



Pacific & Western

Credit Corp.

Supplemental Financial Information

**For the quarter ended July 31, 2009
(unaudited)**

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Use of this Report

This financial information is supplementary to the Corporation's Third Quarter Press Release and its 2008 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)

	QUARTER								9 MONTHS ENDED		YEAR ENDED			
	2009			2008				2009		2008				
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2008	2007	2006	2005	
Results of Operations (teb) *														
Total interest income	\$ 20,097	\$ 20,039	\$ 19,146	\$ 18,377	\$ 16,701	\$ 18,764	\$ 21,221	\$ 59,282	\$ 56,686	\$ 75,065	\$ 73,683	\$ 66,988	\$ 55,727	
Net interest income	220	1,479	1,133	1,790	1,623	2,944	5,056	2,832	9,625	11,415	17,712	19,222	16,019	
Provision (recovery) for credit losses	148	8	110	2,502	242	64	8	266	314	2,816	841	787	(61)	
Impairment writedown on securities	-	-	-	(11,341)	(3,703)	-	-	-	(3,703)	(15,044)	-	-	-	
Other income (charges)	507	(275)	(670)	129	139	130	(86)	(438)	183	312	1,626	16,162	8,869	
Total revenue	579	1,196	353	(11,924)	(2,183)	3,010	4,962	2,128	5,791	(6,133)	18,497	34,597	24,949	
Non-interest expenses	3,816	3,328	3,418	3,280	3,523	3,441	3,781	10,562	10,745	14,025	13,897	12,855	12,423	
Net income (loss) before provision for income taxes	(3,237)	(2,132)	(3,065)	(15,204)	(5,706)	(431)	1,181	(8,434)	(4,956)	(20,158)	4,600	21,742	12,526	
Income tax provision (recovery)	(268)	47	(417)	605	(1,491)	170	645	(596)	(676)	(69)	2,400	5,110	4,734	
Net income (loss)	(2,969)	(2,179)	(2,648)	(15,809)	(4,215)	(601)	536	(7,838)	(4,280)	(20,089)	2,200	16,986	7,016	
Per Common Share (\$'s)														
Basic earnings (loss) per share	(0.22)	(0.16)	(0.20)	(1.16)	(0.31)	(0.05)	0.03	(0.59)	(0.33)	(1.49)	0.14	1.25	0.51	
Diluted earnings (loss) per share	(0.22)	(0.16)	(0.20)	(1.16)	(0.31)	(0.05)	0.03	(0.59)	(0.33)	(1.49)	0.14	1.22	0.50	
Book value/share	1.27	0.93	0.96	1.51	2.67	3.23	3.54	1.27	2.67	1.51	3.91	5.00	3.71	
Closing market price (common share)	3.76	3.20	2.75	3.26	5.00	5.50	7.70	3.76	5.00	3.26	7.75	11.81	10.00	
Weighted average number of common shares	13,642	13,642	13,642	13,643	13,637	13,602	13,649	13,642	13,630	13,664	13,674	13,343	13,249	
Number of common shares outstanding at period end	13,642	13,642	13,642	13,642	13,644	13,598	13,605	13,642	13,644	13,642	13,686	13,422	13,308	
Total market value of common shares	51,294	43,654	37,516	44,473	68,220	74,789	104,759	51,294	68,185	44,473	106,067	158,514	133,080	
Financial Ratios														
Net interest income teb (%)	0.05%	0.40%	0.30%	0.49%	0.47%	0.85%	1.36%	0.24%	0.89%	0.77%	1.27%	1.56%	1.49%	
Return on average common equity	-79.92%	-70.97%	-63.69%	-223.39%	-42.21%	-5.82%	3.71%	-56.52%	-13.22%	-54.87%	3.25%	28.75%	14.79%	
Return on average assets	-0.73%	-0.58%	-0.70%	-4.31%	-1.21%	-0.17%	0.14%	-0.67%	-0.39%	-1.35%	0.16%	1.38%	0.65%	
Non-interest expenses to average total assets (annualized)	0.94%	0.89%	0.91%	0.89%	1.01%	0.99%	1.02%	0.90%	0.99%	0.94%	1.00%	1.04%	1.16%	
