EWBC Investor Presentation

Third Quarter 2018

November 2018

EAST WEST BANK
Your financial bridge®

Forward-Looking Statements

Forward-Looking Statements

Certain matters set forth herein (including any exhibits hereto) constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including forward-looking statements relating to the Company's current business plans and expectations regarding future operating results. Forward-looking statements may include, but are not limited to, the use of forward-looking language, such as "likely result in," "expects," "anticipates," "estimates," "forecasts," "projects," "intends to," or may include other similar words or phrases, such as "believes," "plans," "trend," "objective," "continues," "remains," or similar expressions, or future or conditional verbs, such as "will," "would," "should," "could," "may," "might," "can," or similar verbs. These forward-looking statements are subject to risks and uncertainties that could cause actual results, performance or achievements to differ materially from those projected. These risks and uncertainties, some of which are beyond our control, include, but are not limited to, our ability to compete effectively against other financial institutions in our banking markets; success and timing of our business strategies; the Company's ability to retain key officers and employees; changes in interest rates on our net interest income and net interest margin; the effect of changes in the deposit mix on our funding costs and net interest margin; changes in our costs of operation, compliance and expansion; our ability to adopt and successfully integrate new technologies into our business in a strategic manner; impact of failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business, including as a result of cyber attacks; and other similar matters which could result in, among other things, confidential and/or proprietary information being disclosed or misused; adequacy of our risk management framework, disclosure controls and procedures and internal control over financial reporting; future credit quality and performance, including our expectations regarding future credit losses and allowance levels; impact of adverse changes to our credit ratings from the major credit rating agencies; impact of adverse judgments or settlements in litigation; changes in the commercial and consumer real estate markets; changes in the United States ("U.S.") economy, including inflation, employment levels, rate of growth and general business conditions; changes in government interest rate policies; impact of political developments, wars or other hostilities that may disrupt or increase volatility in securities or otherwise affect economic conditions; changes in laws or the regulatory environment including regulatory reform initiatives and policies of the U.S. Department of Treasury, the Board of Governors of the Federal Reserve Board System, the Federal Deposit Insurance Corporation, the U.S. Securities and Exchange Commission, the Consumer Financial Protection Bureau and the California Department of Business Oversight — Division of Financial Institutions; impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act on our business, business practices and cost of operations; heightened regulatory and governmental oversight and scrutiny of the Company's business practices, including dealings with consumers; impact of reputational risk from negative publicity, fines and penalties and other negative consequences from regulatory violations and legal actions; impact of regulatory enforcement actions; changes in accounting standards as may be required by the Financial Accounting Standards Board or other regulatory agencies and their impact on critical accounting policies and assumptions; changes in income tax laws and regulations and the impact of the Tax Cuts and Jobs Act; impact of other potential federal tax changes and spending cuts; our capital requirements and our ability to generate capital internally or raise capital on favorable terms; changes in our ability to receive dividends from our subsidiaries; any future strategic acquisitions or divestitures; continuing consolidation in the financial services industry; changes in the equity and debt securities markets; fluctuations of our stock price; fluctuations in foreign currency exchange rates; a recurrence of significant turbulence or disruption in the capital or financial markets, which could result in, among other things, a reduction in the availability of funding or increased funding costs, reduced investor demand for mortgage loans and declines in asset values and/or recognition of other-than-temporary impairment on securities held in our available-for-sale investment securities portfolio; changes in the economy of and monetary policy in the People's Republic of China; impact of natural or man-made disasters or calamities or conflicts or other events that may directly or indirectly result in a negative impact on the Company's financial performance; and other factors set forth in the Company's public reports including its Annual Report on Form 10-K for the year ended December 31, 2017, and particularly the discussion of risk factors within that document. If any of these risks or uncertainties materializes or if any of the assumptions underlying such forward-looking statements proves to be incorrect, the Company's results could differ materially from those expressed in, implied or projected by such forward-looking statements. The Company assumes no obligation to update such forward-looking statements.

East West Profile

East West Bank is the largest independent bank headquartered in Southern California

With $39 billion in total assets, 45 years of operating history, and 3,000 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

81 U.S. branches in California

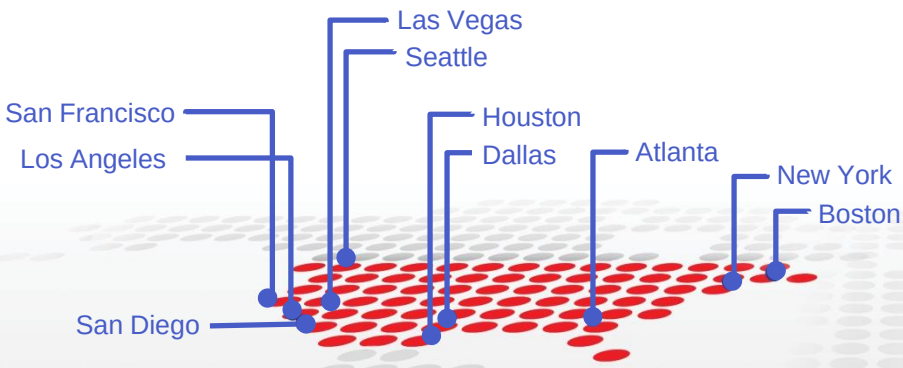
130+ LOCATIONS THROUGHOUT

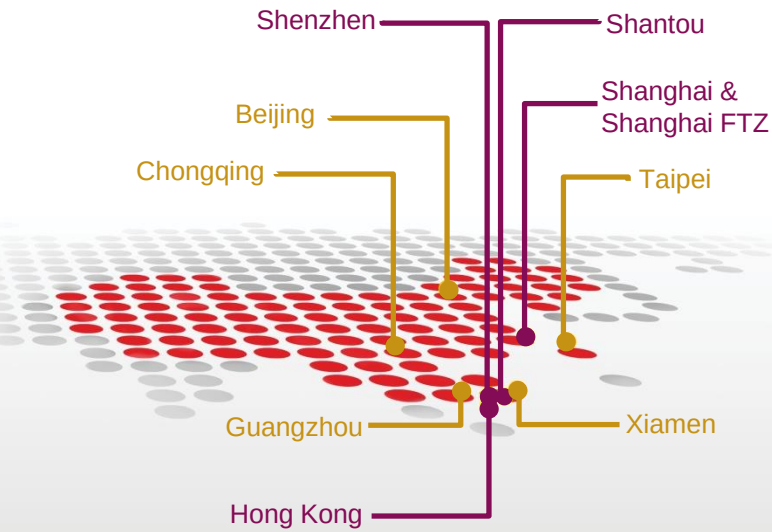
GREATER CHINA

10 Locations

5 *Full-service branches*

5 *Representative offices*



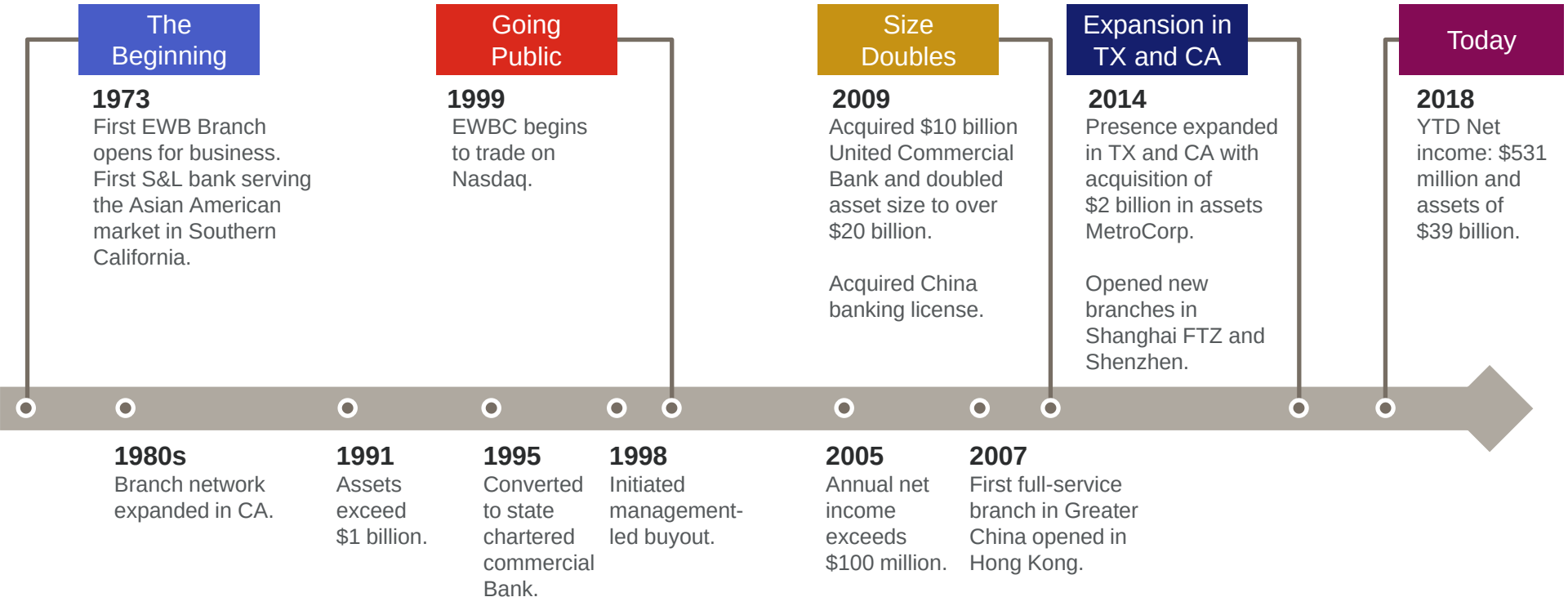


Bank Rankings by Total Assets and Market Cap

Rank	Total assets (as of 09.30.18)	Ticker	$ Billion	Rank	Market Cap (as of 10.31.18)	Ticker	$ Billion
1	JPMorgan Chase & Co.	JPM	2,615.2	1	JPMorgan Chase & Co.	JPM	366.4
2	Bank of America Corp.	BAC	2,338.8	2	Bank of America Corp.	BAC	269.9
3	Citigroup Inc.	C	1,925.2	3	Wells Fargo & Company	WFC	250.8
4	Wells Fargo & Company	WFC	1,873.0	4	Citigroup Inc.	C	159.9
5	U.S. Bancorp	USB	464.6	5	U.S. Bancorp	USB	84.8
6	PNC Financial Services Group, Inc.	PNC	380.1	6	PNC Financial Services Group, Inc.	PNC	59.4
7	Capital One Financial Corporation	COF	362.9	7	Bank of New York Mellon Corporation	BK	46.8
8	Bank of New York Mellon Corporation	BK	349.8	8	Capital One Financial Corporation	COF	42.3
9	State Street Corporation	STT	234.0	9	BB&T Corporation	BBT	37.9
10	BB&T Corporation	BBT	222.9	10	SunTrust Banks, Inc.	STI	28.7
11	SunTrust Banks, Inc.	STI	211.3	11	State Street Corporation	STT	26.1
12	Citizens Financial Group, Inc.	CFG	158.6	12	M&T Bank Corporation	MTB	23.4
13	Fifth Third Bancorp	FITB	141.7	13	Northern Trust Corporation	NTRS	20.8
14	KeyCorp	KEY	138.8	14	KeyCorp	KEY	18.8
15	Northern Trust Corporation	NTRS	132.4	15	Regions Financial Corporation	RF	17.9
16	Regions Financial Corporation	RF	124.6	16	Fifth Third Bancorp	FITB	17.9
17	M&T Bank Corporation	MTB	116.8	17	Citizens Financial Group, Inc.	CFG	17.7
18	Huntington Bancshares Incorporated	HBAN	105.7	18	Huntington Bancshares Incorporated	HBAN	15.2
19	First Republic Bank	FRC	96.1	19	First Republic Bank	FRC	15.0
20	Comerica Incorporated	CMA	71.4	20	Comerica Incorporated	CMA	13.5
21	Zions Bancorporation	ZION	66.7	21	SVB Financial Group	SIVB	12.6
22	SVB Financial Group	SIVB	58.1	22	Zions Bancorporation	ZION	9.0
23	New York Community Bancorp, Inc.	NYCB	51.2	23	East West Bancorp, Inc.	EWBC	7.6
24	CIT Group Inc.	CIT	49.3	24	Commerce Bancshares, Inc.	CBSH	6.8
25	Popular, Inc.	BPOP	47.9	25	Cullen/Frost Bankers, Inc.	CFR	6.3
26	Signature Bank	SBNY	45.9	26	BOK Financial Corporation	BOKF	6.2
27	People's United Financial, Inc.	PBCT	44.1	27	Signature Bank	SBNY	6.1
28	First Horizon National Corporation	FHN	40.6	28	People's United Financial, Inc.	PBCT	5.7
29	East West Bancorp, Inc.	EWBC	39.1	29	Webster Financial Corporation	WBS	5.4
30	First Citizens BancShares, Inc.	FCNC.A	35.0	30	CIT Group Inc.	CIT	5.2

Source: S&P Global Market Intelligence (SNL Financial).

