



CANADIAN WESTERN BANK

Supplemental Financial Information
For the Quarter Ended October 31, 2008
(unaudited)

	<u>PAGE</u>
Highlights	1
Net Income and Comprehensive Income	2
Operating Segments	3
Earnings Per Share, Capital Information and Other Statistics	4
Net Interest Income, Other Income and Total Revenues	5
Average Balance Sheet Information	5
Non-Interest Expenses	6
Balance Sheet and Assets Under Administration	7
Shareholders' Equity and Comprehensive Income	8
Impaired Loans and Allowance for Credit Losses	9

Note:

This financial information is supplementary to CWB's 2008 Fourth Quarter Press Release and the 2007 Annual Report and should be read in conjunction with those documents. The 2008 Annual Report will be available in mid-December 2008.

For further information please contact CWB's Finance Division at (780) 423-8888.



	HIGHLIGHTS (unaudited)															
	QUARTER				QUARTER				2008		FULL YEAR					
	2008				2007				vs 2007							
	4	3	2	1	4	3	2	1	vs Q4 07	vs Q3 08	% CHANGE	2008	2007	2006	2005	2004
Results of Operations (\$ thousands)																
Net interest income (teb) ⁽¹⁾	\$ 58,622	\$ 57,290	\$ 55,659	\$ 57,046	\$ 55,995	\$ 54,888	\$ 50,567	\$ 49,209	5%	2%	9%	\$ 228,617	\$ 210,659	\$ 168,684	\$ 140,320	\$ 117,236
Less teb adjustment	1,540	1,442	1,352	1,337	1,496	1,423	1,327	1,164	3%	7%	5%	5,671	5,410	4,078	3,975	3,898
Net interest income per financial statements	57,082	55,848	54,307	55,709	54,499	53,465	49,240	48,045	5%	2%	9%	222,946	205,249	164,606	136,345	113,338
Other income	15,437	19,085	18,095	17,623	18,364	15,777	16,237	12,443	(16%)	(19%)	12%	70,240	62,821	53,086	45,561	35,052
Total revenues (teb)	74,059	76,375	73,754	74,669	74,359	70,665	66,804	61,652	(0%)	(3%)	9%	298,857	273,480	221,770	185,881	152,288
Total revenues	72,519	74,933	72,402	73,332	72,863	69,242	65,477	60,488	(0%)	(3%)	9%	293,186	268,070	217,692	181,906	148,390
Net income	24,485	26,327	25,302	25,905	29,572	24,033	22,219	20,458	(17%)	(7%)	6%	102,019	96,282	72,007	54,391	44,161
Per Common Share (\$s)⁽²⁾																
Earnings per share																
Basic	0.39	0.42	0.40	0.41	0.47	0.39	0.36	0.33	(17%)	(7%)	5%	1.61	1.54	1.17	0.90	0.83
Diluted	0.38	0.41	0.39	0.40	0.46	0.37	0.35	0.32	(17%)	(7%)	5%	1.58	1.50	1.13	0.87	0.75
Cash dividends	0.11	0.11	0.10	0.10	0.09	0.09	0.08	0.08	22%	0%	24%	0.42	0.34	0.25	0.19	0.19
Book value	10.70	10.47	10.22	9.88	9.48	9.05	8.82	8.59	13%	2%	13%	10.70	9.48	8.39	7.48	6.73
Closing market price	18.44	25.00	24.83	29.40	30.77	27.87	23.89	25.14	(40%)	(26%)	(40%)	18.44	30.77	21.15	17.60	11.92
Performance Measures (%)																
Return on common equity	14.4%	16.0%	16.1%	16.9%	20.1%	17.1%	16.8%	15.4%	(5.7%)	(1.6%)	(1.5%)	15.9%	17.4%	14.8%	12.7%	12.9%
Return on assets	0.96%	1.03%	1.04%	1.07%	1.29%	1.14%	1.17%	1.10%	(0.33%)	(0.07%)	(0.15%)	1.03%	1.18%	1.12%	1.03%	0.97%
Net interest margin ⁽²⁾ (teb)	2.30%	2.25%	2.28%	2.36%	2.43%	2.59%	2.65%	2.65%	(0.13%)	0.05%	(0.28%)	2.30%	2.58%	2.62%	2.66%	2.57%
Net interest margin ⁽²⁾	2.24%	2.19%	2.22%	2.30%	2.37%	2.53%	2.58%	2.58%	(0.13%)	0.05%	(0.26%)	2.25%	2.51%	2.56%	2.59%	2.48%
Efficiency ratio (teb)	47.7%	45.2%	45.4%	42.6%	44.1%	43.6%	45.1%	45.7%	3.6%	2.5%	0.6%	45.2%	44.6%	46.0%	48.6%	49.5%
Efficiency ratio	48.8%	46.1%	46.2%	43.4%	45.0%	44.5%	46.1%	46.6%	3.8%	2.7%	0.6%	46.1%	45.5%	46.9%	49.7%	50.8%
Financial Position (\$ thousands)																
Total assets	\$ 10,600,732	\$ 10,056,644	\$ 10,038,214	\$ 9,864,640	\$ 9,525,040	\$ 8,881,114	\$ 8,021,542	\$ 7,565,363	11%	5%	11%	\$ 10,600,732	\$ 9,525,040	\$ 7,268,360	\$ 5,705,028	\$ 4,918,895
Total equity	679,148	663,401	646,215	623,969	595,493	565,887	549,704	534,228	14%	2%	14%	679,148	595,493	519,530	457,990	367,589
Credit Quality																
Provision for credit losses as a % of average loans	0.15%	0.15%	0.15%	0.15%	0.14%	0.15%	0.16%	0.17%	0.01%	0.00%	(0.01%)	0.15%	0.16%	0.20%	0.24%	0.25%
Net impaired loans (after general allowance) (\$ thousands)	\$ 16,098	\$ (22,470)	\$ (24,073)	\$ (26,241)	\$ (41,918)	\$ (45,673)	\$ (47,618)	\$ (44,487)	(138%)	(172%)	(138%)	\$ 16,098	\$ (41,918)	\$ (43,118)	\$ (31,033)	\$ (14,430)
Net impaired loans as a % of total loans	0.19%	(0.28%)	(0.30%)	(0.34%)	(0.57%)	(0.64%)	(0.73%)	(0.72%)	0.76%	0.47%	0.76%	0.19%	(0.57%)	(0.75%)	(0.68%)	(0.36%)
Other																
Capital ratios ⁽³⁾																
Tangible common equity to risk-weighted assets	7.7%	8.0%	7.9%	7.9%	7.7%	7.6%	8.0%	8.3%	0.0%	(0.3%)	0.0%	7.7%	7.7%	8.6%	9.7%	9.0%
Tier 1	8.9%	9.2%	9.3%	9.2%	9.1%	9.0%	9.4%	9.8%	(0.2%)	(0.3%)	(0.2%)	8.9%	9.1%	10.1%	9.7%	9.0%
Total capital	13.5%	14.0%	14.0%	13.9%	13.7%	13.6%	14.2%	13.2%	(0.2%)	(0.5%)	(0.2%)	13.5%	13.7%	13.7%	12.4%	11.8%
Number of full-time equivalent staff at period end	1,284	1,284	1,224	1,214	1,185	1,208	1,168	1,132	8%	0%	8%	1,284	1,185	1,097	999	936
Number of bank branches	36	35	35	35	35	34	34	33	3%	3%	3%	36	35	33	31	29

(1) For the definition of taxable equivalent basis (teb) see page 2.

(2) A stock dividend effecting a two-for-one split of the Bank's common shares was declared and paid during the first quarter of 2007. All prior period common share and per common share information have been restated to reflect this effective split.

