



2015 Fourth Quarter and Annual Results Conference Call

December 3rd, 2015





Presenters' Agenda

Financial Highlights

Carolyn Graham, Executive Vice President & CFO

- Fourth quarter and annual financial highlights
- Stress testing



Strategy & Outlook

Chris Fowler, President & CEO

- Balance sheet growth
- Credit quality
- 2016 outlook and medium-term performance targets





Record financial performance from Continuing Operations

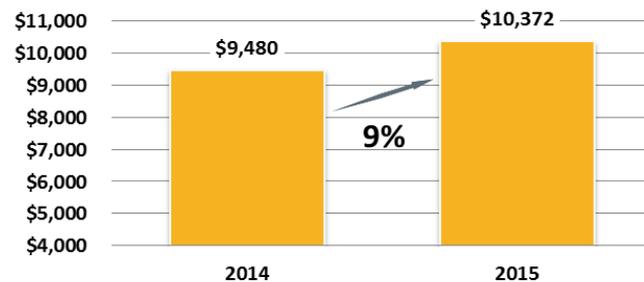
- Ongoing strong loan growth and stable credit quality
- Very strong growth in branch-raised demand and notice deposits
- Increasing contributions from complementary lines of business

Loans by Lending Sector

(\$ millions – excluding the allowance for credit losses)	Q4 15	Q4 14	Change \$	Change %
Commercial mortgages	\$ 3,839	\$ 3,574	265	7
General commercial loans	3,805	3,525	280	8
Equipment financing and leasing	3,772	3,394	378	11
Personal loans & mortgages	3,318	2,841	477	17
Real estate project loans	3,266	2,871	395	14
Corporate lending	1,257	1,147	110	10
Oil & gas production loans	313	254	59	23
Total loans outstanding	\$ 19,570	\$ 17,606	\$ 1,964	11%

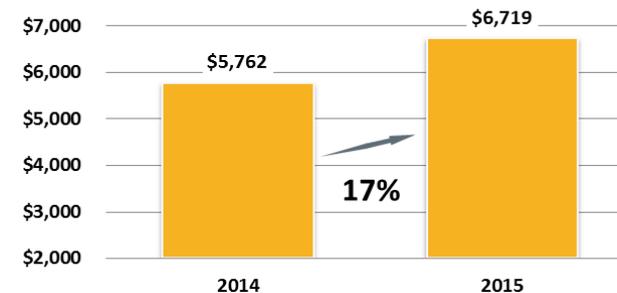
Total Branch-raised Deposits

(\$ millions)



Total Demand and Notice Deposits

(\$ millions)





Quarterly Results for Continuing Operations (compared to Q4 14)

- Common shareholders' net income of \$53.0 million, and adjusted cash earnings per common share of \$0.67, down 7% and 6%, respectively
- Total revenues, on a taxable equivalent basis (teb), of \$159.0 million, up 4%
 - Net interest income (teb) of \$141.1 million, up 8%
 - Strong 11% loan growth
 - Net interest margin down six basis points
 - Non-interest income of \$17.9 million, down 20%
 - Lower net gains on securities and 'other' non-interest income
 - Partially offset by strong growth in credit related and retail services fees

Quarterly Results for Continuing Operations (compared to Q3 15)

- Common shareholders' net income up 4% and adjusted cash earnings per common share up 3%
- Total revenues (teb) up 3%
 - Net interest income (teb) relatively unchanged
 - Loan growth of 2%
 - Net interest margin down eight basis points
 - Non-interest income up 35%
 - Nil net gains on securities compared to net losses of \$5.0 million



Fiscal 2015 Results for Continuing Operations (compared to Fiscal 2014)

