



Pacific & Western

Credit Corp.

Supplemental Financial Information

**For the quarter ended July 31, 2011
(unaudited)**

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Use of this Report

This financial information is supplementary to the Corporation's Third Quarter Press Release and its 2010 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				
	2011		2010				2011	2010	2010	2009**	2008**	2007	
	Q3	Q2	Q4	Q3	Q2	Q1**	Q3	Q3**					
Pacific & Western Bank of Canada													
Results of Operations (teb) *													
Total interest income	\$ 14,975	\$ 13,829	\$ 13,686	\$ 14,251	\$ 14,094	\$ 12,032	\$ 15,030	42,490	41,156	\$ 55,407	\$ 70,178	\$ 72,966	\$ 73,220
Net interest income	4,970	4,388	4,875	5,235	4,450	3,194	5,370	14,233	13,014	18,249	13,218	13,477	18,077
Provision (recovery) for credit losses	-	42	40	(473)	19	(735)	26	82	(690)	(1,163)	3,449	2,836	841
Impairment writedowns	-	-	-	-	-	-	-	-	-	-	-	(15,044)	-
Other income (charges)	(310)	707	432	451	(245)	51	29	829	(165)	286	1,449	(8,610)	1,626
Total revenue	4,660	5,053	5,267	6,159	4,186	3,980	5,373	14,980	13,539	19,698	11,218	(13,013)	18,862
Non-interest expenses	4,909	4,092	4,225	4,221	4,371	4,158	4,100	13,226	12,629	16,850	14,630	12,794	12,852
Net income (loss) before provision for income taxes	(249)	961	1,042	1,938	(185)	(178)	1,272	1,754	909	2,847	(3,414)	(25,807)	6,010
Income tax provision (recovery)	204	452	550	1,016	305	464	595	1,206	1,364	2,380	511	(4,913)	2,352
Net income (loss)	\$ (453)	\$ 509	\$ 492	\$ 922	\$ (490)	\$ (642)	\$ 677	\$ 548	\$ (455)	\$ 467	\$ (3,925)	\$ (20,894)	\$ 3,658
Financial Ratios													
Net interest income teb (%)	1.35%	1.26%	1.44%	1.44%	1.21%	0.94%	1.27%	1.38%	1.17%	1.34%	0.91%	0.91%	1.30%
Non-interest expenses to average total assets (annualized)	1.33%	1.17%	1.25%	1.16%	1.19%	1.23%	0.97%	1.29%	1.14%	1.24%	1.00%	0.86%	0.81%
Efficiency ratio	\$ 1.05	\$ 0.80	\$ 0.80	\$ 0.74	\$ 1.04	\$ 1.28	\$ 0.76	\$ 0.88	\$ 0.98	\$ 0.91	\$ 1.00	n/m	\$ 0.65
Number of full time equivalent staff at period end	64	62	61	59	57	55	55	64	57	59	55	57	57
Assets to full time employee	22,382	24,171	22,442	22,303	27,475	24,375	26,108	22,382	27,475	22,303	25,597	26,503	25,545
Credit Quality													
Gross impaired loans	913	1,598	1,845	3,252	3,219	5,246	6,701	913	3,219	3,252	6,395	7,791	1,452
Gross impaired loans as a % of total loans	0.09%	0.15%	0.18%	0.33%	0.34%	0.57%	0.71%	0.09%	0.34%	0.33%	0.69%	0.70%	0.15%
Net impaired loans	(2,656)	(2,487)	(2,411)	(1,608)	(2,114)	(51)	(2,859)	(2,656)	(2,114)	(1,608)	(3,139)	1,749	(1,754)
Net impaired loans as a % of total loans	-0.25%	-0.24%	-0.23%	-0.17%	-0.22%	-0.01%	-0.30%	-0.25%	-0.22%	-0.17%	-0.34%	0.16%	-0.18%
Financial Position													
Cash and securities	329,814	426,923	301,470	323,652	575,740	382,684	459,505	329,814	575,740	323,652	442,310	366,070	441,397
Cash and securities to total assets (%)	23.02%	28.49%	22.02%	24.60%	36.76%	28.54%	32.00%	23.02%	36.76%	24.60%	31.42%	24.23%	30.31%
Total loans	1,073,885	1,043,331	1,038,181	964,862	956,000	925,434	945,300	1,073,885	956,000	964,862	929,831	1,110,807	977,727
Mortgages and loans to total assets (%)	74.97%	69.62%	75.84%	73.32%	61.04%	69.03%	65.83%	74.97%	61.04%	73.32%	66.05%	73.53%	67.15%
Total assets	1,432,431	1,498,612	1,368,956	1,315,888	1,566,094	1,340,650	1,435,958	1,432,431	1,566,094	1,315,888	1,407,855	1,510,651	1,456,045
Average assets	1,465,522	1,433,784	1,342,422	1,440,991	1,453,372	1,388,304	1,682,845	1,374,160	1,486,975	1,361,872	1,459,253	1,483,348	1,585,865
Deposits	1,259,718	1,331,379	1,212,173	1,150,903	1,409,799	1,192,779	1,264,132	1,259,718	1,409,799	1,150,903	1,217,136	1,389,455	1,282,756
Subordinated notes payable	51,500	51,500	41,500	41,500	41,500	41,500	39,976	51,500	41,500	41,500	39,946	19,969	29,786
