

**FOR FURTHER INFORMATION AT THE COMPANY:**

|                         |                    |
|-------------------------|--------------------|
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**EAST WEST BANCORP REPORTS 27% INCREASE IN  
EARNINGS PER SHARE FOR FOURTH QUARTER OF 2004**

*Company records eighth consecutive year of record earnings*

**San Marino, CA – January 27, 2005** – East West Bancorp, Inc. (Nasdaq: EWBC), parent company of East West Bank, one of the nation's premier community banks and a leading institution focused on the Chinese-American and other niche markets, today reported financial results for the fourth quarter of 2004. Net income for the fourth quarter equaled a record \$22.6 million, a 38% increase from a year ago. Fully diluted earnings per share for the fourth quarter increased 27% to \$0.42 from \$0.33 in the prior year period. The growth in earnings in the fourth quarter was largely attributable to a significant increase in net interest income resulting from strong loan growth as well as continued operating efficiencies. Fourth quarter 2004 earnings included a net gain on the sale of the Company's two corporate offices that contributed approximately \$0.02 per share.

Return on average assets for the fourth quarter was 1.57%, while return on average equity for the quarter was 18.13%. The effective tax rate for the quarter equaled 36.7% compared to 33.2% for the fourth quarter of 2003. Pretax income for the fourth quarter of 2004 totaled \$35.8 million, a 46% increase over the year ago figure.

For the full year 2004, net income increased by 32% to \$78.0 million. Fully diluted earnings per share for the year increased 25% to \$1.49 from \$1.19 in 2003. This marks the eighth consecutive year in which the Company has reported record full year earnings per share. Return on average assets for the year equaled 1.57% while return on average equity equaled 17.86%.

Fourth quarter highlights include:

- Gross loans increased 57% over prior year to a record \$5.1 billion;
- Total deposits were \$4.5 billion, a 37% increase over prior year;
- Fourth quarter net interest margin equaled 4.34%;
- Cost of deposits for the quarter of 1.15%;
- Efficiency ratio of 36.39%;
- Total nonperforming assets were 0.09% of total assets

Dominic Ng, Chairman, President and CEO of East West commented, “We have worked diligently to balance both long term strategy with short term financial performance and believe that 2004 demonstrates our success. We delivered our eighth consecutive year of record earnings, while maintaining exceptional asset quality and loss ratios. In addition, we continued to make prudent investments in our operations, including the addition of seasoned, skilled lending officers and additional back office support staff, in order to properly manage our current portfolio and support future growth. We are glad to end 2004 with not only the highest level of income, but also the strongest balance sheet and capital in our history.”

### **Management Guidance**

The Company reaffirmed its guidance for 2005. Management estimates that fully diluted earnings per share for the full year 2005 will range from \$1.76 to \$1.78. The EPS guidance is based on the following assumptions:

- Annual loan growth of 18% to 20%
- Annual deposit growth of 15% to 17%
- Annual increase in noninterest expense of 19% to 23%
- Operating efficiency ratio between 36% and 38%
- An effective tax rate between 38% and 39%
- A stable interest rate environment and a net interest margin between 4.35% and 4.40%

Mr. Ng commented on the Bank’s outlook for 2005, “Our initial outlook for 2005 calls for an approximately 20% growth in EPS, driven primarily by our continued market share gains in our lending and deposit activities. We anticipate that our loan growth will moderate from the robust pace of 2004 to a more sustainable long-term level. We will also have a keen focus on the generation of core deposits this year, achieving more of an equilibrium between loan and deposit growth. Assuming a flat interest rate environment, we believe that a relatively balanced loan and deposit growth rate will result in modest growth in the net interest margin. ”

### **Balance Sheet Summary**

At December 31, 2004, total assets were a record \$6.0 billion, 49% above total assets of \$4.1 billion at December 31, 2003. The growth in assets was primarily attributable to the growth of the loan portfolio. Gross loans at December 31, 2004 were \$5.1 billion, an increase of 57% over \$3.3 billion at December 31, 2003. Organic loan growth for the year, which excludes the impact of the Trust Bank acquisition, equaled \$1.7 billion, or 52%.

