EWBC Investor Overview & Earnings Results

Third Quarter 2022

BancAnalysts Association of Boston Conference

November 3, 2022

EAST WEST BANK
Your financial bridge®

Forward-Looking Statements

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. Factors that could cause the Company's actual results to differ materially from those described in the forward-looking statements include, among others, changes in the U.S. economy or local, regional and global business, economic and political conditions and geopolitical events; the impacts of the ongoing COVID-19 pandemic; changes in laws or the regulatory environment, including trade, monetary and fiscal policies and laws; and changes in the commercial and consumer real estate markets and in consumer spending and savings habits. These factors also consist of those 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, 2021. 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.

Non-GAAP Financial Measures

Certain financial information in this presentation has not been prepared in accordance with U.S. generally accepted accounting principles ("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 financial 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.

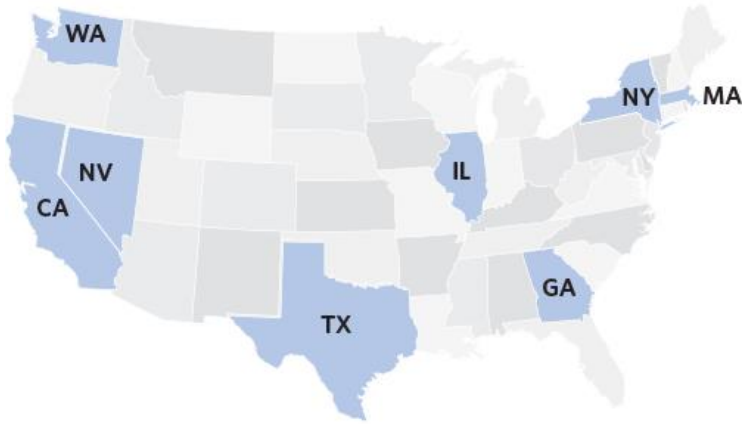
East West Bank at a Glance

East West Bank is the largest publicly traded bank headquartered in Southern California with 120+ locations in the U.S. and China

UNITED STATES

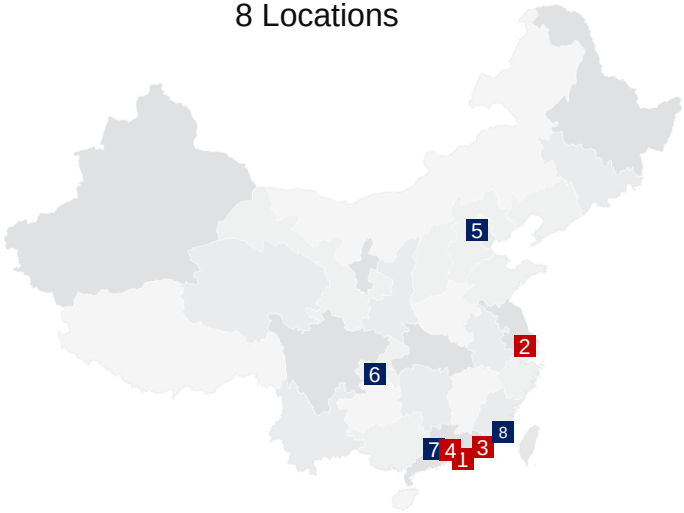
116 Locations across 8 states

74 Branches in California



CHINA

8 Locations



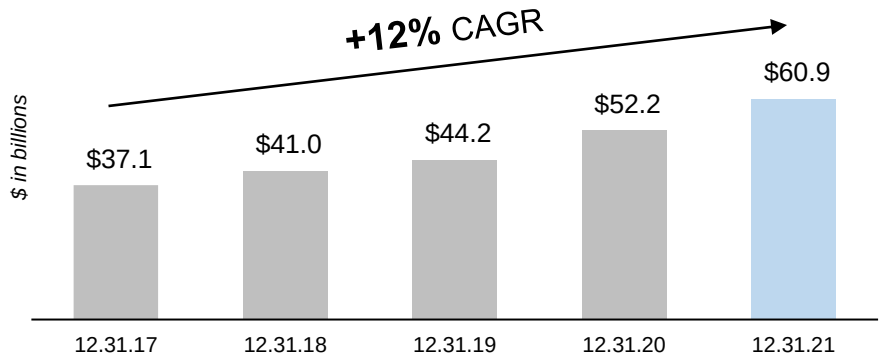
Branches: 1 Hong Kong 2 Shanghai 3 Shantou 4 Shenzhen

Rep. offices: 5 Beijing 6 Chongqing 7 Guangzhou 8 Xiamen

49 Years of operating history	**3,000+** Associates	**$62 billion** Asset size (as of 06.30.22)	**20+** Years on Nasdaq

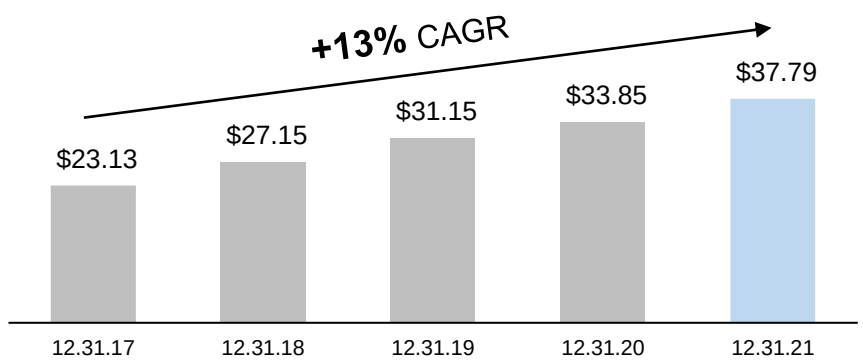
History of Balance Sheet Growth

Total Assets



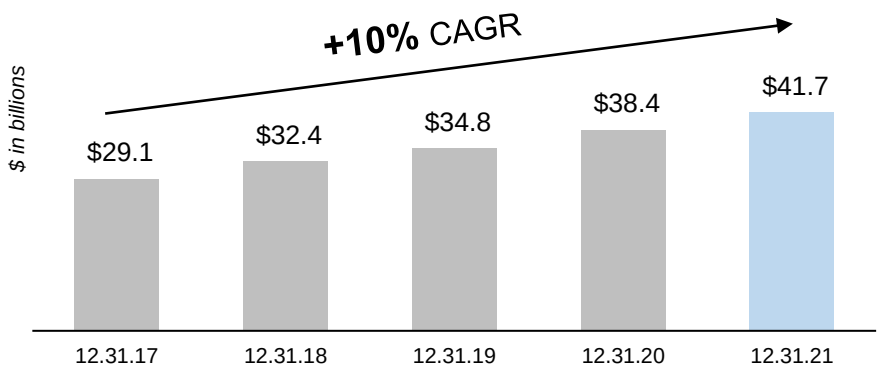
- 2021 total asset growth: 17% Y-o-Y.

Tangible Equity* per Share



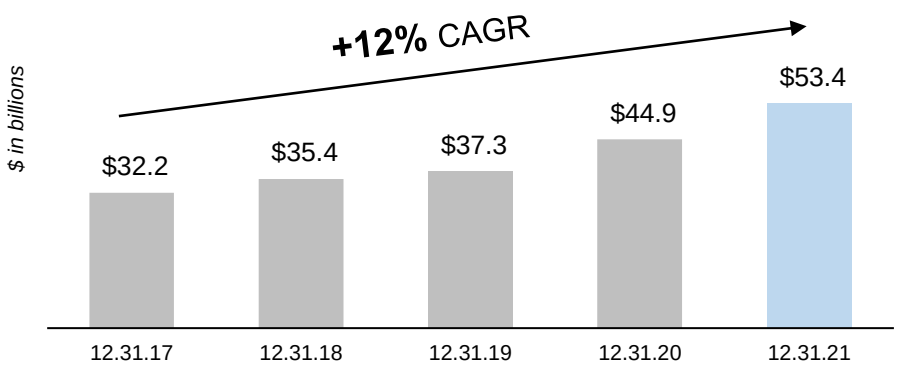
- 2021 tangible equity per share growth: 12% Y-o-Y.

Total Loans



- 2021 total loan growth: 9% Y-o-Y.

Total Deposits

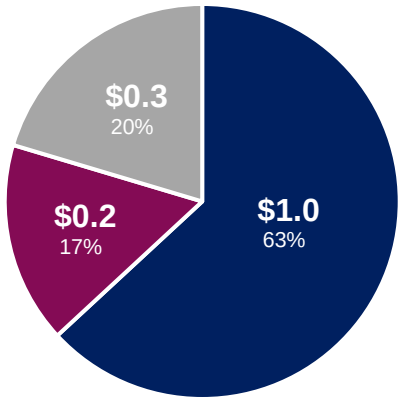


- 2021 total deposit growth: 19% Y-o-Y.

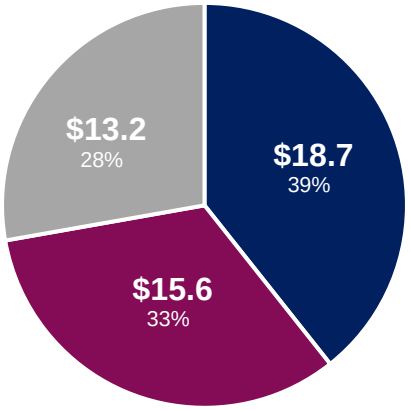
CAGR = Compound Annual Growth Rate, December 31, 2016 to December 31, 2021.
* See reconciliation of GAAP to non-GAAP financial measures in the Company's Earnings Press Releases.

Loans & Deposits: How Our Mix Has Changed

Loans as of 12.31.99:
$1.5 billion



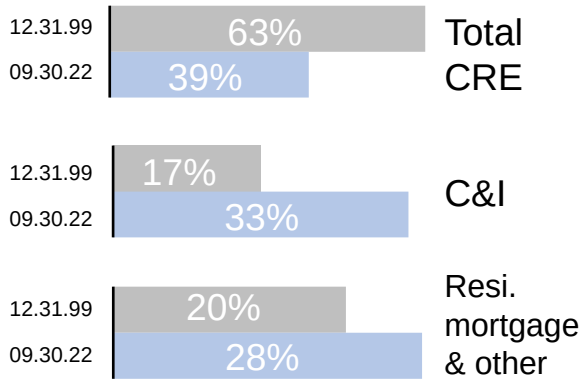
Record Loans as of 09.30.22:
$47.5 billion



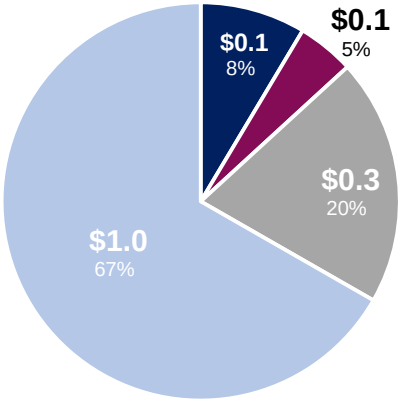
($ in billions)

Total CRE C&I Resi. mortgage & other consumer

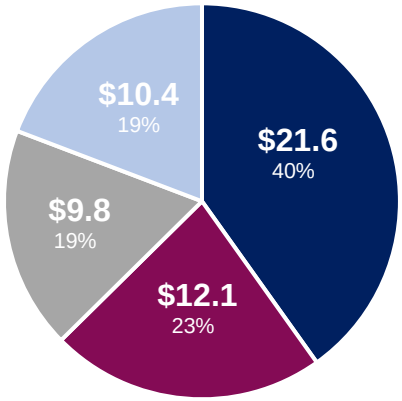
Mix Change by Category:



Deposits as of 12.31.99:
$1.5 billion



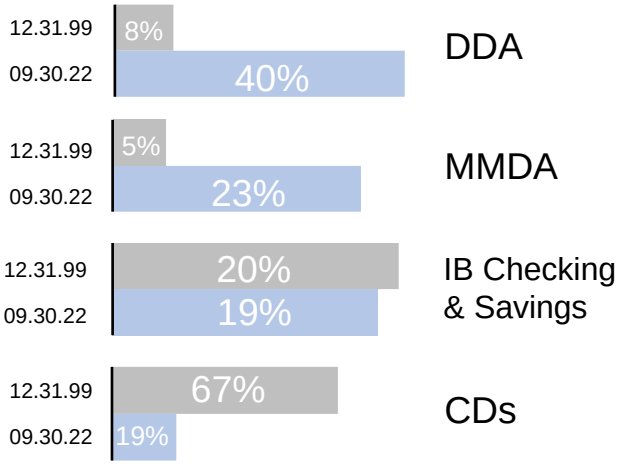
Total Deposits as of 09.30.22:
$53.9 billion



