



CANADIAN WESTERN BANK GROUP

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Fourth Quarter and Annual Results Conference Call

December 4, 2008

www.cwbankgroup.com



1. Fourth Quarter and Fiscal 2008 Summary

Tracey Ball, Executive Vice President & CFO

2. Outlook & Strategy

Larry Pollock, President & CEO

3. Questions & Answers





Highlights

- Good financial performance
 - Despite ongoing market volatility and a very uncertain global economic outlook
 - very strong loan growth of 6% in quarter and 16% for the year; double-digit loan growth for nineteen consecutive years
- Record annual earnings surpassed \$100 million to reach \$102 million
- Record total revenues
 - persistent market turmoil – ongoing margin pressures
- Increase in gross impaired loans
 - remain within long-term historic range of acceptable levels
 - disciplined, secured lending practices





Highlights (continued)

- No direct exposure to troubled asset-backed commercial paper, CDO's, credit default swaps, U.S. subprime lending or monoline insurers
- Closed acquisition of Adroit Investment Management Ltd.
- Quarterly dividend of \$0.11 declared, unchanged from the previous quarter and up 10% compared to a year earlier





Consolidated Financial Results

Fourth Quarter Results

(compared with fourth quarter 2007)

- Net income of \$24.5 million, down 17%
 - income tax benefit in 2007
 - earnings before taxes down 10%
- Diluted EPS of \$0.38, down 17%
- Total revenues (teb) of \$74.1 million, relatively unchanged
- ROE 14.4%, down 570 basis points
- ROA 0.96%, down 33 basis points
- Revenues and profitability constrained by a significantly compressed net interest margin

(compared with third quarter 2008)

- Net income down 7%
 - very strong loan growth and a slightly improved net interest margin
 - offset by lower other income and higher non-interest expenses



Consolidated Financial Results

	2008 Target	2008 Performance
Net income growth	15%	6%
Total revenue growth (teb)	17%	9%
Total loan growth	15%	16%
Provision for credit losses	0.15%	0.15%
Efficiency ratio (teb)	45%	45.2%
Return on equity	17%	15.9%
Return on assets	1.10%	1.03%

- Surpassed 2008 target for loan growth and met target for the provision for credit losses
 - the significant impact on overall profitability and total revenue growth from ongoing margin compression resulted in a shortfall compared to all other 2008 targets.

