

Celebrating 30 Years of Financial Service, Vision & Strength

A new kind of institution takes shape to fulfill a need.

On January 2, 1973, under crystal-blue skies, a celebration took place in Los Angeles' Chinatown, as the country's first Chinese-American, federally chartered savings bank opened for business. Now, East West Bank is marking our 30th year as a financial bridge between East and West. We have undergone a remarkable evolution in that time. Today, we are the third-largest independent commercial bank headquartered in Los Angeles and one of the nation's premier banks serving the Asian-American community. What hasn't changed is our commitment to creating opportunities for our customers.

1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
East West Federal Savings opens its doors in Chinatown Los Angeles.						East West opens 2nd office in Montebello.			
ERST-WEST FEDERAL SERVICE	backdro	op of nationa	al and stater	levelopment o wide fiscal su on history fro	uccesses and c	challenges, in	n addition to	memorable	
				solid asset gro					
The average new home in Southern California costs \$35,500.		Start of high-rise office boom in Downtown L.A.					California real	estate boom	
California's economy outperforms the nation.								M.*	
embargo reates an energy crisis in the United States.	World's population reaches 4 billion. Hank Aaron	Godfather, Part II" wins Best Picture.	Apple II, 1st serious home computer	Elvis dies. "Saturday Night Fever" debuts.	U.S. & China establish full diplomatic relations.	1st commercial cellular telephone system begins in	Go-go years for U.S. economy Oil prices drop,	First U.S. Space Shuttle, "Columbia" IBM unveils its	1st commercial cellular phone service in
Sears Tower F	breaks Babe Ruth's home run record.	1st commercial micro- computer			population reaches 4.4 billion.	Tokyo.	continuing through early '80s. One million computers in the U.S.	1st personal computer. Inflation at 14% VCR sales in U.S. rise 72% in 12 months.	the U.S.
East West Total Assets									
TOTAL ASSETS					\$39.172	\$55,648	\$70.542	\$89,789	\$117,809

1975 1976 1977 1978 1979 1980 1981

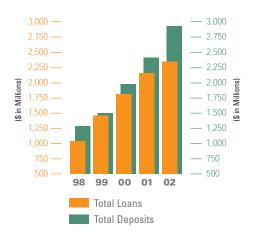
1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
	East West Headquarters relocates to San Marino.		East West opens its 10th branch office.		East West opens its 1st Orange County office.	East West becomes subsidiary of Talley Industries.		East West joins Gajah Tunggal Group. Dominic Ng becomes Bank President. With purchase of Pacific Coast Bank, East West enters No. California. Assets reach \$1 billion.		
	Los Angeles Olympics	Difficult times California real	for estate market					Downsizing in S California aeros industry		
CDs make their debut. Time magazine names the computer as 1982 Man of the Year. OPEC cuts crude oil prices for 1st time in 23-year history.	Apple introduces the Macintosh computer.	1st pay-per-view channels offered in U.S.	Statue of Liberty celebrates its 100th birthday. Nintendo video games introduced to the U.S. Oprah Winfrey Show debuts on daytime TV.	World population exceeds 5 billion.	CDs outsell vinyl for the first time.	The Berlin Wall falls. 100 million computers worldwide 60 percent of U.S. households get cable service.	Hubble telescope launched.	Collapse of the Soviet Union		
find a "hole" in the ozone layer of the South Pole.	\$234,655 1984	\$267,370 1985	\$301,686	\$353,028 1987	\$457,727	\$560,965 1989	1990	1991	1992	1993

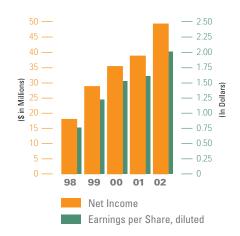
 1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
	full-service, State-Chartered Commercial Bank New corporate identity adopted EASTWEST BANCORP	Trade Finance accounts for 20% of EWB's commercial loans Los Angeles County leads nation in 2-way trade, with \$170 billion through the L.A. Customs District.	appointed to	management team buys the Bank with \$238 million private equity	East West begins trading on NASDAO. East West purchases First Central Bank and it's \$105 million in assets.	Nation's 1st bilingual Chinese Internet banking Acquisition of East West Insurance Agency and American International Bank 82,485,971	of Prime Bank, Century City-based business bank. 1st-ever supermarket banking venture with 99 Ranch Market. \$2,825,303	open in 99 Ranch markets. \$3,321,489	East West opens Representative Office in Beijing, China Acquisition of Pacific Business Bank East West is 3rd largest independent commercial bank hq'd in L.A.
1994	1995	1996	1997	1998	1999	2000	2001	2002	2003

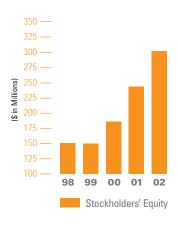


Founder F. Chou Chan kicks off the celebration for the grand opening of East West Federal Savings in Los Angeles' Chinatown on Jan. 2, 1973.

East West Bancorp 5-Year Financial Highlights (Dollars in thousands, except per share data)







	1998	1999	2000	2001	2002
Net Interest Income	\$ 55,665	\$ 71,885	\$ 89,487	\$ 99,350	\$ 117,234
Noninterest Income	10,027	14,693	14,968	21,591	25,462
Noninterest Expense	32,626	39,509	49,960	62,124	63,680
Net Income	18,028	28,027	35,467	38,783	49,489
Earnings per Share, diluted	0.76	1.22	1.53	1.61	2.01
Total Assets	\$2,058,160	\$2,152,630	\$2,485,971	\$2,825,303	\$3,321,489
Loans	1,100,579	1,486,641	1,789,988	2,132,838	2,313,199
Deposits	1,292,937	1,500,529	1,948,562	2,417,974	2,926,352
Stockholders' Equity	150,830	150,080	186,149	244,415	302,117
Return on Average Assets	1.00%	1.35%	1.51%	1.47%	1.63%
Return on Average Equity	12.83%	18.96%	21.57%	17.73%	18.29%
Net Interest Margin	3.22%	3.62%	4.03%	3.98%	4.11%
Efficiency Ratio ⁽¹⁾	46.52%	40.56%	40.91%	45.22%	40.07%
Non-Performing Assets to Total Assets	0.99%	0.75%	0.30%	0.20%	0.37%
Non-Performing Loans to Total Loans	0.88%	0.73%	0.20%	0.17%	0.38%
Tier 1 Leverage Ratio (Bank)	7.38%	7.31%	7.85%	8.22%	8.62%
Total Risk Based Capital Ratio (Bank)	11.42%	10.58%	10.67%	10.95%	11.45%

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



Guiding the Bank today is Dominic Ng, Chairman, President and Chief Executive Officer, in front of the East West corporate headquarters in San Marino.

