



CANADIAN WESTERN BANK GROUP

BANK • TRUST • INSURANCE • WEALTH MANAGEMENT

Corporate Presentation

First Quarter 2010



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 rate, 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
- Commercial equipment leasing ⁽¹⁾
- Alternative mortgage lending
- Personal trust
- Corporate trust
- Wealth management
- Auto and home insurance



Proven Performance

87 consecutive profitable quarters, almost 22 years



⁽¹⁾ CWB's acquisition of National Leasing Group Inc. (National Leasing) was completed on February 01, 2010, subsequent to quarter end. National Leasing's financial performance will be included as part of the banking and trust segment beginning in the second quarter 2010.

Strategic Priorities – Focus 2010



- Maintain disciplined underwriting and secured lending practices
- Evaluate opportunities to deploy capital (loan growth & acquisitions)
- Build infrastructure to support growth and improve efficiency
- Integrate *National Leasing* and develop further synergies
- Grow *Optimum Mortgage* (by geography and product – insured mortgages)
- Develop insurance distribution capabilities (increase policy growth)
- Increase contributions from trust services
- Expand presence in wealth management



Strategic Vision (2013)



Five-year horizon (established at the beginning of Fiscal 2009)

- **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)**



2010 Targets & Performance



	2010 Minimum Target	2010 Year-to-date Performance ⁽¹⁾
Net income growth ⁽²⁾	12%	56%
Total revenue growth (teb)	12%	31%
Total loan growth	10%	3%
Provision for credit losses	0.15% - 0.20%	0.16%
Efficiency ratio (teb)	48%	40.0%
Return on equity ⁽³⁾	13%	18.0%
Return on assets ⁽⁴⁾	0.90%	1.25%

(1) 2010 year-to-date 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. (2) Net income, before preferred share dividends. (3) Return on common equity calculated as annualized net income after preferred share dividends divided by average common shareholders' equity. (4) Return on assets calculated as annualized net income after preferred share dividends divided by average total assets.

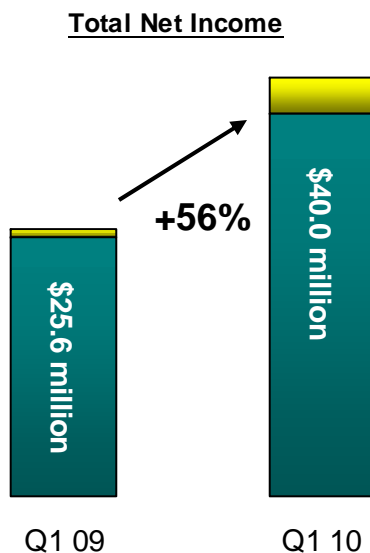
- Positioned early in the year to surpass all minimum performance targets, except for loan growth, by a considerable margin
- Will be challenging to maintain exceptional first quarter results for the balance of fiscal 2010 - gains on sale of securities are not expected to be sustainable at current levels
- Including National Leasing, pro forma consolidated twelve month loan growth at Q1 10 was ~7% (~4% compared to October 31, 2009)

Quarterly Performance (segment)

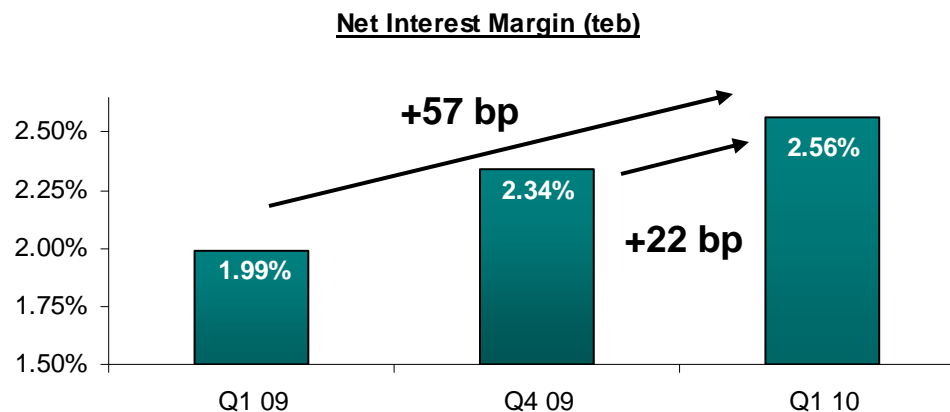


(\$ thousands)	Q1 10	Q1 09	Change
Net income – Banking & trust	\$ 36,690	\$ 24,822	48 %
– Insurance	3,345	797	320
Diluted earnings per share ⁽¹⁾	0.52	0.40	30

⁽¹⁾ Q1 10 diluted earnings per share includes the net impact of the preferred units issued in March 2009