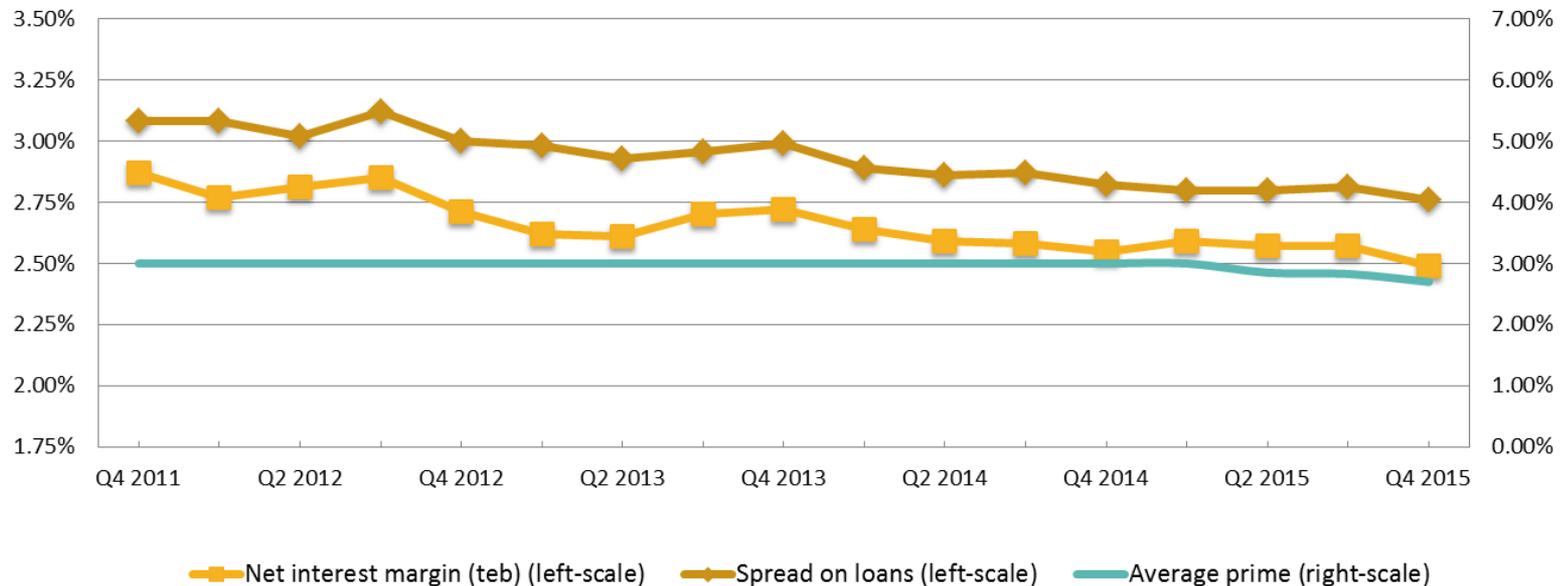
- Record common shareholders' net income of \$208.1 million, up 1%, and adjusted cash earnings per common share of \$2.63, up 2%
- Total revenues (teb) up 5%
 - Net interest income (teb) up 8%
 - Loan growth of 11%
 - Net interest margin down three basis points
 - Non-interest income down 19%
 - Strong growth in credit related and retail services fees
 - Net losses on securities of \$4.3 million compared to gains of \$13.6 million
 - Lower 'other' non-interest income

Regulatory Capital Ratios (Standardized approach for calculating risk-weighted assets)	2015	Regulatory Minimum
Common equity Tier 1 capital (CET1)	8.5%	7.0 %
Tier 1 capital	9.7%	8.5 %
Total capital	12.7%	10.5 %
Basel III Leverage Ratio	7.9%	3.0 %



