



East West Bancorp, Inc. Fourth Quarter and Full Year 2024 Earnings Presentation

January 23, 2025

Forward-Looking Statements and Additional Information

Forward-Looking Statements

This presentation contains forward-looking statements that are intended to be covered by the safe harbor for such statements provided by the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of the management of East West Bancorp, Inc. (the “Company”) and are subject to significant risks and uncertainties. You should not place undue reliance on these statements. There are various important factors that could cause the Company’s future results to differ materially from historical performance and any forward-looking statements, including the factors described in the Company’s fourth quarter 2024 earnings release, as well as those factors contained in the Company’s filings with the Securities and Exchange Commission, including the “Risk Factors” section of the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 and in its subsequent Quarterly Reports on Form 10-Q. When considering these forward-looking statements, you should keep in mind these risks and uncertainties, as well as any cautionary statements the Company may make. These statements speak only as of the date they are made and are based only on information then actually known to the Company. The Company does not undertake to update any forward-looking statements except as required by law.

Basis of Presentation

The preparation of the Company’s consolidated financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated financial statements, income and expenses during the reporting periods, and the related disclosures. Although our estimates consider current conditions and how we expect them to change in the future, it is reasonably possible that actual results could be materially different from those estimates. Hence, the current period’s results of operations are not necessarily indicative of results that may be expected for any future interim period or for the year as a whole. Certain prior period information have been reclassified to conform to the current presentation.

Non-GAAP Financial Measures

Certain financial information in this presentation has not been prepared in accordance with GAAP and is presented on a non-GAAP basis. Investors should refer to the reconciliations included in this presentation and should consider the Company’s non-GAAP measures in addition to, not as a substitute for or superior to, measures prepared in accordance with GAAP. These measures may not be comparable to similarly titled measures used by other companies.

Fire Update

Amid the ongoing crisis of the L.A. fires, we are living **our values of absolute integrity, customer alignment, professionalism, and selflessness** to serve our community in this time of need

Supporting our Customers and our Community

- Standing ready to assist consumer and commercial customers as we navigate the impact of this event together – all branches and offices open
- Volunteering at the evacuation center at the Pasadena Convention Center in coordination with the City of Pasadena, first responders, and community partners
- Providing financial support to local nonprofits focusing on the disaster recovery efforts
- Offering accommodation as needed for impacted customers to help them focus on the health and safety of their families and businesses
- Contributing to the **LA Arts Community Fire Relief Fund** to provide emergency relief for impacted artists and arts workers

Supporting our Colleagues

- Raising relief funds to support associates dealing with evacuations, loss of property, and other impacts
 - Matching associate donations dollar for dollar

Managing our Risks

- Based on conditions as of mid-January, our direct exposure is minimal – we expect immaterial impact to East West at this time
- Our 2025 outlook for net charge-offs includes an early assessment of our risk expectations

Full Year and 4Q 2024 Highlights

\$1.166 billion net income available to common equity in 2024, \$8.33 diluted earnings per share
\$293 million net income available to common equity in 4Q24, \$2.10 diluted earnings per share



Deposit-Led Growth

- Grew average deposits +9% Y-o-Y
 - End-of-period deposit growth of 13%
- Grew average loans +6% Y-o-Y
 - End-of-period loan growth of 3%
- Enhanced liquidity profile, normalized loan-to-deposit ratio



Stable Asset Quality

- Full-year net charge-offs of 26bps
- Stable nonperforming asset levels at 26bps
- Criticized loans up 10bps to 2.18%
- ALLL steady at 1.31%
- 4Q24 provision of \$70mm



Growing NII, Record Fee Income

- NII down 1% Y-o-Y, up 3% Q-o-Q
- 2024 NIM resilient at 3.27%, 3.24% for 4Q
- Record full-year fee income of \$310mm
 - Notable strength in wealth management, payments and cash management, and foreign exchange income



Building Shareholder Value

- Book value per share up 12% Y-o-Y; full year 16% ROACE (17% ROTCE¹)
- Repurchased approximately 200K shares at an average price under \$98/share
 - Incremental \$300mm repurchase program: \$329mm of total authorization available
- Raised quarterly dividend 9%

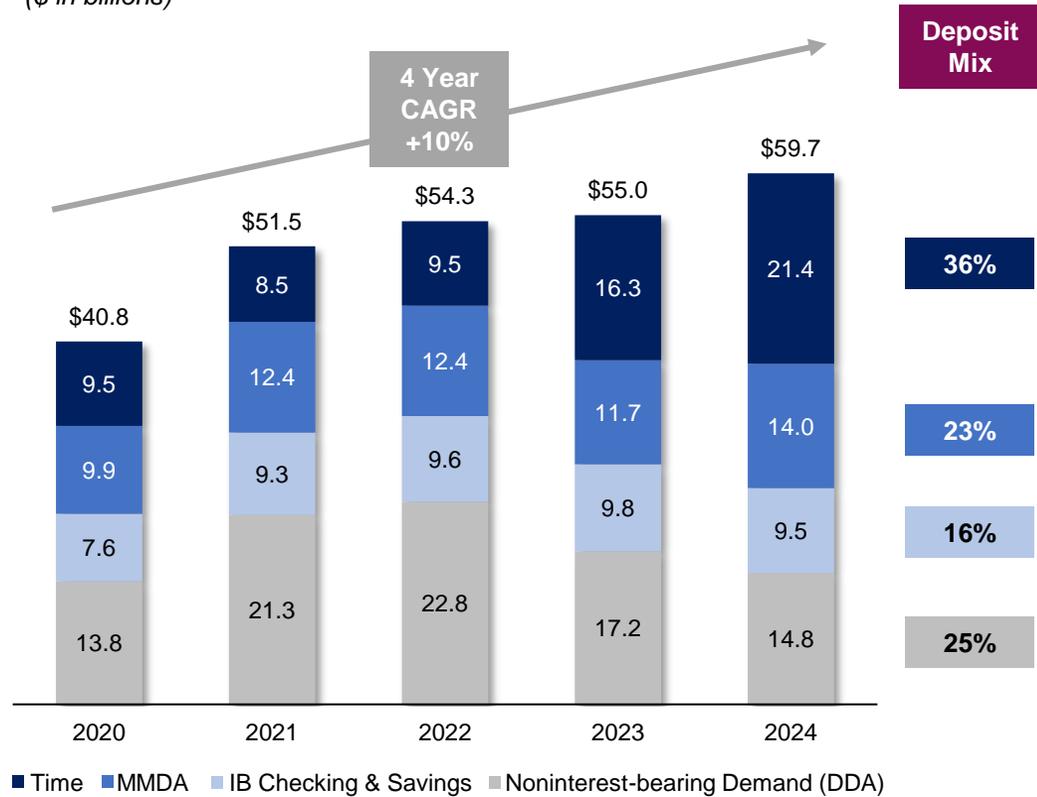
(1) See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's earnings press releases

Deposits

Sixth consecutive quarter of \$1 billion+ customer deposit growth; noninterest-bearing demand deposits growing again

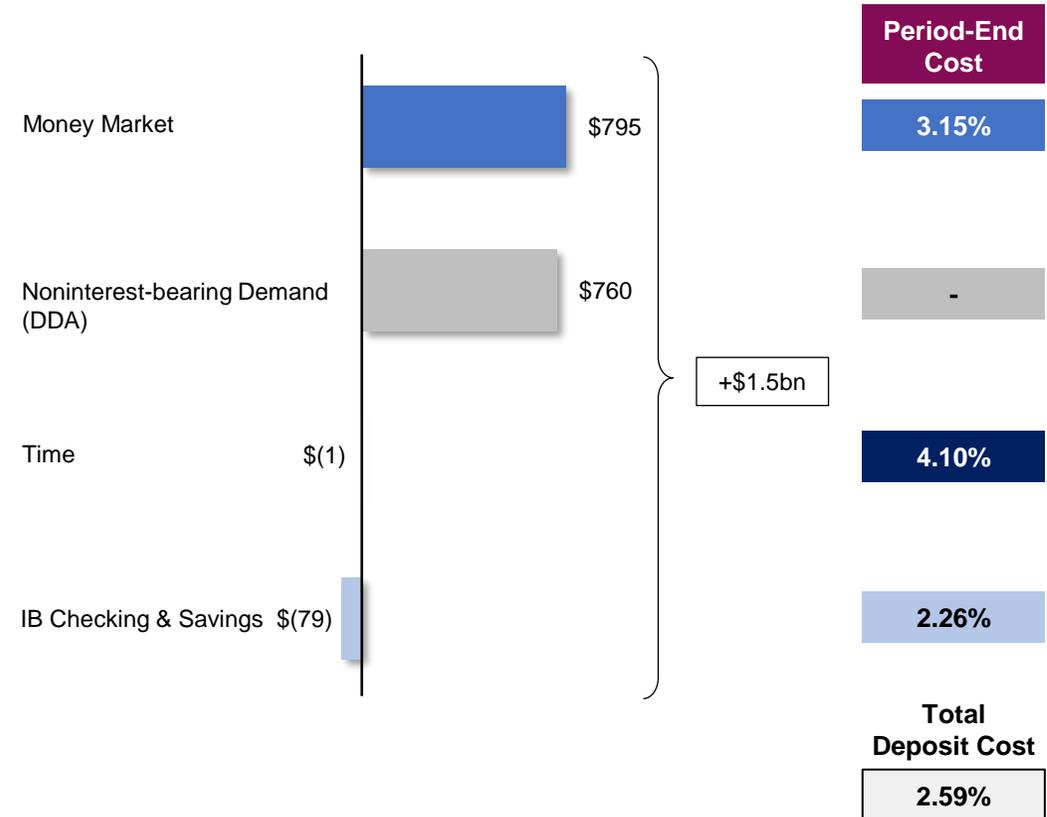
Average Deposits

(\$ in billions)



End of Period Deposit Growth by Category (3Q24 to 4Q24)

(\$ in millions)

