



Pacific & Western

Credit Corp.

Supplemental Financial Information

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

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Use of this Report

This financial information is supplementary to the Corporation's Fourth 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)**

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	QUARTER								YEAR ENDED			
	2011				2010				2011	2010	2009**	2008**
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1**				
Pacific & Western Bank of Canada												
Results of Operations (teb) *												
Total interest income	\$ 14,464	\$ 14,975	\$ 13,829	\$ 13,686	\$ 14,251	\$ 14,094	\$ 12,032	\$ 15,030	\$ 56,954	\$ 55,407	\$ 70,178	\$ 72,966
Net interest income	4,863	4,970	4,388	4,875	5,235	4,450	3,194	5,370	19,096	18,249	13,218	13,477
Provision (recovery) for credit losses	83	-	42	40	(473)	19	(735)	26	165	(1,163)	3,449	2,836
Impairment writedowns	-	-	-	-	-	-	-	-	-	-	-	-
Other income (charges)	(185)	(310)	707	432	451	(245)	51	29	644	286	1,449	(23,654)
Total revenue	4,595	4,660	5,053	5,267	6,159	4,186	3,980	5,373	19,575	19,698	11,218	(13,013)
Non-interest expenses	4,378	4,909	4,092	4,225	4,221	4,371	4,158	4,100	17,604	16,850	14,630	12,794
Net income (loss) before provision for income taxes	217	(249)	961	1,042	1,938	(185)	(178)	1,272	1,971	2,847	(3,414)	(25,807)
Income tax provision (recovery)	736	204	452	550	1,016	305	464	595	1,942	2,380	511	(4,913)
Net income (loss)	\$ (519)	\$ (453)	\$ 509	\$ 492	\$ 922	\$ (490)	\$ (642)	\$ 677	\$ 29	\$ 467	\$ (3,925)	\$ (20,894)
Financial Ratios												
Net interest income teb (%)	1.34%	1.35%	1.26%	1.44%	1.44%	1.21%	0.94%	1.27%	1.38%	1.34%	0.91%	0.91%
Non-interest expenses to average total assets (annualized)	1.21%	1.33%	1.17%	1.25%	1.16%	1.19%	1.23%	0.97%	1.28%	1.24%	1.00%	0.86%
Efficiency ratio	\$ 0.94	\$ 1.05	\$ 0.80	\$ 0.80	\$ 0.74	\$ 1.04	\$ 1.28	\$ 0.76	\$ 0.89	\$ 0.91	\$ 1.00	n/m
Number of full time equivalent staff at period end	64	65	62	61	59	57	55	55	64	59	55	57
Assets to full time employee	22,566	22,037	24,171	22,442	22,303	27,475	24,375	26,108	22,566	22,303	25,597	26,503
Credit Quality												
Gross impaired loans	923	913	1,598	1,845	3,252	3,219	5,246	6,701	923	3,252	6,395	7,791
Gross impaired loans as a % of total loans	0.08%	0.09%	0.15%	0.18%	0.33%	0.34%	0.57%	0.71%	0.08%	0.33%	0.69%	0.70%
Net impaired loans	(2,754)	(2,656)	(2,487)	(2,411)	(1,608)	(2,114)	(51)	(2,859)	(2,754)	(1,608)	(3,139)	1,749
Net impaired loans as a % of total loans	-0.25%	-0.25%	-0.24%	-0.23%	-0.17%	-0.22%	-0.01%	-0.30%	-0.25%	-0.17%	-0.34%	0.16%
Financial Position												
Cash and securities	324,131	329,814	426,923	301,470	323,652	575,740	382,684	459,505	324,131	323,652	442,310	366,070
Cash and securities to total assets (%)	22.44%	23.02%	28.49%	22.02%	24.60%	36.76%	28.54%	32.00%	22.44%	24.60%	31.42%	24.23%
Total loans	1,090,932	1,073,885	1,043,331	1,038,181	964,862	956,000	925,434	945,300	1,090,932	964,862	929,831	1,110,807
Mortgages and loans to total assets (%)	75.54%	74.97%	69.62%	75.84%	73.32%	61.04%	69.03%	65.83%	75.54%	73.32%	66.05%	73.53%
Total assets	1,444,239	1,432,431	1,498,612	1,368,956	1,315,888	1,566,094	1,340,650	1,435,958	1,444,239	1,315,888	1,407,855	1,510,651
Average assets	1,438,335	1,465,522	1,433,784	1,342,422	1,440,991	1,453,372	1,388,304	1,682,845	1,380,064	1,361,872	1,459,253	1,483,348
Deposits	1,269,730	1,259,718	1,331,379	1,212,173	1,150,903	1,409,799	1,192,779	1,264,132	1,269,730	1,150,903	1,217,136	1,389,455