TO MY FELLOW SHAREHOLDERS:

This year's annual report celebrates the beginning of East West's 30th anniversary. We opened our doors in 1973 as the first Federally chartered savings institution dedicated to serving the Chinese immigrant community in Southern California. In those early days, our one focus was on meeting the needs of our chosen niche with a level of innovation that was imperative to help our customers integrate into their new homeland. Since then, we have expanded that original vision beyond our core ethnic Chinese market to include numerous specialty commercial sectors in our continual evolution as one of the largest and strongest independent banks in California. Throughout our history, we have built leadership positions in high-growth niche markets where we can bring market expertise and sophisticated, value-added products and services to our clients. The result for our shareholders has been consistently lower cost and risks, balanced with higher growth and returns.

We treasure our history and honor the people and actions that have made these successes possible. However, we recognize that no operation can rest on the past. For our customers, and most importantly, our shareholders, East West's achievements primarily serve as an indication of our ability to continue to grow and prosper. The following pages highlight various aspects of past and present that have contributed to where we are today – in the strongest financial position in our history.

In all respects, East West Bancorp had an outstanding year in 2002. We achieved our sixth consecutive year of record earnings, a record return on assets, continued growth in share price, and further strengthened our core community banking franchise. Earnings per share grew 25% to \$2.01, while net income rose by 28% to \$49.5 million, also a record. We were pleased to generate such healthy earnings growth in the face of a challenging environment marked by a slowing economy and continuing record-low interest rates – while at the same time further improve our returns on capital, strengthen our capital ratios, and maintain solid asset quality. Among the financial highlights were:

- Record return on average assets of 1.63%
- Return on average equity of 18.29%
- Total year-end assets of \$3.3 billion, the highest in Bank history
- Record total deposits of \$2.9 billion,
 a 21% growth
- Total core deposits of \$1.4 billion,
 26% higher than 2001 and 48% of total deposits
- Record \$25.5 million in non-interest income
- Total equity of \$302 million and a Tier I capital ratio of 8.62% – the strongest capital position in Bank history
- Non-performing asset ratio of only 0.37%
- Net charge-offs of only 0.11%, equal to the lowest level in 10 years
- Allowance for loan losses equal to 1.50%, the highest ratio in 10 years

Our ability to generate substantial growth in assets and deposits was a tangible benefit of East West's strategic approach. Our deposit growth - well balanced between retail and commercial customers contributed to expansion of our net interest margin. We have always worked to ensure that our retail operations are at the forefront of our commitment to serve the unique needs of California's Chinese-American market, a tradition that has evolved with the Bank. In 2002, we launched the nation's first supermarket banking program for the Chinese community, in a unique partnership with 99 Ranch Markets. We opened four new locations during the year and have now generated over \$63 million in deposits from new customer relationships, surpassing our initial expectations and further strengthening our retail franchise.

Our focus on specialty commercial deposits also yielded strong growth. In addition to expanding our presence in such existing markets as entertainment deposit and real estate industry services, we added new practices, including the healthcare industry. These sectors demand sophisticated, reliable products and services that require a high level of expertise and customer attention. Our commercial banking practices are led by some of the state's most experienced, respected professionals. Proof of our capabilities was seen in the 28% growth in core commercial deposits for the year.

Lending growth also benefited from our niche focus in 2002. We expanded our total loan portfolio, excluding the impact of loan securitizations and sales, by nearly 20%, despite a slower lending market and more stringent underwriting guidelines implemented during the year. At the same time, we maintained our asset quality ratios well within our internal guidelines. This is testament to the strengths

inherent in our niche markets – from such legacy practices as privately-owned affordable housing finance and traditional trade finance activities to more recently launched programs, such as our Export/Import Bank guaranteed lending. Instead of competing for lending opportunities based on lowest price and easiest credit terms, we pursue more attractive opportunities within these markets that continue to experience healthy growth and solid fundamentals.

These corporate strategies richly rewarded our shareholders in 2002. Our share price increased by 42%, compared to a 33% decrease in the NASDAQ Composite Index and a 15% decline in the S&P 600 Small Cap Index. Our recognition in the capital markets continued to increase, with four more securities firms initiating research coverage during the year, bringing the number of analysts covering East West Bank to eight, up from just three two years ago.

Finally, we undertook a number of important actions to extend our niche markets, add to our earnings power, and enhance our banking franchise.

Pacific Business Bank Acquisition – Late in 2002, we negotiated the acquisition of Pacific Business Bank, a \$165 million in asset commercial business bank in Southern California's industrial center. Announced in early 2003, this acquisition will give East West four new branches in prime commercial locations in south and eastern Los Angeles, add a strong customer base in small manufacturing, service and distribution firms; and enable us to achieve substantial efficiencies at the combined platforms.

Beijing Office – A local presence in China is an important feature for any bank seeking to provide world-class trade finance and international banking

services. We worked throughout the second half of 2002 to develop such a capability. We were pleased to announce in early 2003 that East West was the only U.S. based bank to receive approval to open a representative office in China in 2002. Our Beijing office, which opened in January 2003, will afford us greater opportunity to develop greater volume of letter of credit transactions through correspondent banking relationships in China, accelerate our growth in Ex/Im Bank transactions as we identify sales opportunities for our domestic customers that export to Asia, and offer new advisory services to companies on both sides of the Pacific.

