



CANADIAN
WESTERN BANK
GROUP

BANK • TRUST • INSURANCE • WEALTH MANAGEMENT

Corporate Presentation

First Quarter 2013





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.

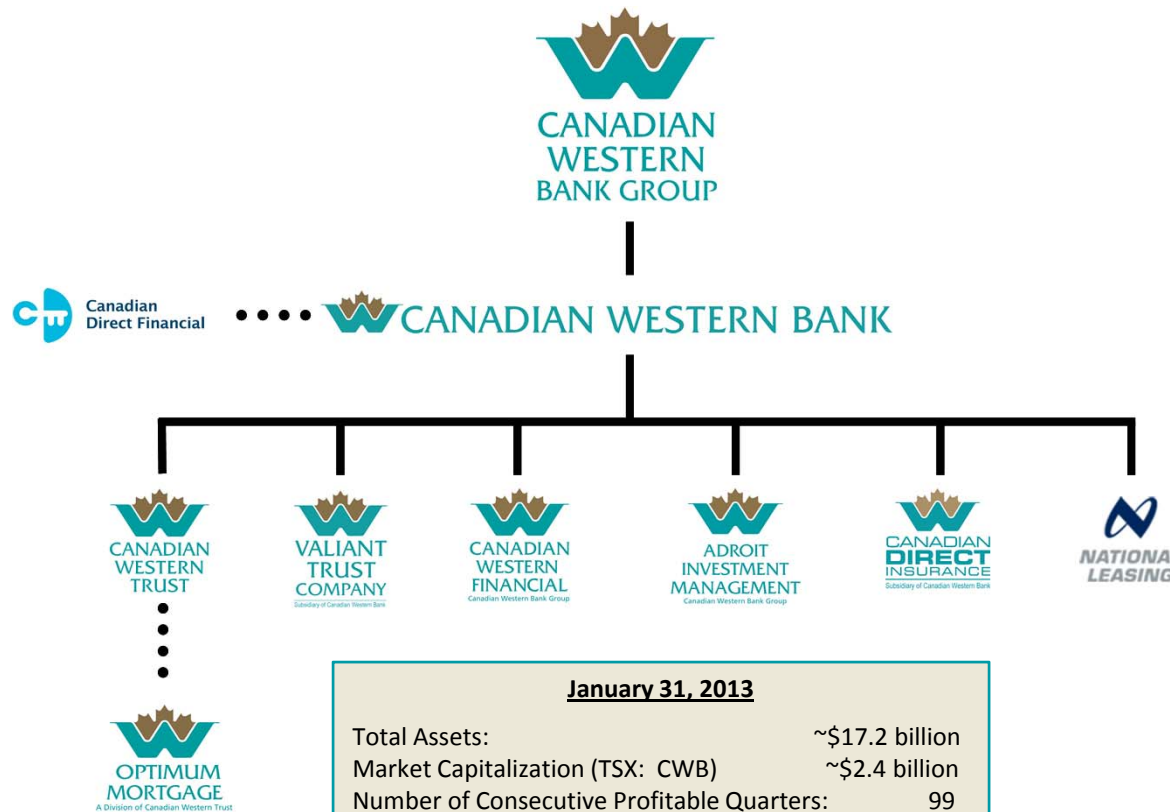
These and other factors should be considered carefully and readers are cautioned not to place undue reliance on these forward-looking statements as a number of important factors could cause the Bank's actual results to differ materially from the expectations expressed in such forward looking statements. 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 first 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 first quarter, management's expectations and view of the potential risks were relatively consistent with the fiscal year end. However, significant and ongoing oil price differentials owing to 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.



CWB Group



Lines of Business

- Business banking
- Personal banking
- Commercial equipment leasing
- Alternative mortgage lending
- Corporate trust
- Personal trust
- Wealth management
- Auto and home insurance

Bank: 41 branches (+equipment leasing)
Trust: 8 locations
Insurance: 2 service centres
Wealth management: 1 location

January 31, 2013

Total Assets:	~\$17.2 billion
Market Capitalization (TSX: CWB)	~\$2.4 billion
Number of Consecutive Profitable Quarters:	99

Credit Ratings (DBRS) – Stable Trend

Long-term Debt/Senior Deposits:	A (low)
Short-term Debt:	R1 (low)
Subordinated Debentures:	BBB (high)
Preferred Shares:	Pfd-3 (high)

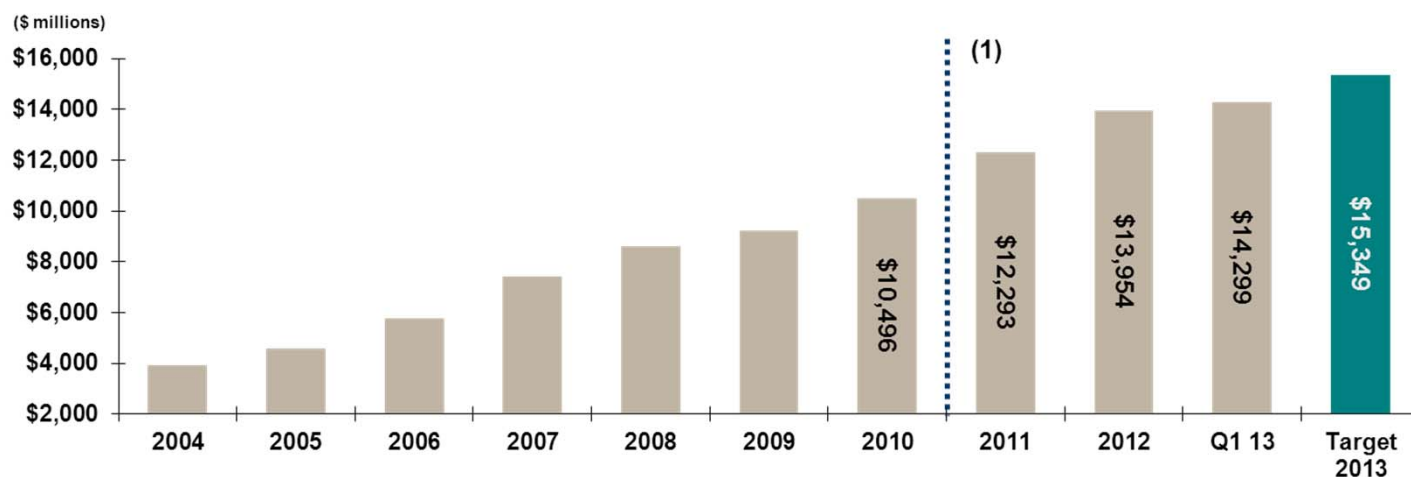


Financial Performance: History

Historical Growth (five-year increments)

YEAR	TOTAL ASSETS (\$ millions)	% ASSET GROWTH	NET INCOME BEFORE TAXES (\$ thousands)	% NET INCOME GROWTH BEFORE TAXES	NET INCOME AFTER TAXES (\$ thousands)
1992	\$543		\$1,346		\$1,266
1997	\$2,023	273%	\$16,253	1108%	\$15,837
2002	\$3,828	89%	\$45,716	181%	\$29,612
2007	\$9,525	149%	\$135,936	197%	\$96,282
2012 ⁽¹⁾	\$16,873	77%	\$254,666	87%	\$194,457

Total Loans



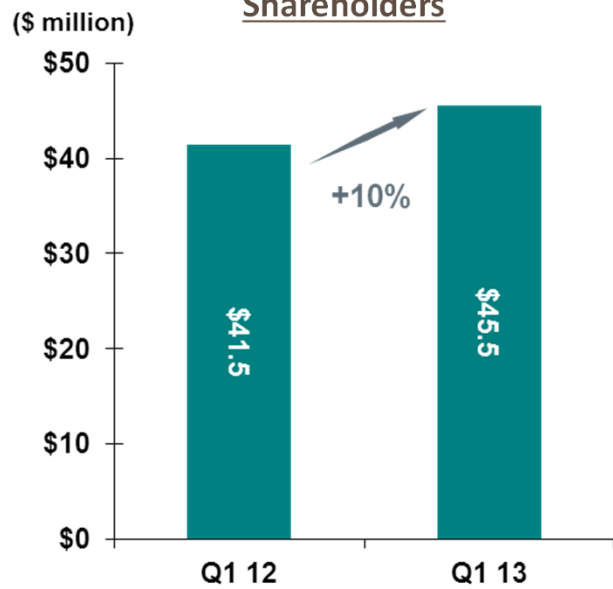
(1) As of Q1 11, financial results are reported under International Financial Reporting Standards (IFRS), as opposed to Canadian Generally Accepted Accounting Principles (GAAP), and may not be directly comparable.



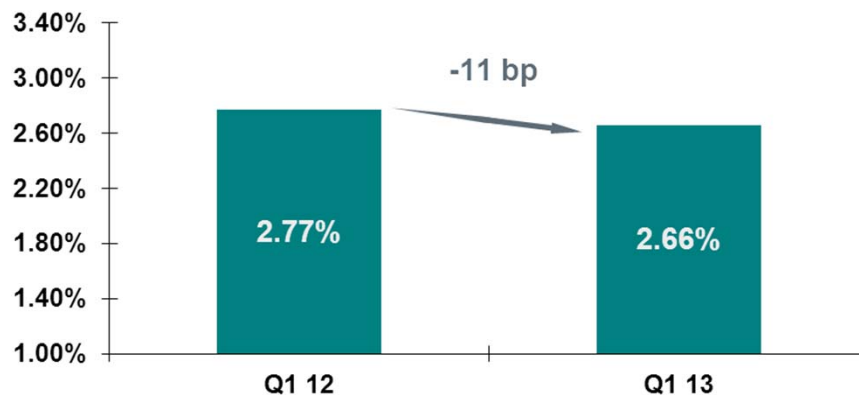
Financial Performance: Q1 13

(\$ thousands)	Q1 13	Q1 12	Change
Net income available to common shareholders	\$ 45,482	\$ 41,478	10 %
Diluted earnings per share	0.57	0.54	6
Adjusted cash earnings per share	0.58	0.57	2

Net Income Available to Common Shareholders



Net Interest Margin (teb)





Strategic Priorities: Focus 2013

Do what we do,
only better.

- Build on existing competitive strengths
 - Client-focused; business banking; niche lending areas
 - Disciplined underwriting and secured lending practices
- Maintain solid capital position to support growth and enhance flexibility under the Basel III regulatory capital framework
- Invest in people/infrastructure/technology to support growth and improve efficiency
 - Ongoing expansion of branch network
 - Enhance and diversify the funding base
 - Responsibly manage expense growth in consideration of expected revenues

Make the whole
worth more
than the sum of the parts.