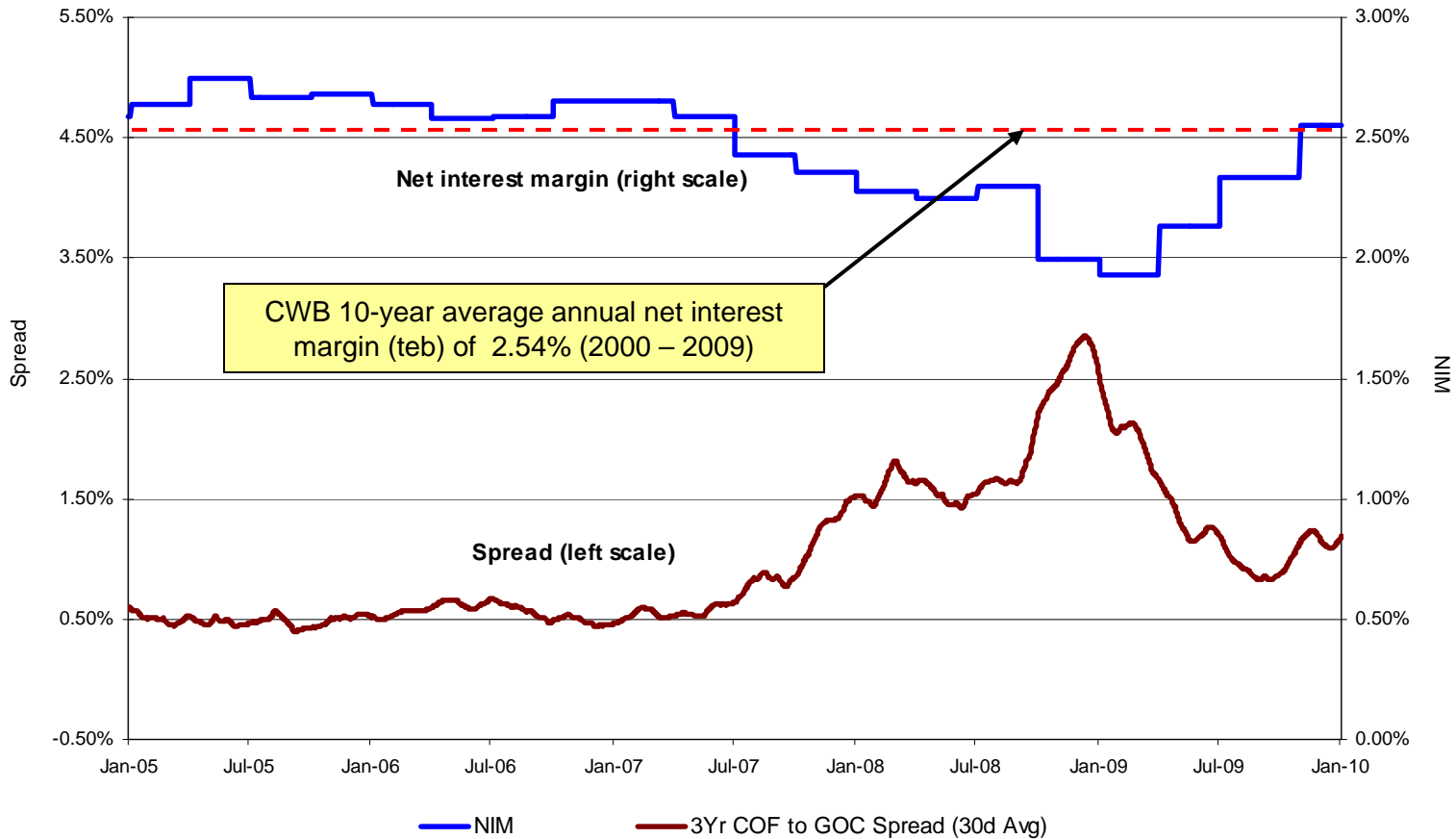
■ Banking & trust ■ Insurance



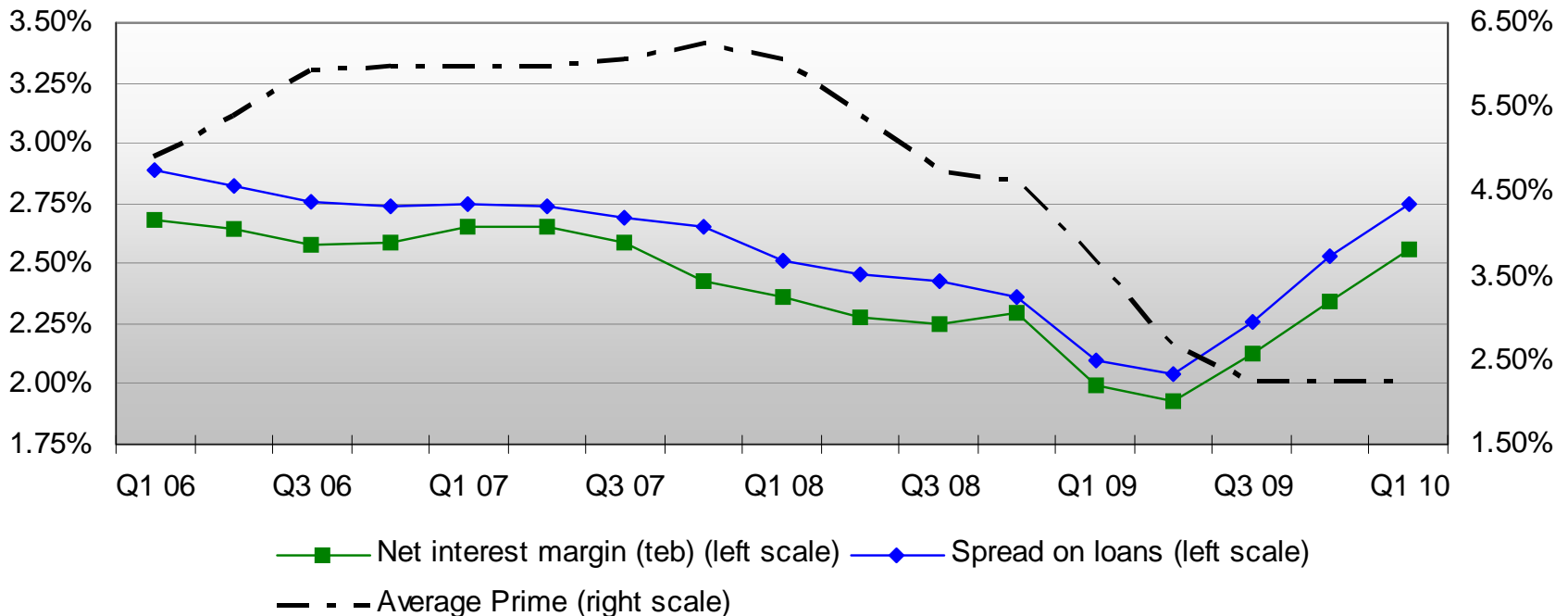
Financial Performance – Margin



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



Financial Performance – Margin

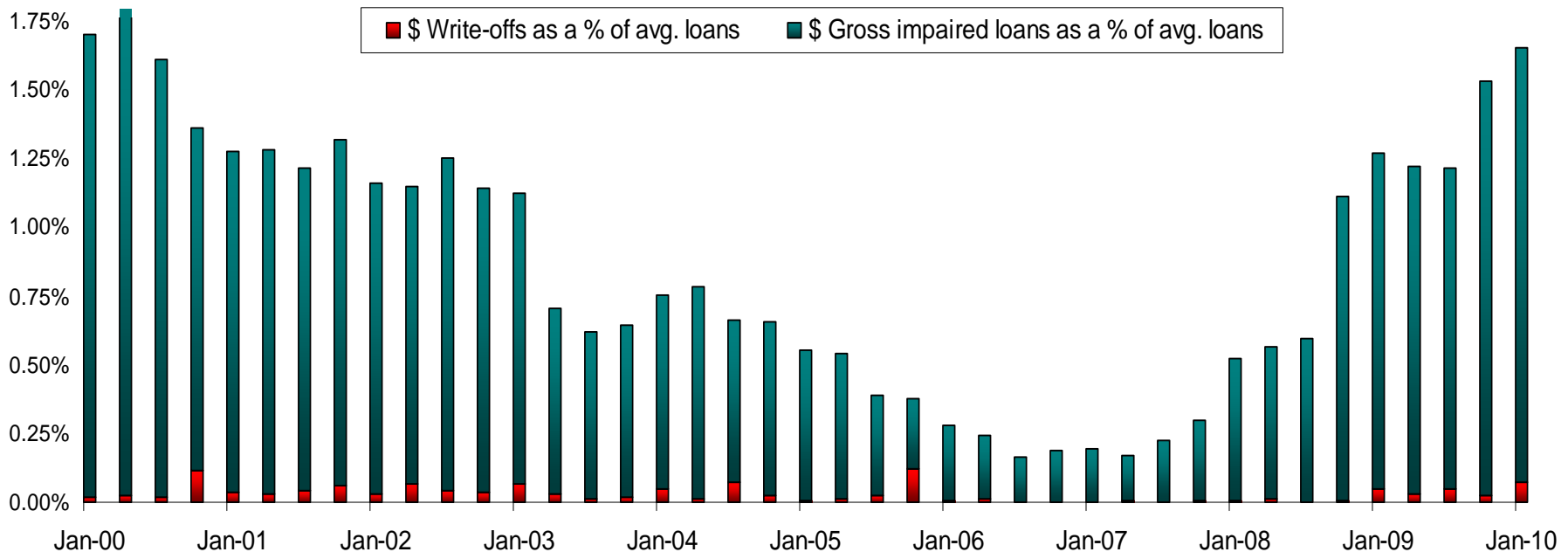


- Compared to Q1 09, recovery of net interest margin mainly reflects lower deposit costs, an improved deposit and securities mix, and more favourable spreads on loans
- Recovery of net interest margin compared to Q4 09 reflects maturities of high cost one-year term deposits that were raised to increase liquidity during the peak of the global financial crisis
- Further material improvement of net interest margin is unlikely without meaningful increases in prime rate