East West Bank Milestones



Focused on All of Our Stakeholders

All employees are shareholders, with vested interest in the Company's success.

United in following our corporate values:
Absolute Integrity
Customer Alignment
Creativity
Respect & Fairness
Unification
Expertise & Professionalism
Selflessness

Long history of providing financing for affordable housing and small businesses.

Through partnerships and volunteering, dedicated to improving the communities we serve.



Our customer-centric guiding principles empower staff to put customers' needs first, building deep relationships for the long-term.

Differentiated Bridge Banking Model:
Through our footprint, cultural understanding, industry expertise, and knowledge of the local business environments, uniquely positioned to serve customers with financial needs in both the U.S. and Greater China

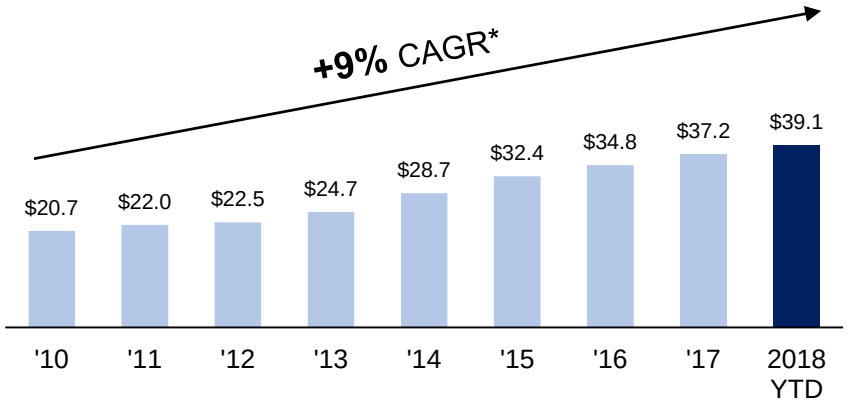
Delivering above peer profitability driven by consistent, sustainable loan and deposit growth, as well as a focus on operational excellence.

Robust investment in risk management and corporate governance best practices.

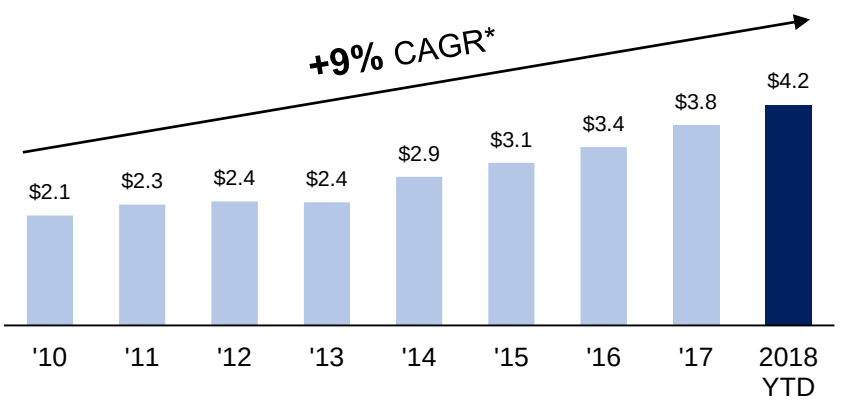
Strong Balance Sheet Growth

($ in billions)

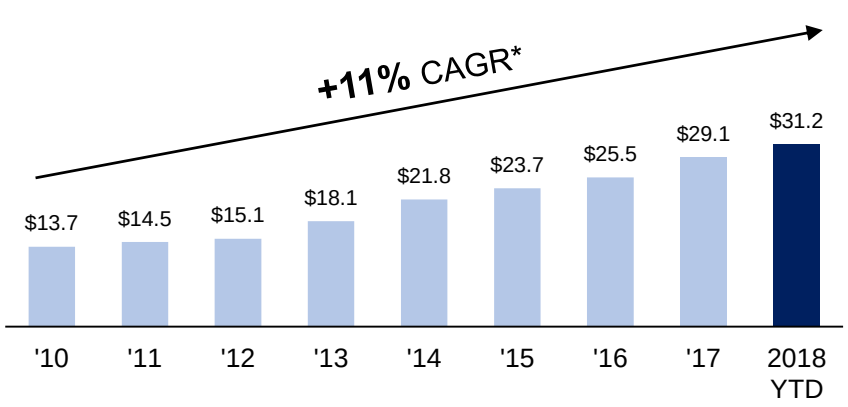
Total Assets



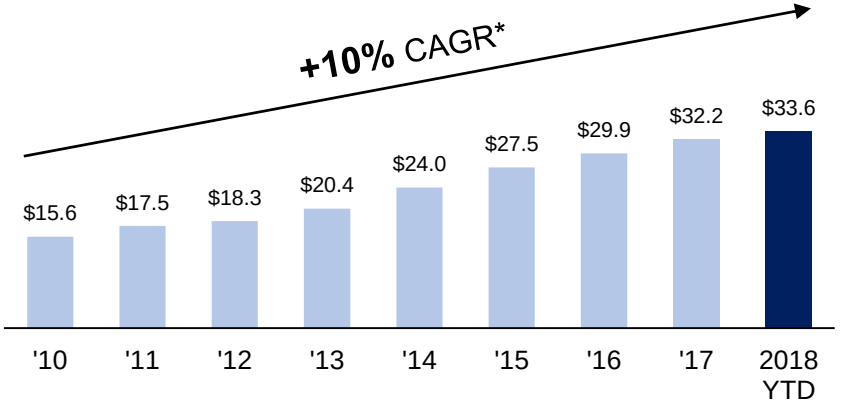
Stockholders' Equity



Total Loans

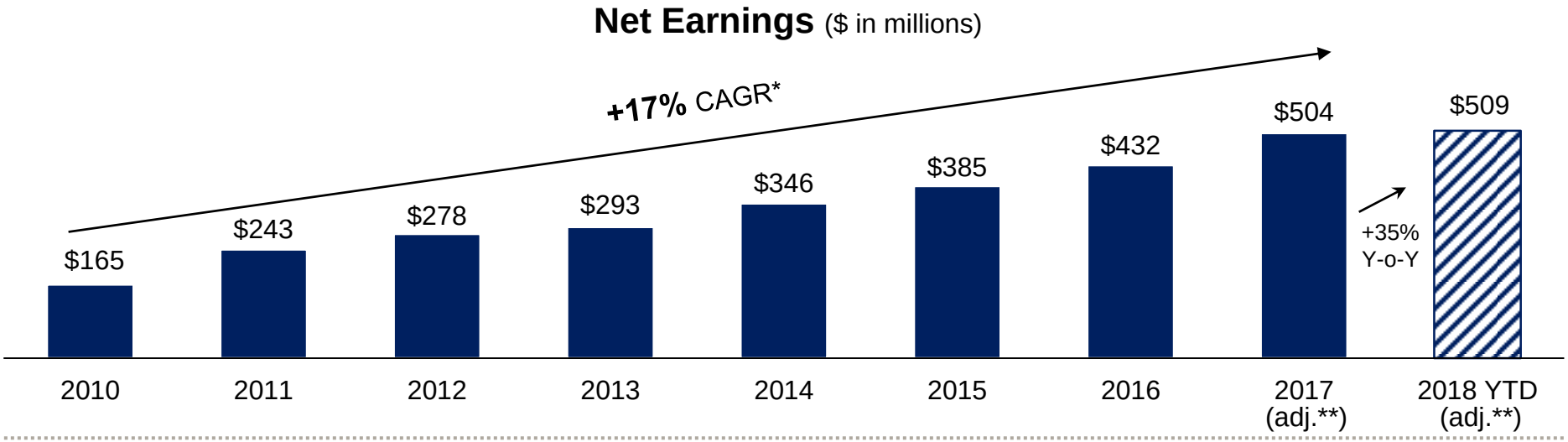


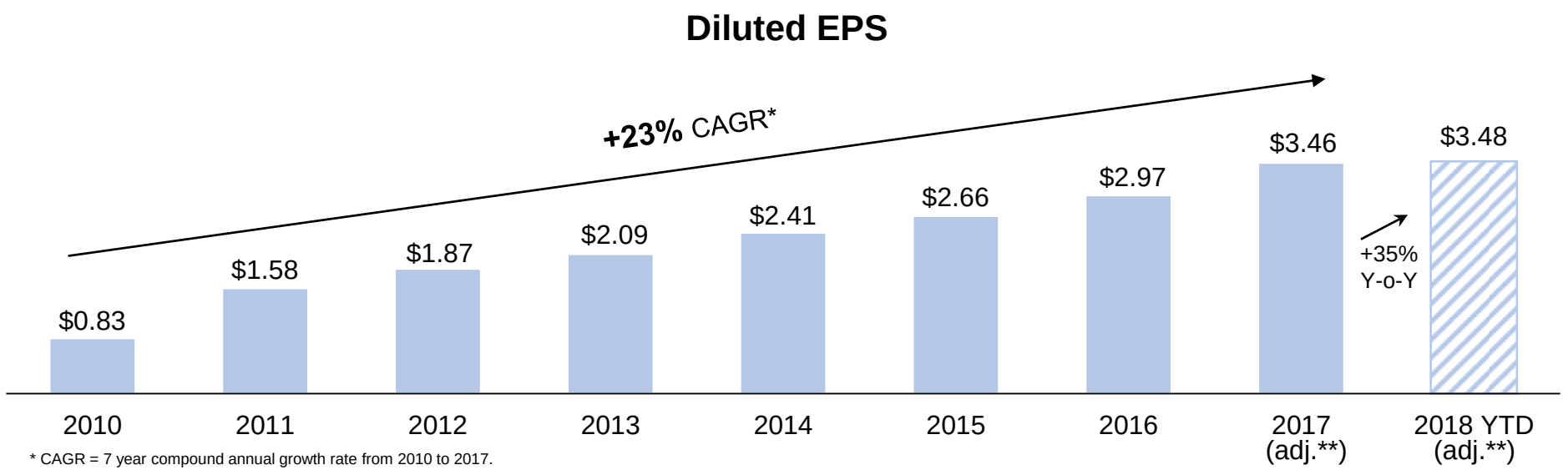
Total Deposits



* CAGR from December 31, 2010 – September 30, 2018.