($ in billions)

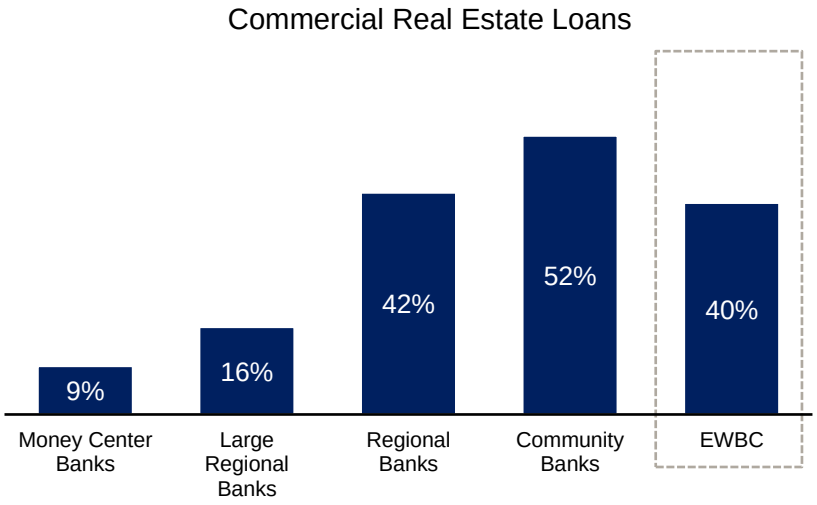
DDA MMDA IB Checking & Savings CDs

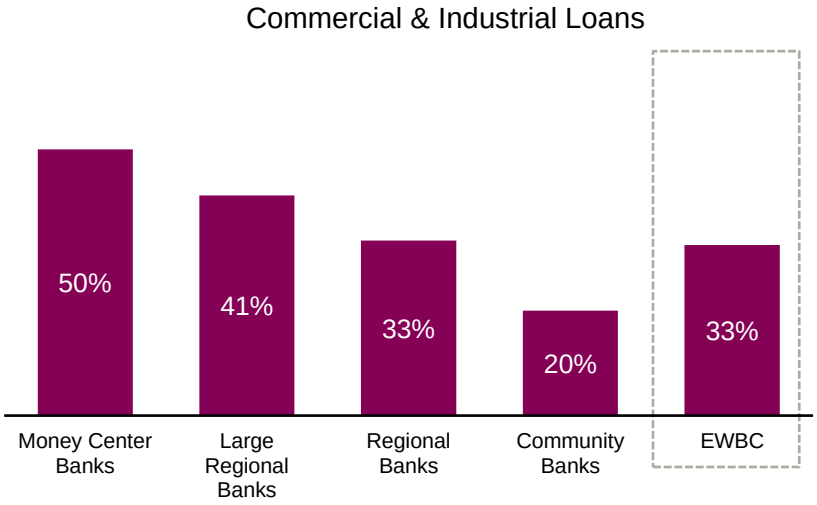
Mix Change by Category:

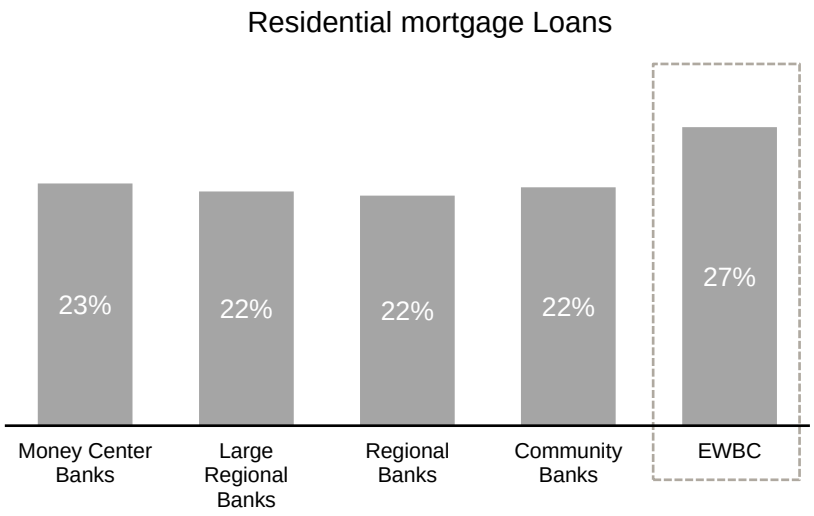


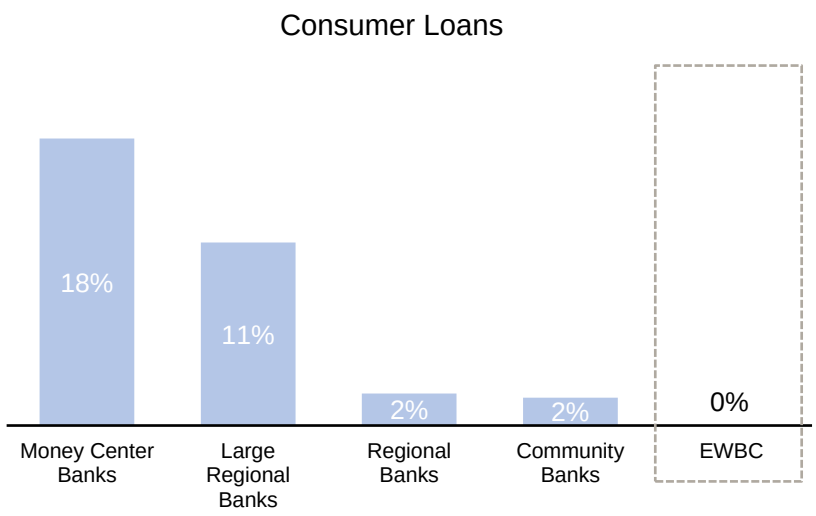
Loan Mix: How We Compare with Other Banks

EWBC vs. Peer Bank Group Medians: 06.30.22







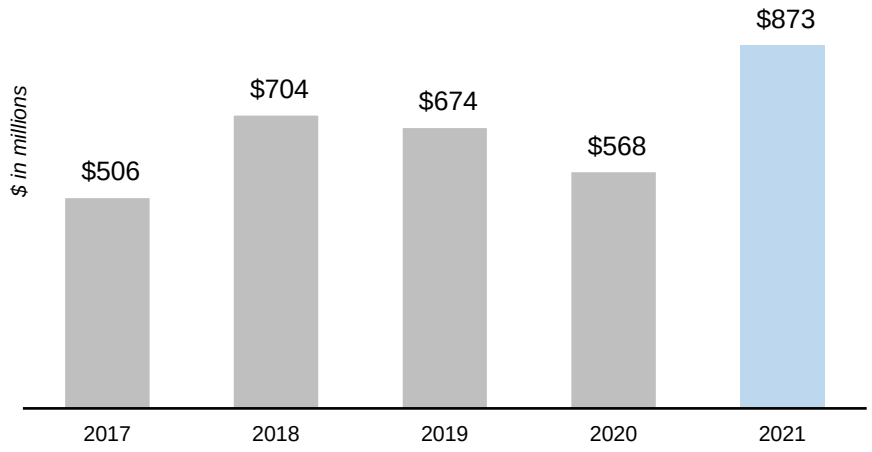


EAST WEST BANK

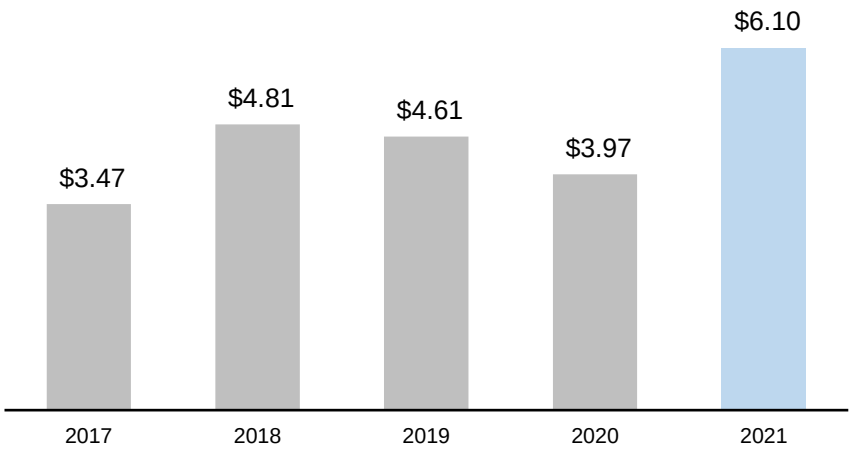
* Loans and leases as of 06.30.22. Source: S&P Capital IQ.
** Money-center banks: JPM, BAC, C, WFC. Large regional: >$100bn in assets. Regional: $30-$100bn in assets. Community: $15-$30bn in assets.

