CANADIAN WESTERN BANK GROUP

BANK · TRUST · INSURANCE · WEALTH MANAGEMENT

2013 Third Quarter Results Conference Call

August 29, 2013

CANADA'S 10 MOST ADMIRED CORPORATE CULTURES

Best Employers in Canada

Agenda

Financial Highlights

Tracey Ball, Executive Vice President & CFO

- **Third Quarter Financial Highlights**
- **Fiscal 2013 Performance Targets**

Outlook & Strategies

Chris Fowler, President & CEO

- **Loan Growth**
- **Credit Quality**
- **Strategic Priorities and Outlook**

Questions and Answers

Performance Highlights

- Solid Quarterly performance highlighted by strong loan growth of 3% in the quarter, 10% year-to-date and 12% over the past twelve months;
  - Total loans surpass $15 billion
  - Sequential improvement in net interest margin (teb) – up 9 basis points to 2.74%
  - Finalized investment in McLean & Partners Wealth Management
  - Insurance results materially impacted by Alberta's catastrophic floods
- Regulatory capital reported under the Basel III capital framework based on the *Standardized* approach for calculating risk weighted assets:
  - Common equity Tier 1 ratio of 7.9%
  - Tier 1 capital ratio of 9.6%
  - Total capital ratio of 13.9%

Outstanding Loans by Portfolio

($ millions)	Q3 13	Q3 12	Change $	Change %
General commercial	$ 3,403	$ 3,041	$ 362	12 %
Commercial mortgages	3,257	2,925	332	11
Equipment financing and leasing	2,870	2,416	454	19
Personal loans & mortgages	2,410	2,210	200	9
Real estate project loans	2,196	1,929	267	14
Corporate lending [1]	941	873	68	8
Oil & gas production loans	290	328	(38)	(11)
Total loans outstanding	$ 15,367	$ 13,722	$ 1,645	12 %

[1] Corporate lending represents a diversified portfolio that is centrally sourced and administered through a designated lending group located in Edmonton. These loans include participation in select syndications that are structured and led primarily by the major Canadian banks, but exclude participation in various other syndicated facilities sourced through relationships developed at CWB

Performance Highlights (continued)

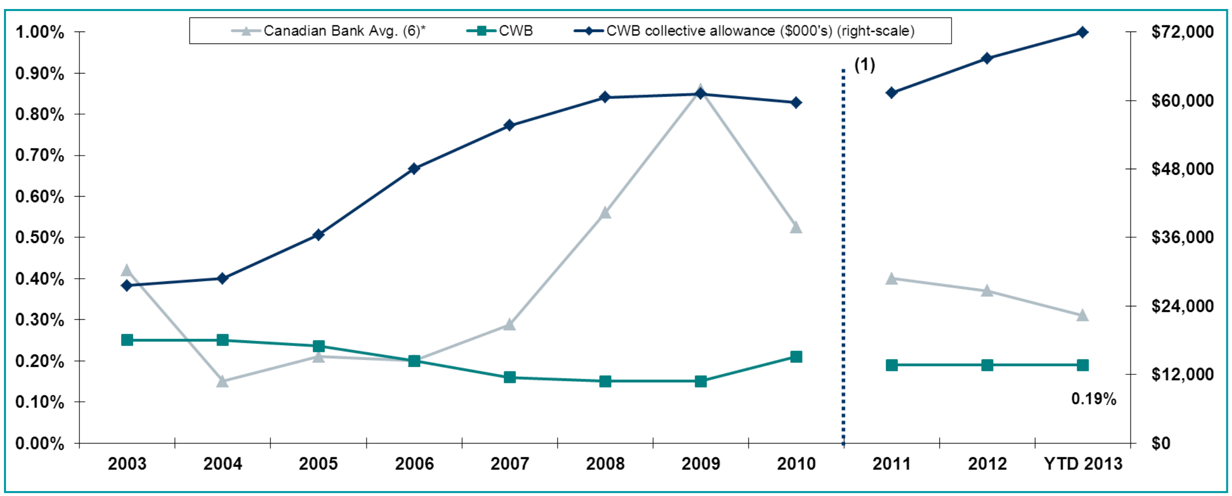
- Financial results (Q3 13 compared to Q3 12, unless otherwise noted)
  - Net income available to common shareholders of $47.5 million, down 1% ($0.5 million)
    - Diluted earnings per common share of $0.60, down 2%
    - Adjusted cash earnings per common share of $0.61, down 3%
    - Earnings impact from Alberta floods of ~$0.05 per diluted common share
  - Total revenues (teb) of $145.7 million, up 5% ($7.6 million)
    - Strong loan growth offset the impact of an 11 basis point decline in net interest margin
    - Other income relatively unchanged – financial impact of floods largely offset by gains on securities and sale of mortgage portfolios

