

CANADIAN
WESTERN
BANK

Think Western®



BANK OF ALBERTA

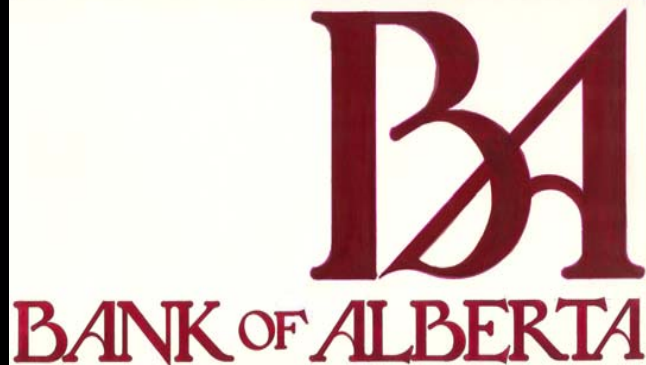
BALANCE SHEET AS AT 31-MAY-84
(Unaudited)

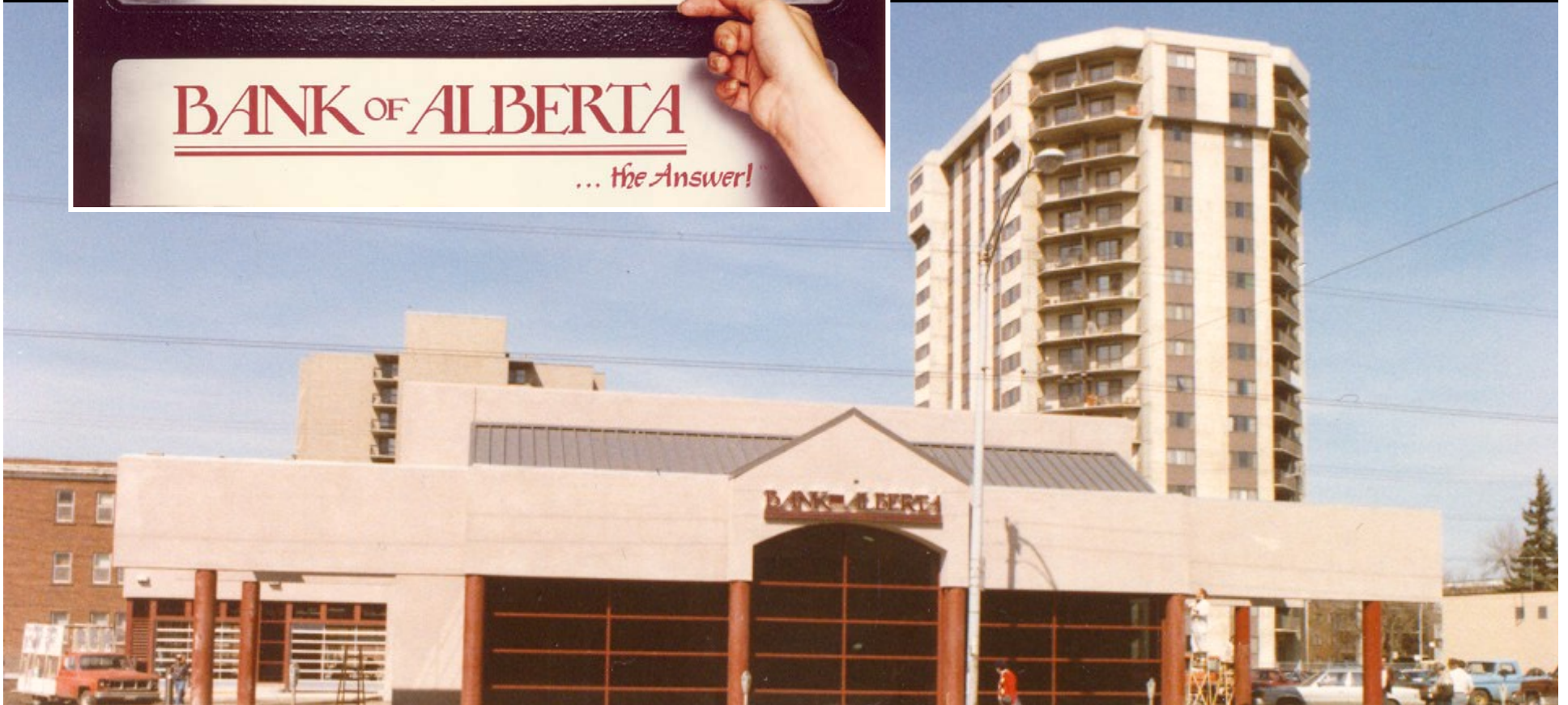
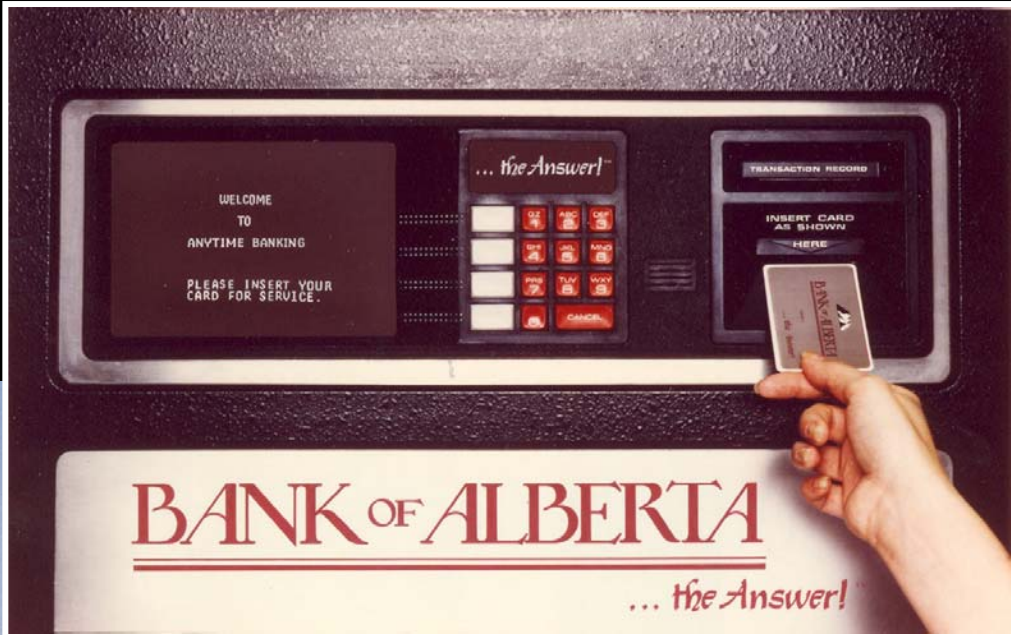
ASSETS

Cash		\$	98,883.95
Accrued Interest Receivable			143,702.53
Term Deposits			<u>30,950,000.00</u>
			\$31,192,586.48
Unamortized Costs -			
Commission on Public Issue	\$1,193,570.00		
Public Issue Expenses	260,000.00		
Pre Charter Costs	145,000.00		
Other Organizational Expenses	<u>100,000.00</u>		1,698,570.00
Total Assets			<u>\$32,891,156.48</u>

LIABILITIES & CAPITAL

Accounts Payable		\$	517,744.28
Trust Balances			<u>215,128.45</u>
			732,872.73
<u>Capital</u>			
3,200,000 Common Shares @\$10	\$32,000,000.00		
Retained Earnings	<u>158,283.75</u>		<u>32,158,283.75</u>
Total Liabilities & Capital			<u>\$32,891,156.48</u>