- Increase total revenues by building on cross-partnership opportunities between CWB Group companies/divisions (offer more products to existing clients)
- Support the development and growth of complementary business lines to increase non-interest (fee-based) income and further diversify sources of net interest income
 - Equipment financing and leasing
 - Alternative mortgages
 - Trust services
 - Insurance
 - Wealth management

} Strong returns and high growth potential



Performance Objectives 2013 (GAAP)

Five-year Targets (established at the beginning of fiscal 2009)

- ▶ Surpass \$200 million of net income 
- ▶ Achieve 30% earnings contribution from non-interest sources 
- ▶ Double income contributions from all CWB operating affiliates 
- ▶ Enhance personal banking franchise (grow core deposits and branch network) 
- ▶ Increase industry and geographic diversification (specific business units) 

 On track to meet or beat target

 Achievement of target will be difficult



2013 Minimum Performance Targets

	2013 Minimum Targets	2013 Performance
Net income available to common shareholders growth	8%	10%
Total revenue (teb) growth	8%	9%
Loan growth	10%	12%
Provision for credit losses as a percentage of average loans ⁽¹⁾	0.18% – 0.23%	0.18%
Efficiency ratio (teb) ⁽²⁾	46%	45.3%
Return on common shareholders' equity ⁽³⁾	14%	14.2%
Return on assets ⁽⁴⁾	1.05%	1.06%

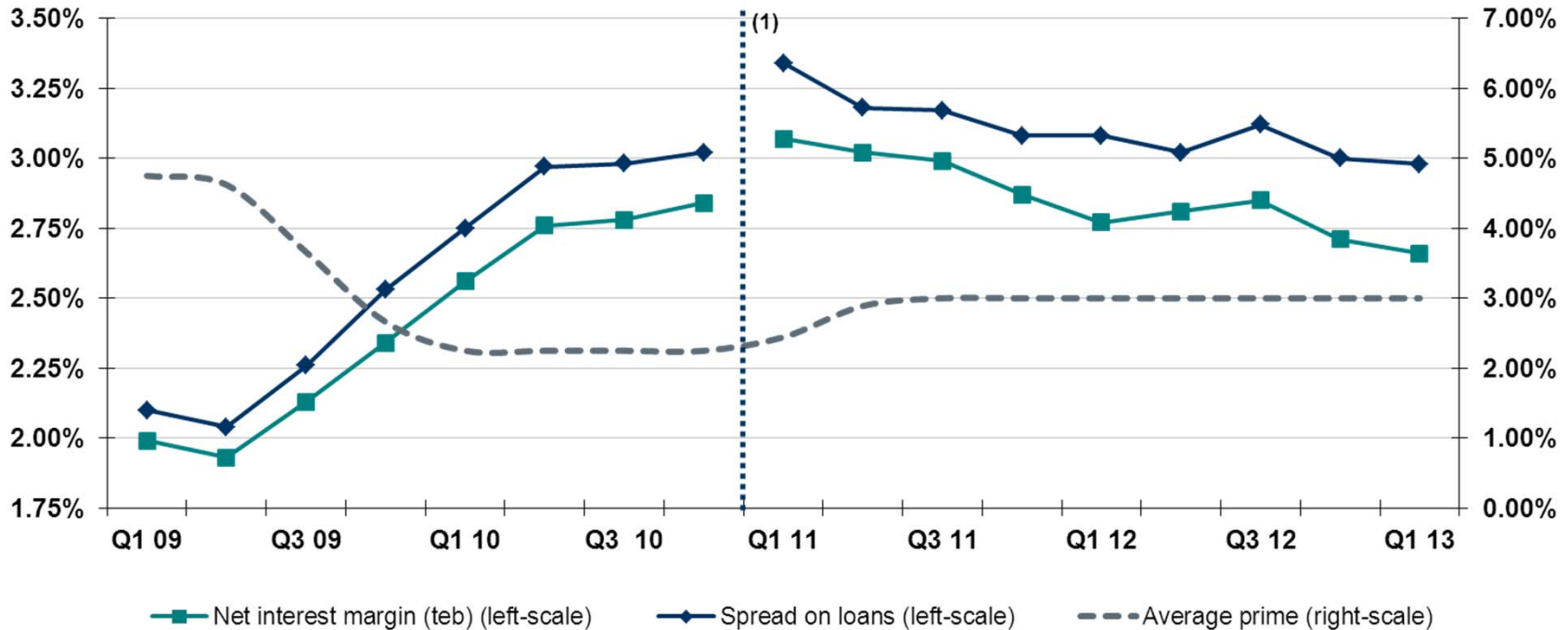
(1) Provision for credit losses divided by average total loans. (2) Efficiency ratio (teb) calculated as non-interest expenses divided by total revenues (teb). (3) Return on common shareholders' equity calculated as annualized net income available to common shareholders divided by average common shareholders'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

- 2013 minimum targets reflect ongoing confidence in CWB's strategic direction, proven business model and chosen geographic markets
- Well positioned in relation to all minimum performance targets through Q1 13



Financial Performance: Margin

Net Interest Margin (teb) and Spread on Loans



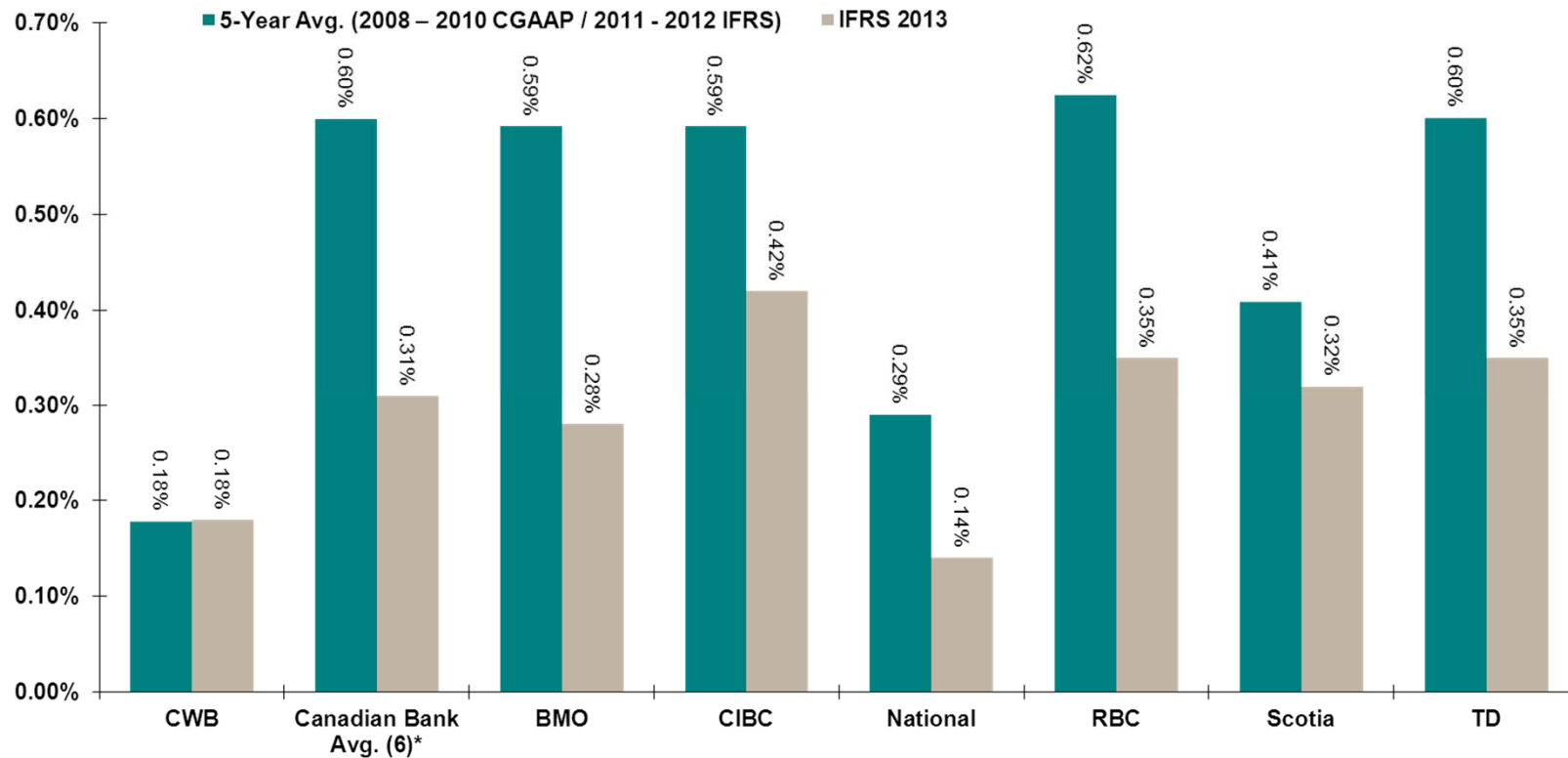
(1) As of Q1 11, financial results are reported under IFRS, as opposed to GAAP, and may not be directly comparable.

- Fiscal 2013 net interest margin expected to fluctuate around the level achieved in Q4 12, reflecting the combined impact of the current very low interest rate environment, a flat yield curve and ongoing competitive influences.



Financial Performance: Credit

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



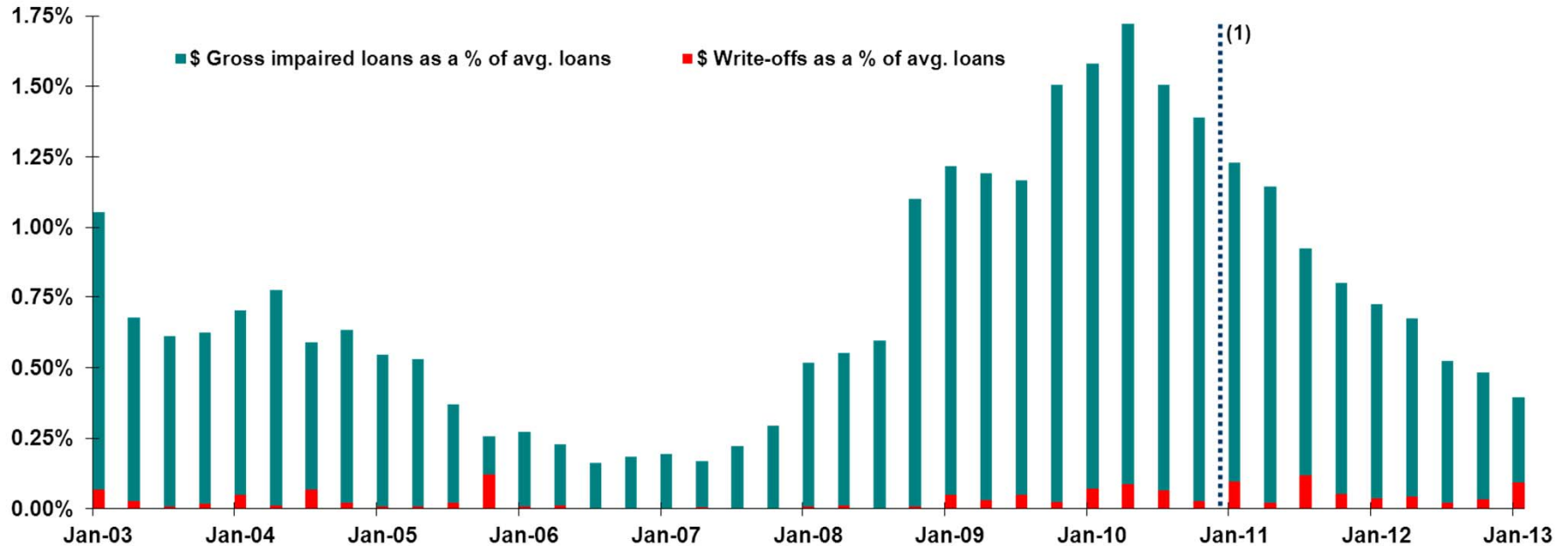
➤ Demonstrated history of low credit losses relative to the six largest Canadian banks

* "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)



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 may not be directly comparable.