Strong Earnings Growth





* CAGR = 7 year compound annual growth rate from 2010 to 2017.
** See reconciliation of GAAP to non-GAAP financial measures in the Company's Earnings Press Releases.

Highlights of Third Quarter 2018 Results

$ in millions, except per share data	Current Quarter	Q-o-Q Change	Y-o-Y Change
Earnings			
Net income	$ 171.3	(1)%	29%
Adj.[1] net income	$ 171.3	(1)%	31%
EPS	$ 1.17	(1)%	29%
Adj.[1] EPS	$ 1.17	(1)%	31%
NII	$ 348.7	2%	15%
NIM	3.76%	(7) bps	24 bps
Balance Sheet			
Loans	$ 31,213	3%	9%
Deposits	$ 33,629	3%	7%
TBVPS[1]	$ 25.91	4%	14%
Credit Quality			
NCO ratio	0.05%	(9) bps	(1) bps
NPAs	$ 114.6	11%	(2)%

3Q18
Net income
$171 million

3Q18
Diluted EPS
$1.17

Tangible equity[1]/share
$25.91

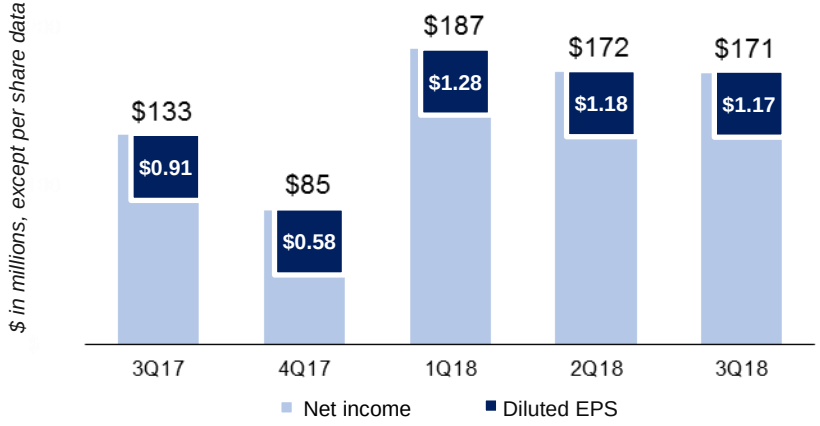
Record loans
$31.2 billion

Record deposits
$33.6 billion

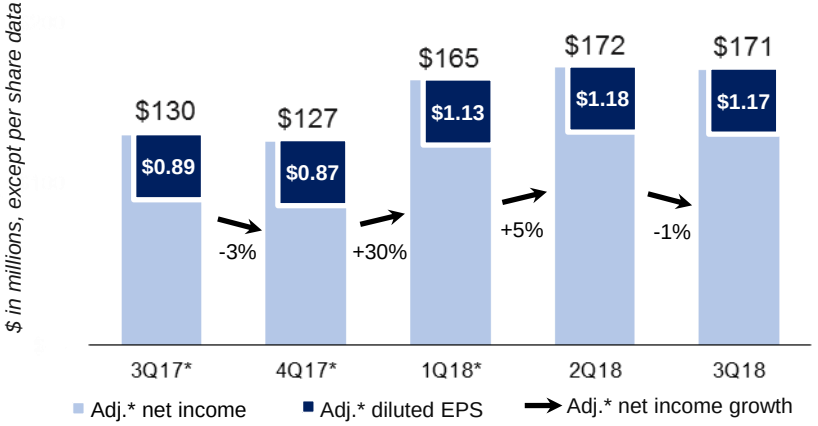
[1] See reconciliation of GAAP to non-GAAP financial measures in the appendix of this presentation and in the Company's 3Q18 Earnings Press Release. 3Q17 adjusted for the sale of EWIS, which netted $2.2mm or $0.02/sh.

3Q18 Earnings Growth and Profitability

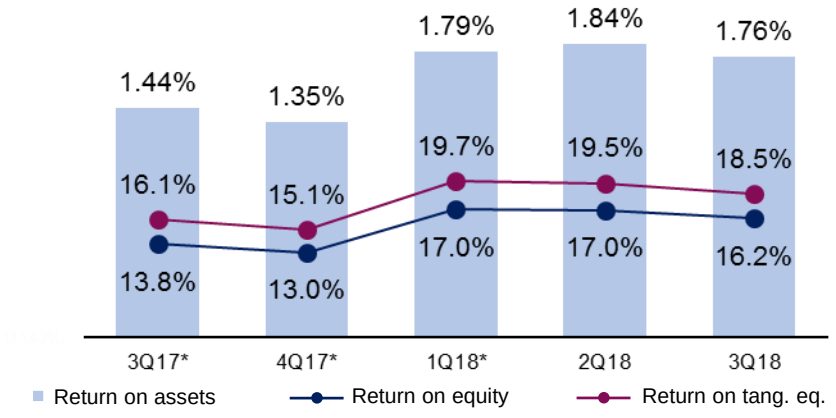
Net Income and Diluted EPS



Adjusted* Net Income and Diluted EPS



Profitability Ratios



* 3Q17, 4Q17 & 1Q18 ratios adjusted for non-GAAP items.

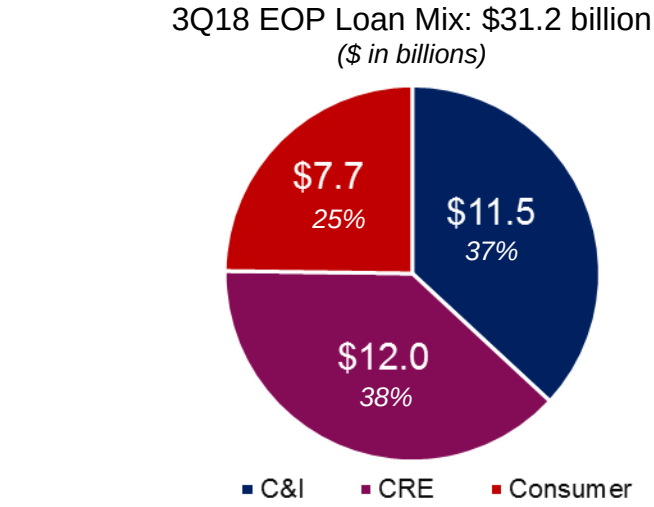
- 5-quarter GAAP ROA range: 0.90% to 2.03%.
  - 5-quarter operating ROA range: 1.35% to 1.84%.
- 5-quarter GAAP ROE range: 8.7% to 19.3%.
  - 5-quarter operating ROE range: 13.0% to 17.0%.
- 5-quarter GAAP tangible ROE range: 10.2% to 22.3%.
  - 5-quarter operating tangible ROE range: 15.1% to 19.7%.

* See reconciliation of GAAP to non-GAAP financial measures in the appendix of this presentation and in the Company's 3Q18 Earnings Press Release. 1Q18 adjusted for the gain on sale of DCB; 4Q17 adjusted for the impact of the enactment of the Tax Cuts and Jobs Act; and 3Q17 adjusted for the gain on sale of EWIS business.

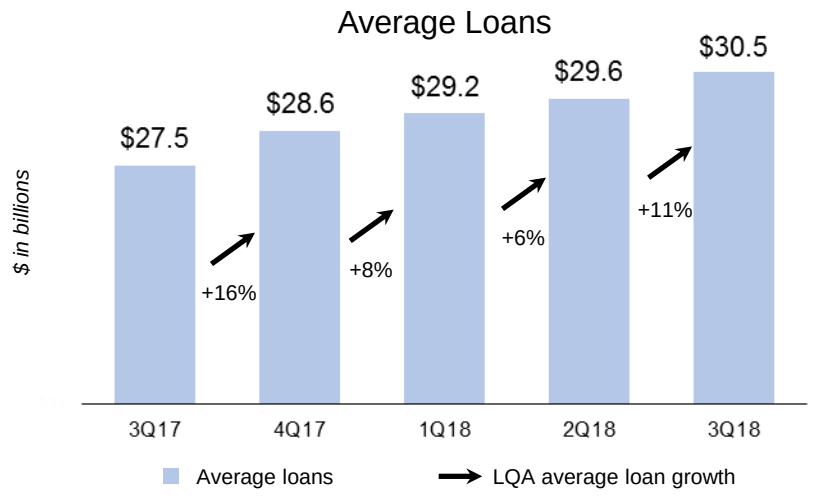
Management Outlook: Full Year 2018

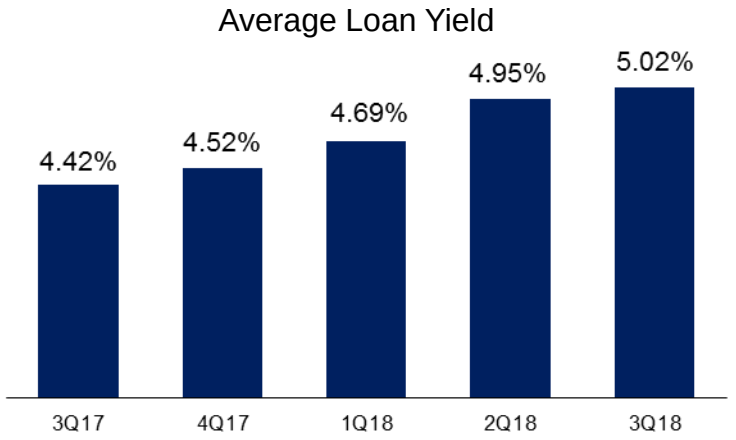
Earnings drivers	FY 2018 expectations compared to FY 2017 results	Outlook change from prior quarter	2018 YTD actual	FY 2017 actual
End of Period Loans	▪ Increase at a rate of approximately 10%.	Unchanged.	$31.2 billion, +10% YTD annualized	$29.1 billion, +14% Y-o-Y
NIM	▪ Approximately 3.75% (excl. impact of ASC 310-30 discount accretion). ▪ Approximately 3.80% (incl. accretion, which is estimated to add 5 bps).	Unchanged.	3.72% (ex. accretion), +30 bps YTD 3.77% (w/ accretion), +29 bps YTD	3.42% (ex. accretion), +27 bps Y-o-Y 3.48% (w/ accretion), +18 bps Y-o-Y
Noninterest Expense (excl. tax credit investment & core deposit intangible amortization)	▪ Increase at a rate of approximately 9%.	Narrowed from a percentage rate change in the high single digits.	$463 million, +9% YTD annualized	$567 million, +5% Y-o-Y
Provision for Credit Losses	▪ In the range of $60mm to $65mm.	Lowered from previous range of: $70mm to $80mm.	$46 million	$46 million
Tax Items	▪ Full year effective tax rate of approximately 14%. ▪ Tax credit investments, excluding low income housing, of $115mm with associated tax credit amortization of $100mm above the line.	▪ Tax rate:13%. ▪ Tax credit investments & associated amortization: unchanged.	Effective tax rate: 14%	Effective tax rate: 31% Tax credit investments, excluding low income housing, of $110mm with associated tax credit amortization of $94mm.
Interest Rates	▪ No rate increase for rest of the year.	Unchanged.	Fed funds increased 75 bps YTD: 25 bps each in March, June and September.	Fed funds increased 75 bps in 2017: 25 bps each in March, June and December.

