

**CPP ANNUAL USE OF CAPITAL SURVEY - 2010**



NAME OF INSTITUTION  
(Include Holding Company Where Applicable)

East West Bancorp

Point of Contact:	Irene Oh	RSSD: (For Bank Holding Companies)	2734233
UST Sequence Number:	93	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	306,500,000	FDIC Certificate Number: (For Depository Institutions)	
CPP/CDCI Funds Repaid to Date:	306,500,000	Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	December 05, 2008	City:	Pasadena
Date Repaid <sup>1</sup> :	12/29/2010	State:	California

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

**What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).**

**Increase lending or reduce lending less than otherwise would have occurred.**

Between December 2009 and December 2010, the Company originated \$2.4 billion in loans. The amount of originations in 2010 was 64% higher than the amount of originations in 2008, prior to CPP capital.

**To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).**

East West primarily originated single-family residential loans and commercial and industrial loans during 2010.

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**Increase securities purchased (ABS, MBS, etc.).**

As a result of the receipt of CPP capital, the Company's capital and liquidity positions were bolstered. Prior to CPP capital, East West's cash and investments totaled \$2.7 billion. As of September 30, 2010, East West's cash and investments rose to \$4.8 billion.

**Make other investments.**

**Increase reserves for non-performing assets.**

Prior to receipt of CPP capital, East West's allowance for loan losses to total loans totaled 2.14%. East West's allowance for loan losses to total loans strengthened to 2.79% at September 30, 2010.

**Reduce borrowings.**

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**X Increase charge-offs.**

CPP capital helped provide the capital necessary to resolve problem assets through charge-offs. We restructured many loans through A/B note restructurings, where the B note is charged off. This allowed many homeowners and borrowers to keep their homes and businesses.

**X Purchase another financial institution or purchase assets from another financial institution.**

During 2010, East West completed a second FDIC-assisted acquisition, Washington First International Bank.

**X Held as non-leveraged increase to total capital.**

The Company's Tier 1 Capital Ratio and Total Risk-based Capital ratio improved from 11% and 13%, respectively, at September 30, 2008 to 18% and 20%, respectively, at September 30, 2010.

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**What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?**

CPP capital combined with other preferred and common equity that we raised, allowed East West to increase our capital levels at a critical point in the credit crisis. In addition, the Company was able to assist many borrowers by modifying loans instead of immediately foreclosing on borrower assets.

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**What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?**

CPP capital, along with common equity that we raised, assisted us in being able to increase lending, increase the allowance for loan losses, and quickly resolve problem assets through restructurings and charge-offs. Further, the Company engaged in two FDIC-assisted acquisitions, subsequent to the receipt of CPP capital.

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**Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.**

A large, empty rectangular box with a black border, intended for the respondent to provide a detailed description of actions undertaken with the capital infusion of CPP/CDCI funds.