History of Earnings Growth and Profitability

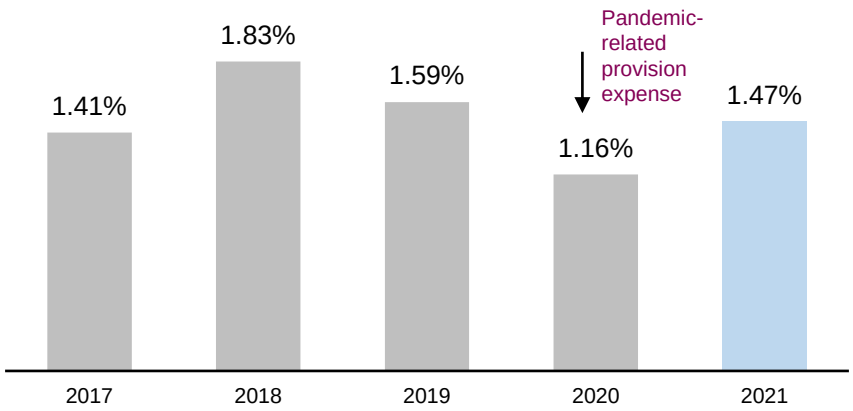
Net Income



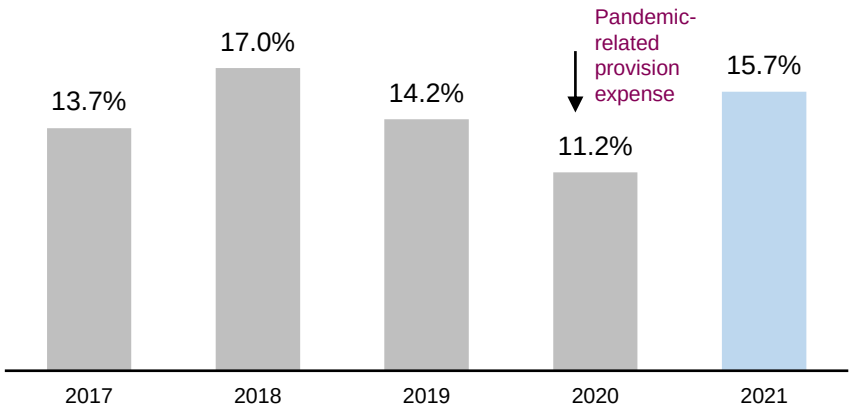
Diluted Earnings per Share



Return on Average Assets

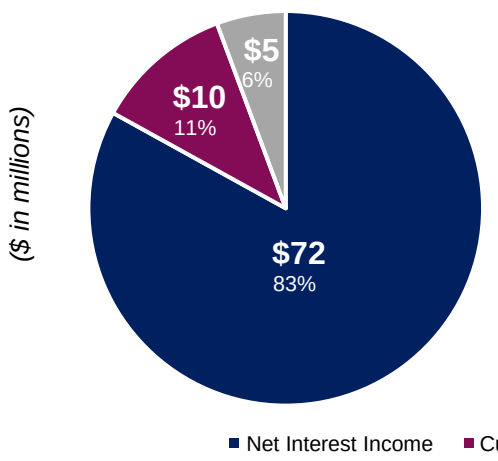


Return on Average Equity

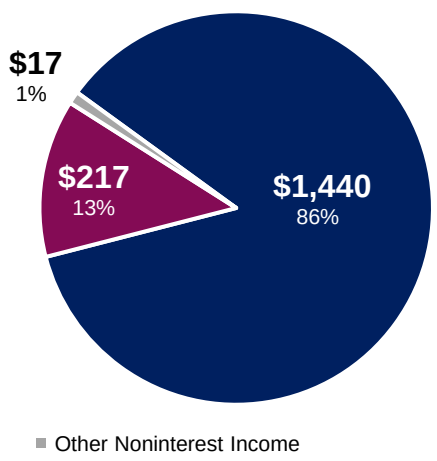


Revenue: How Our Mix Has Changed

Total Revenue in 1999:
$87 million

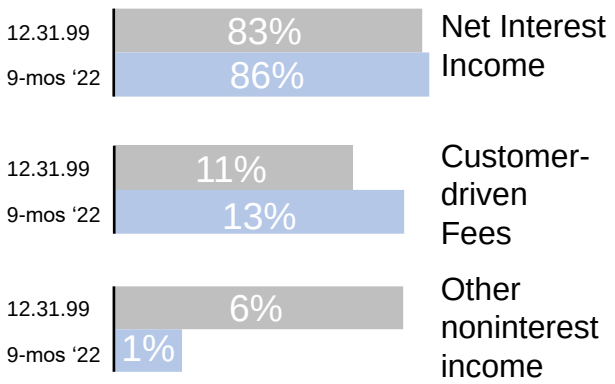


Total Revenue in 9-mos '22:
$1,674 million

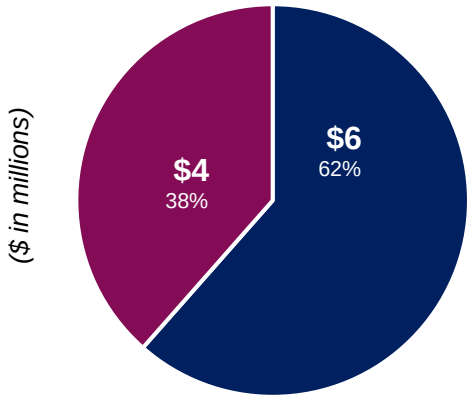


■ Net Interest Income ■ Customer-driven Fees ■ Other Noninterest Income

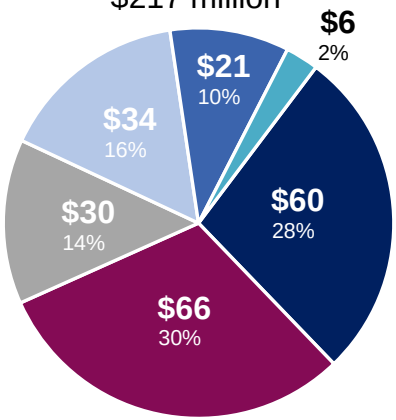
Mix Change by Category:



Customer-Driven Fees in 1999:
$10 million

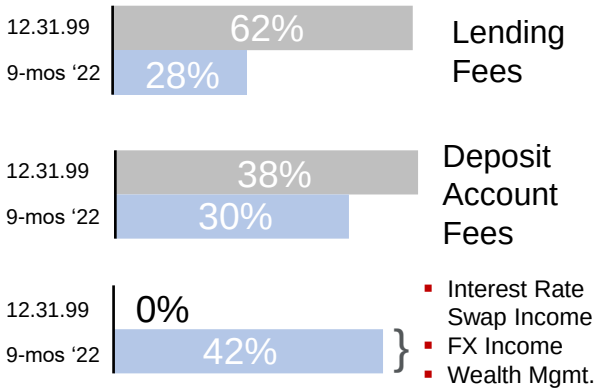


Customer-Driven Fees in 9-mos '22:
$217 million

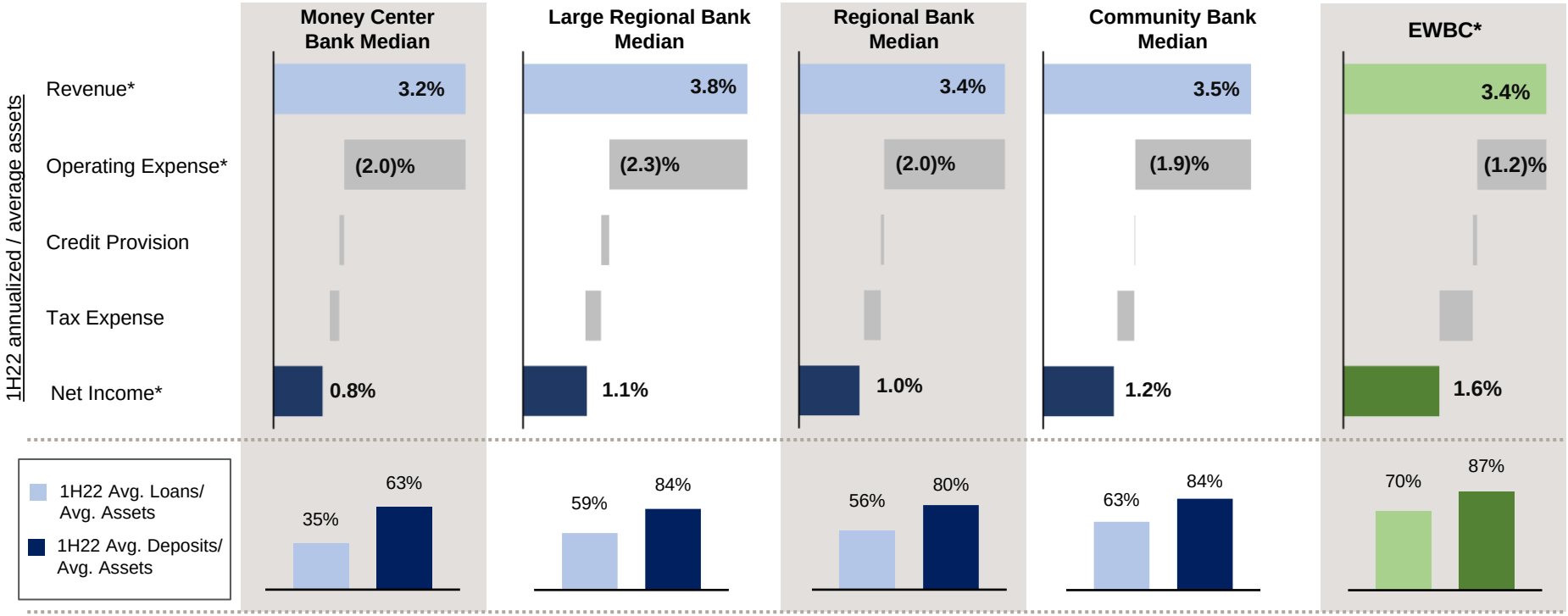


■ Lending Fees ■ Deposit Account Fees (Branch fees in 1999) ■ Interest Rate Swap Income ■ FX Income ■ Wealth Mgmt. ■ Gain on Sale of SBA Loans

Mix Change by Category:



Profitability: How We Compare with Other Banks



Industry Comments

- Currently, industry profitability benefitting from (1) expanding NIM due to rising interest rates, and (2) historically low credit costs.
- Industry outlook for 2023: inverted yield curve (which will temper revenue growth) and macroeconomic uncertainty / potential for recession (which will increase credit costs).
- Balancing revenue growth with credit concerns is top of mind.

EWBC Comments

- EWBC is asset sensitive & our revenue/avg. assets expands when short-term interest rates rise.
- EWBC's operating expense ratio to avg. assets is industry-leading, driving above-peer profitability.
- EWBC operates in high-tax states. Active tax credit investment strategy helps to partially offset higher tax expense.

* Excluding extraordinary items. For EWBC, tax credit amortization shown in tax expense, not OpEx.
** Money-center banks: JPM, BAC, C, WFC. Large regional: >$100bn in assets. Regional: $30-$100bn in assets. Community: $15-$30bn in assets. Source: S&P Capital IQ.

EWBC Earnings Results: 3Q22

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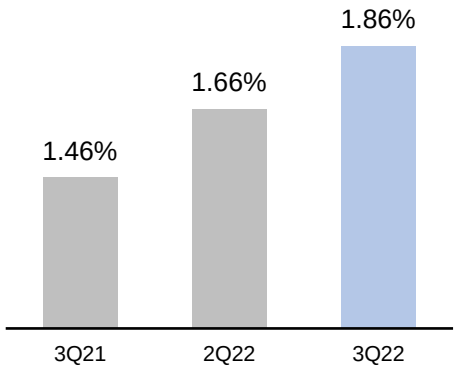
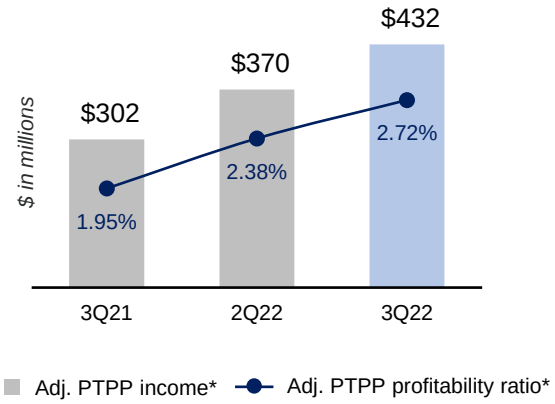
Highlights of Third Quarter 2022

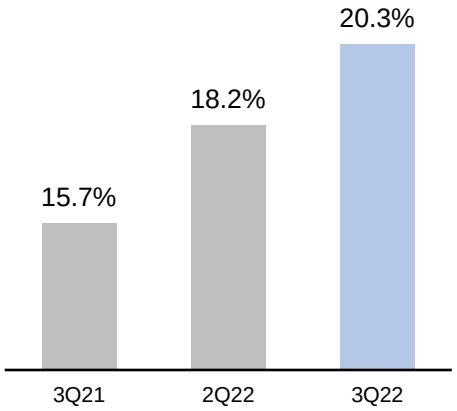
Return on Average Assets



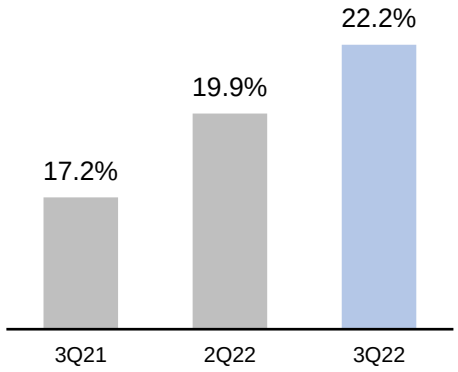
Adjusted Pre-Tax, Pre-Provision Income* & Profitability Ratio*



Return on Average Equity



Tangible Return on Average Tangible Equity*



Net Income
$295 million

Diluted EPS
$2.08

Record Average Loans
$46.9 billion

Average Deposits
$54.1 billion

Average Demand Deposits
$22.4 billion

Record Net Interest Income
$552 million

Total Revenue
$627 million

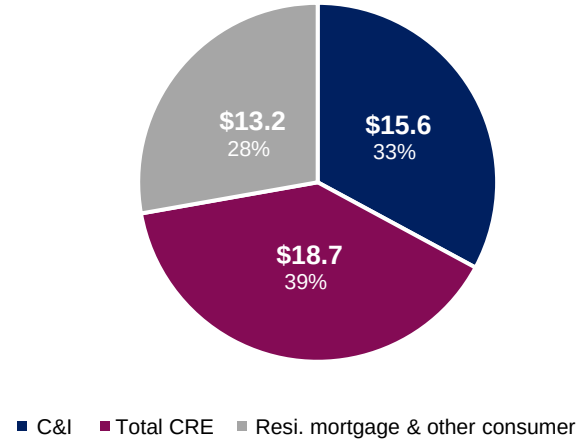
Adj. Efficiency Ratio*
31.2%

* See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's Earnings Press Releases.