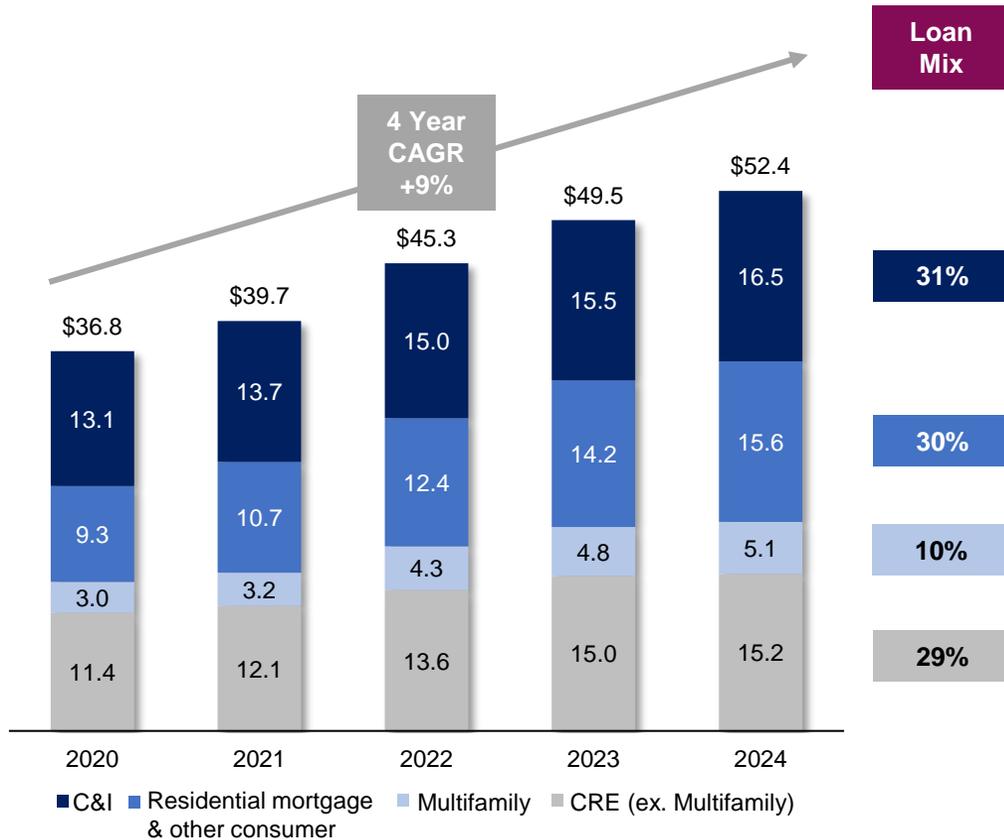


Loans

Prudent growth in our focus categories is bolstering diversification and supporting interest income

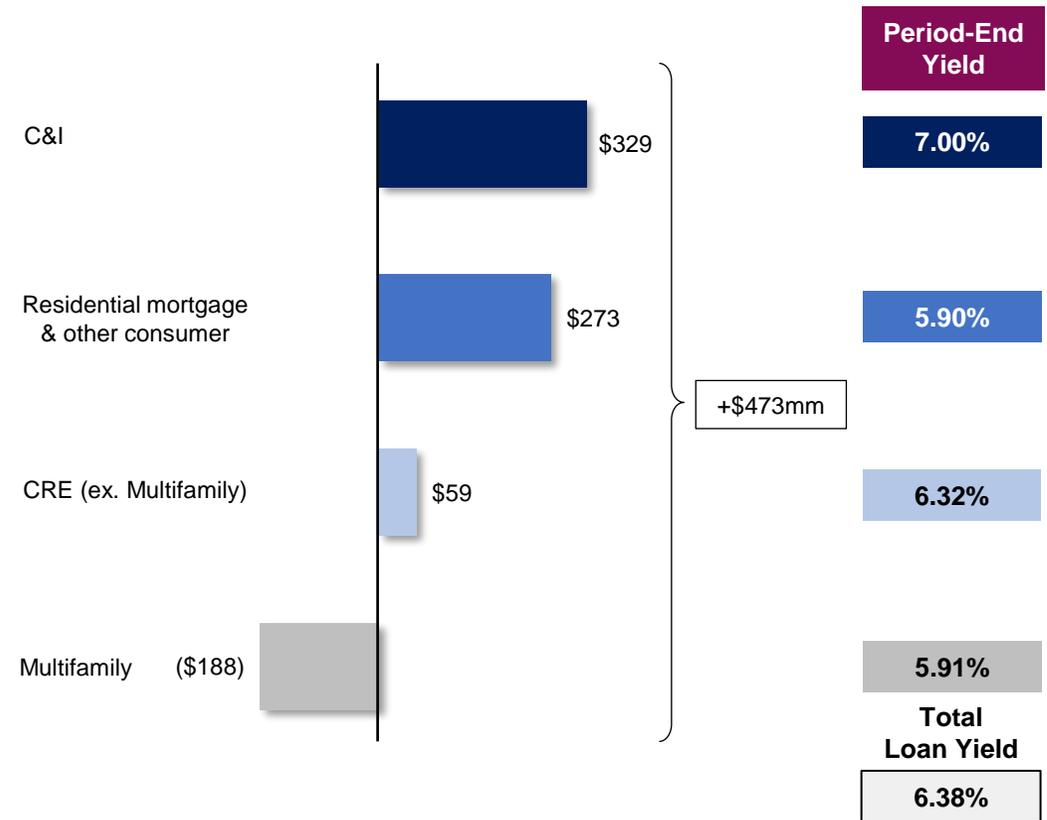
Average Loans

(\$ in billions)



End of Period Loan Growth (3Q24 to 4Q24)

(\$ in millions)

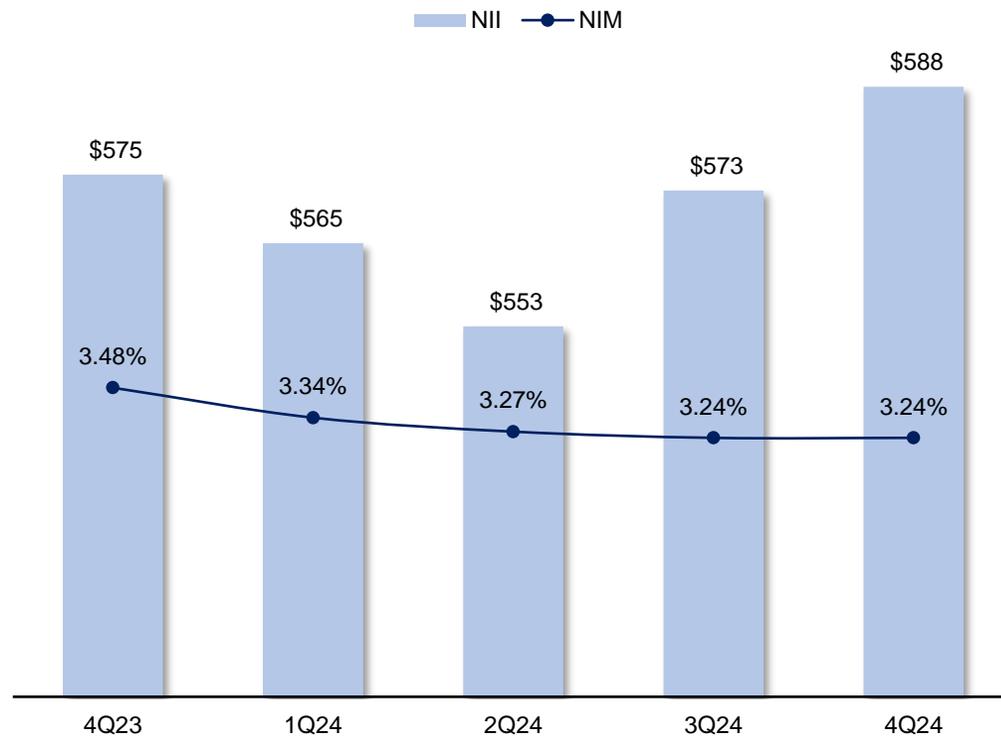


Net Interest Income & Net Interest Margin

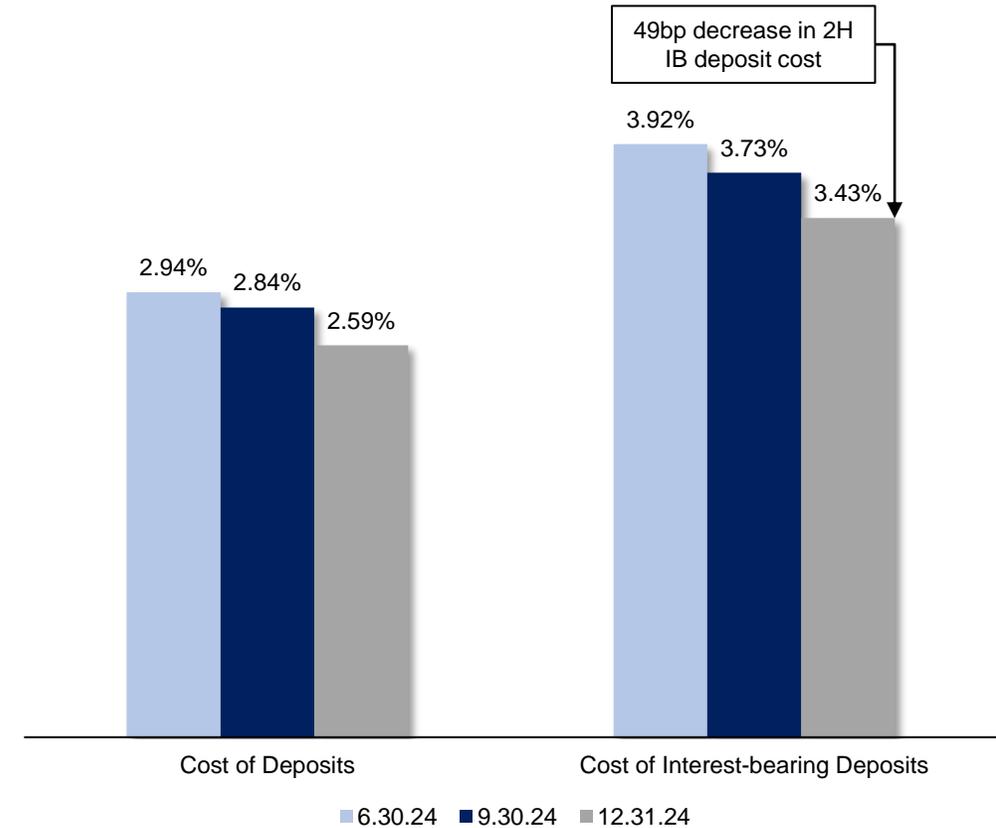
Growing dollar NII with continued disciplined reduction in deposit cost

Net Interest Income (NII) & Net Interest Margin (NIM)

(\$ in millions)



End of Period Deposit Cost (2Q24 to 4Q24)