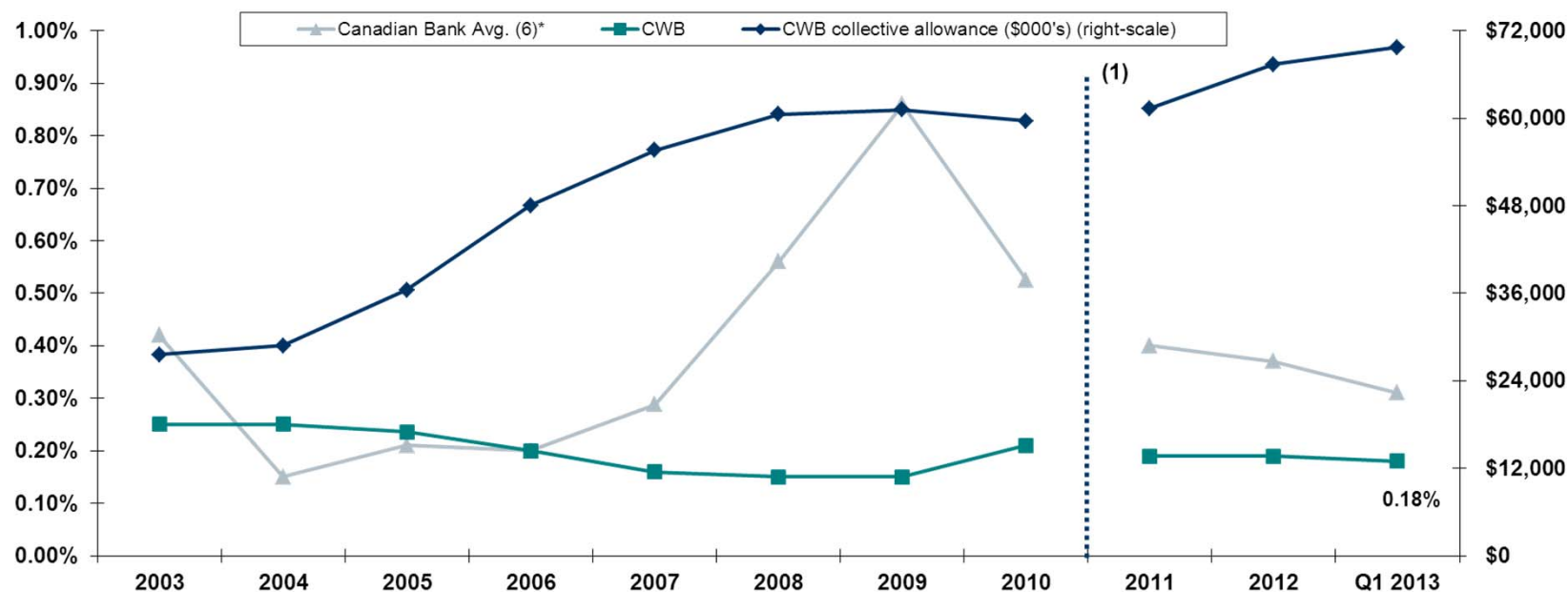
➤ Expect ongoing strong credit quality

- Low write-offs relative to the level of gross impaired loans reflect secured lending practices and disciplined underwriting
- 11 consecutive quarterly reductions in the dollar level of gross impaired loans – gross impaired loans likely to fluctuate above the current very low level going forward



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 may not be directly comparable.

- 2013 target provision for credit losses of 18 to 23 basis points of average loans – based on the current outlook for credit quality, provision likely to remain at the low end of 2013 target range

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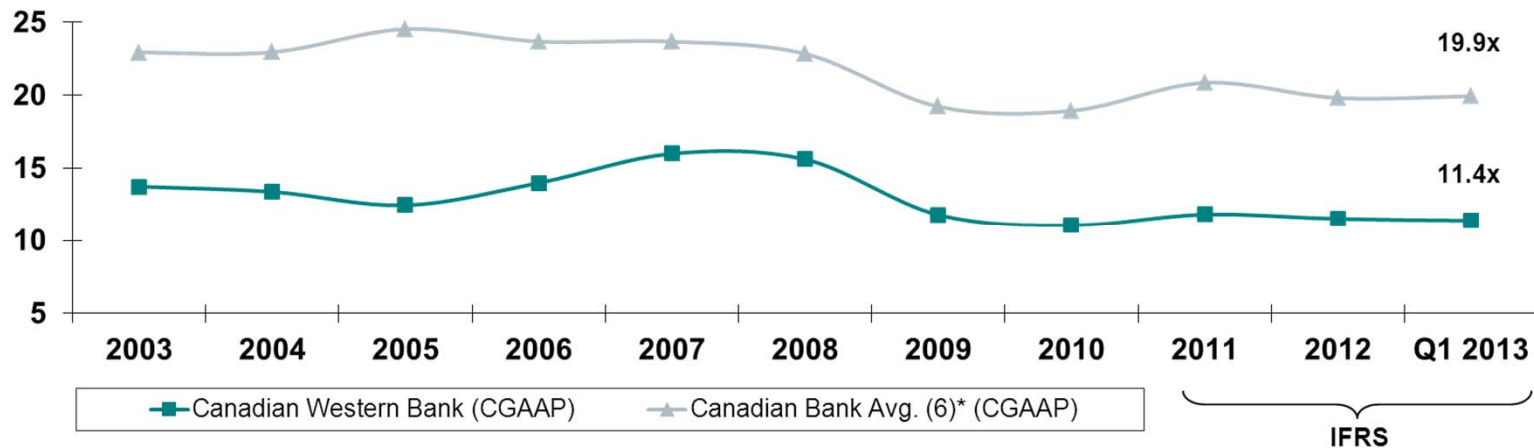


Financial Performance: Capital & Leverage

Regulatory Capital Ratios (Standardized Approach for calculating risk-weighted assets)

	Q1 13 Basel III	Regulatory Minimum
Common equity Tier 1 capital (CET1)	8.0%	7.0%
Tier 1 capital	9.7%	8.5%
Total capital	14.2%	10.5%

Low Leverage (total assets-to-equity)



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Financial Performance: Capital & Leverage

Capital Ratios and Risk-Weighted Assets (RWA)	Standardized		Advanced Internal Rating Based (AIRB)						Average (AIRB banks)	CWB Variance (from Average)
	CWB	LB	BMO	BNS	CM	NA	RY	TD		
Common Equity Tier 1 Ratio (Basel III) ⁽¹⁾	8.1%	7.4%	8.7%	8.6%	9.0%	7.3%	8.4%	8.2%	8.4%	-27 bp
Risk weightings by category ⁽²⁾										
Residential mortgages	35.5%	14.4%	11.0%	7.4%	3.3%	10.9%	5.0%	8.7%	7.7%	27.8%
Other retail loans ⁽³⁾	76.0%	64.5%	23.2%	37.3%	31.1%	46.1%	19.3%	47.7%	34.1%	41.9%
Business loans ⁽⁴⁾	96.8%	97.1%	48.3%	63.5%	36.6%	56.0%	57.8%	45.3%	51.3%	45.5%
Pro forma CWB and LB assuming 20% reduction in RWA from AIRB	10.1%	9.3%	8.7%	8.6%	9.0%	7.3%	8.4%	8.2%	8.4%	176 bp
Pro forma six largest banks assuming 20% increase in RWA from standardized	8.1%	7.4%	7.3%	7.2%	7.5%	6.1%	7.0%	6.8%	7.0%	113 bp

(1) "Common Equity Tier 1 Ratio (Basel III)" based on Oct 31, 2012 company reports of Canada's eight publicly traded Schedule 1 banks.
(2) "Risk weightings by category" based on Oct 31, 2012 company reports of Canada's eight publicly traded Schedule 1 banks.
(3) Other retail includes personal loans, credit cards and small business loans treated as retail.
(4) Business includes corporate, commercial, medium-sized enterprises and non-bank financial institutions.

Provision for Credit Losses (measured as a % of average loans)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	10 YR Average
CWB	0.25%	0.25%	0.24%	0.20%	0.16%	0.15%	0.15%	0.21%	0.19%	0.19%	0.20%
Canadian Bank Average (6)*	0.42%	0.15%	0.21%	0.20%	0.29%	0.56%	0.86%	0.53%	0.40%	0.37%	0.40%
Variance	-0.17%	0.10%	0.03%	0.00%	-0.13%	-0.41%	-0.71%	-0.32%	-0.21%	-0.18%	-0.20%

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Financial Performance: Regulatory Capital

WHAT IF? (Advanced Internal Ratings Based (AIRB) Approach for calculating risk-weighted assets):