(3) Capital ratios are calculated in accordance with the requirements of the Office of the Superintendent of Financial Institutions. As of November 1, 2007 (as described in Note 16 to the interim consolidated financial statements), OSFI adopted a new capital management framework called Basel II and capital is now managed and reported in accordance with those requirements. Prior year ratios have been calculated using the previous framework.

bold and italicized numbers = actual change in percent



NET INCOME (teb) ⁽¹⁾ AND COMPREHENSIVE INCOME - CONSOLIDATED (unaudited) (\$ thousands, except per share amounts)																
	2008				2007				Q4 % CHANGE		2008	FULL YEAR				
	4	3	2	1	4	3	2	1	vs Q4 07	vs Q3 08	% CHANGE	2008	2007	2006	2005	2004
	Interest income															
Loans	\$ 123,192	\$ 120,455	\$ 121,593	\$ 126,751	\$ 123,845	\$ 113,748	\$ 102,932	\$ 99,143	(1%)	2%	12%	\$ 491,991	\$ 439,668	\$ 327,588	\$ 247,926	\$ 218,597
Securities	12,358	14,500	15,214	16,528	15,192	13,135	11,455	11,218	(19%)	(15%)	15%	58,600	51,000	34,779	24,868	18,921
Deposits with regulated financial institutions	3,857	4,490	4,543	4,957	4,005	3,618	2,999	3,055	(4%)	(14%)	30%	17,847	13,677	11,214	4,395	4,565
Total interest income	139,407	139,445	141,350	148,236	143,042	130,501	117,386	113,416	(3%)	(0%)	13%	568,438	504,345	373,581	277,189	242,083
Interest expense																
Deposits	75,016	76,506	80,325	85,707	81,556	70,124	62,842	61,318	(8%)	(2%)	15%	317,554	275,840	193,647	129,318	118,087
Debentures	5,769	5,649	5,366	5,483	5,491	5,489	3,977	2,889	5%	2%	25%	22,267	17,846	11,250	7,551	6,760
Total interest expense	80,785	82,155	85,691	91,190	87,047	75,613	66,819	64,207	(7%)	(2%)	16%	339,821	293,686	204,897	136,869	124,847
Net interest income (page 5)	58,622	57,290	55,659	57,046	55,995	54,888	50,567	49,209	5%	2%	9%	228,617	210,659	168,684	140,320	117,236
Provision for credit losses (page 9)	3,187	3,038	2,962	2,813	2,550	2,550	2,550	2,550	25%	5%	18%	12,000	10,200	10,200	10,100	9,390
Other income (page 5)	15,437	19,085	18,095	17,623	18,364	15,777	16,237	12,443	(16%)	(19%)	12%	70,240	62,821	53,086	45,561	35,052
Net interest and other income	70,872	73,337	70,792	71,856	71,809	68,115	64,254	59,102	(1%)	(3%)	9%	286,857	263,280	211,570	175,781	142,898
Non-interest expenses (page 6)	35,359	34,530	33,453	31,824	32,762	30,827	30,152	28,193	8%	2%	11%	135,166	121,934	102,049	90,421	75,353
Net income before taxes	35,513	38,807	37,339	40,032	39,047	37,288	34,102	30,909	(9%)	(8%)	7%	151,691	141,346	109,521	85,360	67,545
Provision for income taxes	11,028	12,480	12,037	14,127	9,475	13,255	11,883	10,451	16%	(12%)	10%	49,672	45,064	37,514	30,969	23,384
Net Income	\$ 24,485	\$ 26,327	\$ 25,302	\$ 25,905	\$ 29,572	\$ 24,033	\$ 22,219	\$ 20,458	(17%)	(7%)	6%	\$ 102,019	\$ 96,282	\$ 72,007	\$ 54,391	\$ 44,161
Earnings per share ⁽²⁾																
Basic	\$ 0.39	\$ 0.42	\$ 0.40	\$ 0.41	\$ 0.47	\$ 0.39	\$ 0.36	\$ 0.33	(17%)	(7%)	5%	\$ 1.61	\$ 1.54	\$ 1.17	\$ 0.90	\$ 0.83
Diluted	0.38	0.41	0.39	0.40	0.46	0.37	0.35	0.32	(17%)	(7%)	5%	1.58	1.50	1.13	0.87	0.75
teb adjustment	\$ 1,540	\$ 1,442	\$ 1,352	\$ 1,337	\$ 1,496	\$ 1,423	\$ 1,327	\$ 1,164	3%	7%	5%	\$ 5,671	\$ 5,410	\$ 4,078	\$ 3,975	\$ 3,898
Comprehensive Income⁽³⁾																
Net income	\$ 24,485	\$ 26,327	\$ 25,302	\$ 25,905	\$ 29,572	\$ 24,033	\$ 22,219	\$ 20,458	(17%)	(7%)	6%	\$ 102,019	\$ 96,282			
Other comprehensive income, net of tax																
Available for sale securities, change in unrealized gains (losses)	(8,791)	(3,506)	1,224	5,171	2,708	(4,078)	(3,444)	(1,025)	425%	151%	(1%)	(5,902)	(5,839)			
Derivatives designated as cash flow hedges, change in unrealized gains (losses)	4,896	(399)	412	1,721	969	(48)	209	272	(405%)	(1327%)	373%	6,630	1,402			
	(3,895)	(3,905)	1,636	6,892	3,677	(4,126)	(3,235)	(753)	206%	(0%)	116%	728	(4,437)			
Comprehensive Income	\$ 20,590	\$ 22,422	\$ 26,938	\$ 32,797	\$ 33,249	\$ 19,907	\$ 18,984	\$ 19,705	(38%)	(8%)	12%	\$ 102,747	\$ 91,845			

(1) Taxable equivalent basis (teb). Most financial institutions analyze revenue on a taxable equivalent basis to permit uniform measurement and comparison of net interest income. Net interest income (as presented in the consolidated statement of income) includes tax-exempt income on certain securities. Since this income is not taxable, the rate of interest or dividend received is significantly lower than would apply to a loan or security of the same amount. The adjustment to taxable equivalent basis increases interest income and the provision for income taxes to what they would have been had the tax exempt securities been taxed at the statutory rate. The taxable equivalent basis does not have a standardized meaning prescribed by generally accepted accounting principles and therefore may not be comparable to similar measures presented by other financial institutions.

(2) A stock dividend effecting a two-for-one split of the Bank's common shares was declared and paid during the first quarter of 2007. All prior period common share and per common share information have been restated to reflect this effective split.

(3) Effective November 1, 2006 with the implementation of new accounting standards for financial instruments, other comprehensive income has been added to the financial statements. For more information refer to Note 2 to the 2007 Annual Financial Statements.