Shareholders' equity	99,778	96,253	91,660	88,092	81,842	79,424	84,070	99,778	81,842	88,092	80,848	74,021	60,230
Pacific & Western Credit Corp.													
Results of Operations (teb) *													
Total interest income	\$ 15,009	\$ 13,852	\$ 13,711	\$ 14,274	\$ 14,102	\$ 12,040	\$ 15,033	\$ 42,572	\$ 41,175	\$ 55,449	\$ 70,192	\$ 72,998	\$ 73,277
Net interest income	2,372	2,179	2,787	3,169	2,352	1,087	3,472	7,338	6,911	10,080	7,584	11,415	17,712
Provision (recovery) for credit losses	-	42	40	(473)	19	(735)	34	82	(682)	(1,155)	3,449	2,815	841
Impairment writedowns	-	-	-	-	-	-	-	-	-	-	-	(15,044)	-
Other income (charges)	(290)	706	362	481	(215)	388	29	778	202	683	1,449	(8,573)	1,626
Total revenue	2,082	2,843	3,109	4,123	2,118	1,884	3,467	8,034	7,469	11,592	5,584	(15,018)	18,497
Non-interest expenses	5,616	4,332	4,388	4,485	4,338	4,251	4,211	14,336	12,800	17,285	14,967	14,025	13,897
Net income (loss) before provision for income taxes	(3,534)	(1,489)	(1,279)	(362)	(2,220)	(2,367)	(744)	(6,302)	(5,331)	(5,693)	(9,383)	(29,043)	4,600
Income tax provision (recovery)	204	687	550	1,017	305	463	596	1,441	1,364	2,381	512	(3,001)	2,400
Net income (loss)	\$ (3,738)	\$ (2,176)	\$ (1,829)	\$ (1,379)	\$ (2,525)	\$ (2,830)	\$ (1,340)	\$ (7,743)	\$ (6,965)	\$ (8,074)	\$ (9,895)	\$ (26,042)	\$ 2,200
Return on average common equity	-71.98%	-66.88%	-61.09%	-58.33%	-152.06%	-127.25%	-47.16%	-54.15%	-101.59%	-72.71%	-71.16%	-73.73%	3.25%
Return on average assets	-1.00%	-0.62%	-0.54%	-0.38%	-0.69%	-0.83%	-0.37%	-0.75%	-0.60%	-0.59%	-0.68%	-1.75%	0.16%
Per Common Share (\$'s)													
Basic earnings (loss) per share	(0.18)	(0.14)	(0.13)	(0.10)	(0.18)	(0.21)	(0.10)	(0.45)	(0.49)	(0.58)	(0.74)	(1.93)	0.14
Diluted earnings (loss) per share	(0.18)	(0.14)	(0.13)	(0.10)	(0.18)	(0.21)	(0.10)	(0.45)	(0.49)	(0.58)	(0.74)	(1.93)	0.14
Book value/share	1.13	0.91	0.81	0.82	0.50	0.44	0.89	1.13	0.50	0.82	0.77	1.30	3.91
Closing market price (common share)	2.00	2.52	3.46	3.00	3.01	3.40	3.89	2.00	3.01	3.00	4.00	3.26	7.75
Weighted average number of common shares	21,329	15,674	14,507	14,285	14,060	13,872	13,725	17,187	13,886	13,986	13,646	13,664	13,674
Number of common shares outstanding at period end	23,664	15,854	14,651	14,434	14,209	13,984	13,812	23,664	14,209	14,434	13,680	13,642	13,686
Total market value of common shares	47,328	39,952	50,692	43,302	42,769	47,546	53,729	47,328	42,769	43,302	54,720	44,473	106,067
Financial Position													
Cash and securities	347,946	434,735	310,675	331,650	584,320	393,742	470,913	347,946	584,320	331,650	443,957	366,806	441,727
Cash and securities to total assets (%)	24.00%	28.88%	22.58%	25.07%	37.14%	29.16%	32.58%	24.00%	37.14%	25.07%	31.42%	24.30%	30.32%
Total loans	1,073,885	1,043,331	1,038,181	964,862	956,000	925,434	945,300	1,073,885	956,000	964,862	929,831	1,110,807	977,727
Mortgages and loans to total assets (%)	74.07%	69.32%	75.40%	72.94%	60.76%	68.54%	65.39%	74.07%	60.76%	72.94%	66.05%	73.58%	67.03%
Total assets	1,449,860	1,505,130	1,376,869	1,322,732	1,573,411	1,350,218	1,445,591	1,449,860	1,573,411	1,322,732	1,408,920	1,509,662	1,458,656
Average assets	1,477,495	1,441,000	1,349,801	1,448,072	1,461,815	1,397,905	1,427,256	1,386,296	1,491,166	1,365,826	1,459,291	1,484,159	1,394,193
Deposits	1,259,718	1,331,379	1,212,173	1,150,903	1,409,799	1,192,779	1,264,132	1,259,718	1,409,799	1,150,903	1,217,136	1,389,455	1,282,756
Notes payable	92,588	90,189	79,986	75,599	75,394	75,567	78,072	92,588	75,394	75,559	77,933	70,405	35,660
Preferred share liabilities	41,122	40,995	40,868	40,744	40,623	40,537	37,649	41,122	40,623	40,744	27,892	-	-
Total shareholders' equity	32,002	20,037	17,493	17,130	12,493	11,418	17,348	32,002	12,493	17,130	14,666	21,326	57,054