3Q18 Record Loans of $31.2 billion



- EOP loan growth of 3% Q-o-Q (+13% LQA)
- Avg. loan growth of 3% Q-o-Q (+11% LQA).
  - Largest avg. growth in SFR: $393mm (+31% LQA).
  - Followed by C&I: $380mm (+14% LQA).
- 3Q18 avg. loan yield of 5.02%, up by 7 bps Q-o-Q.
  - Yield expansion driven by upward repricing of variable rate loans.

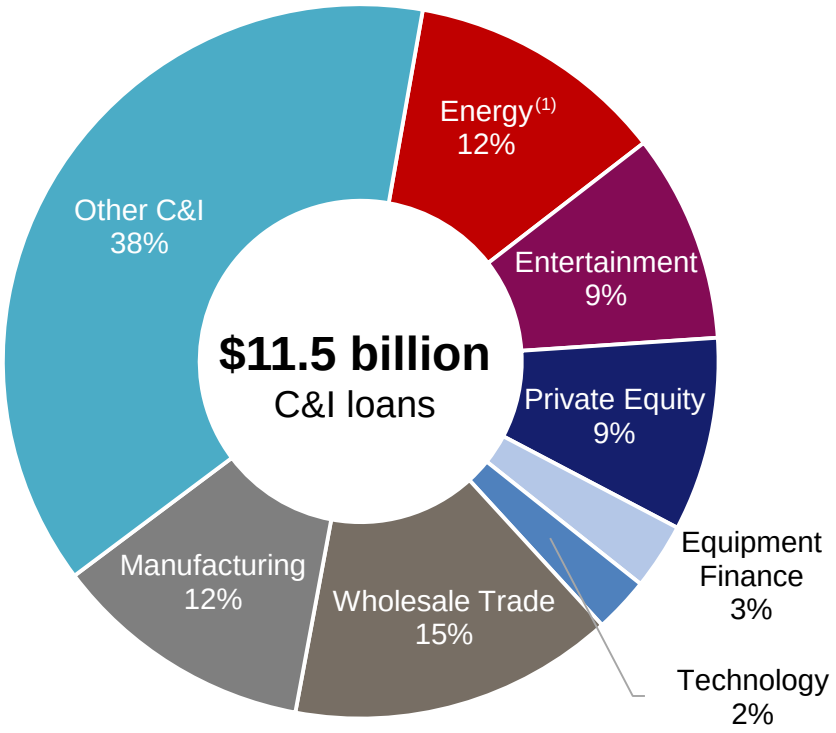




Loan portfolio composition: CRE = CRE, MFR, construction and land. Consumer = SFR, HELOC, and other consumer.

Diversified C&I Loan Portfolio

Selected Portfolios (as of 09.30.18)

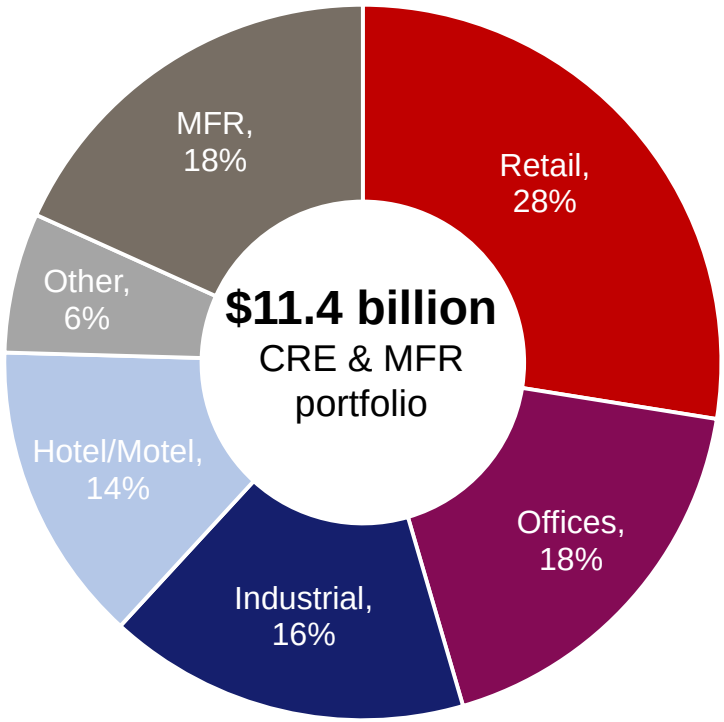


- C&I loans of $11.5 billion were 37% of gross loans as of 09.30.18.
- Dominant market share in lending to Chinese American businesses in the U.S.
- Growth in specialized lending verticals is driven by Bridge Banking, EWBC's strategy of facilitating cross-border commercial opportunities.

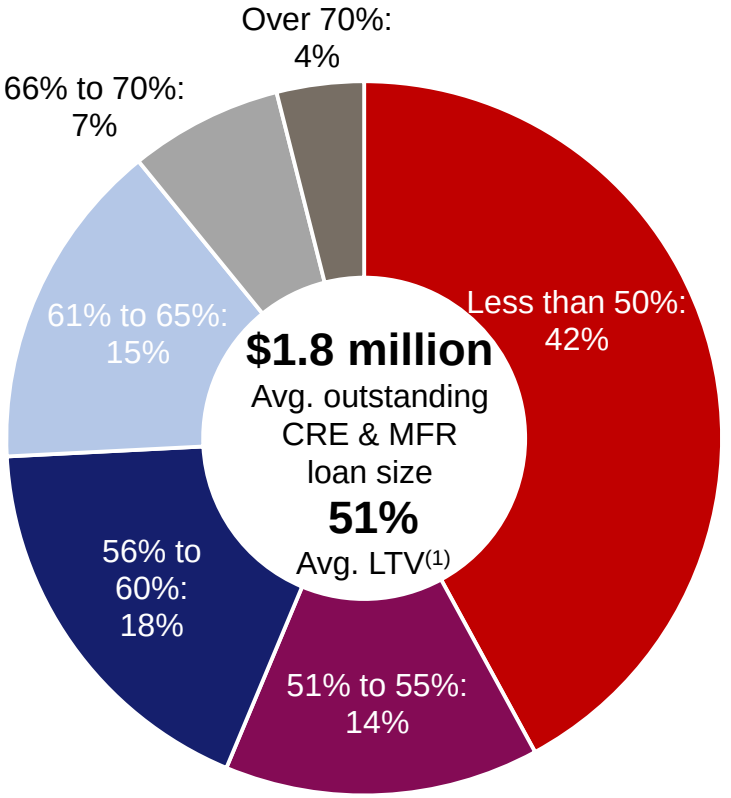
[1] Oil, gas, solar and alternative energy.

Diversified Commercial Real Estate Portfolio

Property Type Distribution (as of 09.30.18)



LTV Distribution (as of 09.30.18)

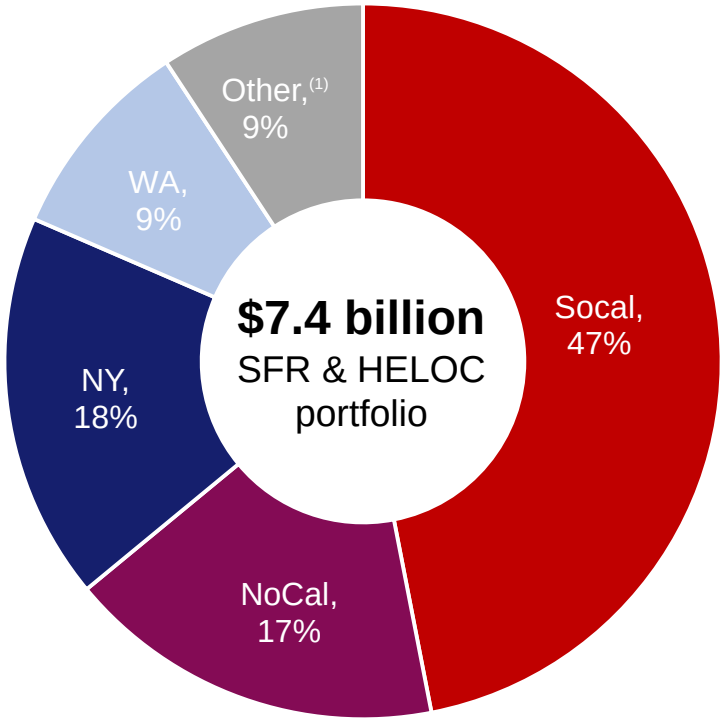


- CRE & MFR loans of $11.4 billion were 36% of total gross loans as of 09.30.18.
- In addition, construction & land loans totaled only $605 million or 2% of total gross loans as of 09.30.18.

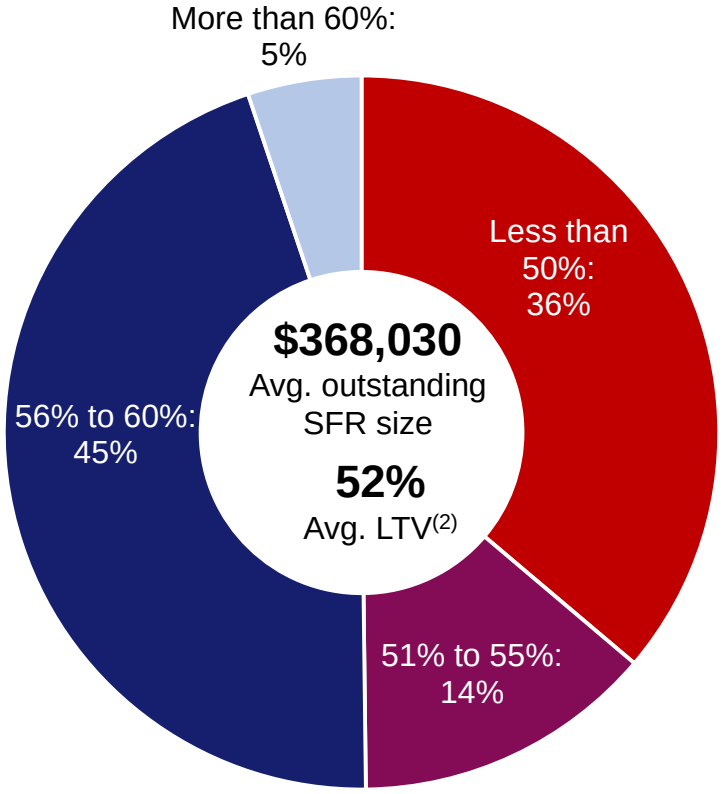
[1] LTV based on current loan balance and appraisal value at origination or renewal.