BANKING AND TRUST OPERATING SEGMENT
(unaudited)
(\$ thousands)

	QUARTER				QUARTER				Q4 % CHANGE		2008 vs 2007 % CHANGE	FULL YEAR				
	2008				2007				vs Q4 07	vs Q3 08		2008	2007	2006	2005	2004
	4	3	2	1	4	3	2	1								
Net interest income (teb) ⁽¹⁾	\$ 56,993	\$ 55,877	\$ 54,325	\$ 55,642	\$ 54,663	\$ 53,533	\$ 49,523	\$ 48,148	4%	2%	8%	\$ 222,837	\$ 205,867	\$ 165,249	\$ 137,886	\$ 116,279
Other income	11,580	14,415	13,948	14,395	13,452	11,685	11,175	11,194	(14%)	(20%)	14%	54,338	47,506	37,791	31,721	28,134
Total revenues (teb)	68,573	70,292	68,273	70,037	68,115	65,218	60,698	59,342	1%	(2%)	9%	277,175	253,373	203,040	169,607	144,413
Provision for credit losses	3,187	3,038	2,962	2,813	2,550	2,550	2,550	2,550	25%	5%	18%	12,000	10,200	10,200	10,100	9,390
Non-interest expenses	32,913	32,124	31,207	29,504	30,461	28,688	28,020	26,287	8%	2%	11%	125,748	113,456	93,711	82,382	71,510
Net income before taxes	32,473	35,130	34,104	37,720	35,104	33,980	30,128	30,505	(7%)	(8%)	7%	139,427	129,717	99,129	77,125	63,513
Provision for income taxes (teb)	10,163	11,306	11,031	13,280	8,155	12,164	10,571	10,318	25%	(10%)	11%	45,780	41,208	34,062	27,856	21,923
Net Income	\$ 22,310	\$ 23,824	\$ 23,073	\$ 24,440	\$ 26,949	\$ 21,816	\$ 19,557	\$ 20,187	(17%)	(6%)	6%	\$ 93,647	\$ 88,509	\$ 65,067	\$ 49,269	\$ 41,590
Average assets																
Cash, securities and repurchase agreements	\$ 1,475,697	\$ 1,843,173	\$ 1,829,757	\$ 1,784,089	\$ 1,660,432	\$ 1,358,290	\$ 1,206,891	\$ 1,182,139	(11%)	(20%)	28%	\$ 1,733,179	\$ 1,352,141	\$ 1,064,921	\$ 849,868	\$ 753,333
Loans	8,317,208	7,981,065	7,797,735	7,545,356	7,198,208	6,774,191	6,357,645	5,950,082	16%	4%	20%	7,910,341	6,570,031	5,141,575	4,217,852	3,695,188
Other assets	109,285	102,774	102,427	98,920	94,950	94,452	89,021	87,635	15%	6%	13%	103,351	91,515	79,845	71,092	61,922
Total Average Assets	\$ 9,902,190	\$ 9,927,012	\$ 9,729,919	\$ 9,428,365	\$ 8,953,590	\$ 8,226,933	\$ 7,653,557	\$ 7,219,856	11%	(0%)	22%	\$ 9,746,871	\$ 8,013,687	\$ 6,286,341	\$ 5,138,812	\$ 4,510,443
Efficiency ratio (teb)	48.0%	45.7%	45.7%	42.1%	44.7%	44.0%	46.2%	44.3%	3.3%	2.3%	0.6%	45.4%	44.8%	46.2%	48.6%	49.5%
Efficiency ratio (non-teb)	49.0%	46.6%	46.6%	42.9%	45.6%	44.9%	47.1%	45.1%	3.4%	2.4%	0.5%	46.2%	45.7%	47.0%	49.7%	50.9%
Net interest margin (teb)	2.28%	2.23%	2.26%	2.34%	2.42%	2.58%	2.65%	2.65%	(0.14%)	0.05%	(0.28%)	2.29%	2.57%	2.63%	2.68%	2.58%
Net interest margin (non-teb)	2.23%	2.18%	2.21%	2.29%	2.36%	2.52%	2.59%	2.59%	(0.13%)	0.05%	(0.28%)	2.23%	2.51%	2.57%	2.61%	2.49%

(1) For the definition of taxable equivalent basis (teb) see page 2.

bold and italicized numbers = actual change in percent

INSURANCE OPERATING SEGMENT
(unaudited)
(\$ thousands)

	QUARTER				QUARTER				Q4 % CHANGE		2008 vs 2007 % CHANGE	FULL YEAR				
	2008				2007				vs Q4 07	vs Q3 08		2008	2007	2006	2005	2004
	4	3	2	1	4	3	2	1								
Net interest income (teb) ⁽¹⁾	\$ 1,629	\$ 1,413	\$ 1,334	\$ 1,404	\$ 1,332	\$ 1,355	\$ 1,044	\$ 1,061	22%	15%	21%	\$ 5,780	\$ 4,792	\$ 3,435	\$ 2,434	\$ 957
Other income																
Net earned premiums	24,877	25,030	23,737	24,299	24,172	24,988	22,626	23,128	3%	(1%)	3%	97,943	94,914	81,674	65,847	27,362
Commissions and processing fees	742	734	738	662	743	733	669	606	(0%)	1%	5%	2,876	2,751	4,826	6,575	3,399
Net claims and adjustment expenses	(16,564)	(15,612)	(15,135)	(17,069)	(14,896)	(16,097)	(13,222)	(18,176)	11%	6%	3%	(64,380)	(62,391)	(52,962)	(42,447)	(16,981)
Policy acquisition costs	(5,212)	(5,466)	(5,212)	(4,683)	(5,100)	(5,531)	(5,024)	(4,356)	2%	(5%)	3%	(20,573)	(20,011)	(18,334)	(16,379)	(6,931)
Insurance revenue, net	3,843	4,686	4,128	3,209	4,919	4,093	5,049	1,202	(22%)	(18%)	4%	15,866	15,263	15,204	13,596	6,849
Gains (losses) on sale of securities	14	(16)	19	19	(7)	(1)	13	47	nm	nm	(31%)	36	52	91	244	69
Total revenues, net (teb)	5,486	6,083	5,481	4,632	6,244	5,447	6,106	2,310	(12%)	(10%)	8%	21,682	20,107	18,730	16,274	7,875
Non-interest expenses	2,446	2,406	2,246	2,320	2,301	2,139	2,132	1,906	6%	2%	11%	9,418	8,478	8,338	8,039	3,843
Net income before taxes	3,040	3,677	3,235	2,312	3,943	3,308	3,974	404	(23%)	(17%)	5%	12,264	11,629	10,392	8,235	4,032
Provision for income taxes (teb)	865	1,174	1,006	847	1,320	1,091	1,312	133	(34%)	(26%)	1%	3,892	3,856	3,452	3,113	1,461
Net Income	\$ 2,175	\$ 2,503	\$ 2,229	\$ 1,465	\$ 2,623	\$ 2,217	\$ 2,662	\$ 271	(17%)	(13%)	8%	\$ 8,372	\$ 7,773	\$ 6,940	\$ 5,122	\$ 2,571
Average assets																
Cash and securities	\$ 130,120	\$ 124,928	\$ 121,141	\$ 120,412	\$ 113,277	\$ 105,177	\$ 100,606	\$ 94,858	15%	4%	20%	\$ 124,150	\$ 103,520	\$ 87,052	\$ 68,435	\$ 28,929
Other assets	61,062	59,635	59,181	59,090	60,381	60,827	59,567	60,578	1%	2%	(1%)	59,742	60,338	60,337	58,863	28,140
Total Average Assets	\$ 191,182	\$ 184,563	\$ 180,322	\$ 179,502	\$ 173,658	\$ 166,004	\$ 160,173	\$ 155,436	10%	4%	12%	\$ 183,892	\$ 163,858	\$ 147,389	\$ 127,298	\$ 57,069
Policies outstanding	168,071	167,150	166,093	165,314	164,263	163,875	162,207	160,435	2%	1%	2%	168,071	164,263	158,965	149,947	135,201
Gross written premiums	\$ 28,776	\$ 30,020	\$ 26,642	\$ 21,616	\$ 27,086	\$ 29,992	\$ 26,506	\$ 21,245	6%	(4%)	2%	107,054	\$ 104,829	\$ 100,227	\$ 93,101	\$ 43,711
Alberta Risk Sharing Pools impact on net income before tax	(1,060)	(30)	(3)	120	1,155	(101)	672	150	nm	nm	nm	(973)	1,876	310	(475)	115
Claims loss ratio	67%	62%	64%	70%	62%	64%	58%	79%	5%	5%	0%	66%	66%	65%	64%	62%
Expense ratio	27%	29%	28%	26%	27%	28%	29%	24%	0%	(2%)	0%	27%	27%	27%	27%	27%
Combined expense ratio	94%	91%	92%	96%	89%	92%	87%	103%	5%	3%	0%	93%	93%	92%	91%	89%

