



CANADIAN WESTERN BANK GROUP

BANK • TRUST • INSURANCE • WEALTH MANAGEMENT

Corporate Presentation Fourth Quarter 2009



Advisory



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 2010 and how it will affect CWB's businesses are material factors the Bank considers when setting its objectives. In setting minimum performance targets for fiscal 2010, management's expectations assume: moderate economic growth in Canada aided by positive relative performance in the four western provinces; stable or slightly higher energy and commodity prices; sound credit quality with actual losses remaining within the Bank's range of acceptable levels; modest inflationary pressures; and, an improved net interest margin resulting from lower deposit costs, a stable prime lending interest rates, favourable yields on both new lending facilities and renewal accounts and relatively stable investment returns reflecting high quality assets held in the securities portfolio, partially offset by a reduction in the level of gains on the sale of securities compared to fiscal 2009.

Canadian Western Bank Group

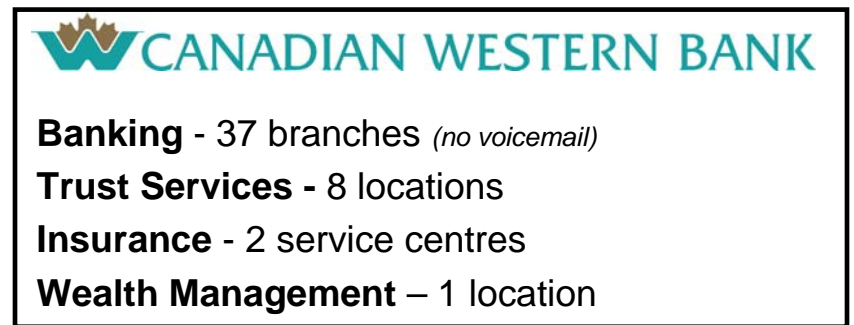


Lines of Business

- Mid-market commercial banking specialty
- Retail banking
- Alternative mortgage lending
- Personal trust
- Corporate trust
- Auto and home insurance
- Wealth management
- Small-ticket leasing ⁽¹⁾

Proven Performance

86 consecutive
profitable quarters,
21+ years



⁽¹⁾ On December 9, 2009, CWB signed an agreement to acquire 100% of the common shares of National Leasing Group Inc. The acquisition is subject to regulatory and other approvals and is expected to close at the beginning of February 2010.

Strategic Priorities – Focus 2010



- **Maintain secured lending practices and disciplined underwriting**
 - **actively manage impaired loans (executive level)**
- **Evaluate opportunities to deploy capital (loan growth & acquisitions)**
- **Build infrastructure for business growth and improved efficiency**
- **Develop sources of additional retail deposits**
- **Grow *Optimum Mortgage* business (residential mortgages)**
- **Expand insurance distribution channels**
- **Increase trust services contributions**
- **Capitalize on wealth management opportunities (Adroit)**

Minimum Target Ranges (2010)



	2010 Minimum Targets
Net income growth ⁽¹⁾	12%
Total revenue growth (teb)	12.0%
Total loan growth	10.0%
Provision for credit losses	0.15% - 0.20%
Efficiency ratio (teb) ⁽²⁾	48.0%
Return on equity ⁽³⁾	13.0%
Return on assets ⁽⁴⁾	0.90%

⁽¹⁾ Net income, before preferred share dividends.

⁽²⁾ Efficiency ratio (teb) is calculated as non-interest expenses divided by total revenues (teb) – a lower efficiency ratio represents better performance and the 2010 target is to achieve 48% or less.

⁽³⁾ Return on common equity calculated as annualized year-to-date net income after preferred share dividends divided by average common shareholders' equity.

⁽⁴⁾ Return on assets calculated as annualized year-to-date net income after preferred share dividends divided by average total assets.

- Management expects improved market conditions and a more positive economic outlook compared to fiscal 2009
 - target of double-digit loan growth while maintaining strong credit discipline
 - positive outlook for net interest margin – expect lower gains on sale of securities compared to 2009
 - modest improvements expected in the efficiency ratio (teb) - reflects continued capital investment and ongoing development initiatives (people, infrastructure, technology)

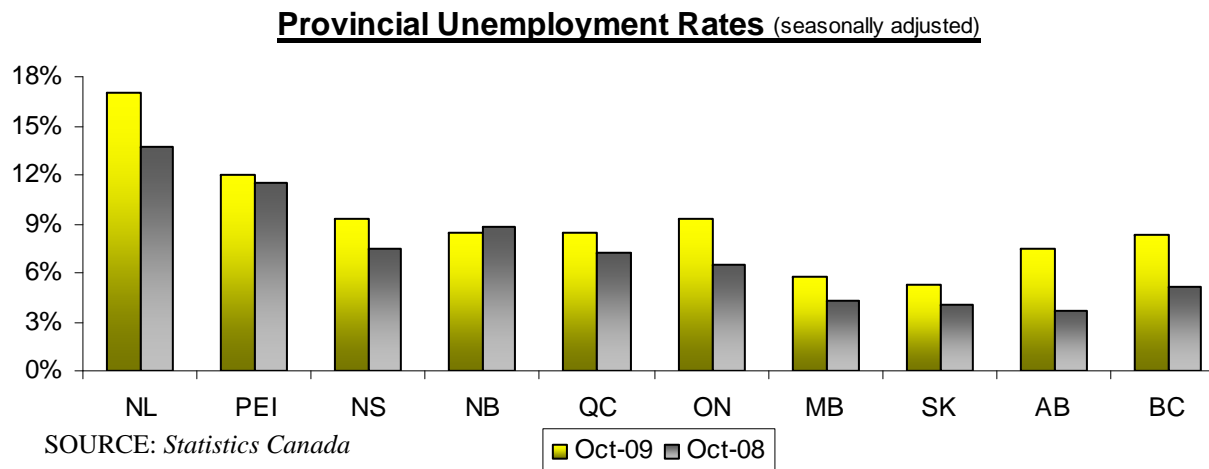
Strategic Vision – Five Year Horizon (2013)

- **Grow to \$20 billion of high quality assets**
- **Surpass \$200 million of net income**
- **Achieve 30% earnings contribution from non-interest sources**
- **Double current income contributions from all CWB subsidiaries**
- **Enhance retail banking franchise (including core deposits)**
- **Increase geographic diversification (specific business units)**

Economic Outlook – Western Canada



- **Ongoing uncertainty regarding both the strength and timing of an economic recovery**
 - economic challenges expected to persist in 2010
- **Western Canada well positioned to benefit once a sustained economic recovery ensues**
 - resource-based economies
 - current favourable unemployment levels relative to the rest of Canada
 - decreased inflationary pressures (commodities, construction costs, etc.)