Low LTV Single Family Mortgage Portfolio

Geographic Distribution of SFR & HELOC (as of 09.30.18)



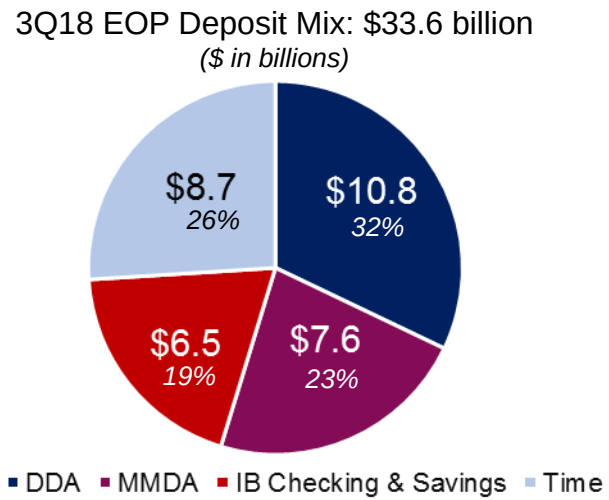
SFR LTV Distribution (as of 09.30.18)



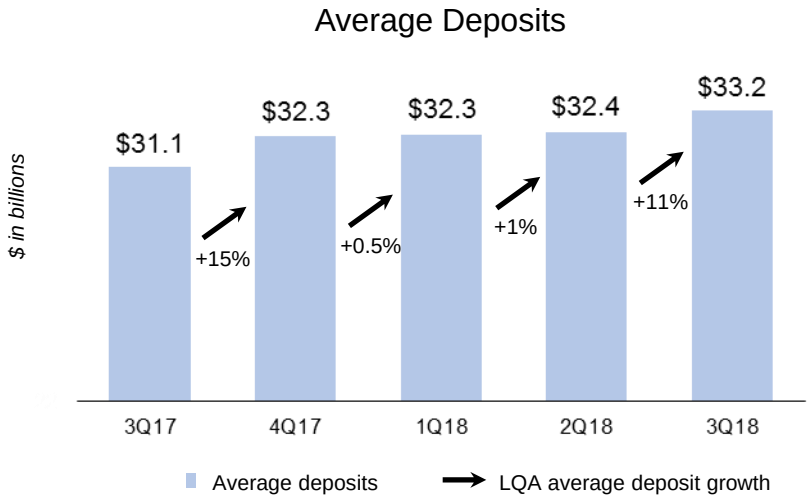
- SFR & HELOC of $7.4 billion were 24% of gross loans as of 09.30.18.

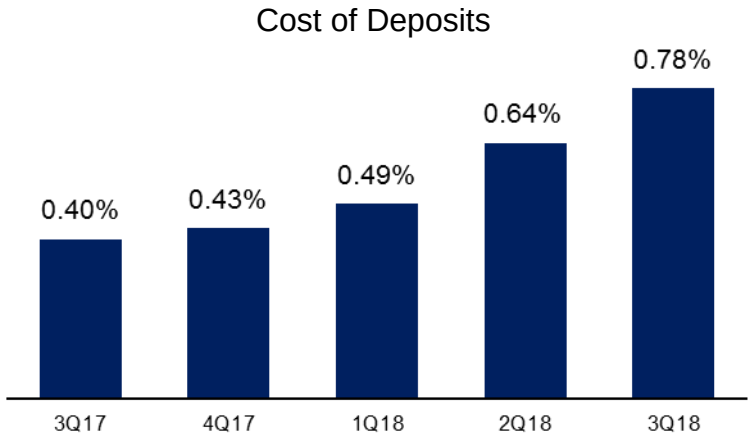
[1] Other includes: GA, MA, MD, NV, NJ, OH, RI, TX, HK.
[2] LTV based on current loan balance and appraisal value at origination or renewal.

3Q18 Record Deposits of $33.6 billion



- EOP deposit growth of 3% Q-o-Q (+10% LQA).
- Avg. deposit growth of 3% Q-o-Q (+11% LQA).
  - Avg. balance growth in interest-bearing checking (+$128mm) and time deposits (+$1,370mm).
  - Growth in time deposits reflects spring and summer promotional campaigns. On EOP basis, time deposits increased by $882mm Q-o-Q.
- 3Q18 cost of deposits: 0.78%, up 14 bps Q-o-Q; cost of IB deposits: 1.14%, up 18 bps Q-o-Q.





3Q18 Summary Income Statement

$ in millions, except per share data	3Q18	2Q18	$ Change	% Change
Adjusted net interest income	$ 345.9	$ 335.4	$ 10.5	3 %
ASC 310-30 discount accretion income	2.9	6.3	(3.4)	(55) %
Net interest income	348.7	341.7	7.0	2 %
Fees & operating income	41.9	44.6	(2.7)	(6) %
Net gains on sales of fixed assets, loans & securities	4.6	3.7	0.9	25 %
Total noninterest income	46.5	48.3	(1.8)	(4) %
Adjusted noninterest expense	157.7	155.6	2.1	1 %
Amortization of tax credit and other investments, and core deposit intangibles	22.2	21.9	0.3	1 %
Total noninterest expense	179.8	177.4	2.4	1 %
Provision for credit losses	10.5	15.5	(5)	(32) %
Income tax expense	33.6	24.6	8.9	36 %
Net income	**$ 171.3**	**$ 172.3**	**$ (1.0)**	**(1) %**
Diluted EPS	**$ 1.17**	**$ 1.18**	**$ (0.01)**	**(1) %**

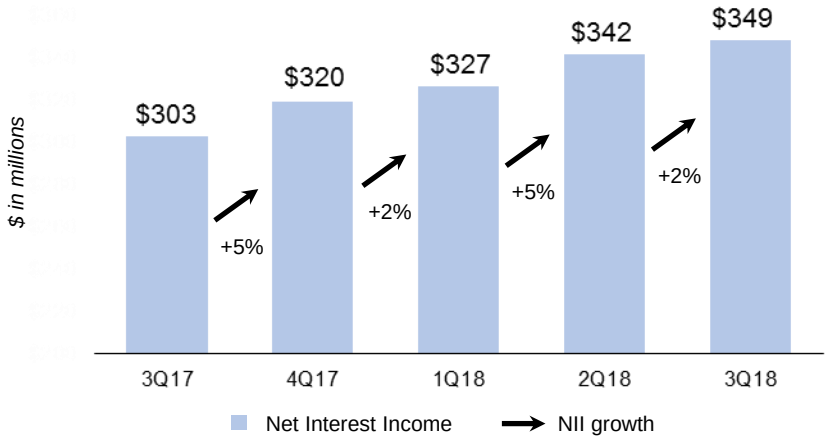
Tax Items

- 3Q18 effective tax rate was 16%, an increase from 13% in 2Q18.
- Currently projecting full year 2018 effective tax rate of approximately 14%, compared to 13% previously.

Note: See reconciliation of GAAP to non-GAAP financial measures in the appendix of this presentation and in the Company's 3Q18 Earnings Press Release.

3Q18 Net Interest Income & Net Interest Margin

Net Interest Income



- 3Q18 NII of $348.7mm increased 2% Q-o-Q.
- 3Q18 GAAP NIM of 3.76% decreased by 7 bps Q-o-Q.

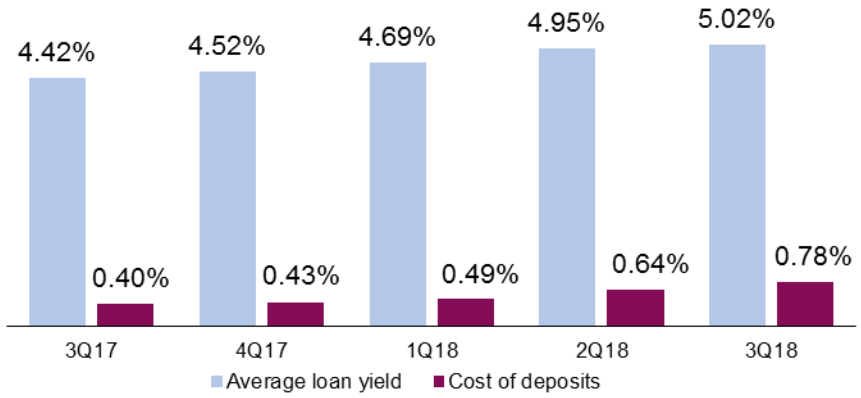
NIM impact from change in asset rates and mix:

- +10 bps from change in loan yields.
- -3 bps from lower ASC 310-30 discount accretion income.
- -1 bps from earning asset mix shift.

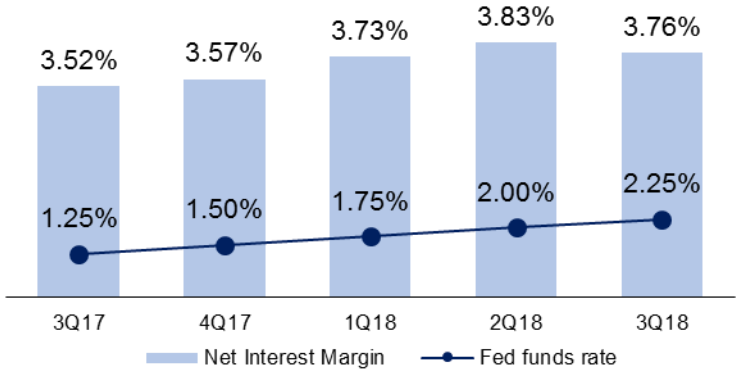
NIM impact from change in liabilities rates and mix:

- -11 bps from change in rates paid on deposits.
- -2 bps from funding mix shift.

Average Loan Yield and Cost of Deposits

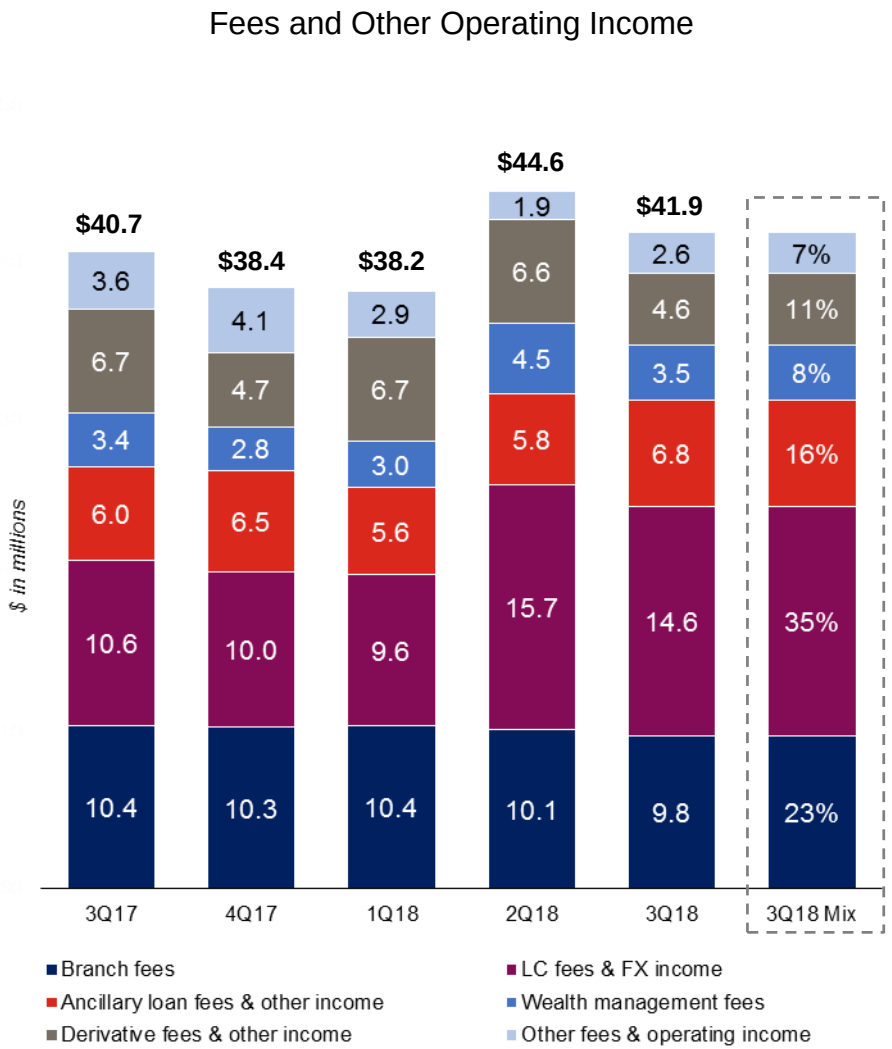


Net Interest Margin relative to Upper Range of Fed Funds Target Rate



*See reconciliation of GAAP to non-GAAP financial measures in the appendix of this presentation and in the Company's 3Q18 Earnings Press Release.