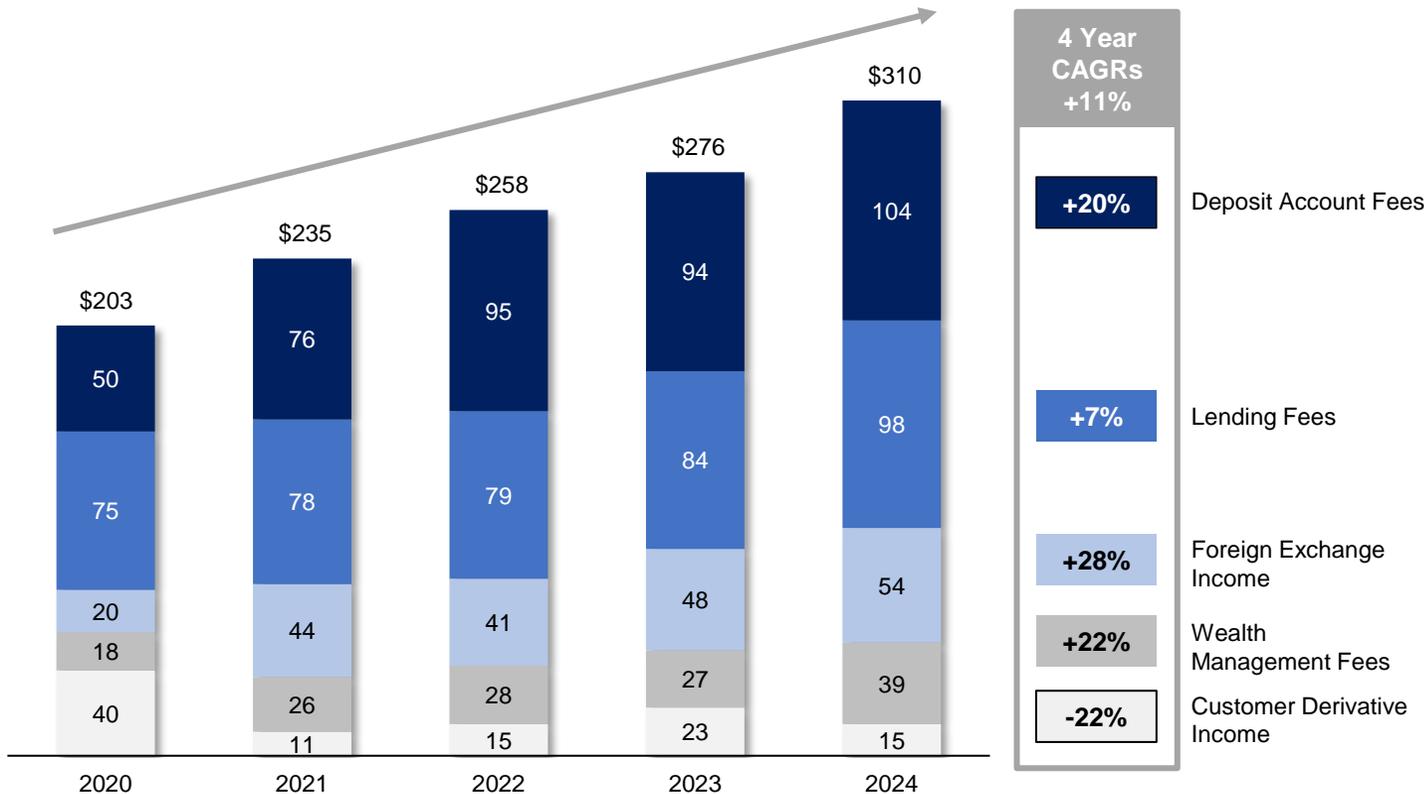


Fee Income

Consistent sales execution has supported strong performance

Fee Income¹

(\$ in millions)



Highlights

- Record full-year fee income¹ of \$310mm, up \$34mm, or +12% Y-o-Y
 - Wealth Management Fee growth (+\$12mm) reflects higher customer activity; up 43% Y-o-Y
 - Lending Fee growth (+\$14mm), with growth in unused commitment and syndications fees; up 17% Y-o-Y
 - Deposit Account Fee growth (+\$10mm) driven primarily by payments and cash management income; up 11% Y-o-Y
 - FX Income growth (+\$6mm); up 13% Y-o-Y

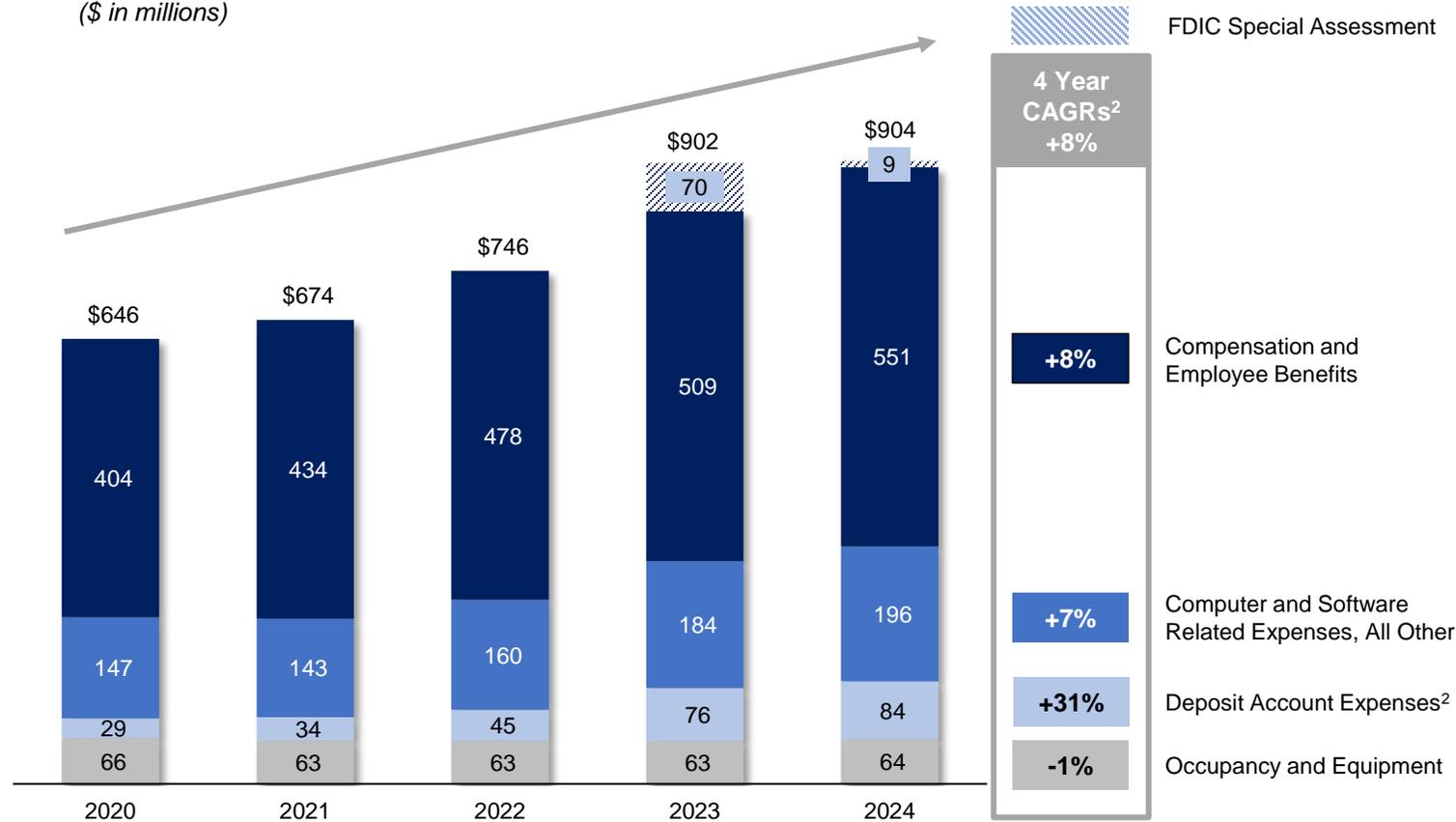
(1) Fee income excludes mark-to-market adjustments related to customer and other derivatives; net gains (losses) on sales of loans; net gains on AFS debt securities; other investment income and other income

Operating Expense & Efficiency

Maintaining best-in-class efficiency while investing for future growth

Total Operating Noninterest Expense¹

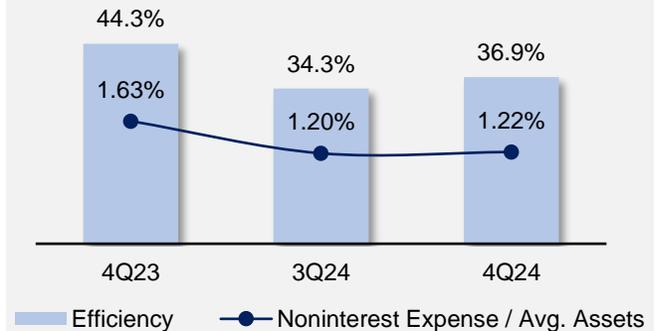
(\$ in millions)



Highlights

- Full-year total operating noninterest expense of \$904mm, up \$1mm Y-o-Y
 - Excluding FDIC Special Assessment-related expense, total operating noninterest expense up \$63mm, 8% Y-o-Y

Efficiency Ratio³ and Operating Noninterest Expense/Average Assets Ratio



(1) Total noninterest expense excluding amortization of tax credit and CRA investments

(2) Calculation and deposit account expenses exclude FDIC special assessment charge of \$70 million and \$9 million for 2023 and 2024, respectively

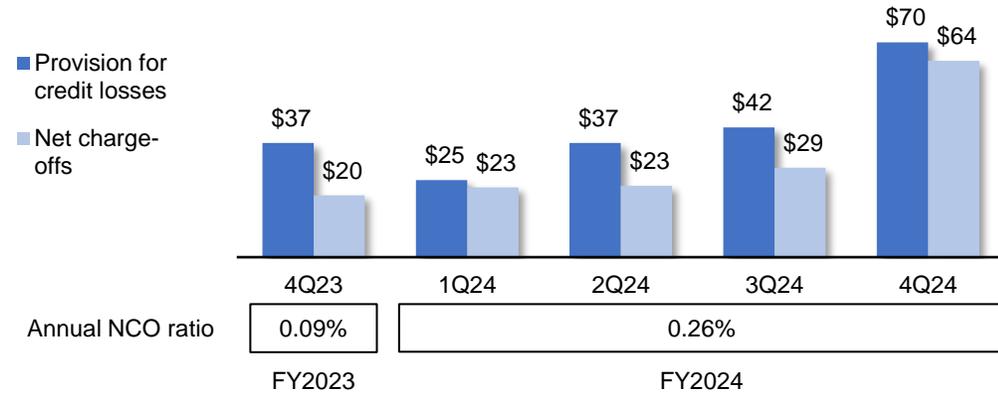
(3) See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's earnings press releases

Asset Quality Metrics

Our prudent approach to credit management has delivered relatively low and stable credit outcomes