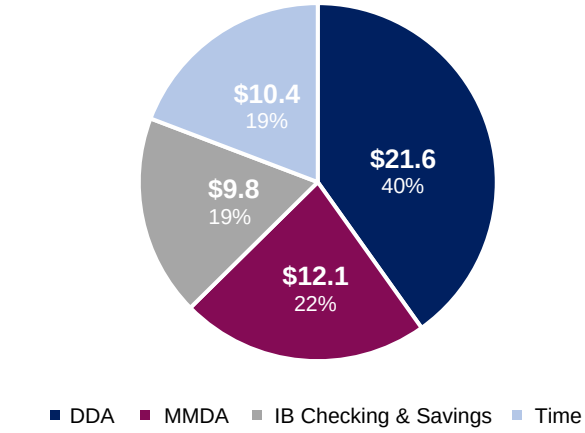
09.30.22: Strong, Well-Diversified Balance Sheet

$ in millions, except per share data	09.30.22	06.30.22	Q-o-Q Change
Cash equivalents & ST investments	$ 2,794	$ 2,615	$ 179
Repo assets	893	1,423	(530)
AFS debt securities	5,906	6,256	(350)
HTM debt securities	3,013	3,028	(15)
Total Loans	47,457	46,531	926
Allowance for loan losses (ALLL)	(583)	(563)	(20)
Net Loans	**$ 46,874**	**$ 45,968**	**$ 906**
Other assets	3,096	3,104	(8)
Total Assets	**$ 62,576**	**$ 62,394**	**$ 182**
Customer deposits	$ 53,857	$ 54,343	$ (486)
Fed Funds, FHLB advances & repo funding	1,137	787	350
Long-term debt & finance lease liab.	153	153	-
Other liabilities	1,768	1,502	266
Total Liabilities	**$ 56,915**	**$ 56,785**	**$ 130**
Total Stockholders' Equity	**$ 5,661**	**$ 5,609**	**$ 52**
Book value per share	$ 40.17	$ 39.81	$ 0.36
Tangible equity* per share	$ 36.80	$ 36.44	$ 0.36
Tang. equity to tang. assets ratio*	**8.35%**	**8.29%**	**6 bp**

Record Loans as of 09.30.22: $47.5 billion
($ in billions)



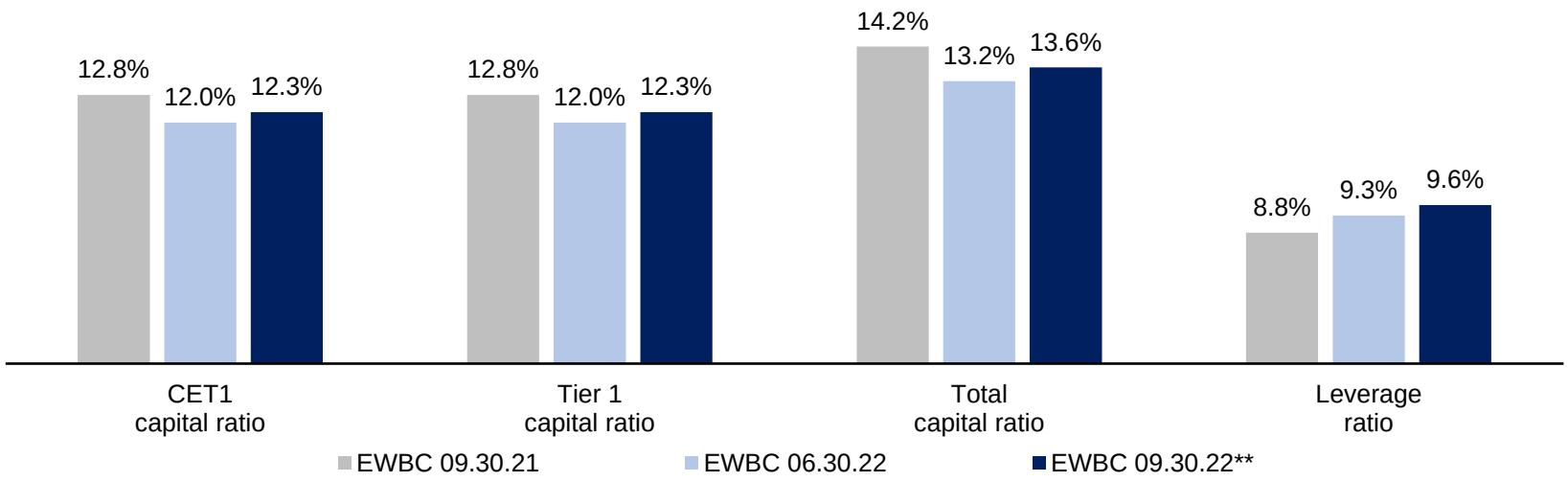
Total Deposits as of 09.30.22: $53.9 billion
($ in billions)



* See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's Earnings Press Releases.

09.30.22: Strong Capital Ratios That Expanded Q-o-Q

- Book value per share of $40.17 as of 09.30.22: +1% Q-o-Q and +0.2% Y-o-Y.
- Tangible equity* per share of $36.80 as of 09.30.22: +1% Q-o-Q and +0.1% Y-o-Y.
- Tangible equity to tangible assets ratio* of 8.35% as of 09.30.22, +6 bps from 06.30.22.
- All regulatory capital ratios increased Q-o-Q. CET1 ratio of 12.3% as of 09.30.22.
- Dividend: 4Q22 quarterly common stock dividend of $0.40 per share, equivalent to $1.60 per share annualized.
- No buybacks during 3Q22.

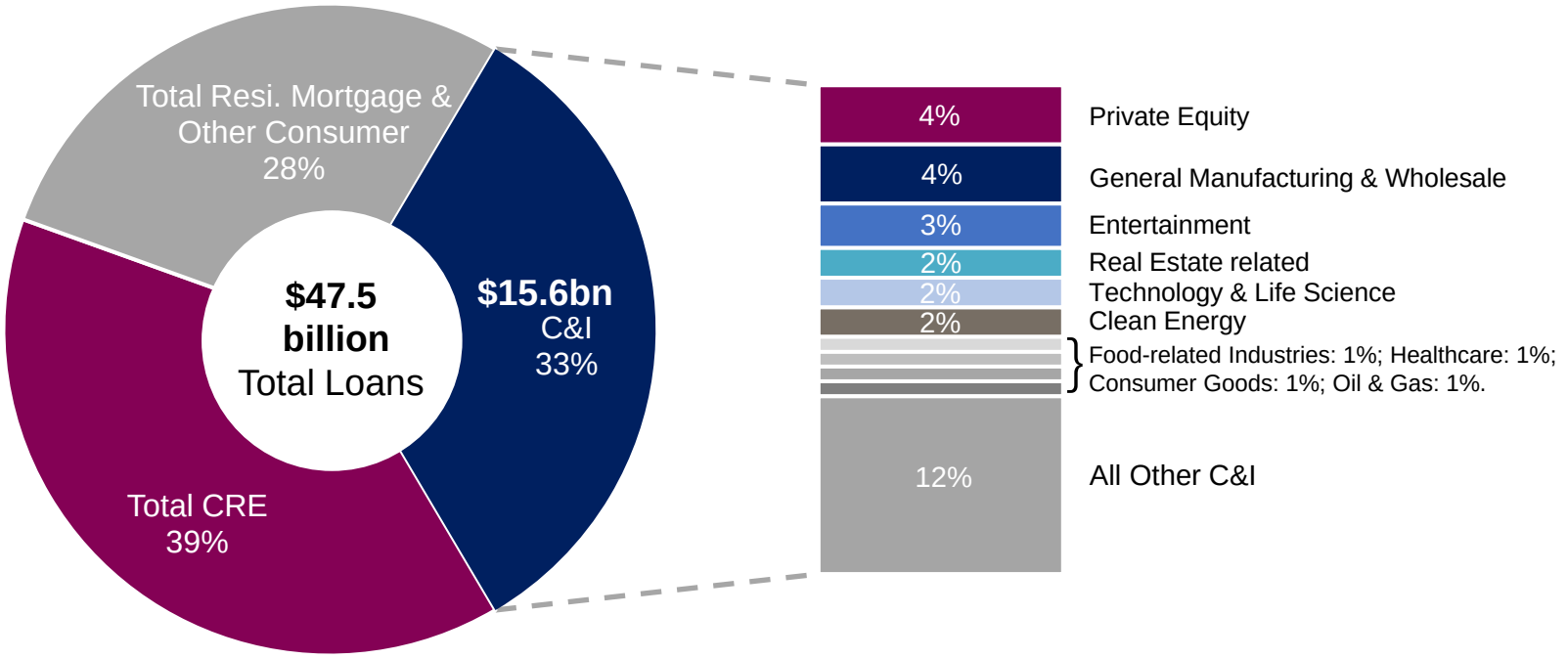


**The Company has elected to use the 2020 CECL transition provision in the calculation of its September 30, 2021, June 30, 2022, and September 30, 2022 regulatory capital ratios. The Company's September 30, 2022 regulatory capital ratios are preliminary.

* See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's Earnings Press Releases.

09.30.22: Diversified Commercial Loan Portfolio

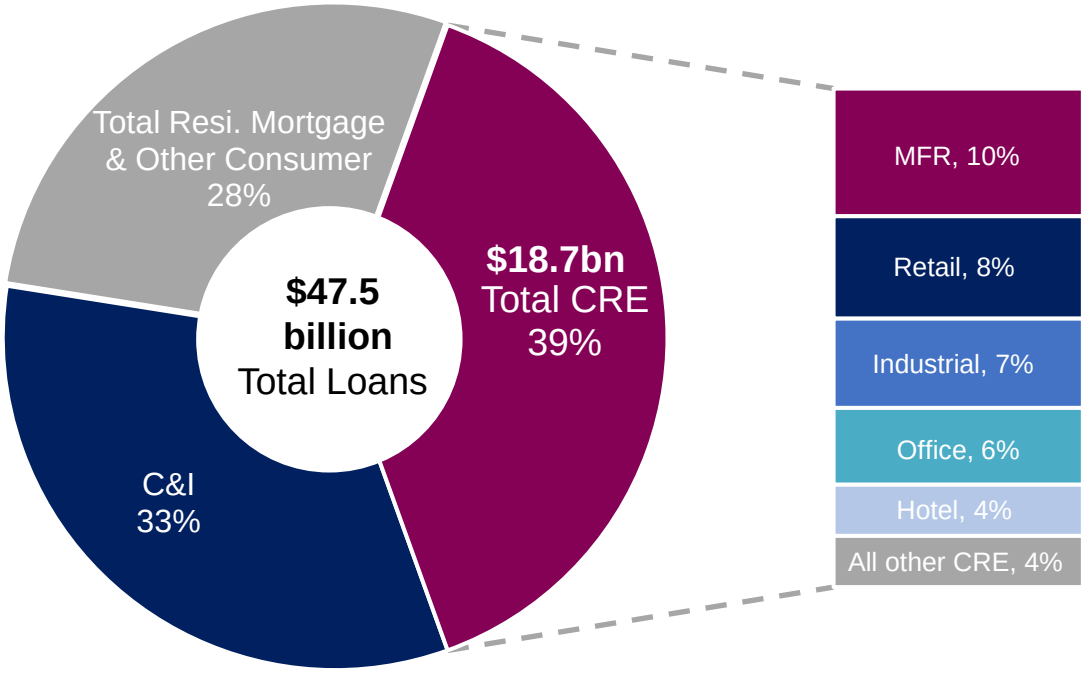
Total Loans: C&I Loans by Industry as % of Total Loans Outstanding



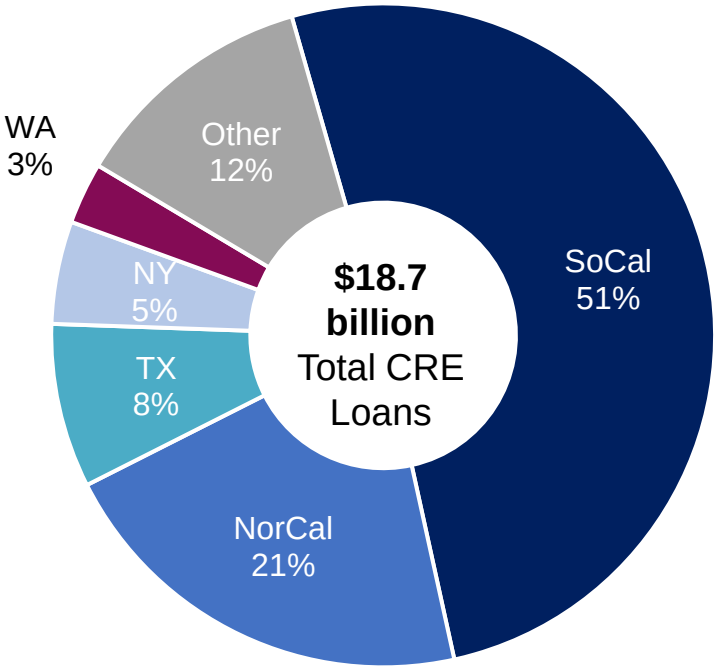
- **C&I loans:** $15.6bn loans O/S plus $6.6bn undisbursed commitments: $22.2bn total commitments as of 09.30.22.
  - **Portfolio well-diversified by industry.**
  - **Utilization:** 70% as of 09.30.22, unchanged Q-o-Q.
  - **Growth:** total commitments: +1% (+4% ann.) Q-o-Q & EOP loans HFI O/S: +2% (+6% ann.) Q-o-Q.
- **China loans O/S (mainland + Hong Kong):** $2.1bn as of 09.30.22, vs. $2.2bn as of 06.30.22. Portfolio primarily consists of C&I loans, well-diversified by industry.

