



Pacific & Western

Credit Corp.

Supplemental Financial Information

**For the quarter ended January 31, 2010
(unaudited)**

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Use of this Report

This financial information is supplementary to the Corporation's First Quarter Press Release and its 2009 audited financial statements and should be read in conjunction with those documents.

This report is unaudited and all amounts are in thousands of Canadian dollars, unless indicated otherwise.

HIGHLIGHTS
(unaudited)
(\$ thousands)

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	QUARTER					YEAR ENDED				
	2010	2009				2009	2008	2007	2006	2005
	Q1	Q4	Q3	Q2	Q1					
Results of Operations (teb) *										
Total interest income	\$ 17,698	\$ 22,450	\$ 20,097	\$ 20,039	\$ 19,146	\$ 81,732	\$ 75,065	\$ 73,683	\$ 66,988	\$ 55,727
Net interest income	3,454	4,752	220	1,479	1,133	7,584	11,415	17,712	19,222	16,019
Provision (recovery) for credit losses	34	3,183	148	8	110	3,449	2,816	841	787	(61)
Impairment writedown on securities	-	-	-	-	-	-	(15,044)	-	-	-
Other income (charges)	29	1,887	507	(275)	(670)	1,449	312	1,626	16,162	8,869
Total revenue	3,449	3,456	579	1,196	353	5,584	(6,133)	18,497	34,597	24,949
Non-interest expenses	4,211	4,405	3,816	3,328	3,418	14,967	14,025	13,897	12,855	12,423
Net income (loss) before provision for income taxes	(762)	(949)	(3,237)	(2,132)	(3,065)	(9,383)	(20,158)	4,600	21,742	12,526
Income tax provision (recovery)	578	1,108	(268)	47	(375)	512	(69)	2,400	5,110	4,734
Net income (loss)	(1,340)	(2,057)	(2,969)	(2,179)	(2,690)	(9,895)	(20,089)	2,200	16,986	7,016
Per Common Share (\$'s)										
Basic earnings (loss) per share	(0.10)	(0.15)	(0.22)	(0.16)	(0.20)	(0.74)	(1.49)	0.14	1.25	0.51
Diluted earnings (loss) per share	(0.10)	(0.15)	(0.22)	(0.16)	(0.20)	(0.74)	(1.49)	0.14	1.22	0.50
Book value/share	1.09	0.98	1.27	0.93	0.96	0.98	1.51	3.91	5.00	3.71
Closing market price (common share)	3.89	4.00	3.76	3.20	2.75	4.00	3.26	7.75	11.81	10.00
Weighted average number of common shares	13,725	13,656	13,642	13,642	13,642	13,646	13,664	13,674	13,343	13,249
Number of common shares outstanding at period end	13,812	13,680	13,642	13,642	13,642	13,680	13,642	13,686	13,422	13,308
Total market value of common shares	53,729	54,720	51,294	43,654	37,516	54,720	44,473	106,067	158,514	133,080
Financial Ratios										
Net interest income teb (%)	0.96%	1.24%	0.05%	0.40%	0.30%	0.52%	0.77%	1.27%	1.56%	1.49%
Return on average common equity	-37.86%	-53.55%	-79.92%	-70.97%	-64.68%	-59.41%	-54.87%	3.25%	28.75%	14.79%