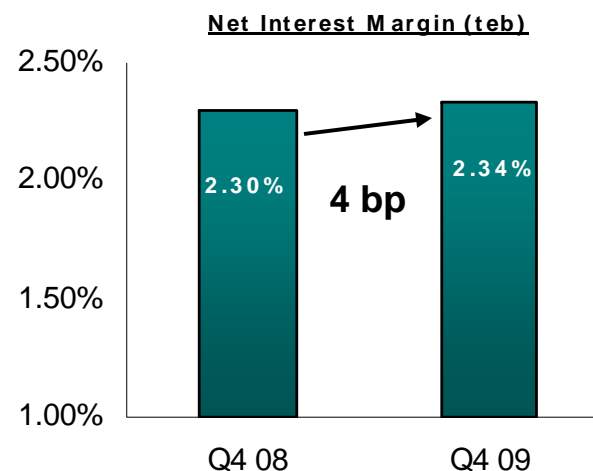
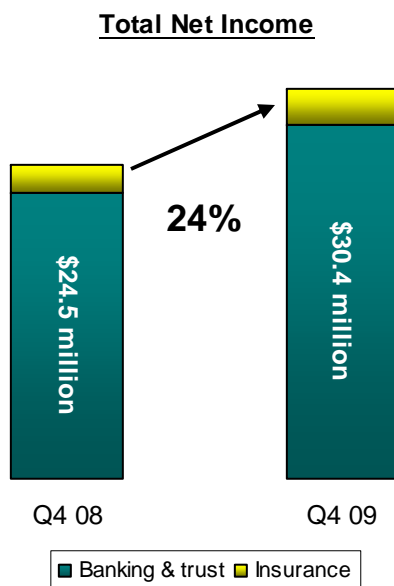


Quarterly Performance (segment)



(\$ thousands)	Q4 09	Q4 08	Change
Net income – Banking & trust	\$ 27,467	\$ 22,310	23 %
– Insurance	2,890	2,175	33
Diluted earnings per share ⁽¹⁾	0.39	0.38	3

(1) Q4 09 diluted earnings per share includes the net impact of the preferred units issued in March 2009



Target Ranges & Performance (2009)



	2009 Target Ranges	2009 Performance
Net income growth ⁽¹⁾	2% - 5%	4%
Total revenue growth (teb)	5% - 8%	10%
Total loan growth	10%	7%
Provision for credit losses	0.15% - 0.18%	0.15%
Efficiency ratio (teb)	46% - 49%	48.2%
Return on common equity	14% - 16%	13.2% ⁽²⁾
Return on assets	0.90% - 1.05%	0.86% ⁽³⁾

⁽¹⁾ Net income, before preferred share dividends.

⁽²⁾ Return on common equity calculated as net income after preferred share dividends divided by average common shareholders' equity.

⁽³⁾ Return on assets calculated as net income after preferred share dividends divided by average total assets.

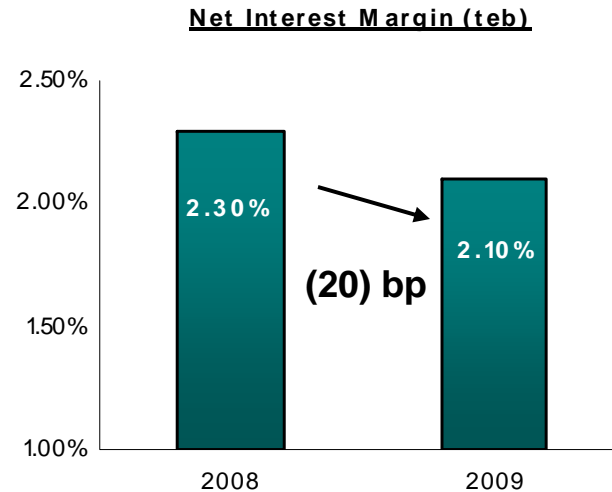
- Achieved or surpassed four of the seven performance target ranges - margin compression and the recessionary environment impacted performance more than management anticipated when target ranges were set in 2008 – partially offset by very strong other income (gains on sale of securities).
- Performance also reflects the net impact from preferred units issued in March 2009 – an additional factor not contemplated when the target ranges were set

Annual Performance (segment)



(\$ thousands)	2009 ⁽¹⁾	2008	Change
Net income – Banking & trust	\$ 97,174	\$ 93,647	4 %
– Insurance	9,111	8,372	9
Diluted earnings per share ⁽¹⁾	1.47	1.58	(7)

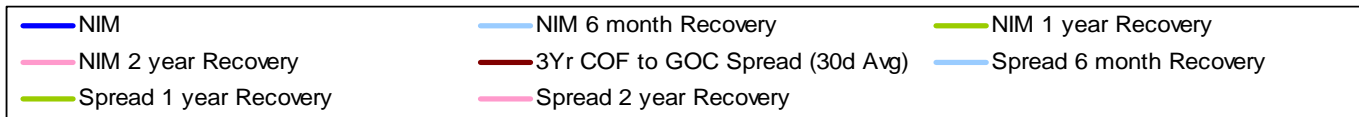
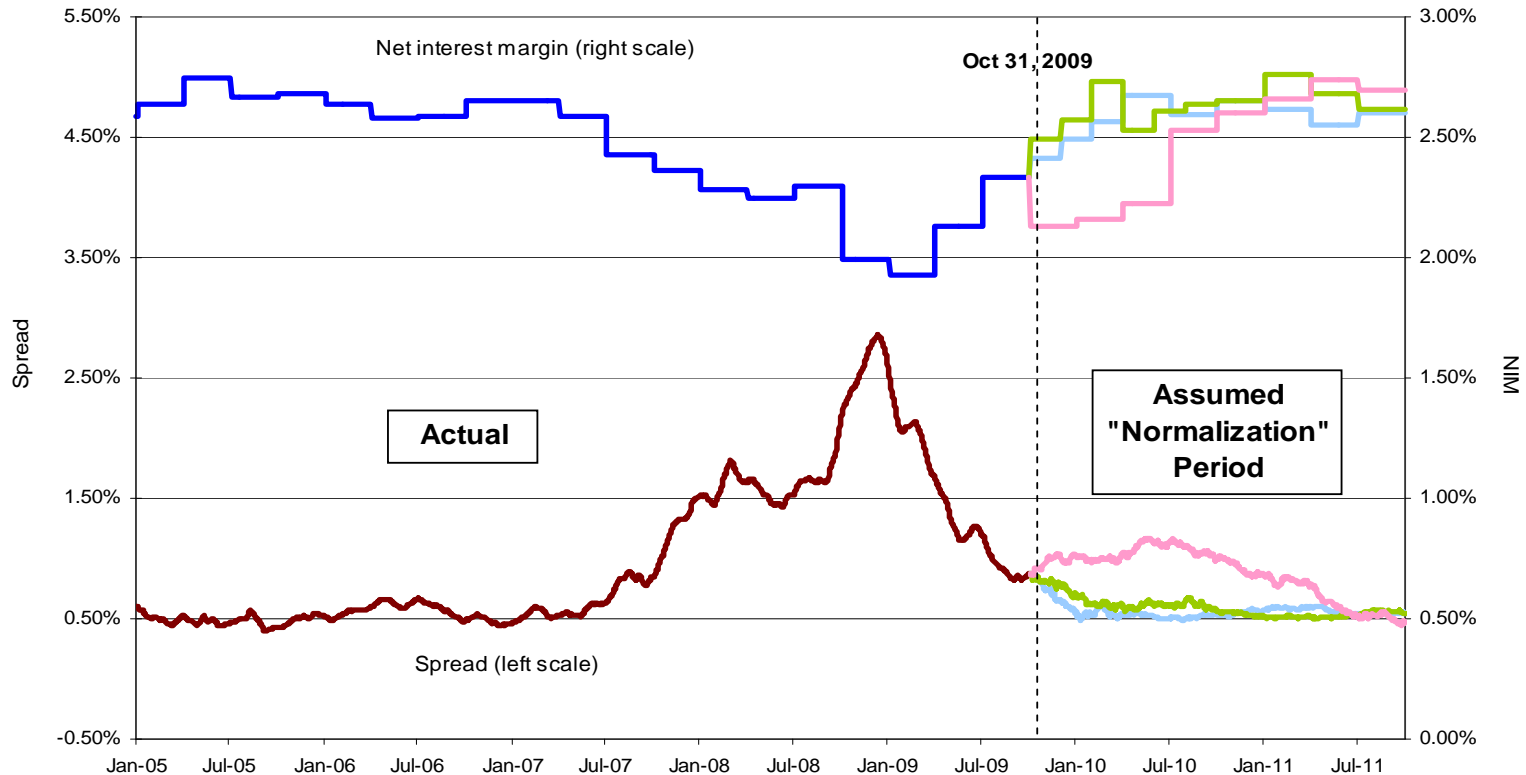
⁽¹⁾ 2009 diluted earnings per share includes the net impact of the preferred units issued in March 2009