09.30.22: Diversified Commercial Real Estate Portfolio

Total Loans: Total CRE Loans by Property Type as % of Total Loans Outstanding



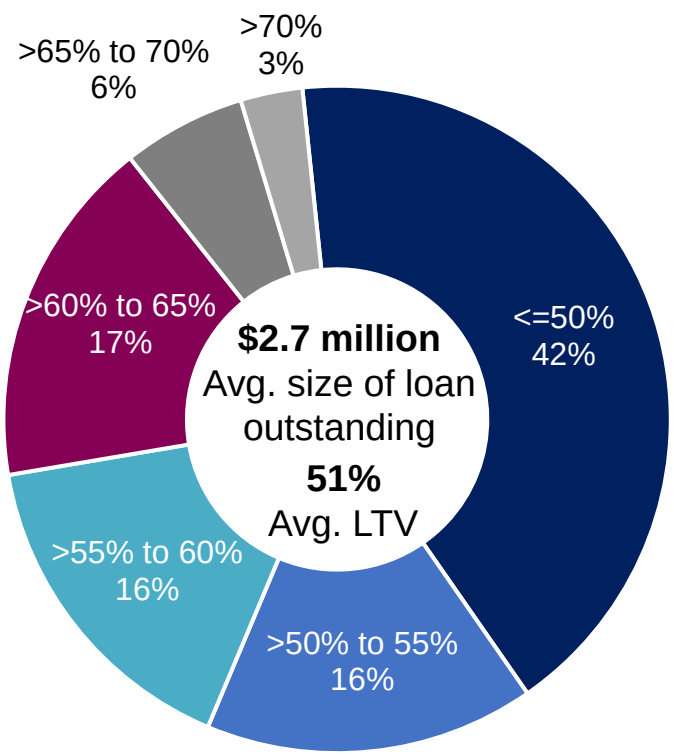
Total CRE: Distribution by Geography



- **Total CRE loans:** $18.7bn loans O/S as of 09.30.22
  - **Portfolio well-diversified by property type.**
  - **Geographic distribution** reflects EWBC's branch footprint.
  - **Growth:** +1% (+3% ann.) Q-o-Q.
- **Construction & land loans** (in All other CRE): $557mm, or 1.2% of total loans. Total construction & land exposure of $1.2bn: loans O/S plus $615mm in undisbursed commitments.

09.30.22: Low LTV Commercial Real Estate Portfolio

Total CRE: Distribution by LTV



CRE Size & LTV by Property Type

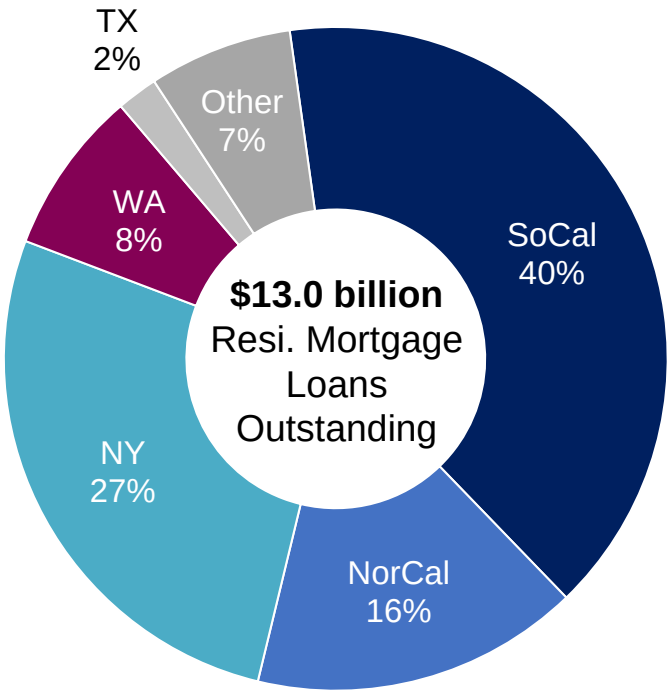
($ in millions)	Total Portfolio Size	Weighted Avg. LTV[1]	Average Loan Size
Multifamily	$ 4,559	52%	$ 1.6
Retail	$ 3,992	48%	$ 2.3
Industrial	$ 3,475	49%	$ 2.9
Office	$ 2,943	53%	$ 3.9
Hotel	$ 2,099	54%	$ 9.1
Construction & Land*	$ 557	58%	$ 13.2
Other	$ 1,064	51%	$ 3.4
Total CRE	**$ 18,689**	**51%**	**$ 2.7**

[1]Weighted avg. LTV based on commitment.
* Construction & Land avg. size based on total commitment.

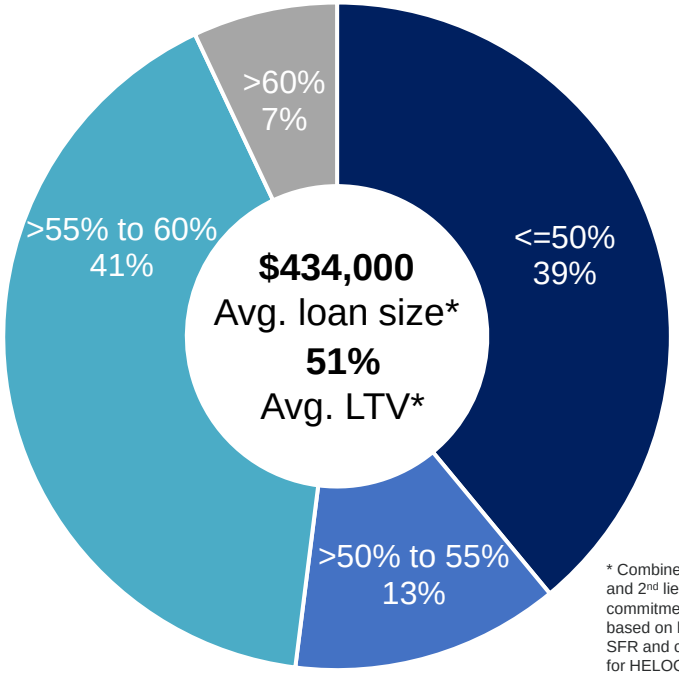
- High percentage of CRE loans have full recourse & personal guarantees from individuals or guarantors with substantial net worth.
- Many of our customers have long-term relationships with East West Bank.

09.30.22: Low LTV Residential Mortgage Portfolio

Resi. Mortgage: Distribution by Geography



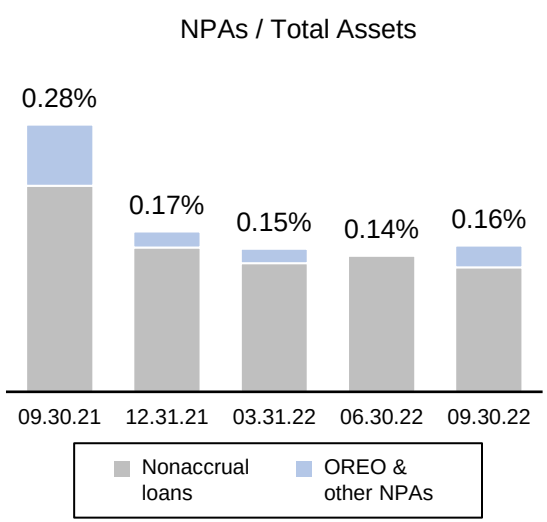
Resi. Mortgage: Distribution by LTV



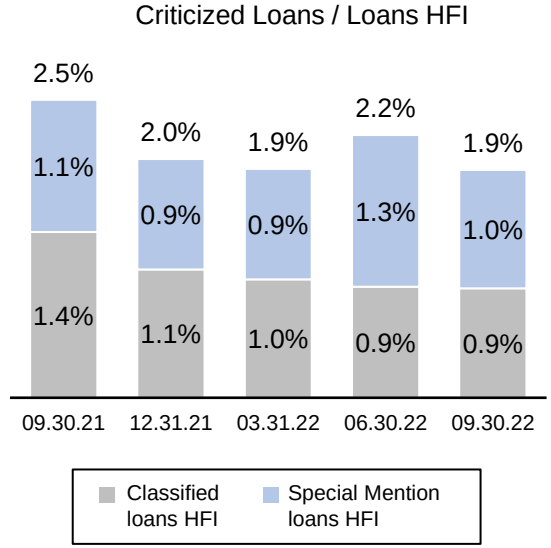
* Combined LTV for 1st and 2nd liens; based on commitment. Avg. size based on loan O/S for SFR and commitment for HELOC.

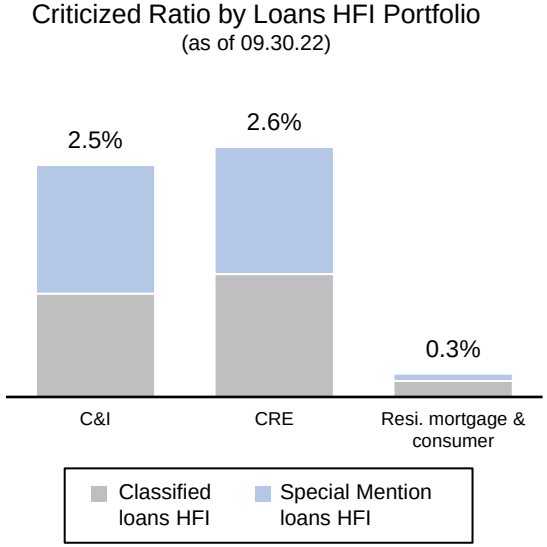
- **Residential mortgage (SFR + HELOC):** $13.0bn loans O/S as of 09.30.22.
  - **Primarily originated through East West Bank branches.**
  - **Origination volume:** $1.5bn in 3Q22, down 14% Q-o-Q.
  - **Resi. loans O/S growth:** +4% (+17% ann.) Q-o-Q.
- **SFR:** $10.9bn loans O/S as of 09.30.22.
- **HELOC:** $2.2bn loans O/S + $3.3bn in undisbursed commitments: $5.5bn total as of 09.30.22.
  - **HELOC utilization:** 40% as of 09.30.22, vs. 44% as of 06.30.22.
  - 83% of commitments in first lien position as of 09.30.22.

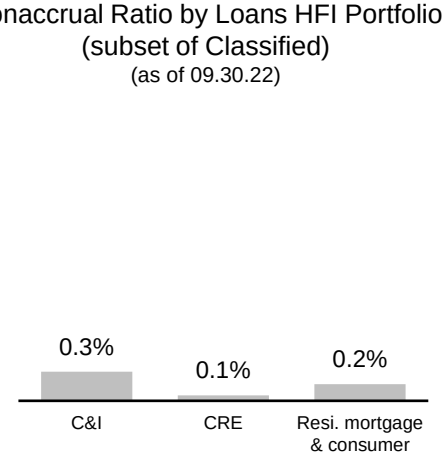
09.30.22: Solid & Stable Asset Quality Metrics



- **Criticized loans decreased** Q-o-Q by $117 million, or 11%, to $905mm as of 09.30.22. Special mention loans decreased 20% Q-o-Q & classified loans were essentially unchanged.
- **Criticized loans ratio improved** 29 bps Q-o-Q to 1.91% of loans HFI as of 09.30.22, down from 2.20% of loans HFI as of 06.30.22.
  - **Special mention:** $471mm (0.99% of loans HFI) as of 09.30.22, vs. 1.27% as of 06.30.22.
  - **Classified:** $434mm (0.92% of loans HFI) as of 09.30.22, vs. 0.93% as of 06.30.22.
- **Nonperforming assets**: $97mm as of 09.30.22 (0.16% of assets), vs 0.14% as of 06.30.22.
- **Accruing loans 30-89 days past due:** $50mm as of 09.30.22 (0.10% of loans HFI), vs. $39mm (or 0.08%) as of 06.30.22 & $41mm (or 0.10%) as of 09.30.21.