Return on average assets	-0.37%	-0.54%	-0.73%	-0.58%	-0.72%	-0.68%	-1.35%	0.16%	1.38%	0.65%
Non-interest expenses to average total assets (annualized)	1.17%	1.15%	0.94%	0.89%	0.91%	1.02%	0.94%	1.00%	1.04%	1.16%
Efficiency ratio	\$ 1.21	\$ 0.66	n/m	n/m	n/m	n/m	n/m	\$ 0.72	\$ 0.36	\$ 0.50
Number of full time equivalent staff at period end	55	55	54	54	55	55	57	57	61	48
Assets to full time employee	26,334	25,668	30,076	29,321	26,772	25,668	26,535	25,590	21,799	23,567
Financial Position										
Cash and securities	475,100	448,144	598,132	507,359	325,121	448,144	370,993	441,727	425,418	352,383
Cash and securities to total assets (%)	32.80%	31.74%	36.83%	32.04%	22.08%	31.74%	24.53%	30.32%	31.99%	31.15%
Total loans	945,300	929,831	995,802	1,044,556	1,115,534	929,831	1,110,807	977,727	863,830	749,307
Mortgages and loans to total assets (%)	65.27%	65.86%	61.31%	65.97%	75.76%	65.86%	73.44%	67.03%	64.96%	66.24%
Total assets	1,448,396	1,411,725	1,624,114	1,583,321	1,472,446	1,411,725	1,512,467	1,458,656	1,329,729	1,131,227
Average assets	1,430,061	1,517,920	1,603,718	1,527,884	1,490,722	1,462,096	1,485,562	1,394,193	1,230,478	1,073,408
Deposits	1,264,132	1,217,136	1,462,488	1,417,663	1,337,265	1,217,136	1,389,455	1,282,756	1,210,555	935,758
Notes payable	78,072	77,933	107,903	103,647	73,345	77,933	70,405	35,660	36,184	36,186
Preferred share liabilities	37,649	27,892	-	-	-	27,892	-	-	-	-
Shareholders' equity	20,153	17,471	20,891	16,271	16,697	17,471	24,131	57,054	70,650	52,923
Credit Quality										
Gross impaired loans	6,701	6,395	11,293	7,794	7,787	6,395	7,791	1,452	3,096	362
Gross impaired loans as a % of total assets	0.46%	0.45%	0.70%	0.49%	0.53%	0.45%	0.52%	0.10%	0.23%	0.03%
Net impaired loans	(2,859)	(3,139)	4,985	1,634	1,635	(3,139)	1,749	(1,754)	530	(1,527)
Net impaired loans as a % of total loans	-0.30%	-0.34%	0.50%	0.16%	0.15%	-0.34%	0.16%	-0.18%	0.06%	-0.20%
Capital Adequacy										
Pacific & Western Bank capital ratios										
Tier 1 capital	89,896	87,132	86,278	81,845	74,106	87,132	80,705	61,820	70,163	56,447
Tier 2 capital	41,500	41,500	41,500	40,000	20,000	41,500	20,000	30,000	34,000	28,000
Total capital	131,396	128,632	127,778	121,845	94,106	128,632	100,705	91,820	104,163	84,447
Risk weighted assets	920,204	929,099	951,852	951,515	892,596	929,099	907,151	800,582	786,005	759,348
Risk based capital ratio	14.28%	13.84%	13.42%	12.81%	10.54%	13.84%	11.10%	11.47%	13.25%	11.12%
Tier 1 ratio	9.77%	9.38%	9.06%	8.60%	8.30%	9.38%	8.90%	7.72%	8.93%	7.43%
Assets to capital ratio	11.18	11.20	12.90	13.21	15.98	11.20	15.35	16.19	12.96	13.60