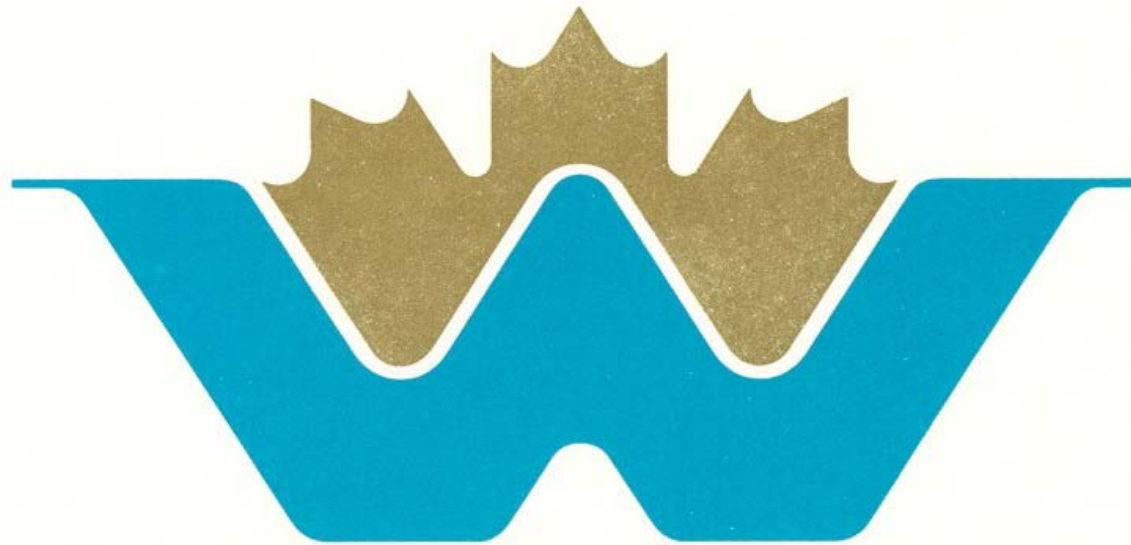
Canadian
Commercial
Bank



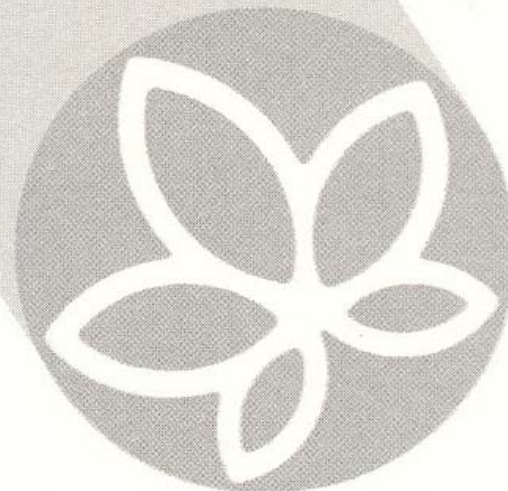
Northland Bank

Principal Trust



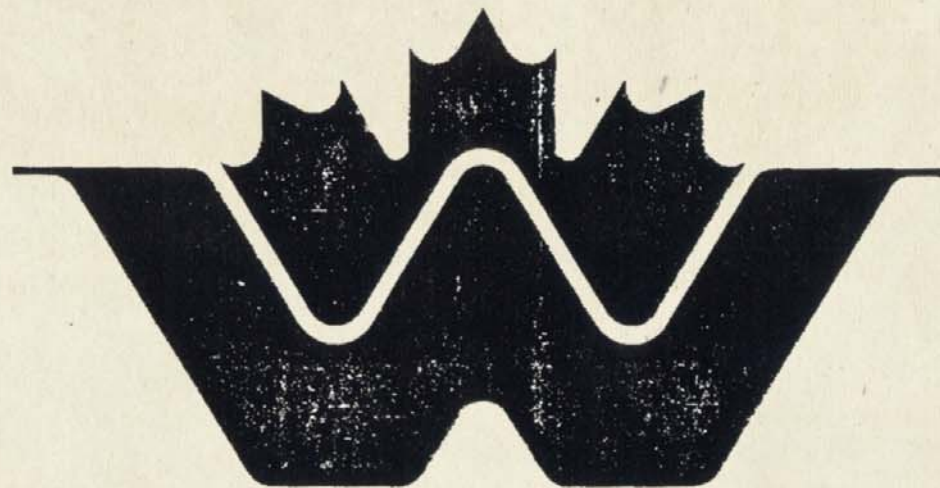


CANADIAN WESTERN BANK



Announcing

Bank of Alberta has
amalgamated with
Western and Pacific
Bank of Canada.
On April 29, 1988
a Schedule A Charter
was granted creating
Canadian Western Bank.



CANADIAN WESTERN BANK

Canadian Western Bank, as Canada's only Western-based Schedule A bank, will provide custom commercial services to Western business.

The bank is also committed to serving the personal banking needs of Westerners through its dedicated personnel and the latest in banking technology.


The merger combines Bank of Alberta's growing retail business and strong capital base with Western and Pacific's diversified loan portfolio and services to business.

This will be good news to individuals and businesses who are seeking custom banking services from a bank which is an integral part of the Western Canadian community.

CORPORATE OFFICE: 1200, 10040 - 104 Street, Edmonton, Alberta Ph: (403) 423-8888 B. C. OFFICE: 1500 Two Bentall Centre, 555 Burrard Street Vancouver, B.C. Ph: (604) 669-0081

• Edmonton • Calgary • Vancouver • Victoria • Kamloops • Toronto

 **BANK OF ALBERTA**

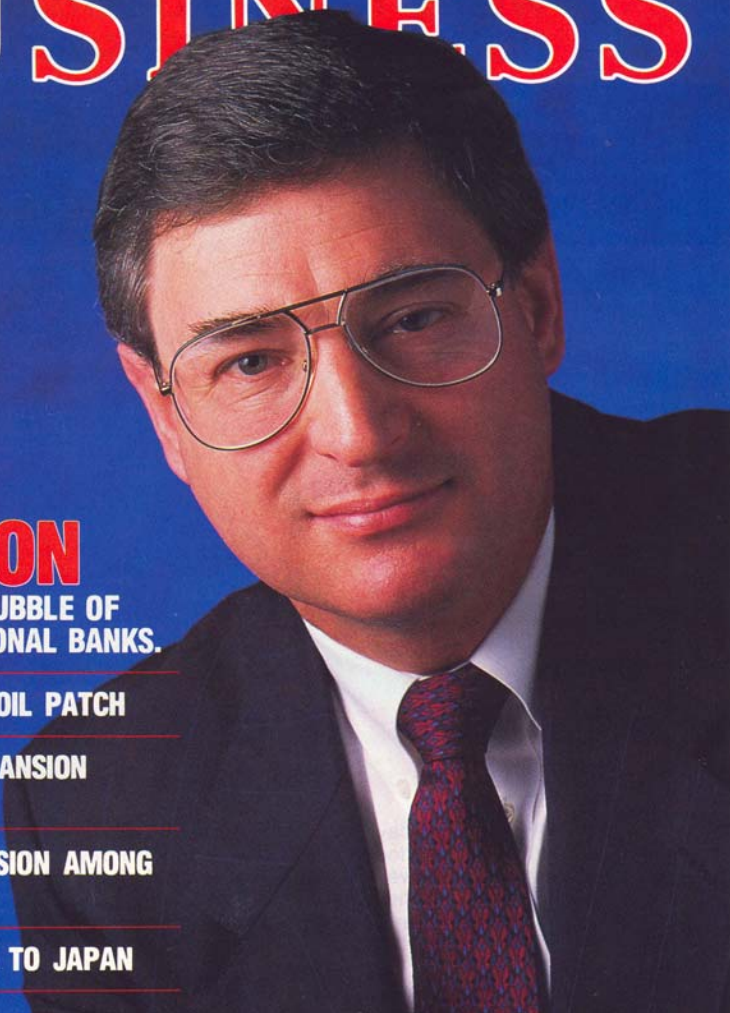
WESTERN & PACIFIC BANK  **OF CANADA**

ON SALE TO OCTOBER 15TH
SEPTEMBER 1988

ALBERTA

\$1.95
7 1616

BUSINESS



DAVID EMERSON

UP FROM THE RUBBLE OF COLLAPSED REGIONAL BANKS.

A SPARK IN THE OIL PATCH

RENTOWN — EXPANSION WITHOUT TEARS

SEX AND AGGRESSION AMONG ENGINEERS

SELLING ALBERTA TO JAPAN

Amalgamation provides bank with kick-start

By Carol Howes
(Herald staff writer)

The Bank of Alberta plans to amalgamate with a B.C. bank largely because Alberta's economic activity did not live up to expectations, says president Robert Splane.

The Bank of Alberta, the only remaining Alberta-based bank, has not been threatened by the economic slowdown in the last two years, says Splane. But the unanticipated drop in oil prices in January 1988 sent the bank scurrying to come up with new profit-making ideas.

The bank was founded in 1984 with a capital base of \$40 million and now has assets of \$130 million, "which is not bad," says Splane. But earnings have suffered because of the cost of building retail branches.

The B.C. market, particularly real estate, is extremely attractive, he says.

Under the proposed deal, Bank of Alberta shareholders will receive shares of the new bank, while Western and Pacific shareholders are to receive cash considerations totalling up to \$10.1 million.



TODAY'S MONEYTIP



No partnership agreement is complete without a full legal interpretation of what happens if the partners decide to go separate ways.