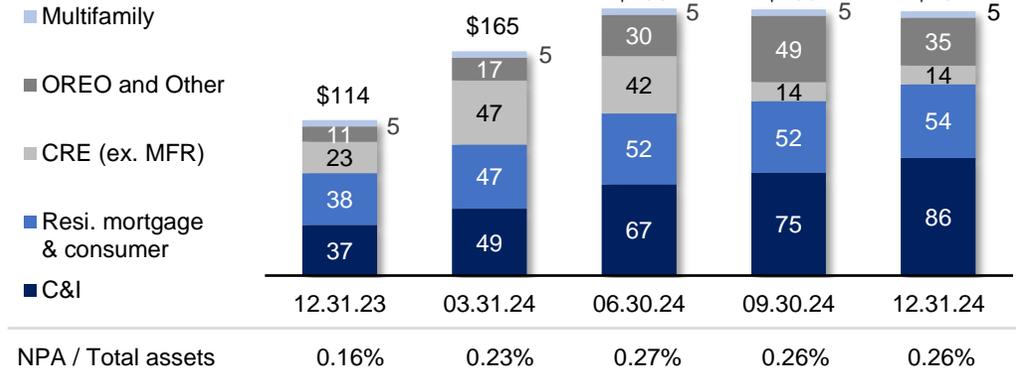
Provision for Credit Losses & Net Charge-offs

(\$ in millions)

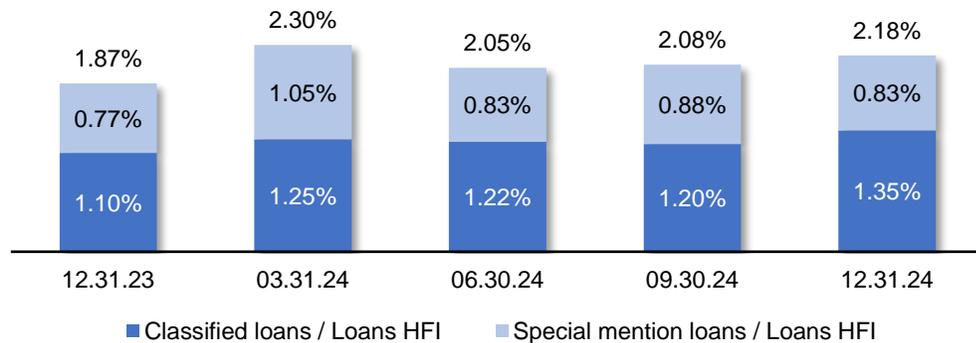


Non-Performing Assets

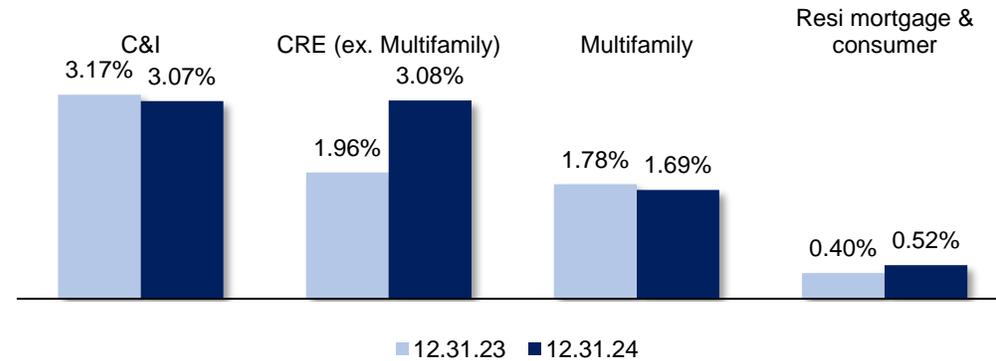
(\$ in millions)



Criticized Loans / Loans HFI



Criticized Ratio by Loans HFI Portfolio

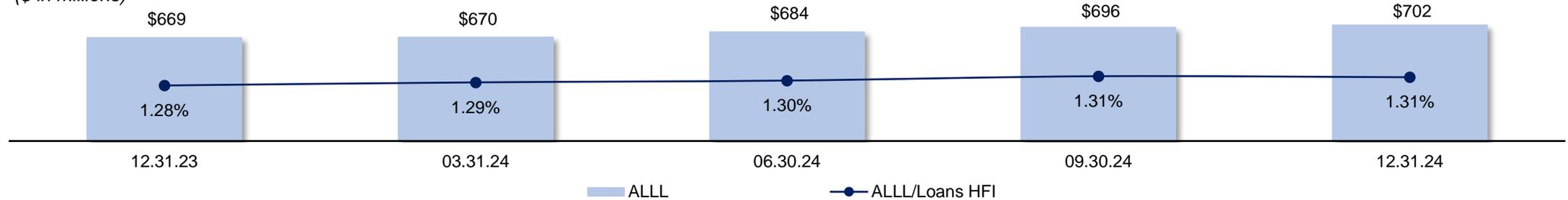


Allowance for Loan Losses

We continue to bolster our CRE allowance levels

Allowance for Loan Losses (ALLL)

(\$ in millions)



Composition of ALLL by Portfolio

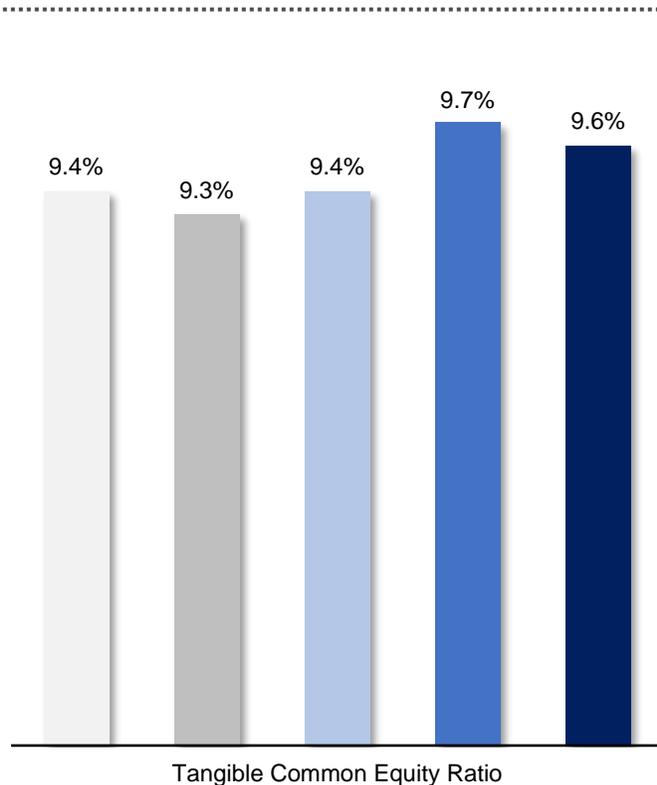
(\$ in millions)

Loan Category	12.31.23		09.30.24		12.31.24	
	ALLL	ALLL/Loans HFI	ALLL	ALLL/Loans HFI	ALLL	ALLL/Loans HFI
C&I	\$ 393	2.37%	\$ 378	2.22%	\$ 384	2.21%
Total CRE	215	1.05	265	1.30	268	1.32
<i>Multifamily</i>	34	0.68	32	0.62	32	0.65
<i>Office</i>	55	2.43	66	3.11	68	3.20
<i>All Other CRE</i>	126	0.96	167	1.27	168	1.27
Resi. mortgage & consumer	61	0.40	53	0.34	50	0.31
Total Loans	\$ 669	1.28%	\$ 696	1.31%	\$ 702	1.31%

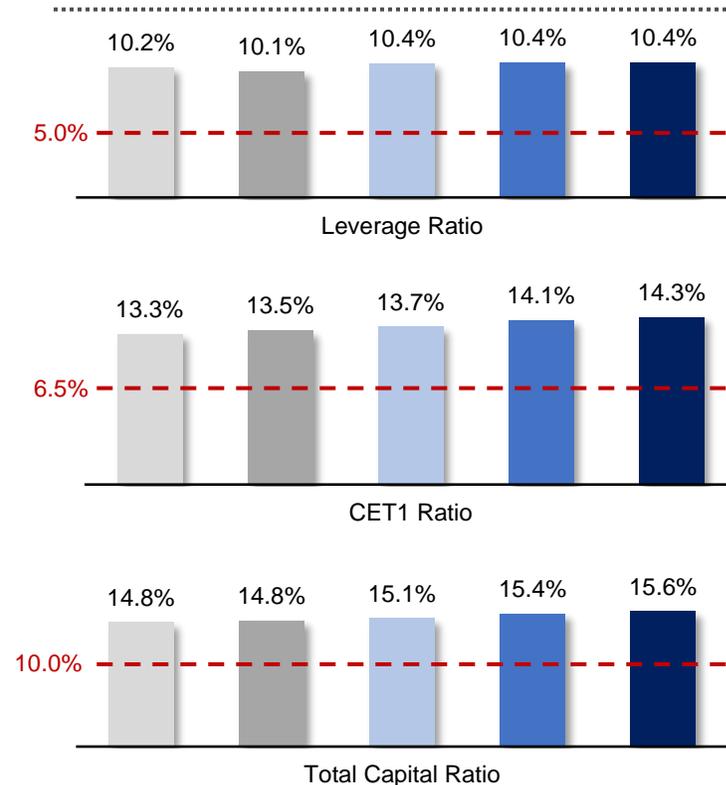
Capital

Healthy capital position: 200 thousand shares repurchased in 4Q24, 9% increase to 1Q25 dividend

Tangible Common Equity Ratio¹



Regulatory Capital Ratios²



Highlights

- **9% dividend increase**
 - Declared 1Q25 dividend of \$0.60/share, up \$0.05/share from \$0.55 in 4Q24
 - Payable on February 17, 2025 to shareholders of record on February 3, 2025
- **Opportunistic stock repurchase activity in Q4**
 - Repurchased 200K shares in 4Q24
 - Average price under \$98/share
- **New repurchase authorization**
 - \$329 million remaining for future repurchases

(1) See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's earnings press releases
 (2) The Company has elected to use the 2020 CECL transition provision in the calculation of its regulatory capital ratios
 (3) The Company's December 31, 2024 regulatory capital ratios are preliminary

Management Outlook: Full Year 2025

Earnings Drivers

FY 2025 Expectations vs. FY 2024 Results

FY 2025 Expectation

Interest Rate Outlook

- Assumes December 31st forward curve, with 50bps of expected cuts in the Federal Funds rate and a steepening yield curve

End of Period Loans

- Growing in the range of 4% to 6% Y-o-Y

Net Interest Income Total Revenue

- Growing in the range of 4% to 6% Y-o-Y
- Growing in the range of 5% to 7% Y-o-Y

Total Operating Noninterest Expense⁽¹⁾

- Growing in the range of 7% to 9% Y-o-Y

Net Charge-offs

- In the range of 25bps to 35bps

Effective Tax Rate

- In the range of 21% to 23%

**Top Quartile
Returns**

**Best-in-Class
Efficiency**

(1) Total noninterest expense excluding amortization of tax credit and CRA investments

Appendix

East West at a Glance

12.31.24

12.31.24

12.31.24

2024

\$13B Market Cap

\$76B Assets

\$63B Deposits

17% ROTCE¹

A Leading Regional Bank with Cross-Border Capabilities...