New Board Members – We were fortunate in 2002 to appoint two outstanding, experienced executives to our community-based board of directors: Peggy Cherng, President and CEO of Panda Restaurant Group, and John Kooken, former CFO and Vice Chairman of Security Pacific Corporation. They bring invaluable expertise and counsel to our team.

Much has changed at East West since 1973. We have a broader, more diversified business and customer base, a branch network that extends throughout California, an unrivaled product and service menu, and an earnings stream and capital base our original founders could hardly have envisioned. However, we remain firm in our commitment to well-defined, attractive niche markets and long-term stability and shareholder value, as well as to the highest standards of professionalism, integrity, and service. I would like to thank our board of directors, customers, and shareholders for their continued support and involvement in East West's achievements. We look forward to exciting opportunities and continued financial success in our 30th year and beyond.

A.

Dominic NgPresident and CEO



From the beginning, East West Bank opened up new worlds. In 1973, we dedicated ourselves to assisting immigrants within the Chinese-American community with our innovative financial products. With East West as their partner, our customers could establish credit, save money, buy vehicles and homes, start businesses. In short, prosper in their new land.

We are still making these things happen for our customers. In doing so, we have grown from one branch to 38. Last year, we opened four branches—the first in our groundbreaking partnership with 99 Ranch Market, the leading market chain in the Asian community. Also in 2002, our solid base of retail deposits grew to \$1.8 billion. We continue to build on this strong foundation to help people realize their dreams.

In January 1973, Annabell Liang received a letter announcing the grand opening of a new financial institution in Chinatown, where she and her husband owned a gift shop. They soon became among East West's first customers. As each of her six brothers and five sisters came to America from Taiwan, Mrs. Liang introduced them to her favorite bank, where the tellers could speak Mandarin. Now an East West customer in Montebello, she says, "The people work hard to serve you. They're always ready to help."

Our connection to the Chinese-American community continues to feed mutual growth.



Nora Chew, second from left, was among the Bank's original employees, who joined East West in December 1972 – before the bank even opened. "We helped our customers solve their financial problems. Because we could



speak their language, they felt comfortable," she recalls. Today, Nora, below, is Assistant Vice President and Branch Services Manager in Montebello. "I've seen the next generation of customers bank with East West."



East West has combined forces with 99 Ranch Markets, a powerhouse force in the Asian-American community, to offer convenient supermarket banking, even on weekends. Here, a customer follows her bank deposit with a special "withdrawal" at the San Gabriel market.



Residents enjoy one of the main gathering areas in Aegis Senior Communities' new 117-unit apartment building in Escondido, CA. East West provided the Letter of Credit for the construction costs through its specialized Affordable Housing Lending unit.

In 1995, East West Bank expanded our franchise to serve another thriving community: business. Through organic growth and strategic acquisitions, we are now among the major players in Southern California business banking. In 2002, our core commercial deposits increased 28%, to \$828 million.

Some business customers are drawn to East West's connections throughout the Pacific Rim and the Asian-American community. Many simply appreciate our in-depth knowledge of such key niche markets as commercial real estate, affordable housing, entertainment services, and trade finance – along with

our decisiveness and value-added relationship banking. Today, more than 60% of our commercial banking business comes from mainstream companies. They know, as do all our customers, that East West's goal is to help them write their own long-term success stories.

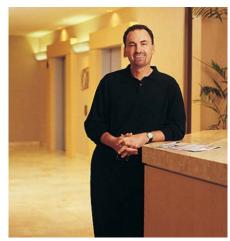
Our strategic focus on niche markets pays off in a growing financial presence.



Becky Proctor, NSBN's banking connection at East West, left, and Regional VP Kerry Turner believe in providing industry-specific services to their clients. "Because we understand the unique demands of the entertainment world, we're able to respond quickly and effectively in all kinds of situations. We're a business resource in every sense of the word," says Ms. Proctor.

"In business management, a strong banking relationship is critical to obtaining and maintaining clients," explains Ken Miles, the managing partner of NSBN^{LLP}, a prominent accounting and consulting firm in Beverly Hills. On the NSBN client roster are actors and other entertainment professionals, who often have fluctuating incomes and financial requirements. "We need a bank with flexibility and responsiveness," says Mr. Miles, "and, most of all, someone who understands the industry. East West gives us all that."

The Bank also has handled NSBN's own needs, whether loans for tenant improvements or working capital. "From top management to the customer service people," he adds, "they're a pleasure to work with."



East West links opportunity services to opportunity through international banking.

Our trade finance services are quite literally making the globe smaller; as we connect Asian companies with markets here in the United States and U.S. businesses with sales opportunities in China, Hong Kong, Taiwan, and other countries. East West's seasoned international bankers – supported by our value-added products and services – provide critical guidance about doing business overseas. In 2002, our relationship with the Ex-Im Bank enabled us to offer export financing for smallor middle-market companies that larger banks often choose to ignore. In January 2003, we opened our new Beijing, China, Representative Office, further enhancing our ability to facilitate trade and investment services for existing and prospective customers at both ends of the East-West financial bridge.



H. Roger Wang is the epitome of an international entrepreneur. A native of Taiwan and Los Angeles resident, he is Chairman and CEO of H.R. Western Inc., a California corporation, with interests in property management, hotel operation, and real estate development, as well as Chairman and CEO of Golden Eagle International Group, founded in 1992 in Nanjing, capital of China's Jiangsu Province. Over 25 years, Mr. Wang has relied on East West Bank as a source of capital. But its value-added services and networking strength are far more important to him. "The Bank is very service driven, straightforward and efficient in their approach," he says. "Most important, the management is conscientious about thinking of ways they can connect their customers to opportunities. They're helping me to serve both sides of the ocean."