Business

The Edmonton Sun, Thursday, December 14, 1989 6

OIL:	\$20.75 US	↑ 15¢
DOLLAR:	86.22¢ US	↑ .19¢
GOLD:	\$474	↓ \$11
SILVER:	\$6.46	↓ 16¢

CITY-BASED LENDER BOUNCES BACK FROM \$5.5M LOSS

Bank 1.7M in black

CW01315

NUMBER - NUMÉRO

000000000

Nil

SHARES - ACTIONS

CUSIP 13677F 10 1



CANADIAN WESTERN BANK ~ BANQUE CANADIENNE DE L'OUEST

THIS CERTIFICATE IS ISSUED PURSUANT TO THE BANK ACT

CE CERTIFICAT EST ÉMIS EN APPLICATION DE LA LOI SUR LES BANQUES

THIS CERTIFIES THAT - CECI ATTESTE QUE

is the registered holder of - est le détenteur enregistré de

FULLY PAID AND NON-ASSESSABLE COMMON SHARES
WITHOUT NOMINAL OR PAR VALUE

ACTIONS ORDINAIRES ENTIÈREMENT PAYÉES ET NON
SUSCEPTIBLES D'APPELS SUBSÉQUENTS SANS VALEUR
NOMINALE OU AU PAIR

of the capital stock of **CANADIAN WESTERN BANK**. Entry of the transfer of the shares represented by this Certificate may be made only on the securities register of the Bank upon surrender of this Certificate with a duly executed transfer endorsed thereon as delivered therewith. This Certificate is not valid until countersigned and registered on behalf of the Bank.

In Witness Whereof the Bank has caused this Certificate to be signed by its duly authorized officers.

Dated
Date le

du capital-actions de la **BANQUE CANADIENNE DE L'OUEST**. L'inscription du transfert des actions faisant l'objet du présent certificat ne peut se faire au registre des valeurs mobilières de la Banque que sur remise de ce certificat ainsi que d'un transfert dûment signé au verso dudit certificat ou jointement à ce certificat et n'est valable que s'il est contre-signé et enregistré au nom de la Banque.

En foi de quoi la Banque a fait signer ce certificat par ses dirigeants dûment autorisés.

Chairman of the Board
Président du conseil.

President &
Chief Executive Officer.
Président et
chef de la direction.

TRANSFERABLE AT THE PRINCIPAL OFFICE OF THE MONTREAL TRUST COMPANY OF CANADA IN EDMONTON, VANCOUVER, CALGARY AND TORONTO.

TRANSFERABLE AU BUREAU PRINCIPAL DE COMPAGNIE MONTREAL TRUST DU CANADA A EDMONTON, VANCOUVER, CALGARY ET TORONTO.

Plaza Branch



Oct. 1994



Oct. 1994

St. Albert



Calgary
Foothills



1992



SASKATCHEWAN TRUST COMPANY

1993



Metropolitan Trust

1994



CONSOLIDATED BALANCE SHEET

As At October 31
(\$ thousands)

	<u>1995</u>	<u>1994</u>
Shareholders' Equity		
Capital stock (Notes 9 & 13)	74,987	39,440
Retained earnings	<u>17,312</u>	<u>9,430</u>
Total Shareholders' Equity	<u>92,299</u>	<u>48,870</u>
Total Liabilities and Shareholders' Equity	<u>\$ 1,330,596</u>	<u>\$ 705,709</u>



Jack C. Donald
Chairman



Larry M. Pollock
President and Chief Executive Officer



This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or any similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of documents incorporated herein by reference may be obtained on request without charge from the Secretary of Canadian Western Bank, Suite 2300, 10303 Jasper Avenue, Edmonton, Alberta, T5J 3X6, Telephone (403) 423-8888.

New Issue

March 25, 1996



CANADIAN WESTERN BANK

\$20,000,000

6.75% Convertible Debentures
(unsecured subordinated indebtedness)

To be dated April 15, 1996

To mature April 15, 2006

Conversion Privilege

Each \$1,000 principal amount of 6.75% convertible debentures ("Debenture") of Canadian Western Bank (the "Bank") will be convertible into common shares ("Common Shares") of the Bank at the option of the holder at any time on or before the close of business on the earlier of the last business day preceding the maturity date and the date specified for conversion at the option of the Bank at a conversion price of \$12.50 per Common Share, being a rate of 80 Common Shares per Debenture. Further particulars concerning the conversion privilege, including provisions for the adjustment of the conversion price in certain events, are set out under "Details of the Offering".

The Bank will satisfy the obligation to repay the principal amount of the Debentures at maturity in Common Shares. The Debentures will not be convertible at the option of the Bank prior to April 15, 1999. On and after April 15, 1999, the Bank may, subject to certain conditions, convert the Debentures, in whole or in part, into Common Shares and pay in cash all accrued and unpaid interest thereon to the date of conversion. Only if an Event of Default (as defined herein) has occurred and is continuing will the Bank have the option to repay the principal amount of the Debentures in cash. Further particulars of the conversion and maturity provisions are set out under "Details of the Offering".

The Debentures will be direct unsecured obligations of the Bank, constituting subordinated indebtedness for the purposes of the *Bank Act* (Canada). In the event of the insolvency or winding-up of the Bank, the Debentures will rank at least equally with the Bank's other subordinated indebtedness and will be subordinate in right of payment to the prior payment in full of the deposit liabilities of the Bank and all other senior liabilities of the Bank except liabilities which by their terms rank in right of payment equally with or subordinate to the Debentures. The Debentures will not be deposits insured under the *Canada Deposit Insurance Corporation Act*. See "Details of the Offering".

The outstanding Common Shares are listed on the Toronto, Alberta and Vancouver stock exchanges. There is currently no market for the Debentures. On March 22, 1996, the closing sale price of the Common Shares on The Toronto Stock Exchange was \$10.375. The Toronto Stock Exchange has conditionally approved the listing of the Debentures and the Toronto, Alberta and Vancouver stock exchanges have conditionally approved the listing of the Common Shares issuable upon conversion or maturity of the Debentures. Listing is subject to the Bank fulfilling all of the requirements of such exchanges on or before June 13, 1996.

In the opinion of counsel, the Debentures will not, at the date of issue, be precluded as investments under the statutes set out under "Eligibility for Investment".

Price: 100% plus accrued interest, if any.

	Price to Public	Underwriters' Fee	Net Proceeds to the Bank ⁽¹⁾⁽²⁾
Per Debenture	\$1,000	\$30	\$970
Total	\$20,000,000	\$600,000	\$19,400,000

Notes:

(1) Plus accrued interest, if any, from April 15, 1996 to the Closing Date (as defined herein).

(2) Before deducting expenses of issue estimated at \$200,000.

The Underwriters, as principals, conditionally offer the Debentures, subject to prior sale if, as and when issued by the Bank and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement, including the closing of the acquisition by the Bank of Aetna Trust Company, and subject to the approval of certain legal matters on behalf of the Bank by Milner Fenerty and on behalf of the Underwriters by McCarthy Tétrault. See "Plan of Distribution".

The Bank owns a 23% equity interest by way of preferred shares in Charlton Securities Limited ("Charlton"). As a result, the Bank may be considered to be a "connected issuer" of Charlton. See "Relationship between Bank and Underwriters".

The logo for CWBC GROUP features a stylized blue 'W' with a brown crown-like shape above it, followed by the text 'CWBC GROUP' in a blue, sans-serif font.

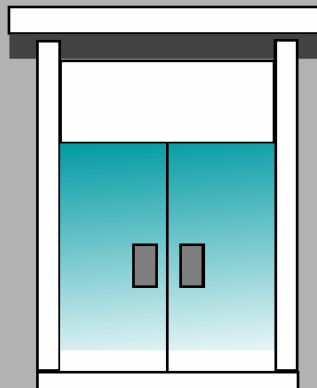
CWBC GROUP

INFRASTRUCTURE

PEOPLE

PROCESS

ENHANCEMENT





Corporate Presentation Second Quarter 2008



F Z E # J u r x s # 0 V w d w h j I f # S u t r u w h v



People

- Pay & benefits
- Work/life balance - *cwbalance*[®]
- Training and development
- Lifetime career/ retention

Infrastructure

- New branches
- Expansion of existing premises
- Strong and efficient capital
- Maintain disciplined cost control



Process

- Process improvement team
- Technology (i.e. imaging)

Business enhancement

- Enhance industry & geographic diversification
- Focus on high quality assets and profitable lending areas (margin enhancement)
- Further diversify funding sources - increase branch-raised deposits (Internet deposit capability)
- Consider accretive acquisitions

Financial Performance

Infrastructure - expanding market presence

New branches (confirmed)