Headquartered in **Pasadena, California**



Founded in 1973 - over 50 years in operation



Over 25 years on Nasdaq



Roots in the U.S. **Asian-American immigrant community**, expanded to bridge businesses across the Pacific



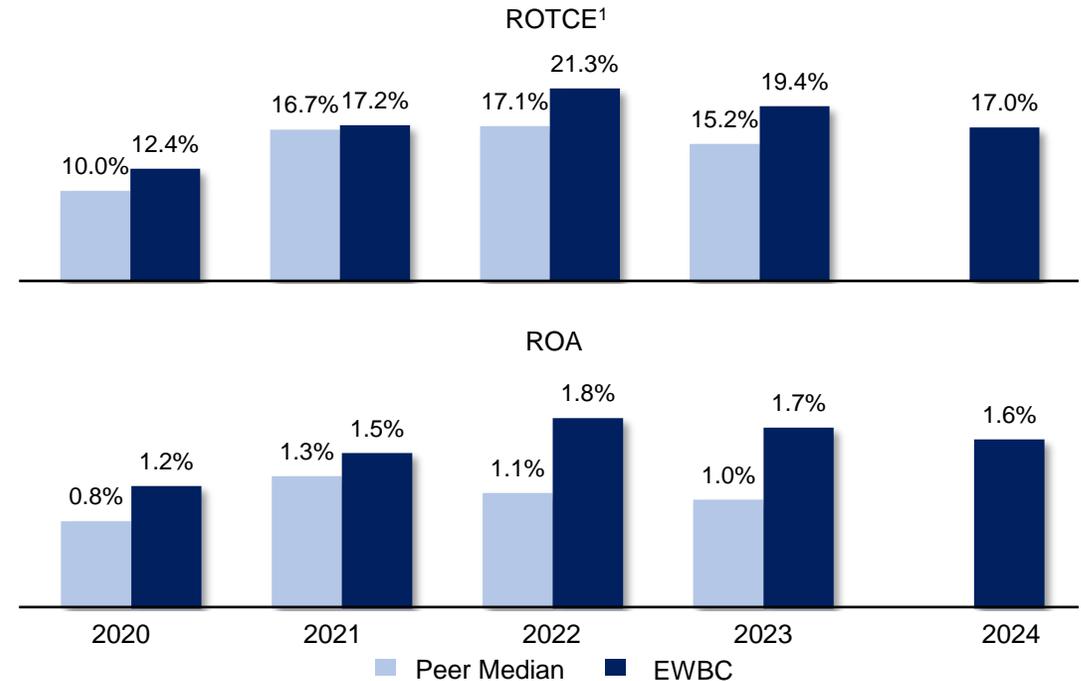
Award-winning Company

#1 Top Performing Bank, \$50+ Billion (Bank Director)

America's Best Banks (Forbes)

Outstanding CRA Rating

...Producing Consistent Top-Tier Shareholder Returns...



(1) See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's earnings press releases

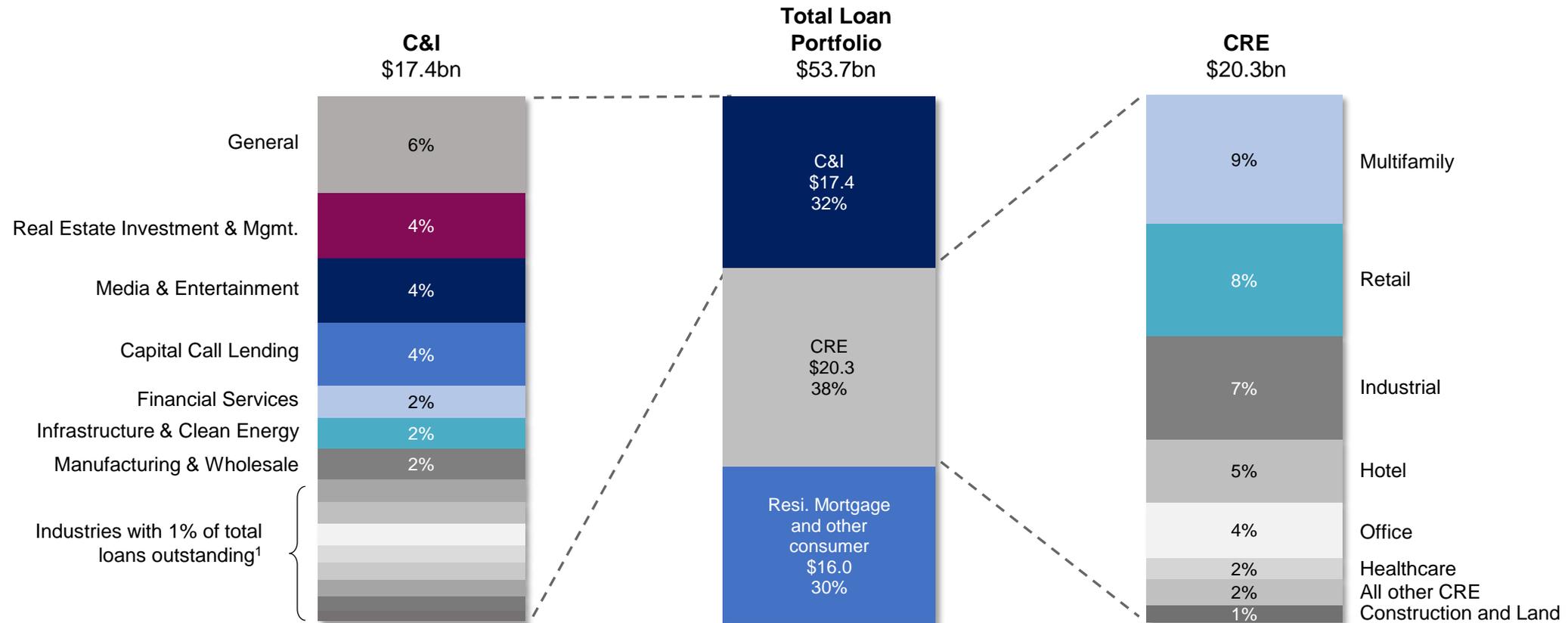
(2) EWBC peers include BKU, BOKF, BPOP, CFG, CFR, CMA, COLB, FCNC.A, FITB, HBAN, KEY, MTB, NTRS, PNFP, RF, SSB, SNV, VLY, WAL, WTFC, and ZION. Source: S&P Capital IQ

Diversified Loan Portfolio

70% of loans support commercial customers, with broad diversification across industry and asset types

Commercial Loans by Type

(as % of Portfolio Loans, 12.31.24)



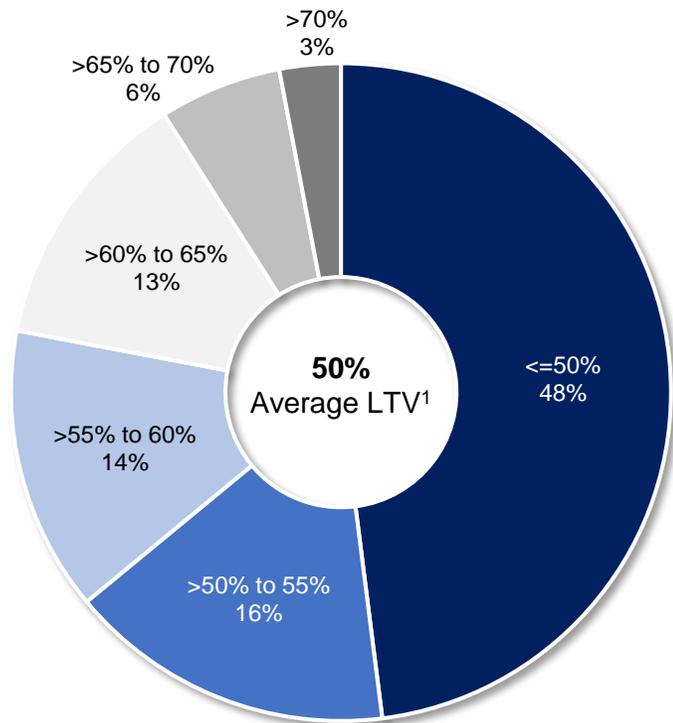
(1) Industries with 1% of total loans outstanding: Art Finance, Consumer Finance, Food Production & Distribution, Equipment Finance, Healthcare Services, Hospitality & Leisure, Oil & Gas, Tech & Telecom

Commercial Real Estate Portfolio Detail

Our CRE portfolio is granular and many loans have full recourse and personal guarantees

Distribution by LTV¹

(as of 12.31.24)



- Fewer than 25% of CRE loans have an LTV over 60%

Size and LTV by Property Type

(as of 12.31.24)

	Total Portfolio Size (\$bn)	Weighted Avg. LTV ¹ (%)	Average Loan Size (\$mm)
Multifamily	\$5.0	51%	\$2
Retail	4.3	48	3
Industrial	4.0	46	3
Hotel	2.4	52	9
Office	2.1	54	4
Healthcare	0.8	52	4
Other	1.0	50	4
Construction & Land ²	0.7	49	12
Total CRE	\$20.3	50%	\$3

(1) Weighted average LTV is based on most recent LTV, using most recent available appraisal and current loan commitment

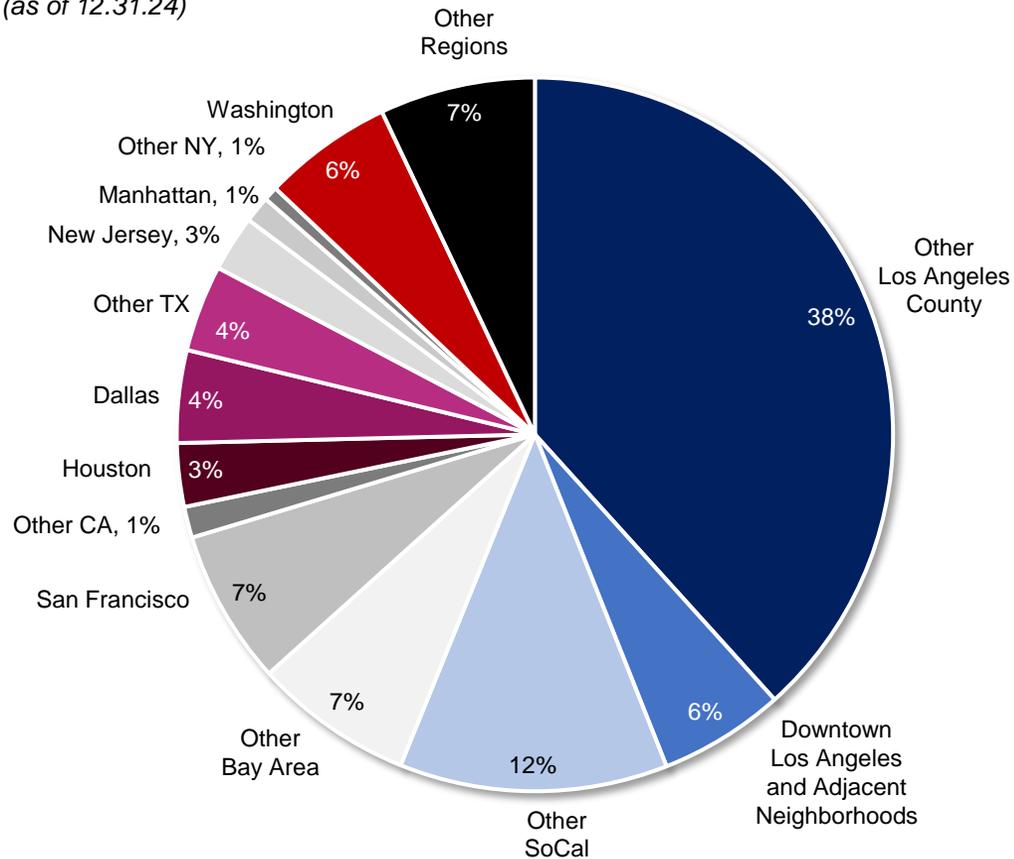
(2) Construction & Land average size based on total commitment