Subordinated notes payable (excluding note issue costs)	51,500	51,500	51,500	41,500	41,500	41,500	41,500	41,500	51,500	41,500	41,500	20,000
Shareholders' equity	96,994	99,778	96,253	91,660	88,092	81,842	79,424	84,070	96,994	88,092	80,848	74,021
Pacific & Western Credit Corp.												
Results of Operations (teb) *												
Total interest income	\$ 14,483	\$ 15,009	\$ 13,852	\$ 13,711	\$ 14,274	\$ 14,102	\$ 12,040	\$ 15,033	\$ 57,055	\$ 55,449	\$ 70,192	\$ 72,998
Net interest income	2,461	2,372	2,179	2,787	3,169	2,352	1,087	3,472	9,799	10,080	7,584	11,415
Provision (recovery) for credit losses	83	-	42	40	(473)	19	(735)	34	165	(1,155)	3,449	2,815
Impairment writedowns	-	-	-	-	-	-	-	-	-	-	-	(15,044)
Other income (charges)	(185)	(290)	706	362	481	(215)	388	29	593	683	1,449	(8,573)
Total revenue	2,193	2,082	2,843	3,109	4,123	2,118	1,884	3,467	10,227	11,592	5,584	(15,018)
Non-interest expenses	6,781	5,616	4,332	4,388	4,485	4,338	4,251	4,211	21,117	17,285	14,967	14,025
Net income (loss) before provision for income taxes	(4,588)	(3,534)	(1,489)	(1,279)	(362)	(2,220)	(2,367)	(744)	(10,890)	(5,693)	(9,383)	(29,043)
Income tax provision (recovery)	3,499	204	687	550	1,017	305	463	596	4,940	2,381	512	(3,001)
Net income (loss)	\$ (8,087)	\$ (3,738)	\$ (2,176)	\$ (1,829)	\$ (1,379)	\$ (2,525)	\$ (2,830)	\$ (1,340)	\$ (15,830)	\$ (8,074)	\$ (9,895)	\$ (26,042)
Return on average common equity	-132.00%	-71.98%	-66.88%	-61.09%	-58.33%	-152.06%	-127.25%	-47.16%	-93.95%	-72.71%	-71.16%	-73.73%
Return on average assets	-2.22%	-1.00%	-0.62%	-0.54%	-0.38%	-0.69%	-0.83%	-0.37%	-1.14%	-0.59%	-0.68%	-1.75%
Per Common Share (\$'s)												
Basic earnings (loss) per share	(0.32)	(0.18)	(0.14)	(0.13)	(0.10)	(0.18)	(0.21)	(0.10)	(0.83)	(0.58)	(0.74)	(1.93)
Diluted earnings (loss) per share	(0.32)	(0.18)	(0.14)	(0.13)	(0.10)	(0.18)	(0.21)	(0.10)	(0.83)	(0.58)	(0.74)	(1.93)
Book value/share	0.84	1.13	0.91	0.81	0.82	0.50	0.44	0.89	0.84	0.82	0.77	1.30
Closing market price (common share)	1.40	2.00	2.52	3.46	3.00	3.01	3.40	3.89	1.40	3.00	4.00	3.26
Weighted average number of common shares	25,392	21,329	15,674	14,507	14,285	14,060	13,872	13,725	19,255	13,986	13,646	13,664
Number of common shares outstanding at period end	26,238	23,664	15,854	14,651	14,434	14,209	13,984	13,812	26,238	14,434	13,680	13,642
Total market value of common shares	36,733	47,328	39,952	50,692	43,302	42,769	47,546	53,729	36,733	43,302	54,720	44,473
Financial Position												
Cash and securities	330,036	347,946	434,735	310,675	331,650	584,320	393,742	470,913	330,036	331,650	443,957	366,806
Cash and securities to total assets (%)	22.81%	24.00%	28.88%	22.56%	25.07%	37.14%	29.16%	32.58%	22.81%	25.07%	31.42%	24.30%
Total loans	1,090,932	1,073,885	1,043,331	1,038,181	964,862	956,000	925,434	945,300	1,090,932	964,862	929,831	1,110,807
Mortgages and loans to total assets (%)	75.39%	74.07%	69.32%	75.40%	72.94%	60.76%	68.54%	65.39%	75.39%	72.94%	66.05%	73.58%
Total assets	1,447,139	1,449,861	1,505,130	1,376,869	1,322,732	1,573,411	1,350,218	1,445,591	1,447,139	1,322,732	1,408,920	1,509,662
Average assets	1,448,500	1,413,365	1,441,000	1,349,801	1,448,072	1,461,815	1,397,905	1,427,256	1,384,936	1,365,826	1,459,291	1,484,159
Deposits	1,269,730	1,259,718	1,331,379	1,212,173	1,150,903	1,409,799	1,192,779	1,264,132	1,269,730	1,150,903	1,217,136	1,389,455
Notes payable	77,581	92,589	90,189	79,986	75,559	75,394	75,567	78,072	77,581	75,559	77,933	70,405
Preferred share liabilities	41,256	41,123	40,995	40,868	40,744	40,623	40,537	37,649	41,256	40,744	27,892	-
Total shareholders' equity	27,353	32,003	20,037	17,493	17,130	12,493	11,418	17,348	27,353	17,130	14,666	21,326