In 2002, East West was the only U.S. bank granted a Representative Office License from the Chinese government. Our Beijing office – located in the city's financial center and staffed with veteran bankers – comes at an ideal time. China attracted more than \$50 billion in foreign investment in 2002 and imports significant amounts of U.S. goods and services.



East West's community involvement goes beyond a sense of corporate responsibility and belief in volunteerism. We live here. So do our customers. That gives us a vested interest in the well-being of this extraordinary state. Our involvement has expanded with our mission. In 1997, East West became the first Chinese-American bank to raise funds for United Way. In the years since, East West has ranked at the very top of individual employee giving among all financial institutions. Our annual Day of Caring had its largest turnout ever in 2002, when our employees helped paint the Pasadena Boys and Girls Club. We also sponsored glucose screenings for customers at branches in Northern and Southern California. As individuals, our employees, management, and board members contribute their energy to a wide range of causes – making California a better place to live and work.

People are our focus, as we continually invest in our communities.

Nearly 28 years ago, Jeanie
Chan opened an account at
the Chinatown Los Angeles
branch, where she was helped
by "the most beautiful teller."
Mrs. Chan often brought her
daughter, Alice, to the bank
that celebrated the Chinese
Moon Festival and sponsored
community events. When Alice
started college, her mother
took home a job application
from East West. A part-time

Betty Yun, Vice President & Branch Services Manager, Monterey Park, joined the year-old East West Bank in 1974. "People were excited East West had come to their community. Our customers welcomed us as neighbors." The Bank

marked Chinese New Year and other happy occasions with cakes and special foods. "I tell people my job has always been personally rewarding. And a little bit fattening."

job has turned into a career. Alice Lai, left, is now First Vice President and Director of Consumer Lending. "The bank gives you the chance to grow," she says. "And it's very family oriented." Proof: Her mother is still a customer, as are her grandparents. That "beautiful teller" was Betty Yun, right.

In our first years in Los Angeles' Chinatown, East West Bank supported such local events as the Chinese New Year Parade. We still do, along with a host of other events in the expanding list of communities where we reside.



From the start of trading in February of 1999, through the end of 2002, East West Bancorp stock has increased by 280%. During the same period, the DOW declined by 11% and the NASDAQ by 46%.



From a healthy foundation comes sustainable growth.

East West's ongoing commitment to financial fundamentals has spurred our evolution as a leading community and commercial bank. In 2002, the Bank achieved the strongest balance sheet in East West's history, with \$3.3 billion in assets. Our annual net income

reached \$49.5 million, 28% above 2001 – marking the sixth consecutive year we have generated record earnings for our shareholders. We ended the year with record earnings per share, as well as asset quality ratios and returns on assets and equity that surpassed our goals – all despite a challenging economy. We firmly believe

this success derives from a prudent balance between earnings growth and asset quality, coupled with our focus on core niche markets where we can add value for customers. We are confident this synergy will continue to fuel a positive future.

An outstanding financial performance sustains three decades of growth.

In 2002, East West Bank's deposits totaled \$2.9 billion, a 21% increase over 2001; of these, core deposits increased to \$1.4 billion or 48% of total deposits.





F. Chou Chan, a local Chinese businessman in 1950s Los Angeles, foresaw the need for a savings institution to serve the city's immigrant community. After early attempts failed

to win state approval, he realized his dream in 1973, when he and other organizers – including his son, Kellogg Chan – opened East West Federal Savings. "The people in the community pledged \$2.5 million in savings deposits, which allowed us to obtain the state charter," recalls Kellogg Chan. When his father retired in 1976, Kellogg Chan became East West's Chairman, President and CEO until 1992, presiding over a remarkable era of growth.

An anniversary provides a window with which to reflect on past accomplishments and look forward to what's yet to come. This has been a memorable three decades in the history of East West Bank and the communities we serve. From the onset, the Bank provided a bridge for Chinese and other Asian immigrants to find a foothold in this country. As the Bank's vision has broadened, so have our services and international reach. Today, we continue to expand our mission as a premier community bank with sophisticated business banking services, leveraging a balance of strengths in the Asian-American community and in mainstream banking. In this way, we are setting the stage for another 30 years and beyond.

We're bridging past to future through a tradition of excellence.

Another strategic move in 2003 further strengthened the Bank's foundation for growth. The acquisition of Pacific Business Bank (PBB) in Los Angeles, with its four strategically located branch offices, will allow us to better serve small to midsize commercial enterprises, as well as retail customers. We have already begun to expand the product and services at these new branches.



"This Bank is like a family," says Mary Lee, a customer in East West's Chinatown Los Angeles office since 1981. Mrs. Lee is representative of the heritage the Bank continues to honor today, as we build from our roots in the Chinese-American community to serve an increasingly diverse customer base.

Today, East West Bank provides our customers with a stronger-than-ever financial bridge, through our 38 branches throughout Los Angeles, Orange, San Francisco, Alameda and Santa Clara counties; an international trade office in Beijing, China; and our headquarters in San Marino.