Financial Performance – Credit



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



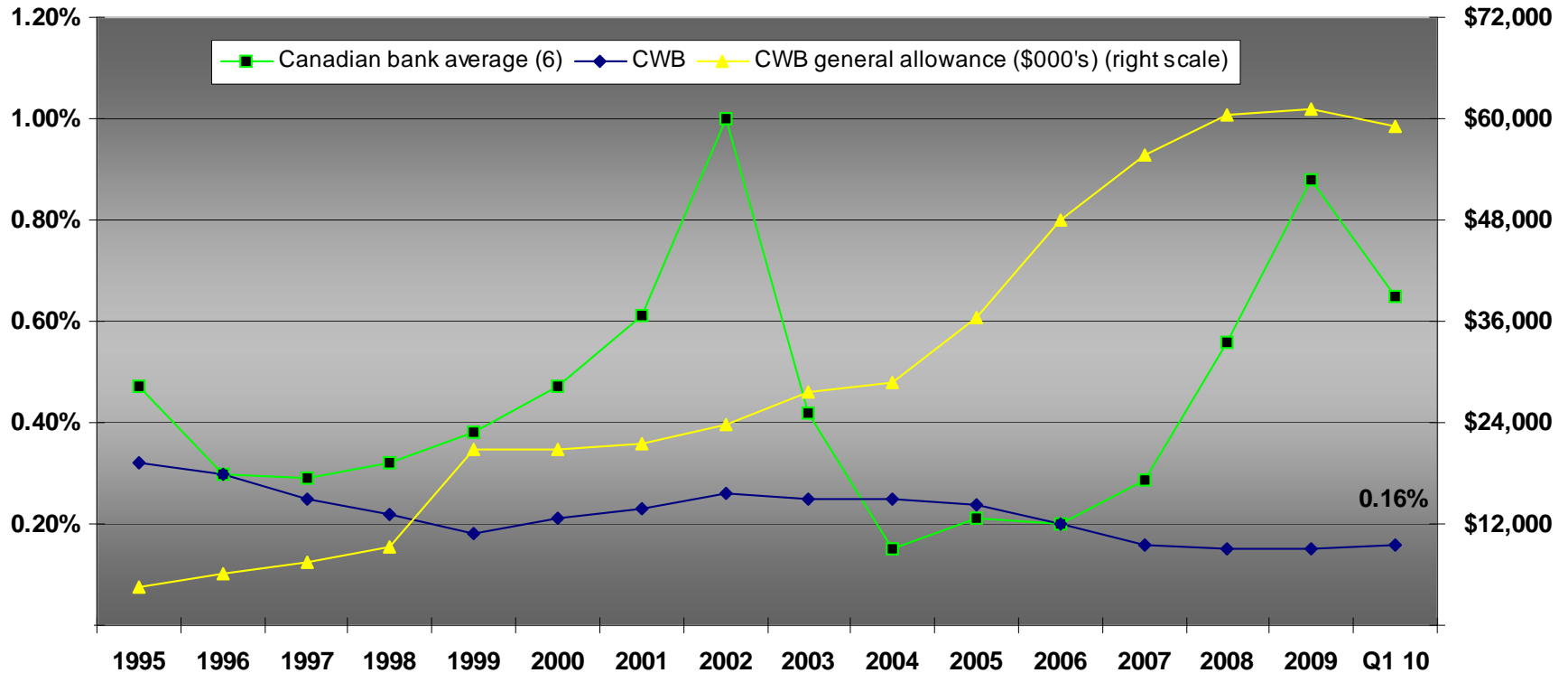
Key underwriting principles

- Focus on secured loans with equity (two ways out – cash flow or asset sale)
- Build strong business relationships
- Be flexible and ensure to price for risk (don't be too risk averse)
- Move fast on troubled accounts (manage from the top)
- Maintain strong reserves (accept losses and move on)

Financial Performance – Credit



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

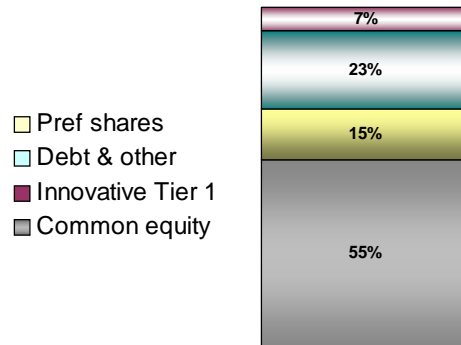


- Strategy to maintain consistent provisions for credit losses. The general allowance for credit losses will fluctuate as specific losses are recognized and subsequently written-off
- Based on current expectations for credit quality, fiscal 2010 provisions for credit losses are expected to remain in a range of 15 to 20 basis points of average loans

Capital & Leverage

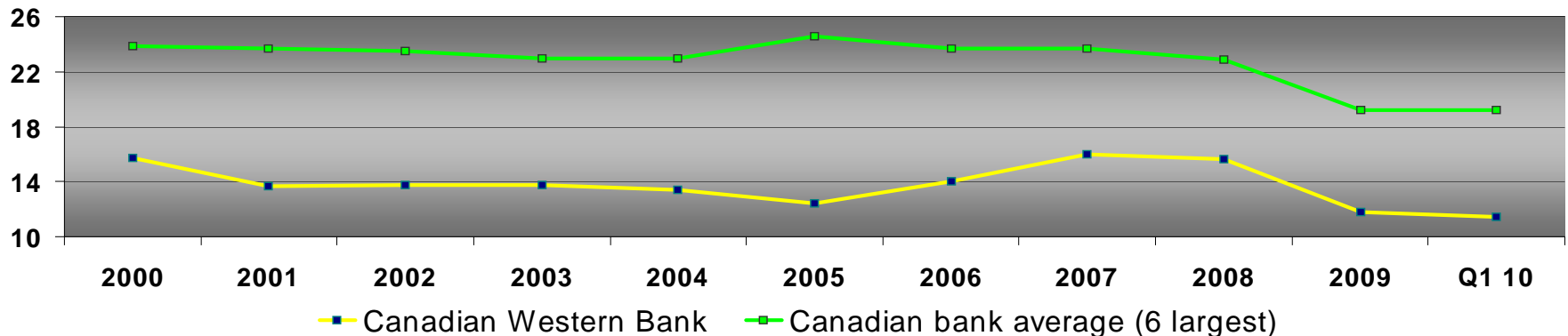


Regulatory capital structure (as at January 31, 2010)



	CWB	Current Regulatory Minimum
Tangible common equity	8.4%	-
Tier 1 capital	11.6%	7.0%
Total capital	15.1%	10.0%

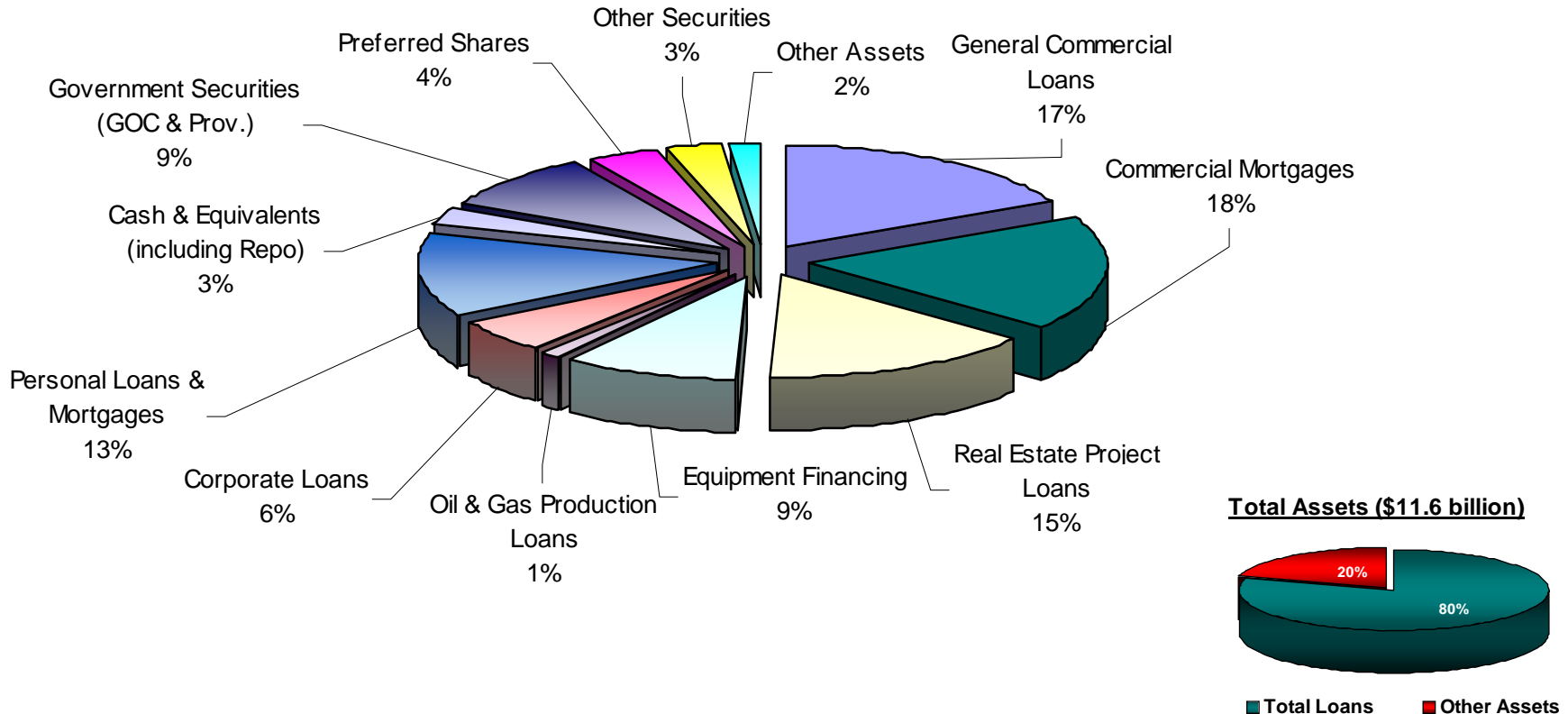
Low leverage (assets to equity)