Efficiency ratio	n/m	n/m	n/m	n/m	n/m	\$ 1.12	\$ 0.76	n/m	\$ 1.76	n/m	\$ 0.72	\$ 0.36	\$ 0.50	
Number of full time equivalent staff at period end	54	54	55	57	58	58	60	54	58	57	57	61	48	
Assets to full time employee	30,076	29,321	26,772	26,535	24,662	23,005	24,845	30,076	24,662	26,535	25,590	21,799	23,567	
Financial Position														
Cash and securities	598,132	507,359	325,121	370,993	446,908	309,816	478,175	598,132	446,908	370,993	441,727	425,418	352,383	
Cash and securities to total assets (%)	36.83%	32.04%	22.08%	24.53%	31.24%	23.22%	32.08%	36.83%	31.24%	24.53%	30.32%	31.99%	31.15%	
Total loans	995,802	1,044,556	1,115,534	1,110,807	948,596	989,714	975,558	995,802	948,596	1,110,807	977,727	863,830	749,307	
Mortgages and loans to total assets (%)	61.31%	65.97%	75.76%	73.44%	66.32%	74.18%	65.44%	61.31%	66.32%	73.44%	67.03%	64.96%	66.24%	
Total assets	1,624,114	1,583,321	1,472,446	1,512,467	1,430,395	1,334,269	1,490,682	1,624,114	1,430,395	1,512,467	1,458,656	1,329,729	1,131,227	
Average assets	1,603,718	1,527,884	1,492,457	1,471,431	1,382,332	1,412,476	1,474,669	1,568,291	1,444,526	1,485,562	1,394,193	1,230,478	1,073,408	
Deposits	1,462,488	1,417,663	1,337,265	1,389,455	1,173,732	1,214,123	1,363,050	1,462,488	1,173,732	1,389,455	1,282,756	1,210,555	935,758	
Notes payable	107,903	103,647	73,345	70,405	68,850	40,805	40,732	107,903	68,850	70,405	35,660	36,184	36,186	
Shareholders' equity	20,891	16,271	16,697	24,131	39,946	47,499	51,712	20,891	39,946	24,131	57,054	70,650	52,923	
Credit Quality														
Gross impaired loans	11,293	7,794	7,787	7,791	7,931	1,366	1,363	11,293	7,931	7,791	1,452	3,096	362	
Gross impaired loans as a % of total assets	0.70%	0.49%	0.53%	0.52%	0.55%	0.10%	0.09%	0.70%	0.55%	0.52%	0.10%	0.23%	0.03%	
Net impaired loans	4,985	1,634	1,635	1,749	4,391	(1,932)	(1,851)	4,985	4,391	1,749	(1,754)	530	(1,527)	
Net impaired loans as a % of total loans	0.50%	0.16%	0.15%	0.16%	0.46%	-0.20%	-0.19%	0.50%	-0.46%	0.16%	-0.18%	0.06%	-0.20%	
Capital Adequacy														
Pacific & Western Bank capital ratios														
Tier 1 capital	86,278	81,845	74,106	80,705	91,838	69,927	63,630	86,278	91,838	80,705	61,820	70,163	56,447	
Tier 2 capital	41,500	40,000	20,000	20,000	20,000	20,000	30,000	41,500	20,000	20,000	30,000	34,000	28,000	
Total capital	127,778	121,845	94,106	100,705	111,838	89,927	93,630	127,778	111,838	100,705	91,820	104,163	84,447	
Risk weighted assets	951,852	951,515	892,596	907,151	1,021,138	833,103	825,960	951,852	1,021,138	907,151	800,582	786,005	759,348	
Risk based capital ratio	13.42%	12.81%	10.54%	11.10%	10.95%	10.79%	11.34%	13.42%	10.95%	11.10%	11.47%	13.25%	11.12%	
Tier 1 ratio	9.06%	8.60%	8.30%	8.90%	8.99%	8.39%	7.70%	9.06%	8.99%	8.90%	7.72%	8.93%	7.43%	
Assets to capital ratio	12.90	13.21	15.98	15.35	13.11	15.21	16.26	12.90	13.11	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 INTEREST INCOME, OTHER INCOME AND TOTAL REVENUES (teb)
(unaudited)
(\$ thousands)