(1) For the definition of taxable equivalent basis (teb) see page 2.

nm = not meaningful

bold and italicized numbers = actual change in percent



EARNINGS PER SHARE⁽¹⁾, CAPITAL INFORMATION AND OTHER STATISTICS
(unaudited)
(\$ thousands)

	QUARTER				QUARTER				Q4 % CHANGE		2008	FULL YEAR					
	2008				2007				vs Q4 07	vs Q3 08	vs 2007	% CHANGE	2008	2007	2006	2005	2004
	4	3	2	1	4	3	2	1									
Earnings Per Share⁽¹⁾																	
Numerator																	
Net income - basic and diluted	\$ 24,485	\$ 26,327	\$ 25,302	\$ 25,905	\$ 29,572	\$ 24,033	\$ 22,219	\$ 20,458	(17%)	(7%)	6%	\$ 102,019	\$ 96,282	\$ 72,007	\$ 54,525	\$ 45,895	
Denominator																	
Weighted average number of common shares - basic	63,418	63,279	63,183	62,975	62,691	62,414	62,249	62,059	1%	0%	2%	63,214	62,354	61,514	60,394	53,564	
Dilutive instrument																	
Employee stock options	747	1,159	1,288	1,731	1,864	1,997	1,911	1,830	(60%)	(36%)	(36%)	1,227	1,898	2,086	1,640	1,476	
Weighted average number of common shares - diluted	64,165	64,438	64,471	64,706	64,555	64,411	64,160	63,889	(1%)	(0%)	0%	64,441	64,252	63,600	62,516	61,232	
Basic earnings per share	\$ 0.39	\$ 0.42	\$ 0.40	\$ 0.41	\$ 0.47	\$ 0.39	\$ 0.36	\$ 0.33	(17%)	(7%)	4%	\$ 1.61	\$ 1.54	\$ 1.17	\$ 0.90	\$ 0.83	
Diluted earnings per share	0.38	0.41	0.39	0.40	0.46	0.37	0.35	0.32	(17%)	(7%)	5%	1.58	1.50	1.13	0.87	0.75	
Number of Common Shares Outstanding at Period End	63,457	63,342	63,234	63,146	62,836	62,549	62,295	62,168	1%	0%	1%	63,457	62,836	61,936	61,228	54,660	
Derivatives																	
Replacement cost	\$ 9,980	\$ 3,529	\$ 3,966	\$ 3,701	\$ 1,496	\$ 842	\$ 330	\$ 357	567%	183%	567%	\$ 9,980	\$ 1,496	\$ 714	\$ 1,209	\$ 3,991	
Risk-weighted amount	2,436	1,260	1,339	1,172	604	627	480	581	303%	93%	303%	2,436	604	722	1,082	1,825	
Credit equivalent amount	12,135	6,271	6,647	5,811	3,019	3,135	2,396	2,907	302%	94%	302%	12,135	3,019	3,609	5,407	9,125	
Notional principal amount (\$ millions)	600	716	769	656	491	674	464	480	22%	(16%)	22%	600	491	647	624	900	
Risk Weighted Assets (\$ millions)⁽²⁾																	
Cash, securities and repurchase agreements	\$ 276	\$ 294	\$ 340	\$ 324	\$ 484	\$ 559	\$ 448	\$ 450	(43%)	(6%)	(43%)	\$ 276	\$ 484	\$ 424	\$ 245	\$ 178	
Loans	7,843	7,403	7,138	6,998	7,156	6,844	6,334	5,862	10%	6%	10%	7,843	7,156	5,518	4,401	3,775	
Other	560	533	513	494	84	82	83	73	567%	5%	567%	560	84	78	61	71	
Total	\$ 8,679	\$ 8,230	\$ 7,991	\$ 7,816	\$ 7,724	\$ 7,485	\$ 6,865	\$ 6,385	12%	5%	12%	\$ 8,679	\$ 7,724	\$ 6,020	\$ 4,707	\$ 4,024	
Regulatory Capital⁽²⁾																	
Tier 1 capital	\$ 775,445	\$ 760,597	\$ 739,724	\$ 718,600	\$ 701,004	\$ 669,961	\$ 644,957	\$ 626,295	11%	2%	11%	\$ 775,445	\$ 701,004	\$ 606,882	\$ 454,311	\$ 363,910	
Tier 2 capital	\$ 440,527	\$ 439,523	\$ 426,166	\$ 415,240	406,129	390,063	375,913	260,131	8%	0%	8%	440,527	406,129	260,132	164,588	139,416	
Deduction for insurance subsidiary	(47,700)	(50,686)	(48,223)	(46,035)	(47,864)	(45,281)	(43,105)	(40,483)	(0%)	(6%)	(0%)	(47,700)	(47,864)	(40,253)	(33,430)	(27,942)	
Total	\$ 1,168,272	\$ 1,149,434	\$ 1,117,667	\$ 1,087,805	\$ 1,059,269	\$ 1,014,743	\$ 977,765	\$ 845,943	10%	2%	10%	\$ 1,168,272	\$ 1,059,269	\$ 826,761	\$ 585,469	\$ 475,384	
Capital Ratios⁽²⁾																	
Tangible common equity to risk weighted assets	7.7%	8.0%	7.9%	7.9%	7.7%	7.6%	8.0%	8.3%	0.0%	(0.3%)	0.0%	7.7%	7.7%	8.6%	9.7%	9.0%	
Tier 1	8.9%	9.2%	9.3%	9.2%	9.1%	9.0%	9.4%	9.8%	(0.2%)	(0.3%)	(0.2%)	8.9%	9.1%	10.1%	9.7%	9.0%	
Total	13.5%	14.0%	14.0%	13.9%	13.7%	13.6%	14.2%	13.2%	(0.2%)	(0.5%)	(0.2%)	13.5%	13.7%	13.7%	12.4%	11.8%	
Unrealized Gains (Losses) on Available-for-Sale Cash and Securities⁽²⁾																	
Deposits with regulated financial institutions	\$ 940	\$ 736	\$ 1,849	\$ 992	\$ (1,070)	\$ (1,633)	\$ (632)	\$ (500)	188%	28%	188%	\$ 940	\$ (1,070)	\$ (293)	\$ (464)	\$ (159)	
Government of Canada	1,417	297	1,106	1,471	127	(1,055)	(622)	(471)	1016%	377%	1016%	1,417	127	(264)	(803)	(216)	
Province or municipality	1,214	494	1,827	1,967	(14)	(747)	(234)	(232)	nm	146%	8771%	1,214	(14)	(145)	(299)	277	
Preferred shares	(17,829)	(5,067)	(3,982)	(4,771)	(5,453)	(6,598)	(4,501)	(196)	(227%)	(252%)	(227%)	(17,829)	(5,453)	1,343	1,593	785	
Other	(3,557)	(1,608)	(618)	(1,331)	(2,870)	(3,283)	(1,253)	(717)	(24%)	(121%)	(24%)	(3,557)	(2,870)	(1,230)	(942)	(313)	
Total	\$ (17,815)	\$ (5,148)	\$ 182	\$ (1,672)	\$ (9,280)	\$ (13,316)	\$ (7,242)	\$ (2,116)	(92%)	(246%)	(92%)	\$ (17,815)	\$ (9,280)	\$ (599)	\$ (915)	\$ 374	
Interest sensitive gap within 1 year (\$ millions)	\$ 234	\$ (269)	\$ 99	\$ 366	\$ 425	\$ 133	\$ 130	\$ (100)	(45%)	(187%)	(45%)	\$ 234	\$ 425	\$ (173)	\$ (151)	\$ 13	

(1) A stock dividend effecting a two-for-one split of the Bank's common shares was declared and paid during the first quarter of 2007. All prior period common share and per common share information have been restated to reflect this effective split.