CRE Office – Additional Information

Our office portfolio has low LTVs across most segments and low average loan sizes

CRE Office: Geographic Mix by Metro Area

(as of 12.31.24)



CRE Office by Size Segment

(as of 12.31.24)

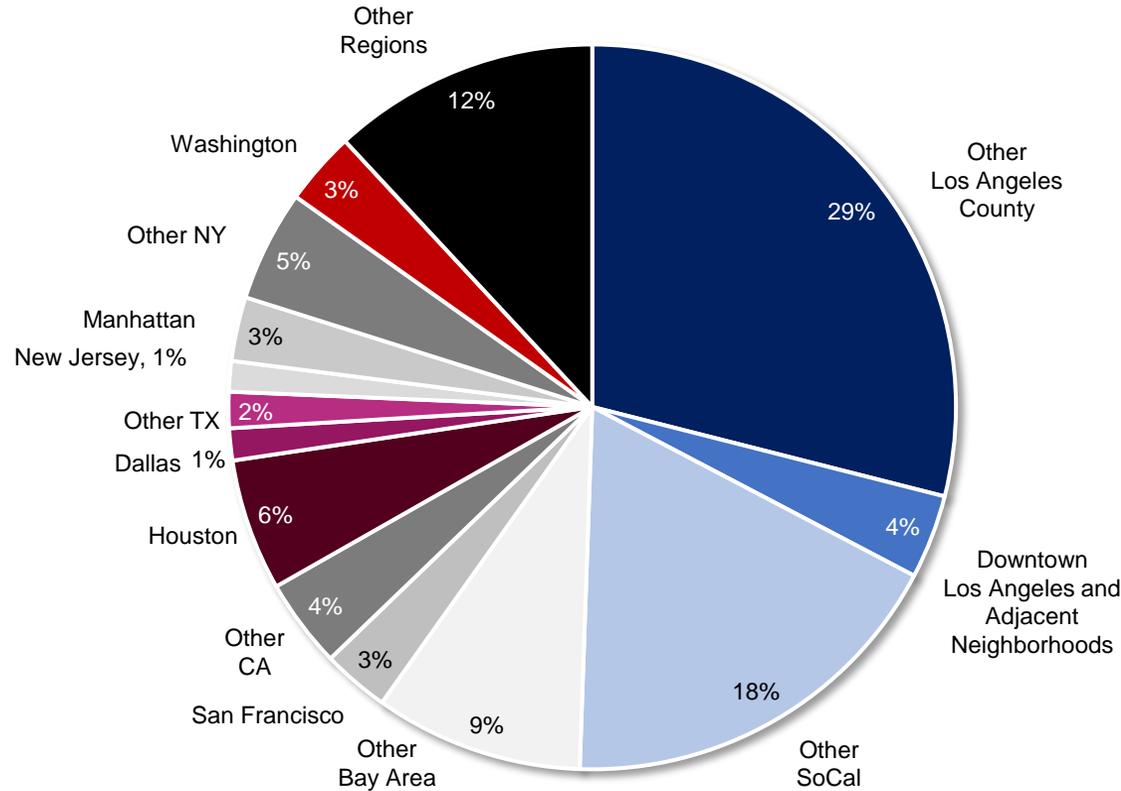
Loan Size	Balance (\$ in mm)	No. of Loans	Avg. Loan Size (\$ in mm)	Weighted Avg. LTV (%)
>\$30mm	\$244	6	\$41	72%
\$20mm - \$30mm	428	17	25	57
\$10mm - \$20mm	499	35	14	56
\$5mm - \$10mm	430	59	7	51
<\$5mm	524	402	1	44
Total	\$2,125	519	\$4	54%

CRE Retail – Additional Information

Our retail portfolio has a weighted average LTV profile of 48%

CRE Retail: Geographic Mix by Metro Area

(as of 12.31.24)



CRE Retail by Size Segment

(as of 12.31.24)

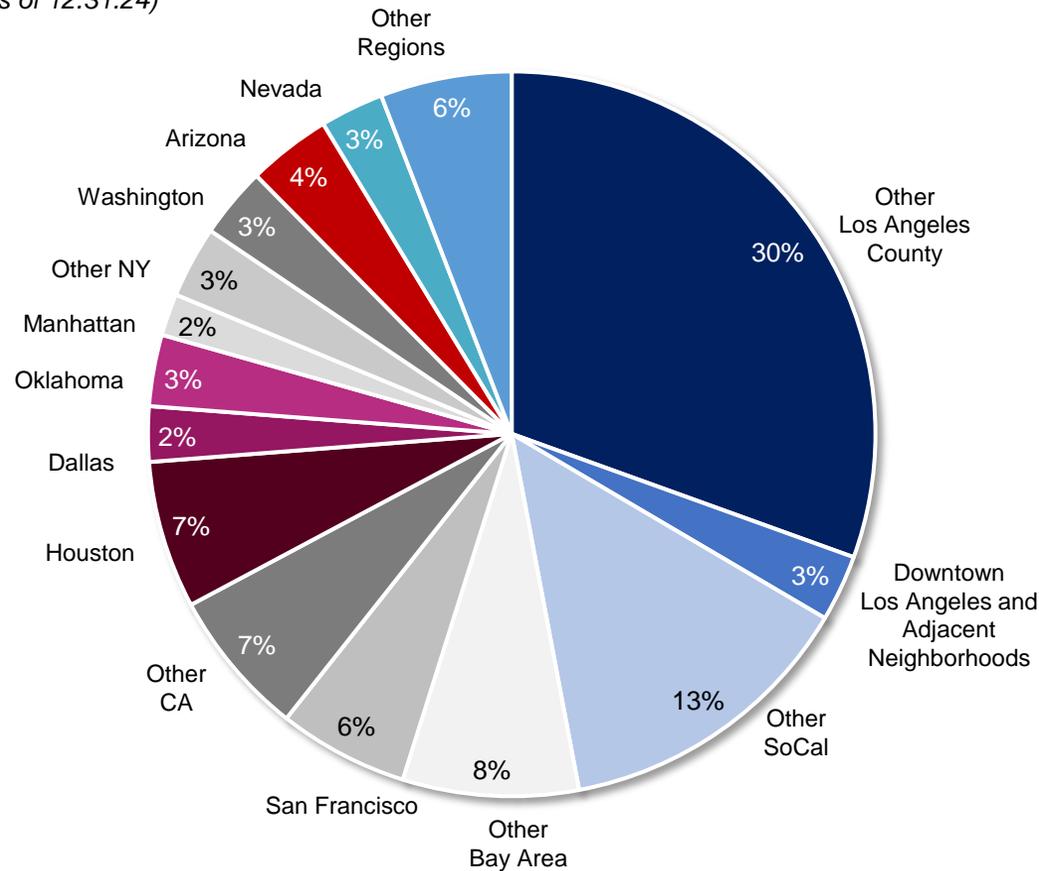
Loan Size	Balance (\$ in mm)	No. of Loans	Avg. Loan Size (\$ in mm)	Weighted Avg. LTV (%)
>\$30mm	\$340	9	\$38	48%
\$20mm - \$30mm	456	18	25	56
\$10mm - \$20mm	758	56	14	48
\$5mm - \$10mm	790	115	7	48
<\$5mm	2,003	1,480	1	45
Total	\$4,347	1,678	\$3	48%

CRE Multifamily – Additional Information

Our multifamily portfolio is amongst our most granular

CRE Multifamily : Geographic Mix by Metro Area

(as of 12.31.24)



CRE Multifamily by Size Segment

(as of 12.31.24)

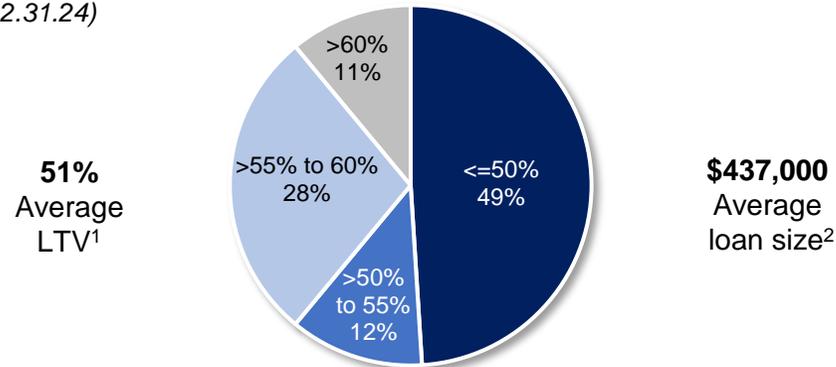
Loan Size	Balance (\$ in mm)	No. of Loans	Avg. Loan Size (\$ in mm)	Weighted Avg. LTV (%)
>\$30mm	\$608	16	\$38	57%
\$20mm - \$30mm	621	26	24	56
\$10mm - \$20mm	631	46	14	54
\$5mm - \$10mm	672	97	7	54
<\$5mm	2,421	2,606	1	46
Total	\$4,953	2,791	\$2	51%

Residential Mortgage Portfolio

Our residential mortgage portfolio benefits from both low LTVs and smaller average loan size

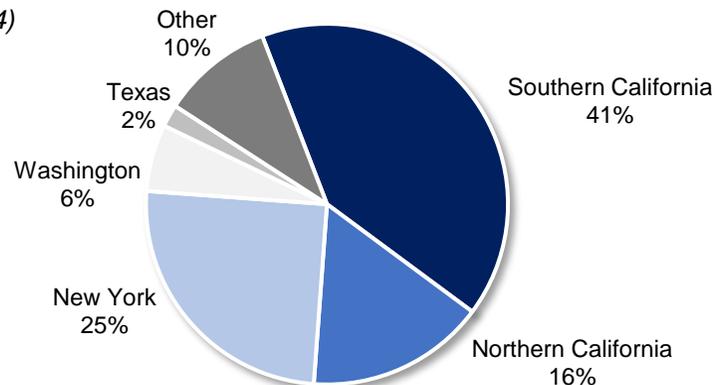
Resi. Mortgage Distribution by LTV¹

(as of 12.31.24)