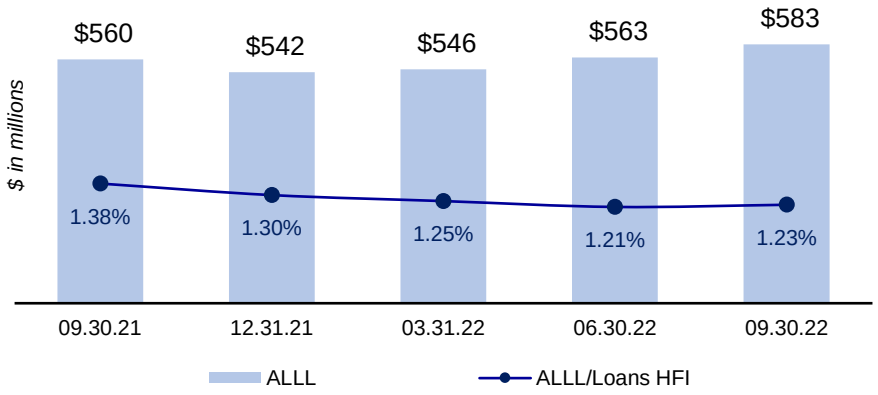






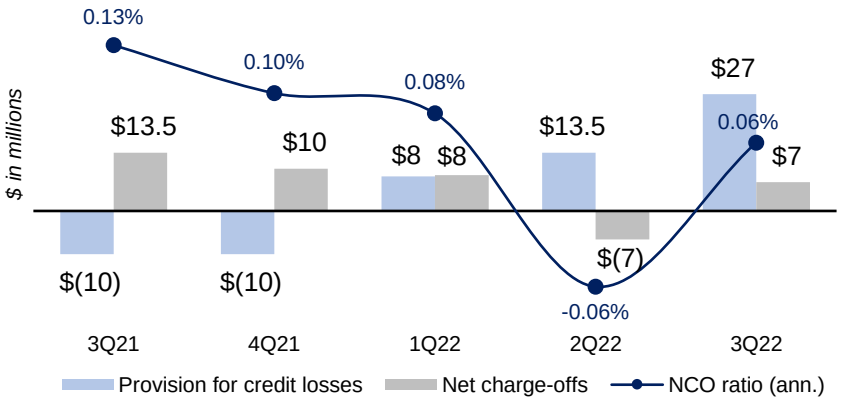
3Q22: Allowance for Loan Losses & Credit Costs

Allowance for Loan Losses Coverage Ratio

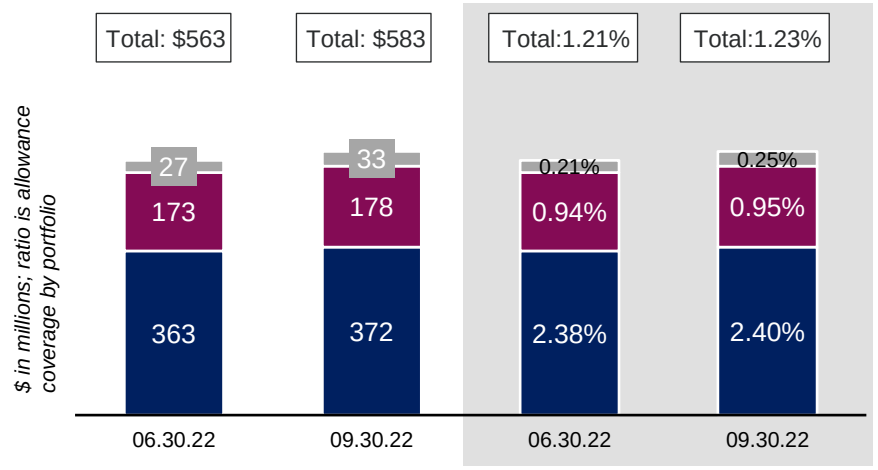


HFI represents Held for Investment.

Provision for Credit Losses & Net Charge-offs



Composition of ALLL by Portfolio:



- **ALLL coverage of loans:** 1.23% as of 09.30.22, vs. 1.21% as of 06.30.22. Build in ALLL coverage largely reflects current macroeconomic outlook & third quarter loan growth.
- **Net charge-offs in 3Q22** of $7mm, or annualized 0.06% of avg. loans, vs. net recoveries ratio of 0.06% (ann.) in 2Q22.
- **Provision for credit losses in 3Q22**: $27mm, vs. $13.5mm in 2Q22.

3Q22: Summary Income Statement

$ in millions, except per share data & ratios	3Q22	2Q22	3Q22 vs. 2Q22 $ Change	3Q22 vs. 2Q22 % Change
Total net interest income	$ 551.8	$ 473.0	$ 78.8	17%
Fee income & net GOS of loans*	69.0	64.8	4.2	6.5%
Other	6.6	13.6	(7.0)	-51%
Total noninterest income	**$ 75.6**	**$ 78.4**	**$ (2.8)**	**-4%**
Total revenue	**$ 627.4**	**$ 551.4**	**$ 76.0**	**14%**
Adjusted noninterest expense**	$ 195.6	$ 181.4	$ 14.2	8%
Amortization of tax credit & other investments + core deposit intangibles	20.4	15.5	4.9	32%
Total noninterest expense	**$ 216.0**	**$ 196.9**	**$ 19.1**	**10%**
Provision for credit losses	**$ 27.0**	**$ 13.5**	**$ 13.5**	**100%**
Income tax expense	89.0	82.7	6.3	8%
Effective tax rate	23%	24%	-1%	
Net Income (GAAP)	**$ 295.3**	**$ 258.3**	**$ 37.0**	**14%**
Diluted EPS	**$ 2.08**	**$ 1.81**	**$ 0.27**	**15%**
Weigh. avg. diluted shares (in mm)	142.0	142.4	**(0.4)**	-0.3%

Comments

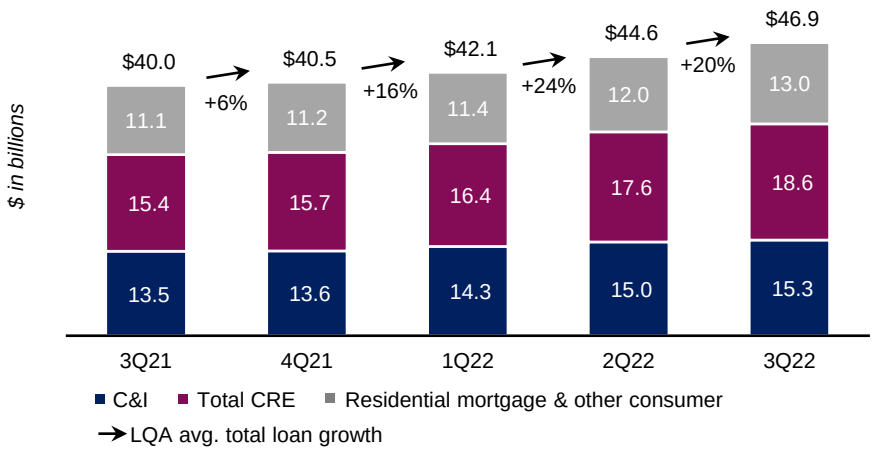
- **Record net interest income:** $552mm, up 17% Q-o-Q (+66% LQA).
- **Customer-driven fee income and GOS of SBA loans:** $69mm, up 7% Q-o-Q (+26% LQA).
- **Other investment income** was $(0.6)mm in 3Q22, vs $4.9mm in 2Q22, reflecting equity valuation adjustments of CRA investments.
- **Amortization of tax credit & other investments:** $20mm in 3Q22, vs. $15mm in 2Q22: Q-o-Q variability reflects the impact of investments that close in a given period. Amortization of tax credit investments expected to be approx. $30mm in 4Q22.
- **Tax expense:** YTD effective tax rate was 23% for the 9-mos of 2022.
  - The full-year 2022 effective tax rate is expected to be approximately 22%, including impact from tax credit investments expected in 4Q22.

* See slide 25 for noninterest income detail by category.

** See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's Earnings Press Releases.

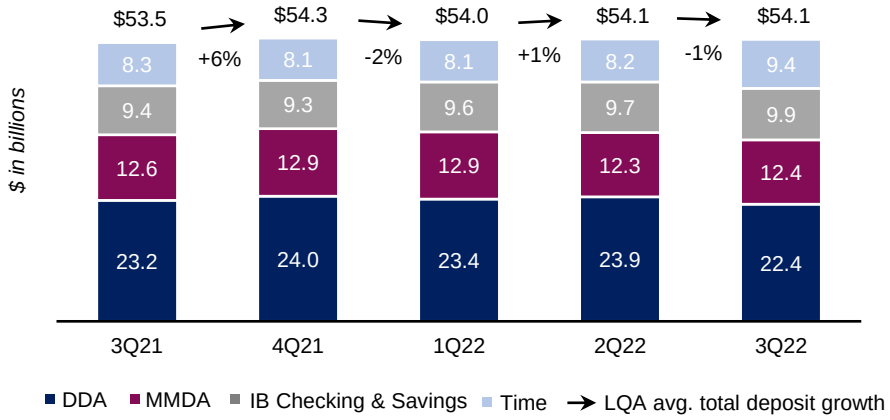
3Q22: Average Balance Sheet: Growth & Mix

Average Loans & Q-o-Q Change

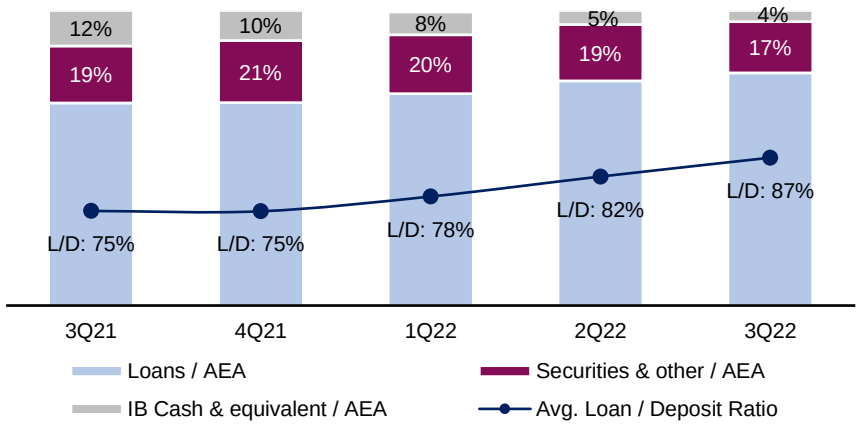


- **3Q22 avg. loan growth:** +20% LQA (+$2.2bn Q-o-Q). Growth in all major loan portfolios: residential mortgage (+$978mm), CRE (+$960mm), and C&I (+$296mm).
- Strong avg. loan growth drove **favorable shift in AEA mix** into higher yielding assets. Loans made up 79% of AEA in 3Q22 vs. 76% in 2Q22 and 69% in 3Q21.
- **3Q22 avg. deposit change:** essentially flat (-$78mm Q-o-Q). Growth in CDs (+$1.2bn), IB checking & savings (+$158mm), MMDA (+$32mm); decrease in DDA (-$1.5bn).
- **Avg. DDA** made up 41% of avg. deposits in 3Q22, vs. 44% in 2Q22 and 43% in 3Q21.