* Taxable Equivalent Basis (teb) Adjustment-an addition to interest income to gross up the tax-exempt income earned on preferred shares to an amount which, had it been taxable at the statutory rate, would result in the same after-tax net income as appears in the financial statements. This results in a better reflection of the pre-tax economic yield of these assets and facilitates uniform measurement and comparison of net interest income.

NET INCOME (teb)
(unaudited)
(\$ thousands)

	QUARTER					YEAR ENDED					
	2010		2009			2009		2008		2007	
	Q1	Q4	Q3	Q2	Q1	2009	2008	2007	2006	2005	
Interest Income											
Loans	\$ 11,099	\$ 13,285	\$ 12,168	\$ 15,512	\$ 15,118	\$ 56,083	\$ 53,490	\$ 52,814	\$ 47,171	\$ 40,286	
Securities	5,347	8,790	7,418	4,330	3,451	23,989	18,144	18,251	17,559	13,762	
Loan fees	1,252	375	511	197	577	1,660	3,431	2,618	2,258	1,679	
Total interest income	17,698	22,450	20,097	20,039	19,146	81,732	75,065	73,683	66,988	55,727	
Yield %	4.91%	5.87%	4.97%	5.38%	5.10%	5.59%	5.05%	5.28%	5.44%	5.19%	
Interest Expense											
Deposits	11,163	14,720	17,215	16,440	16,333	\$ 64,708	59,005	52,452	44,294	36,289	
Notes	2,156	2,430	2,662	2,120	1,680	8,892	4,646	3,519	3,472	3,419	
Preferred share liabilities	925	548	-	-	-	548	-	-	-	-	
Total interest expense	14,244	17,698	19,877	18,560	18,013	74,148	63,651	55,971	47,766	39,708	
Cost of funds %	3.95%	4.63%	4.92%	4.98%	4.79%	5.07%	4.28%	4.01%	3.88%	3.70%	
Net interest income	3,454	4,752	220	1,479	1,133	7,584	11,414	17,712	19,222	16,019	
Spread %	0.96%	1.24%	0.05%	0.40%	0.30%	0.52%	0.77%	1.27%	1.56%	1.49%	
Provision (recovery) for credit losses	34	3,183	148	8	110	3,449	2,815	841	787	(61)	
Impairment writedown on securities	-	-	-	-	-	-	(15,044)	-	-	-	
Other income (charges)	29	1,887	507	(275)	(670)	1,449	312	1,626	16,162	8,869	
Total revenue	3,449	3,456	579	1,196	353	5,584	(6,133)	18,497	34,597	24,949	
Non-interest expenses	4,211	4,405	3,816	3,328	3,418	14,967	14,025	13,897	12,855	12,423	
Net income (loss) before taxes	(762)	(949)	(3,237)	(2,132)	(3,065)	(9,383)	(20,158)	4,600	21,742	12,526	
Income taxes	578	1,108	(268)	47	(375)	512	(69)	2,400	5,110	4,734	
Non-controlling interest	-	-	-	-	-	-	-	-	354	(776)	
Net income (loss)	\$ (1,340)	\$ (2,057)	\$ (2,969)	\$ (2,179)	\$ (2,690)	\$ (9,895)	\$ (20,089)	\$ 2,200	\$ 16,986	\$ 7,016	
Per common share:											
Basic earnings (loss) per share	\$ (0.10)	\$ (0.15)	\$ (0.22)	\$ (0.16)	\$ (0.20)	\$ (0.74)	\$ (1.49)	\$ 0.14	\$ 1.25	\$ 0.51	
Diluted earnings (loss) per share	\$ (0.10)	\$ (0.15)	\$ (0.22)	\$ (0.16)	\$ (0.20)	\$ (0.74)	\$ (1.49)	\$ 0.14	\$ 1.22	\$ 0.50	
Common share dividends	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,787	\$ -	\$ -	
Preferred share dividends paid	\$ 66	\$ 115	\$ -	\$ -	\$ 240	\$ 355	\$ 240	\$ 240	\$ 240	\$ 240	
Comprehensive Income											
Net income (loss)	\$ (1,340)	\$ (2,057)	\$ (2,969)	\$ (2,179)	\$ (2,690)	\$ (9,895)	\$ (20,089)	\$ 2,200	\$ 16,986	\$ 7,016	
Other comprehensive income, net of tax											
Net unrealized gains (losses) on assets held as available-for-sale	3,407	(2,345)	7,350	1,636	(4,874)	1,767	(11,866)	(9,377)	-	-	
Amount transferred to net income (loss) for hedges	-	-	-	-	-	-	190	212	-	-	
Amount transferred to net income (loss) for available-for-sale assets	(861)	377	184	91	332	984	(38)	(1,358)	-	-	
Amount transferred to net income (loss) for impairment writedown on available-for-sale assets	-	-	-	-	-	-	(797)	-	-	-	
2,546	(1,968)	7,534	1,727	(4,542)	2,751	(12,511)	(10,523)	-	-	-	
Total comprehensive income (loss)	\$ 1,206	\$ (4,025)	\$ 4,565	\$ (452)	\$ (7,232)	\$ (7,144)	\$ (32,600)	\$ (8,323)	\$ 16,986	\$ 7,016	