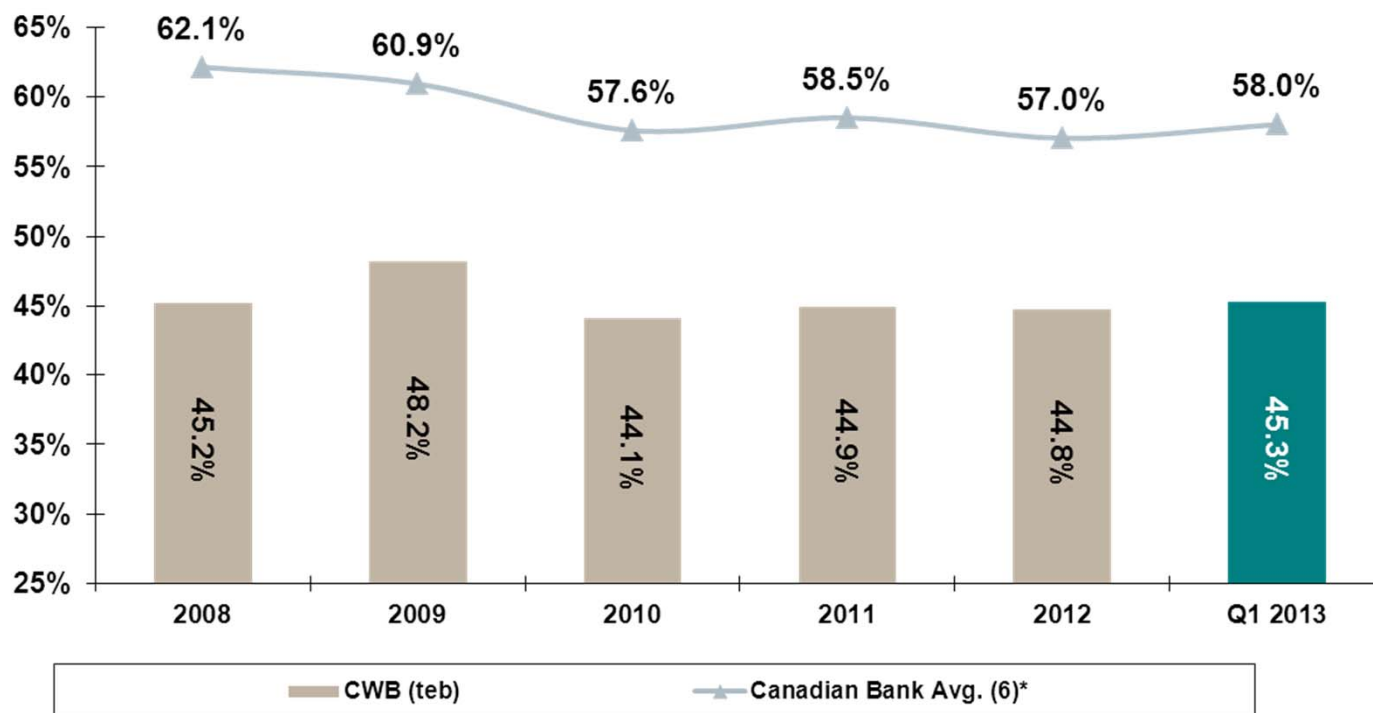
		CWB Basel III Pro Forma Capital Ratios (based on specified % change in risk-weighted assets)					
		-40%		-30%		-20%	
	FY 2012 (Actual)		Change		Change		Change
Basel III							
CET1 capital ratio	8.1%	14.06%	+592 bps	12.05%	+391 bps	10.55%	+241 bps
Tier 1 capital ratio	10.0%	16.61%	+664 bps	14.24%	+427 bps	12.46%	+249 bps
Total capital ratio	13.2%	21.95%	+878 bps	18.82%	+565 bps	16.46%	+329 bps
Assets-to-capital multiple	8.5x	12.9x	+4.5 x	10.8x	+2.3 x	9.8x	+1.4 x
Risk-weighted assets	\$14,335,568	\$8,601,341	(\$5,734,227)	\$10,034,898	(\$4,300,670)	\$11,468,454	(\$2,867,114)
		CWB Pro Forma Financial Metrics (based on maintaining the Basel III CET1 ratio and Tier 1 ratio at the same level via the purchase of common and preferred shares)					
	FY 2012 (Actual)		Change		Change		Change
Avg. # of common shares, diluted	77,460	59,890	(17,570)	63,913	(13,547)	67,937	(9,523)
Avg. # of preferred shares	8,390	6,027	(2,363)	7,093	(1,297)	8,160	(230)
CET1 capital ratio	8.1%	8.1%	-	8.1%	-	8.1%	-
Tier 1 capital ratio	10.0%	10.0%	-	10.0%	-	10.0%	-
Total capital ratio	13.2%	15.34%	+217 bps	14.58%	+141 bps	14.01%	+84 bps
Assets-to-capital multiple	8.5x	12.9x	+4.5 x	10.8x	+2.3 x	9.8x	+1.4 x
Net income attributable to shareholders	\$187,405	\$178,106	(\$9,299)	\$180,235	(\$7,170)	\$182,365	(\$5,040)
Preferred dividends	(\$15,208)	-\$10,923	\$4,285	-\$12,857	\$2,351	-\$14,790	\$418
Net income available to common shareholders	\$172,197	\$167,182	(\$5,015)	\$167,379	(\$4,818)	\$167,575	(\$4,622)
Return on common shareholders' equity	15.0%	25.6%	+1054 bps	21.6%	+661 bps	18.8%	+373 bps
Diluted earnings per common share (EPS)	\$2.22	\$2.79	+\$0.57	\$2.62	+\$0.40	\$2.47	+\$0.24
Share price at 13.0x diluted EPS	\$28.90	\$36.29	+\$7.39	\$34.04	+\$5.15	\$32.07	+\$3.17
Dividend payout ratio (FY 2012 div. of \$0.62)	28%	22.2%	-(568 bps)	23.7%	-(422 bps)	25.1%	-(275 bps)
Book value per common share	\$15.94	\$10.64	-(5.30)	\$11.79	-(4.15)	\$12.81	-(3.13)
Average common shareholders' equity	\$1,146,556	\$637,012	(\$509,544)	\$753,704	(\$392,852)	\$870,395	(\$276,161)
Tangible common equity	\$1,209,693	\$700,149	(\$509,544)	\$816,841	(\$392,852)	\$933,532	(\$276,161)
Tier 1 capital	\$1,428,760	\$860,134	(\$568,626)	\$1,003,490	(\$425,270)	\$1,146,845	(\$281,915)
Total capital	\$1,888,161	\$1,319,535	(\$568,626)	\$1,462,891	(\$425,270)	\$1,606,246	(\$281,915)
Net assets (on and off-balance sheet)	\$17,035,639	\$17,035,639	-	\$15,757,905	-	\$15,757,905	-
Assumed price of common shares purchased	\$29.00	\$29.00	-	\$29.00	-	\$29.00	-
Assumed price of preferred shares purchased	\$25.00	\$25.00	-	\$25.00	-	\$25.00	-



Financial Performance: Efficiency

(GAAP 2007 – 2011, IFRS 2012)

Efficiency Ratio (non-interest expenses as a % of total revenues (teb))



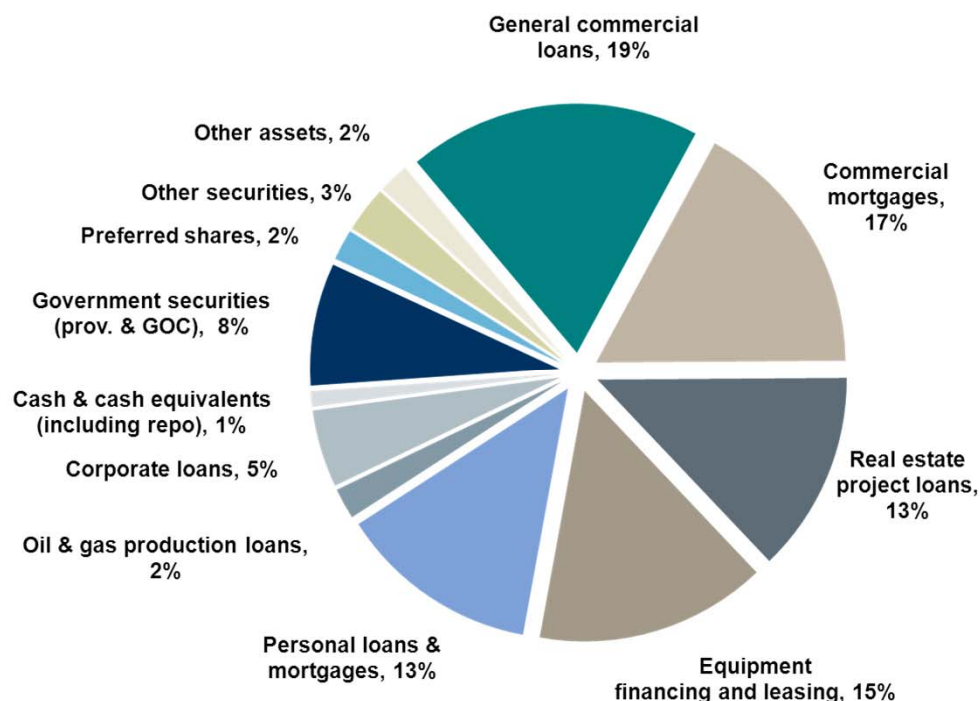
- Strong efficiency relative to the six largest Canadian banks – demonstrated ability to effectively control costs while supporting sustained growth
- 2013 efficiency ratio (teb) expected to remain favourable in relation to the target of 46% or less

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Composition of Assets

Composition of Assets
(as at January 31, 2013)



Loans by Lending Sector*

*Loans by lending sector exclude the allowance for credit losses

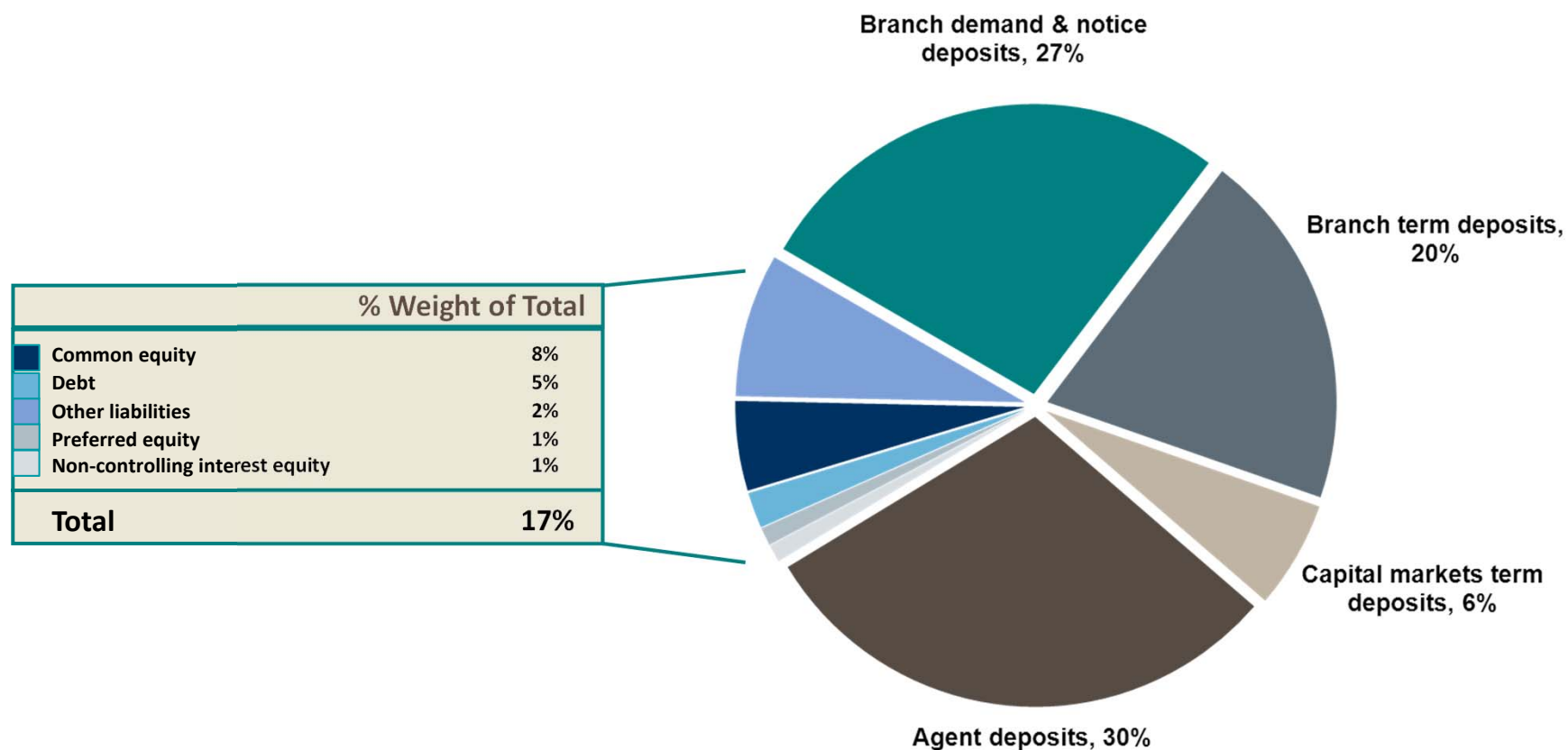
(\$ millions)	Q1 13	Q1 12	YOY Change	
			\$	%
General commercial	\$ 3,221	\$ 2,786	\$ 435	16%
Commercial mortgages	2,852	2,702	\$ 150	6%
Equipment financing and leasing	2,594	2,152	\$ 442	21%
Personal loans & mortgages	2,316	2,095	\$ 221	11%
Real estate project loans	2,181	1,962	\$ 219	11%
Corporate loans ⁽¹⁾	928	761	\$ 167	22%
Oil & gas production loans	283	361	\$ (78)	-22%
Total loans outstanding	\$ 14,375	\$ 12,819	\$ 1,556	12%