Financial Performance – Margin



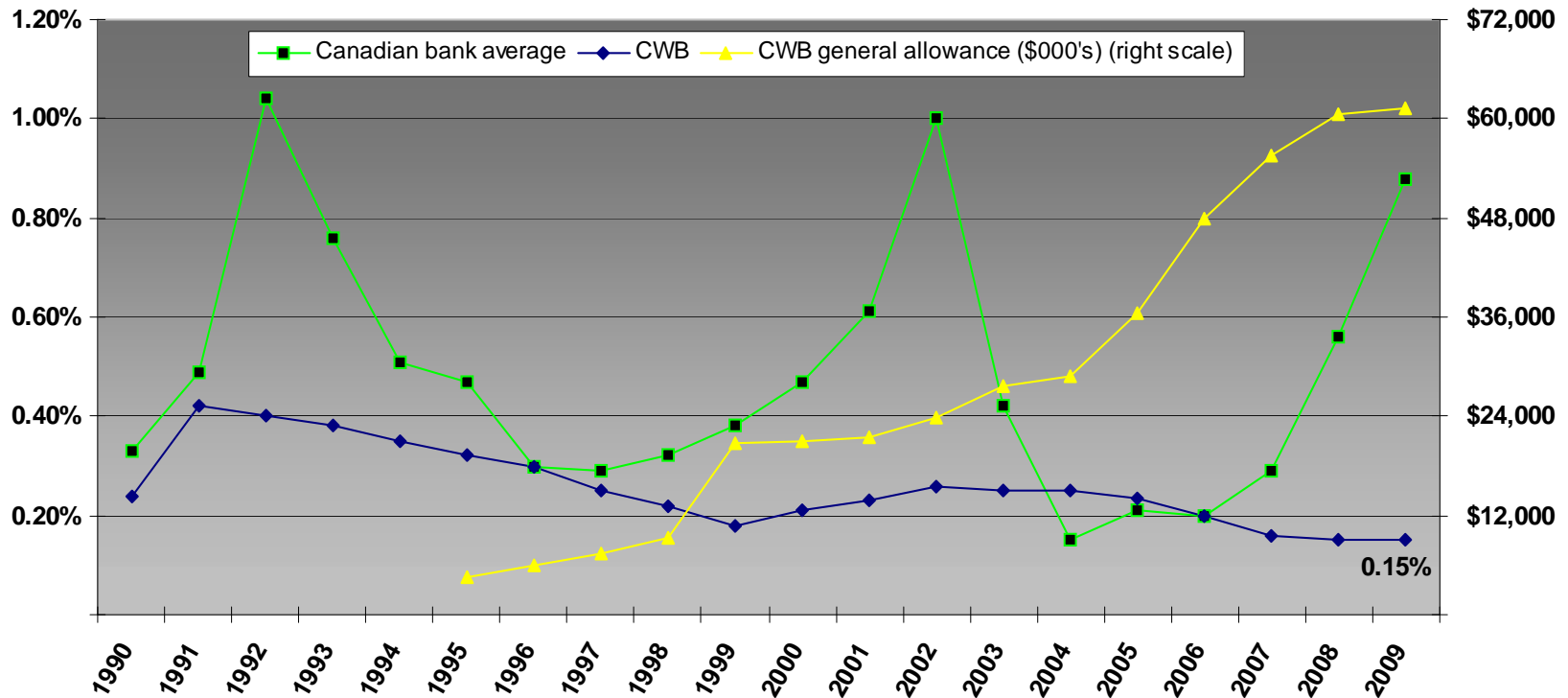
Net interest margin (NIM) Vs. CWB cost of funds spread over a 3 year GOC bond



Financial Performance – Credit



Provisions for credit losses (as a percentage of average loans)

