



CANADIAN
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BANK

Think Western®

First Quarter Results Conference Call

March 9, 2006

www.cwbank.com

Agenda



- 1. First Quarter Overview**
Larry Pollock, President & CEO
- 2. First Quarter Financial Review**
Tracey Ball, Executive Vice President & CFO
- 3. Outlook & Strategy**
Larry Pollock, President & CEO
- 4. Questions & Answers**

First Quarter Overview



Highlights

- Excellent financial performance in Q1 06
- Record quarterly net income and total revenues
- Currently achieving all 2006 performance targets
- Loan growth of 7% over Q4 05, 20% over Q1 05
- Strong and stable credit quality
- Quarterly dividend of \$0.12 declared, up 33% over Q1 05
- Total shareholder return of 48% in the past year

**71 consecutive
quarters
of profitability**

First Quarter Financial Review



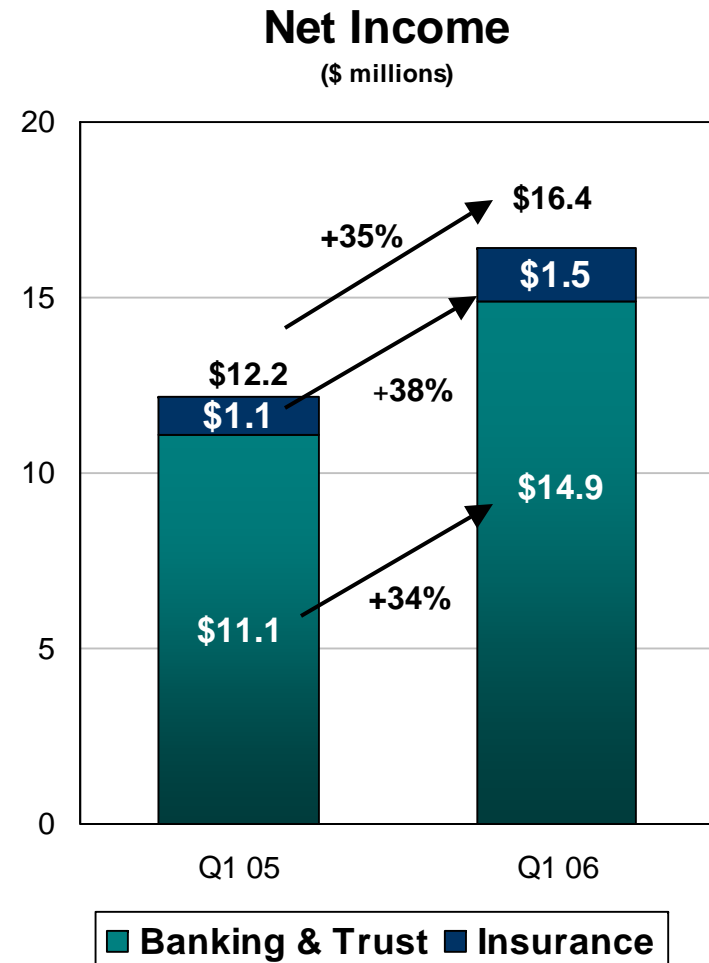
Consolidated Financial Results

First Quarter Results

(compared with first quarter of 2005)

- Record net income, up 35%
- Total revenues (teb), up 21%
- Diluted EPS of \$0.52, up 30%
- ROE of 14.0%
- ROA 1.11%