- Financial results – (Q3 13 compared to Q2 13, unless otherwise noted)
  - Net income available to common shareholders up 10%; Adjusted cash earning per share up 11%
    - Three additional revenue-earning days, improved net interest margin and strong loan growth

Performance Highlights (continued)

- Ongoing strong credit quality
  - Change in level of gross impaired loans consistent with normal fluctuations
  - Level of impaired loans not impacted by Alberta floods
- Quarterly dividend declared of $0.18 per CWB common share, unchanged from the previous quarter and 13% higher than the dividend declared a year earlier
  - Expect to be at the top end or slightly above the target dividend payout ratio of 25 – 30% of net income available to common shareholders.

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



* "Canadian Bank Avg. (6)" as referenced within this presentation is calculated based on information contained in the publicly available company reports of Canada's six largest banks (TSX trading symbols: BMO, BNS, CM, NA, RY, TD). [1] As of Q1 11, financial results are reported under IFRS, as opposed to GAAP, and may not be directly comparable.

2013 Minimum Performance Targets

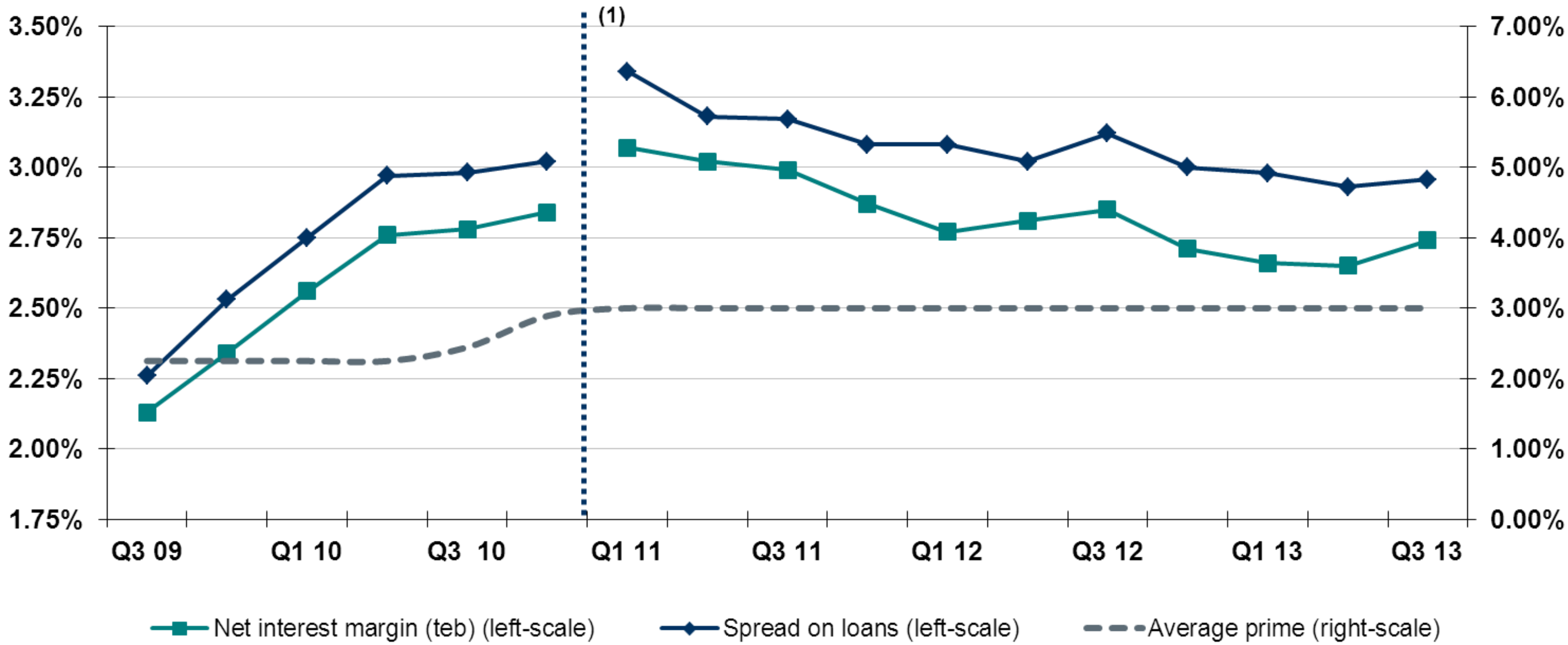
	2013 Minimum Targets	2013 Year-to-date Performance
Net income available to common shareholders growth	8%	5%
Total revenue (teb) growth	8%	7%
Loan growth	10%	12%
Provision for credit losses as a percentage of average loans (1)	0.18% – 0.23%	0.19%
Efficiency ratio (teb)(2)	46%	46.2%
Return on common shareholders' equity(3)	14%	13.9%
Return on assets(4)	1.05%	1.04%

(1) Provision for credit losses divided by average total loans. **(2)** Efficiency ratio (teb) calculated as non-interest expenses divided by total revenues (teb). **(3)** Return on common shareholders' equity calculated as annualized net income available to common shareholders divided by average common shareholders' equity. **(4)** Return on assets calculated as annualized net income available to common shareholders divided by average total assets.