During the fourth quarter of 2004, the commercial real estate, multifamily, residential real estate, and construction segments contributed the largest dollar volume to the growth

of the loan portfolio, although all segments increased at a double-digit annualized rate. Based on the current loan pipeline and anticipated growth in the portfolio, management expects that the composition of the loan portfolio for 2005 will be similar to that in 2004. Management believes that the underwriting characteristics of its real estate loans provide the most attractive risk profile in the current market and believes that real estate loans will continue to account for the majority of loan growth in 2005.

Average earning assets for the fourth quarter were \$5.5 billion, 49% higher than for the fourth quarter of 2003. The growth in average earning assets was primarily driven by a 58% increase in average loans to \$4.9 billion. The yield on average earning assets for the quarter was 5.63%, an increase from the 5.25% in the year ago quarter. The increase in yield on average assets is attributable to recent increases in interest rates by the Federal Reserve, as well as loans comprising a larger percentage of average earning assets in 2004.

Total deposits at December 31, 2004 were \$4.5 billion, a 37% increase over total deposits of \$3.3 billion at December 31, 2003. Organic deposit growth for 2004, which excludes the acquisition of Trust Bank, totaled \$1.0 billion, or 31%. Core deposits at December 31, 2004 totaled \$2.3 billion, an increase of 27% over \$1.8 billion at December 31, 2003, with organic core deposits for the year increasing 24%. Average deposits for the fourth quarter totaled \$4.3 billion, 34% above the figure for the prior year period, while average core deposits were \$2.2 billion, 28% greater than a year ago.

The growth in average deposits was primarily driven by strong increases in time, money market, and noninterest bearing demand deposits. Core deposit growth was driven primarily by the Bank's efforts to expand its small- and mid-sized commercial customer base.

The average cost of deposits for the fourth quarter increased to 1.15% from 0.84% for the fourth quarter of 2003. The cost of funds for the fourth quarter equaled 1.35%, compared to 0.95% for the prior year period. The increase in the cost of deposits for the year-over-year period is primarily attributable to higher market interest rates on selected deposit categories. The increase in the cost of funds resulted primarily from the higher cost for deposits and FHLB advances. Management anticipates moderate increases in rates paid in selected deposit categories in 2005. In response, the Bank has initiated deposit gathering programs, with a focus on small- to mid-sized commercial customers, in order to increase the balance of core deposits and to moderate increasing deposit rates.

## **Operating Results**

Net interest income for the fourth quarter climbed 49% to a record \$59.3 million, representing a net interest margin of 4.34%, compared to 4.34% a year ago and 4.24% in the previous quarter. The sequential quarter increase in net interest margin is attributable to the impact of the increases in market interest rates during the quarter, as well as the continued growth in the loan portfolio.

East West provided \$5.0 million for loan losses during the fourth quarter, compared to \$2.3 million in the year ago quarter. The increased provision reflects the strong rate of growth in loans, offset by the sustained low levels of nonperforming assets. Given the current trends in the loan portfolio and origination activities, management believes that the provision for loan losses should remain consistent with the fourth quarter level for the foreseeable future.

Noninterest income for the fourth quarter totaled \$8.7 million, 3% higher than the year ago level. Core noninterest income for the quarter, which excludes non-recurring gains on sales of loans, securities and other assets, declined to \$5.6 million from \$7.9 million in the prior year period.

The decline in core noninterest income is primarily attributable to three factors:

- A \$1.2 million decline in income from secondary marketing activities due to a customer shift to variable rate and hybrid mortgages that the Bank retains in its portfolio.
- A \$385,000 decline in loan fees, primarily related to timing of recognition of selected loan fees.
- Approximately \$200,000 of the decline in other income is due to the expiration of certain operating leases that generated noninterest income for the Bank and the loss of rental income from the earlier sale of the bank's Torrance branch building.