	2002	2001	2000	1999	1998
		(In Tho	usands, Except Per Sha	re Data)	
Summary of Operations:					
Interest and dividend income	\$ 166,213	\$ 182,698	\$ 186,080	\$ 148,027	\$ 126,708
Interest expense	48,979	83,348	96,593	76,142	71,043
Net interest income	117,234	99,350	89,487	71,885	55,665
Provision for loan losses	10,200	6,217	4,400	5,439	5,356
Net interest income after provision for loan losses	107,034	93,133	85,087	66,446	50,309
Noninterest income	25,462	21,591	14,968	14,693	10,027
Noninterest expense	63,680	62,124	49,960	39,509	32,626
Income before provision for income taxes	68,816	52,600	50,095	41,630	27,710
Provision for income taxes	20,115	13,730	14,628	13,603	9,682
Income before cumulative effect of change in					
accounting principle	48,701	38,870	35,467	28,027	18,028
Cumulative effect of change in accounting principle					
net of tax	788	(87)	-		-
Net income	\$ 49,489	\$ 38,783	\$ 35,467	\$ 28,027	\$ 18,028
Basic earnings per share	\$ 2.10	\$ 1.68	\$ 1.58	\$ 1.23	\$ 0.76
Diluted earnings per share	\$ 2.01	\$ 1.61	\$ 1.53	\$ 1.22	\$ 0.76
Dividends per share	\$ 0.27	\$ 0.12	\$ 0.12	\$ 0.12	\$ -
Average number of shares outstanding, basic	23,596	23,033	22,448	22,757	23,775
Average number of shares outstanding, diluted	24,630	24,054	23,168	22,895	23,775
At Year End:					
Total assets	\$3,321,489	\$2,825,303	\$2,485,971	\$2,152,630	\$2,058,160
Loans receivable, net	2,313,199	2,132,838	1,789,988	1,486,641	1,100,579
Investment securities	531,607	323,099	488,290	496,426	682,436
Deposits	2,926,352	2,417,974	1,948,562	1,500,529	1,292,937
Federal Home Loan Bank advances	34,000	104,000	268,000	482,000	563,000
Stockholders' equity	302,117	244,415	186,149	150,080	150,830
Channel Labor Park	22.002	22.274	20.771	20.422	22.775
Shares outstanding	23,882	23,376	22,661	22,423	23,775
Book value per share	\$ 12.65	\$ 10.46	\$ 8.21	\$ 6.69	\$ 6.34
Financial Ratios:					
Return on assets	1.63%	1.47%	1.51%	1.35%	1.00%
Return on equity	18.29	17.73	21.57	18.96	12.83
Average stockholders' equity to average assets	8.92	8.26	7.02	7.12	7.80
Net interest margin	4.11	3.98	4.03	3.62	3.22
Efficiency ratio (1)	40.07	45.22	40.91	40.56	46.52
Asset Quality Ratios:					
Net chargeoffs to average loans	0.11%	0.21%	0.22%	0.17%	0.11%
Nonperforming assets to year end total assets	0.37	0.20	0.30	0.75	0.99
Allowance for loan losses to year end total gross lo	ans 1.50	1.28	1.31	1.38	1.47

⁽¹⁾ Represents noninterest expense, excluding the amortization of intangibles and investments in affordable housing partnerships, divided by the aggregate of net interest income before provision for loan losses and noninterest income, excluding the amortization of intangibles.

(Dollars in thousands, except share data)

	Decen	nber 31,
	2002	2001
ASSETS		
Cash and cash equivalents	\$ 295,272	\$ 224,334
Investment securities available for sale, at fair value (with amortized cost of		
\$526,411 in 2002 and \$323,657 in 2001)	531,607	323,099
Loans receivable, net of allowance for loan losses of \$35,292 in 2002 and \$27,557 in 2001	2,313,199	2,132,838
Investment in Federal Home Loan Bank stock, at cost	9,317	8,984
Investment in affordable housing partnerships	23,775	20,991
Premises and equipment, net	23,941	25,435
Premiums on deposits acquired, net	7,500	9,306
Excess of purchase price over fair value of net assets acquired, net	19,030	20,601
Accrued interest receivable and other assets	91,733	55,928
Deferred tax assets	6,115	3,787
TOTAL	\$3,321,489	\$2,825,303
LIABILITIES AND STOCKHOLDERS' EQUITY		
Customer deposit accounts:		
Noninterest-bearing	\$ 741,891	\$ 529,365
Interest-bearing	2,184,461	1,888,609
Total deposits	2,926,352	2,417,974
Federal Home Loan Bank advances	34,000	104,000
Notes payable	2,100	900
Accrued expenses and other liabilities	35,748	35,337
Deferred tax liabilities	422	569
Junior subordinated debt securities	20,750	20,750
Total liabilities	3,019,372	2,579,530
FAIR VALUE OF NET ASSETS ACQUIRED IN EXCESS OF PURCHASE PRICE, NET	-	1,358
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Common stock (par value of \$0.001 per share)		
Authorized 50,000,000 shares		
Issued 26,298,346 shares and 25,791,660 shares in 2002 and 2001, respectively		
Outstanding 23,881,897 shares and 23,376,079 shares in 2002 and 2001, respectively	27	26
Additional paid in capital	155,904	145,312
Retained earnings	178,873	135,765
Deferred compensation	-	(378)
Treasury stock, at cost: 2,416,449 shares in 2002 and 2,415,581 shares in 2001	(35,955)	(35,945)
Accumulated other comprehensive income (loss), net of tax	3,268	(365)
Total stockholders' equity	302,117	244,415
TOTAL	\$3,321,489	\$2,825,303