3Q18 Fees & Other Operating Income

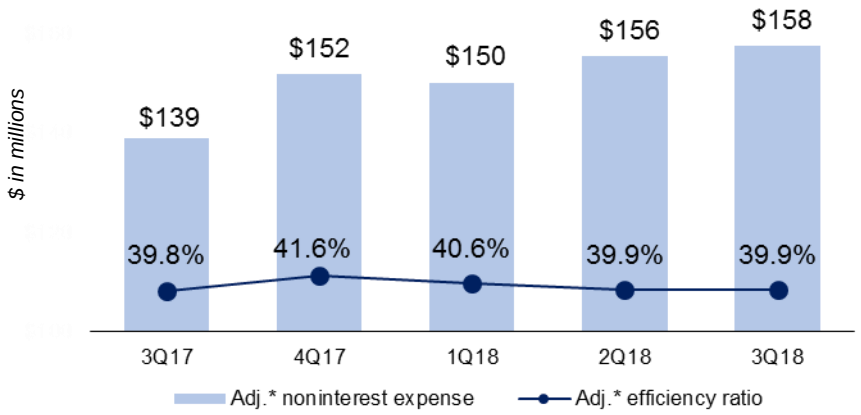


Q-o-Q Difference

- 3Q18 noninterest income totaled $46.5mm, a decrease from $48.3mm in 2Q18.
- Excluding the impact of all gains on sales, 3Q18 fees and other operating income of $41.9mm decreased by 6% Q-o-Q from $44.6mm.
  - Decrease in derivative fees and other income reflected a lower volume of customer transactions, which was partially offset by an increase in the fair value of interest rate swaps.
  - Decrease in letters of credit fees and foreign exchange income reflected a decline in mark-to-market revaluations for foreign currency balance sheet items.
- Customer driven fees of $37.1mm decreased by 8% Q-o-Q from $40.3mm; and decreased by 8% Y-o-Y.
  - Increase in ancillary loan fees reflected growth in loan commitments.
  - Decrease in wealth management reflected lower customer transaction volumes.

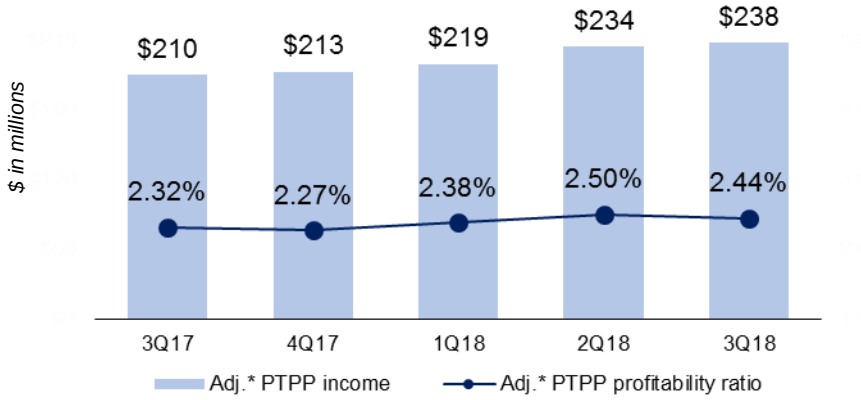
3Q18 Efficiency and PTPP Profitability

Noninterest Expense & Efficiency Ratio



- 3Q18 total noninterest expense: $179.8mm.
- 3Q18 adj.* noninterest expense: $157.7mm.
  - Q-o-Q expense increases: compensation and employee benefits; other operating expenses.
  - Q-o-Q expense decreases: consulting and legal.
- 3Q18 adj.* efficiency ratio: 39.9%, unchanged from 39.9% in 2Q18.

PTPP Income & PTPP Profitability Ratio

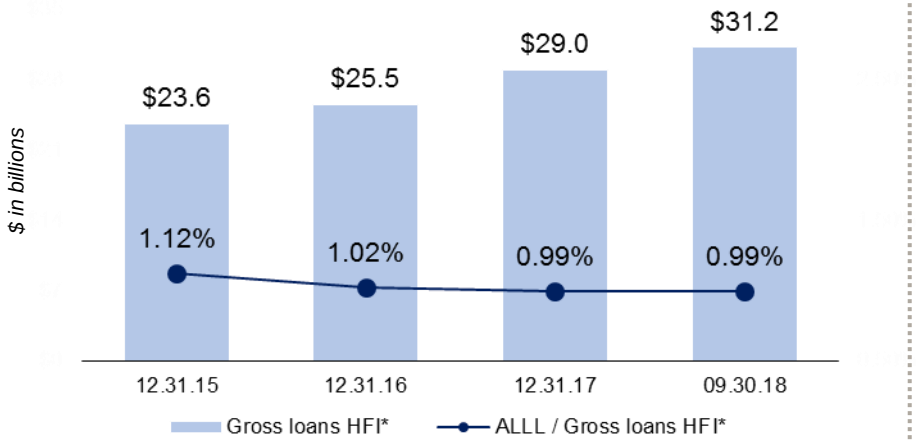


- Operating leverage: revenue growth essentially in line with expense growth.
  - 3Q18 revenue up 1% Q-o-Q.
  - 3Q18 adj.* noninterest expense up 1% Q-o-Q.
- Pre-tax, pre-provision (PTPP) income growth: 3Q18 PTPP income of $237.6mm, up 1% Q-o-Q and up 13% Y-o-Y.
- PTPP profitability: 5-qtr adj. PTPP profitability ratio range of 2.27% to 2.50%.

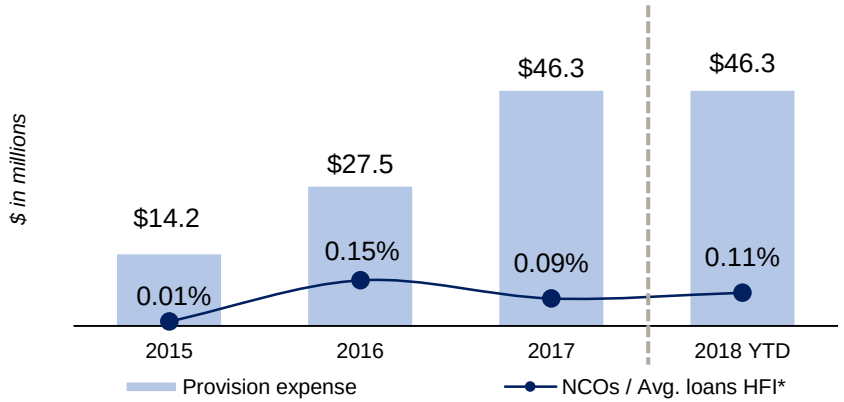
*See reconciliation of GAAP to non-GAAP financial measures in the appendix of this presentation and in the Company's 3Q18 Earnings Press Release.

Asset Quality Metrics

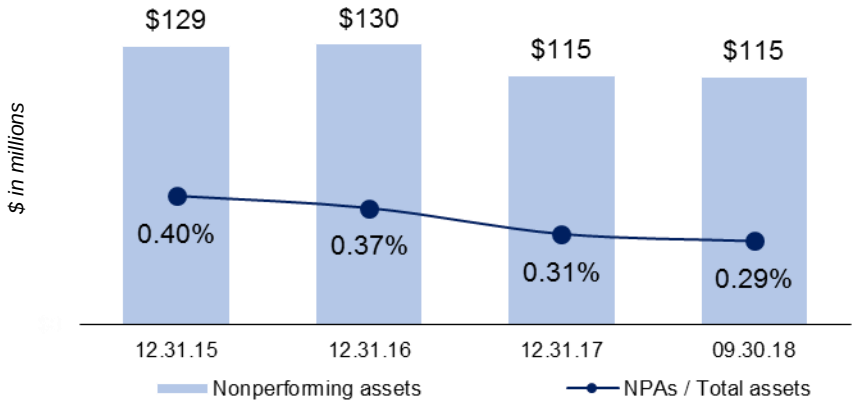
Allowance for Loan Losses



Provision Expense & Annualized Net Charge-off* Ratio



Nonperforming Assets*



- Allowance coverage of loans HFI: 0.99% as of 09.30.18, compared to 1.00% as of 06.30.18.
- 3Q18 net charge-off ratio: 0.05% annualized, compared to 0.14% in 2Q18. YTD, net charge-off ratio: 0.11%.
- Nonperforming assets to total assets ratio: 0.29% as of 09.30.18, compared to 0.27% as of 06.30.18.

* Nonperforming assets and net charge-offs exclude purchased credit impaired loans. HFI represents held-for-investment.

Interest Rate Sensitivity

EWBC's Net Interest Income Sensitivity to Selected Interest Rate Scenarios (as of September 30, 2018)

	Net Interest Income Volatility:					
	30-Sep-2018			31-Dec-2017		
Change in Interest Rates :	% change	$ in mm	in EPS	% change	$ in mm	in EPS
+ 200 bps	18.7%	$254.3	+ $ 1.50	18.9%	$223.7	+ $ 1.14
+ 100 bps	8.6%	$116.9	+ $ 0.69	10.7%	$126.8	+ $ 0.65
- 100 bps	-8.6%	($116.9)	- $ (0.69)	-7.4%	($87.2)	- $ (0.44)
- 200 bps	-16.3%	($221.7)	- $ (1.30)	-12.6%	($149.0)	- $ (0.76)

	NII Volatility as of 9/30/18 Given a 12-Month Rate Ramp & Static Balance Sheet Scenario		
Change in Interest Rates :	% change	$ in mm	in EPS
+200 bps	6.7%	$91.1	+ $ 0.54
+100 bps	3.0%	$40.8	+ $ 0.24
- 100 bps	-3.4%	($46.2)	- $ (0.27)
- 200 bps	-6.6%	($89.7)	- $ (0.53)

- A supplemental rate ramp scenario was conducted to evaluate net interest income volatility in an environment of gradually changing interest rates.
- Balance sheet asset sensitivity reflects share of variable rate loans in asset mix.
- EWBC's deposit mix year-over-year:
  - CDs increased from 19% to 26%, due to branch-based CD promotions.
  - DDAs decreased from 35% to 32%.

Note: NII sensitivity translated into $ and EPS using annualized YTD 2018 NII, FY 2017 NII, expected FY 2018 effective tax rate, & FY 2017 effective tax rate adjusted for impact of enactment of the Tax Cuts & Jobs Act.