In the absence of further severe weather events in the fourth quarter, all 2013 minimum targets are attainable, but the achievement of measures related to total revenue growth, profitability and efficiency will be challenging

Financial Performance: Margin

Net Interest Margin (teb) and Spread on Loans



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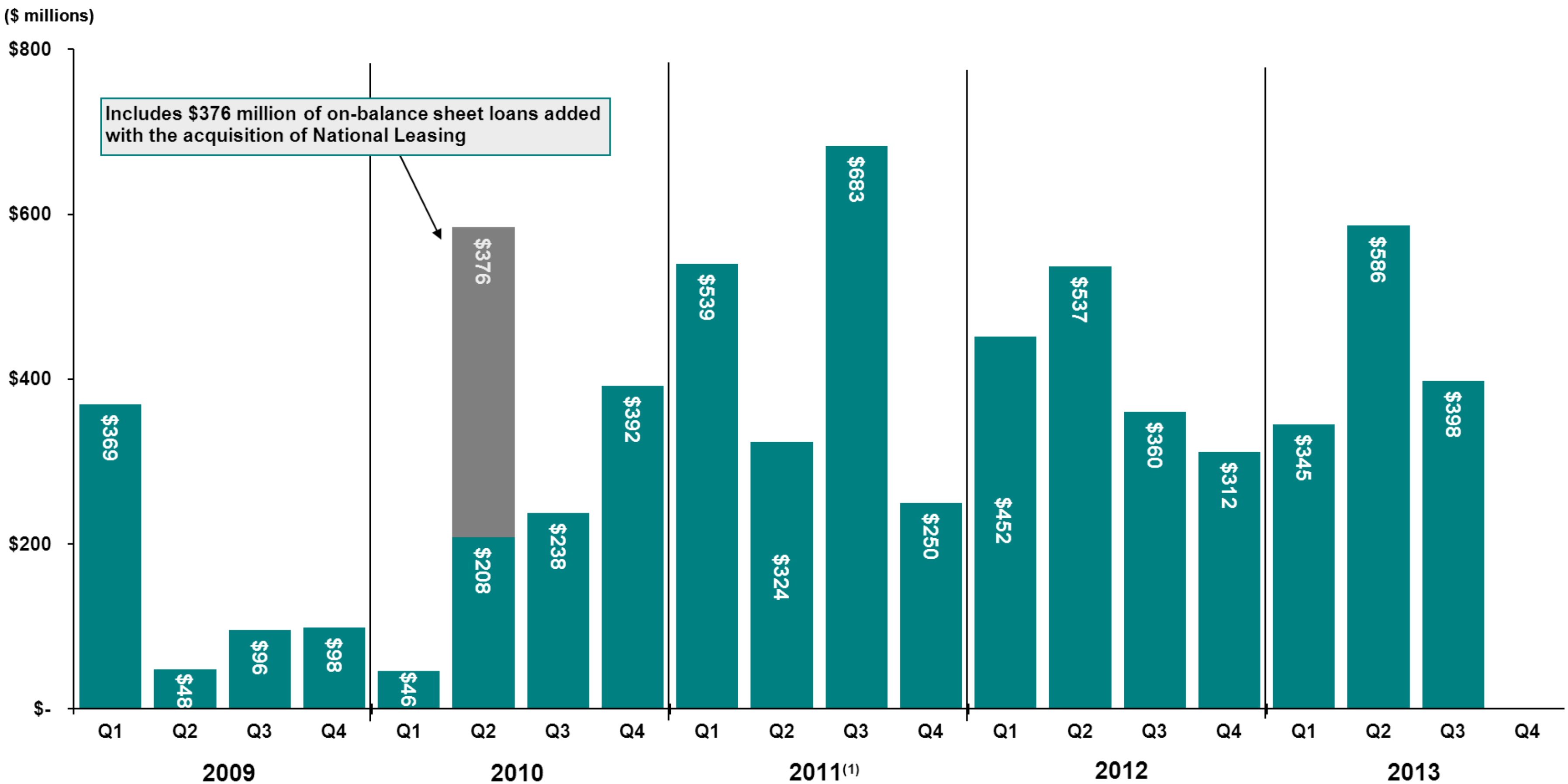
Recent steepening of the yield curve, lower liquidity and other factors will have a positive influence, but expect net interest margin will continue to be constrained