	V	ear Ended December 3	21
	2002	2001	2000
INTEREST AND DIVIDEND INCOME			
Loans receivable, including fees	\$148,978	\$155,480	\$150,985
Investment securities available for sale	13,916	23,410	32,521
Short-term investments	2,806	3,158	960
Federal Home Loan Bank stock	513	650	1,614
Total interest and dividend income	166,213	182,698	186,080
INTEREST EXPENSE			
Customer deposit accounts	43,575	73,946	72,648
Federal Home Loan Bank advances	3,064	6,076	20,503
Junior subordinated debt securities	2,264	2,270	1,377
Short-term borrowings	76	1,056	2,065
Total interest expense	48,979	83,348	96,593
NET INTEREST INCOME BEFORE PROVISION FOR LOAN LOSSES	117,234	99,350	89,487
PROVISION FOR LOAN LOSSES	10,200	6,217	4,400
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	107,034	93,133	85,087
NONINTEREST INCOME Branch fees	6,186	5,353	4,839
Ancillary loan fees	5,929	4,128	1,845
Letters of credit fees and commissions	5,641	4,324	4,353
	1,946	1,088	4,303
Net gain on sales of loans		1,000	-
Net gain on sales of securitized loans	328	2.04/	100
Net gain on sales of investment securities available for sale	13	2,046	123
Net gain (loss) on trading securities	-	413	(16)
Amortization of fair value of net assets acquired in excess of purchase price	- 12	255	415
Net gain on disposal of fixed assets	43	148	1 070
Net gain on sales of investment in affordable housing partnerships		2.02/	1,279
Other operating income	5,376	3,836	2,130
Total noninterest income	25,462	21,591	14,968
NONINTEREST EXPENSE			
Compensation and employee benefits	25,761	25,136	20,286
Net occupancy	10,261	9,899	7,563
Amortization of real estate investment	4,698	3,782	4,081
Amortization of premiums on deposits acquired and excess of purchase price			
over fair value of net assets acquired	1,806	3,766	3,318
Data processing	1,711	1,775	1,783
Deposit insurance premiums and regulatory assessments	621	552	458
Other real estate owned operations, net	3	34	(174)
Other operating expenses	18,819	17,180	12,645
Total noninterest expense	63,680	62,124	49,960
INCOME BEFORE PROVISION FOR INCOME TAXES	68,816	52,600	50,095
PROVISION FOR INCOME TAXES	20,115	13,730	14,628
INCOME BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	48,701	38,870	35,467
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE, NET OF TAX	788	(87)	-
NET INCOME	\$ 49,489	\$ 38,783	\$ 35,467
PER SHARE INFORMATION			
BASIC EARNINGS PER SHARE, AFTER CUMULATIVE EFFECT OF			
CHANGE IN ACCOUNTING PRINCIPLE, NET OF TAX	\$ 2.10	\$ 1.68	\$ 1.58
DILUTED EARNINGS PER SHARE, AFTER CUMULATIVE EFFECT OF			
CHANGE IN ACCOUNTING PRINCIPLE, NET OF TAX	\$ 2.01	\$ 1.61	\$ 1.53
AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC	23,596	23,033	22,448
AVERAGE NUMBER OF SHARES OUTSTANDING - DILUTED	24,630	24,054	23,168

(Dollars in thousands)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Deferred Compensation	Treasury Stock	Accumulated Other Comprehensive Income (Loss), Net of Tax	Comprehensive Income	Total Stockholders' Equity
BALANCE, JANUARY 1, 2000	\$ 24	\$ 111,306	\$ 67,001	\$ (863)	\$(14,659)	\$ (12,729)		\$ 150,080
Comprehensive income Net income for the year Net unrealized gain on securities	Ψ 24	Ψ 111,500	35,467	ψ (000)	ψ(14,000)	5,454	\$ 35,467 5,454	35,467 5,454
Comprehensive income							\$ 40,921	
Stock compensation cost		16		405				421
Tax benefit from option exercise Issuance of 16,444 shares under		55						55
Stock Option Plan Issuance of 1,500 shares under		164						164
Restricted Stock Plan		18		(18)				-
Issuance of 53,584 shares under Employee Stock Purchase Plan		496						496
Issuance of 424,781 shares under Stock Warrants Plan	1	4,247						4,248
Issuance of 103,291shares for acquisition								
of East West Insurance Agency, Inc. Purchase of 361,878 shares		1,737		(868)				869
of treasury stock			(0.704)		(8,401)			(8,401)
Dividends paid on common stock		440,000	(2,704)	(4.044)	(00,000)	(7.075)		(2,704)
BALANCE, DECEMBER 31, 2000	25	118,039	99,764	(1,344)	(23,060)	(7,275)		186,149
Comprehensive income Net income for the year			38,783				\$ 38,783	20 702
Net unrealized gain on securities			30,703			6,910	6,910	38,783 6,910
Comprehensive income						0,910	\$ 45,693	0,910
Stock compensation cost		41		328			\$ 40,093	369
Tax benefit from option exercise		1,303		320				1,303
Issuance of 300,724 shares under		1,303						1,303
Stock Option Plan		3,068						3,068
Issuance of 42,012 shares under		3,000						3,000
Employee Stock Purchase Plan		682						682
Issuance of 27,886 shares under		002						002
Stock Warrants Plan		279						279
Issuance of 512,707 shares for								
acquisition of Prime Bank		12,260						12,260
Issuance of 400,000 shares in connection								
with in-store banking operations	1	6,943						6,944
Issuance of 300,000 shares of warrants in connection with								
in-store banking operations		2,697						2,697
Release of 13,147 shares in escrow								
related to acquisition of								
East West Insurance Agency, Inc.				638				638
Purchase of 567,840 shares								
of treasury stock					(12,885)			(12,885)
Dividends paid on common stock			(2,782)					(2,782)
BALANCE, DECEMBER 31, 2001	\$ 26	\$ 145,312	\$135,765	\$ (378)	\$(35,945)	\$ (365)		\$ 244,415

(Continued)

		nmon ock	Additional Paid-In Capital	Retained Earnings	Deferred Compensation	Treasury Stock	Accumulated Other Comprehensive Income (Loss), Net of Tax	Comprehensive Income	Sto	Total ockholders' Equity
BALANCE, DECEMBER 31, 2001	\$	26	\$ 145,312	\$135,765	\$ (378)	\$(35,945)	\$ (365)		\$	244,415
Comprehensive income										
Net income for the year				49,489				\$ 49,489		49,489
Net unrealized gain on securities							3,448	3,448		3,448
Deferred gain on securitized loans							185	185		185
Comprehensive income								\$ 53,122		
Stock compensation cost			33		148					181
Tax benefit from option exercise			4,727							4,727
Issuance of 472,077 shares under										
Stock Option Plan		1	5,054							5,055
Issuance of 43,284 shares under										
Employee Stock Purchase Plan			958							958
Issuance of 5,000 shares under										
Stock Warrants Plan			50							50
Cancellation of 13,675 shares related										
to the acquisition of										
East West Insurance Agency, Inc.			(230)		230	()				-
Purchase of 968 shares of treasury stock				((001)		(10)				(10)
Dividends paid on common stock	_			(6,381)					_	(6,381)
BALANCE, DECEMBER 31, 2002	\$	27	\$ 155,904	\$178,873	\$ -	\$(35,955)	\$ 3,268		\$	302,117