Total noninterest expense for the fourth quarter was \$27.2 million, 27% above a year ago. Cash operating expenses, which exclude the amortization of intangibles and investments in affordable housing partnerships, totaled \$24.7 million for the quarter, a 30% increase over the prior year period. The increase in noninterest expense over the prior year period is primarily due to higher compensation related to the addition of the Trust Bank staff and the expansion of the Company's lending officers. In addition, total expense levels were also impacted by higher occupancy expenses due to the addition of new branches and offices, and higher other expenses, which can be attributed to overall deposit and loan growth. An increase in expenses of approximately \$1.1 million during the quarter was related to both additional advertising costs and Sarbanes Oxley compliance activities. Management anticipates that based on the expected growth of the bank in 2005, operating expenses should increase by 19% to 23%.

East West generated a 36.39% operating efficiency ratio for the fourth quarter of 2004, compared to 39.42% a year ago. The year-over-year improvement in efficiency ratio is attributable to increased efficiencies in the Bank's operating platform and the significant growth in net interest income. Management anticipates an efficiency ratio for 2005 in the 36% to 38% range.

The effective tax rate for the fourth quarter was 36.7% compared to 33.2% a year ago. Management expects an effective tax rate for 2005 of between 38% and 39%.

### **Asset Quality**

Total nonperforming assets were \$5.2 million, or 0.09% of total assets at December 31, 2004, which compares with \$6.6 million, or 0.16% of total assets, at December 31, 2003. The nonperforming asset ratio increased slightly from the record low experienced in the third quarter of 2004, but remained well within management's targeted level of risk. Nonaccrual loans at December 31, 2004 were \$4.9 million, or 0.10% of total loans, compared to \$5.3 million, or 0.16% of total loans, a year ago.

Net chargeoffs for the quarter totaled \$837,000, or an annualized 0.07% of average loans, compared to net chargeoffs of \$142,000, or an annualized 0.02% of average loans, for the fourth quarter of 2003.

Management believes that the overall level of asset quality remains sound and that nonperforming assets should continue to be below 0.50% of total assets and that net chargeoffs should remain below an annualized 0.35% in 2005.

The allowance for loan losses at December 31, 2004 was \$50.9 million, or 0.99% of total loans and 1,033% of nonaccrual loans, compared to \$39.2 million, or 1.20% of total loans and 739% of nonaccrual loans at December 31, 2003.

### **Capitalization**

East West continues to be well capitalized under all regulatory guidelines, with a Tier I risk-based capital ratio of 9.83%, a total risk-based capital ratio of 10.93% and a Tier I leverage ratio of 9.08%. Total stockholders' equity as of December 31, 2004 was \$514.3 million, representing a book value per share of \$9.80. East West did not repurchase any shares during the quarter.

### **About East West**

East West Bancorp is a publicly owned company, with \$6.0 billion in assets, whose stock is traded on the Nasdaq National Market under the symbol "EWBC". The company's wholly owned subsidiary, East West Bank, is the one of the largest independent commercial bank headquartered in Los Angeles. East West Bank serves the community with 43 branches throughout Los Angeles, Orange, San Francisco, Alameda, Santa Clara, and San Mateo counties and a Beijing Representative Office in China. It is also one of the largest financial institutions in the nation focusing on the Chinese-American community. For more information on East West Bancorp, visit the company's website at [www.eastwestbank.com](http://www.eastwestbank.com).

### *Forward-Looking Statements*

*This release may contain forward-looking statements, which are included in accordance with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 and accordingly, the cautionary statements contained in East West Bancorp’s Annual Report on Form 10-K for the year ended Dec. 31, 2004 (See Item I -- Business, and Item 7 -- Management’s Discussion and Analysis of Consolidated Financial Condition and Results of Operations), and other filings with the Securities and Exchange Commission are incorporated herein by reference. These factors include, but are not limited to: the effect of interest rate and currency exchange fluctuations; competition in the financial services market for both deposits and loans; EWBC’s ability to efficiently incorporate acquisitions into its operations; the ability of EWBC and its subsidiaries to increase its customer base; the effect of regulatory and legislative action, including recently enacted California tax legislation and an announcement by the state’s Franchise Tax Board regarding the taxation of Registered Investment Companies; and regional and general economic conditions. Actual results and performance in future periods may be materially different from any future results or performance suggested by the forward-looking statements in this release. Such forward-looking statements speak only as of the date of this release. East West expressly disclaims any obligation to update or revise any forward-looking statements found herein to reflect any changes in the Bank’s expectations of results or any change in events.*