Outlook – Financial Performance

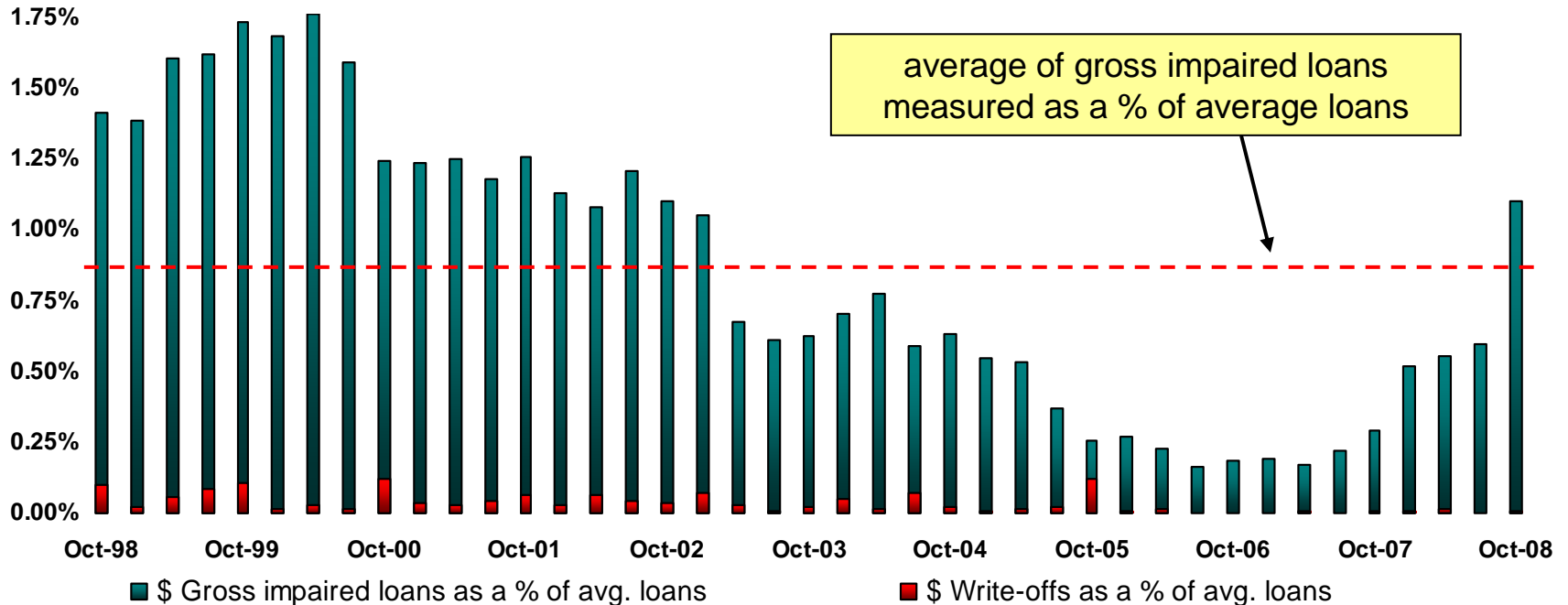


	2009 Target Ranges
Net income growth	2% - 5%
Total revenue growth (teb)	5% - 8%
Total loan growth	10%
Provision for credit losses	0.15% - 0.18%
Efficiency ratio (teb)	46% - 49%
Return on equity	14% - 16%
Return on assets	0.90% - 1.05%

- Continued pressures on net interest margin - constrained growth in total revenues (teb) and profitability due to ongoing turmoil in financial and credit markets
 - improved pricing on new and renewal accounts
- Very uncertain global economic outlook – slower economic activity in Western Canada (still ahead of other provinces)
- Expect solid loan growth will continue – sound credit quality
- Commitment to fiscal responsibility while enhancing CWB's growth platform



Gross impaired loans & write-offs (as a percentage of average loans)



- CWB 10-year average net new specific provisions for credit losses (Nov 1/98 – Oct 31/08) were 13 bp of average loans (including fiscal 2006 where recoveries actually exceeded losses)
- Gross impaired loans measured against total loans represented 106 basis points at October 31, 2008, compared to the ten-year average (Nov 1/98 – Oct 31/08) of 83 basis points



Strategic Priorities

- Strategic focus
 - People
 - Infrastructure
 - Process
 - Business Enhancement
- Ongoing development of fee-based income sources (trust, insurance, wealth management)
- Market share opportunities
- Enhancements to retail deposit base
- Well positioned for continued success





Forward-looking Statements

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, general business and economic conditions in Canada including the volatility and lack of liquidity in financial markets, fluctuations in interest rates and currency values, changes in monetary policy, changes in economic and political conditions, regulatory and legal developments, the level of competition in the Bank's markets, the occurrence of weather-related and other natural catastrophes, changes in accounting standards and policies, 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. It is important to note that 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 as a number of important factors could cause the Bank's actual results to differ materially from the expectations expressed in such forward looking statements. Unless required by securities law, 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.

Assumptions about the performance of the Canadian economy in 2009 and how it will affect CWB's businesses are material factors the Bank considers when setting its objectives. In setting performance target ranges for fiscal 2009, management's expectations assume prolonged economic uncertainty that includes significantly challenged global economies and troubled markets; moderated economic activity in Western Canada; a declining interest rate environment supported by stable inflation partially attributed to lower energy and commodity prices; sound credit quality with actual losses remaining within the Bank's historic range of acceptable levels; and, a compressed net interest margin consistent with elevated deposit costs, reduced prime lending rates, comparatively lower investment returns reflecting high quality assets held in the securities portfolio and the Bank's higher liquidity levels maintained in response to disruptions in financial markets, partially offset by expectations for higher credit spreads and a corresponding increase in loan yields on both new lending facilities and renewal accounts.