(concluded)

Year Ended December 31,		
2002	2001	2000
	(In thousands)	
\$3,456	\$8,138	\$5,528
(8)	(1,228)	(74)
\$3,448	\$6,910	\$5,454
	\$3,456 (8)	2002 2001 (In thousands) \$3,456 \$8,138 (8) (1,228)

(In thousands)

	γ	Year Ended December 3		
	2002	2001	2000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income	\$ 49,489	\$ 38,783	\$ 35,467	
Adjustments to reconcile net income to net cash provided by operating activities:	\$ 47,407	Ф 30,703	\$ 35,407	
Depreciation and amortization	10,450	9,453	8,751	
Cumulative effect of change in accounting principle	(788)	87	0,731	
Stock compensation costs	181	369	421	
Deferred tax expense (benefit)	(5,519)	2,149	(793)	
Provision for loan losses	10,200	6,217	4,400	
Provision for other real estate owned losses	10,200	34	7,700	
Net gain on sales of investment securities and other assets	(2,330)	(3,870)	(1,353)	
Net (gain) loss on trading securities	(2,330)	(413)	16	
Federal Home Loan Bank stock dividends	(508)	(800)	(1,727)	
Proceeds from sale of loans held for sale	168,544	87,981	12,384	
Proceeds from sale of loans field for sale	100,344	13,603	12,304	
	(147.053)		(10 E4E)	
Originations of loans held for sale	(167,852)	(97,154)	(12,565)	
Net change in accrued interest receivable and other assets, net of effects from	(24 4E4)	128	(1 4 OE 4)	
purchases of Prime Bank in 2001 and American International Bank in 2000	(36,454)	120	(14,054)	
Net change in accrued expenses and other liabilities, net of effects from	/ 505	11.057	(0.521)	
purchases of Prime Bank in 2001 and American International Bank in 2000	6,595	11,057	(9,531)	
Total adjustments	(17,481)	28,841	(14,051)	
Net cash provided by operating activities	32,008	67,624	21,416	
CASH FLOWS FROM INVESTING ACTIVITIES				
Net increase in loans	(279,951)	(216,327)	(5,766)	
Purchases of:				
Investment securities available for sale	(451,288)	(196,306)	(46,194)	
Loans receivable	(150,273)	(172,162)	(196,185)	
Federal Home Loan Bank stock	-	-	(508)	
Real estate investments	(7,482)	(5,097)	(5,544)	
Premises and equipment	(1,405)	(4,949)	(3,617)	
Proceeds from sale of:				
Investment securities available for sale	720	176,226	61,052	
Loans receivable	46,685	80,782	-	
Other real estate owned	-	788	1,062	
Real estate investments	-	-	9,551	
Premises and equipment	-	1,725	1	
Proceeds from maturity of interest bearing deposits	-	100	-	
Proceeds from securitization and partial sale of loans held for investment	159,724	-	-	
Repayments, maturity and redemption of investment securities				
available for sale	285,475	236,338	80,891	
Redemption of Federal Home Loan Bank stock	174	6,661	15,211	
Repayments on foreclosed properties	-	-	38	
Investment in nonbank entity	_	_	(250)	
Payment for purchase of American International Bank, net of cash received	_	_	(25,174)	
Cash acquired from acquisition of East West Insurance Agency, Inc.	_	_	549	
Cash acquired from purchase of Prime Bank, net of cash paid	_	20,298	-	
Net cash used in investing activities	(397,621)	(71,923)	(114,883)	
123. doddod.g dominos	(011/021)		(.11,000)	
			(Continued)	

	Ye	31,		
	2002	2001	2000	
CASH FLOWS FROM FINANCING ACTIVITIES:				
Net change in deposits	\$ 508,379	\$ 371,339	\$ 277,269	
Net increase (decrease) in short-term borrowings	-	(38,000)	37,400	
Proceeds from Federal Home Loan Bank advances	7,279,200	5,289,500	16,711,300	
Repayment of Federal Home Loan Bank advances	(7,349,200)	(5,453,500)	(16,925,300)	
Proceeds from issuance of junior subordinated debt securities	-	-	20,750	
Payment of debt issue cost	-	-	(672)	
Repayment of notes payable on affordable housing investments	(1,500)	-	(1,532)	
Proceeds from common stock options exercised	5,055	3,068	164	
Proceeds from stock warrants exercised	50	279	4,248	
Proceeds from stock purchase plan	958	682	496	
Repurchases of common stock	(10)	(12,885)	(8,401)	
Proceeds from issuance of common stock related to				
in-store banking operations	-	7,884	-	
Dividends paid on common stock	(6,381)	(2,782)	(2,704)	
Net cash provided by financing activities	436,551	165,585	113,018	
NET INCREASE IN CASH AND CASH EQUIVALENTS	70,938	161,286	19,551	
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	224,334	63,048	43,497	
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 295,272	\$ 224,334	\$ 63,048	
			(Concluded)	
SUPPLEMENTAL CASH FLOW INFORMATION				
Cash paid during the year for:				
Interest	\$ 49,521	\$ 85,348	\$ 93,840	
Income taxes	27,099	1,468	14,246	
Noncash investing and financing activities:				
Loans exchanged for mortgage-backed securities	35,078	13,302	-	
Residual interest resulting from securitization of real estate loans	3,579	-	-	
Real estate investment financed through notes payable	2,100	900	-	
Issuance of common stock in connection with Prime Bank acquisition	-	12,260	-	
Deferred operating expense from issuance of common stock and warrants				
related to in-store banking operations	-	1,757	-	
Other real estate acquired through foreclosure	-	-	1,112	
Issuance of common stock in connection with the acquisition of				
East West Insurance Agency, Inc., net of deferred compensation	-	-	869	

COMMON STOCK AND DIVIDENDS

East West Bancorp, Inc. Common Stock (symbol: EWBC) trades on the Nasdaq Stock Market. At December 31, 2002, there were 23,881,897 shares of common stock issued and outstanding.