EAST WEST BANCORP, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(unaudited)  
(In thousands, except per share amounts)

|   | December 31, |              |          |
|---|--------------|--------------|----------|
|   | 2004         | 2003         | % Change |
| <b>Assets</b>   |              |              |          |
| Cash and cash equivalents   | \$ 93,075    | \$ 141,589   | (34)     |
| Investment securities   | 534,552      | 445,736      | 20       |
| Loans (net of allowance for loan losses of \$50,884 and \$39,246) | 5,080,454    | 3,234,133    | 57       |
| Premiums on deposits acquired, net                                | 7,723        | 7,565        | 2        |
| Goodwill  | 43,702       | 28,710       | 52       |
| Other assets  | 269,374      | 197,700      | 36       |
| Total assets  | \$ 6,028,880 | \$ 4,055,433 | 49       |
| <b>Liabilities and Stockholders' Equity</b>                       |              |              |          |
| Deposits  | \$ 4,522,517 | \$ 3,312,667 | 37       |
| Short-term borrowings   | -            | 12,000       | (100)    |
| FHLB advances   | 860,803      | 281,300      | 206      |
| Accrued expenses and other liabilities                            | 62,757       | 53,589       | 17       |
| Notes payable   | 11,018       | 2,192        | 403      |
| Junior subordinated debt  | 57,476       | 31,702       | 81       |
| Total liabilities   | 5,514,571    | 3,693,450    | 49       |
| Stockholders' equity  | 514,309      | 361,983      | 42       |
| Total liabilities and stockholders' equity                        | \$ 6,028,880 | \$ 4,055,433 | 49       |
| Book value per share (1)  | \$ 9.80      | \$ 7.41      | 32       |
| Number of shares at period end (1)                                | 52,501       | 48,857       | 7        |

**Ending Balances**

|                                       | December 31, |              |          |
|---------------------------------------|--------------|--------------|----------|
|                                       | 2004         | 2003         | % Change |
| <b>Loans</b>                          |              |              |          |
| Residential first mortgage            | \$ 327,554   | \$ 146,686   | 123      |
| Real estate - multifamily             | 1,121,107    | 809,311      | 39       |
| Real estate - commercial              | 2,556,827    | 1,558,594    | 64       |
| Real estate - construction            | 348,501      | 179,544      | 94       |
| Commercial business                   | 438,537      | 311,133      | 41       |
| Trade finance                         | 155,809      | 120,809      | 29       |
| Consumer                              | 185,159      | 147,150      | 26       |
| Total gross loans                     | \$ 5,133,494 | \$ 3,273,227 | 57       |
| Unearned fees, premiums and discounts | (2,156)      | 152          | (1,518)  |
| Allowance for loan losses             | (50,884)     | (39,246)     | 30       |
| Net loans                             | \$ 5,080,454 | \$ 3,234,133 | 57       |
| <b>Deposits</b>                       |              |              |          |
| Noninterest-bearing demand            | \$ 1,097,851 | \$ 922,946   | 19       |
| Interest-bearing checking             | 334,747      | 276,390      | 21       |
| Money market                          | 507,949      | 289,217      | 76       |
| Savings                               | 340,399      | 301,154      | 13       |
| Total core deposits                   | 2,280,946    | 1,789,707    | 27       |
| Time deposits                         | 2,241,571    | 1,522,960    | 47       |
| Total deposits                        | \$ 4,522,517 | \$ 3,312,667 | 37       |

(1) Prior period amounts have been restated to reflect the 2 for 1 stock split on June 21, 2004.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
(unaudited)  
(In thousands, except per share amounts)