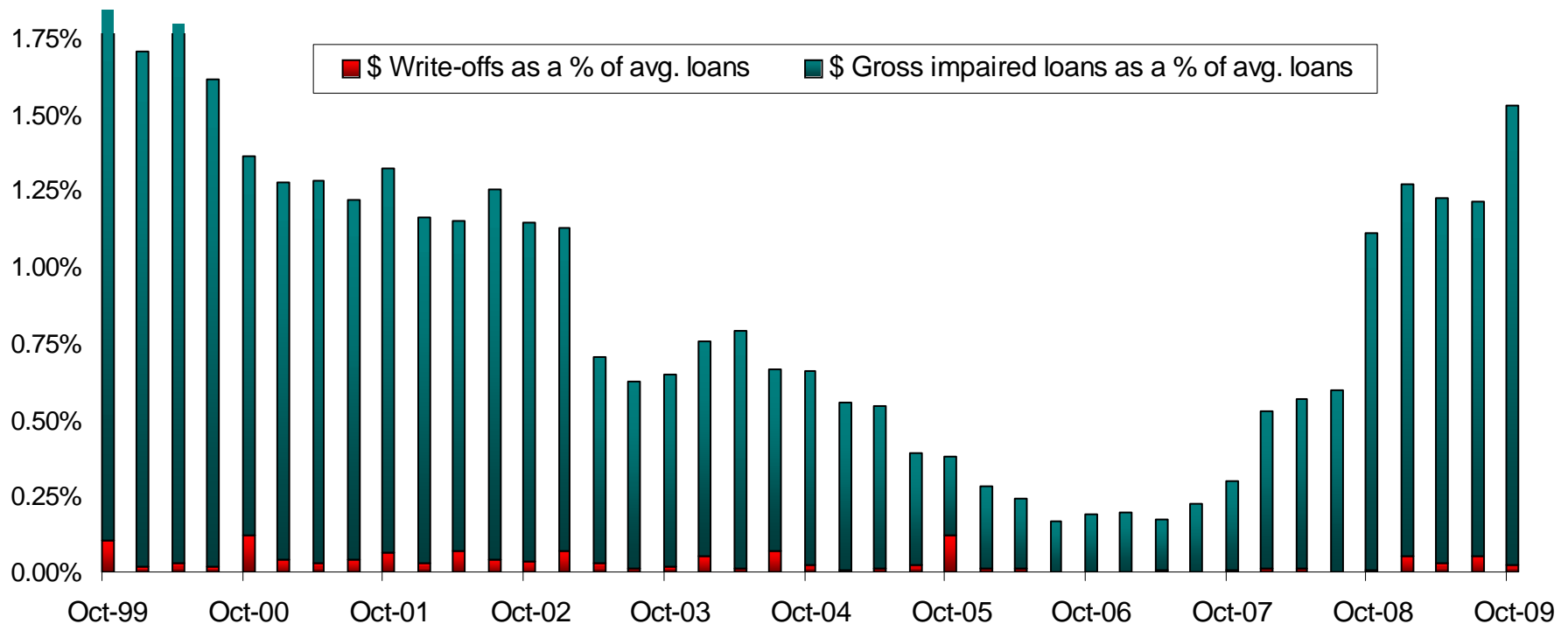


- 2009 provision for credit losses represented 15 bp of average loans
- General allowance for credit losses represented 73 basis points of risk-weighted loans at October 31, 2009 (65 basis points of risk-weighted assets)

Financial Performance – Credit



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

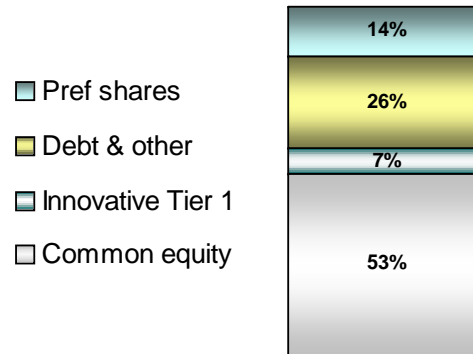


- Gross impaired loans measured against total loans represented 149 basis points at October 31, 2009
- CWB 10-year average net new specific provisions for credit losses (2000 - 2009) were 13 bp of average loans

CWB Capital Structure



Regulatory capital structure (as at October 31, 2009)



CWB (Basel II)

Tangible common equity	8.0%
Tier 1 capital	11.3%
Total capital	15.4%

- Completed offerings for a total of 8,390,000 preferred share units for gross proceeds of \$209.8 million
 - strong capital provides flexibility to pursue accretive growth opportunities
 - well positioned to manage forthcoming regulatory changes (global capital standards)

Canadian Western Bank



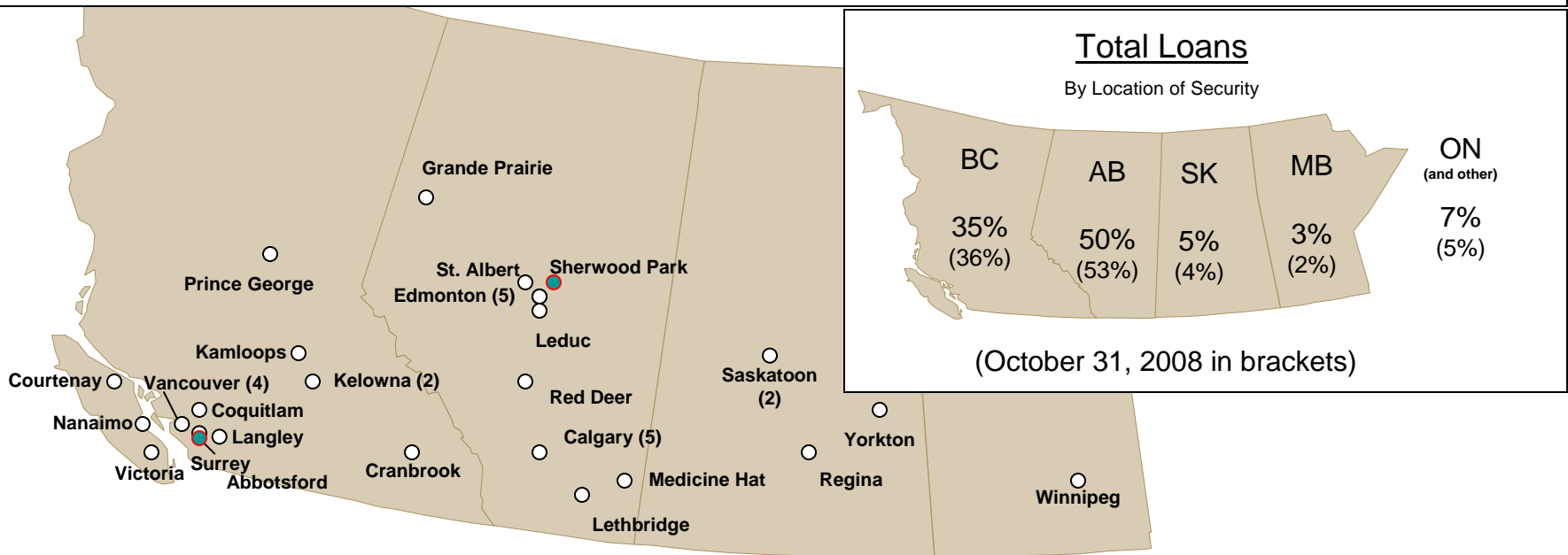
Infrastructure - expanding market presence

Banking - 37 branches (new full-service branches opened in Saskatoon & Kamloops in September 2009)

Trust Services - 8 locations (Vancouver, Edmonton, Calgary, Toronto)

Insurance - 2 service centres (Vancouver, Edmonton)

Wealth Management - 1 location (Edmonton)