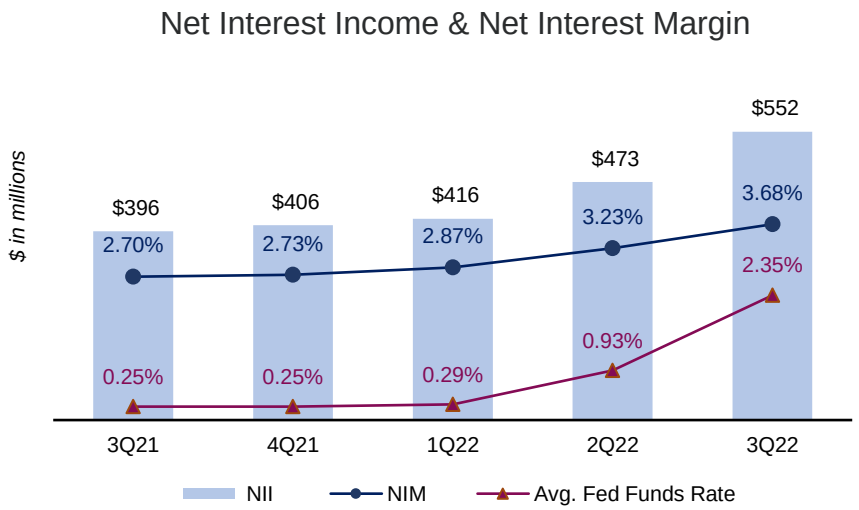
Average Deposits & Q-o-Q Change



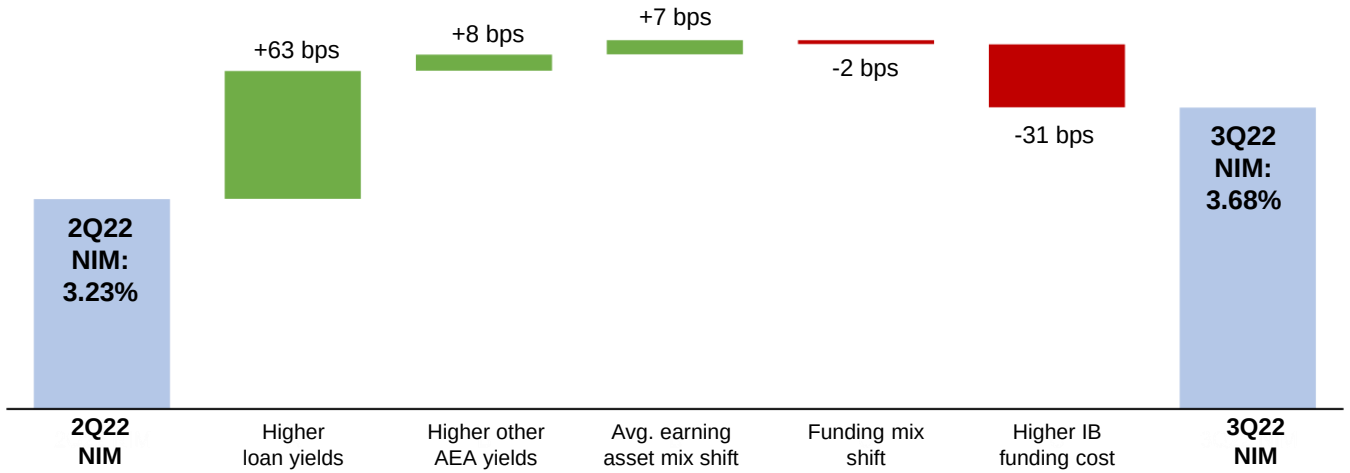
Avg. Earning Asset ("AEA") Mix & Loan-to-Deposit Ratio



3Q22: Net Interest Income & Net Interest Margin

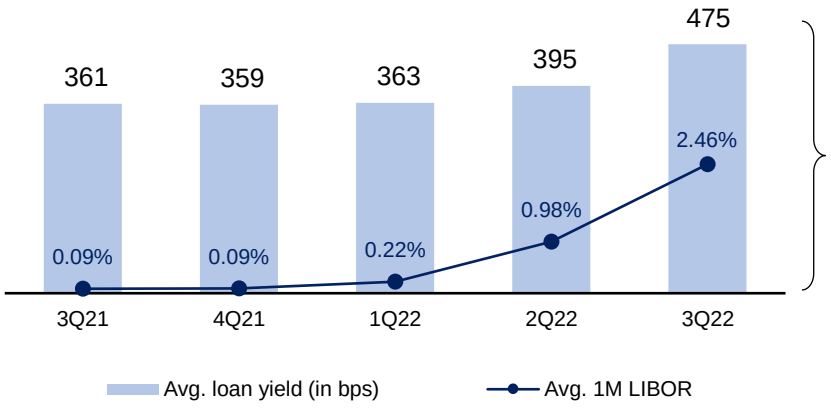


- **3Q22 record net interest income:** $552mm, +17% Q-o-Q (+66% LQA) from $473mm in 2Q22.
- **3Q22 NIM expansion:** 3.68%, +45 bps Q-o-Q.
- **Q-o-Q increase in NIM:** higher loan (+63 bps) and other earning asset yields (+8 bps), combined with favorable average earning asset mix shift (+7 bps), partially offset by funding mix shift (-2 bps) & higher cost of IB funding (-31 bps).
- Changes in yields and rates reflected rising benchmark interest rates during the year, as well as asset sensitivity of variable-rate loan portfolio.



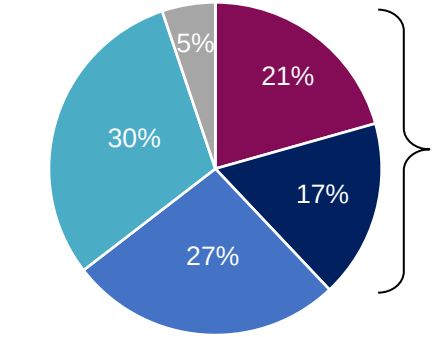
3Q22: Loan Yields: Average & Spot

Avg. Loan Yield (in bps) Relative to LIBOR



Avg. Loan Yield: Avg. yield in 3Q22: 4.75%, comprising 4.65% in avg. coupon rate plus 0.10% in other yield adjustments. Coupon spot rate was 5.10% as of 09.30.22.

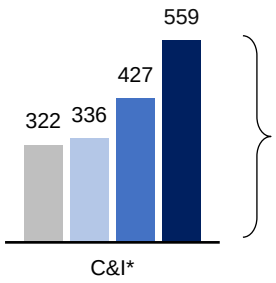
Loan Portfolio by Index Rate (09.30.22)



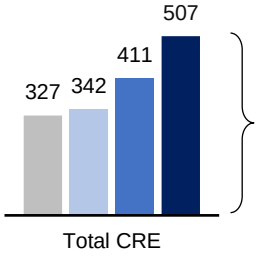
Total fixed rate and hybrid in fixed period: 38%.

- Fixed rate
- Hybrid in fixed rate period
- Variable: LIBOR or SOFR rates
- Variable: Prime rate
- Variable: all other rates

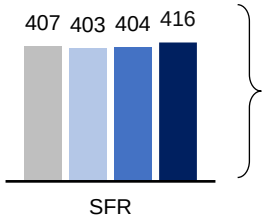
Loan Coupon Spot Rate (in bps) by Portfolio



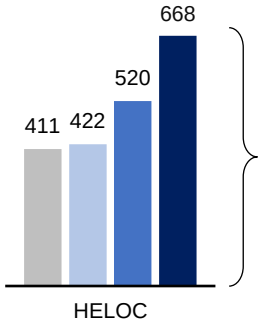
C&I: 86% variable rate.



Total CRE: 64% variable rate, of which 43%** had customer-level interest rate derivative contracts in place. Customers' debt service is protected and EWBC retains benefits of variable rate loans on its balance sheet.



SFR: 45% hybrid in fixed-rate period & 40% fixed rate.



HELOC: Prime-based, variable rate portfolio.

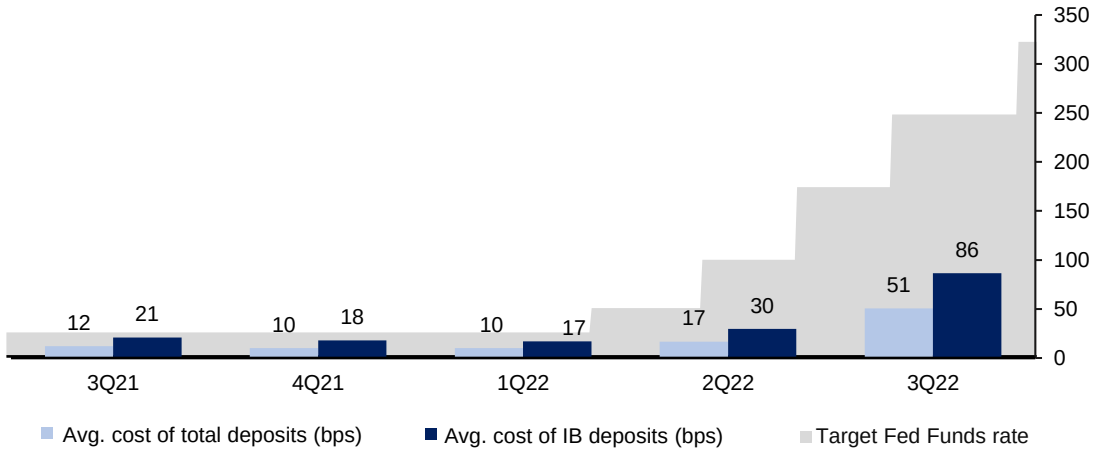
- 12.31.21
- 03.31.22
- 06.30.22
- 09.30.22

* C&I spot rate excludes PPP, credit cards, deposit overdraft & micro-finance.

** Derivative contract coverage by portfolio: 48% of variable-rate CRE & 35% of variable-rate MFR.

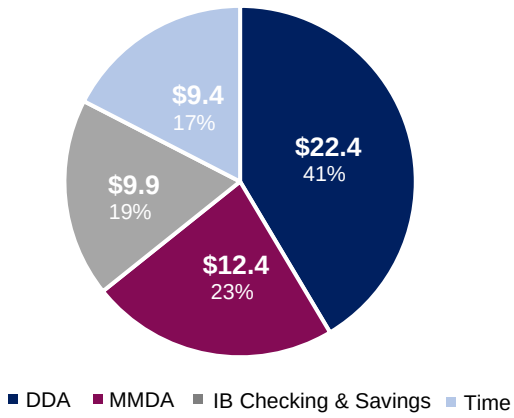
3Q22: Cost of Deposits: Average & Spot

Average Cost of Deposits (in bps) Relative to Target Fed Funds Rate

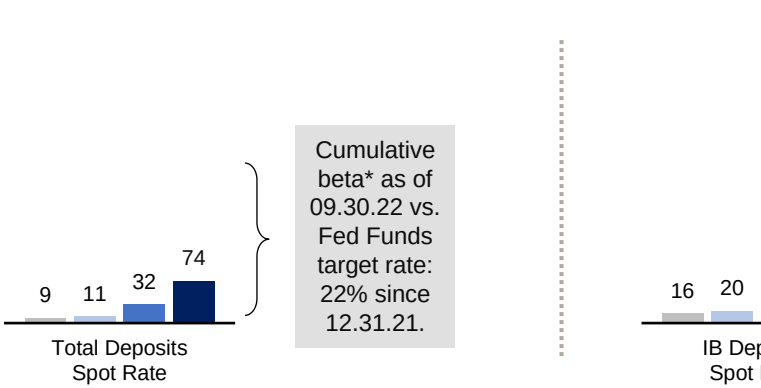


3Q22 Average Deposits: $54.1 billion

($ in billions)



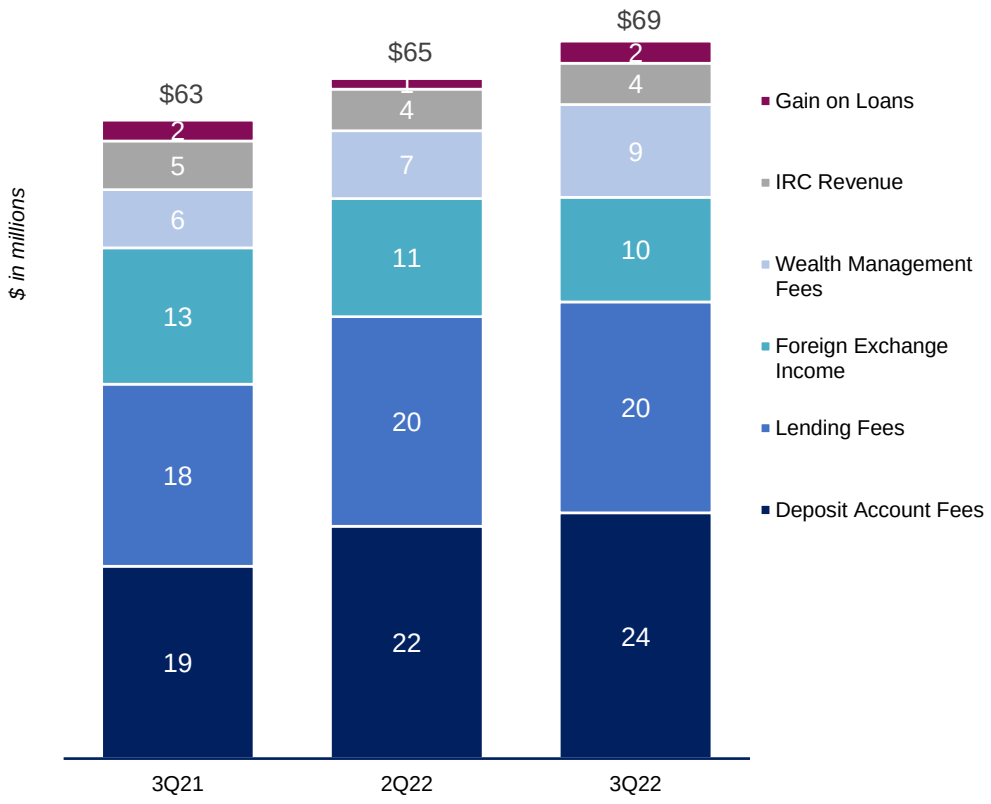
Deposit Spot Rate (in bps) vs. Loan Coupon Spot Rate (in bps) & Cumulative Beta*



* Beta represents change in metric between 09.30.22 and 12.31.21, divided by change in target Fed Funds rate between 09.30.22 and 12.31.21.