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	QUARTER								9 MONTHS ENDED		YEAR ENDED			
	2009			2008				2009	2008					
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2008	2007	2006	2005	
Net interest income	\$ (401)	\$ 778	\$ 388	\$ 1,115	\$ 944	\$ 2,285	\$ 4,212	\$ 765	\$ 7,441	\$ 8,555	\$ 15,503	\$ 17,571	\$ 14,244	
Taxable equivalent adjustment	621	701	703	675	679	659	844	2,067	2,182	2,857	2,209	1,650	1,775	
Net Interest Income (NII) (teb)	220	1,479	1,091	1,790	1,623	2,944	5,056	2,832	9,625	11,412	17,712	19,221	16,019	
Earnings (loss) from equity accounted investments	-	-	-	-	-	-	-	-	-	-	-	1,721	-	
Administration fees	-	-	-	-	-	-	-	-	-	-	-	5	155	
Gains	-	-	-	-	-	-	-	-	-	-	888	16,933	655	
Impairment writedown on securities	-	-	-	-	(3,703)	-	-	-	(3,703)	(3,703)	-	(3,230)	-	
Impairment writedown on other assets	-	-	-	(11,321)	-	-	(20)	-	(20)	(11,341)	(100)	(616)	-	
Other	507	(275)	(670)	109	139	130	(66)	(438)	203	312	839	1,349	8,059	
Total other income (charges)	507	(275)	(670)	(11,212)	(3,564)	130	(86)	(438)	(3,520)	(14,732)	1,627	16,162	8,869	
Net interest and other income (teb)	\$ 727	\$ 1,204	\$ 421	\$ (9,422)	\$ (1,941)	\$ 3,074	\$ 4,970	\$ 2,394	\$ 6,105	\$ (3,320)	\$ 19,339	\$ 35,383	\$ 24,888	
Other income (charges) as a % of total revenue	n/m	n/m	n/m	n/m	n/m	4.23%	-1.73%	n/m	n/m	n/m	8.41%	45.68%	35.64%	
Net interest income-loans	0.01%	0.96%	0.81%	1.12%	1.18%	1.27%	1.71%	0.78%	1.17%	1.17%	2.01%	2.06%	2.11%	
Net interest income-securities	0.41%	-0.70%	-0.91%	-0.69%	-0.90%	0.22%	1.12%	-0.62%	0.18%	0.18%	0.60%	0.63%	0.35%	
Net interest income per average assets	0.05%	0.40%	0.29%	0.49%	0.47%	0.85%	1.36%	0.24%	0.89%	1.02%	1.27%	1.56%	1.49%	