Financial Performance | Margin

Net Interest Margin (teb) and Spread on Loans

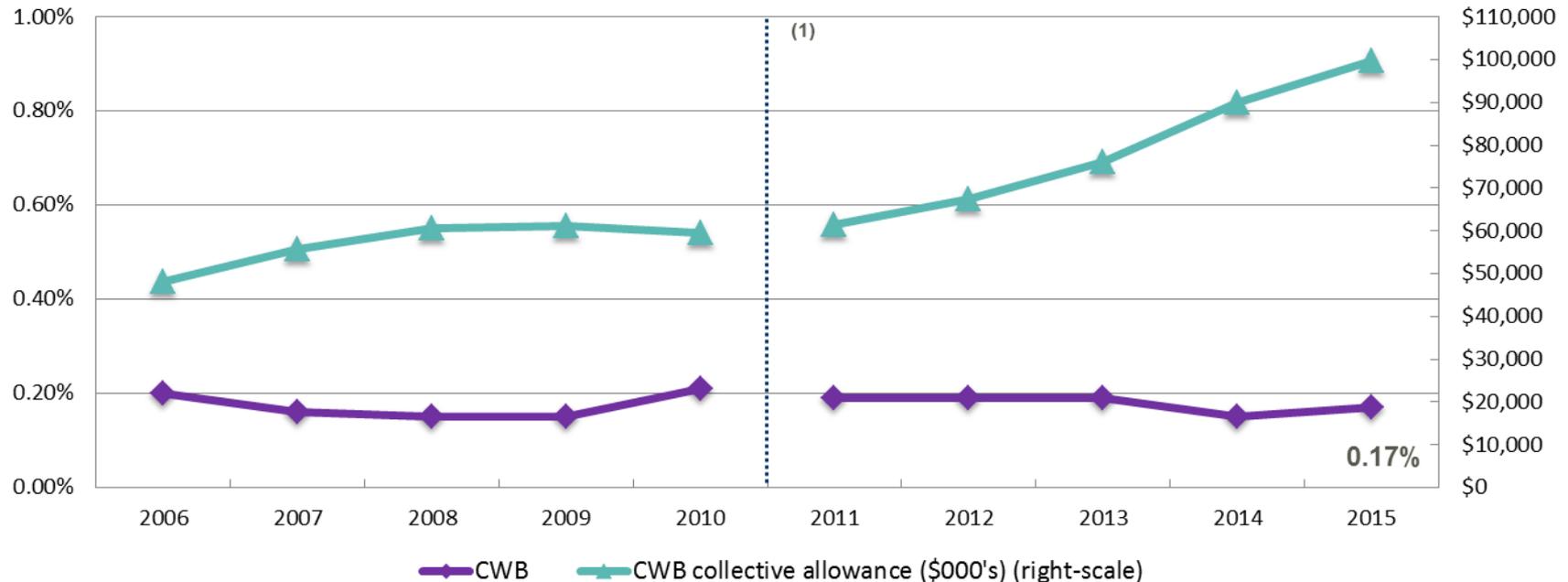


- Net interest margin (teb) down six basis points compared to Q4 14
 - Lower loan yields due to competitive factors and the Bank of Canada rate cuts, offset by more favourable deposit costs and beneficial changes in deposit mix
- Net interest margin (teb) down eight basis points from the prior quarter
 - Lower loan yields and higher average liquidity partially offset by more favourable deposit costs
- Net interest margin (teb) down three basis points on a year-to-date basis
 - Lower loan yields partially offset by more favourable deposit costs, beneficial changes in deposit mix and lower average liquidity



Financial Performance | Credit

Provision for Credit Losses (as a percentage of average loans)



(1) As of Q1 11, financial results are reported under IFRS, as opposed to GAAP, and are not directly comparable.

- The provision for credit losses of 17 basis points came in at the low end of CWB's target range
- The increase from 15 basis points one year ago reflects normalization from an unusually low annual provision which had resulted from very low levels of specific allowances
- The 2016 provision for credit losses as a percentage of average loans is expected to fall between 18 and 23 basis points.