Canadian Western Bank

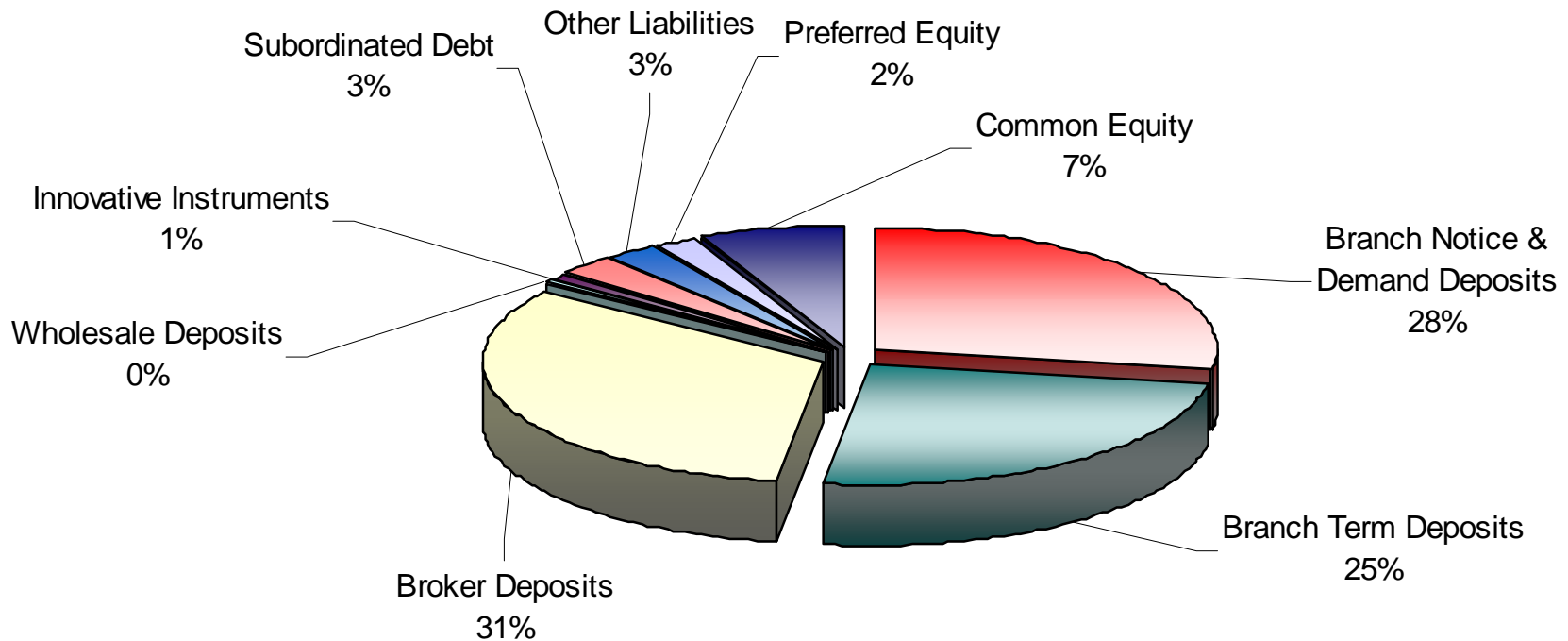


Composition of assets (as at January 31, 2010)



Funding Sources

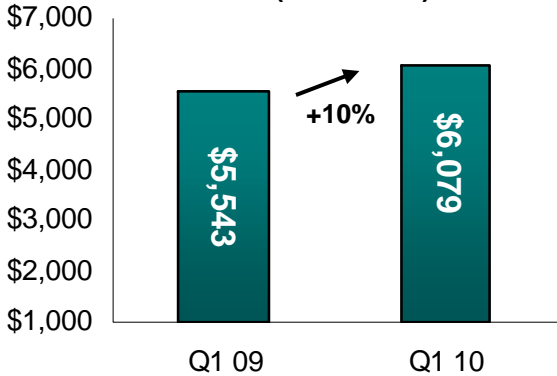
Composition of Deposits/Liabilities & Equity (as at January 31, 2010)



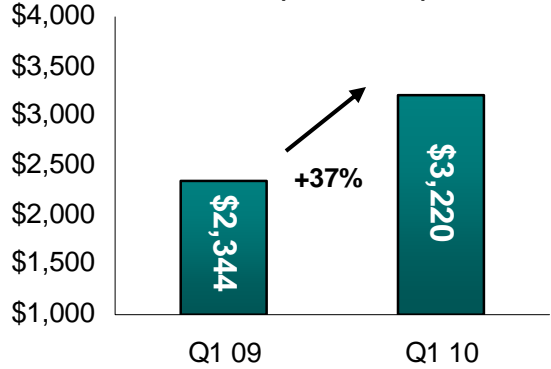
Funding Sources



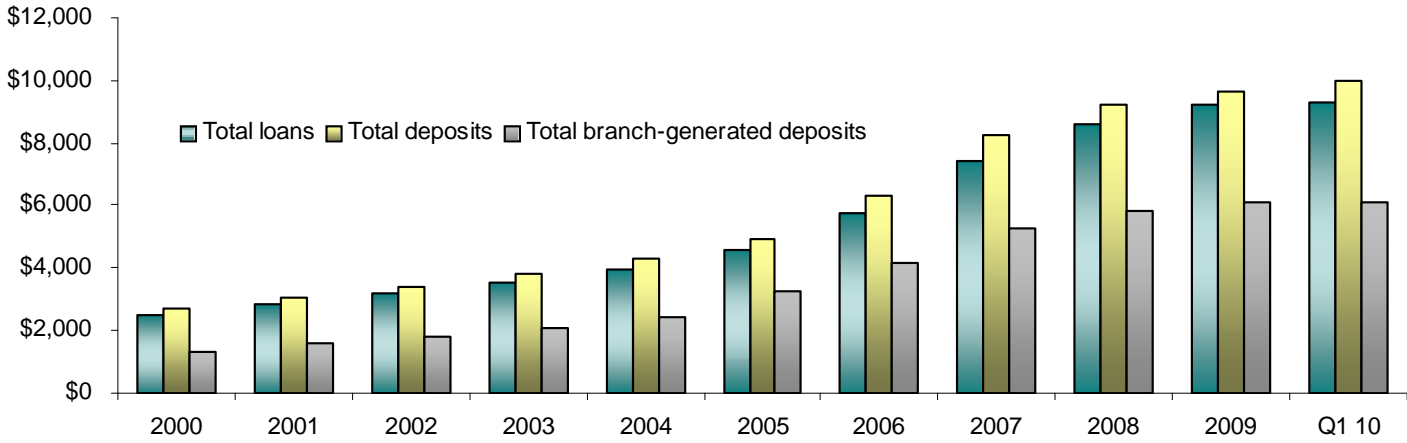
Total branch-raised deposits
(\$ millions)



Total demand & notice deposits
(\$ millions)



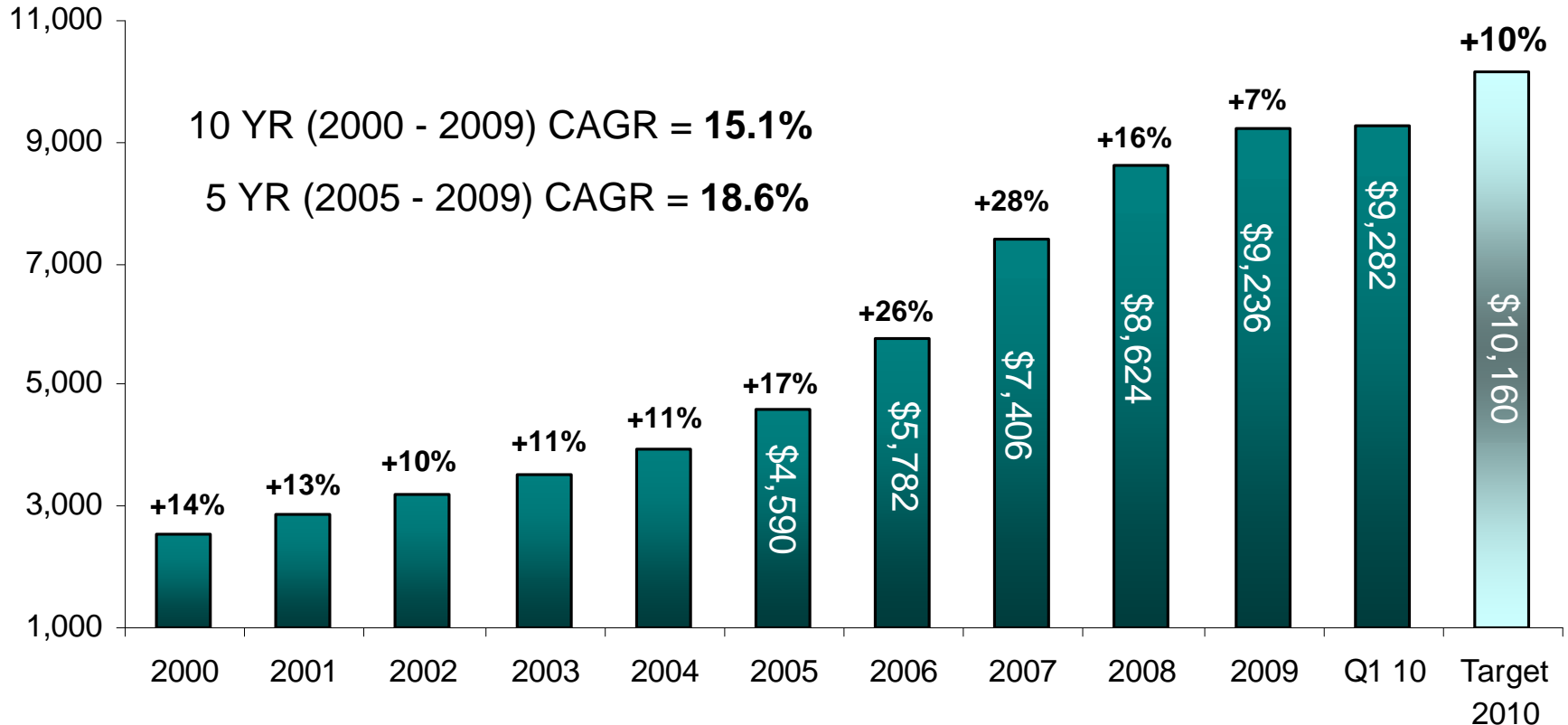
(\$ millions)



