Strong Deposit Growth

**\$28.2 billion** deposits as of June 30, 2016



**Deposit Distribution** (as of June 30, 2016)



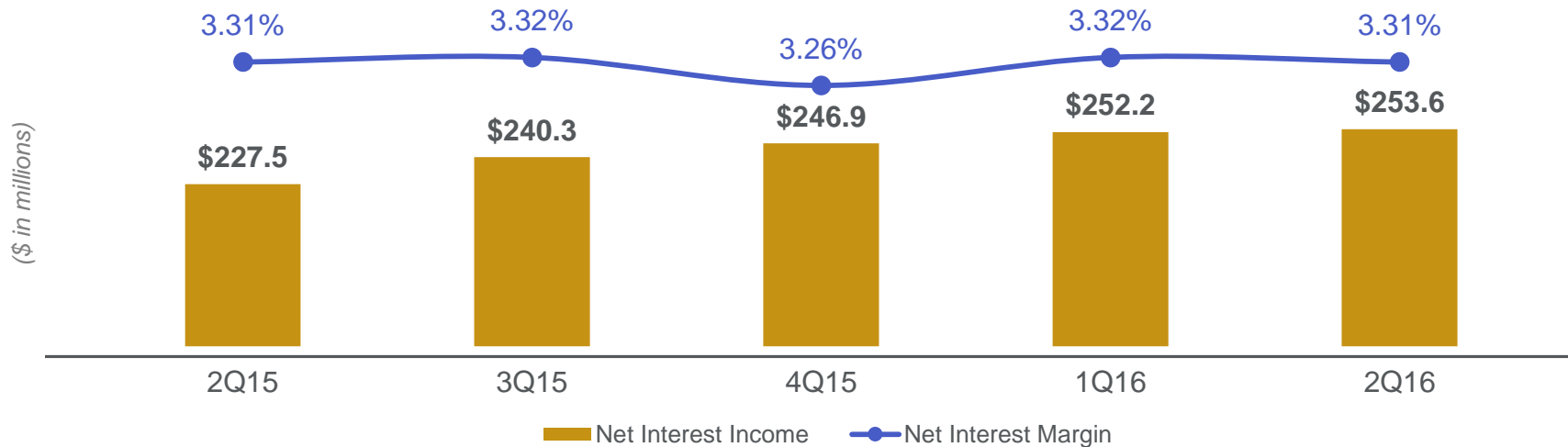
-\$379.0 million or -1% QoQ change

+\$2.7 billion or 11% YoY increase

2Q16 core deposits up to \$22.5 billion or 80% of total deposits, compared to 74% core deposits in 2Q15