* 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.

** Amounts have been amended as noted in the October 31, 2010 consolidated financial statements. See note 2-"Amendment to Financial Statements."

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

	QUARTER								9 MONTHS ENDED		YEAR ENDED			
	2011			2010				2011		2010				
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2010	2009	2008*	2007	
Pacific & Western Bank of Canada														
Interest Income (teb)														
Loans	\$ 11,073	\$ 10,643	\$ 10,325	\$ 9,937	\$ 8,702	\$ 8,171	\$ 8,416	\$ 32,041	\$ 25,289	\$ 35,226	\$ 44,543	\$ 51,423	\$ 52,408	
Securities (teb)	2,908	2,450	2,332	3,339	4,306	3,005	5,362	7,690	12,673	16,012	23,975	18,112	18,194	
Loan fees	994	736	1,029	975	1,086	856	1,252	2,759	3,194	4,169	1,660	3,431	2,618	
Total interest income	14,975	13,829	13,686	14,251	14,094	12,032	15,030	42,490	41,156	55,407	70,178	72,966	73,220	
Yield %	4.05%	3.96%	4.04%	3.92%	3.85%	3.55%	3.54%	4.13%	3.70%	4.07%	4.81%	4.92%	4.62%	
Interest Expense														
Deposits	8,619	8,192	7,635	7,840	8,468	7,727	8,480	24,446	24,675	32,515	53,166	56,938	52,046	
Notes	1,386	1,249	1,176	1,176	1,176	1,111	1,181	3,811	3,468	4,644	3,796	2,551	3,097	
Total interest expense	10,005	9,441	8,811	9,016	9,644	8,838	9,661	28,257	28,143	37,159	56,962	59,489	55,143	
Cost of funds %	2.71%	2.70%	2.60%	2.48%	2.63%	2.61%	2.28%	2.75%	2.53%	2.73%	3.90%	4.01%	3.48%	
Net interest income	4,970	4,388	4,875	5,235	4,450	3,194	5,369	14,233	13,013	18,248	13,216	13,477	18,077	
Spread %	1.35%	1.26%	1.44%	1.44%	1.21%	0.94%	1.27%	1.38%	1.17%	1.34%	0.91%	0.91%	1.14%	
Provision (recovery) for credit losses	-	42	40	(473)	19	(735)	26	82	(690)	(1,163)	3,449	2,836	841	
Impairment writedown on securities	-	-	-	-	-	-	-	-	-	-	-	(15,044)	-	
FV adjustment on derivatives	-	-	-	-	-	-	-	-	-	-	-	(8,885)	-	
Other income (charges)	(310)	707	432	451	(245)	51	29	829	(165)	286	1,449	275	1,626	
Total revenue	4,660	5,053	5,267	6,159	4,186	3,980	5,372	14,980	13,538	19,697	11,216	(13,013)	18,862	
Non-interest expenses	4,909	4,092	4,225	4,221	4,371	4,158	4,100	13,226	12,629	16,850	14,630	12,794	12,852	
Net income (loss) before taxes	(249)	961	1,042	1,938	(185)	(178)	1,272	1,754	909	2,847	(3,414)	(25,807)	6,010	
Income taxes (recovery)	204	452	550	1,016	305	464	595	1,206	1,364	2,380	511	(4,913)	2,352	
Net income (loss)	\$ (453)	\$ 509	\$ 492	\$ 922	\$ (490)	\$ (642)	\$ 677	\$ 548	\$ (455)	\$ 467	\$ (3,925)	\$ (20,894)	\$ 3,658	