Loan Growth



Total loans outstanding (\$ millions)



- 10% loan growth target for fiscal 2010 is achievable, but will be challenging without a sustained economic recovery
- Including National Leasing, pro forma consolidated twelve month loan growth at Q1 10 was ~7% (~4% compared to October 31, 2009)

Infrastructure



Expanding market presence

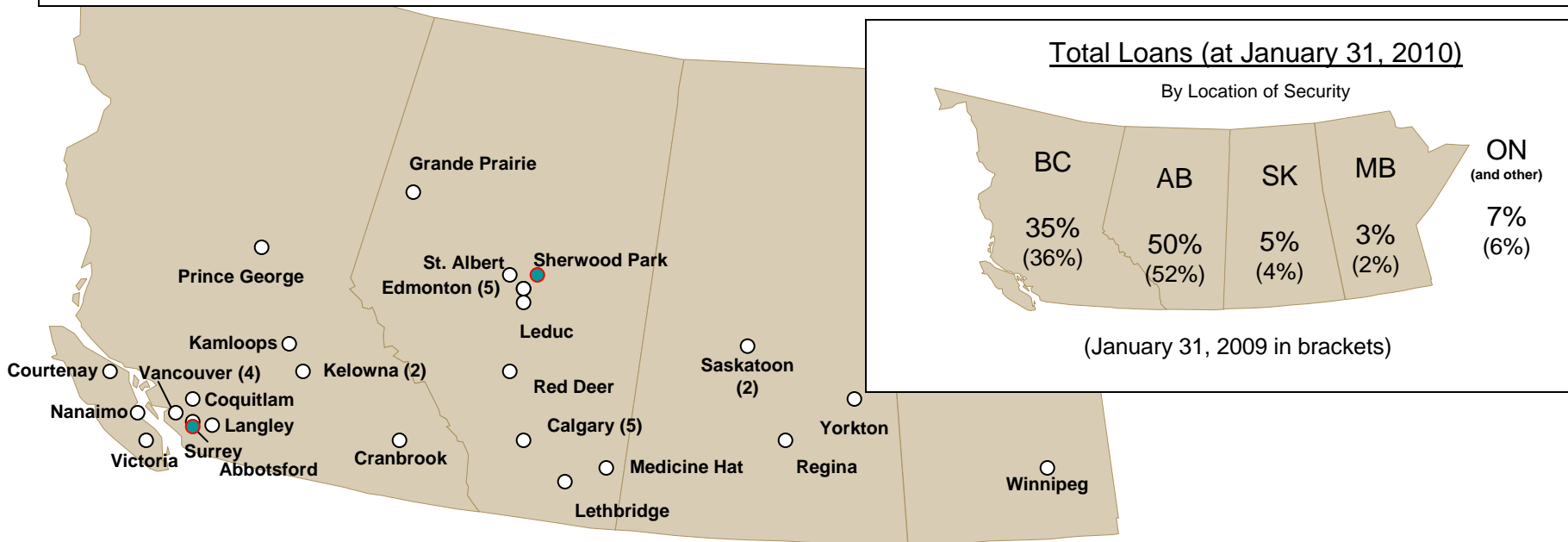
Banking branches - across Western Canada

Equipment leasing centre - Winnipeg (leases sourced across Canada – all ten provinces)

Trust services offices - Calgary, Edmonton, Toronto, Vancouver

Insurance call centres - Edmonton, Vancouver

Wealth management office - Edmonton



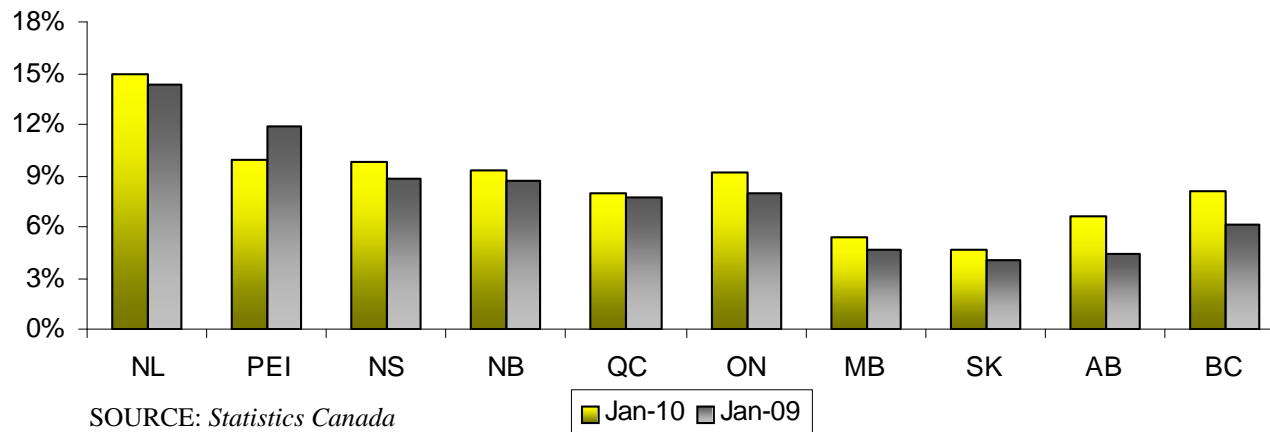
● New full-service branches in Surrey, BC & Sherwood Park, AB planned for late 2010

Economic Outlook

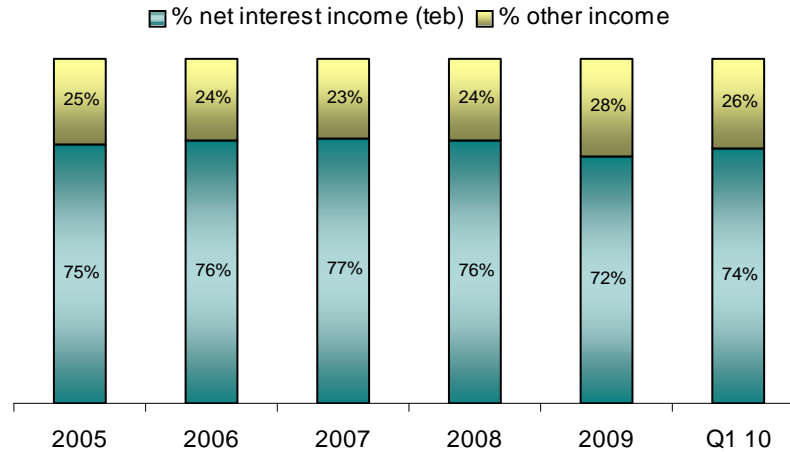


- Economic challenges expected to persist in 2010
- Canada (particularly Western Canada) well positioned to benefit once a sustained global economic recovery is confirmed
 - strong resource-based economies
 - fiscal flexibility (relatively low debt levels)
 - decreased inflationary pressures (labour, construction costs, etc.)
- Revised framework introduced for oil and gas royalties in Alberta (March 2010)
 - expected to drive increased exploration and drilling activity