2Q16 cost of deposits was 29 bps, unchanged from 29 bps in 2Q15

# Second Quarter Net Interest Income and Margin



## Net Interest Income

**\$253.6 million**

2Q16 Net Interest Income

**+\$1.4 million or +1%**

From 1Q16 Net Interest Income

Due to loan portfolio growth

## Net Interest Margin

**3.31%**

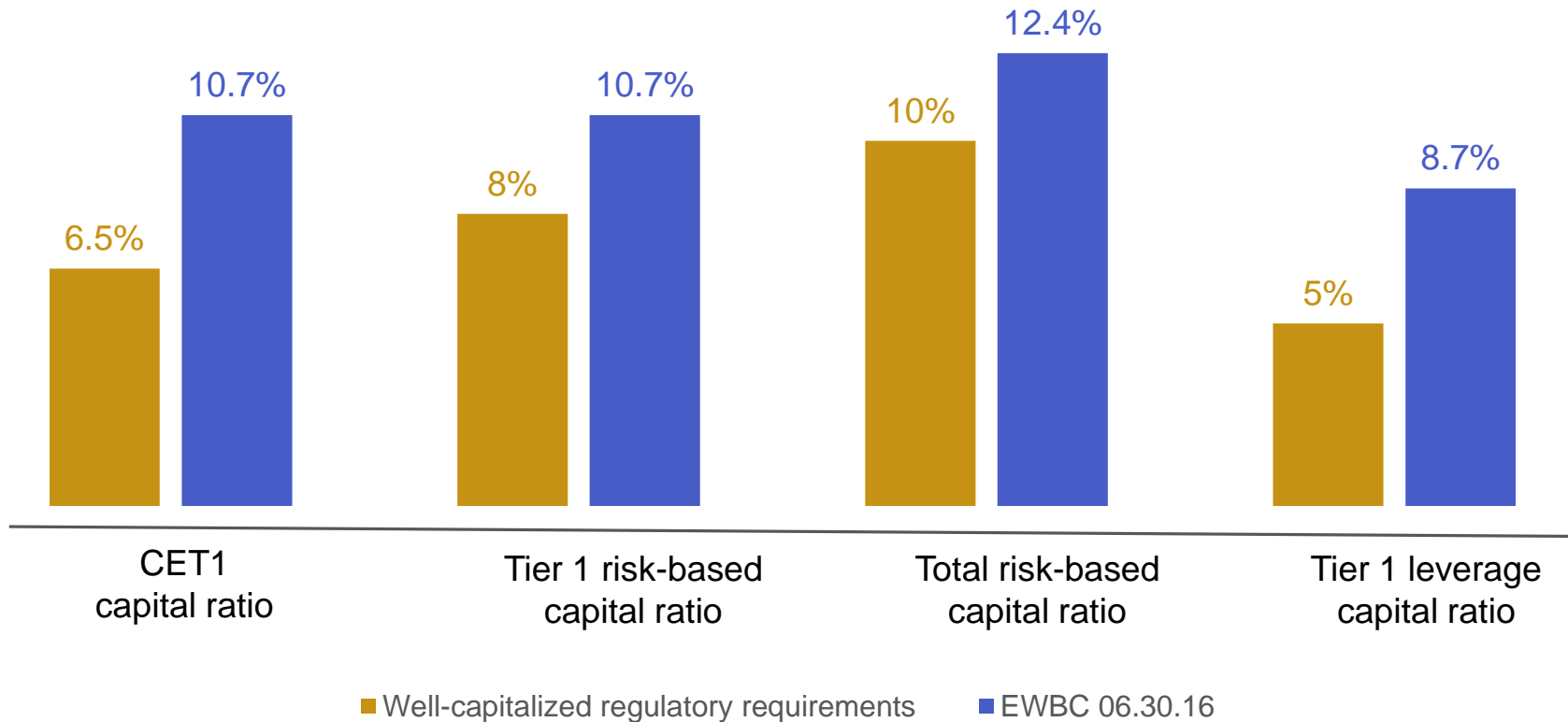
2Q16 Net Interest Margin

**-1 basis point**

From 1Q16 Net Interest Margin

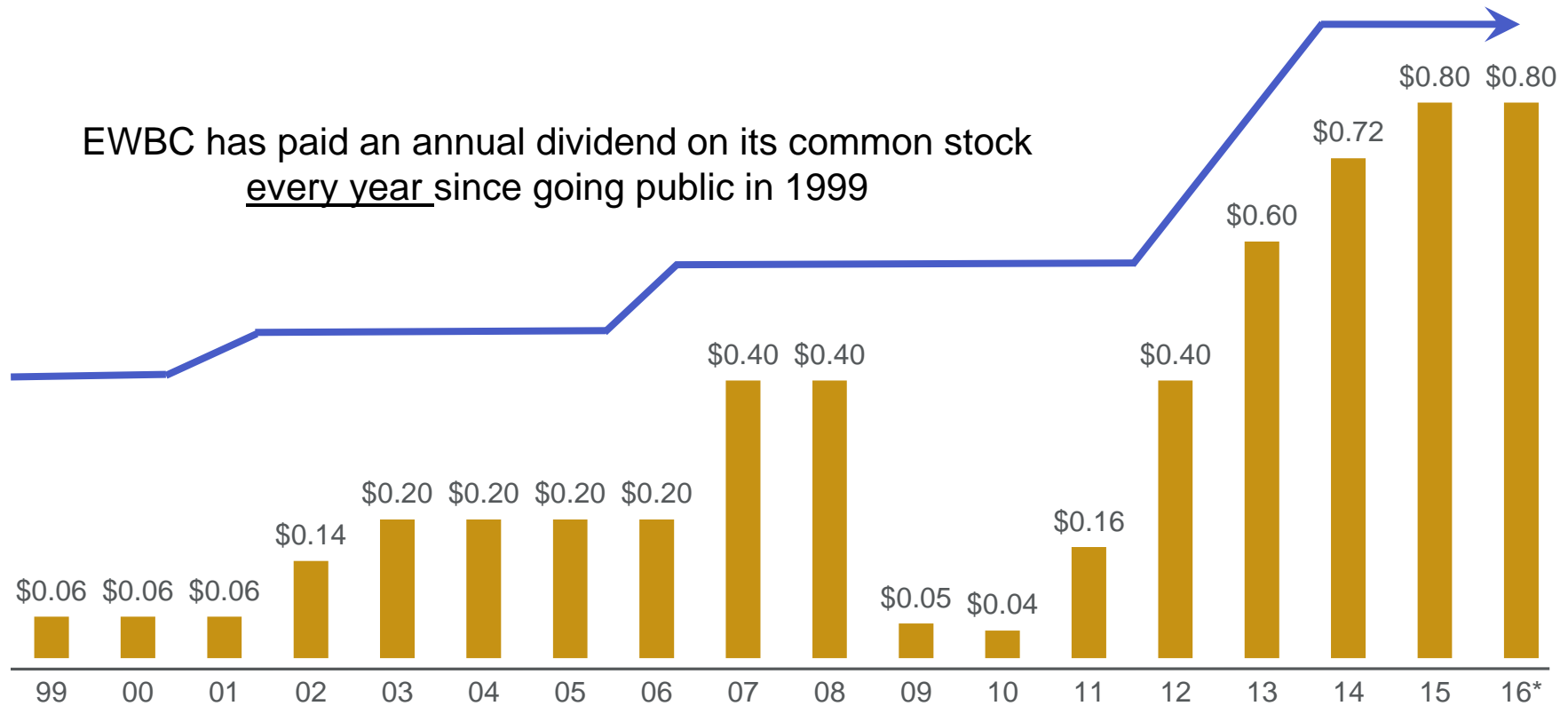
# Strong Capital Levels

East West Bank's capital levels exceed well-capitalized regulatory requirements



# Providing a Healthy Dividend to Shareholders

**400%** or \$0.64 per share increase in dividends since 2011



Note: Annualized based on dividends for the first and second quarters of 2016.