Stress Testing

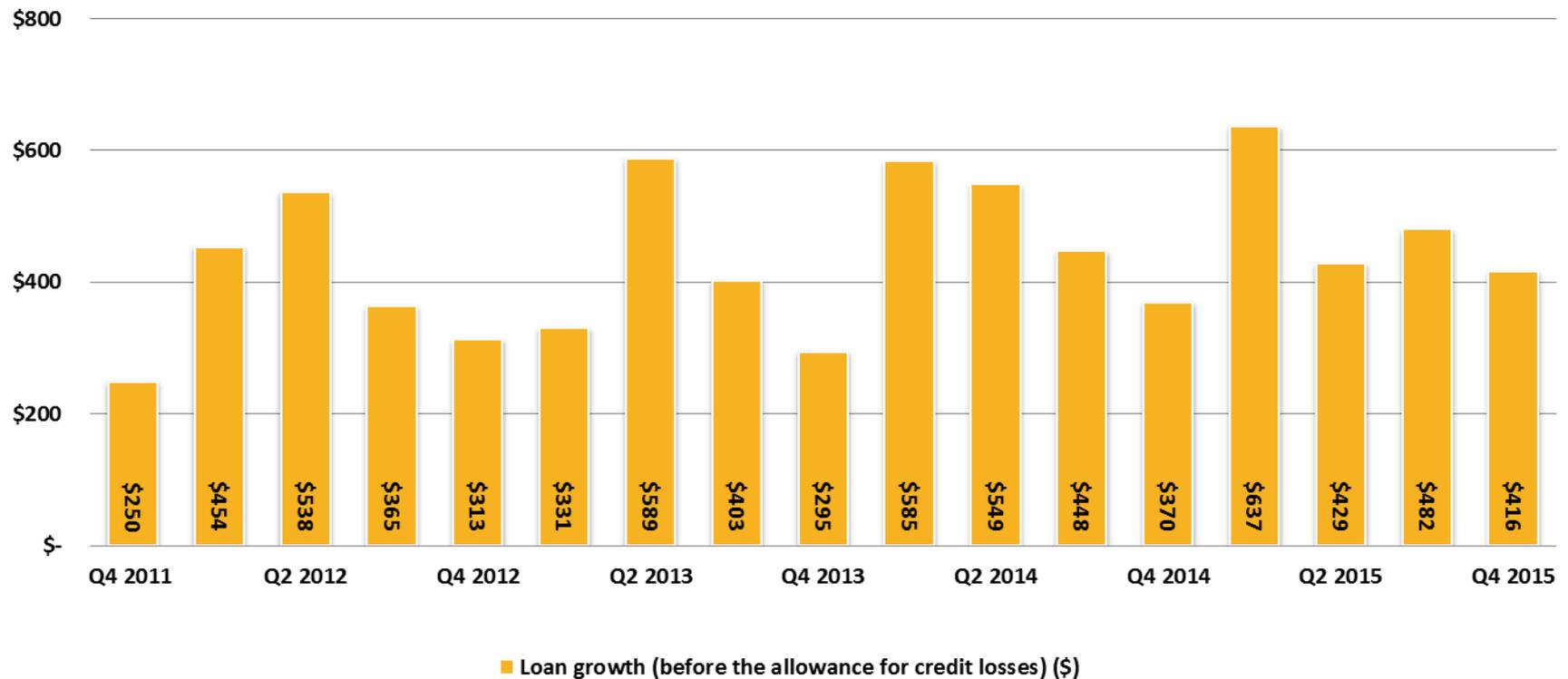
- CWB performs regular stress tests to assess the potential impacts of various scenarios
- The following multi-factor stress test was performed during the fourth quarter:
 - 150% of CWB's historical peak credit losses realized simultaneously across all segments of the loan portfolio in Alberta and Saskatchewan each year for three years
 - 100% of CWB's historical peak credit losses realized simultaneously across all segments of the loan portfolio in all other regions each year for three years
 - Related assumptions included:
 - Changes in interest rates (lower loan yields; higher deposit costs due to competitive factors)
 - Lower loan growth
 - Higher *Standardized* risk-weighted assets
- Results support the expectation that CWB would continue to deliver profits and maintain financial stability throughout the forecast horizon even under very severe economic conditions
- The resilience of CWB's capital position reflects both CWB's commercial lending focus and its use of the *Standardized* approach for calculating risk weighted assets
- Under the Standardized approach, most of CWB's commercial lending exposures are risk weighted at 100%. In view of the assumption for constrained loan growth in the stress scenario, incremental increases in risk weighted assets mainly result from a 50% increase in risk weights on loans assumed to be in default
- This increase is effectively offset by the runoff of CWB's relatively short duration portfolio, resulting in stable regulatory capital ratios over a multi-year timeframe



Quarterly Loan Growth

(excluding allowance for credit losses)

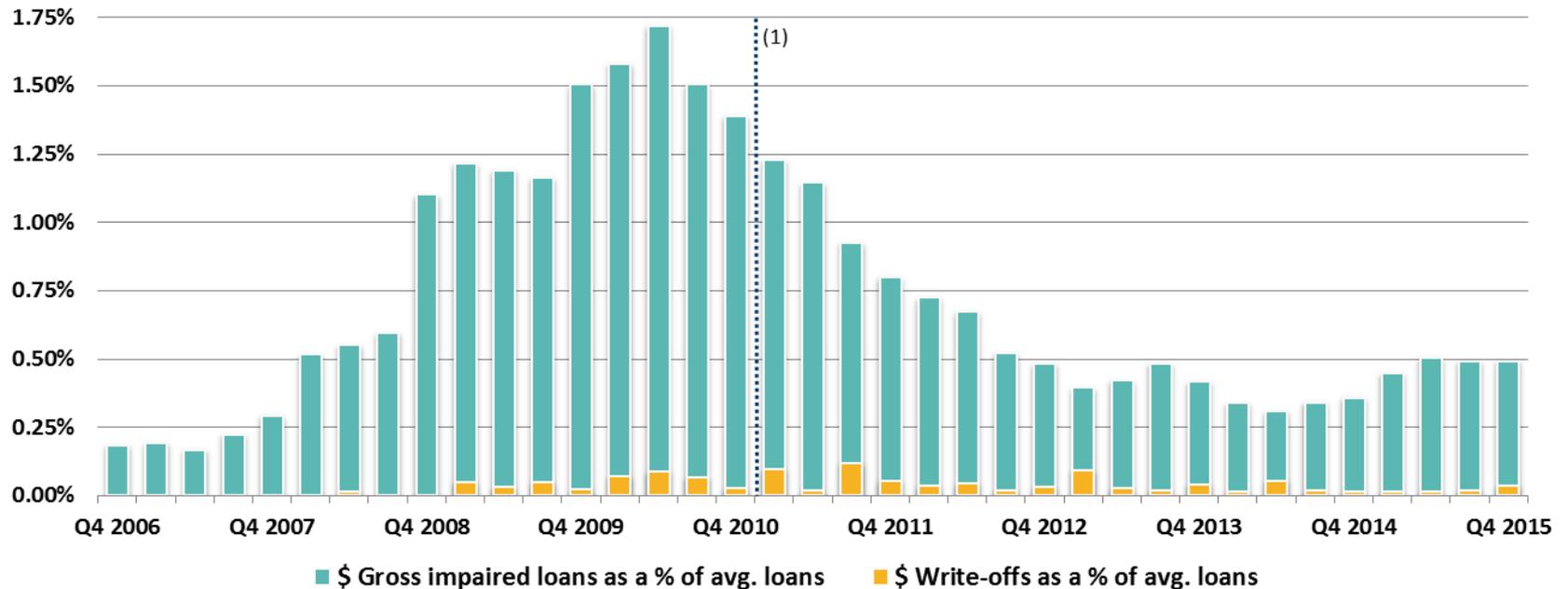
(\$ millions)