Provincial Unemployment Rates (seasonally adjusted)

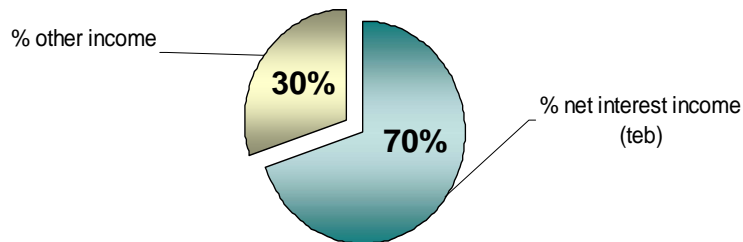


CWB Group - Composition of Income



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

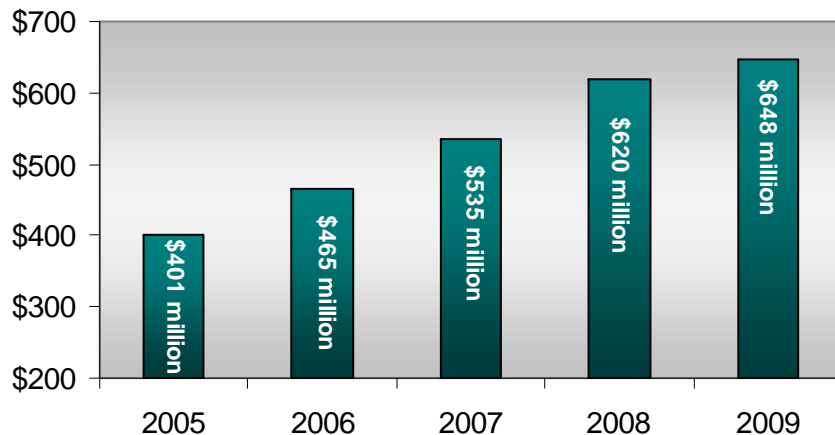
National Leasing



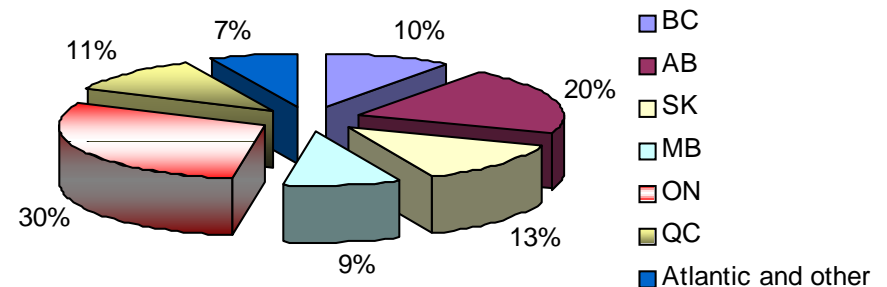
Strategic acquisition completed February 01, 2010

- Strong management / ~300 employees
- Great organizational culture
- Diversification (geography, industry, equipment type)
- Complements existing banking/lending operations
 - significant synergies expected (funding, growth, culture, technology, etc.)
- Generates much higher margins compared to CWB's core banking business; partially offset by increased provisions for credit losses

Total Leases Under Management (\$ millions)



Provincial breakdown of leases (as at Dec 2009)



Trust Services



- Excellent return on equity and strong growth potential

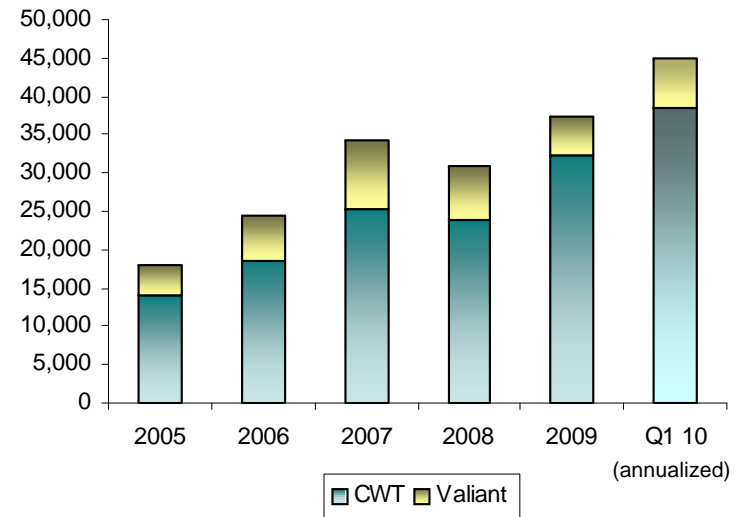


- source of non-interest income – lower capital requirements
- less cyclical than core banking business



- scalable growth platform that allows for both geographic and product expansion
- \$5.5 billion trust assets under administration
 - \$1 billion + low cost float

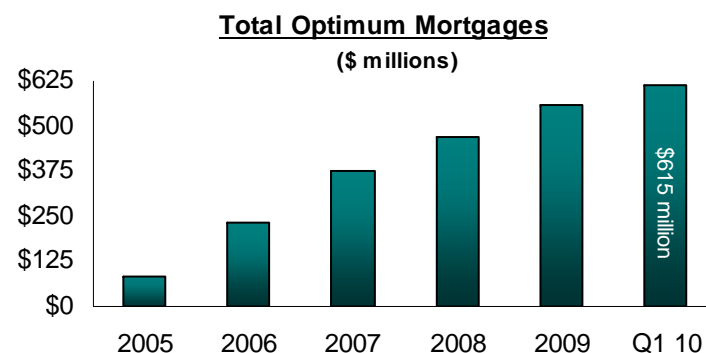
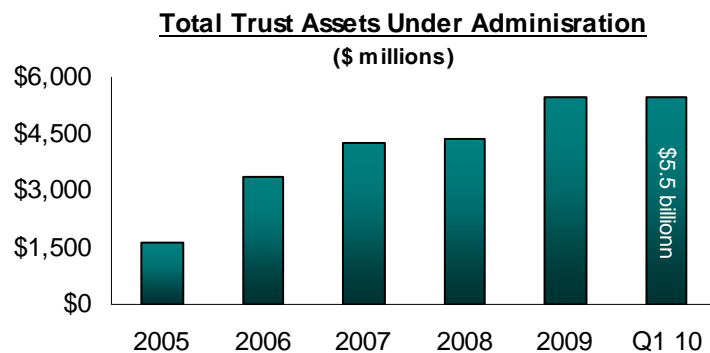
Total Revenues (teb)
(\$ thousands)



CWT with Optimum Mortgage



- Very strong revenues (\$30 million+ in FY' 09)
- Business and geographic diversification
 - Western Canada and in Ontario
 - blend of fee-based income and interest revenues
- Significant growth opportunities (CWT trust services & Optimum)
 - still in the early stages of realizing true potential

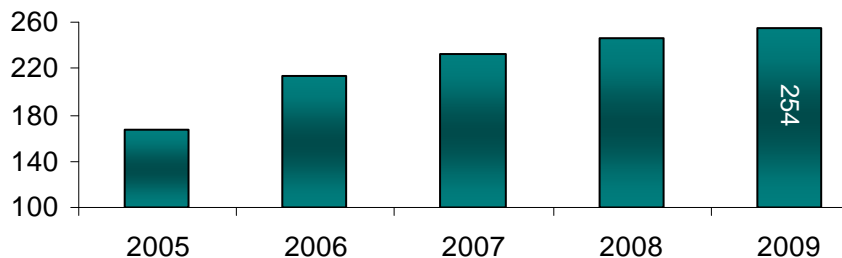


Valiant Trust

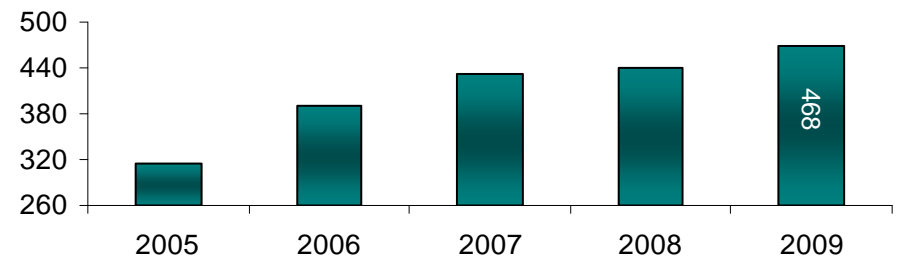


- Strong business development strategy in Ontario and Western Canada
 - focus on exceptional client service
 - cross-sell opportunities with CWB business banking
- Recently approved as a federal deposit-taking institution (CDIC license)
 - leverage capital and drive return on equity
- Scalable growth platform that offers both geographic and product expansion