|   | For The Three Months Ended December 31, |            |          |
|---|---|------------|----------|
|   | 2004                                    | 2003       | % Change |
| Interest and dividend income                        |   |            |          |
| Loans receivable, including fees                    | \$ 72,490                               | \$ 43,682  | 66       |
| Investment securities available for sale            | 3,806                                   | 4,130      | (8)      |
| FHLB and FRB stock                                  | 435                                     | 160        | 172      |
| Short-term investments                              | 32                                      | 219        | (85)     |
| Total interest and dividend income                  | 76,763                                  | 48,191     | 59       |
| Interest expense                                    |   |            |          |
| Customer deposits                                   | (12,346)                                | (6,740)    | 83       |
| FHLB advances                                       | (4,207)                                 | (1,037)    | 306      |
| Junior subordinated debt                            | (929)                                   | (583)      | 59       |
| Short-term borrowings                               | (30)                                    | (21)       | 43       |
| Total interest expense                              | (17,512)                                | (8,381)    | 109      |
| Net interest income                                 | 59,251                                  | 39,810     | 49       |
| Provision for loan losses                           | (5,000)                                 | (2,300)    | 117      |
| Net interest income after provision for loan losses | 54,251                                  | 37,510     | 45       |
| Noninterest income                                  | 8,733                                   | 8,503      | 3        |
| Noninterest expense                                 | (27,212)                                | (21,463)   | 27       |
| Income before taxes                                 | 35,772                                  | 24,550     | 46       |
| Income taxes  | (13,123)                                | (8,143)    | 61       |
| Net income  | \$ 22,649                               | \$ 16,407  | 38       |
| Net income per share, basic (1)                     | \$ 0.43                                 | \$ 0.34    | 26       |
| Net income per share, diluted (1)                   | \$ 0.42                                 | \$ 0.33    | 27       |
| Shares used to compute per share net income:        |   |            |          |
| - Basic (1)   | 52,204                                  | 48,592     | 7        |
| - Diluted (1)                                       | 53,934                                  | 50,186     | 7        |
|   | For The Year Ended December 31,         |            |          |
|   | 2004                                    | 2003       | % Change |
| Interest and dividend income                        |   |            |          |
| Loans receivable, including fees                    | \$ 235,385                              | \$ 159,910 | 47       |
| Investment securities available for sale            | 14,597                                  | 16,309     | (10)     |
| FHLB and FRB stock                                  | 1,449                                   | 494        | 193      |
| Short-term investments                              | 639                                     | 1,830      | (65)     |
| Total interest and dividend income                  | 252,070                                 | 178,543    | 41       |
| Interest expense                                    |   |            |          |
| Customer deposits                                   | (37,896)                                | (29,946)   | 27       |
| FHLB advances                                       | (11,801)                                | (2,959)    | 299      |
| Junior subordinated debt                            | (3,139)                                 | (2,280)    | 38       |
| Short-term borrowings                               | (61)                                    | (47)       | 30       |
| Total interest expense                              | (52,897)                                | (35,232)   | 50       |
| Net interest income                                 | 199,173                                 | 143,311    | 39       |
| Provision for loan losses                           | (16,750)                                | (8,800)    | 90       |
| Net interest income after provision for loan losses | 182,423                                 | 134,511    | 36       |
| Noninterest income                                  | 31,826                                  | 32,766     | (3)      |
| Noninterest expense                                 | (92,916)                                | (77,617)   | 20       |
| Income before taxes                                 | 121,333                                 | 89,660     | 35       |
| Income taxes  | (43,311)                                | (30,668)   | 41       |
| Net income  | \$ 78,022                               | \$ 58,992  | 32       |
| Net income per share, basic (1)                     | \$ 1.54                                 | \$ 1.23    | 25       |
| Net income per share, diluted (1)                   | \$ 1.49                                 | \$ 1.19    | 25       |
| Shares used to compute per share net income:        |   |            |          |
| - Basic (1)   | 50,654                                  | 48,112     | 5        |
| - Diluted (1)                                       | 52,297                                  | 49,486     | 6        |

(1) Prior period amounts have been restated to reflect the 2 for 1 stock split on June 21, 2004.