3Q22: Noninterest Income Detail

Fee Income* & Net Gains on Sales of Loans



- **Total noninterest income:** $76mm in 3Q22, compared with $78mm in 2Q22.
- **Fee income and net gains on sales of loans:** $69mm in 3Q22: up 7% Q-o-Q (+26% ann.) and up 10% Y-o-Y.
  - Q-o-Q increases in wealth management fees, deposit account fees, gain on sale of SBA loans, interest rate contracts revenue, and lending fees.
  - Q-o-Q decrease in foreign exchange income.

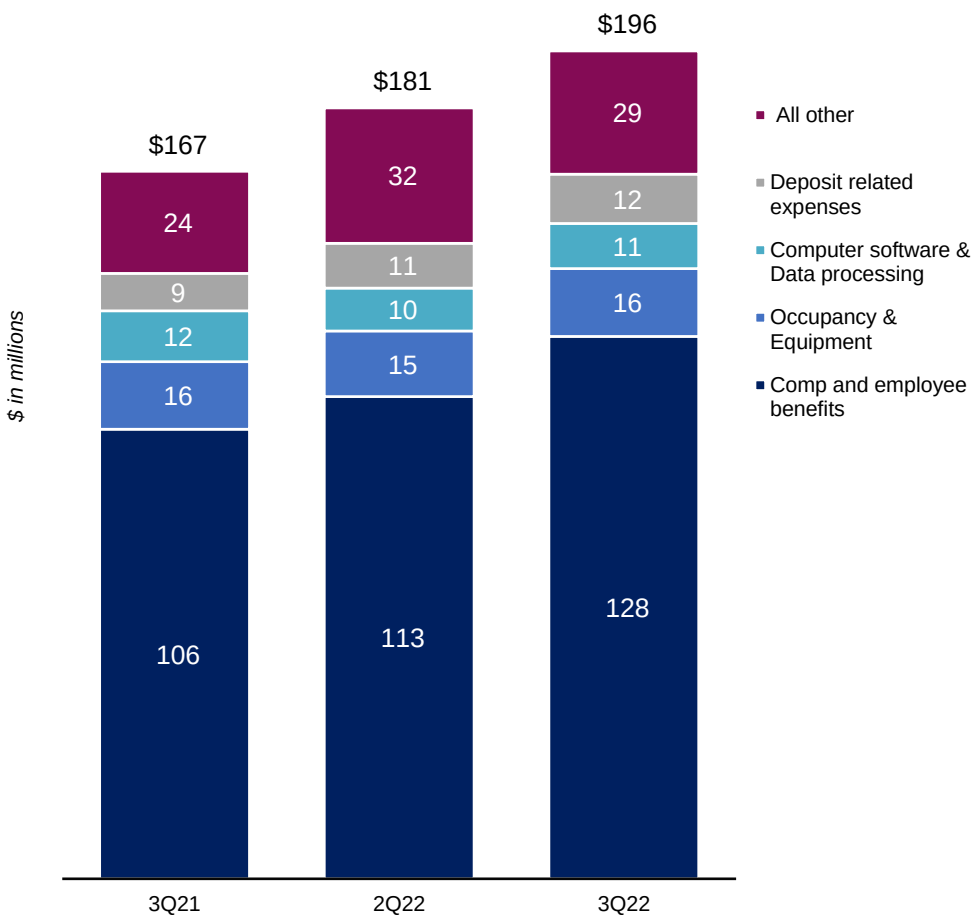
Interest Rate Contracts ("IRC") and Other Derivative Income Detail

($ in millions)	3Q21	2Q22	3Q22
Revenue	$ 4.7	$ 3.5	$ 4.0
MTM	2.5	6.3	4.8
Total	$ 7.2	$ 9.8	$ 8.8

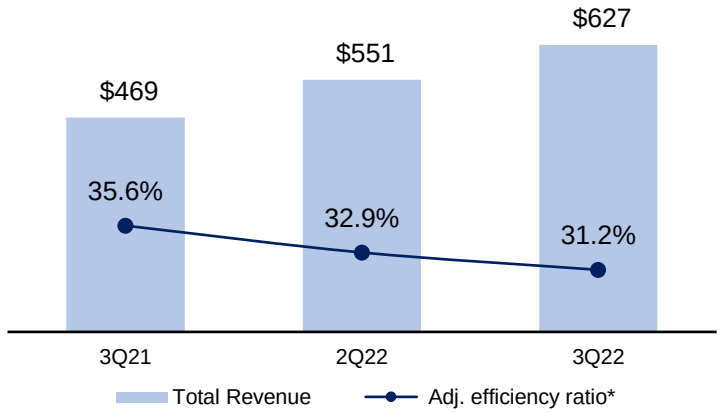
***** Fee income excludes MTM adjustments related to IRC and other derivatives; net gains on sales of securities; other investment income and other income.

3Q22: Operating Expense & Efficiency

Adjusted Noninterest Expense*



Total Revenue & Adjusted Efficiency Ratio*



- 3Q22 noninterest expense: $216mm.
- 3Q22 adj. noninterest expense*: $196mm, +8% Q-o-Q, driven by higher compensation and employee benefits.
- **Positive operating leverage:** 3Q22 total revenue growth (+14% Q-o-Q) exceeded expense growth.
- **Improving efficiency:** adj. efficiency ratio* was 31% in 3Q22, vs. 33% in 2Q22.
- Consistently achieving industry-leading operating efficiency.

* See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's Earnings Press Releases.

Management Outlook: Full Year 2022

Earnings drivers	FY 2022 expectations compared with FY 2021 results	Prior outlook	2021 actual
End of Period Loans (ex. PPP)*	▪ Increase at a percentage rate of approximately 16% to 18% Y-o-Y.	▪ Unchanged.	$41.2 billion (ex. PPP) +12% Y-o-Y (ex. PPP)
Net Interest Income (ex. PPP)*	▪ Increase at a percentage rate of approximately 35% Y-o-Y.	▪ Increase at a percentage rate of approximately 30% to 35% Y-o-Y.	$1.5 billion (ex. PPP) +10.5% Y-o-Y
Adj. Noninterest Expense** (ex. tax credit investment & core deposit intangible amortization)	▪ Increase at a percentage rate of approximately 11% Y-o-Y.	▪ Increase at a percentage rate of approximately 9% to 10% Y-o-Y.	$671 million +6% Y-o-Y
Credit Items	▪ Provision for credit losses of approximately $80 million.	▪ Provision for credit losses in the range of $60 million to $70 million.	$(35) million in 2021 & $211 million in 2020
Tax Items	▪ Full-year 2022 effective tax rate of approximately 22%, including the impact of tax credit investments. ▪ 4Q22 amortization of tax credit investments expected to be approx. $30mm & effective tax rate to be approx. 20%.	▪ Full-year 2022 effective tax rate of approximately 21%, including the impact of tax credit investments.	FY effective tax rate: 17%
Interest Rates	▪ Fed Funds rate of 4.50% by 12.31.22, up from 3.25% as of 09.30.22, and 0.25% as of 12.31.21. ▪ Forward interest rate curve as of 09.30.22.	▪ Fed Funds rate of 3.50% by 12.31.22.	No change to Fed Funds rate in 2021

* PPP loans were $110.9 million as of 09.30.22, and $534.2 million as of 12.31.21.
Income related to PPP loans was $7.0 million YTD 2022, and $55.2 million in FY2021.
** See reconciliation of GAAP to non-GAAP financial measures in the appendix and in the Company's Earnings Press Releases.

APPENDIX

EAST WEST BANK
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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. Adjusted efficiency ratio represents adjusted noninterest expense divided by revenue. Adjusted pre-tax, pre-provision profitability ratio represents total revenue less adjusted noninterest expense, divided by average total assets. Adjusted noninterest expense excludes the amortization of tax credit and other investments and the amortization of core deposit intangibles. 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		
		September 30, 2022	**June 30, 2022**	**September 30, 2021**
Net interest income before provision for (reversal of) credit losses		$ 551,809	$ 472,952	$ 395,706
Total noninterest income		75,552	78,444	73,109
Total revenue	**(a)**	**$ 627,361**	**$ 551,396**	**$ 468,815**
Total noninterest expense	**(b)**	$ 215,973	$ 196,860	$ 205,384
Less: Amortization of tax credit and other investments		(19,874)	(14,979)	(38,008)
Amortization of core deposit intangibles		(485)	(488)	(705)
Adjusted noninterest expense	**(c)**	**$ 195,614**	**$ 181,393**	**$ 166,671**
Efficiency ratio	**(b)/(a)**	**34.43%**	**35.70%**	**43.81%**
Adjusted efficiency ratio	**(c)/(a)**	**31.18%**	**32.90%**	**35.55%**
Adjusted pre-tax, pre-provision income	**(a)-(c) = (d)**	**$ 431,747**	**$ 370,003**	**$ 302,144**
Average total assets	**(e)**	$ 63,079,444	$ 62,232,841	$ 61,359,533
Adjusted pre-tax, pre-provision profitability ratio [1]	**(d)/(e)**	**2.72%**	**2.38%**	**1.95%**
Adjusted noninterest expense/average assets [1]	**(c)/(e)**	**1.23%**	**1.17%**	**1.08%**

(1) Annualized

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 equity and tangible equity to tangible assets ratio are non-GAAP financial measures. Tangible equity 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 such measures and ratios are used by banking regulators and analysts, the Company has included them below for discussion.

		September 30, 2022	June 30, 2022	September 30, 2021
Stockholders' equity	(a)	$ 5,660,668	$ 5,609,482	$ 5,690,201
Less: Goodwill		(465,697)	(465,697)	(465,697)
Other intangible assets [1]		(8,667)	(8,537)	(9,849)
Tangible equity	**(b)**	**$ 5,186,304**	**$ 5,135,248**	**$ 5,214,655**
Total assets	(c)	$ 62,576,061	$ 62,394,283	$ 60,959,110
Less: Goodwill		(465,697)	(465,697)	(465,697)
Other intangible assets [1]		(8,667)	(8,537)	(9,849)
Tangible assets	**(d)**	**$ 62,101,697**	**$ 61,920,049**	**$ 60,483,564**
Total stockholders' equity to total assets ratio	**(a)/(c)**	**9.05%**	**8.99%**	**9.33%**
Tangible equity to tangible assets ratio	**(b)/(d)**	**8.35%**	**8.29%**	**8.62%**

(1) Includes core deposit intangibles and mortgage servicing assets.

Appendix: GAAP to Non-GAAP Reconciliation

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

Tangible return on average tangible equity represents tangible net income divided by average tangible equity. 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 such measures and ratios are used by banking regulators and analysts, the Company has included them below for discussion.

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net income	(e)	$ 295,339	$ 258,329	$ 225,449	$ 791,320	$ 655,185
Add: Amortization of core deposit intangibles		485	488	705	1,484	2,147
Amortization of mortgage servicing assets		340	364	430	1,096	1,264
Tax effect of amortization adjustments [2]		(237)	(245)	(322)	(742)	(968)
Tangible net income	**(f)**	**$ 295,927**	**$ 258,936**	**$ 226,262**	**$ 793,158**	**$ 657,628**
Average stockholders' equity	(g)	$ 5,772,638	$ 5,682,427	$ 5,680,306	$ 5,765,637	$ 5,482,705
Less: Average goodwill		(465,697)	(465,697)	(465,697)	(465,697)	(465,697)
Average other intangible assets [1]		(8,379)	(8,827)	(10,135)	(8,801)	(10,847)
Average tangible equity	**(h)**	**$ 5,298,562**	**$ 5,207,903**	**$ 5,204,474**	**$ 5,291,139**	**$ 5,006,161**
Return on average equity [3]	**(e)/(g)**	**20.30%**	**18.23%**	**15.75%**	**18.35%**	**15.98%**
Tangible return on average tangible equity [3]	**(f)/(h)**	**22.16%**	**19.94%**	**17.25%**	**20.04%**	**17.56%**

(1) Includes core deposit intangibles and mortgage servicing assets.

(2) Applied statutory tax rate of 28.77% for the three and nine months ended September 30, 2022, and the three months ended June 30, 2022. Applied statutory tax rate of 28.37% for the three and nine months ended September 30, 2021.

(3) Annualized.