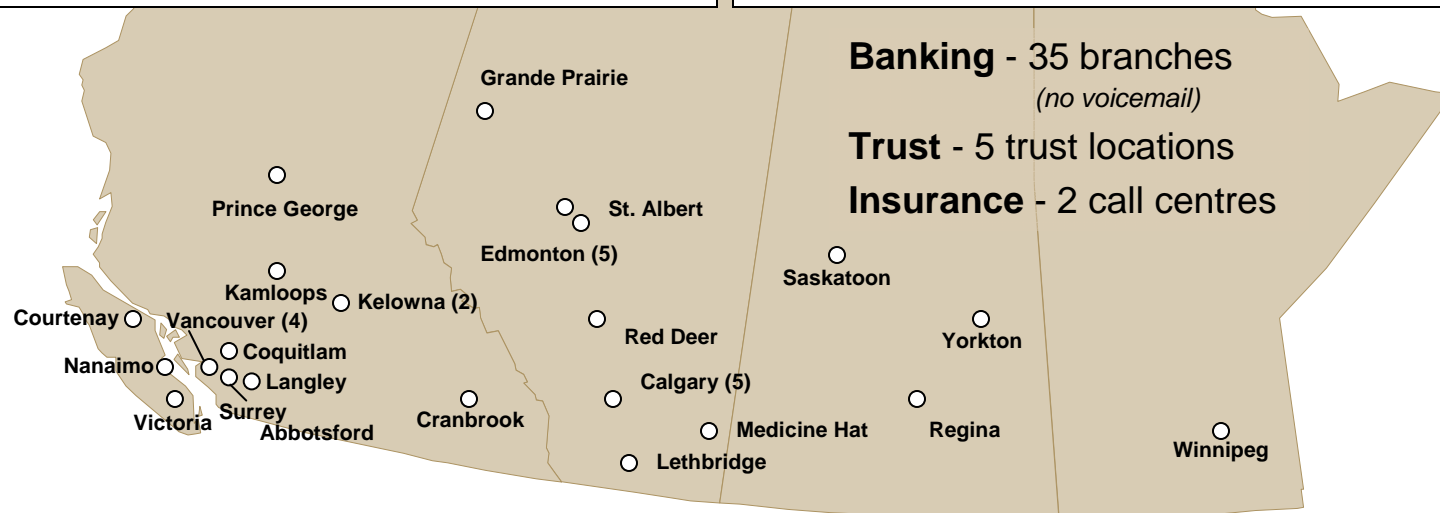
- Sherwood Park, AB (2008/09)
- Leduc, AB (2008/09)
- Airdrie, AB (2008/09)
- Total space under mgt. up 46% since 2004

New branches (under consideration)

- Kamloops, BC
- Richmond, BC
- Langley/South Surrey, BC

Planned expansions (fiscal 2008)

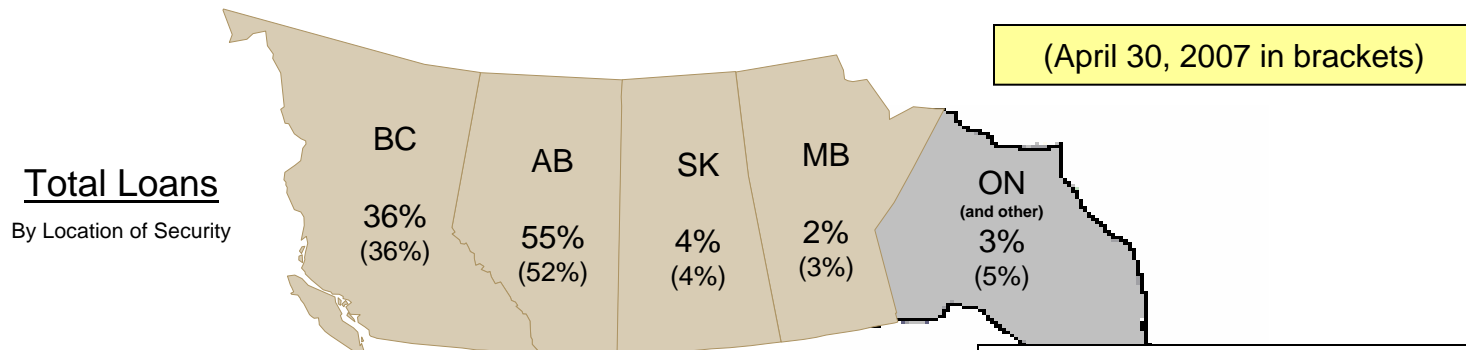
- Add 15,658 square feet (+4%)



Financial Performance



Distribution of loans - western footprint



British Columbia

- Lowered corporate tax rate to 11% – phase-out of financial institution capital tax
- 2010 Olympics
- Gateway to Asia
- Port of Prince Rupert
- 2008 real GDP +2.3% (fcst*)
- 2008 unemployment rate 4.4% (fcst*)

Alberta

- Corporate tax rate of 10%
- Large scale capital projects (oil sands, refining, etc.)
- Highest disposable income per capita
- 2008 real GDP +3.3% (fcst*)
- 2008 unemployment rate 4.0% (fcst*)

Saskatchewan

- World-leading producer of uranium and potash
- Oil & gas potential
- 2008 real GDP +3.6% (fcst*)
- 2008 unemployment rate 3.8% (fcst*)

Manitoba

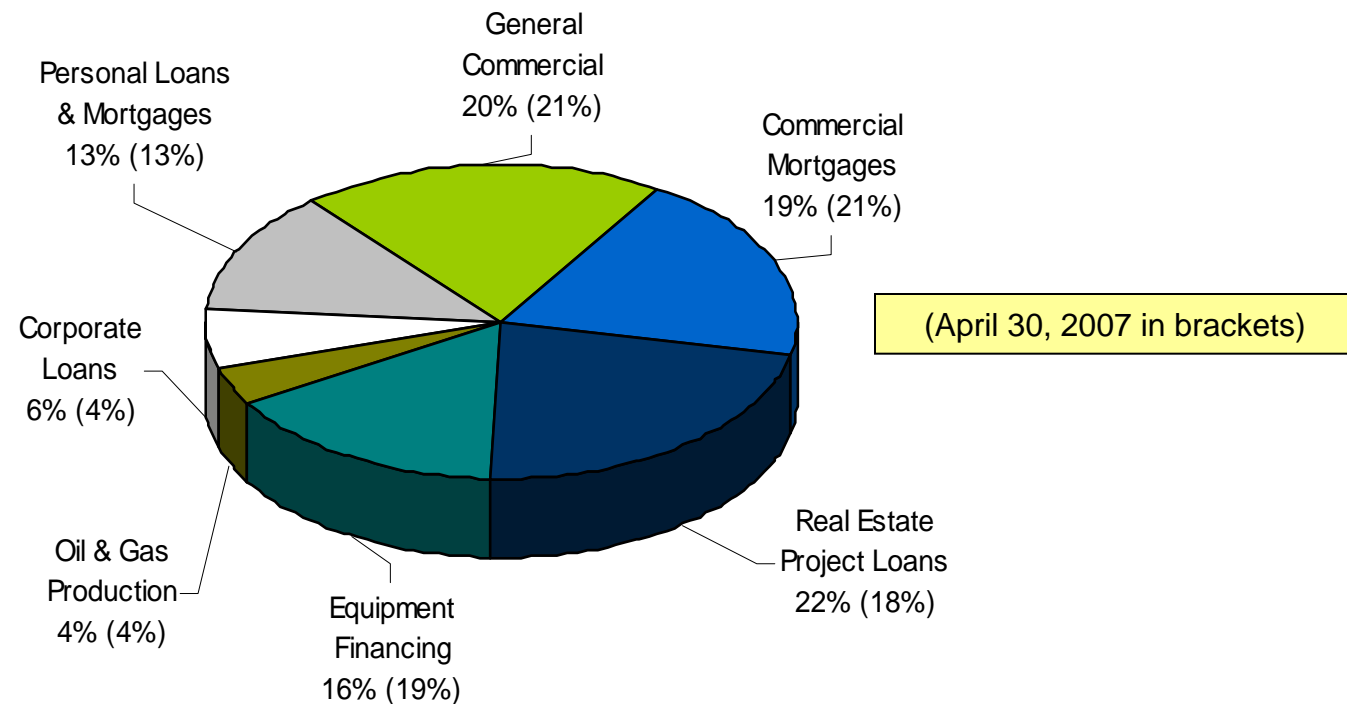
- 2008 real GDP +2.8% (fcst*)
- 2008 unemployment rate 4.0% (fcst*)

* Source for real GDP & unemployment forecasts: RBC Provincial Outlook, April 2008

Financial Review



Loan portfolio by lending sector (as at April 30, 2008)