⁽¹⁾ Corporate loans represent 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 branches.



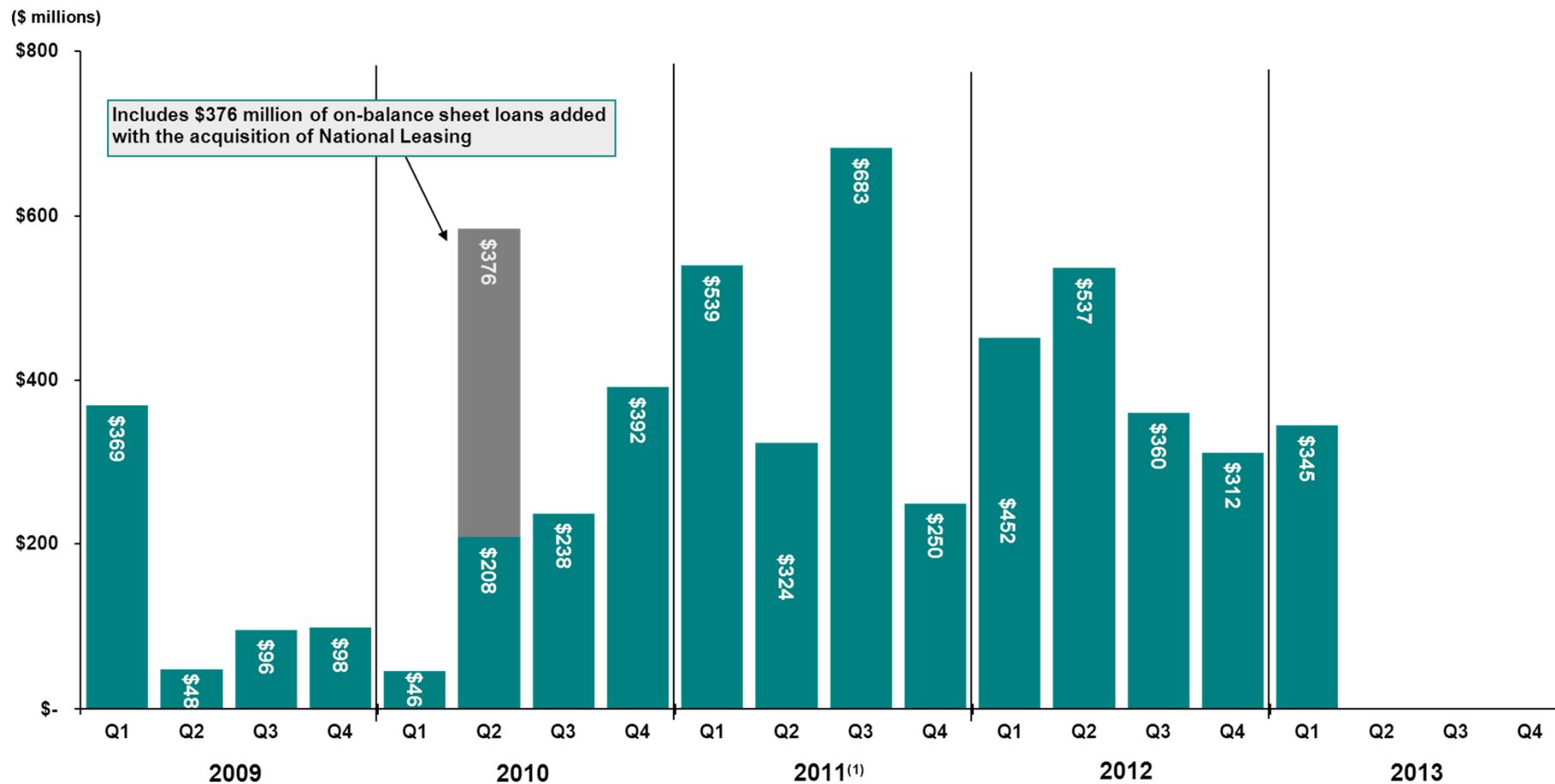
Composition of Liabilities and Equity

Composition of Liabilities & Equity (as at January 31, 2013)





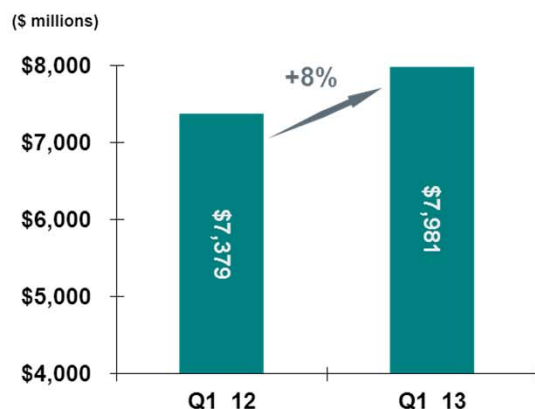
Quarterly Loan Growth



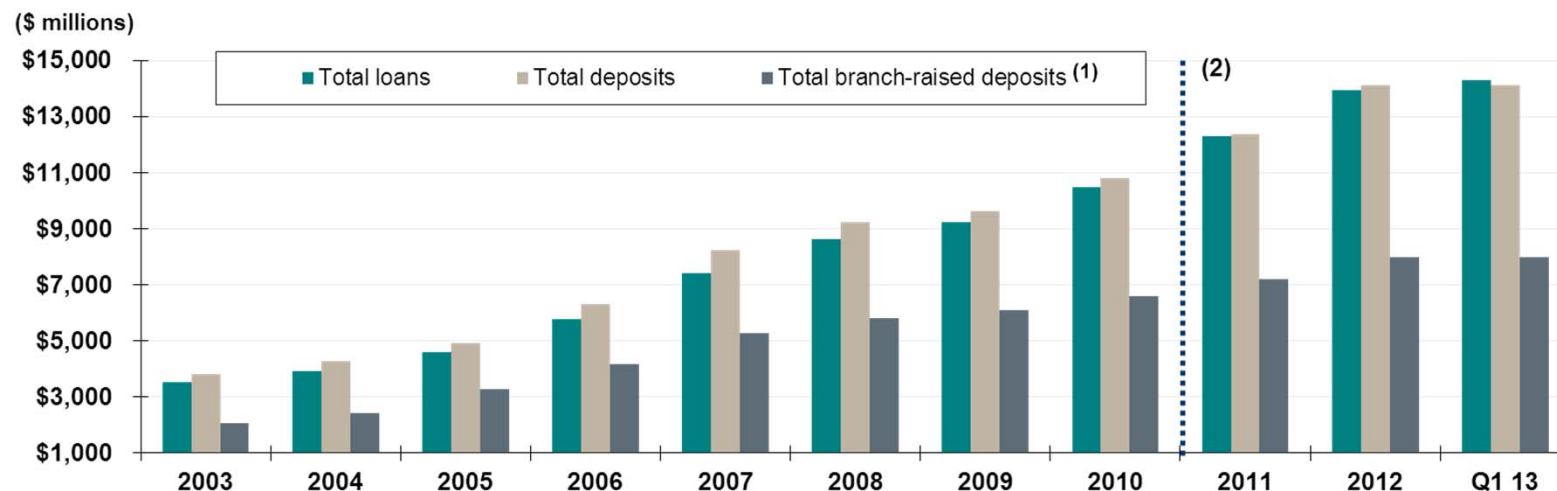
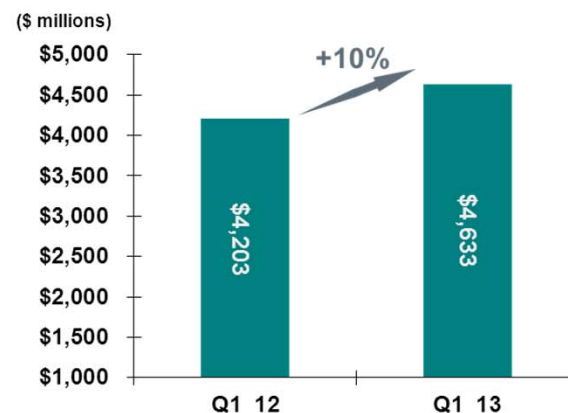


Funding Sources – Deposits

Total Branch-raised Deposits⁽¹⁾



Total Demand and Notice Deposits

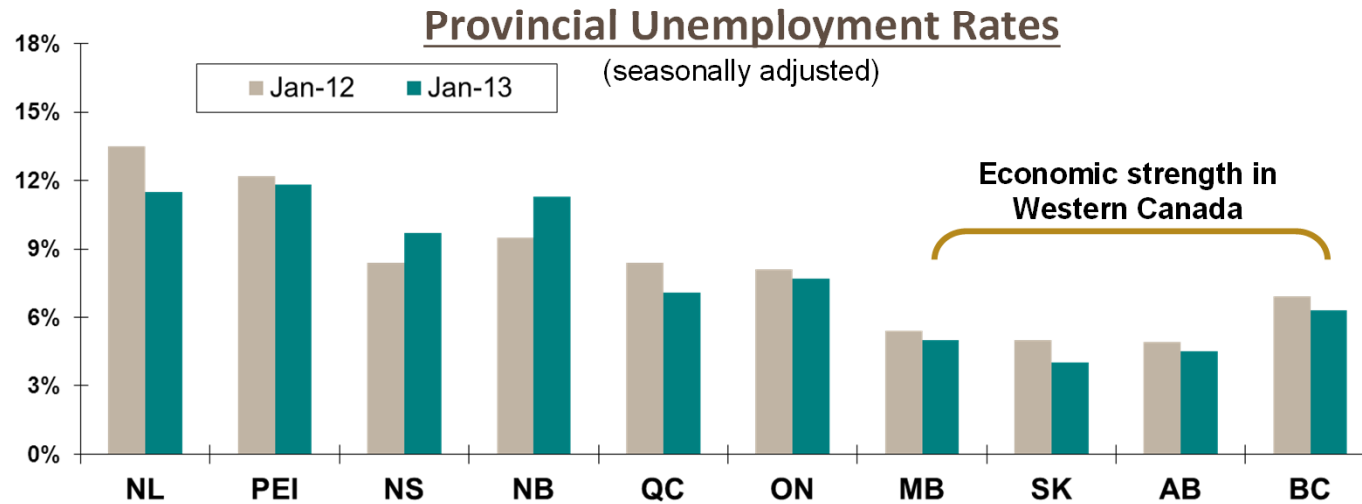


(1) Branch-raised deposits include deposits raised through CWB's trust businesses, Canadian Western Trust and Valiant Trust.