NET INTEREST INCOME, OTHER INCOME AND TOTAL REVENUES (teb)
(unaudited)
(\$ thousands)

	QUARTER					YEAR ENDED				
	2010	2009				2009	2008	2007	2006	2005
	Q1	Q4	Q3	Q2	Q1					
Net Interest Income	\$ 2,803	\$ 4,085	\$ (401)	\$ 778	\$ 388	\$ 4,850	\$ 8,555	\$ 15,503	\$ 17,571	\$ 14,244
Taxable equivalent adjustment	651	667	621	701	745	2,734	2,857	2,209	1,650	1,775
Net Interest Income (NII) (teb)	3,454	4,752	220	1,479	1,133	7,584	11,412	17,712	19,221	16,019
Gains	-	-	-	-	-	-	-	888	16,933	655
Impairment writedown on securities	-	-	-	-	-	-	(3,703)	-	(3,230)	-
Impairment writedown on other assets	-	-	-	-	-	-	(11,341)	(100)	(616)	-
Other	29	1,887	507	(275)	(670)	1,449	312	839	3,075	8,214
Total other income (charges)	29	1,887	507	(275)	(670)	1,449	(14,732)	1,627	16,162	8,869
Net interest and other income (teb)	\$ 3,483	\$ 6,639	\$ 727	\$ 1,204	\$ 463	\$ 9,033	\$ (3,320)	\$ 19,339	\$ 35,383	\$ 24,888
Other income (charges) as a % of total revenue	0.83%	28.42%	n/m	n/m	n/m	16.04%	n/m	8.41%	45.68%	35.64%
Net interest income-loans	1.29%	1.01%	0.01%	0.96%	0.81%	0.59%	1.17%	2.01%	2.06%	2.11%
Net interest income-securities	0.65%	2.06%	0.41%	-0.70%	-0.91%	0.79%	0.18%	0.60%	0.63%	0.35%
Net interest income per average assets	0.96%	1.24%	0.05%	0.40%	0.30%	0.52%	0.77%	1.27%	1.56%	1.49%

(unaudited)
(\$ thousands)

	QUARTER					YEAR ENDED				
	2010	2009				2009	2008	2007	2006	2005
	Q1	Q4	Q3	Q2	Q1					
Average loans	\$ 937,566	\$ 962,817	\$ 1,020,179	\$ 1,080,045	\$ 1,113,171	\$ 1,020,319	\$ 1,044,267	\$ 920,779	\$ 806,569	\$ 706,472
Average total assets	1,430,061	1,517,920	1,603,718	1,527,884	1,490,722	1,462,096	1,483,827	1,394,193	1,230,478	1,073,408
Average common equity	14,221	15,367	15,036	12,939	16,869	16,987	37,048	60,307	58,242	45,826
Average total equity	18,812	19,181	18,581	16,484	20,414	20,801	40,593	63,852	61,787	49,371

NON-INTEREST EXPENSES
(unaudited)
(\$ thousands)