(2) Risk weighted assets, regulatory capital and capital ratio are calculated in accordance with the requirements of the Office of the Superintendent of Financial Institutions. As of November 1, 2007 (as described in Note 16 to the interim consolidated financial statements), OSFI adopted a new capital management framework called Basel II and capital is now managed and reported in accordance with those requirements. Prior year ratios have been calculated using the previous framework.

(3) Effective November 1, 2006 with the implementation of new accounting standards for financial instruments, cash and securities are reported on the balance sheet at fair value with changes in fair value reported in other comprehensive income, net of income taxes. Prior period balances have not been restated. For more information, see Note 2 to the 2007 Annual Financial Statements.

nm = not meaningful

bold and italicized numbers = actual change in percent



NET INTEREST INCOME, OTHER INCOME AND TOTAL REVENUES (teb)⁽¹⁾
(unaudited)
(\$ thousands)

	QUARTER				QUARTER				Q4 % CHANGE		2008	FULL YEAR				
	2008				2007				vs Q4 07	vs Q3 08	vs 2007	2008	2007	2006	2005	2004
	4	3	2	1	4	3	2	1								
Net interest income per financial statements	\$ 57,082	\$ 55,848	\$ 54,307	\$ 55,709	\$ 54,499	\$ 53,465	\$ 49,240	\$ 48,045	5%	2%	9%	\$ 222,946	\$ 205,249	\$ 164,606	\$ 136,345	\$ 113,338
Taxable equivalent adjustment	1,540	1,442	1,352	1,337	1,496	1,423	1,327	1,164	3%	7%	5%	5,671	5,410	4,078	3,975	3,898
Net interest income	58,622	57,290	55,659	57,046	55,995	54,888	50,567	49,209	5%	2%	9%	228,617	210,659	168,684	140,320	117,236
Credit related	5,226	7,876	6,587	7,309	4,949	6,277	5,513	5,687	6%	(34%)	20%	26,998	22,426	18,846	15,710	13,641
Insurance, net	3,843	4,686	4,128	3,209	4,919	4,093	5,049	1,202	(22%)	(18%)	4%	15,866	15,263	15,204	13,596	6,849
Trust services	3,398	3,385	2,952	3,564	5,733	3,132	2,896	3,182	(41%)	0%	(11%)	13,299	14,943	10,809	8,009	6,208
Retail services	1,963	1,906	1,861	1,959	1,837	1,826	1,871	1,756	7%	3%	5%	7,689	7,290	6,337	5,797	5,066
Gains on sale of securities	948	765	1,998	1,014	7	10	302	119	nm	24%	979%	4,725	438	142	870	1,685
Foreign exchange	(61)	467	435	383	825	371	475	488	nm	(113%)	(43%)	1,224	2,159	1,520	1,459	1,332
Other	120	-	134	185	94	68	131	9	28%	nm	45%	439	302	228	120	271
Total other income	15,437	19,085	18,095	17,623	18,364	15,777	16,237	12,443	(16%)	(19%)	12%	70,240	62,821	53,086	45,561	35,052
Total Revenues	\$ 74,059	\$ 76,375	\$ 73,754	\$ 74,669	\$ 74,359	\$ 70,665	\$ 66,804	\$ 61,652	(0%)	(3%)	9%	\$ 298,857	\$ 273,480	\$ 221,770	\$ 185,881	\$ 152,288
Other income as a % of total revenues	20.8%	25.0%	24.5%	23.6%	24.7%	22.3%	24.3%	20.2%	(3.9)%	(4.2)%	0.5%	23.5%	23.0%	23.9%	24.5%	23.0%
Net interest income (teb) per average assets	2.30%	2.25%	2.28%	2.36%	2.43%	2.59%	2.65%	2.65%	(0.13)%	0.05%	(0.28%)	2.30%	2.58%	2.62%	2.66%	2.57%
Net interest income (non-teb) per average assets	2.24%	2.19%	2.22%	2.30%	2.37%	2.53%	2.58%	2.58%	(0.13)%	0.05%	(0.26%)	2.25%	2.51%	2.56%	2.59%	2.48%

(1) For the definition of taxable equivalent basis (teb) see page 2.

nm = not meaningful

bold and italicized numbers = actual change in percent

AVERAGE BALANCE SHEET INFORMATION
(unaudited)
(\$ thousands)

	QUARTER				QUARTER				Q4 % CHANGE		2008	FULL YEAR				
	2008				2007				vs Q4 07	vs Q3 08	vs 2007	2008	2007	2006	2005	2004
	4	3	2	1	4	3	2	1								
Cash, securities and repurchase agreements	\$ 1,605,817	\$ 1,968,101	\$ 1,950,898	\$ 1,904,501	\$ 1,773,709	\$ 1,463,467	\$ 1,307,497	\$ 1,276,997	(9%)	(18%)	28%	\$ 1,857,329	\$ 1,455,661	\$ 1,151,973	\$ 918,303	\$ 782,262
Loans	8,317,208	7,981,065	7,797,735	7,545,356	7,198,208	6,774,191	6,357,645	5,950,082	16%	4%	20%	7,910,341	6,570,031	5,141,575	4,217,852	3,695,188
Other assets	170,347	162,409	161,608	158,010	155,331	155,279	148,588	148,213	10%	5%	7%	163,093	151,853	140,182	129,955	90,062
Total Assets	\$ 10,093,372	\$ 10,111,575	\$ 9,910,241	\$ 9,607,867	\$ 9,127,248	\$ 8,392,937	\$ 7,813,730	\$ 7,375,292	11%	(0%)	21%	\$ 9,930,763	\$ 8,177,545	\$ 6,433,730	\$ 5,266,110	\$ 4,567,512
Deposits																
Notice and demand	\$ 2,408,561	\$ 2,477,470	\$ 2,407,450	\$ 2,319,074	\$ 2,087,252	\$ 1,880,003	\$ 1,779,679	\$ 1,678,463	15%	(3%)	29%	\$ 2,403,139	\$ 1,856,349	\$ 1,413,955	\$ 1,077,236	\$ 761,848
Fixed term	6,198,483	6,185,600	6,084,622	5,893,968	5,690,112	5,198,352	4,854,384	4,610,979	9%	0%	20%	6,090,668	5,088,457	4,105,566	3,440,141	3,214,867
Deposit from Canadian Western Bank Capital Trust	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	0%	0%	0%	105,000	105,000	17,782	-	-
Total deposits*	8,712,044	8,768,070	8,597,072	8,318,042	7,882,364	7,183,355	6,739,063	6,394,442	11%	(1%)	22%	8,598,807	7,049,806	5,537,303	4,517,377	3,976,715
Other liabilities	299,429	288,830	286,568	291,307	272,473	261,454	248,779	255,284	10%	4%	12%	291,533	259,741	215,703	191,646	134,789
Subordinated debentures	406,989	400,824	390,000	390,000	390,000	392,015	282,965	198,126	4%	2%	26%	396,953	315,776	194,237	128,839	114,688
Shareholders' equity	674,910	653,851	636,601	608,518	582,411	556,113	542,923	527,440	16%	3%	17%	643,470	552,222	486,487	428,248	341,320
Total Liabilities and Shareholders' Equity	\$ 10,093,372	\$ 10,111,575	\$ 9,910,241	\$ 9,607,867	\$ 9,127,248	\$ 8,392,937	\$ 7,813,730	\$ 7,375,292	11%	(0%)	21%	\$ 9,930,763	\$ 8,177,545	\$ 6,433,730	\$ 5,266,110	\$ 4,567,512
*Branch-raised deposits included in total deposits	\$ 5,701,643	\$ 5,766,356	\$ 5,538,417	\$ 5,320,681	\$ 5,108,041	\$ 4,865,021	\$ 4,474,138	\$ 4,283,087	12%	(1%)	20%	\$ 5,576,129	\$ 4,647,006	\$ 3,663,676	\$ 2,849,235	\$ 2,259,522