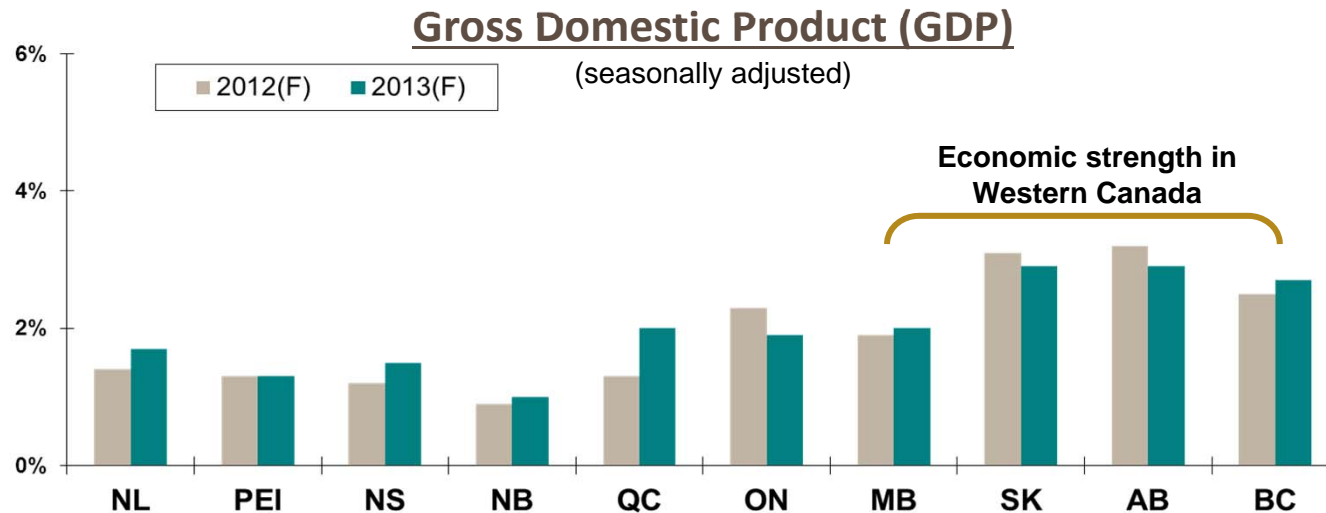
(2) As of Q1 11, financial results are reported under IFRS, as opposed to GAAP, and may not be directly comparable.



Economic Outlook



SOURCE: Statistics Canada

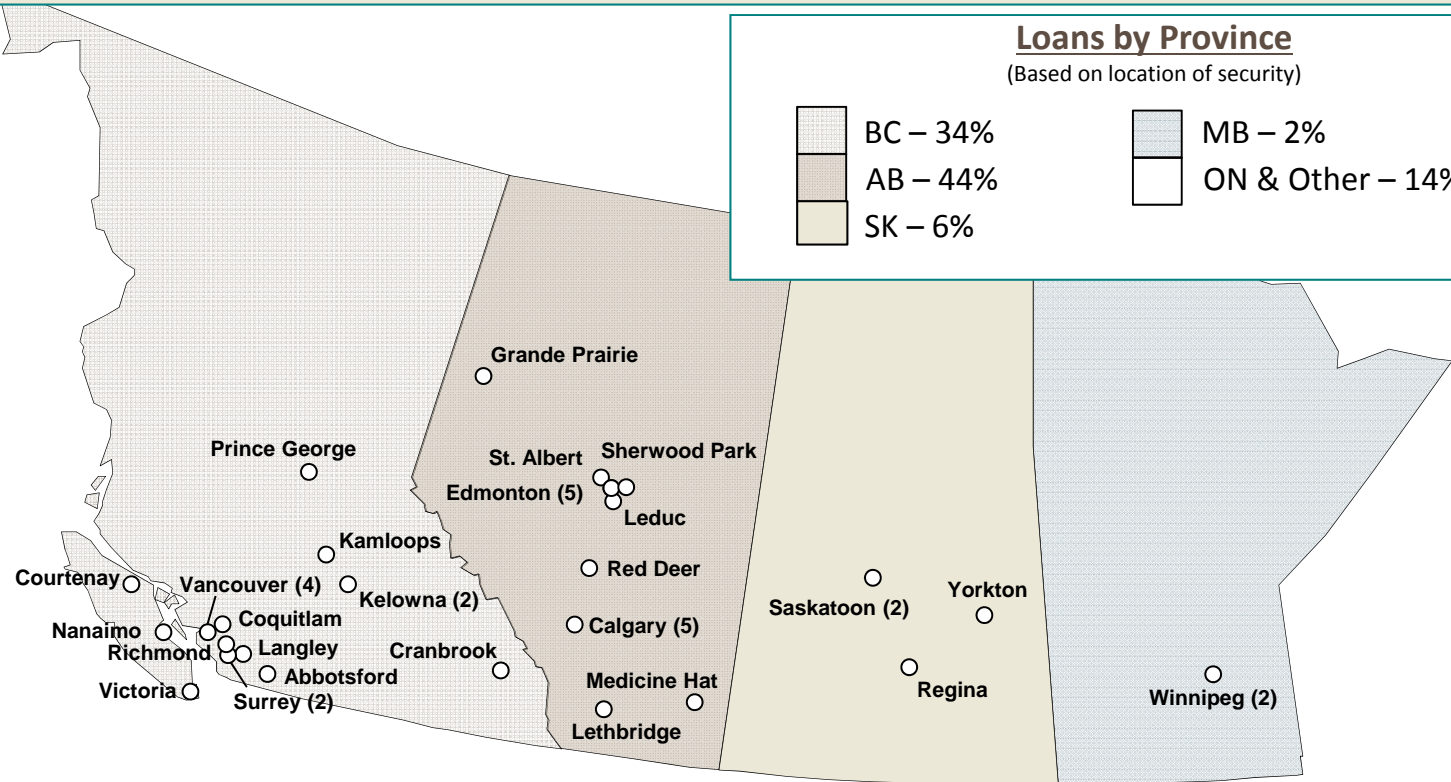


SOURCE: GDP forecasts of Canada Mortgage and Housing Corporation (CMHC) as published in its Q4 2012 "Housing Market Outlook"



Infrastructure

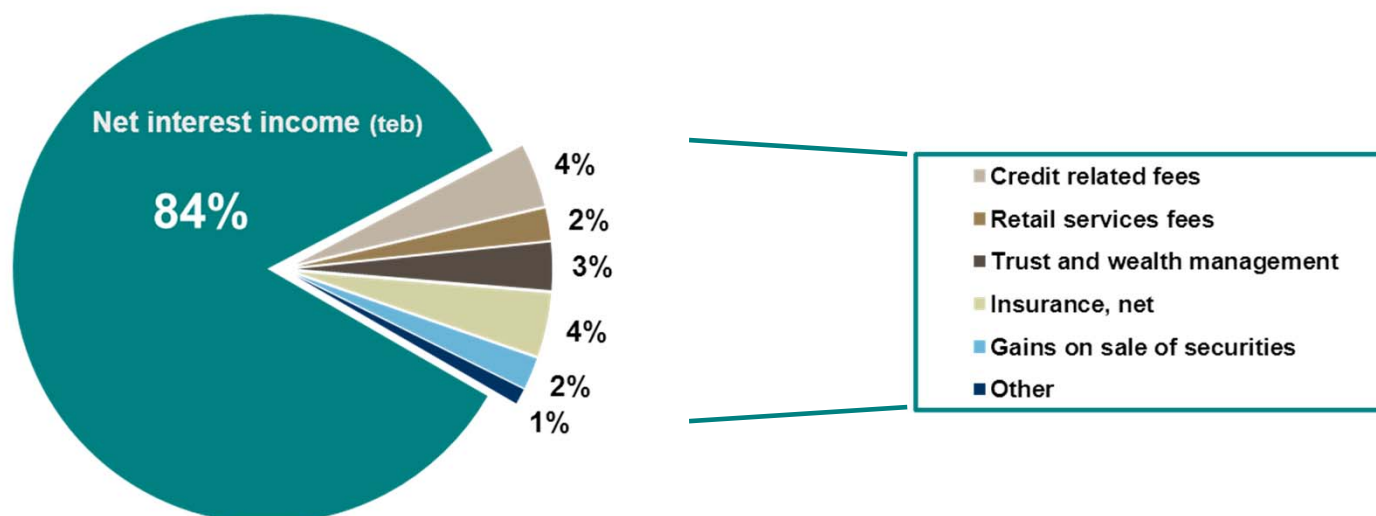
Banking branches – across Western Canada
Equipment leasing centre – headquartered in Winnipeg (satellite offices across Canada)
Trust services offices – Vancouver, Calgary, Edmonton, Toronto
Insurance call centres – Vancouver, Edmonton
Wealth management office – Edmonton



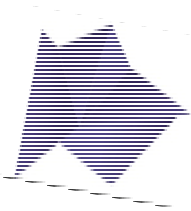


Diversification: Total Revenues (teb)

Composition of Revenue Q1 2013



- Objective to grow other income to encompass a greater proportion of total revenues
 - Banking and leasing fee income
 - Trust services
 - Wealth management
 - Insurance
- Enhance product offerings
- Evaluate potential acquisitions (accretive and complementary)