Resi. Mortgage Distribution by Geography³

(as of 12.31.24)



(1) Combined LTV for 1st and 2nd liens; based on commitment

(2) Average loan size based on loan outstanding for single-family residential and commitment for HELOC

(3) Geographic distribution based on commitment size

Portfolio Highlights as of 12.31.24

Outstandings

- \$16.0bn loans outstanding
- +2% Q-o-Q and +6% Y-o-Y

Originations

- \$0.8bn in 4Q24
- Primarily originated through East West Bank branches

Single-family Residential

- \$14.2bn loans outstanding
- +2% Q-o-Q and +6% Y-o-Y

HELOC

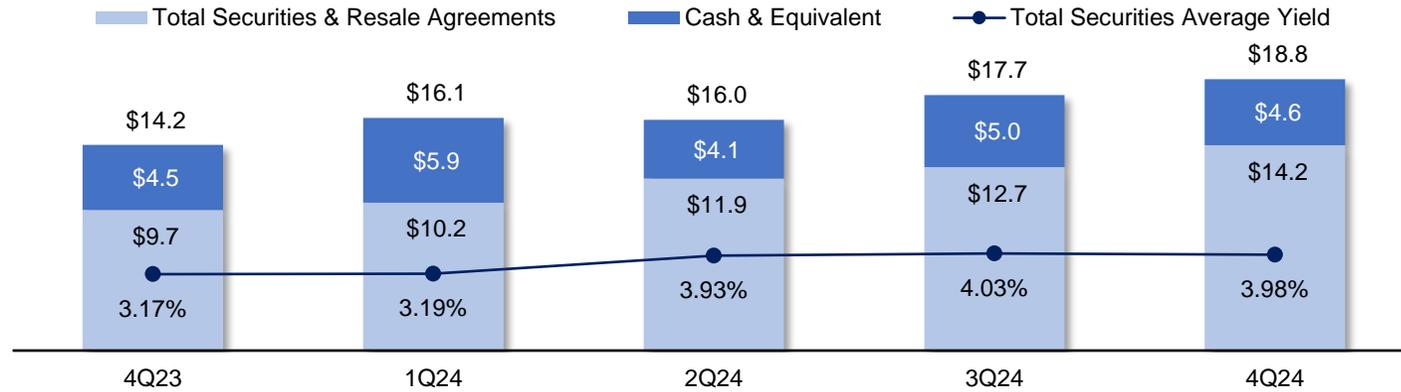
- \$1.8bn loans outstanding
- \$3.5bn in undisbursed commitments
- 34% utilization, up 1% from 09.30.24
- 77% of commitments in first lien position

Cash and Securities

Enhanced liquidity while supporting earnings with high-quality liquid assets

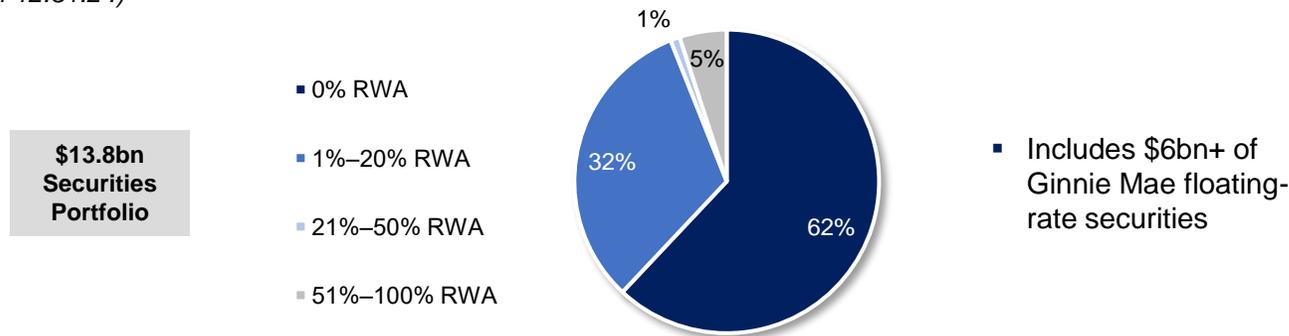
Average Total Securities Portfolio and Cash

(\$ in billions)



Securities Portfolio Composition by Risk-Weighted Asset (RWA) Distribution

(as of 12.31.24)



Highlights

- Securities portfolio well-positioned as a source of liquidity, interest rate risk management, and earnings support
 - 94% of investment portfolio 0% – 20% risk-weighted (HQLA)
 - Added a net \$1.3bn of securities in Q4, primarily short-duration Ginnie Mae floaters (HQLA)
 - 55% fixed-rate securities, 45% floating

Loan Yields

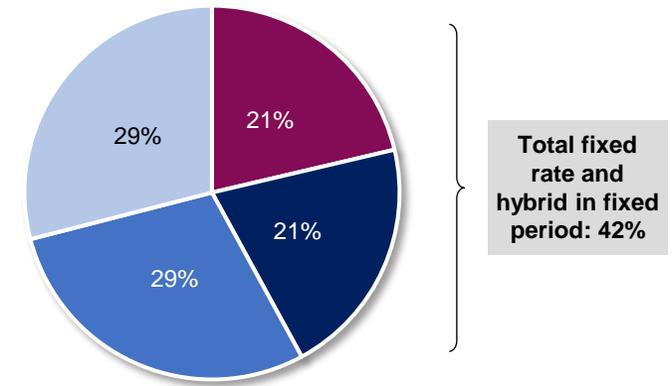
Hedge Impact and Outlook

- \$18mm negative impact to 4Q24 NII from cash flow hedges (10bps to NIM)
 - \$500mm of negative carry swaps rolled off in January
 - \$500mm of negative carry swaps to roll off in February
 - These 2 swaps accounted for approximately half our hedge impact in Q4
- \$1bn of forward starting hedges to come on in 2H25, with a blended receive-fixed rate of ~4%

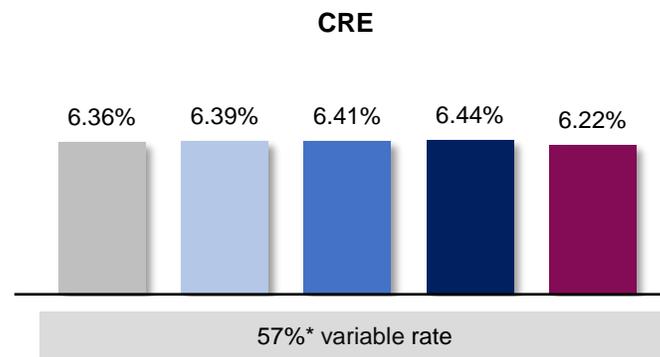
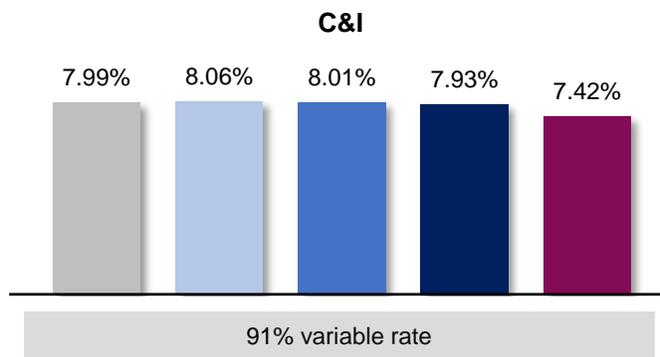
Loan Portfolio by Index Rate

(as of 12.31.24)

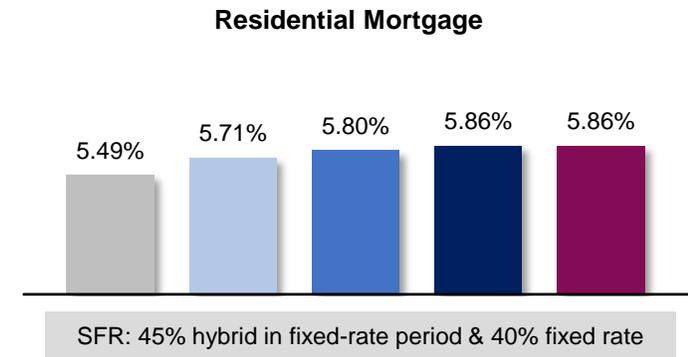
- Fixed rate
- Hybrid in fixed rate period
- Variable - LIBOR + SOFR
- Variable - Prime, all other rates



Average Loan Rate by Portfolio



*48% had customer-level interest rate derivative contracts

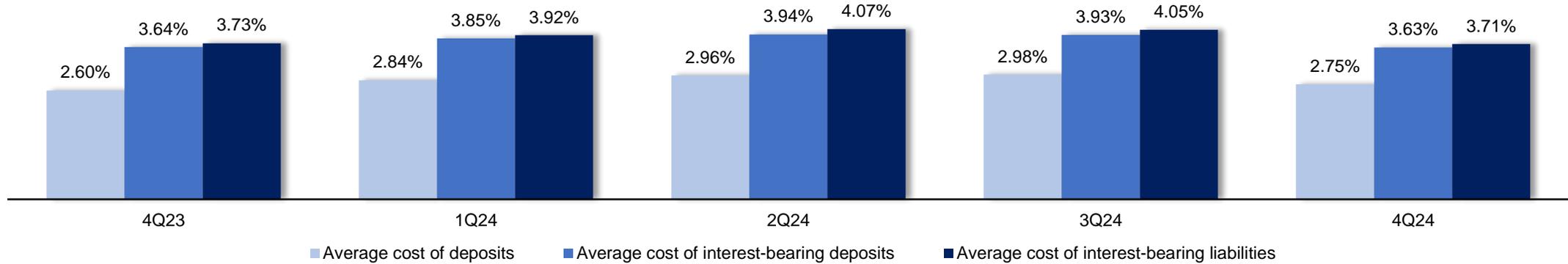


01.10.25 rate sheet price for 30-year fixed: 7.125%

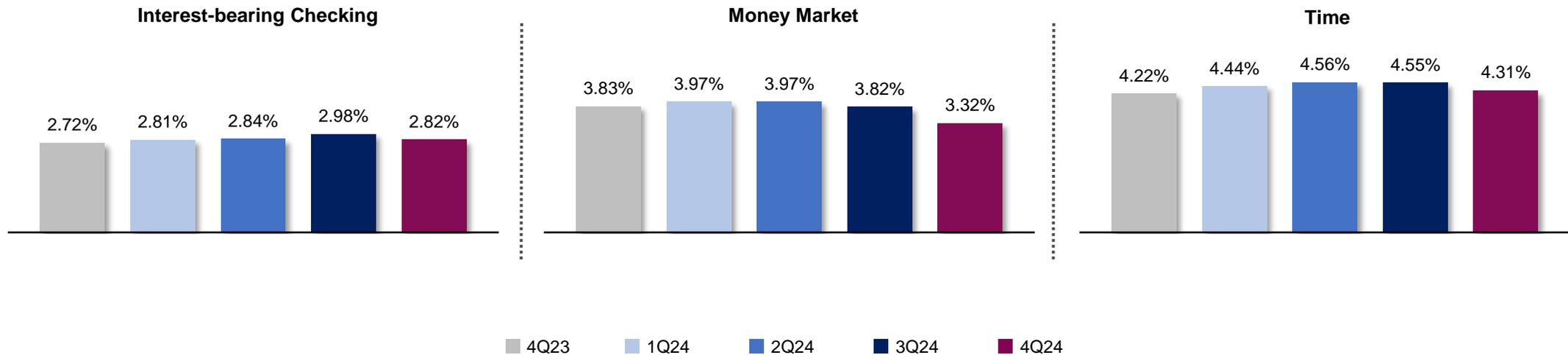
■ 4Q23 ■ 1Q24 ■ 2Q24 ■ 3Q24 ■ 4Q24

Deposit and Funding Cost

Average Deposit and Liability Cost



Average Deposit Rate by Portfolio



Appendix: GAAP to Non-GAAP Reconciliation

EAST WEST BANCORP, INC. AND SUBSIDIARIES
GAAP TO NON-GAAP RECONCILIATION
(\$ in thousands)
(unaudited)