	NON-INTEREST EXPENSES (unaudited) (\$ thousands)															
	QUARTER				QUARTER				Q4 % CHANGE		2008	FULL YEAR				
	2008				2007						vs 2007					
	4	3	2	1	4	3	2	1	vs Q4 07	vs Q3 08	% CHANGE	2008	2007	2006	2005	2004
Salaries and staff benefits																
Salaries	\$ 19,208	\$ 18,587	\$ 17,634	\$ 17,129	\$ 17,102	\$ 16,201	\$ 15,687	\$ 15,140	12%	3%	13%	\$ 72,558	\$ 64,130	\$ 55,431	\$ 46,357	\$ 37,997
Employee benefits	3,653	3,921	4,040	3,488	2,893	3,265	3,367	2,851	26%	(7%)	22%	15,102	12,376	9,328	8,670	7,228
Total	22,861	22,508	21,674	20,617	19,995	19,466	19,054	17,991	14%	2%	15%	87,660	76,506	64,759	55,027	45,225
Premises																
Rent	2,754	2,490	2,664	2,494	2,513	2,518	2,520	2,251	10%	11%	6%	10,402	9,802	8,060	7,603	6,450
Depreciation	602	585	545	547	543	541	499	481	11%	3%	10%	2,279	2,064	1,784	1,795	1,391
Other	439	410	431	418	536	403	385	371	(18%)	7%	0%	1,698	1,695	1,516	1,502	1,160
Total	3,795	3,485	3,640	3,459	3,592	3,462	3,404	3,103	6%	9%	6%	14,379	13,561	11,360	10,900	9,001
Equipment and furniture																
Depreciation	1,037	1,040	1,006	986	979	855	769	807	6%	(0%)	19%	4,069	3,410	2,922	3,006	2,565
Other	1,189	929	857	937	816	850	898	704	46%	28%	20%	3,912	3,268	2,966	2,845	2,346
Total	2,226	1,969	1,863	1,923	1,795	1,705	1,667	1,511	24%	13%	20%	7,981	6,678	5,888	5,851	4,911
General																
Capital and business taxes	517	619	482	662	695	642	822	566	(26%)	(16%)	(16%)	2,280	2,725	2,139	2,063	2,205
Regulatory costs	278	275	258	255	291	254	215	219	(4%)	1%	9%	1,066	979	825	802	807
Professional fees and services	1,095	1,111	1,088	1,092	2,008	1,290	1,092	929	(45%)	(1%)	(18%)	4,386	5,319	3,886	4,038	2,854
Communications	305	288	264	233	242	237	232	227	26%	6%	16%	1,090	938	806	689	661
Marketing and business development	872	808	982	623	781	825	754	868	12%	8%	2%	3,285	3,228	2,508	2,321	2,054
Postage and stationery	587	614	763	669	697	664	719	626	(16%)	(4%)	(3%)	2,633	2,706	2,235	2,100	1,991
Banking charges	515	589	522	517	461	461	441	408	12%	(13%)	21%	2,143	1,771	1,194	1,206	1,132
Travel	400	445	357	239	397	305	325	336	1%	(10%)	6%	1,441	1,363	1,346	1,158	1,071
General insurance	266	272	264	279	264	216	306	268	1%	(2%)	3%	1,081	1,054	915	781	640
Other	1,642	1,547	1,296	1,256	1,544	1,300	1,121	1,141	6%	6%	12%	5,741	5,106	4,188	3,485	2,801
Total	6,477	6,568	6,276	5,825	7,380	6,194	6,027	5,588	(12%)	(1%)	(0%)	25,146	25,189	20,042	18,643	16,216
Total Non-interest Expenses	\$ 35,359	\$ 34,530	\$ 33,453	\$ 31,824	\$ 32,762	\$ 30,827	\$ 30,152	\$ 28,193	8%	2%	11%	\$ 135,166	\$ 121,934	\$ 102,049	\$ 90,421	\$ 75,353

BALANCE SHEET AND ASSETS UNDER ADMINISTRATION
(unaudited)
(\$ thousands)