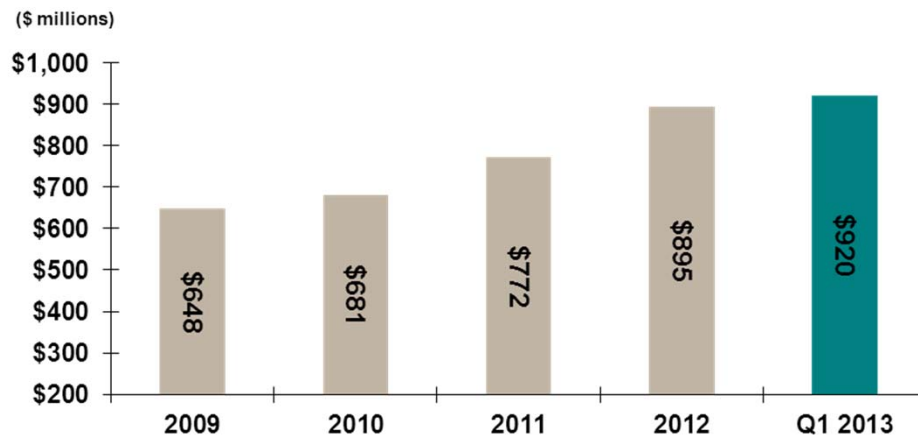
Diversification: Equipment Leasing



- Industry leader in small and mid-ticket equipment leasing
- Proven management team and ~300 employees
- Long history of strong performance (30+ years in business)
 - Approximately 60,000 active leases providing diversification by geography, industry and equipment type
 - Established presence across Canada
 - Synergies with existing banking/lending operations (funding, growth, technology)

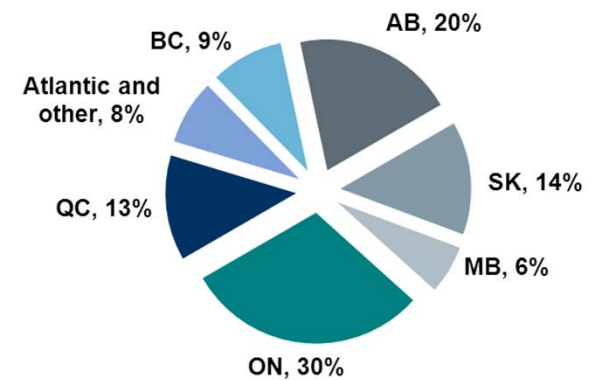
Total Leases (including securitized portfolios)

(as at January 31, 2013)



Provincial Breakdown of Leases

(as at January 31, 2013)





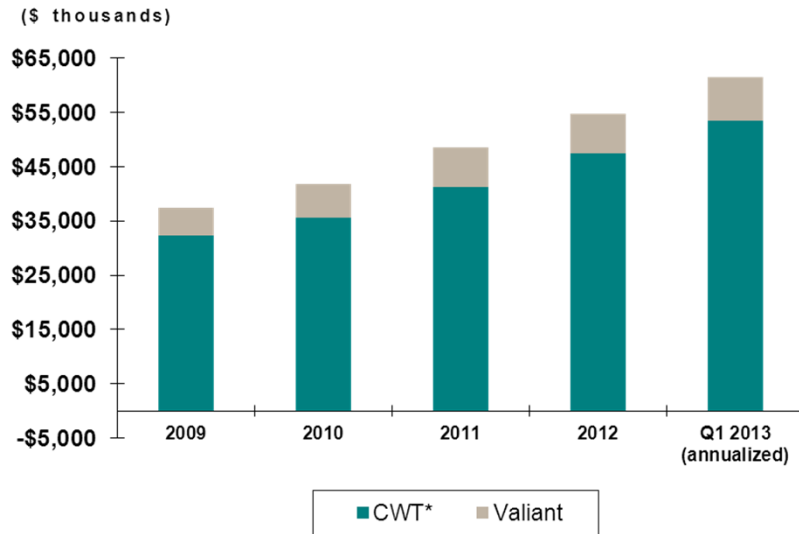
Diversification: Trust Services



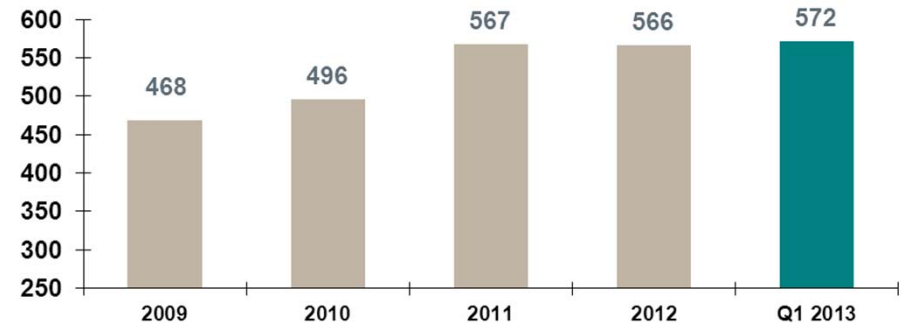
- Trust offices in Vancouver, Calgary, Edmonton and Toronto
- Trust assets under administration over \$7 billion; lower cost deposits of more than \$1 billion
 - 48,000+ CWT investment accounts
- Scalable businesses with strong growth potential (geography and products)
- Stable source of fee-based revenues (less cyclical than core banking operations)

Total Revenues (teb)

(* Including Optimum Mortgage, a division of CWT)



of Client Appointments (Valiant Trust)

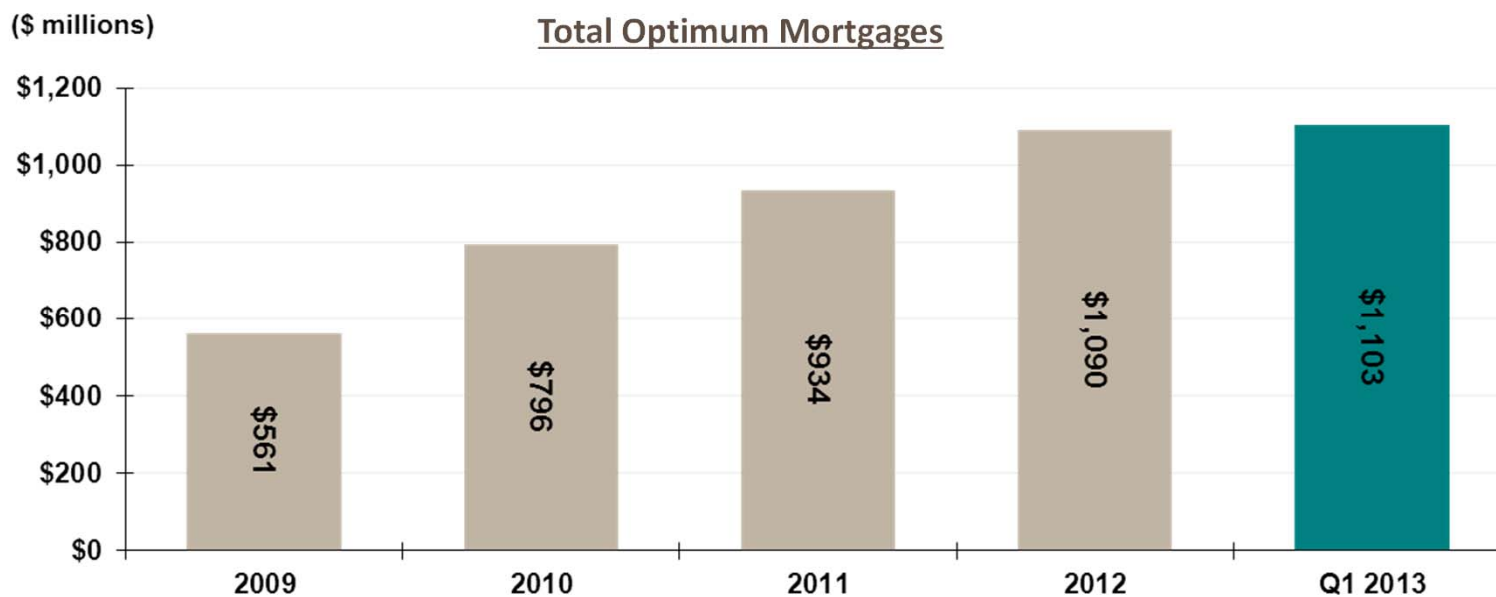


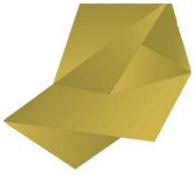


Diversification: Alternative Mortgages



- Broker-driven model providing residential mortgages across Western Canada and in select regions of Ontario
- Underwrites alternative mortgages and higher ratio insured mortgages
 - As of Q1 13, alternative mortgages represented ~74% of Optimum's portfolio and carry a weighted average loan-to-value at initiation of ~70%
- Solid source of loan growth and profitability (blend of fee-based income and interest revenues)
- Considerable future growth opportunities

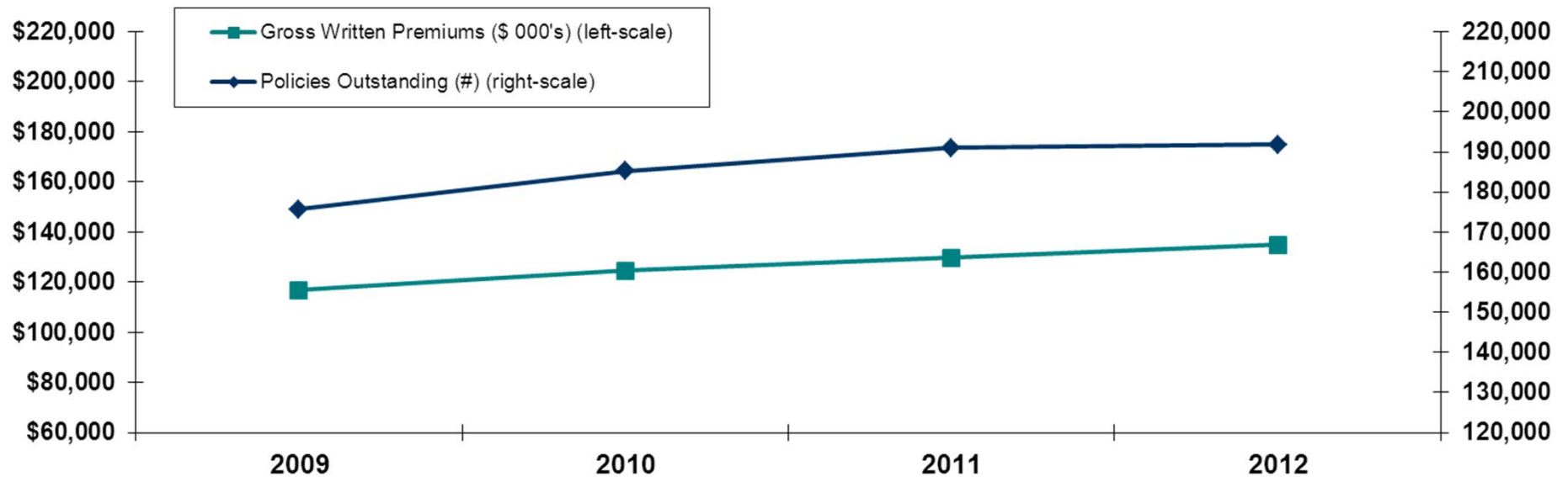


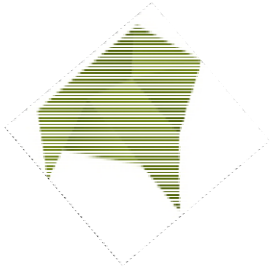


Diversification: Insurance



- Personal auto and home insurance in Western Canada (British Columbia and Alberta)
- Distribution of policies through telephone, Internet and select broker network
- Offers steady source of revenue independent of economic volatility
- More than 190,000 policies outstanding (solid growth profile)