Reconciliation to net income (loss) of Pacific & Western Credit Corp.														
Net income (loss) for Pacific & Western Bank of Canada	\$ (453)	\$ 509	\$ 492	\$ 922	\$ (490)	\$ (642)	\$ 677	\$ 548	\$ (455)	\$ 467	\$ (3,925)	\$ (20,894)	\$ 3,658	
Adjust for:														
Additional interest expense on notes and other	(1,430)	(1,030)	(913)	(840)	(811)	(927)	(980)	(3,373)	(2,718)	(3,558)	(5,096)	(2,095)	(422)	
Non interest expenses	(653)	(453)	(209)	(265)	(33)	(75)	(111)	(1,315)	(219)	(484)	(326)	(1,231)	(1,036)	
Other items	-	-	-	-	-	-	-	-	-	-	-	(1,822)	-	
Net loss before interest expense on Class B preferred shares	(2,536)	(974)	(630)	(183)	(1,334)	(1,644)	(414)	(4,140)	(3,392)	(3,575)	(9,347)	(26,042)	2,200	
Interest expense on Class B preferred shares	(1,202)	(1,202)	(1,199)	(1,196)	(1,191)	(1,187)	(925)	(3,603)	(3,303)	(4,499)	(548)	-	-	
Net Income (Loss) for Pacific & Western Credit Corp.	\$ (3,738)	\$ (2,176)	\$ (1,829)	\$ (1,379)	\$ (2,525)	\$ (2,831)	\$ (1,339)	\$ (7,743)	\$ (6,695)	\$ (8,074)	\$ (9,895)	\$ (26,042)	\$ 2,200	
Per common share:														
Basic earnings (loss) per share	\$ (0.18)	\$ (0.14)	\$ (0.13)	\$ (0.10)	\$ (0.18)	\$ (0.21)	\$ (0.10)	\$ (0.45)	\$ (0.49)	\$ (0.58)	\$ (0.74)	\$ (1.93)	\$ 0.14	
Diluted earnings (loss) per share	\$ (0.18)	\$ (0.14)	\$ (0.13)	\$ (0.10)	\$ (0.18)	\$ (0.21)	\$ (0.10)	\$ (0.45)	\$ (0.49)	\$ (0.58)	\$ (0.74)	\$ (1.93)	\$ 0.14	
Common share dividends	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,787	
Preferred share dividends paid	\$ 401	\$ 401	\$ 467	\$ 401	\$ 401	\$ 281	\$ 347	\$ 1,269	\$ 1,029	\$ 1,430	\$ 355	\$ 240	\$ 240	
Comprehensive Income														
Net income (loss)	\$ (3,738)	\$ (2,176)	\$ (1,829)	\$ (1,379)	\$ (2,525)	\$ (2,831)	\$ (1,339)	\$ (7,743)	\$ (6,695)	\$ (8,074)	\$ (9,895)	\$ (26,042)	\$ 2,200	
Other comprehensive income, net of tax														
Net unrealized gains (losses) on assets held as available-for-sale	504	922	1,394	4,559	3,103	(3,605)	3,407	2,820	2,905	7,464	1,767	(8,616)	(9,377)	
Amount transferred to net income (loss) for hedges	-	-	-	-	-	-	-	-	-	-	-	190	212	
Amount transferred to net income (loss) for available-for-sale assets	(526)	62	183	768	(196)	(398)	(861)	(281)	(1,455)	(687)	984	(937)	(1,358)	
	(22)	984	1,577	5,327	2,907	(4,003)	2,546	2,539	1,450	6,777	2,751	(9,363)	(10,523)	
Total comprehensive income (loss)	\$ (3,760)	\$ (1,192)	\$ (252)	\$ 3,948	\$ 382	\$ (6,834)	\$ 1,207	\$ (5,204)	\$ (5,245)	\$ (1,297)	\$ (7,144)	\$ (35,405)	\$ (8,323)	