SELECTED FINANCIAL INFORMATION  
(unaudited)  
(Dollars in thousands)

**Average Balances**

|                              | For The Three Months Ended December 31, |            |          |
|------------------------------|---|------------|----------|
|                              | 2004                                    | 2003       | % Change |
| <b>Loans</b>                 |   |            |          |
| Residential first mortgage   | \$ 295,410                              | \$ 196,334 | 50       |
| Real estate - multifamily    | 1,093,519                               | 769,202    | 42       |
| Real estate - commercial     | 2,466,120                               | 1,432,746  | 72       |
| Real estate - construction   | 335,737                                 | 178,248    | 88       |
| Commercial business          | 414,518                                 | 298,681    | 39       |
| Trade finance                | 147,095                                 | 120,774    | 22       |
| Consumer                     | 181,957                                 | 135,282    | 35       |
| Total loans                  | 4,934,356                               | 3,131,267  | 58       |
| Investment securities        | 467,206                                 | 449,670    | 4        |
| Earning assets               | 5,457,480                               | 3,670,280  | 49       |
| Total assets                 | 5,760,006                               | 3,918,881  | 47       |
| <b>Deposits</b>              |   |            |          |
| Noninterest-bearing demand   | 1,024,010                               | 851,301    | 20       |
| Interest-bearing checking    | 317,694                                 | 288,389    | 10       |
| Money market                 | 519,695                                 | 272,094    | 91       |
| Savings                      | 341,554                                 | 310,075    | 10       |
| Total core deposits          | 2,202,953                               | 1,721,859  | 28       |
| Time deposits                | 2,077,100                               | 1,477,807  | 41       |
| Total deposits               | 4,280,053                               | 3,199,666  | 34       |
| Interest-bearing liabilities | 4,165,070                               | 2,660,143  | 57       |
| Stockholders' equity         | 499,701                                 | 349,685    | 43       |

|                              | For The Year Ended December 31, |            |          |
|------------------------------|---------------------------------|------------|----------|
|                              | 2004                            | 2003       | % Change |
| <b>Loans</b>                 |                                 |            |          |
| Residential first mortgage   | \$ 217,055                      | \$ 156,217 | 39       |
| Real estate - multifamily    | 954,020                         | 709,220    | 35       |
| Real estate - commercial     | 2,072,179                       | 1,200,946  | 73       |
| Real estate - construction   | 267,432                         | 177,006    | 51       |
| Commercial business          | 362,930                         | 276,204    | 31       |
| Trade finance                | 131,236                         | 111,439    | 18       |
| Consumer                     | 165,672                         | 123,588    | 34       |
| Total loans                  | 4,170,524                       | 2,754,620  | 51       |
| Investment securities        | 440,456                         | 457,234    | (4)      |
| Earning assets               | 4,701,530                       | 3,362,864  | 40       |
| Total assets                 | 4,980,027                       | 3,600,465  | 38       |
| <b>Deposits</b>              |                                 |            |          |
| Noninterest-bearing demand   | 950,890                         | 796,800    | 19       |
| Interest-bearing checking    | 291,761                         | 267,981    | 9        |
| Money market                 | 416,548                         | 224,951    | 85       |
| Savings                      | 322,511                         | 290,251    | 11       |
| Total core deposits          | 1,981,710                       | 1,579,983  | 25       |
| Time deposits                | 1,798,397                       | 1,476,099  | 22       |
| Total deposits               | 3,780,107                       | 3,056,082  | 24       |
| Interest-bearing liabilities | 3,520,631                       | 2,430,309  | 45       |
| Stockholders' equity         | 436,735                         | 325,645    | 34       |

SELECTED FINANCIAL INFORMATION  
(unaudited)  
(Dollars in thousands)