	QUARTER				QUARTER				Q4 % CHANGE		YEAR-END				
	2008				2007				vs Q4 07	vs Q3 08	2008	2007	2006	2005	2004
	4	3	2	1	4	3	2	1							
Cash resources	\$ 492,173	\$ 435,957	\$ 513,689	\$ 490,325	\$ 412,690	\$ 324,002	\$ 304,540	\$ 319,357	19%	13%	\$ 492,173	\$ 412,690	\$ 438,294	\$ 236,154	\$ 232,726
Securities															
Investment	1,228,964	1,280,106	1,265,992	1,294,033	1,341,626	1,253,013	996,486	944,824	(8%)	(4%)	1,228,964	1,341,626	885,693	702,906	540,487
Trading	-	-	-	-	-	-	-	-	0%	0%	-	-	-	-	-
Total	1,228,964	1,280,106	1,265,992	1,294,033	1,341,626	1,253,013	996,486	944,824	(8%)	(4%)	1,228,964	1,341,626	885,693	702,906	540,487
Repurchase agreements	77,000	9,001	155,148	209,000	206,925	56,425	-	-	(63%)	755%	77,000	206,925	9,000	36,940	74,966
Loans															
Residential mortgages	2,134,327	1,974,285	1,959,048	1,865,102	1,780,442	1,654,906	1,606,465	1,485,744	20%	8%	2,134,327	1,780,442	1,314,988	944,122	700,791
Other	6,565,280	6,264,472	6,050,679	5,907,067	5,688,160	5,496,505	5,019,446	4,724,739	15%	5%	6,565,280	5,688,160	4,520,370	3,688,661	3,268,643
Allowance for credit losses	8,699,607	8,238,757	8,009,727	7,772,169	7,468,602	7,151,411	6,625,911	6,210,483	16%	6%	8,699,607	7,468,602	5,835,358	4,632,783	3,969,434
(75,538)	(70,009)	(67,091)	(65,188)	(63,022)	(60,779)	(58,313)	(56,034)		20%	8%	(75,538)	(63,022)	(53,521)	(42,520)	(39,320)
Total	8,624,069	8,168,748	7,942,636	7,706,981	7,405,580	7,090,632	6,567,598	6,154,449	16%	6%	8,624,069	7,405,580	5,781,837	4,590,263	3,930,114
Other assets															
Land, building and equipment	31,893	26,258	25,795	25,793	25,736	24,443	23,898	23,183	24%	21%	31,893	25,736	24,198	19,575	18,499
Goodwill and intangible assets	9,088	9,207	9,343	9,478	9,614	9,750	9,885	10,021	(5%)	(1%)	9,088	9,614	10,157	10,699	11,242
Insurance related	52,942	53,514	52,656	53,891	52,112	55,027	52,879	52,651	2%	(1%)	52,942	52,112	57,136	56,955	55,583
Other	84,603	73,853	72,955	75,139	70,757	67,822	66,256	60,878	20%	15%	84,603	70,757	62,045	51,536	55,278
Total	178,526	162,832	160,749	164,301	158,219	157,042	152,918	146,733	13%	10%	178,526	158,219	153,536	138,765	140,602
Total Assets	\$10,600,732	\$10,056,644	\$10,038,214	\$ 9,864,640	\$ 9,525,040	\$ 8,881,114	\$ 8,021,542	\$ 7,565,363	11%	5%	\$ 10,600,732	\$ 9,525,040	\$ 7,268,360	\$ 5,705,028	\$ 4,918,895
Deposits															
Demand and notice	\$ 2,393,122	\$ 2,463,275	\$ 2,497,019	\$ 2,352,633	\$ 2,220,287	\$ 2,026,928	\$ 1,869,216	\$ 1,772,429	8%	(3%)	\$ 2,393,122	\$ 2,220,287	\$ 1,653,522	\$ 1,286,988	\$ 852,732
Fixed term	6,747,597	6,118,061	6,077,005	6,102,713	5,931,631	5,524,614	4,824,267	4,689,223	14%	10%	6,747,597	5,931,631	4,538,485	3,626,319	3,415,056
Deposit from Canadian Western Bank Capital Trust	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	0%	0%	105,000	105,000	105,000	-	-
Total	9,245,719	8,686,336	8,679,024	8,560,346	8,256,918	7,656,542	6,798,483	6,566,652	12%	6%	9,245,719	8,256,918	6,297,007	4,913,307	4,267,788
Other liabilities															
Insurance related	134,769	131,504	127,337	126,022	124,848	124,095	120,537	118,012	8%	2%	134,769	124,848	120,936	108,152	90,427
Reverse repurchase agreements	-	-	19,896	-	-	-	19,643	-	0%	nm	-	-	-	-	-
Other	166,096	165,403	175,742	164,303	157,781	144,590	140,049	148,345	5%	0%	166,096	157,781	132,761	97,453	82,491
Total	300,865	296,907	322,975	290,325	282,629	268,685	280,229	266,357	6%	1%	300,865	282,629	253,697	205,605	172,918
Subordinated debentures⁽¹⁾	375,000	410,000	390,000	390,000	390,000	390,000	393,126	198,126	(4%)	(9%)	375,000	390,000	198,126	128,126	110,600
Shareholders' equity (page 8)															
Retained earnings	448,203	430,697	411,329	392,345	372,739	348,817	330,407	313,169	20%	4%	448,203	372,739	297,841	242,082	199,305
Accumulated other comprehensive income (loss) ⁽²⁾	(5,203)	(1,308)	2,597	961	(5,931)	(9,608)	(5,482)	(2,247)	(12%)	298%	(5,203)	(5,931)	-	-	-
Capital stock	221,914	221,103	220,634	220,217	219,004	217,589	216,579	216,158	1%	0%	221,914	219,004	215,349	213,098	167,125
Contributed surplus	14,234	12,909	11,655	10,446	9,681	9,089	8,200	7,148	47%	10%	14,234	9,681	6,340	2,810	1,159
Total	679,148	663,401	646,215	623,969	595,493	565,887	549,704	534,228	14%	2%	679,148	595,493	519,530	457,990	367,589
Total Liabilities and Shareholders' Equity	\$10,600,732	\$10,056,644	\$10,038,214	\$ 9,864,640	\$ 9,525,040	\$ 8,881,114	\$ 8,021,542	\$ 7,565,363	11%	5%	\$ 10,600,732	\$ 9,525,040	\$ 7,268,360	\$ 5,705,028	\$ 4,918,895
Assets under administration	\$ 4,347,723	\$ 4,498,545	\$ 4,498,560	\$ 4,174,481	\$ 4,283,900	\$ 4,049,310	\$ 3,874,228	\$ 3,553,590	1%	(3%)	\$ 4,347,723	\$ 4,283,900	\$ 3,344,414	\$ 2,649,065	\$ 1,759,473
Trust cash balances	429,169	404,864	418,714	360,797	368,327	349,297	355,844	337,122	17%	6%	429,169	368,327	312,362	276,609	147,185
Number of investment accounts (#)	42,402	42,079	41,670	38,764	37,473	36,512	35,048	32,761	13%	1%	42,402	37,473	31,716	24,943	18,803

(1) During the second quarter of 2007, \$200 million in subordinated debentures were issued. Of these debentures issued, \$5 million were acquired by Canadian Direct Insurance Incorporated, a wholly owned subsidiary, and have been eliminated on consolidation.

(2) Effective November 1, 2006 with the implementation of new accounting standards for financial instruments, accumulated other comprehensive income (loss) has been added to the balance sheet. For more information see Note 2 to the 2007 Annual Financial Statements.

nm = not meaningful



SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(unaudited)
(\$ thousands)

	QUARTER				QUARTER				Q4 % CHANGE		FULL YEAR				
	2008				2007				vs Q4 07	vs Q3 08	2008	2007	2006	2005	2004
	4	3	2	1	4	3	2	1							
Retained earnings															
Balance at beginning of period	\$ 430,697	\$ 411,329	\$ 392,345	\$ 372,739	\$ 348,817	\$ 330,407	\$ 313,169	\$ 297,841	23%	5%	\$ 372,739	\$ 297,841	\$ 242,082	\$ 199,305	\$ 165,197
Adjustment on the adoption of new accounting policies ⁽¹⁾	-	-	-	-	-	-	-	(166)	-	-	0	(166)	(861)	-	-
Net income	24,485	26,327	25,302	25,905	29,572	24,033	22,219	20,458	(17%)	(7%)	102,019	96,282	72,007	54,391	44,161
Dividends	(6,979)	(6,959)	(6,318)	(6,299)	(5,650)	(5,623)	(4,981)	(4,964)	24%	0%	(26,555)	(21,218)	(15,387)	(11,573)	(10,038)
Balance at end of period	448,203	430,697	411,329	392,345	372,739	348,817	330,407	313,169	20%	4%	448,203	372,739	297,841	242,082	199,305
Accumulated other comprehensive income (loss)⁽²⁾															
Balance at beginning of period	(1,308)	2,597	961	(5,931)	(9,608)	(5,482)	(2,247)	-	(86%)	(150%)	(5,931)	-	-	-	-
Adjustment on the adoption of new accounting policies ⁽²⁾	-	-	-	-	-	-	-	(1,494)	-	-	-	(1,494)	-	-	-
Other comprehensive income (loss)	(3,895)	(3,905)	1,636	6,892	3,677	(4,126)	(3,235)	(753)	(206%)	(0%)	728	(4,437)	-	-	-
Balance at end of period	(5,203)	(1,308)	2,597	961	(5,931)	(9,608)	(5,482)	(2,247)	(12%)	298%	(5,203)	(5,931)	-	-	-
Capital stock															
Balance at beginning of period	221,103	220,634	220,217	219,004	217,589	216,579	216,158	215,349	2%	0%	219,004	215,349	213,098	167,125	150,782
Issued on exercise of employee stock options	560	186	250	650	939	721	267	537	(40%)	201%	1,646	2,464	1,669	3,480	4,992
Transferred from contributed surplus on exercise or exchange of options	251	283	167	563	476	289	154	272	(47%)	(11%)	1,264	1,191	582	19	0
Balance at end of period	221,914	221,103	220,634	220,217	219,004	217,589	216,579	216,158	1%	0%	221,914	219,004	215,349	213,098	167,125
Contributed surplus															
Balance at beginning of period	12,909	11,655	10,446	9,681	9,089	8,200	7,148	6,340	42%	11%	9,681	6,340	2,810	1,159	252
Adjustment on the adoption of new accounting policies ⁽¹⁾	-	-	-	-	-	-	-	-	-	-	-	-	861	-	-
Amortization of fair value of employee stock options	1,576	1,537	1,376	1,328	1,068	1,178	1,206	1,080	48%	3%	5,817	4,532	3,251	1,670	907
Transferred to capital stock on exercise or exchange of options	(251)	(283)	(167)	(563)	(476)	(289)	(154)	(272)	47%	11%	(1,264)	(1,191)	(582)	(19)	0
Balance at end of period	14,234	12,909	11,655	10,446	9,681	9,089	8,200	7,148	47%	10%	14,234	9,681	6,340	2,810	1,159
Total shareholders' equity	\$ 679,148	\$ 663,401	\$ 646,215	\$ 623,969	\$ 595,493	\$ 565,887	\$ 549,704	\$ 534,228	14%	2%	\$ 679,148	\$ 595,493	\$ 519,530	\$ 457,990	\$ 367,589

(1) New accounting policies relate to financial instruments in 2007 and stock compensation expense for eligible to retire employees in 2006.