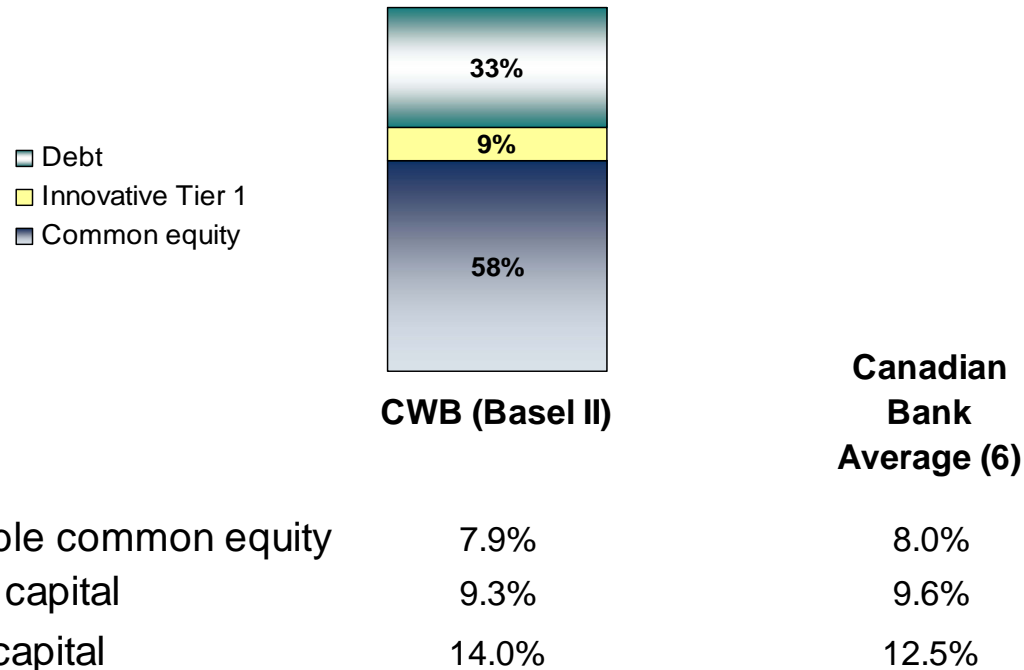


- Strategy to enhance relationship-based commercial banking; emphasis on niche areas of general commercial, equipment financing, real estate project and oil & gas production lending
- Expect to maintain strong double-digit growth in line with fiscal 2008 target of 15%

Financial Review



Regulatory capital structure (as at April 30, 2008)

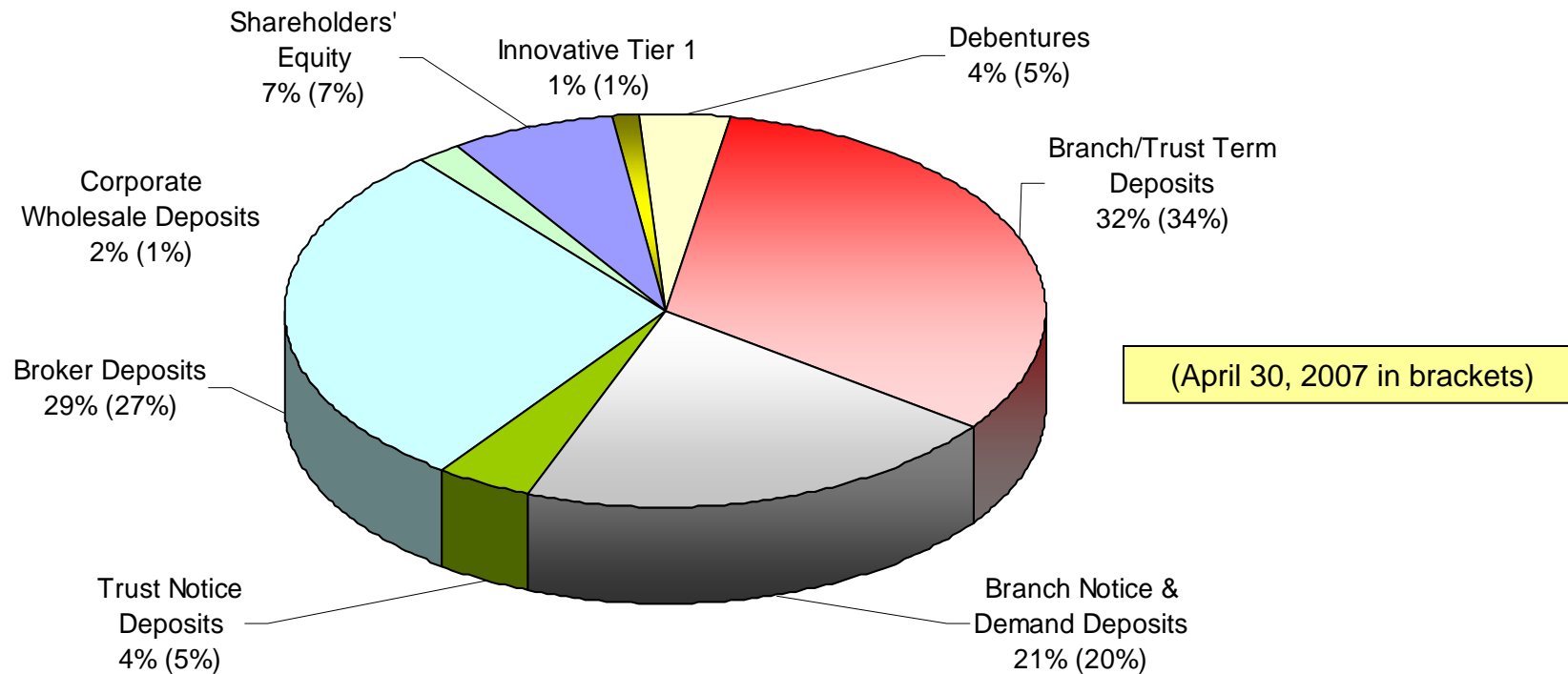


- Modest positive impact from new regulatory capital management framework, known as Basel II (effective November 1, 2007)
- Strong access to capital – strategy to maintain capital position well above minimum regulatory thresholds

ixqg lqj #Vrxufhv



Funding sources (as at April 30, 2008)



- Strategy to expand core branch-raised deposits to further diversify funding sources and support net interest margin
- Increased liquidity raised through broker deposits in response to uncertainties in financial markets

Wuxw#Whuylfhv

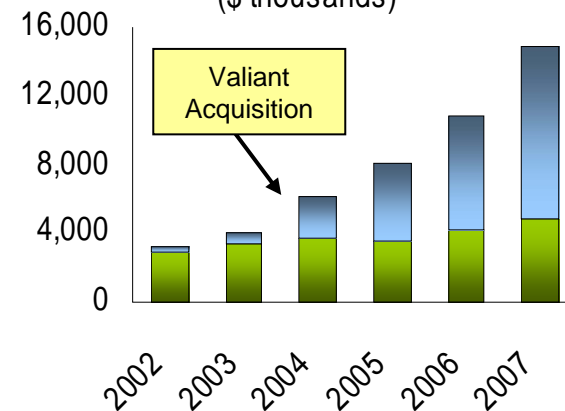


- Excellent return on equity and strong growth potential
 - source of non-interest income – lower capital requirements
 - less cyclical than core banking business
 - scalable growth platform that allows for both geographic and product expansion
 - both trust companies now operating in Ontario
- \$4.5 billion trust assets under administration, up 16% from Q2 07
 - \$355 million low cost float



Trust Revenues

(\$ thousands)



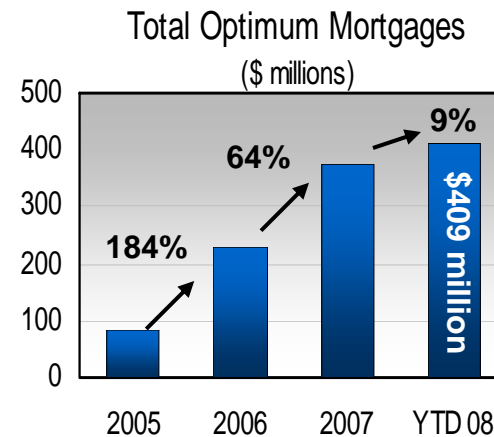
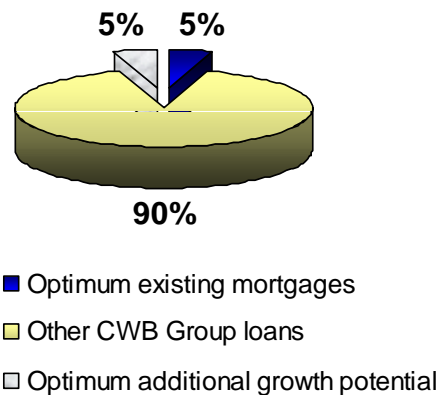
5 YR CAGR = 36%