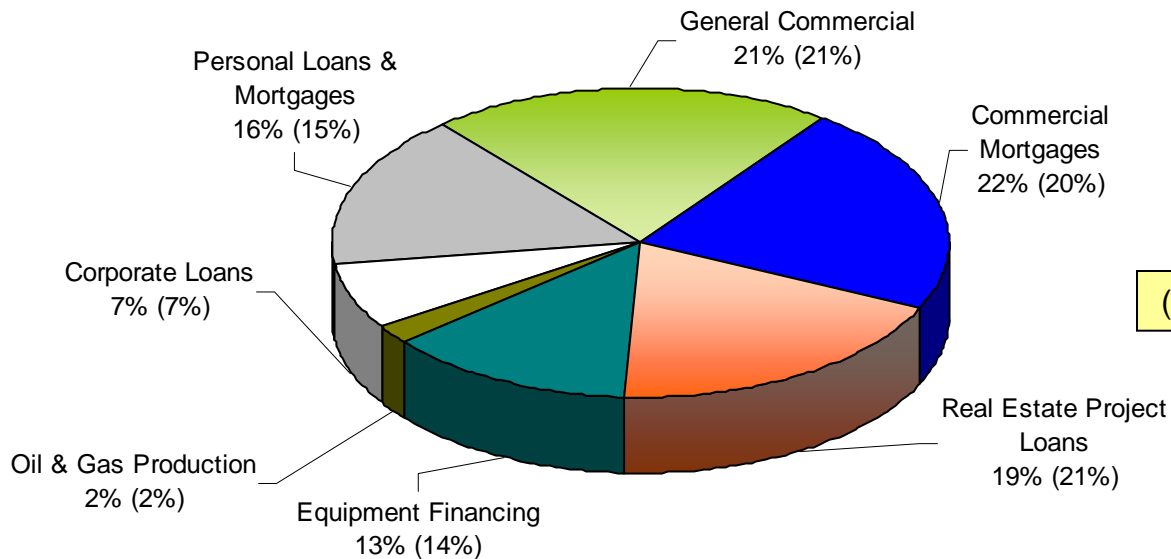


● New full-service branches in Surrey, BC & Sherwood Park, AB planned for late 2010

Canadian Western Bank



Loan portfolio by lending sector (as at October 31, 2009)



(October 31, 2008 in brackets)

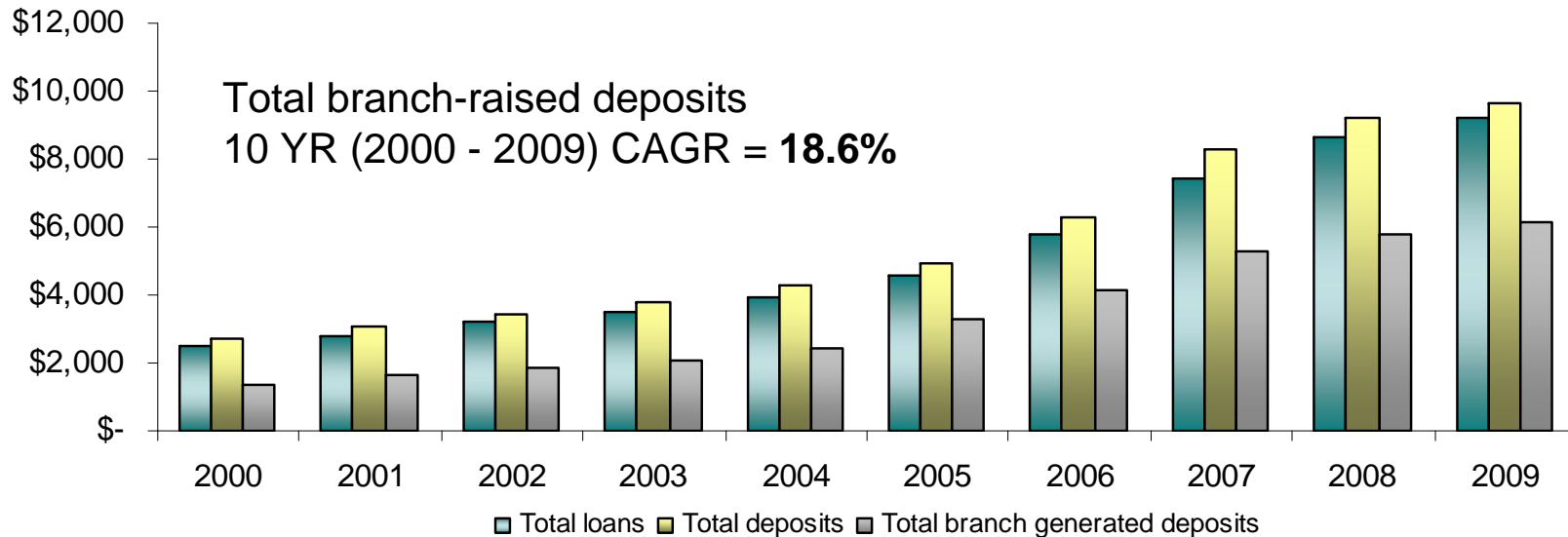
- Increased market presence - reduced competition in some business areas
- Moderated loan growth due to recessionary environment, as well as expected and unexpected loan repayments, particularly in the real estate project and equipment financing portfolios

Funding Sources



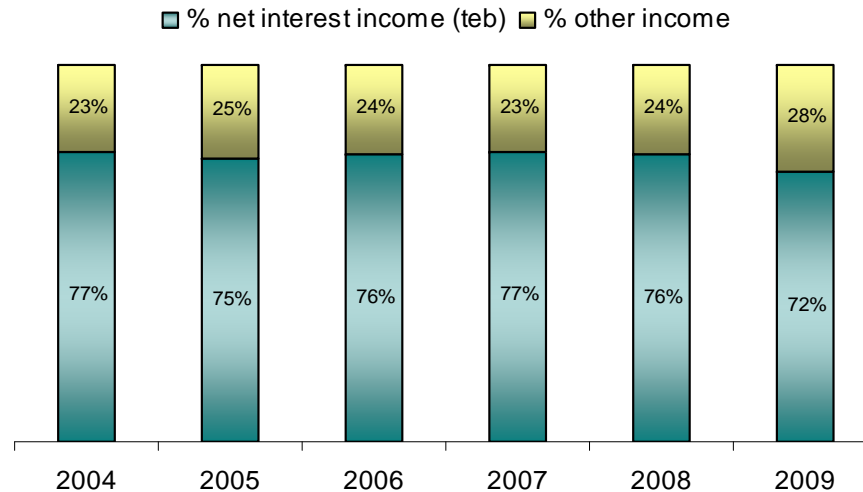
Total deposits compared to total loans (as at October 31, 2009)

(\$ millions)



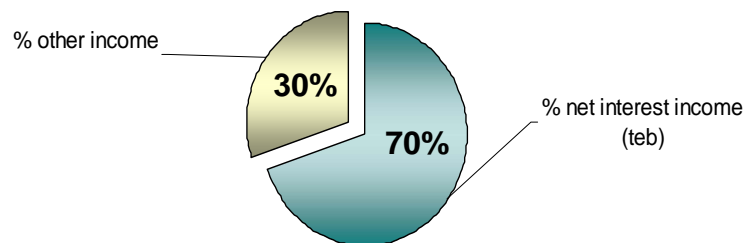
- Total deposits-to-loans ratio at October 31, 2009 of 1.04 times
- Total branch-raised deposits up 5% over the past year
- Branch-raised demand and notice deposits up 31% over the past year