	QUARTER					YEAR ENDED				
	2010	2009				2009	2008	2007	2006	2005
	Q1	Q4	Q3	Q2	Q1					
Salaries and Employee Benefits										
Salaries	\$ 1,445	\$ 1,392	\$ 1,355	\$ 1,363	\$ 1,352	\$ 5,462	\$ 5,657	\$ 5,304	\$ 5,675	\$ 5,275
Employee benefits	411	466	388	322	304	\$ 1,480	1,941	2,509	1,533	759
Total	1,856	1,858	1,743	1,685	1,656	6,942	7,598	7,813	7,208	6,034
Premises										
Rent	144	181	169	199	176	725	678	671	509	419
Depreciation	267	272	272	271	272	1,087	1,056	924	512	355
Other	87	64	49	81	83	277	218	178	235	726
Total	498	517	490	551	531	2,089	1,952	1,773	1,256	1,500
General and administrative										
Capital and business taxes	189	170	213	134	129	646	510	609	625	501
Insurance	83	80	89	80	80	329	295	296	275	216
Listing, sustaining fees and annual meeting	41	33	55	44	55	187	214	216	151	221
Marketing and business development	103	105	83	66	82	336	441	572	531	388
Professional fees and services	328	583	378	188	184	1,333	737	664	534	468
Postage and stationary	42	33	29	29	22	113	137	145	124	125
Telephone and communications	24	27	31	25	32	115	124	142	132	108
Travel	155	185	163	111	150	609	675	752	545	194
Other	892	814	542	415	497	2,268	1,342	915	1,474	2,668
Total	1,857	2,030	1,583	1,092	1,231	5,936	4,475	4,311	4,391	4,889
Total non-interest expenses	\$ 4,211	\$ 4,405	\$ 3,816	\$ 3,328	\$ 3,418	\$ 14,967	\$ 14,025	\$ 13,897	\$ 12,855	\$ 12,423

BALANCE SHEET
(unaudited)
(\$ thousands)

	QUARTER					YEAR ENDED				
	2010	2009				2009	2008	2007	2006	2005
	Q1	Q4	Q3	Q2	Q1					
Cash resources	\$ 200,933	\$ 172,297	\$ 215,602	\$ 231,098	\$ 199,324	\$ 172,297	\$ 207,831	\$ 113,421	\$ 207,720	\$ 72,532
Securities	274,167	275,847	382,530	276,261	125,797	275,847	163,162	328,306	217,698	279,851
Loans										
Residential mortgages	184,010	183,942	206,568	227,169	310,711	183,942	320,247	247,802	175,363	197,608
Government financing-direct and indirect	230,132	211,680	209,885	229,560	242,477	211,680	266,513	283,000	249,562	200,998
Corporate loans	519,986	521,876	565,668	574,028	548,790	521,876	510,163	412,330	389,407	282,472
Personal loans	11,172	12,333	13,681	13,799	13,556	12,333	13,884	34,595	49,498	68,229
Total	945,300	929,831	995,802	1,044,556	1,115,534	929,831	1,110,807	977,727	863,830	749,307
Other assets										
Capital assets	6,514	6,731	6,997	7,324	7,580	6,731	7,814	8,164	3,536	9,793
Other assets	21,482	27,019	23,183	24,082	24,211	27,019	22,853	31,038	36,945	19,744
Total	27,996	33,750	30,180	31,406	31,791	33,750	30,667	39,202	40,481	29,537
Total assets	\$ 1,448,396	\$ 1,411,725	\$ 1,624,114	\$ 1,583,321	\$ 1,472,446	\$ 1,411,725	\$ 1,512,467	\$ 1,458,656	\$ 1,329,729	\$ 1,131,227
Deposits										
Demand	\$ 38,153	\$ 39,296	\$ 38,857	\$ 35,649	\$ 29,060	\$ 39,296	\$ 18,860	\$ 7,544	\$ 7,859	\$ 10,131
Term (including accrued interest)	1,225,979	1,177,840	1,423,631	1,382,014	1,308,205	1,177,840	1,370,595	1,275,212	1,202,696	925,627
Total	1,264,132	1,217,136	1,462,488	1,417,663	1,337,265	1,217,136	1,389,455	1,282,756	1,210,555	935,758
Other liabilities	48,390	71,293	32,832	45,740	45,139	71,293	28,476	83,186	12,340	106,360
Notes payable	78,072	77,933	107,903	103,647	73,345	77,933	70,405	35,660	36,184	36,186
Preferred share liabilities	37,649	27,892	-	-	-	27,892	-	-	-	-
Shareholders' Equity										
Share capital										
Common	36,669	36,143	35,961	35,906	35,880	36,143	35,842	35,925	34,230	33,249
Preferred shares	5,099	4,083	3,545	3,545	3,545	4,083	3,545	3,545	3,545	3,545
	41,768	40,226	39,506	39,451	39,425	40,226	39,387	39,470	37,775	36,794
Retained earnings (deficit)	(7,860)	(6,454)	(4,282)	(1,313)	866	(6,454)	3,796	24,125	32,875	16,129
Accumulated other comprehensive income (loss)	(13,755)	(16,301)	(14,333)	(21,867)	(23,594)	(16,301)	(19,052)	(6,541)	-	-
	20,153	17,471	20,891	16,271	16,697	17,471	24,131	57,054	70,650	52,923
Total liabilities and shareholders' equity	\$ 1,448,396	\$ 1,411,725	\$ 1,624,114	\$ 1,583,321	\$ 1,472,446	\$ 1,411,725	\$ 1,512,467	\$ 1,458,656	\$ 1,329,729	\$ 1,131,227

IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES
(unaudited)
(\$ thousands)

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	QUARTER					YEAR ENDED				
	2010	2009				2009	2008	2007	2006	2005
	Q1	Q4	Q3	Q2	Q1					
Gross impaired loans										
Residential mortgages	\$ 1,718	\$ 1,076	\$ 1,076	\$ 1,075	\$ 1,074	\$ 1,076	\$ 1,188	\$ 1,303	\$ 1,106	\$ -
Government financing-direct and indirect	-	-	-	-	-	-	-	-	-	-
Business loans	1,319	1,629	6,035	6,279	6,263	1,629	6,327	-	1,977	362
Personal loans	3,664	3,690	4,182	440	450	3,690	276	149	13	-
Total gross impaired loans	\$ 6,701	\$ 6,395	\$ 11,293	\$ 7,794	\$ 7,787	\$ 6,395	\$ 7,791	\$ 1,452	\$ 3,096	\$ 362
Allowance for credit losses										
Specific provisions	\$ 1,159	\$ 1,133	\$ 1,041	\$ 993	\$ 985	\$ 1,133	\$ 830	\$ 473	\$ 358	\$ -
General allowance	8,401	8,401	5,267	5,167	5,167	8,401	5,212	2,733	2,208	1,889
Total allowance for credit losses	\$ 9,560	\$ 9,534	\$ 6,308	\$ 6,160	\$ 6,152	\$ 9,534	\$ 6,042	\$ 3,206	\$ 2,566	\$ 1,889
Reconciliation of allowance for credit losses										
Balance, beginning of period	\$ 9,534	\$ 6,308	\$ 6,160	\$ 6,152	\$ 6,042	\$ 6,042	\$ 3,206	\$ 2,566	\$ 1,889	\$ 1,723
Provision (recovery) for credit losses	34	3,183	148	8	110	3,449	2,816	841	787	(61)
Recoveries (write-offs)	(8)	43	-	-	-	43	20	(201)	(110)	227
Balance, end of period	\$ 9,560	\$ 9,534	\$ 6,308	\$ 6,160	\$ 6,152	\$ 9,534	\$ 6,042	\$ 3,206	\$ 2,566	\$ 1,889
Total net impaired loans	\$ (2,859)	\$ (3,139)	\$ 4,985	\$ 1,634	\$ 1,635	\$ (3,139)	\$ 1,749	\$ (1,754)	\$ 530	\$ (1,527)
Total loans	\$ 945,300	\$ 929,831	\$ 995,802	\$ 1,044,556	\$ 1,115,534	\$ 929,831	\$ 1,110,807	\$ 977,727	\$ 863,830	\$ 749,307
Net impaired loans (after general allowance) as a % of total loans	-0.30%	-0.34%	0.50%	0.16%	0.15%	-0.34%	0.16%	-0.18%	0.06%	-0.20%
Gross impaired loans as a % of total assets	0.46%	0.45%	0.70%	0.49%	0.53%	0.45%	0.52%	0.10%	0.23%	0.03%
Allowance for credit losses as a % of gross impaired loans	142.67%	149.09%	55.86%	79.04%	79.00%	149.09%	77.55%	220.80%	82.88%	521.82%