Loan Portfolio: Underlying Interest Rate Detail

EWBC's Loan Portfolio Breakdown: Fixed, Hybrid, & Variable Rate Loans (as of September 30, 2018)

	$ in mm.	% of total loans	$ in mm.	% of total loans
Fixed rate loans	**2,862.1**	**9.2%**		
Hybrid: no floors	203.2	0.7%		
Hybrid: Interest rates above floors	5,145.7	16.5%		
Of which, linked to Prime			795	3%
Of which, linked to Libor			763	2%
Of which, linked to T-Bill or TCM			3,587	11%
Hybrid: Interest rates at or below floors	54.4	0.2%		
Subtotal: Hybrid loans in fixed period	**5,403.2**	**17.3%**		
Variable: no floors	16,003.4	51.3%		
Of which, linked to Prime			6,023	19%
Of which, linked to 1M Libor			6,125	20%
Of which, linked to other Libor			1,817	6%
Of which, linked to T-Bill or TCM			1,224	4%
Of which, linked to other indices			814	3%
Variable: Interest rate above floors	6,772.4	21.7%		
Of which, linked to Prime			3,930	13%
Of which, linked to 1M Libor			1,695	5%
Of which, linked to other Libor			652	2%
Of which, linked to other indices			495	2%
Variable: Interest rate at or below floors	138.9	0.4%		
Subtotal: Variable rate loans	**22,914.7**	**73.4%**		
Other (NPLs, premiums, discounts)	33.3	0.1%		
Total gross loans	**31,213.3**	**100.0%**		

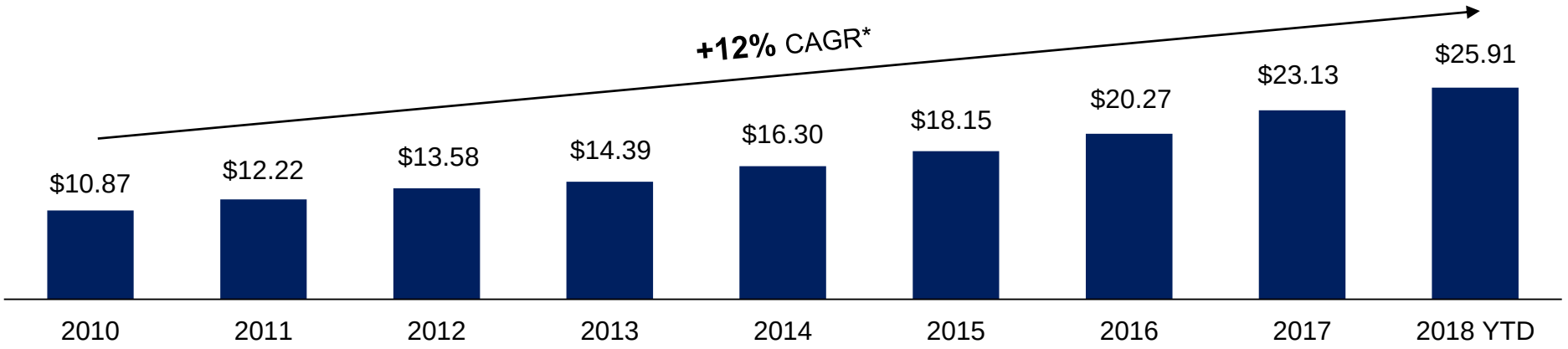
- Approximately one-third of EWBC's loan portfolio is linked to Prime Rate and one-third is linked to LIBOR, a profile that has been consistent over time.
- 73% of EWBC's loan portfolio is variable rate, including hybrid loans in variable period.

Note: Hybrid loans shows those still in fixed rate period. Hybrid loans already subject to variable rate are shown in Variable loans.

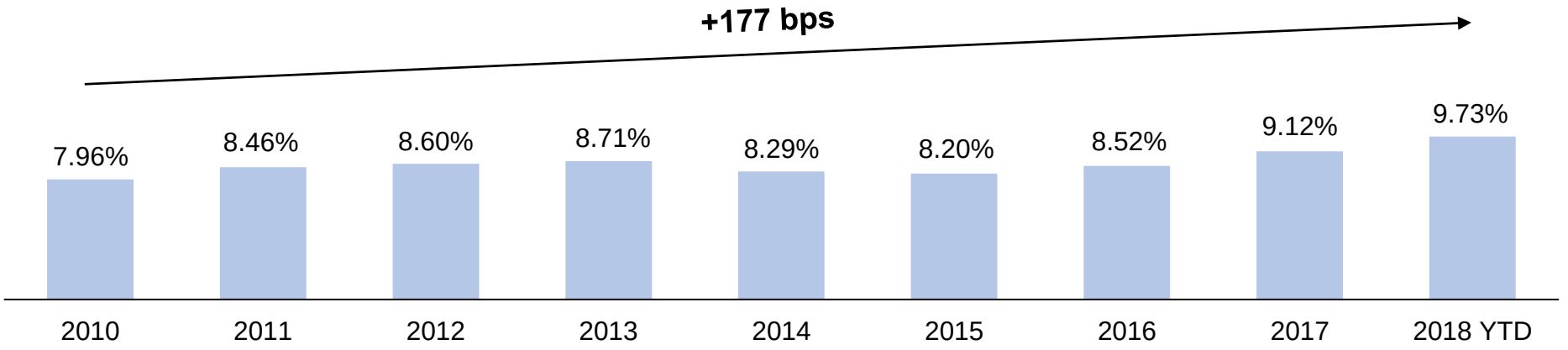
Note: Loans (HFI & HFS) net of deferred fees, premiums, or discounts, and gross of ALLL.

Steadily Growing Equity While Maintaining Robust TCE

Tangible Equity per Share



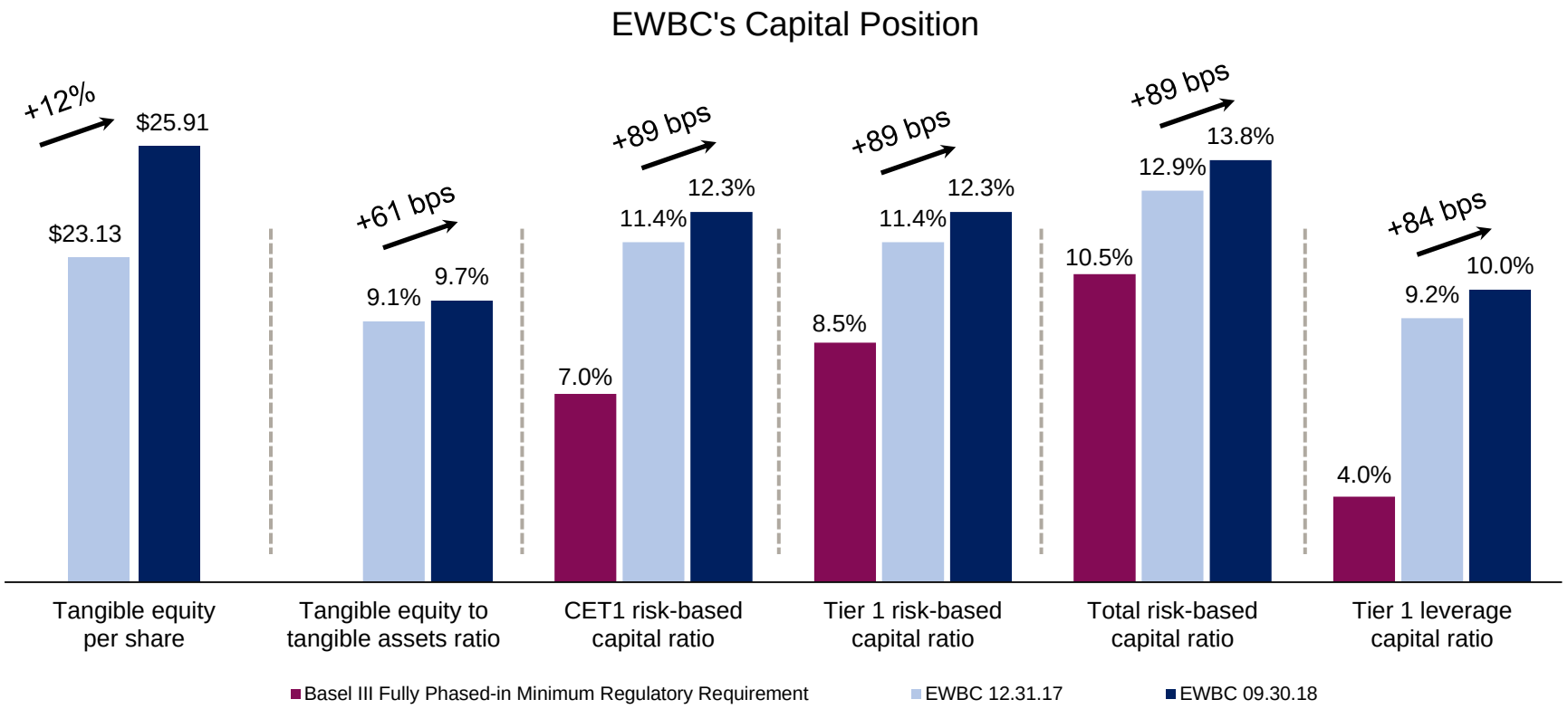
Tangible Equity to Tangible Assets Ratio



* CAGR = 7.75 years compound annual growth rate from 2010 to 2018 YTD.

Strong Capital Ratios

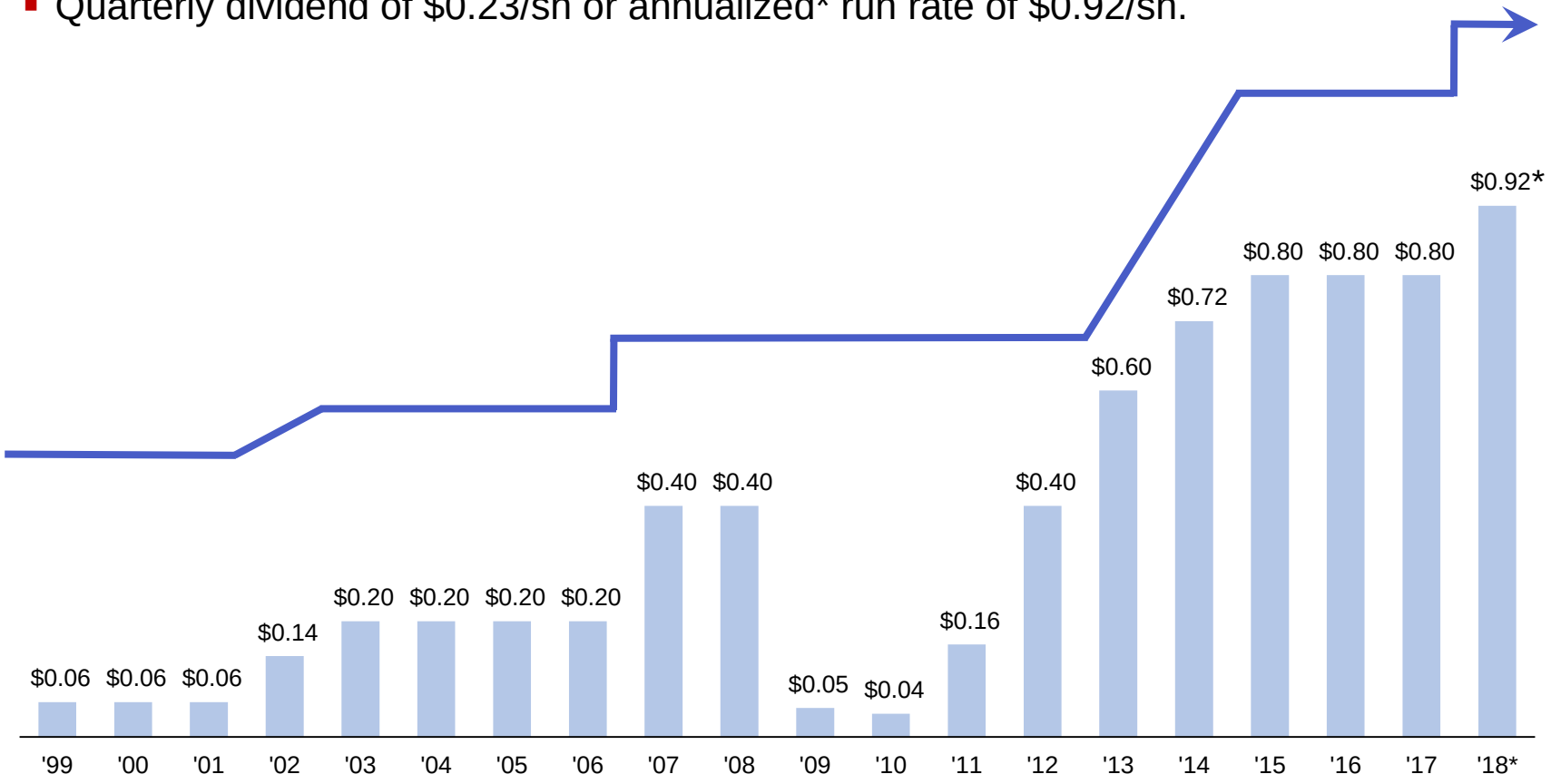
- Regulatory capital ratios increased by 84 bps to 89 bps year-to-date.
- Capital ratio increases, common dividend payout, and organic balance sheet growth supported through organic earnings generation.