(unaudited)
(\$ thousands)

	QUARTER								9 MONTHS ENDED		YEAR ENDED			
	2009			2008				2009	2008					
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2008	2007	2006	2005	
Average loans	\$ 1,020,179	\$ 1,080,045	\$ 1,113,171	\$ 1,029,702	\$ 969,155	\$ 982,636	\$ 976,643	\$ 1,053,305	\$ 963,162	\$ 1,044,267	\$ 920,779	\$ 806,569	\$ 706,472	
Average total assets	1,603,718	1,527,884	1,492,457	1,471,431	1,382,332	1,412,476	1,474,669	1,568,291	1,444,526	1,485,562	1,394,193	1,230,478	1,073,408	
Average common equity	15,036	12,939	16,869	28,494	40,178	46,061	50,838	18,966	44,955	37,048	60,307	58,242	45,826	
Average total equity	18,581	16,484	20,414	32,039	43,723	49,606	54,383	22,511	48,500	40,593	63,852	61,787	49,371	

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

	QUARTER								9 MONTHS ENDED		YEAR ENDED			
	2009			2008				2009	2008	2008	2007	2006	2005	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3					
Salaries and Employee Benefits														
Salaries	\$ 1,355	\$ 1,363	\$ 1,352	\$ 1,094	\$ 1,491	\$ 1,495	\$ 1,577	\$ 4,070	\$ 4,563	\$ 5,657	\$ 5,304	\$ 5,059	\$ 4,044	
Employee Benefits	388	322	304	458	443	471	569	1,014	1,483	1,941	2,509	1,533	759	
Aerial forest fire operations	-	-	-	-	-	-	-	-	-	-	-	616	1,231	
Total	1,743	1,685	1,656	1,552	1,934	1,966	2,146	5,084	6,046	7,598	7,813	7,208	6,034	
Premises														
Rent	169	199	176	177	156	167	178	544	501	678	671	509	419	
Depreciation	272	271	272	275	275	258	248	815	781	1,056	924	512	355	
Other	49	81	83	48	53	61	56	213	170	218	178	154	118	
Aerial forest fire operations	-	-	-	-	-	-	-	-	-	-	-	81	608	
Total	490	551	531	500	484	486	482	1,572	1,452	1,952	1,773	1,256	1,500	
General and administrative														
Capital and business taxes	213	134	129	14	225	87	184	476	496	510	609	625	501	
Insurance	89	80	80	81	76	71	67	249	214	295	296	275	216	
Listing, sustaining fees and annual meeting	55	44	55	59	40	60	55	154	155	214	216	151	221	
Marketing and business development	83	66	82	68	107	114	152	231	373	441	572	531	388	
Professional fees and services	378	188	184	263	124	157	193	750	474	737	664	534	468	
Postage and stationary	29	29	22	25	39	40	33	80	112	137	145	124	125	
Telephone and communications	31	25	32	34	27	33	30	88	90	124	142	132	108	
Travel	163	111	150	223	132	163	157	424	452	675	752	545	194	
Other	542	415	497	461	335	264	282	1,454	881	1,342	915	1,190	1,994	
Aerial forest fire operations	-	-	-	-	-	-	-	-	-	-	-	284	674	
Total	1,583	1,092	1,231	1,228	1,105	989	1,153	3,906	3,247	4,475	4,311	4,391	4,889	
Total non-interest expenses	\$ 3,816	\$ 3,328	\$ 3,418	\$ 3,280	\$ 3,523	\$ 3,441	\$ 3,781	\$ 10,562	\$ 10,745	\$ 14,025	\$ 13,897	\$ 12,855	\$ 12,423	

BALANCE SHEET
(unaudited)
(\$ thousands)

	QUARTER							YEAR ENDED			
	2009			2008				2008	2007	2006	2005
	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Cash resources	\$ 215,602	\$ 231,098	\$ 199,324	\$ 207,831	\$ 225,237	\$ 160,847	\$ 185,463	\$ 207,831	\$ 113,421	\$ 207,720	\$ 72,532
Securities	382,530	276,261	125,797	163,162	221,671	148,969	292,712	163,162	328,306	217,698	279,851
Loans											
Residential mortgages	206,568	227,169	310,711	320,247	200,453	250,427	246,523	320,247	247,802	175,363	197,608
Government financing-direct and indirect	209,885	229,560	242,477	266,513	269,415	289,278	283,600	354,244	283,000	249,562	200,998
Corporate loans	565,668	574,028	548,790	510,163	458,600	420,838	415,053	422,432	412,330	389,407	282,472
Personal loans	13,681	13,799	13,556	13,884	20,128	29,171	30,382	13,884	34,595	49,498	68,229
Total	995,802	1,044,556	1,115,534	1,110,807	948,596	989,714	975,558	1,110,807	977,727	863,830	749,307
Other assets											
Capital assets	6,997	7,324	7,580	7,814	8,027	8,174	8,218	7,814	8,164	3,536	9,793
Investment in Discovery Air *	2,386	1,952	2,603	3,470	9,218	10,736	13,122	3,470	16,592	24,985	-
Other assets	20,797	22,130	21,608	19,383	17,646	15,829	15,609	19,383	14,446	11,960	19,744
Total	30,180	31,406	31,791	30,667	34,891	34,739	36,949	30,667	39,202	40,481	29,537
Total assets	\$ 1,624,114	\$ 1,583,321	\$ 1,472,446	\$ 1,512,467	\$ 1,430,395	\$ 1,334,269	\$ 1,490,682	\$ 1,512,467	\$ 1,458,656	\$ 1,329,729	\$ 1,131,227
Deposits											
Demand	\$ 38,857	\$ 35,649	\$ 29,060	\$ 18,860	\$ 14,951	\$ 10,394	\$ 7,251	\$ 18,860	\$ 7,544	\$ 7,859	\$ 10,131
Term (including accrued interest)	1,423,631	1,382,014	1,308,205	1,370,595	1,158,781	1,203,729	1,355,799	1,370,595	1,275,212	1,202,696	925,627
Total	1,462,488	1,417,663	1,337,265	1,389,455	1,173,732	1,214,123	1,363,050	1,389,455	1,282,756	1,210,555	935,758
Other liabilities	32,832	45,740	45,139	28,476	147,867	31,842	35,188	28,476	83,186	12,340	105,606
Notes payable	107,903	103,647	73,345	70,405	68,850	40,805	40,732	70,405	35,660	36,184	36,186
Non-controlling interest in subsidiary	-	-	-	-	-	-	-	-	-	-	754
Shareholders' Equity											
Share capital											
Common	35,961	35,906	35,880	35,842	35,786	35,598	35,532	35,842	35,925	34,230	33,249
Preferred shares	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545
Retained earnings (deficit)	39,506	39,451	39,425	39,387	39,331	39,143	39,077	39,387	39,470	37,775	36,794
Accumulated other comprehensive income (loss)	(4,282)	(1,313)	866	3,796	19,605	23,820	24,404	3,796	24,125	32,875	16,129
Total	(14,333)	(21,867)	(23,594)	(19,052)	(18,990)	(15,464)	(11,769)	(19,052)	(6,541)	-	-
Total	20,891	16,271	16,697	24,131	39,946	47,499	51,712	24,131	57,054	70,650	52,923
Total liabilities and shareholders' equity	\$ 1,624,114	\$ 1,583,321	\$ 1,472,446	\$ 1,512,467	\$ 1,430,395	\$ 1,334,269	\$ 1,490,682	\$ 1,512,467	\$ 1,458,656	\$ 1,329,729	\$ 1,131,227