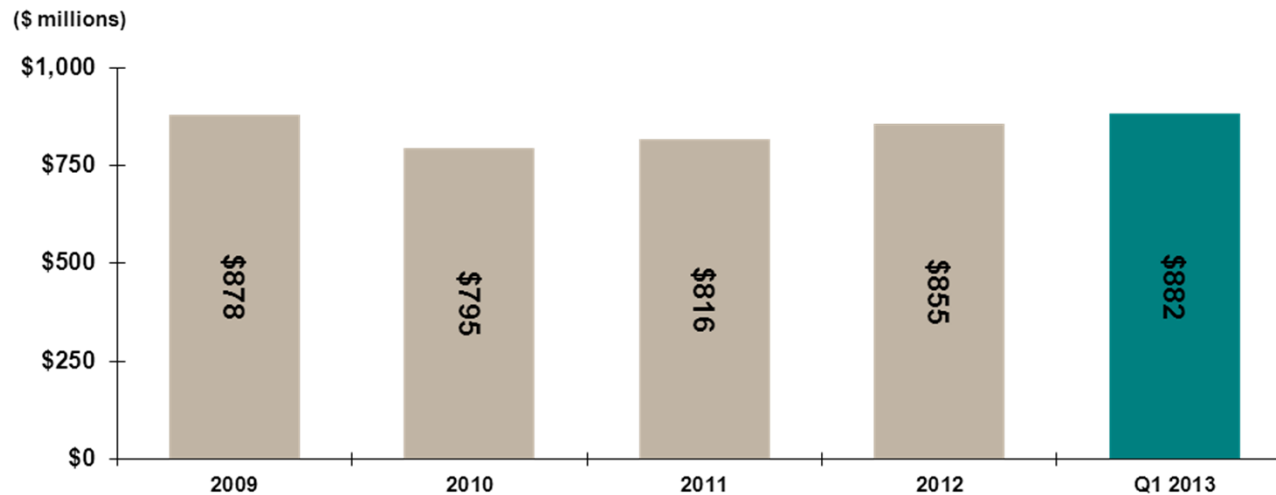




Diversification: Wealth Management

- Specializes in wealth and portfolio management
- Complementary business line with good growth potential
 - Synergies with banking and fiduciary trust operations
- Relatively stable source of fee-based income with low capital investment

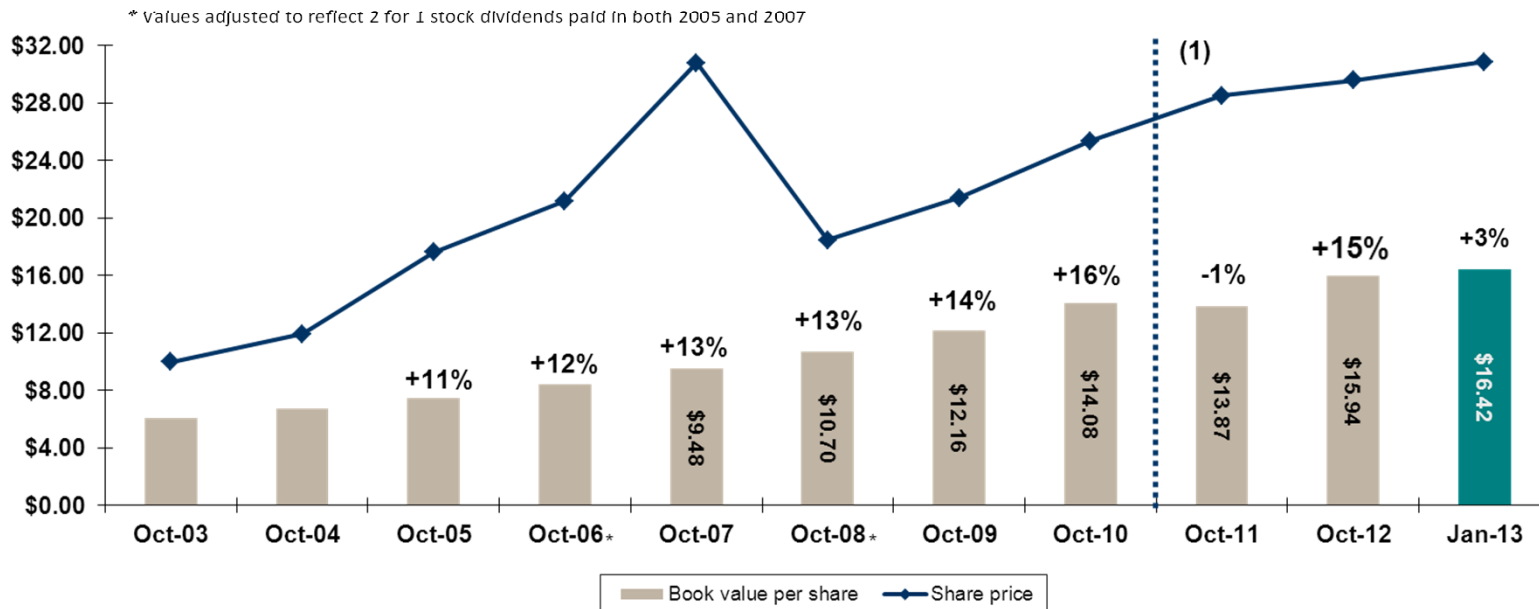
Assets Under Management (AUM)





Shareholder Return

Historical Valuation (share price and book value per share*)

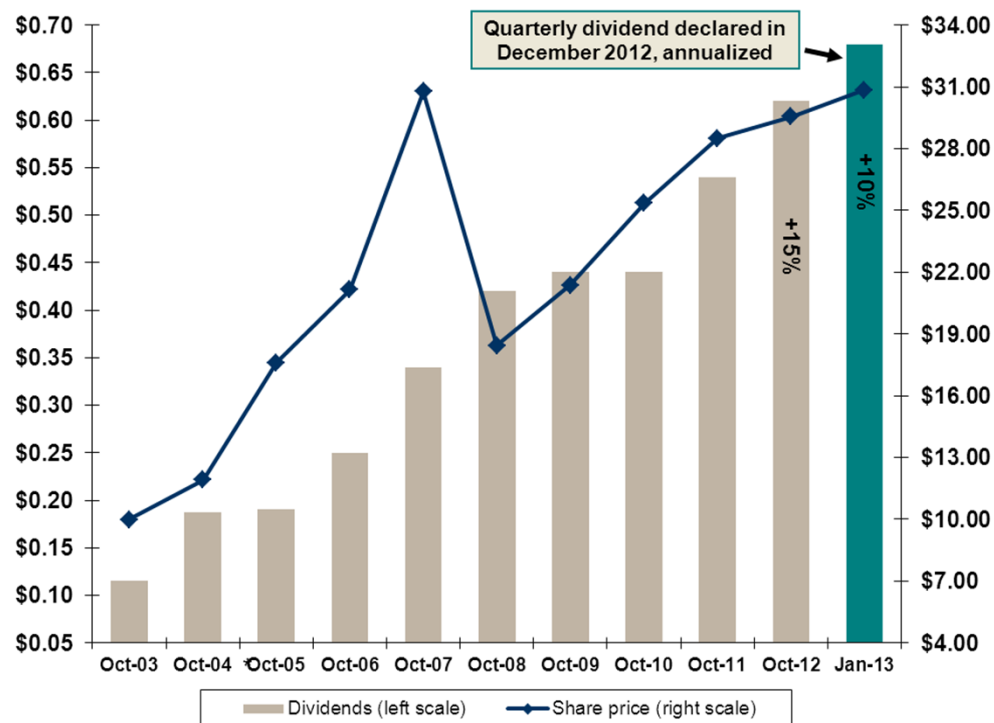


(1) As of Q1 11, financial results are reported under IFRS, as opposed to GAAP, and may not be directly comparable.



Shareholder Return

Dividend Growth



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

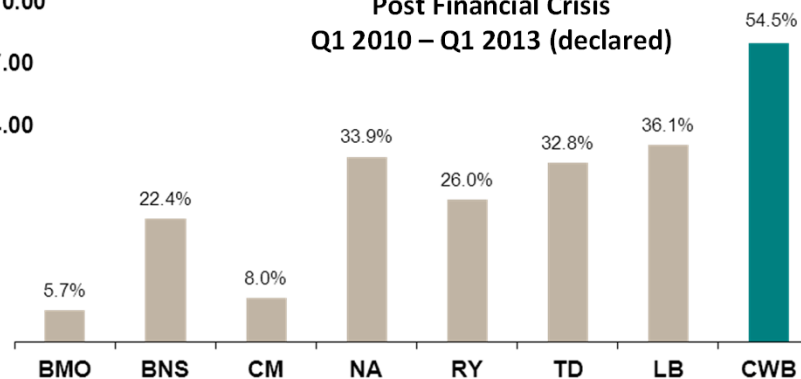
** Dividend payout ratios represent common share dividends (including shares issued under CWB's dividend reinvestment plan (DRIP)) measured as a percentage of net income available to common shareholders

Dividend Payout Ratios**:

Fiscal 2010 (GAAP):	~19%
Fiscal 2011 (IFRS):	~26%
Fiscal 2012 (IFRS):	~28%
Target payout range:	25 – 30%

Canadian Bank Dividend Increases

Post Financial Crisis
Q1 2010 – Q1 2013 (declared)

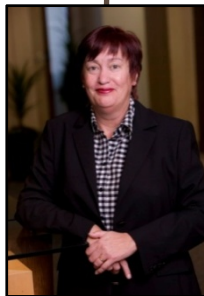


Source: Publicly available company reports of Canada's Schedule I Banks (TSX trading symbols: BMO, BNS, CM, LB, NA, RY, TD)



CWB Group – Executive Committee

Chris Fowler
President & CEO
(22+ years with
CWB Group)



Tracey Ball, Executive VP & CFO

- Finance and Tax
- Investor Relations
- Legal & Regulatory Compliance
- Internal Audit
- Group Risk Management



Randy Garvey, Executive VP

- Treasury
- Information Services
- Operations
- Human Resources
- Marketing & Product Development
- Wealth Management
- Trust Services



Greg Sprung, Executive VP

- Branch Banking Operations



**Brian Young, Executive VP and
President & CEO, Canadian Direct
Insurance**

- Canadian Direct Insurance
Incorporated



Additional Information

Shares Outstanding (January 31, 2013)

- 79.0 million common shares (TSX: CWB)
- 8.4 million preferred shares (TSX: CWB.PR.A)

Employee Share Purchase Plan (ESPP)

- Approximately 98% employee participation

Investor Inquiries

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