* Amounts have been amended as noted in the October 31, 2010 consolidated financial statements. See note 2-"Amendment to Financial Statements."

PACIFIC & WESTERN BANK OF CANADA
NET INTEREST INCOME, OTHER INCOME AND TOTAL REVENUES (teb)
(unaudited)
(\$ thousands)

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	QUARTER							9 MONTHS ENDED		YEAR ENDED			
	2011			2010				2011	2010				
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2010	2009	2008*	2007
Net Interest Income	\$ 4,453	\$ 3,889	\$ 4,327	\$ 4,609	\$ 3,807	\$ 2,571	\$ 4,700	\$ 12,669	\$ 11,078	\$ 15,687	\$ 10,482	\$ 10,620	\$ 15,868
Taxable equivalent adjustment	517	499	548	626	643	623	670	1,564	1,936	2,562	2,736	2,857	2,209
Net Interest Income (NII) (teb)	4,970	4,388	4,875	5,235	4,450	3,194	5,370	14,233	13,014	18,249	13,218	13,477	18,077
Gains	115	219	95	-	-	-	-	429	-	-	-	-	888
FV adjustment on derivatives	-	-	-	-	-	-	-	-	-	-	-	(8,885)	-
Impairment writedown on securities	-	-	-	-	-	-	-	-	-	-	-	(3,703)	-
Impairment writedown on other assets	-	-	-	-	-	-	-	-	-	-	-	(11,341)	(100)
MBS Securitization Gains	-	-	205	-	492	884	-	205	1,376	1,376	-	-	-
Other	(425)	488	132	451	(737)	(833)	29	195	(1,541)	(1,090)	1,449	275	839
Total other income (charges)	(310)	707	432	451	(245)	51	29	829	(165)	286	1,449	(23,654)	1,627
Net interest and other income (teb)	\$ 4,660	\$ 5,095	\$ 5,307	\$ 5,686	\$ 4,205	\$ 3,245	\$ 5,399	\$ 15,062	\$ 12,849	\$ 18,535	\$ 14,667	\$ (10,177)	\$ 19,704
Other income (charges) as a % of total revenue	-6.65%	13.88%	8.14%	7.93%	n/m	1.57%	0.54%	5.50%	-1.28%	1.54%	9.88%	n/m	8.26%
Net interest income per average assets	1.35%	1.26%	1.44%	1.44%	1.21%	0.94%	1.27%	1.38%	1.17%	1.34%	0.91%	0.91%	1.14%
Net interest income-loans	2.13%	2.03%	2.14%	2.14%	2.06%	1.67%	1.80%	2.09%	2.03%	2.03%	0.96%	1.30%	2.03%