Optimum Mortgage



Optimum Mortgage

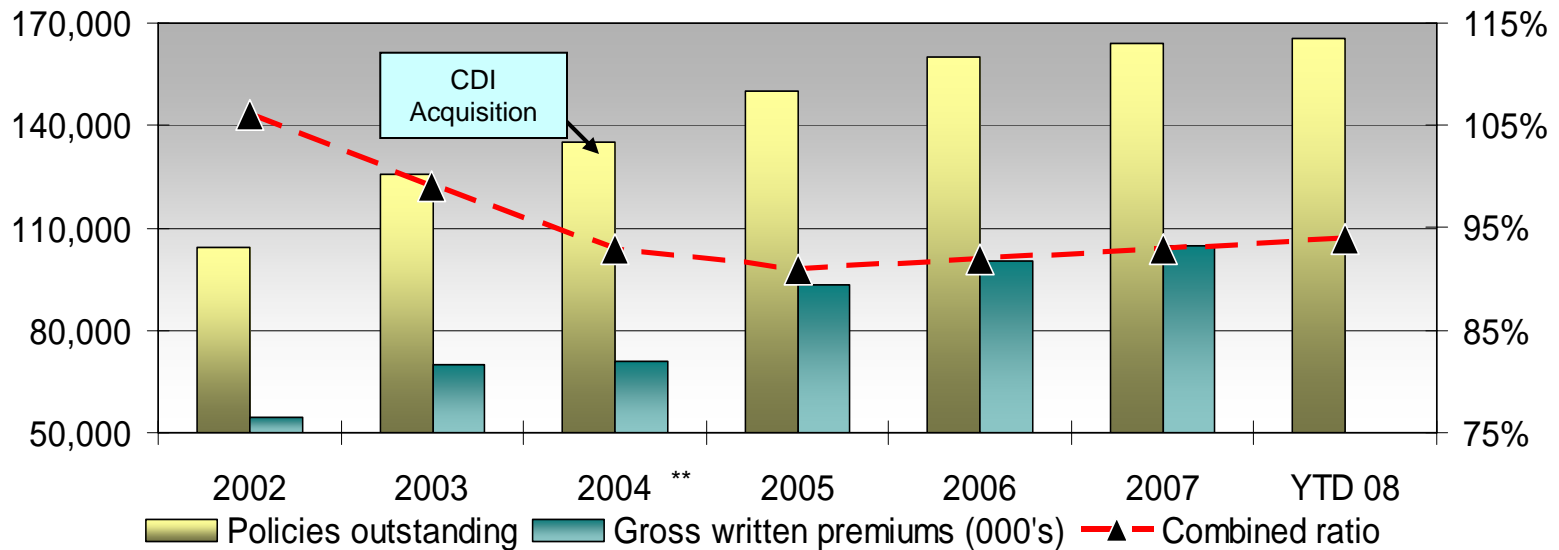
- Profitable growth with a good risk profile – “hands on” mortgage underwriting
 - strong credit experience to date
 - maximum 80% loan-to-value (average at initiation of 70%)
 - efficient use of capital – 35% risk weighting under Basel II
 - scalable growth platform
 - potential for geographic and product diversification



Financial Performance



- Personal auto & home insurance
- Direct provider via call centre & Internet
 - high service, efficient model
 - technology focus
 - scalable business
- Strong income diversification - less susceptible to economic fluctuations
- Enhanced distribution capabilities
 - Internet-based technology platform
 - approximately 39% of new auto policies sold online (Q2 08)
 - broker distribution initiative
 - white label insurance product offering