Note: The Company's September 30, 2018 regulatory capital ratios are preliminary.

Providing a Healthy Dividend to Stockholders

- EWBC has consistently paid an annual dividend on the common stock since going public in 1999.
- Quarterly dividend of $0.23/sh or annualized* run rate of $0.92/sh.



* Annualized run-rate based on the 3Q18 dividend of $0.23 per share or $0.92 annualized.

APPENDIX

EAST WEST BANK
Your financial bridge®

Appendix: GAAP to Non-GAAP Reconciliation

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

During the first quarter of 2017, the Company consummated a sale and leaseback transaction on a commercial property and recognized a pre-tax gain on sale of $71.7 million. During the third quarter of 2017, the Company sold its insurance brokerage business, East West Insurance Services, Inc. ("EWIS") and recognized a pre-tax gain on sale of $3.8 million. During the first quarter of 2018, the Company sold its Desert Community Bank ("DCB") branches and recognized a pre-tax gain on sale of $31.5 million. Management believes that presenting the computations of the adjusted net income, adjusted diluted earnings per common share, adjusted return on average assets and adjusted return on average equity that exclude the impact of after-tax gains on the sales of the commercial property, EWIS business and DCB branches (where applicable) provides clarity to financial statement users regarding the ongoing performance of the Company and allows comparability to prior periods.

		Three Months Ended		
		September 30, 2018	**June 30, 2018**	**September 30, 2017**
Net income	(a)	$ 171,302	$ 172,349	$ 132,660
Less: Gain on sale of business, net of tax [1]	(b)	—	—	(2,206)
Adjusted net income	**(c)**	**$ 171,302**	**$ 172,349**	**$ 130,454**
Diluted weighted average number of shares outstanding	**(d)**	**146,173**	**146,091**	**145,882**
Diluted EPS	(a)/(d)	$ 1.17	$ 1.18	$ 0.91
Diluted EPS impact of gain on sale of business, net of tax	(b)/(d)	—	—	(0.02)
Adjusted diluted EPS		**$ 1.17**	**$ 1.18**	**$ 0.89**
Average total assets	(e)	$ 38,659,262	$ 37,568,895	$ 35,937,567
Average stockholders' equity	(f)	$ 4,197,675	$ 4,062,311	$ 3,756,207
Return on average assets [2]	**(a)/(e)**	**1.76 %**	**1.84 %**	**1.46 %**
Adjusted return on average assets [2]	**(c)/(e)**	**1.76 %**	**1.84 %**	**1.44 %**
Return on average equity [2]	**(a)/(f)**	**16.19 %**	**17.02 %**	**14.01 %**
Adjusted return on average equity [2]	**(c)/(f)**	**16.19 %**	**17.02 %**	**13.78 %**

(1) Statutory rate of 29.56% was applied for the three months ended June 30, 2018, and the three months ended September 30, 2018. Statutory rate of 42.05% was applied for the three months ended September 30, 2017.

(2) Annualized.

Appendix: GAAP to Non-GAAP Reconciliation (cont'd)

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

Adjusted efficiency ratio represents adjusted noninterest expense divided by adjusted revenue. Adjusted pre-tax, pre-provision profitability ratio represents the aggregate of adjusted revenue less adjusted noninterest expense, divided by average total assets. Adjusted revenue represents the aggregate of net interest income and adjusted noninterest income, where adjusted noninterest income excludes the gains on the sales of the commercial property, EWIS business and DCB branches that were sold in the first quarter of 2017, third quarter of 2017 and first quarter of 2018, respectively (where applicable). 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, 2018	**June 30, 2018**	**September 30, 2017**
Net interest income before provision for credit losses	(a)	$ 348,720	$ 341,679	$ 303,155
Total noninterest income		46,502	48,268	49,470
Total revenue	(b)	395,222	389,947	352,625
Noninterest income		46,502	48,268	49,470
Less: Gain on sale of business		—	—	(3,807)
Adjusted noninterest income	(c)	$ 46,502	$ 48,268	$ 45,663
Adjusted revenue	**(a)+(c) = (d)**	**$ 395,222**	**$ 389,947**	**$ 348,818**
Total noninterest expense	(e)	$ 179,815	$ 177,419	$ 164,345
Less: Amortization of tax credit and other investments		(20,789)	(20,481)	(23,827)
Amortization of core deposit intangibles		(1,369)	(1,373)	(1,735)
Adjusted noninterest expense	**(f)**	**$ 157,657**	**$ 155,565**	**$ 138,783**
Efficiency ratio	**(e)/(b)**	**45.50 %**	**45.50 %**	**46.61 %**
Adjusted efficiency ratio	**(f)/(d)**	**39.89 %**	**39.89 %**	**39.79 %**
Adjusted pre-tax, pre-provision income	**(d)-(f) = (g)**	**$ 237,565**	**$ 234,382**	**$ 210,035**
Average total assets	(h)	$ 38,659,262	$ 37,568,895	$ 35,937,567
Adjusted pre-tax, pre-provision profitability ratio [1]	**(g)/(h)**	**2.44 %**	**2.50 %**	**2.32 %**
Adjusted noninterest expense [1]/average assets	**(f)/(h)**	**1.62 %**	**1.66 %**	**1.53 %**

(1) Annualized.

Appendix: GAAP to Non-GAAP Reconciliation (cont'd)

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

Management believes that presenting the adjusted average loan yield and adjusted net interest margin that exclude the ASC 310-30 discount accretion impact provides clarity to financial statement users regarding the change in loan contractual yields and allows comparability to prior periods.

		Three Months Ended			Nine Months Ended	
Yield on Average Loans		**September 30, 2018**	**June 30, 2018**	**September 30, 2017**	**September 30, 2018**	**September 30, 2017**
Interest income on loans	(a)	$ 385,538	$ 365,555	$ 306,939	$ 1,088,997	$ 872,039
Less: ASC 310-30 discount accretion income		(2,863)	(6,299)	(4,535)	(14,362)	(14,029)
Adjusted interest income on loans	**(b)**	**$ 382,675**	**$ 359,256**	**$ 302,404**	**$ 1,074,635**	**$ 858,010**
Average loans	(c)	$ 30,498,037	$ 29,646,766	$ 27,529,779	$ 29,790,281	$ 26,783,082
Add: ASC 310-30 discount		25,852	29,997	41,875	29,939	45,255
Adjusted average loans	**(d)**	**$ 30,523,889**	**$ 29,676,763**	**$ 27,571,654**	**$ 29,820,220**	**$ 26,828,337**
Average loan yield [1]	**(a)/(c)**	**5.02 %**	**4.95 %**	**4.42 %**	**4.89 %**	**4.35 %**
Adjusted average loan yield [1]	**(b)/(d)**	**4.97 %**	**4.86 %**	**4.35 %**	**4.82 %**	**4.28 %**
Net Interest Margin						
Net interest income	(e)	$ 348,720	$ 341,679	$ 303,155	$ 1,017,092	$ 865,368
Less: ASC 310-30 discount accretion income		(2,863)	(6,299)	(4,535)	(14,362)	(14,029)
Adjusted net interest income	**(f)**	**$ 345,857**	**$ 335,380**	**$ 298,620**	**$ 1,002,730**	**$ 851,339**
Average interest-earning assets	(g)	$ 36,822,293	$ 35,767,808	$ 34,208,533	$ 36,039,382	$ 33,542,941
Add: ASC 310-30 discount		25,852	29,997	41,875	29,939	45,255
Adjusted average interest-earning assets	**(h)**	**$ 36,848,145**	**$ 35,797,805**	**$ 34,250,408**	**$ 36,069,321**	**$ 33,588,196**
Net interest margin [1]	**(e)/(g)**	**3.76 %**	**3.83 %**	**3.52 %**	**3.77 %**	**3.45 %**
Adjusted net interest margin [1]	**(f)/(h)**	**3.72 %**	**3.76 %**	**3.46 %**	**3.72 %**	**3.39 %**

(1) Annualized.

Appendix: GAAP to Non-GAAP Reconciliation (cont'd)

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, 2018	June 30, 2018	September 30, 2017
Stockholders' equity	(a)	$ 4,244,850	$ 4,114,284	$ 3,781,896
Less: Goodwill		(465,547)	(465,547)	(469,433)
Other intangible assets [1]		(23,656)	(25,029)	(30,245)
Tangible equity	**(b)**	**$ 3,755,647**	**$ 3.623.708**	**$ 3,282,218**
Total assets	(c)	$ 39,073,106	$ 38,072,954	$ 36,307,966
Less: Goodwill		(465,547)	(465,547)	(469,433)
Other intangible assets [1]		(23,656)	(25,029)	(30,245)
Tangible assets	**(d)**	**$ 38,583,903**	**$ 37,582,378**	**$ 35,808,288**
Total stockholders' equity to total assets ratio	**(a)/(c)**	**10.86 %**	**10.81 %**	**10.42 %**
Tangible equity to tangible assets ratio	**(b)/(d)**	**9.73 %**	**9.64 %**	**9.17 %**

Adjusted return on average tangible equity represents adjusted tangible net income divided by average tangible equity. Adjusted tangible net income excludes the after-tax effects of the amortization of core deposit intangibles and mortgage servicing assets and the after-tax gains on the sales of the commercial property, EWIS business and DCB branches (where applicable). 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		
		September 30, 2018	June 30, 2018	September 30, 2017
Net Income		$ 171,302	$ 172,349	$ 132,660
Add: Amortization of core deposit intangibles, net of tax [2]		964	967	1,006
Amortization of mortgage servicing assets, net of tax [2]		324	305	307
Tangible net income	**(e)**	**$ 172,590**	**$ 173,621**	**$ 133,973**
Less: Gain on sale of business, net of tax [2]		—	—	(2,206)
Adjusted tangible net income	**(f)**	**$ 172,590**	**$ 173,621**	**$ 131,767**
Average stockholders' equity		$ 4,197,675	$ 4,062,311	$ 3,756,207
Less: Average goodwill		(465,547)	(465,547)	(469,433)
Average other intangible assets [1]		(24,530)	(25,648)	(31,408)
Average tangible equity	**(g)**	**$ 3,707,598**	**$ 3,571,116**	**$ 3,255,366**
Return on average tangible equity [3]	**(e)/(g)**	**18.47 %**	**19.50 %**	**16.33 %**
Adjusted return on average tangible equity [3]	**(f)/(g)**	**18.47 %**	**19.50 %**	**16.06 %**

(1) Includes core deposit intangibles and mortgage servicing assets.
(2) Statutory rate of 29.56% was applied for the three months ended June 30, 2018, and the three months ended September 30, 2018. Statutory rate of 42.05% was applied for the three months ended September 30, 2017
(3) Annualized.