(unaudited)
(\$ thousands)

	QUARTER							9 MONTHS ENDED		YEAR ENDED			
	2011			2010				2011	2010				
	Q3	Q2	Q1	Q4	Q3	Q2	Q1*	Q3	Q3	2010	2009*	2008*	2007
Average loans	\$ 1,058,608	\$ 1,040,756	\$ 1,001,522	\$ 960,431	\$ 940,717	\$ 935,367	\$ 1,198,504	\$ 1,019,374	\$ 942,916	\$ 947,347	\$ 1,020,319	\$ 1,044,267	\$ 1,115,482
Average total assets	\$ 1,465,522	\$ 1,433,784	\$ 1,342,422	\$ 1,440,991	\$ 1,453,372	\$ 1,388,304	\$ 1,682,845	\$ 1,374,160	\$ 1,486,975	\$ 1,361,872	\$ 1,459,253	\$ 1,483,348	\$ 1,585,865

* Amounts have been amended as noted in the October 31, 2010 consolidated financial statements. See note 2-"Amendment to Financial Statements."

PACIFIC & WESTERN BANK OF CANADA
NON-INTEREST EXPENSES
(unaudited)
(\$ thousands)

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	QUARTER							9 MONTHS ENDED		YEAR ENDED			
	2011			2010				2011	2010	2010	2009	2008	2007
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3				
Salaries and Employee Benefits													
Salaries	\$ 1,909	\$ 1,648	\$ 1,576	\$ 1,570	\$ 1,493	\$ 1,465	\$ 1,395	\$ 5,133	\$ 4,353	\$ 5,923	\$ 5,307	\$ 4,400	\$ 4,512
Employee benefits	367	318	341	329	355	278	243	1,026	876	1,205	1,194	1,262	2,019
Total	2,276	1,966	1,917	1,899	1,848	1,743	1,638	6,159	5,229	7,128	6,501	5,662	6,531
Premises													
Rent	158	161	142	149	143	152	140	461	435	584	693	643	658
Depreciation	141	147	146	161	161	161	161	434	483	644	664	798	924
Other	225	226	223	220	244	228	233	674	705	925	843	318	127
Total	524	534	511	530	548	541	534	1,569	1,623	2,153	2,200	1,759	1,709
General and administrative													
Capital taxes and other assessments	695	419	765	765	679	737	733	1,879	2,149	2,914	1,825	837	747
Insurance	80	73	69	78	72	74	73	222	219	297	288	263	279
Marketing and business development	110	120	92	111	205	111	96	322	412	523	283	358	511
Professional fees and services	368	233	158	181	341	297	273	759	911	1,092	1,061	565	504
Postage and stationary	42	24	31	39	44	38	42	97	124	163	109	135	145
Telephone and communications	17	44	27	26	29	24	24	88	77	103	112	115	138
Travel	218	183	142	185	171	187	150	543	508	693	589	618	743
Other	579	496	513	407	434	406	537	1,588	1,377	1,784	1,662	2,482	1,545
Total	2,109	1,592	1,797	1,792	1,975	1,874	1,928	5,498	5,777	7,569	5,929	5,373	4,612
Total non-interest expenses	\$ 4,909	\$ 4,092	\$ 4,225	\$ 4,221	\$ 4,371	\$ 4,158	\$ 4,100	\$ 13,226	\$ 12,629	\$ 16,850	\$ 14,630	\$ 12,794	\$ 12,852