|   | For The<br>Three Months Ended<br>December 31, |           |          | For The<br>Year Ended<br>December 31, |           |          |
|---|---|-----------|----------|---------------------------------------|-----------|----------|
|   | 2004  | 2003      | % Change | 2004                                  | 2003      | % Change |
| <b>Selected Ratios</b>  |   |           |          |                                       |           |          |
| <b>For The Period</b>   |   |           |          |                                       |           |          |
| Return on average assets  | 1.57%   | 1.67%     | (6)      | 1.57%                                 | 1.64%     | (4)      |
| Return on average equity  | 18.13%  | 18.77%    | (3)      | 17.86%                                | 18.12%    | (1)      |
| Interest rate spread  | 3.95%   | 3.99%     | (1)      | 3.86%                                 | 3.86%     | 0        |
| Net interest margin   | 4.34%   | 4.34%     | 0        | 4.24%                                 | 4.26%     | (0)      |
| Yield on earning assets   | 5.63%   | 5.25%     | 7        | 5.36%                                 | 5.31%     | 1        |
| Cost of deposits  | 1.15%   | 0.84%     | 37       | 1.00%                                 | 0.98%     | 2        |
| Cost of funds   | 1.35%   | 0.95%     | 42       | 1.18%                                 | 1.09%     | 8        |
| Noninterest expense/<br>average assets (2)                        | 1.72%   | 1.94%     | (11)     | 1.67%                                 | 1.92%     | (13)     |
| Efficiency ratio (2)  | 36.39%  | 39.42%    | (8)      | 36.05%                                | 39.16%    | (8)      |
| Net chargeoffs to<br>average loans (annualized)                   | 0.07%   | 0.02 %    | 250      | 0.12%                                 | 0.06%     | 100      |
| <b>Period End</b>   |   |           |          |                                       |           |          |
| Tier 1 risk-based<br>capital ratio                                |   |           |          | 9.83%                                 | 9.66%     | 2        |
| Total risk-based<br>capital ratio                                 |   |           |          | 10.93%                                | 10.87%    | 1        |
| Tier 1 leverage ratio   |   |           |          | 9.08%                                 | 9.13%     | (1)      |
| Nonperforming assets<br>to total assets                           |   |           |          | 0.09%                                 | 0.16%     | (44)     |
| Nonaccrual loans<br>to total loans                                |   |           |          | 0.10%                                 | 0.16%     | (38)     |
| Allowance for loan losses<br>to total loans                       |   |           |          | 0.99%                                 | 1.20%     | (18)     |
| Allowance for loan losses<br>to nonaccrual loans                  |   |           |          | 1,033.39%                             | 738.96%   | 40       |
|   |   |           |          |                                       |           |          |
|   | For The<br>Three Months Ended<br>December 31, |           |          | For The<br>Year Ended<br>December 31, |           |          |
|   | 2004  | 2003      | % Change | 2004                                  | 2003      | % Change |
| <b>Noninterest income:</b>  |   |           |          |                                       |           |          |
| Loan fees   | \$ 783  | \$ 1,168  | (33)     | \$ 4,751                              | \$ 4,163  | 14       |
| Branch fees   | 1,660   | 1,824     | (9)      | 6,987                                 | 7,232     | (3)      |
| Letters of credit fees<br>and commissions                         | 2,008   | 2,002     | 0        | 7,979                                 | 7,123     | 12       |
| Net gain (loss) on sale of fixed assets                           | 2,099   | (14)      | 15,094   | 3,030                                 | (167)     | 1,914    |
| Net gain on sale of loans   | 296   | 47        | 530      | 569                                   | 401       | 42       |
| Net gain on securities  | 781   | 566       | 38       | 2,262                                 | 1,951     | 16       |
| Income from secondary market activities                           | 130   | 1,365     | (90)     | 998                                   | 5,657     | (82)     |
| Other   | 976   | 1,545     | (37)     | 5,250                                 | 6,406     | (18)     |
| Total   | \$ 8,733                                      | \$ 8,503  | 3        | \$ 31,826                             | \$ 32,766 | (3)      |
| <b>Noninterest expense:</b>                                       |   |           |          |                                       |           |          |
| Compensation and other<br>employee benefits                       | \$ 11,443                                     | \$ 8,265  | 38       | \$ 39,136                             | \$ 31,844 | 23       |
| Net occupancy of premises   | 3,464   | 2,845     | 22       | 12,158                                | 10,314    | 18       |
| Deposit insurance premiums<br>and regulatory assessments          | 230   | 172       | 34       | 802                                   | 722       | 11       |
| Data processing   | 588   | 547       | 7        | 2,122                                 | 1,868     | 14       |
| Amortization of positive intangibles                              | 603   | 519       | 16       | 2,215                                 | 1,989     | 11       |
| Amortization of investments in<br>affordable housing partnerships | 1,868   | 1,901     | (2)      | 7,427                                 | 6,677     | 11       |
| Other   | 9,016   | 7,214     | 25       | 29,056                                | 24,203    | 20       |
| Total   | \$ 27,212                                     | \$ 21,463 | 27       | \$ 92,916                             | \$ 77,617 | 20       |

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