* Prior to April, 2006 Discovery Air Inc. was accounted for on the consolidation basis.

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

	QUARTER								YEAR ENDED			
	2009			2008				2008	2007	2006	2005	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1					
Gross impaired loans												
Residential mortgages	\$ 648	\$ 647	\$ 1,074	\$ 1,188	\$ 1,180	\$ 1,225	\$ 1,225	\$ 1,188	\$ 1,303	\$ 1,106	\$ -	
Government financing-direct and indirect	-	-	-	-	-	-	-	-	-	-	-	
Business loans	6,463	6,707	6,263	6,327	6,549	-	-	6,327	-	1,977	362	
Personal loans	4,182	440	450	276	202	141	138	276	149	13	-	
Total gross impaired loans	\$ 11,293	\$ 7,794	\$ 7,787	\$ 7,791	\$ 7,931	\$ 1,366	\$ 1,363	\$ 7,791	\$ 1,452	\$ 3,096	\$ 362	
Allowance for credit losses												
Specific provisions	\$ 1,041	\$ 993	\$ 985	\$ 830	\$ 813	\$ 683	\$ 481	\$ 830	\$ 473	\$ 358	\$ -	
General allowance	5,267	5,167	5,167	5,212	2,727	2,615	2,733	5,212	2,733	2,208	1,889	
Total allowance for credit losses	\$ 6,308	\$ 6,160	\$ 6,152	\$ 6,042	\$ 3,540	\$ 3,298	\$ 3,214	\$ 6,042	\$ 3,206	\$ 2,566	\$ 1,889	
Reconciliation of allowance for credit losses												
Balance, beginning of period	\$ 6,160	\$ 6,152	\$ 6,042	\$ 3,540	\$ 3,298	\$ 3,214	\$ 3,206	\$ 3,206	\$ 2,566	\$ 1,889	\$ 1,723	
Provision (recovery) for credit losses	148	8	110	2,502	242	64	8	2,816	841	787	(61)	
Recoveries (write-offs)	-	-	-	-	-	20	-	20	(201)	(110)	227	
Balance, end of period	\$ 6,308	\$ 6,160	\$ 6,152	\$ 6,042	\$ 3,540	\$ 3,298	\$ 3,214	\$ 6,042	\$ 3,206	\$ 2,566	\$ 1,889	
Total net impaired loans	\$ 4,985	\$ 1,634	\$ 1,635	\$ 1,749	\$ 4,391	\$ (1,932)	\$ (1,851)	\$ 1,749	\$ (1,754)	\$ 530	\$ (1,527)	
Total loans	\$ 995,802	\$ 1,044,556	\$ 1,115,534	\$ 1,110,807	\$ 948,596	\$ 989,714	\$ 975,558	\$ 1,110,807	\$ 977,727	\$ 863,830	\$ 749,307	
Net impaired loans (after general allowance) as a % of total loans	0.50%	0.16%	0.15%	0.16%	0.46%	-0.20%	-0.19%	0.16%	-0.18%	0.06%	-0.20%	
Gross impaired loans as a % of total assets	0.70%	0.49%	0.53%	0.52%	0.55%	0.10%	0.09%	0.52%	0.10%	0.23%	0.03%	
Allowance for credit losses as a % of gross impaired loans	55.86%	79.04%	79.00%	77.55%	44.63%	241.43%	235.80%	77.55%	220.80%	82.88%	521.82%	