PACIFIC & WESTERN BANK OF CANADA
BALANCE SHEET
(unaudited)
(\$ thousands)

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	QUARTER							YEAR ENDED			
	2011			2010				2010	2009*	2008*	2007
	Q3	Q2	Q1	Q4	Q3	Q2	Q1*				
Cash resources	\$ 161,778	\$ 221,781	\$ 90,146	\$ 88,991	\$ 209,821	\$ 38,001	\$ 189,525	\$ 88,991	\$ 170,650	\$ 207,095	\$ 113,091
Securities	168,036	205,142	211,324	234,661	365,919	344,683	269,980	234,661	271,660	158,975	328,306
Loans											
Residential mortgages	210,855	224,461	215,364	221,785	203,327	199,333	184,010	221,785	183,942	320,247	247,802
Government financing-direct and indirect	203,130	205,116	235,101	223,865	221,064	215,543	230,132	223,865	211,680	266,513	283,000
Corporate loans	565,230	508,409	473,217	443,122	471,686	457,720	471,439	443,122	462,229	433,974	308,307
Corporate leases	89,950	99,992	108,912	68,858	52,632	45,004	48,547	68,858	59,647	76,189	104,023
Personal loans	4,720	5,353	5,587	7,232	7,291	7,834	11,172	7,232	12,333	13,884	34,595
Total	1,073,885	1,043,331	1,038,181	964,862	956,000	925,434	945,300	964,862	929,831	1,110,807	977,727
Other assets											
Capital assets	5,358	5,376	5,418	5,504	5,647	5,825	5,974	5,504	6,117	6,777	8,127
Other assets	23,374	22,982	23,887	21,870	28,707	26,707	25,179	21,870	29,597	26,997	28,794
Total	28,732	28,358	29,305	27,374	34,354	32,532	31,153	27,374	35,714	33,774	36,921
Total assets	\$ 1,432,431	\$ 1,498,612	\$ 1,368,956	\$ 1,315,888	\$ 1,566,094	\$ 1,340,650	\$ 1,435,958	\$ 1,315,888	\$ 1,407,855	\$ 1,510,651	\$ 1,456,045
Deposits											
Demand	\$ 28,166	\$ 29,373	\$ 37,786	\$ 34,627	\$ 37,516	\$ 38,116	\$ 38,153	\$ 34,627	\$ 39,296	\$ 18,860	\$ 7,544
Term (including accrued interest)	1,231,552	1,302,006	1,174,387	1,116,276	1,372,283	1,154,663	1,225,979	1,116,276	1,177,840	1,370,595	1,275,212
Total	1,259,718	1,331,379	1,212,173	1,150,903	1,409,799	1,192,779	1,264,132	1,150,903	1,217,136	1,389,455	1,282,756
Other liabilities	21,435	19,480	23,623	35,393	32,953	26,947	47,780	35,393	69,925	27,206	83,273
Subordinated notes payable	51,500	51,500	41,500	41,500	41,500	41,500	39,976	41,500	39,946	19,969	29,786
Shareholders' Equity											
Share capital											
Common	103,965	99,965	96,865	95,365	95,365	95,365	95,365	95,365	95,365	87,365	42,117
Retained earnings (deficit)	(350)	103	(406)	(897)	(1,820)	(1,331)	(688)	(897)	(1,364)	2,561	24,654
Accumulated other comprehensive income (loss)	(3,837)	(3,815)	(4,799)	(6,376)	(11,703)	(14,610)	(10,607)	(6,376)	(13,153)	(15,905)	(6,541)
	99,778	96,253	91,660	88,092	81,842	79,424	84,070	88,092	80,848	74,021	60,230
Total liabilities and shareholders' equity	\$ 1,432,431	\$ 1,498,612	\$ 1,368,956	\$ 1,315,888	\$ 1,566,094	\$ 1,340,650	\$ 1,435,958	\$ 1,315,888	\$ 1,407,855	\$ 1,510,651	\$ 1,456,045

* Amounts have been amended as noted in the October 31, 2010 consolidated financial statements. See note 2-"Amendment to Financial Statements."