Composition of Income



Medium-term objective to grow other income to encompass 30% of total revenues

(assumes normal net interest margin)



- Trust services & wealth management
- Insurance
- Other (accretive and complementary)
 - enhance fee-based income
 - fill product gaps

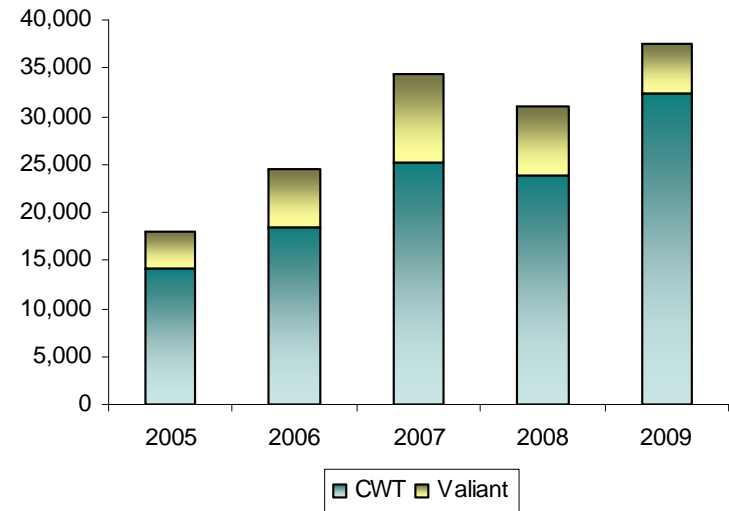
Trust Services



- Excellent return on equity and strong growth potential
 - source of non-interest income – lower capital requirements
 - less cyclical than core banking business
 - scalable growth platform that allows for both geographic and product expansion
 - both trust companies now operating in Ontario
- \$5 billion+ trust assets under administration
 - \$931 million low cost float



Total Revenues (teb)
(\$ thousands)



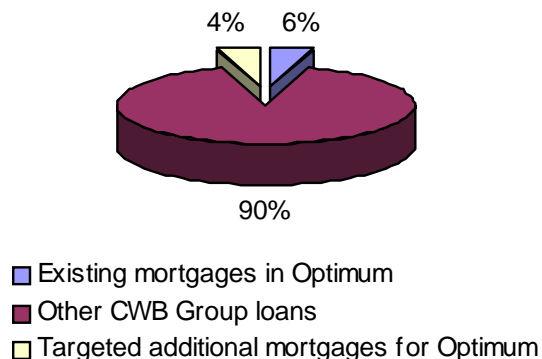
Alternative Mortgage Lending

Optimum Mortgage, a division of CWT

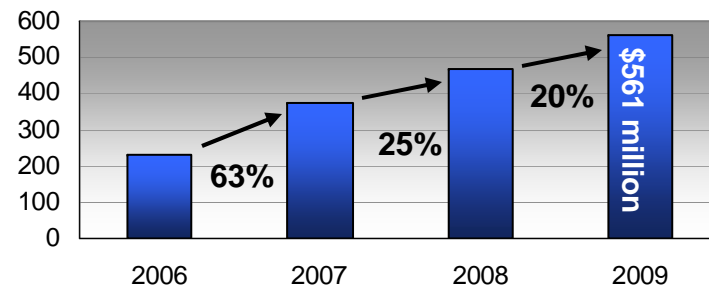
- Profitable growth with a good risk profile – “hands on” mortgage underwriting



- strong credit experience to date
- alternative mortgages underwritten with a maximum 80% loan-to-value (average at initiation of ~70%)
- efficient use of capital – 35% risk weighting under Basel II
- scalable growth platform
- expansion into targeted Ontario markets – geographic diversification
- recent offering of insured “A” mortgages through select brokers



Total Optimum Mortgages
(\$ millions)



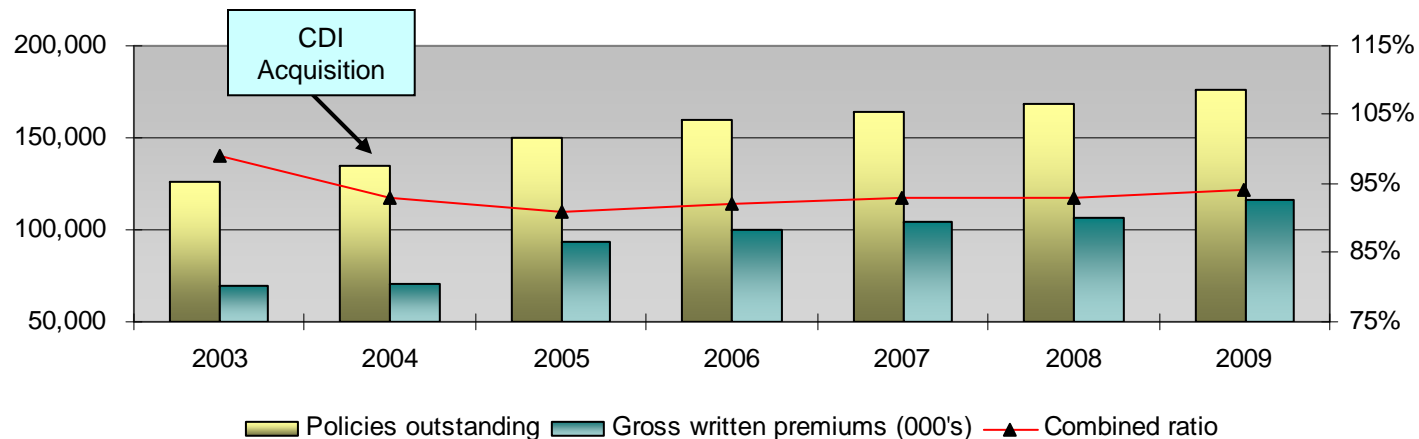
Insurance

Canadian Direct Insurance

- Personal auto & home insurance (AB & BC)
- call centres, Internet & select broker distribution
 - high service, efficient model
 - technology focus
 - scalable business



□ CDI total acquisition cost (2004) ■ CDI cumulative net income since acquisition



* Gross written premiums in 2004 reflect a 10-month fiscal year due to CWB acquisition