of Clients



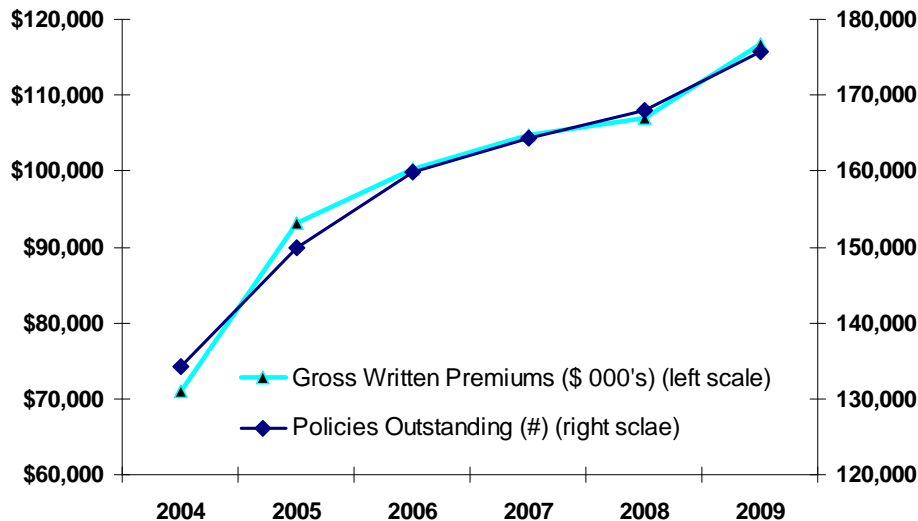
of Client Appointments



Canadian Direct Insurance



- Personal auto and home insurance (BC & AB)
 - distributing policies through telephone, Internet and broker network (BC)
 - solid organic growth profile (also potential for growth via acquisition)
 - source of income not directly correlated with general economic fluctuations
 - exceptional balance sheet and strong reserves



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

Value Creation

CDI Acquired in 2004

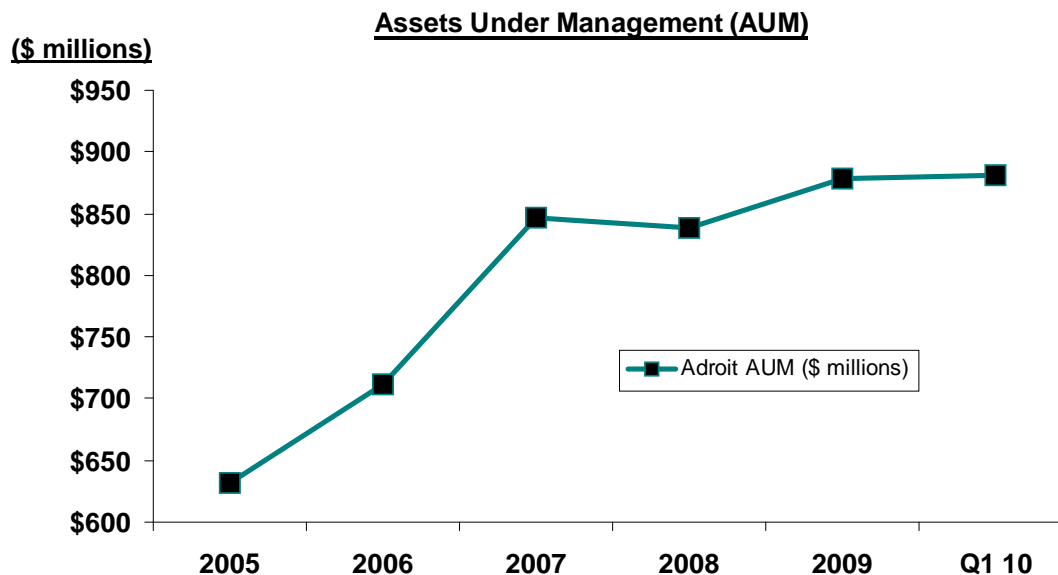


- CDI cumulative net income since acquisition
- CDI total acquisition cost (2004)

Adroit Investment Management



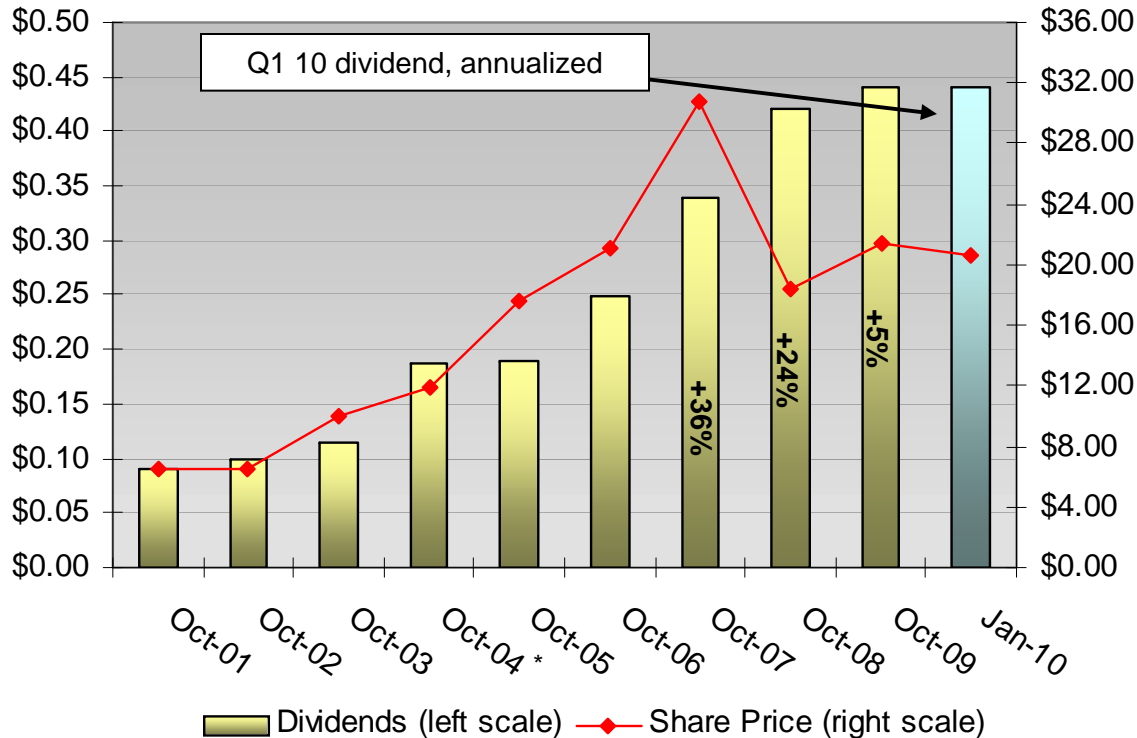
- Complementary business line with strong growth potential
 - expansion opportunities via organic growth and acquisition
- Confirmed synergies with existing banking and trust operations
 - fills important product gap for banking clients (high net worth & corporate)
 - opportunity to grow fiduciary trust business (CWT)
- Provides a stable source of fee-based income with low capital requirements



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%
 Payout ratio (Q1 10): ~18%
 Target payout range: 25-30%**