- Net income up 11% from Q4 05





Banking & Trust Operations

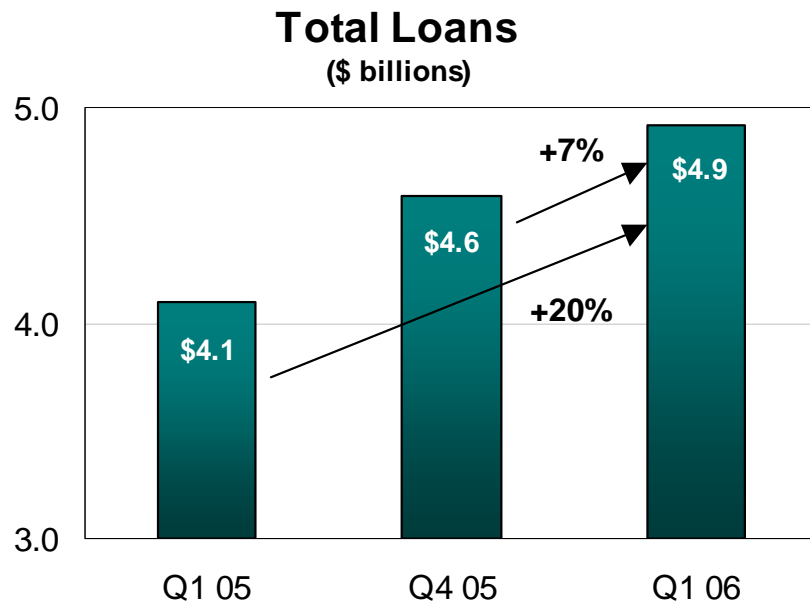
Highlights

- Record net income
 - Up 34% over Q1 05
 - Up 9% over Q4 05
- Total revenue growth
 - 21% over Q1 05
 - 7% over Q4 05
- Net interest income (teb) growth
 - 21% over Q1 05
 - 6% over Q4 05
- Non-interest revenue growth
 - Up 19% (\$1.5 M) over Q1 05
 - Credit fees up 26% (\$932,000)
 - Trust fees up 24% (\$498,000)

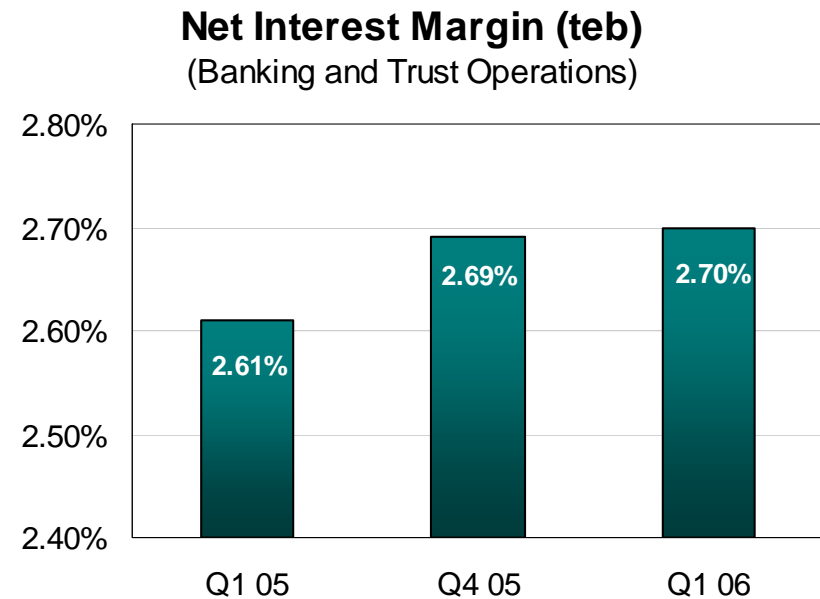
First Quarter Financial Review



Banking & Trust Operations



- Strong new loan generation
- Credit quality strong and stable
 - Provision for credit losses was 22 basis points of average loans



- Improvement over Q1 05 reflects growth in lower cost deposits



Banking & Trust Operations

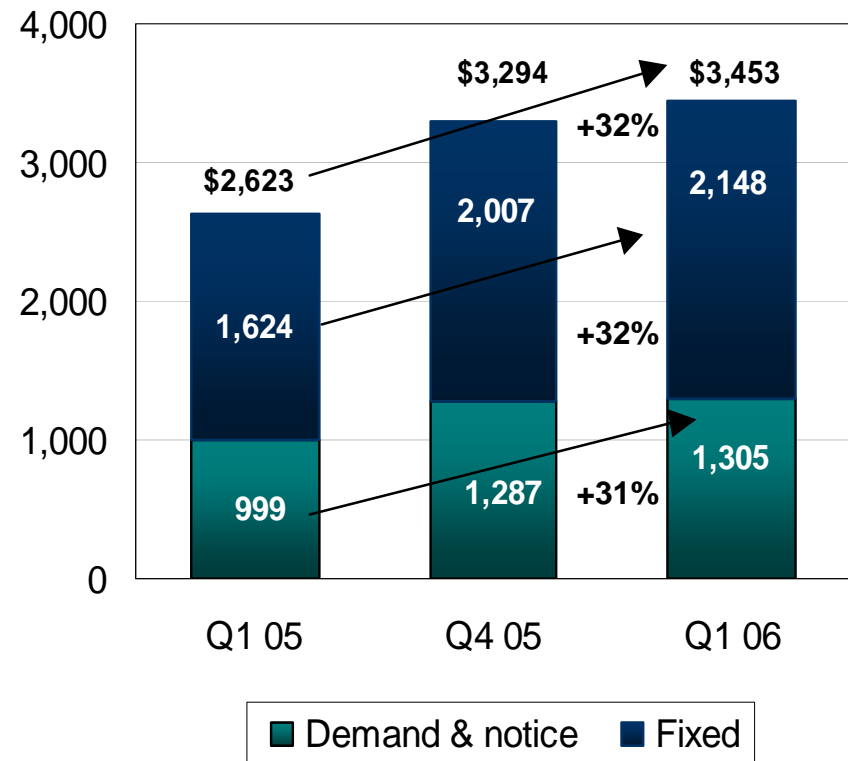
Branch Generated Deposits

- Increased 5% over Q4 05
- Increased 32% over Q1 05
- Comprise 67% of total deposits, up from 60% last year