** Represents year-to-date gross written premiums, annualized

Wealth Management

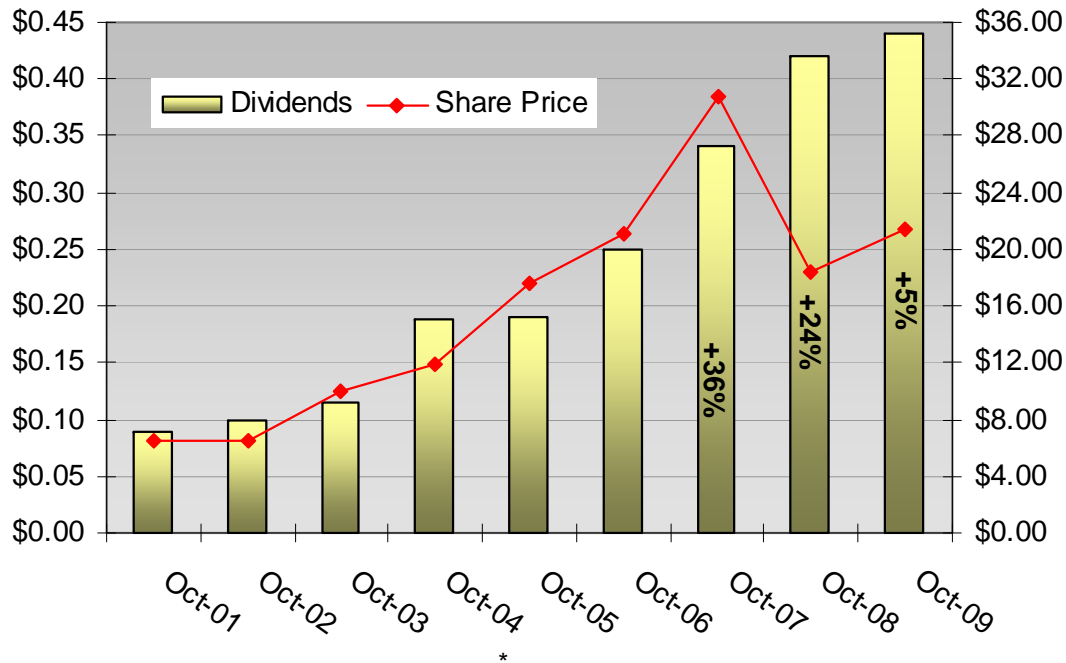


- New, complementary business line – acquisition completed December 2008
 - experienced and committed management team
 - long history of success
 - growth potential
 - revenue diversification
 - low capital requirements
 - opportunities for geographic and product expansion
 - expected synergies with banking and trust operations

Shareholder Return



Dividend growth



Dividend increases:

- June 2008 (+10%)
- December 2007 (+11%)
- June 2007 (+13%)
- December 2006 (+14%)
- September 2006 (+17%)
- December 2005 (+20%)

Payout ratio (2009): 28%
 Target payout range: 25-30%**

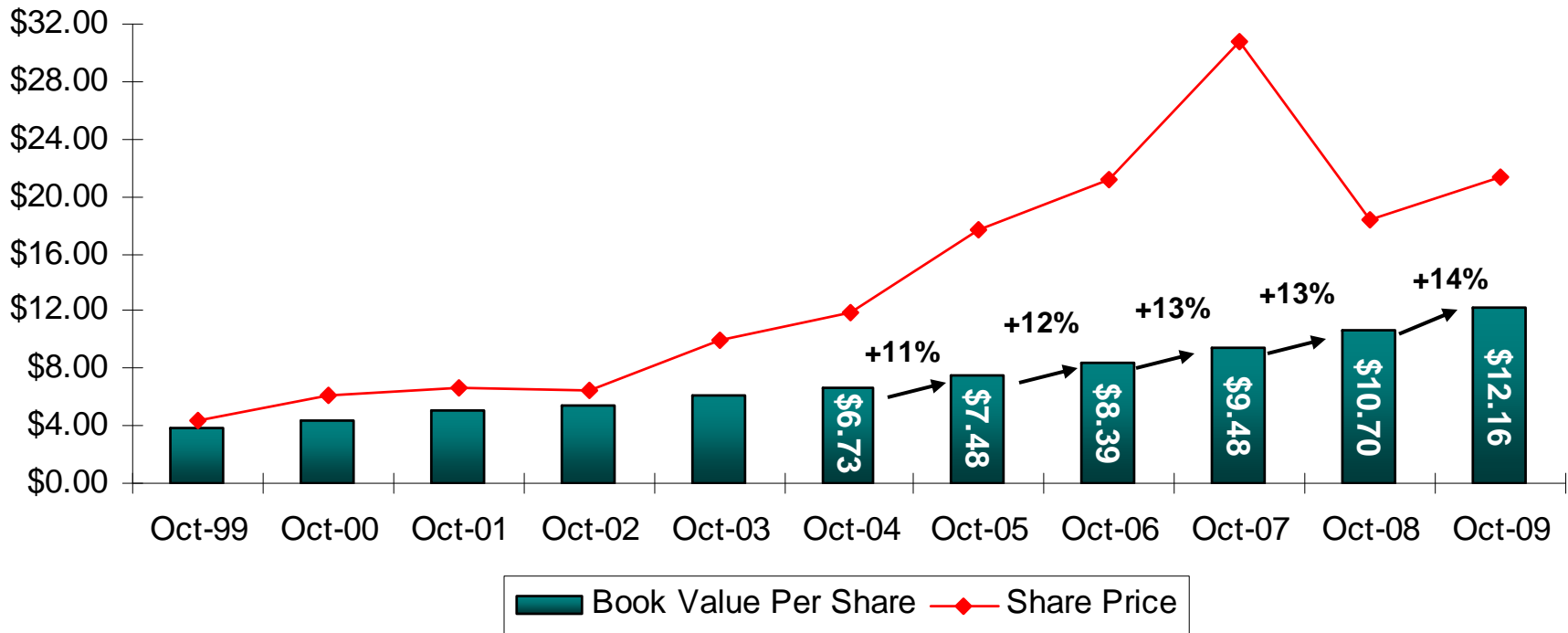
* Dividends paid in 2004 appear unusually high as they included the last semi-annual dividend and three quarterly dividends

** Target payout range based on net income before preferred share dividends

Shareholder Return



Historic valuation (share price and book value per share)



* Values adjusted to reflect 2 for 1 stock dividends paid in both January 2005 and January 2007

Shareholder Information



Shares outstanding (October 31, 2009)

63.9 million common shares (CWB)