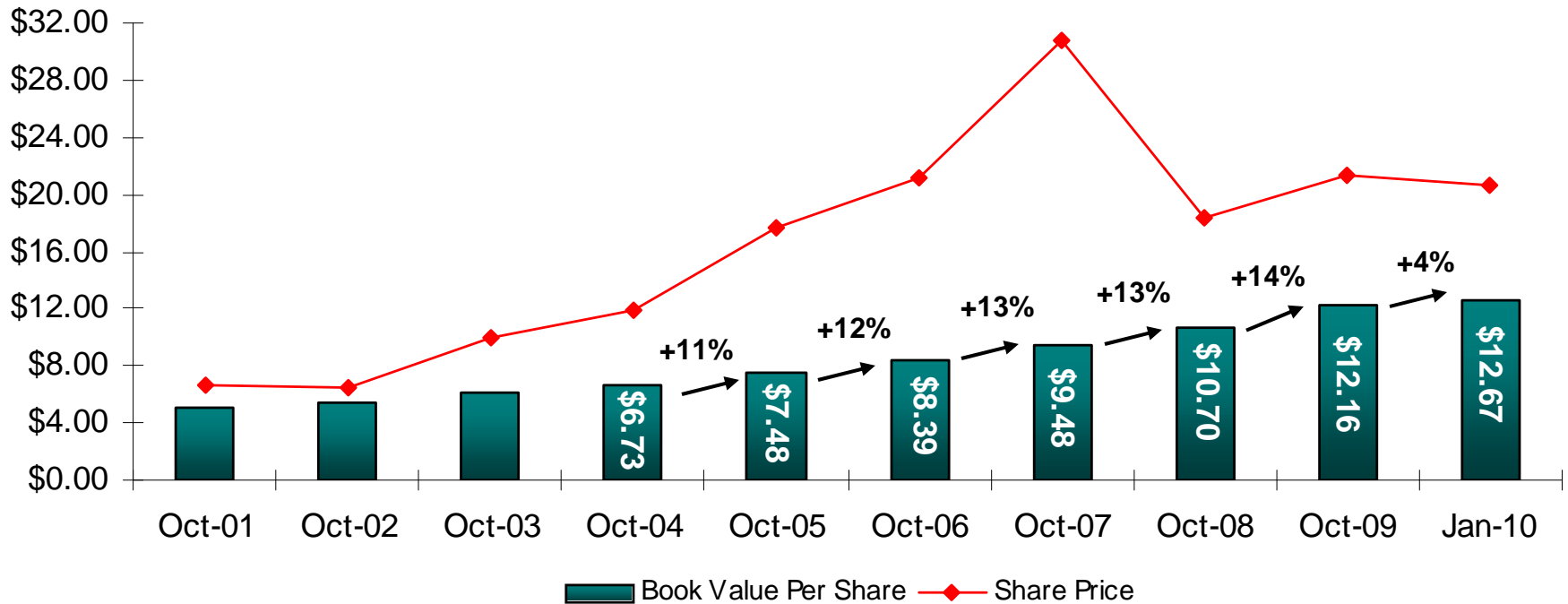
* Dividends paid in 2004 appear unusually high as they included the last semi-annual dividend and three quarterly dividends

** 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 2005 and 2007

Shareholder Return



Shares outstanding (January 31, 2010)

64.0 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

Canadian Chartered Banks & Trust Companies - Common Shareholder Annual Total Rate of Return⁽¹⁾ Calendar Years 1990 - 2009

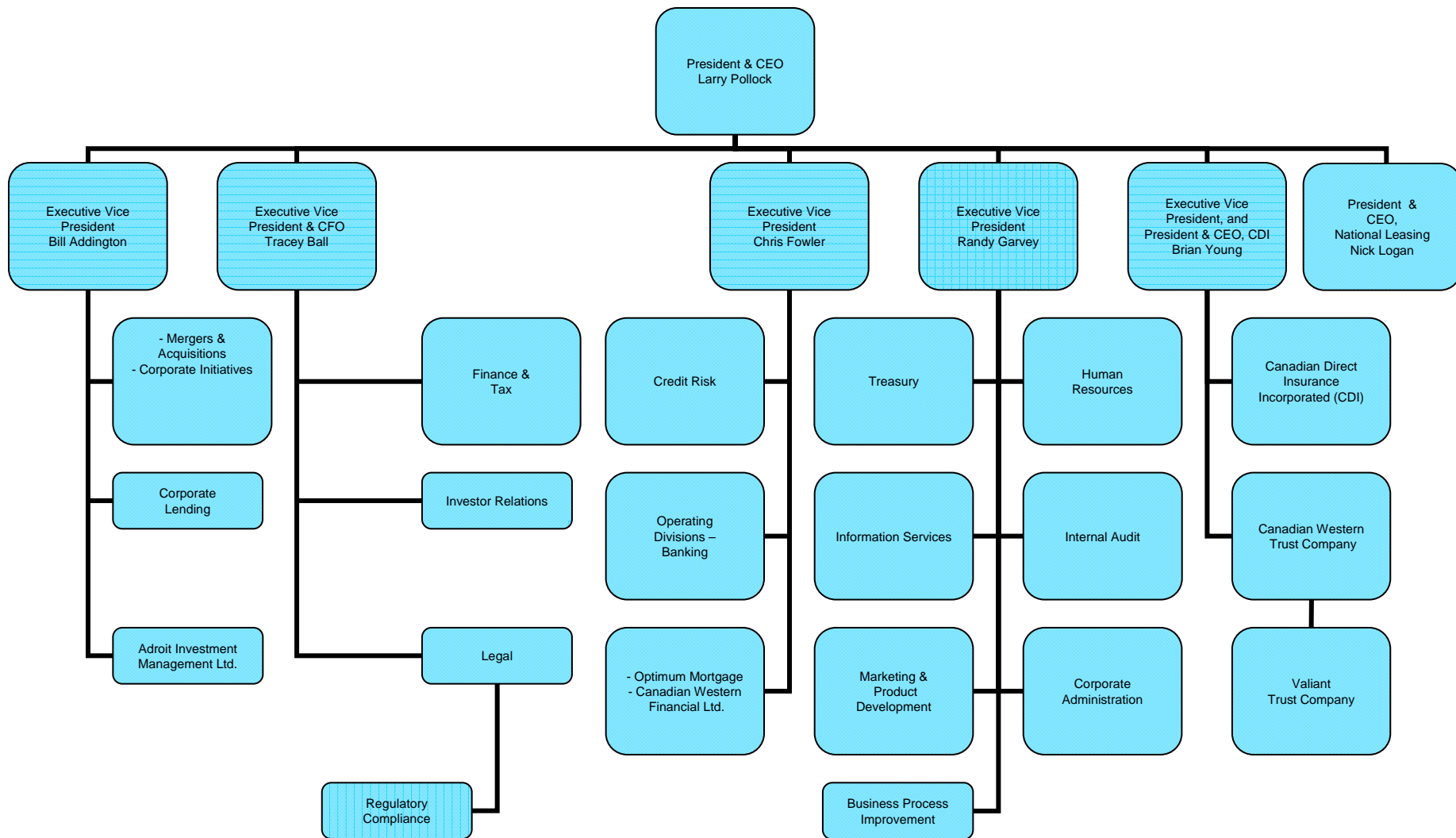
Bank	12/31/2009	1990 - 1999	2000 - 2009	1990 - 2009	2005	2006	2007	2008	2009	2005 - 2009
Royal Bank	\$56.40	13.9%	17.3%	15.6%	45.9%	26.0%	-5.5%	-25.9%	63.7%	16.1%
CIBC	\$68.15	12.3%	11.2%	11.7%	9.7%	32.9%	-25.6%	-23.1%	41.6%	3.4%
Bank of Montreal	\$55.85	16.9%	12.8%	14.8%	16.3%	9.8%	-15.0%	-41.3%	91.3%	4.0%
Scotiabank	\$49.22	19.3%	16.1%	17.7%	17.0%	16.7%	-0.1%	-31.6%	57.2%	8.0%
TD Bank	\$65.96	18.5%	8.8%	13.5%	26.1%	16.6%	2.8%	-35.1%	59.2%	9.3%
National Bank	\$60.24	9.4%	16.7%	13.0%	25.6%	12.8%	-17.3%	-36.6%	101.8%	8.4%
Laurentian Bank	\$42.75	4.7%	13.5%	9.0%	47.1%	-7.7%	13.6%	7.3%	28.9%	16.4%
Canadian Western Bank	\$21.94	17.8%	18.6%	18.2%	36.5%	49.2%	20.3%	-59.6%	82.2%	12.5%
S&P/TSX Bank Index	1,856	15.5%	13.8%	14.6%	24.9%	20.0%	-7.0%	-31.3%	62.6%	9.3%
S&P/TSX Composite Index ⁽²⁾	11,746	10.6%	5.6%	8.1%	24.1%	17.3%	9.8%	-33.0%	35.1%	7.7%

⁽¹⁾ Dividends reinvested quarterly at quarter end price

⁽²⁾ Effective December 16, 2005, 69 income trusts were included in the S&P/TSX Composite Index at 50% weight

Source: FAME, Bloomberg, BMO Capital Markets

CWB - Corporate Structure



Investor Relations



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