

**MetroCorp Bancshares, Inc. (NASDAQ: MCBI) has agreed to merge with East West Bancorp, Inc. (NASDAQ: EWBC)**

**Deal Value: Approximately \$273 million**

Sandler O'Neill rendered a fairness opinion to the Board of Directors of MetroCorp Bancshares, Inc. in connection with the transaction. This transaction is Sandler O'Neill's 100<sup>th</sup> bank or thrift transaction since January 1, 2011. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.<sup>1</sup>

This transaction represents Sandler O'Neill's 9<sup>th</sup> bank and thrift transaction in Texas for an aggregate transaction value of \$2.3 billion since January 1, 2011, more than any other investment bank during that time period.<sup>1</sup>

East West Bancorp, Inc. ("East West") (NASDAQ: EWBC), parent company of East West Bank, and MetroCorp Bancshares, Inc. ("MetroCorp") (NASDAQ: MCBI), parent of MetroBank, N.A. and Metro United Bank, announced today that they have entered into a definitive agreement for the merger of MetroCorp into East West.

MetroCorp operates 18 branches under its two subsidiary banks, MetroBank and Metro United Bank. MetroBank operates 12 branches in Houston and Dallas, and Metro United Bank operates 6 branches in Los Angeles, San Francisco and San Diego. As of June 30, 2013, MetroCorp reported, on a consolidated basis, total assets of \$1.6 billion, total loans of \$1.2 billion and total deposits of \$1.3 billion.

Under the terms of the definitive agreement, East West will acquire the outstanding shares of MetroCorp for the lesser of \$14.60 per share and 1.72 times the per share tangible equity, as adjusted, for an aggregate purchase price of approximately \$273 million based on the 18,699,638 shares currently outstanding. The shareholders of MetroCorp will receive two thirds of the merger consideration in shares of East West common stock and the remainder in cash. The exchange ratio for determining the number of shares of East West common stock deliverable to shareholders of MetroCorp will be based on the weighted average closing price of East West's common stock over a 60 trading day measurement period ending five days prior to the closing.

The transaction, which has been unanimously approved by the East West and MetroCorp Boards of Directors, is expected to be completed during the first quarter of 2014, although delays may occur. The transaction is subject to customary closing conditions, including approval by MetroCorp shareholders and regulatory approvals.

The transaction is expected to be 4% accretive to East West's 2014 full year earnings, excluding any one-time merger and restructuring charges.

After this merger, East West will grow from having one branch in Texas to 13 branches, including 9 in Houston and 4 in Dallas. This merger will also add 6 branches to East West's California branch network, including one branch in San Diego.

**Financial Highlights**

*(Dollars in millions)*

	<u>MCBI</u>	<u>EWBC</u>
Total Assets	\$1,586	\$23,308
Net Loans	\$1,156	\$16,014
Total Deposits	\$1,306	\$19,282
Total Equity	\$178	\$2,258
Tang. Comm. Equity / Tang. Assets	10.40%	8.15%

(1) Excludes terminated transactions and self-advisory roles  
Note: Financial data as of 6/30/13  
Source: SNL Financial

**Pro Forma Branch Map**



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