- Achieving further margin improvement over Q3 13 will be challenging over the near term
- Increases in the prime lending interest rate and/or persistent steepening of the yield curve would have a positive impact

Quarterly Loan Growth



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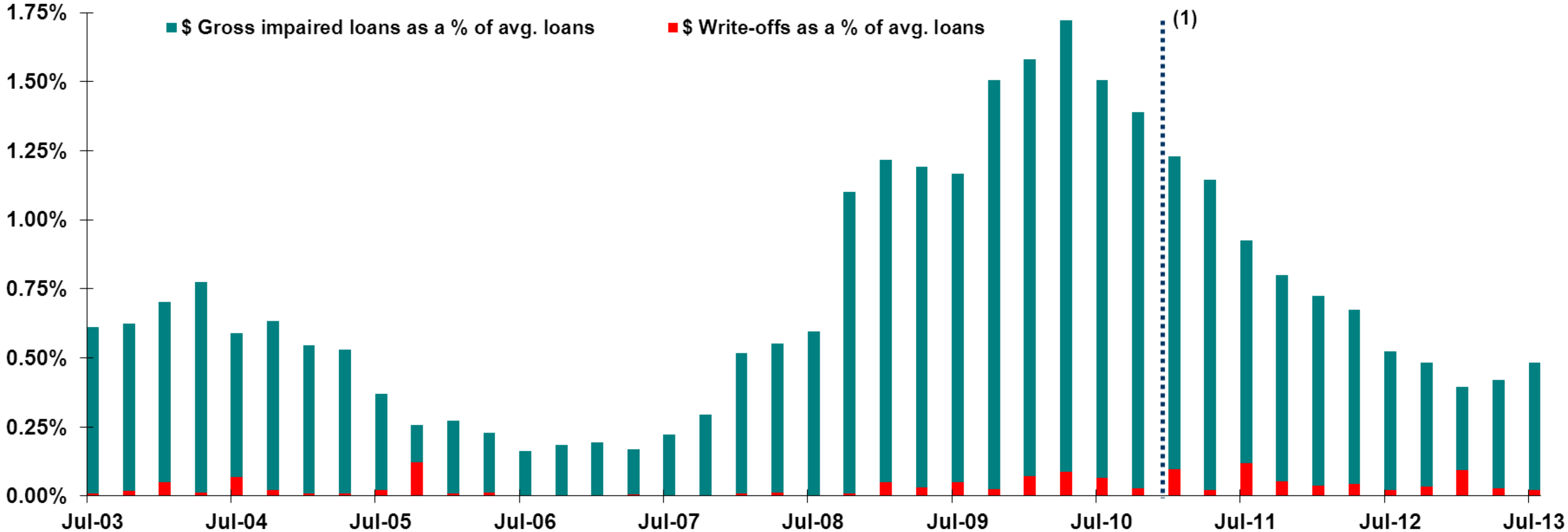
Financial Performance – Credit

Gross Impaired Loans & Write-offs (as a percentage of average loans)



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Expect ongoing strong credit quality

- Low write-offs relative to the level of gross impaired loans reflect secured lending practices and disciplined underwriting
- Slight increase in the dollar level of gross impaired loans over the past two quarters is consistent with normal fluctuations

Strategic Direction & Outlook

To be crucial to our clients' futures.

Key Strategic Goals (Financial)

- Ensure growth is profitable and accretive to adjusted earnings per share
- Grow and diversify funding sources
- Increase revenue diversification
- Maintain focused business investment while containing growth in non-interest expenses

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 2013 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 2013, management's assumptions included: modest economic growth in Canada aided by positive relative performance in the four western provinces; relatively stable energy and other commodity prices; sound credit quality with actual losses remaining within the Bank's historical range of acceptable levels; and, a lower net interest margin attributed to expectations for a prolonged period of very low interest rates due to uncertainties about the strength of global economic recovery and global macroeconomic uncertainty. Management's assumptions at the end of the third quarter remained relatively unchanged compared to those at the 2012 fiscal year end.

Potential risks that would have a material adverse impact on the Bank's economic expectations and forecasts include a global economic recession spurred by unfavourable developments in the euro zone, a recession in the United States, a meaningful slowdown in China's economic growth, or a significant and sustained deterioration in Canadian residential real estate prices. At the end of the second quarter, management's expectations and view of the potential risks were relatively consistent with the 2012 fiscal year end. However, ongoing capacity challenges for exporting Canadian crude oil may have a greater than expected impact on both the overall level of capital investment and government fiscal flexibility within the Bank's key markets.