The following table sets forth the range of closing sales prices for the Company's common stock for each of the quarters in the two years ended December 31, 2002:

	Ye	ars Ended	December 3	31,
	20	2002		01
	High	Low	High	Low
First quarter	\$29.70	\$25.11	\$25.44	\$18.88
Second quarter	37.49	29.00	27.00	16.63
Third quarter	37.78	30.76	26.50	22.48
Fourth quarter	36.08	28.45	26.54	20.10

East West quarterly cash dividends on common stock, when and if declared by the Board of Directors, are distributed in February, May, August, and November.

ANNUAL MEETING

The 2003 Annual Meeting of Shareholders will be held at 3:00 p.m. Pacific Time on Wednesday, May 14, 2003 at:

The Ritz - Carlton Huntington Hotel & Spa 1401 South Oak Knoll Avenue Pasadena, California 91106

Formal notice of the meeting with a proxy card and proxy statement, was mailed to all shareholders of record as of April 7, 2003.

Stock Transfer Agent

Shareholders with inquiries about accounts, lost stock certificates, or changes of address, may contact U.S. Stock Transfer Corporation by calling (818) 502-1404 between 9:00 a.m. and 5:00 p.m. Pacific Time. Written correspondence may be sent to:

U.S. Stock Transfer Corporation 1745 Gardena Avenue Glendale, CA 91204

FINANCIAL INFORMATION AND MAILINGS

You may obtain the Company's Annual Reports on Form 10-K and other financial information by writing or calling:

East West Bancorp, Inc. Investor Relations 415 Huntington Drive San Marino, CA 91108 (800) 713-6506

QUARTERLY REPORTS

East West's financial results are provided in quarterly earnings releases. A copy of the release is available via the following methods:

On the Internet

Company information and news releases are also available at www.eastwestbank.com.

To receive company news releases via e-mail, please contact Investor Relations at the telephone number or address above.

By Mail

Upon request we will mail to you our quarterly earnings releases. To be added to the mailing list, please contact Investor Relations at the telephone number or address above.

EXECUTIVE OFFICERS

Dominic Ng

President and CEO

Julia S. Gouw

Executive Vice President and Chief Financial Officer

Robert Bulseco

Executive Vice President,

West Los Angeles Commercial Banking Center

Donald S. Chow

Executive Vice President, Commercial Lending

Douglas P. Krause

Executive Vice President, General Counsel and Secretary

Michael W. Lai

Executive Vice President,

General Manager, Northern California

William Lewis

Executive Vice President, Chief Credit Officer

Debbie Beveridge

Senior Vice President, Commercial Lending

Kristen Bjork

Senior Vice President, Risk Management

Wade M. Bourne

Senior Vice President, Commercial Services

Steven Canup

Senior Vice President,

Strategic Planning and Investor Relations

K. Y. Cheng

Senior Vice President, International Banking

Bennett Chui

Senior Vice President.

Deputy Manager International Banking

Pamela Citron

Senior Vice President, Operations Administration

Mitchell W. Kitayama

Senior Vice President,

Treasurer

Kelvin Lee

Managing Director, In-Store Banking

Liz Mendoza

Senior Vice President,

Controller

Nancy Moore

Senior Vice President, Senior Investment Officer

Clara Tse

Senior Vice President,

Director of Human Resources

Emily Wang

Senior Vice President, Director of Marketing

Henry Young

Senior Vice President, Mortgage Lending

BOARD OF DIRECTORS

Dominic Ng

Chairman of the Board

Peggy Cherng

Member

Julia S. Gouw

Member

John Kooken

Member

Herman Y. Li

Member

Jack C. Liu

Member

James P. Miscoll

Member

Keith W. Renken

Member

eadquarters			
San Marino	(626) 799-5700		
outhern California			
Anaheim		Lincoln Heights	(323) 223-1164
99 Ranch Market	(714) 491-7942		
Alhambra –		Los Angeles – Grand Avenue	(212) 600 0600
West Main Street	(626) 308-2012	Granu Avenue Chinatown	(213) 688-8600 (213) 489-5300
West Valley Blvd.	(626) 576-7447	Giiiiatowii	(213) 409-3300
west valley bivu.	(020) 370-7447	Montebello	(323) 723-2311
Arcadia –			
Duarte Road	(626) 821-4988	Monterey Park	(626) 281-3800
99 Ranch Market	(626) 821-3539		
		Palos Verdes Peninsula	(310) 544-1556
Carson –			
Avalon Blvd.	(310) 522-5555	Rosemead	(626) 572-4633
W. Carson Street	(310) 533-1456		
		Rowland Heights	(626) 854-0070
Century City	(310) 712-0044		
Counitae	(500) 004 0000	San Gabriel –	(020) 027 1480
Cerritos	(562) 924-8222	99 Ranch Market	(626) 927-1180
City of Industry /		San Marino	(626) 799-1132
Hacienda Heights	(626) 854-8600	San marino	(020) 130-1102
naoronaa noigino	(820) 007 0000	Santa Fe Springs	(526) 906-7880
Diamond Bar	(909) 861-3676		
		Silverlake	(323) 667-9003
El Monte –			
Flair Drive	(626) 582-8050	South Pasadena	(323) 682-3831
N. Peck Road	(626) 579-5450		
S. Santa Anita Ave.	(626) 579-1860	Tarzana	(818) 774-2666
Glendale	(818) 545-8800	Torrance	(310) 791-2800
archidato	(010) 040 0000	Torrance	(010) 131 2000
Irvine –		Westminster	(714) 895-2575
99 Ranch Market	(949) 451-1601		
orthern California			
Cupertino	(408) 873-7030	Oakland	(510) 465-3333
ouper uno	(100) 073 7030	Oakianu	(010) 100 0000
Milbrae	(650) 259-9208	San Francisco –	
Loan Production Office		Richmond District	(415) 750-2800
		Chinatown	(415) 433-1533
Milpitas –			
	(408) 571-4481		