		Three Months Ended			Year Ended	
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net interest income before provision for credit losses	(a)	\$ 587,626	\$ 572,722	\$ 574,834	\$ 2,278,716	\$ 2,312,254
Fully taxable equivalent ("FTE") adjustment	(b)	1,276	411	440	4,767	1,728
FTE net interest income before provision for credit losses	(c)=(a)+(b)	588,902	573,133	575,274	2,283,483	2,313,982
Total noninterest income	(d)	88,166	84,395	79,903	335,218	295,264
Total revenue	(e)=(a)+(d)	675,792	657,117	654,737	2,613,934	2,607,518
Total revenue (FTE)	(f)=(c)+(d)	\$ 677,068	\$ 657,528	\$ 655,177	\$ 2,618,701	\$ 2,609,246
Total noninterest expense	(g)	\$ 249,968	\$ 225,800	\$ 290,498	\$ 958,073	\$ 1,022,748
Efficiency ratio	(g)/(f)	36.92 %	34.34 %	44.34 %	36.59 %	39.20 %
Pre-tax, pre-provision income	(f)-(g)	\$ 427,100	\$ 431,728	\$ 364,679	\$ 1,660,628	\$ 1,586,498

Appendix: GAAP to Non-GAAP Reconciliation

EAST WEST BANCORP, INC. AND SUBSIDIARIES
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. During the second, third and fourth quarters of 2024, the Company recorded \$3 million, \$11 million, and \$343 thousand, respectively, in pre-tax DC solar recoveries (included in *Amortization of Tax Credit and CRA Investments* on the Condensed Consolidated Statement of Income) related to the Company's investment in DC Solar. The Company recorded \$3 million, \$2 million, and \$4 million in pre-tax DC solar recoveries in the first, second, and fourth quarters of 2023, respectively. During the first and second quarters of 2024, the Company recorded \$10 million and \$2 million, respectively, in pre-tax FDIC special assessment charges, and a \$3 million FDIC special assessment reversal during the fourth quarter of 2024 (included in *Deposit insurance premiums and regulatory assessments* on the Condensed Consolidated Statement of Income). During the fourth quarter of 2023, the Company recorded \$70 million in pre-tax FDIC special assessment charges. During the first and fourth quarters of 2023, the Company recorded a \$10 million pre-tax impairment write-off and a \$3 million pre-tax gain on the sale of the same AFS debt security (included in *Net gains on AFS debt securities* on the Condensed Consolidated Statement of Income), respectively. During the first quarter of 2023, the Company recorded \$4 million in pre-tax repurchase agreements' extinguishment cost (included in *Other operating expenses* on the Condensed Consolidated Statement of Income). Adjusted net income represents net income adjusted for the tax-effected above-mentioned adjustments. Adjusted diluted EPS represents diluted EPS adjusted for the above tax-effected adjustments. Management believes that the measures and ratios presented below provide clarity to financial statement users regarding the ongoing performance of the Company and allow comparability to prior periods.

	Three Months Ended			Year Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net income	\$ 293,115	\$ 299,166	\$ 238,953	\$ 1,165,586	\$ 1,161,161
Less/Add: FDIC special assessment (reversal) charge	(3,385)	—	69,986	8,800	69,986
Less/Add: Net gain/loss AFS debt security	—	—	(3,138)	—	6,862
Less: DC Solar recovery	(343)	(11,201)	(3,648)	(14,690)	(9,218)
Add: Repurchase agreements' extinguishment cost	—	—	—	—	3,872
Tax effect of adjustments ⁽¹⁾	1,109	3,311	(18,682)	1,751	(21,136)
Adjusted net income	\$ 290,496	\$ 291,276	\$ 283,471	\$ 1,161,447	\$ 1,211,527
Diluted weighted-average number of shares outstanding	139,883	139,648	141,409	139,958	141,902
Diluted EPS	\$ 2.10	\$ 2.14	\$ 1.69	\$ 8.33	\$ 8.18
Less/Add: FDIC special assessment (reversal) charge	(0.03)	—	0.49	0.06	0.49
Less/Add: Net gain/loss AFS debt security	—	—	(0.02)	—	0.05
Less: DC Solar recovery	—	(0.08)	(0.03)	(0.10)	(0.06)
Add: Repurchase agreements' extinguishment cost	—	—	—	—	0.03
Tax effect of adjustments ⁽¹⁾	0.01	0.03	(0.13)	0.01	(0.15)
Adjusted diluted EPS	\$ 2.08	\$ 2.09	\$ 2.00	\$ 8.30	\$ 8.54

(1) Applied statutory tax rate of 29.73% for the three and twelve months ended December 31, 2024. Applied statutory tax rate of 29.56% for the three months ended September 30, 2024, and for the three and twelve months ended December 31, 2023

Appendix: GAAP to Non-GAAP Reconciliation

EAST WEST BANCORP, INC. AND SUBSIDIARIES
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. Tangible book value, tangible book value per share and TCE ratio are non-GAAP financial measures. Tangible book value and tangible assets represent stockholders' equity and total assets, respectively, which have been reduced by goodwill and other intangible assets. Given that the use of such measures and ratios is more prevalent in the banking industry, and are used by banking regulators and analysts, the Company has included them below for discussion.

		December 31, 2024	September 30, 2024	December 31, 2023
Common Stock		\$ 170	\$ 170	\$ 169
Additional paid-in capital		2,030,712	2,018,105	1,980,818
Retained earnings		7,311,542	7,095,587	6,465,230
Treasury stock		(1,034,110)	(1,012,019)	(874,787)
Accumulated other comprehensive income:				
AFS debt securities net unrealized losses		(542,152)	(456,493)	(601,881)
Cash flow hedges net unrealized (losses) gains		(20,787)	39,143	2,624
Foreign currency translation adjustments		(22,321)	(19,954)	(21,339)
Total accumulated other comprehensive loss		(585,260)	(437,304)	(620,596)
Stockholders' equity	(a)	\$ 7,723,054	\$ 7,664,539	\$ 6,950,834
Less: Goodwill		(465,697)	(465,697)	(465,697)
Other intangible assets ⁽¹⁾		(5,234)	(5,563)	(6,602)
Tangible book value	(b)	\$ 7,252,123	\$ 7,193,279	\$ 6,478,535
Number of common shares at period-end	(c)	138,437	138,609	140,027
Book value per share	(a)/(c)	\$ 55.79	\$ 55.30	\$ 49.64
Tangible book value per share	(b)/(c)	\$ 52.39	\$ 51.90	\$ 46.27
Total assets	(d)	\$ 75,976,475	\$ 74,483,720	\$ 69,612,884
Less: Goodwill		(465,697)	(465,697)	(465,697)
Other intangible assets ⁽¹⁾		(5,234)	(5,563)	(6,602)
Tangible assets	(e)	\$ 75,505,544	\$ 74,012,460	\$ 69,140,585
Total stockholders' equity to assets ratio	(a)/(d)	10.17%	10.29%	9.98%
TCE ratio	(b)/(e)	9.60%	9.72%	9.37%

(1) Includes core deposit intangibles and mortgage servicing assets. There were no core deposit intangibles in the 2024 periods presented

Appendix: GAAP to Non-GAAP Reconciliation

EAST WEST BANCORP, INC. AND SUBSIDIARIES
GAAP TO NON-GAAP RECONCILIATION
(\$ in thousands)
(unaudited)

Return on average TCE represents tangible net income divided by average tangible book value. Tangible net income excludes the after-tax impacts of the amortization of core deposit intangibles and mortgage servicing assets. Given that the use of such measures and ratios is more prevalent in the banking industry, and are used by banking regulators and analysts, the Company has included them below for discussion.

		Three Months Ended			Year Ended	
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net income	(f)	\$ 293,115	\$ 299,166	\$ 238,953	\$ 1,165,586	\$ 1,161,161
Add: Amortization of core deposit intangibles		—	—	441	—	1,763
Amortization of mortgage servicing assets		334	348	302	1,322	1,328
Tax effect of amortization adjustments ⁽¹⁾		(99)	(103)	(220)	(393)	(914)
Tangible net income	(g)	\$ 293,350	\$ 299,411	\$ 239,476	\$ 1,166,515	\$ 1,163,338
Average stockholders' equity	(h)	\$ 7,731,324	\$7,443,333	\$ 6,695,852	\$ 7,315,174	\$ 6,482,985
Less: Average goodwill		(465,697)	(465,697)	(465,697)	(465,697)	(465,697)
Average other intangible assets ⁽²⁾		(5,445)	(5,790)	(5,434)	(5,953)	(6,542)
Average tangible book value	(i)	\$ 7,260,182	\$6,971,846	\$ 6,224,721	\$ 6,843,524	\$ 6,010,746
Return on average common equity ⁽³⁾	(f)/(h)	15.08%	15.99%	14.16%	15.93%	17.91%
Return on average TCE ⁽³⁾	(g)/(i)	16.07%	17.08%	15.26%	17.05%	19.35%

(1) Applied statutory tax rate of 29.73% for the three and twelve months ended December 31, 2024. Applied statutory tax rate of 29.56% for the three months ended September 30, 2024, and for the three and twelve months ended December 31, 2023

(2) Includes core deposit intangibles and mortgage servicing assets. There were no core deposit intangibles in the 2024 periods presented

(3) Annualized for three months ended December 31, 2024, September 30, 2024, and December 31, 2023