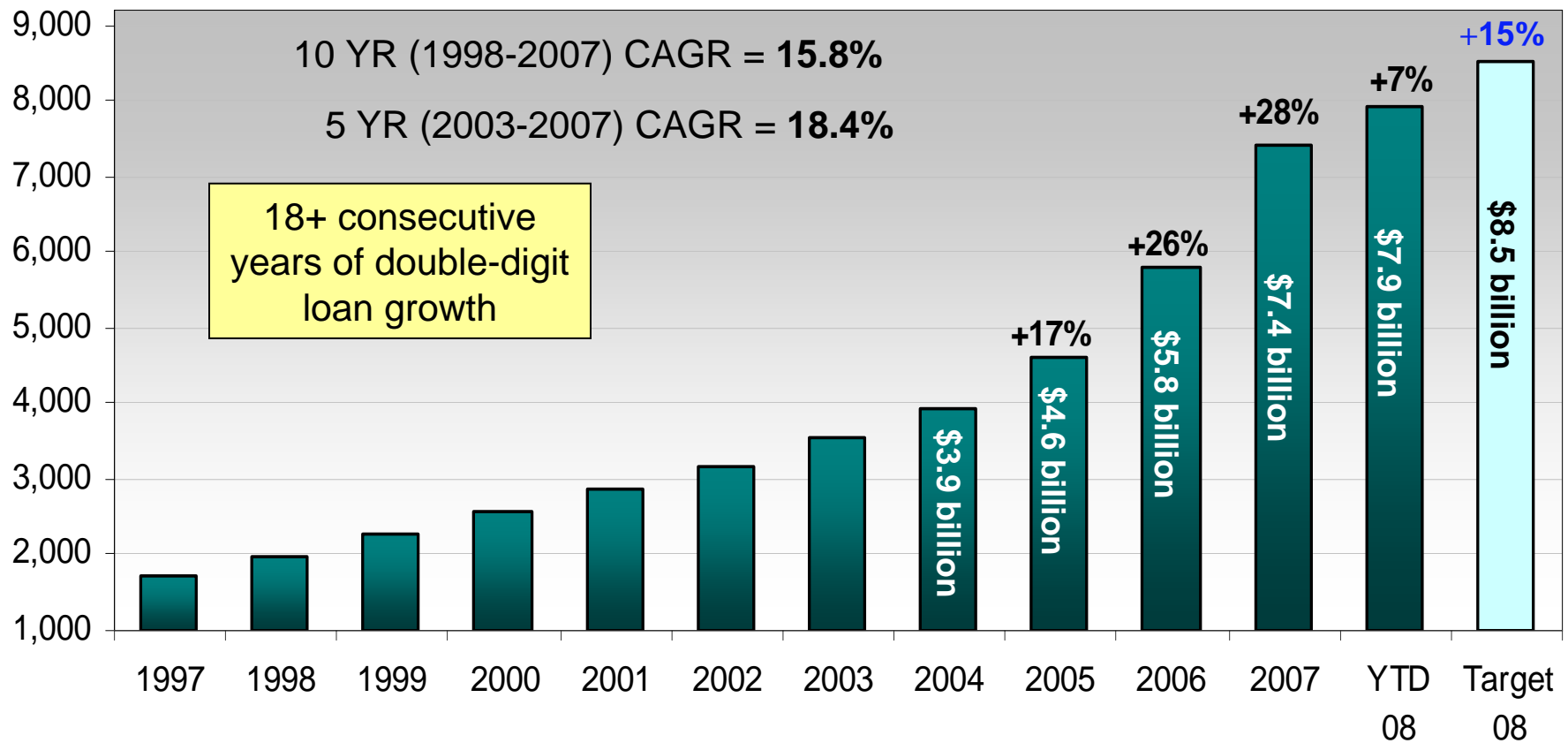


** Gross written premiums in 2004 reflect a 10-month fiscal year due to CWB acquisition

Ilqdgf lde\$ Shuirp dqfh#J Ordq#J ur z wk



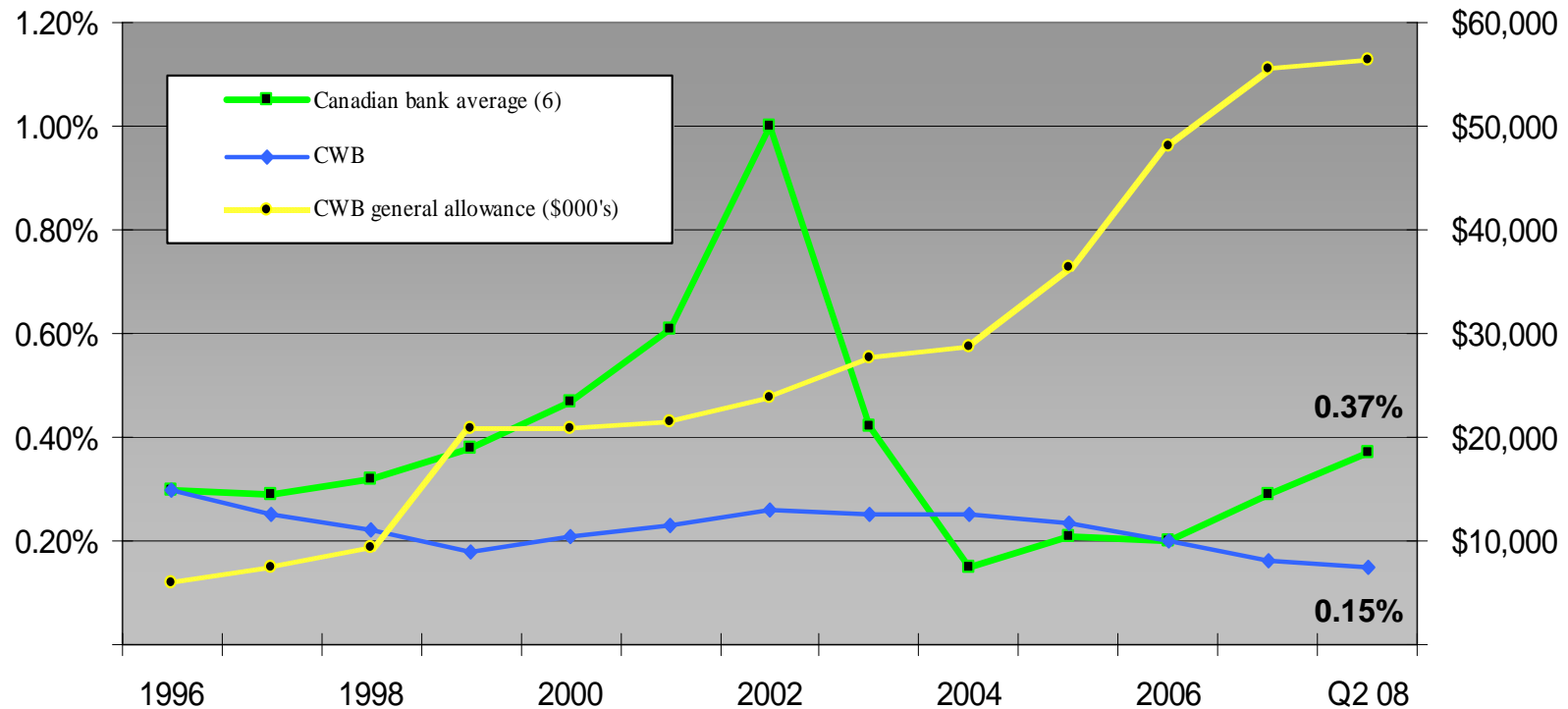
Total loans outstanding (\$ millions)



I b d q f l d e \$ h u i r u p d q f h # 0 F u n g l # K l w r u |



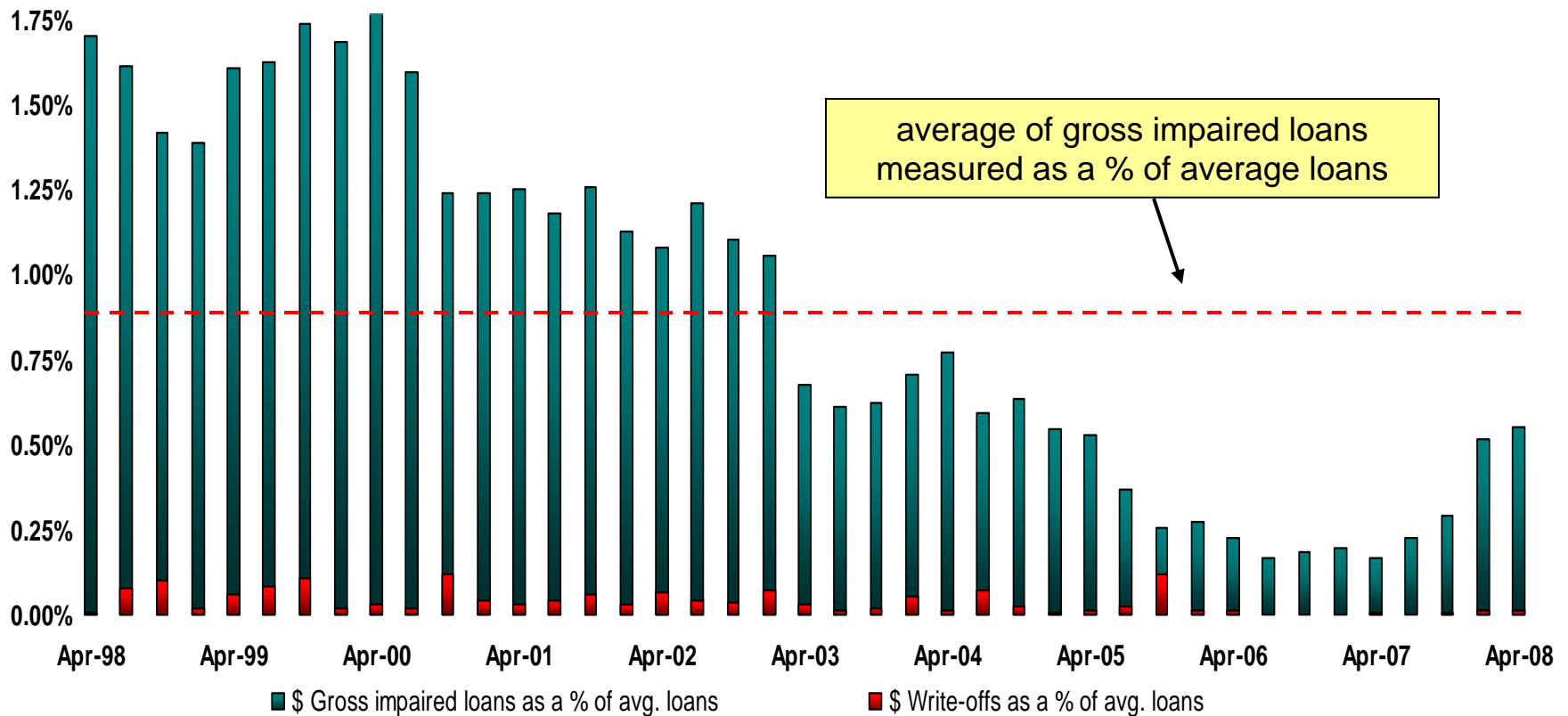
Provisions for credit losses (as a percentage of average loans)



- Q2 08 provision for credit losses represented 15 bp of average loans
- Gross impaired loans measured against total loans represented 54 basis points at April 30, 2008, compared to the ten-year average (Nov 1/97 – Oct 31/07) of 86 basis points
- General allowance represented 79 basis points of risk-weighted loans at April 30, 2008