(2) Effective November 1, 2006 with the implementation of new accounting standards for financial instruments, accumulated other comprehensive income (loss) has been added to the balance sheet and a new Statement of Comprehensive Income prepared. For more information see Note 2 to the 2007 Annual Financial Statements.



IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES
(unaudited)
(\$ thousands)

	QUARTER				QUARTER				Q4 % CHANGE		YEAR-END				
	2008				2007				vs Q4 07	vs Q3 08	2008	2007	2006	2005	2004
	4	3	2	1	4	3	2	1							
Gross impaired loans															
Personal	\$ 11,462	\$ 10,051	\$ 6,417	\$ 5,197	\$ 2,878	\$ 4,080	\$ 2,750	\$ 3,669	298%	14%	\$ 11,462	\$ 2,878	\$ 1,580	\$ 2,146	\$ 847
Real estate	51,909	15,507	11,223	7,815	1,098	563	351	579	4628%	235%	51,909	1,098	693	1,215	4,486
Industrial	20,456	15,304	14,972	12,260	11,261	6,370	2,848	2,334	82%	34%	20,456	11,261	3,006	3,036	4,819
Commercial	7,809	6,677	10,406	13,675	5,867	4,093	4,746	4,965	33%	17%	7,809	5,867	5,124	5,090	14,738
Total gross impaired loans	\$ 91,636	\$ 47,539	\$ 43,018	\$ 38,947	\$ 21,104	\$ 15,106	\$ 10,695	\$ 11,547	334%	93%	\$ 91,636	\$ 21,104	\$ 10,403	\$ 11,487	\$ 24,890
Net impaired loans															
Personal	\$ 11,157	\$ 9,790	\$ 6,134	\$ 4,669	\$ 2,527	\$ 3,760	\$ 2,425	\$ 3,340	342%	14%	11,157	\$ 2,527	\$ 1,266	\$ 1,567	\$ 461
Real estate	48,961	14,578	10,303	6,897	202	211	1	-	24138%	236%	48,961	202	-	493	2,991
Industrial	14,809	10,949	11,024	8,883	8,711	4,953	2,216	1,876	70%	35%	14,809	8,711	2,421	2,296	3,485
Commercial	1,698	1,438	4,770	9,250	2,250	485	1,175	1,246	(25%)	18%	1,698	2,250	1,232	1,073	7,449
General allowance for credit risk	76,625	36,755	32,231	29,699	13,690	9,409	5,817	6,462	460%	108%	76,625	13,690	4,919	5,429	14,386
	(60,527)	(59,225)	(56,304)	(55,940)	(55,608)	(55,082)	(53,435)	(50,949)	9%	2%	(60,527)	(55,608)	(48,037)	(36,462)	(28,816)
Net impaired loans (after general allowance)	\$ 16,098	\$ (22,470)	\$ (24,073)	\$ (26,241)	\$ (41,918)	\$ (45,673)	\$ (47,618)	\$ (44,487)	(138%)	(172%)	\$ 16,098	\$ (41,918)	\$ (43,118)	\$ (31,033)	\$ (14,430)
Gross impaired loan formations (reductions)⁽¹⁾	\$ 44,803	\$ 4,654	\$ 5,135	\$ 18,517	\$ 6,315	\$ 4,508	\$ (581)	\$ 1,181	609%	863%	\$ 73,109	\$ 11,423	\$ (1,885)	\$ (6,503)	\$ 8,085
Net new specific provision (recovery)⁽²⁾	1,886	117	2,598	2,481	2,024	903	64	(362)	(7%)	1512%	7,082	2,629	(1,375)	2,453	8,132
Allowance for credit losses															
Specific	\$ 15,011	\$ 10,784	\$ 10,787	\$ 9,248	\$ 7,414	\$ 5,697	\$ 4,878	\$ 5,085	102%	39%	\$ 15,011	\$ 7,414	\$ 5,484	\$ 6,058	\$ 10,504
General	60,527	59,225	56,304	55,940	55,608	55,082	53,435	50,949	9%	2%	60,527	55,608	48,037	36,462	28,816
Total allowance	\$ 75,538	\$ 70,009	\$ 67,091	\$ 65,188	\$ 63,022	\$ 60,779	\$ 58,313	\$ 56,034	20%	8%	\$ 75,538	\$ 63,022	\$ 53,521	\$ 42,520	\$ 39,320
Reconciliation of allowance for credit losses															
Opening allowance	\$ 70,009	\$ 67,091	\$ 65,188	\$ 63,022	\$ 60,779	\$ 58,313	\$ 56,034	\$ 53,521	15%	4%	\$ 63,022	\$ 53,521	\$ 42,520	\$ 39,320	\$ 35,365
Provision for credit losses	3,188	3,038	2,962	2,813	2,550	2,550	2,550	2,550	25%	5%	12,000	10,200	10,200	10,100	9,390
Write-offs	(706)	(133)	(1,065)	(674)	(316)	(98)	(298)	(74)	123%	431%	(2,577)	(786)	(1,274)	(7,140)	(5,745)
Recoveries	3,047	13	6	27	9	14	27	37	nm	nm	3,093	87	2,075	240	310
Closing allowance	\$ 75,538	\$ 70,009	\$ 67,091	\$ 65,188	\$ 63,022	\$ 60,779	\$ 58,313	\$ 56,034	20%	8%	\$ 75,538	\$ 63,022	\$ 53,521	\$ 42,520	\$ 39,320
Net impaired loans (after general allowance) as a % of total loans	0.19%	(0.28%)	(0.30%)	(0.34%)	(0.57%)	(0.64%)	(0.73%)	(0.72%)	0.76%	0.47%	0.19%	(0.57%)	(0.75%)	(0.68%)	(0.36%)
Allowance for credit losses as a % of gross impaired loans	82%	147%	156%	167%	299%	402%	545%	485%	(217%)	(65%)	82%	299%	514%	370%	158%
Provision for credit losses as a % of average loans	0.15%	0.15%	0.15%	0.15%	0.14%	0.15%	0.16%	0.17%	0.01%	0.00%	0.15%	0.16%	0.20%	0.24%	0.25%
Net new specific provisions as a % of average loans	0.09%	0.01%	0.13%	0.13%	0.11%	0.05%	0.00%	(0.02%)	(0.02%)	0.08%	0.09%	0.04%	(0.03%)	0.06%	0.22%
General allowance as a % of risk-weighted assets	0.70%	0.72%	0.70%	0.72%	0.72%	0.74%	0.78%	0.80%	(0.02%)	(0.02%)	0.70%	0.72%	0.80%	0.77%	0.72%
General allowance as a % of risk-weighted loans	0.77%	0.80%	0.78%	0.79%	0.78%	0.81%	0.85%	0.88%	(0.01%)	(0.03%)	0.77%	0.78%	0.88%	0.84%	0.77%

(1) New additions to gross impaired loans, net of reductions in gross impaired loans (i.e. returned to performing status or repayments).

(2) Portion of the period's provision for credit losses allocated to specific provisions.

nm = not meaningful

bold and italicized numbers = actual change in percent