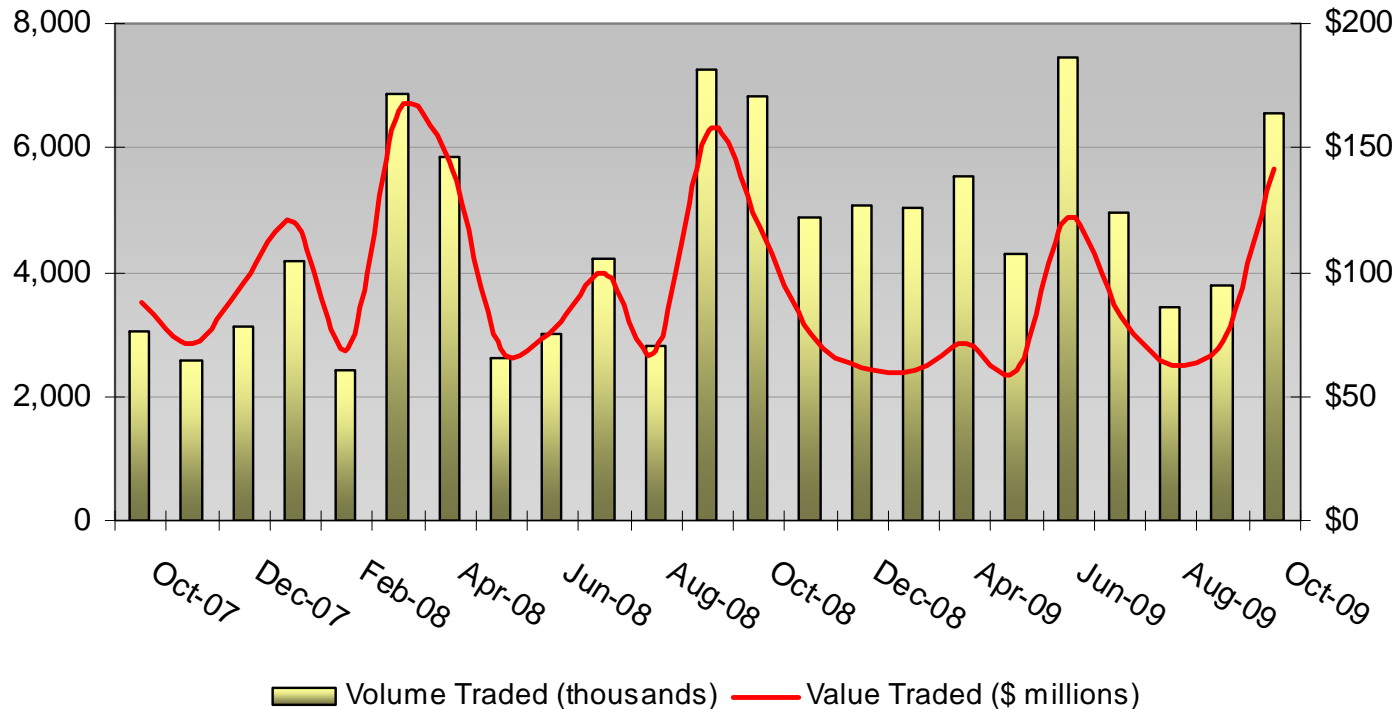
15.0 million common share purchase warrants (CWB.WT)

8.4 million preferred shares (CWB.PR.A)

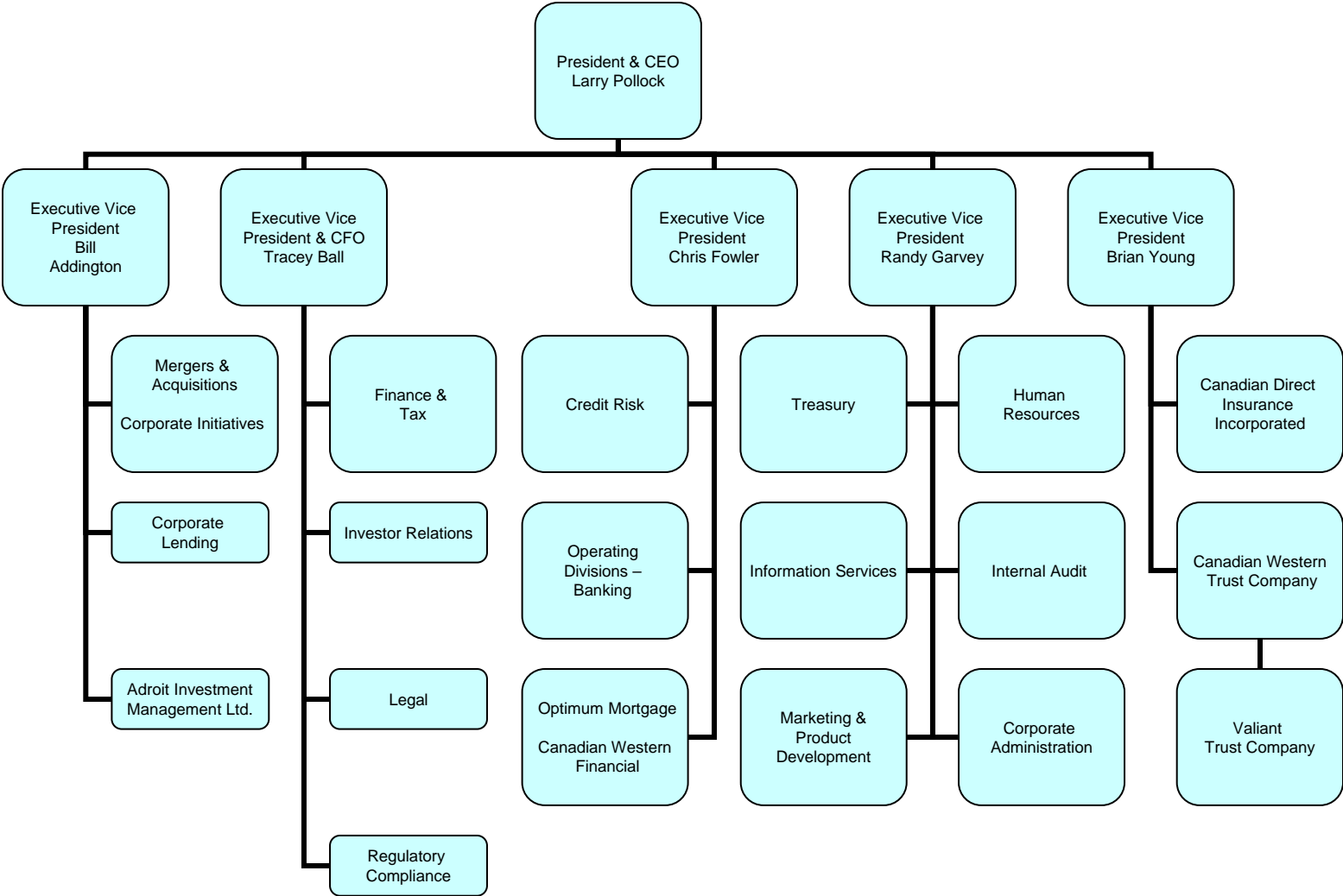
Employee Share Purchase Plan

over 90% employee participation

Monthly Trading History



CWB - Corporate Structure



Investor Relations



Shareholder Inquiries:

Canadian Western Bank Place
Suite 3000 - 10303 Jasper Avenue
Edmonton, Alberta T5J 3X6

investorrelations@cwbank.com

www.cwbankgroup.com