PACIFIC & WESTERN BANK OF CANADA
IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES
(unaudited)
(\$ thousands)

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	QUARTER								YEAR ENDED			
	2011			2010					2010	2009	2008	2007
	Q3	Q2	Q1	Q4	Q3	Q2	Q1					
Gross impaired loans												
Residential mortgages	\$ 867	\$ 1,025	\$ 1,023	\$ 1,023	\$ 975	\$ 1,179	\$ 1,718	\$ 1,023	\$ 1,076	\$ 1,188	\$ 1,303	
Business loans	-	-	-	-	-	1,489	1,319	-	1,629	6,327	-	
Personal loans	46	573	822	2,229	2,244	2,578	3,664	2,229	3,690	276	149	
Total gross impaired loans	\$ 913	\$ 1,598	\$ 1,845	\$ 3,252	\$ 3,219	\$ 5,246	\$ 6,701	\$ 3,252	\$ 6,395	\$ 7,791	\$ 1,452	
Allowance for credit losses												
Specific provisions	\$ 850	\$ 855	\$ 875	\$ 1,048	\$ 1,048	\$ 1,012	\$ 1,159	\$ 1,048	\$ 1,133	\$ 830	\$ 473	
General allowance	2,719	3,230	3,381	3,812	4,285	4,285	8,401	3,812	8,401	5,212	2,733	
Total allowance for credit losses	\$ 3,569	\$ 4,085	\$ 4,256	\$ 4,860	\$ 5,333	\$ 5,297	\$ 9,560	\$ 4,860	\$ 9,534	\$ 6,042	\$ 3,206	
Reconciliation of allowance for credit losses												
Balance, beginning of period	\$ 4,085	\$ 4,256	\$ 4,860	\$ 5,333	\$ 5,297	\$ 9,560	\$ 9,534	\$ 9,534	\$ 6,042	\$ 3,206	\$ 2,566	
Provision (recovery) for credit losses	-	42	40	(473)	19	(735)	26	(1,163)	3,449	2,816	841	
Recoveries (write-offs)	(516)	(213)	(644)	-	17	(3,528)	-	(3,511)	43	20	(201)	
Balance, end of period	\$ 3,569	\$ 4,085	\$ 4,256	\$ 4,860	\$ 5,333	\$ 5,297	\$ 9,560	\$ 4,860	\$ 9,534	\$ 6,042	\$ 3,206	
Total net impaired loans	\$ (2,656)	\$ (2,487)	\$ (2,411)	\$ (1,608)	\$ (2,114)	\$ (51)	\$ (2,859)	\$ (1,608)	\$ (3,139)	\$ 1,749	\$ (1,754)	
Total loans	\$ 1,073,885	\$ 1,043,331	\$ 1,038,181	\$ 964,862	\$ 956,000	\$ 925,434	\$ 956,000	\$ 964,862	\$ 929,831	\$ 1,110,807	\$ 977,727	
Net impaired loans (after general allowance) as a % of total loans	-0.25%	-0.24%	-0.23%	-0.17%	-0.22%	-0.01%	-0.30%	-0.17%	-0.34%	0.16%	-0.18%	
Gross impaired loans as a % of total loans	0.09%	0.15%	0.18%	0.33%	0.34%	0.57%	0.71%	0.33%	0.69%	0.70%	0.15%	
Allowance for credit losses as a % of gross impaired loans	390.91%	255.63%	230.68%	149.45%	165.67%	100.97%	142.67%	149.45%	149.09%	77.55%	220.80%	