Demand and Notice Deposits

- Increased 1% over Q4 05
- Increased 31% over Q1 05
- Comprise 25% of total deposits, up from 23% last year

Branch Generated Deposits
(\$ millions)





Insurance Operations

Highlights

- Net income of \$1.5 MM
 - Up 38% over Q1 05
 - Up 9% over Q4 05
- Net earned premiums up 33% over Q1 05
 - 9% total policy growth to 150,770
 - Reduced use of quota share reinsurance
- Claims loss ratio of 68%
- Combined ratio of 93%



Fourth Quarter Financial Review



Performance Targets

	2006 Target	2006 YTD Performance ⁽¹⁾
Net income growth	18% or greater	35%
Total revenue growth (teb)	15%	21%
Total loan growth	12%	20%
Provision for credit losses	0.22% or less	0.22%
Efficiency ratio (teb)	48.0% or less	46.5%
Return on equity	13% or greater	14.0%
Return on assets	1.05%	1.11%

- (1) 2006 YTD Performance for earnings and revenue growth is the current year results over the same period in the prior year, loan growth is the increase over the past twelve months and performance for ratio targets is the current year-to-date results annualized.



Outlook

- Very positive outlook for 2006
 - Ongoing benefit from Q1 loan growth
 - Economic strength in Western Canada
- Banking and trust segment
 - New loan deal flow remains healthy
 - Excellent credit quality



Outlook

- Insurance
 - Net earned premium growth
 - Reduced use of quota share reinsurance
 - New customer growth
 - Impact of Alberta automobile insurance risk sharing pools
 - Competitive pressures from ICBC in B.C. auto



Strategic Priorities

- Focus on core commercial banking business
- Further growth and best use of branch generated deposits
- Sub-prime residential mortgage initiative
- Improved revenue diversification
 - Trust services growth
 - Insurance growth
- Improved ROE
- Pursue suitable acquisition opportunities
 - Supported by strong capital position and access to sub-debt

Advisory



From time to time Canadian Western Bank (the “Bank”) makes written and verbal forward-looking statements. Statements of this type are included in the Annual Report and reports to shareholders and may be included in filings with Canadian securities regulators or in other communications such as press releases and corporate presentations. Forward-looking statements include, but are not limited to, statements about the Bank’s objectives and strategies, targeted and expected financial results and the outlook for the Bank’s businesses or for the Canadian economy. Forward-looking statements are typically identified by the words “believe”, “expect”, “anticipate”, “intend”, “estimate”, “may increase”, “may impact” and other similar expressions or future or conditional verbs such as “will”, “should”, “would” and “could”.

By their very nature, forward-looking statements involve numerous assumptions. A variety of factors, many of which are beyond the Bank’s control, may cause actual results to differ materially from the expectations expressed in the forward-looking statements. These factors include, but are not limited to, fluctuations in interest rates and currency values, changes in monetary policy, changes in economic and political conditions, legislative and regulatory developments, legal developments, the level of competition in the Bank’s markets, the occurrence of weather related and other natural catastrophes, the accuracy of and completeness of information the Bank receives about customers and counterparties, the ability to attract and retain key personnel, the ability to complete and integrate acquisitions, reliance on third parties to provide components of the Bank’s business infrastructure, changes in tax laws, technological developments, unexpected changes in consumer spending and saving habits, timely development and introduction of new products, and management’s ability to anticipate and manage the risks associated with these factors. The preceding list is not exhaustive of possible factors. These and other factors should be considered carefully and readers are cautioned not to place undue reliance on these forward-looking statements. The Bank does not undertake to update any forward-looking statement, whether written or verbal, that may be made from time to time by it or on its behalf.

Questions & Answers



Larry Pollock, President & CEO

Tracey Ball, Executive Vice President & CFO

Bill Addington, Executive Vice President
(responsibilities include Credit Risk Management)

Brian Young, Executive Vice President CWB, President & CEO,
Canadian Direct Insurance
(responsibilities include Insurance and Trust Operations)

Randy Garvey, Senior Vice President, Corporate Support
(responsibilities include Treasury and Systems)

Chris Fowler, Senior Vice President, Credit Risk Management