Financial Performance | Credit

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



(1) As of Q1 11, financial results are reported under IFRS, as opposed to GAAP, and are not directly comparable.

- Expect ongoing stable credit quality with the 2016 provision for credit losses as a percentage of average loans expected to fall between 18 and 23 basis points.
- Low write-offs relative to the level of gross impaired loans reflect secured lending practices and disciplined underwriting



Strategy and Outlook | Growing Coast to Coast





Medium-term Performance Target Ranges (3 – 5 years)

	Medium-term Target Range
Annual adjusted cash earnings per common share growth ⁽¹⁾⁽²⁾	7 – 12%
Annual return on common shareholders' equity ⁽³⁾	12 – 15%
Operating leverage	Positive
Common equity Tier 1 capital ratio under the Standardized approach	Strong
Common share dividend payout ratio	~ 30%

(1) Adjusted cash earnings per common share growth is the current year results over the same period last year. (2) Adjusted cash earnings per common share is calculated as diluted earnings per common share excluding the after-tax amortization of acquisition-related intangible assets and the non-tax deductible change in fair value of contingent consideration (which represent non-cash charges that are not considered to be indicative of ongoing business performance). (3) Return on common shareholders' equity is calculated as annualized net income available to common shareholders divided by average common shareholders' equity.

- Performance targets are based on key measures of shareholder value
- Targets reflect the objectives embedded within CWB's strategic direction and a three to five year time horizon consistent with the longer-term interests of CWB shareholders
- Expectations for performance within target ranges assumes moderate economic growth in Canada over the forecast horizon
- Financial performance is to be driven by CWB's commitment to deliver ongoing strong loan growth at levels relatively consistent with recent performance, further optimization of CWB's funding mix, stable credit quality, effective expense management in consideration of revenue growth opportunities, and prudent capital management



Advisory

Forward-looking Statements

From time to time, CWB 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 CWB's objectives and strategies, targeted and expected financial results and the outlook for CWB'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", "goal", "focus", "potential", "proposed" 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 and are subject to inherent risks and uncertainties, which give rise to the possibility that management's predictions, forecasts, projections, expectations and conclusions will not prove to be accurate, that its assumptions may not be correct and that its strategic goals will not be achieved.

A variety of factors, many of which are beyond CWB'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 level of liquidity in financial markets, fluctuations in interest rates and currency values, the volatility and level of various commodity prices, changes in monetary policy, changes in economic and political conditions, legislative and regulatory developments, legal developments, the level of competition, the occurrence of natural catastrophes, changes in accounting standards and policies, the accuracy and completeness of information CWB 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 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.

Additional information about these factors can be found in the Risk Management section of CWB's annual Management's Discussion and Analysis (MD&A). 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 CWB's actual results to differ materially from the expectations expressed in such forward-looking statements. Unless required by securities law, CWB 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 over the forecast horizon and how it will affect CWB's businesses are material factors considered when setting organizational objectives and targets. In determining our expectations for economic growth, we primarily consider economic data and forecasts provided by the Canadian government and its agencies, as well as an average of certain private sector forecasts. These forecasts are subject to inherent risks and uncertainties that may be general or specific. Where relevant, material economic assumptions underlying forward looking statements are disclosed.