Ilqdgf lde\$ Shuirp dqfh#0 F ung l#K lwrul

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

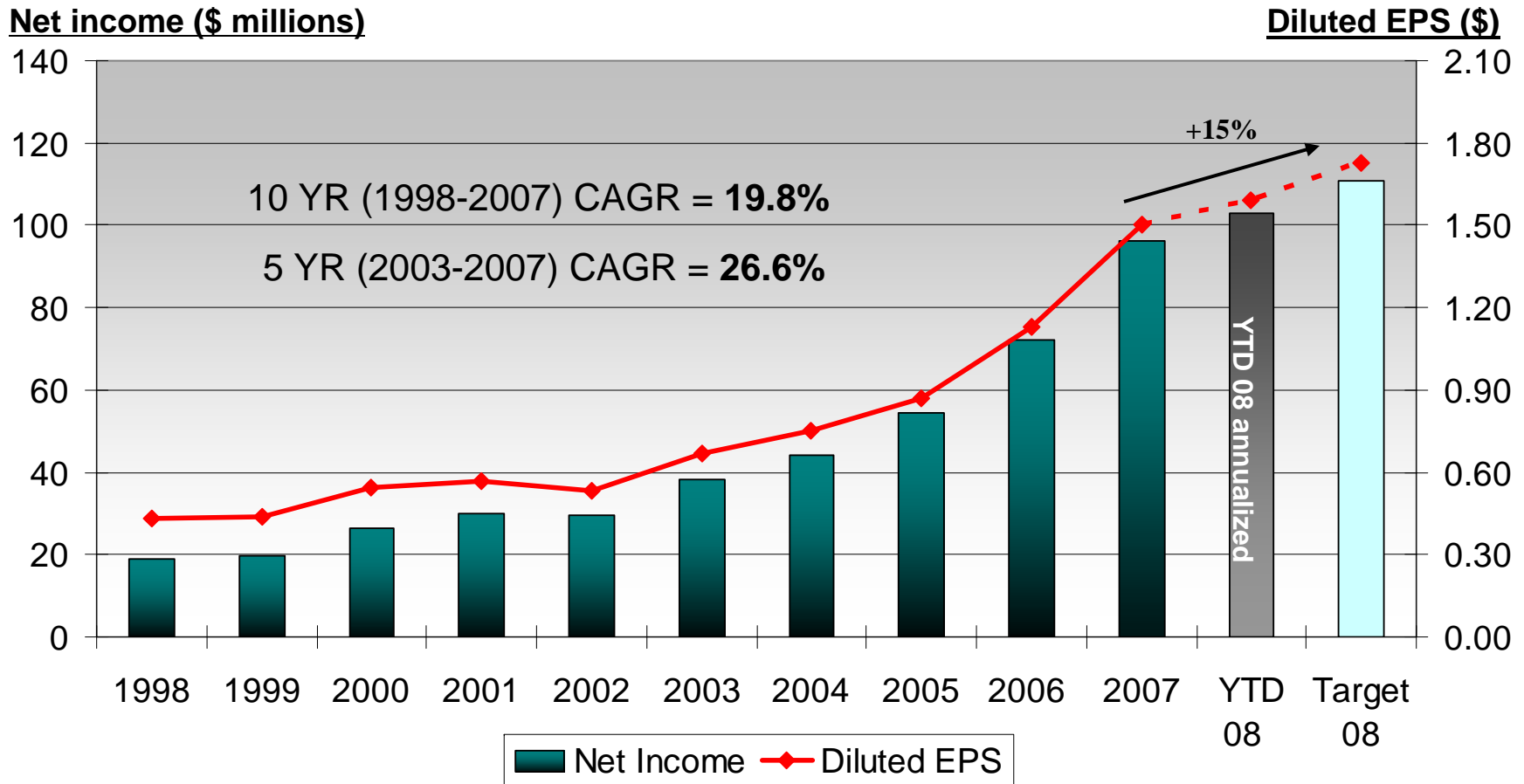


- CWB 10-year average actual losses (Nov 1/97 – Oct 31/07) were 15 bp of average loans (excluding fiscal 2006 where recoveries actually exceeded losses)

Shareholder Value



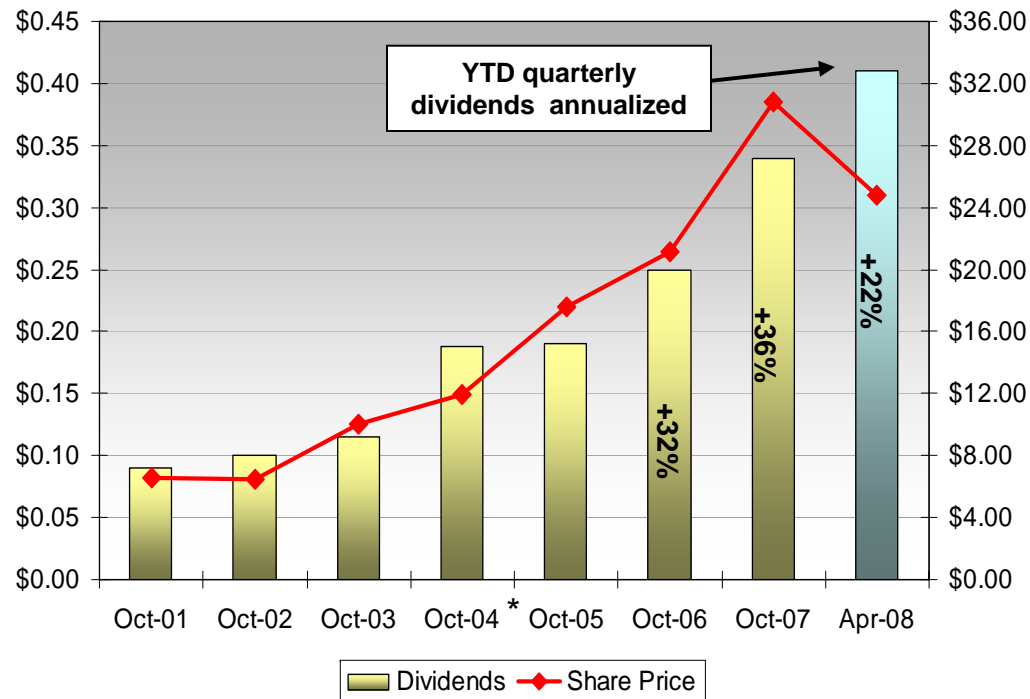
Net income and diluted earnings per share (EPS)



Vkduhkr ghu#Jhwxuq



Dividend growth trend



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

Payout ratio (2007): 22%
 Target payout range: 20-25%

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



Vkduhkrøghu#qirup dwtro

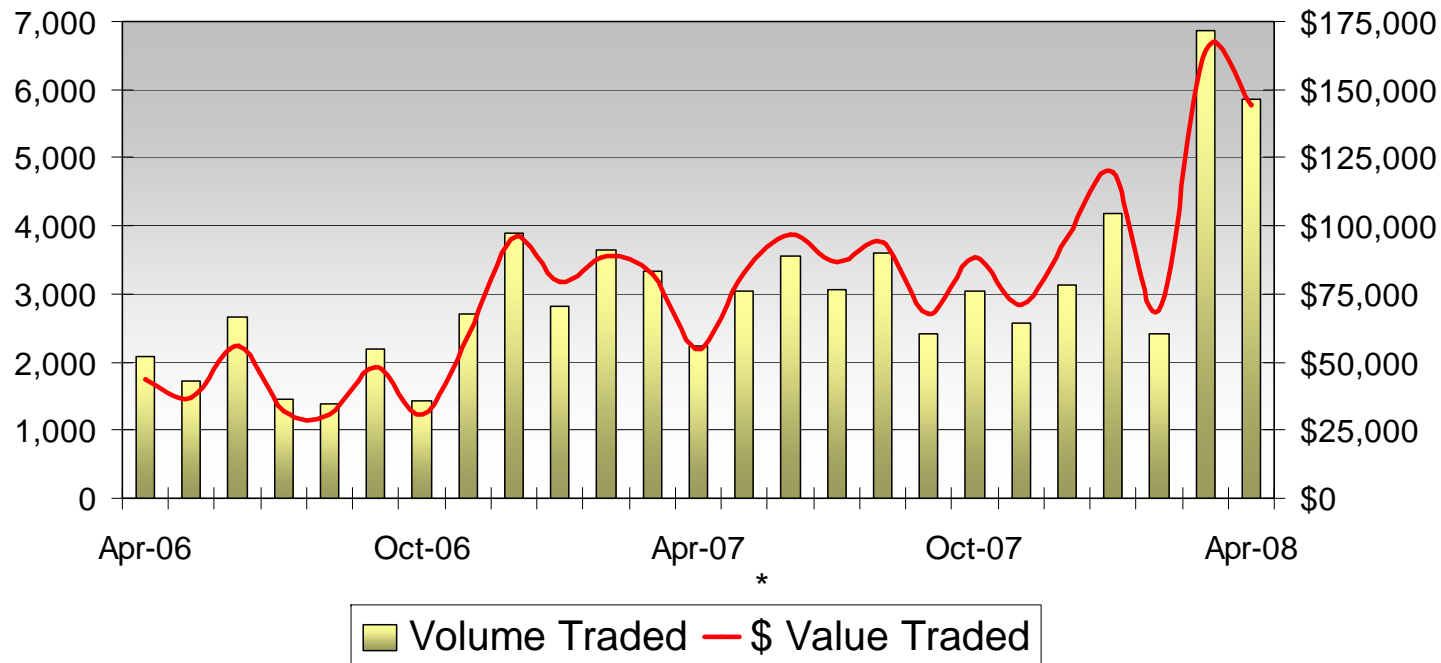
Shares outstanding

Apr 30/08 - 63,146,077

Employee Share Purchase Plan

1,145 participants (~93% of employees)

Monthly Trading History (000's)



* paid a 100% stock dividend effecting a 2 for 1 split of the Bank's common shares

Vxvw d b q d e b w |



- **CULTURE**
- **BE DIFFERENT**
- **DIVERSIFY – GEOGRAPHICALLY & BY BUSINESS LINES**
- **GROWTH – ALWAYS**
- **STUDY COMPETITION**
- **COMMUNICATE** - **STAFF**
SHAREHOLDERS
BOARD – MONTHLY
CUSTOMERS
- **LOOK FOR NEW IDEAS**
- **DON'T RELY ON RATINGS – THINK – BE CREATIVE**

\hvwhugd|#) #Wrgd|



	<u>1989</u>	<u>2008</u>
• ASSETS	\$300 MILLION	\$10 BILLION
• MARKET CAP	\$16 MILLION	\$1.6 BILLION
• SHARES O/S	4 MILLION	63 MILLION
• TRADING VOLUME	0+	30 – 40 MILLION SHARES PA
• STAFF	120	1,250
	~~~	
• ONE OF FASTEST DIVIDEND GROWTH STOCKS ON TSX		
• SPLIT 2 FOR 1 DECEMBER 2004		
• SPLIT 2 FOR 1 DECEMBER 2006		
• <b><i>“BEST PERFORMING BANK IN NORTH AMERICA”</i></b> – ANALYST		

# Thank You



CANADIAN  
WESTERN BANK  
GROUP  
BANK • TRUST • INSURANCE