* 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								YEAR ENDED				
	2011				2010				2011	2010	2009	2008*	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1					
Pacific & Western Bank of Canada													
Interest Income (teb)													
Loans	\$ 11,255	\$ 11,073	\$ 10,643	\$ 10,325	\$ 9,937	\$ 8,702	\$ 8,171	\$ 8,416	\$ 43,296	\$ 35,226	\$ 44,543	\$ 51,423	
Securities (teb)	2,205	2,908	2,450	2,332	3,339	4,306	3,005	5,362	9,895	16,012	23,975	18,112	
Loan fees	1,004	994	736	1,029	975	1,086	856	1,252	3,763	4,169	1,660	3,431	
Total interest income	14,464	14,975	13,829	13,686	14,251	14,094	12,032	15,030	56,954	55,407	70,178	72,966	
Yield %	3.99%	4.05%	3.96%	4.04%	3.92%	3.85%	3.55%	3.54%	4.13%	4.07%	4.81%	4.92%	
Interest Expense													
Deposits	8,208	8,619	8,192	7,635	7,840	8,468	7,727	8,480	32,654	32,515	53,166	56,938	
Notes	1,393	1,386	1,249	1,176	1,176	1,176	1,111	1,181	5,204	4,644	3,796	2,551	
Total interest expense	9,601	10,005	9,441	8,811	9,016	9,644	8,838	9,661	37,858	37,159	56,962	59,489	
Cost of funds %	2.65%	2.71%	2.70%	2.60%	2.48%	2.63%	2.61%	2.28%	2.74%	2.73%	3.90%	4.01%	
Net interest income	4,863	4,970	4,388	4,875	5,235	4,450	3,194	5,369	19,096	18,248	13,216	13,477	
Spread %	1.34%	1.35%	1.26%	1.44%	1.44%	1.21%	0.94%	1.27%	1.38%	1.34%	0.91%	0.91%	
Provision (recovery) for credit losses	83	-	42	40	(473)	19	(735)	26	165	(1,163)	3,449	2,836	
Other income (charges)	(185)	(310)	707	432	451	(245)	51	29	644	286	1,449	(23,654)	
Total revenue	4,595	4,660	5,053	5,267	6,159	4,186	3,980	5,372	19,575	19,697	11,216	(13,013)	
Non-interest expenses	4,378	4,909	4,092	4,225	4,221	4,371	4,158	4,100	17,604	16,850	14,630	12,794	
Net income (loss) before taxes	217	(249)	961	1,042	1,938	(185)	(178)	1,272	1,971	2,847	(3,414)	(25,807)	
Income taxes (recovery)	736	204	452	550	1,016	305	464	595	1,942	2,380	511	(4,913)	
Net income (loss)	\$ (519)	\$ (453)	\$ 509	\$ 492	\$ 922	\$ (490)	\$ (642)	\$ 677	\$ 29	\$ 467	\$ (3,925)	\$ (20,894)	
Reconciliation to net income (loss) of Pacific & Western Credit Corp.													
Net income (loss) for Pacific & Western Bank of Canada	\$ (519)	\$ (453)	\$ 509	\$ 492	\$ 922	\$ (490)	\$ (642)	\$ 677	\$ 29	\$ 467	\$ (3,925)	\$ (20,894)	
Adjust for:													
Additional interest expense on notes and other	(1,213)	(1,430)	(1,030)	(913)	(840)	(811)	(927)	(980)	(4,586)	(3,558)	(5,096)	(2,095)	
Non interest expenses	(2,384)	(653)	(453)	26	(265)	(33)	(75)	(111)	(3,464)	(484)	(326)	(1,231)	
Provision for income taxes	(2,763)	-	-	(235)	-	-	-	-	(2,998)	-	-	(1,822)	
Net loss before interest expense on Class B preferred shares	(6,879)	(2,536)	(974)	(630)	(183)	(1,334)	(1,644)	(414)	(11,019)	(3,575)	(9,347)	(26,042)	
Interest expense on Class B preferred shares	(1,208)	(1,202)	(1,202)	(1,199)	(1,196)	(1,191)	(1,187)	(925)	(4,811)	(4,499)	(548)	-	
Net Income (Loss) for Pacific & Western Credit Corp.	\$ (8,087)	\$ (3,738)	\$ (2,176)	\$ (1,829)	\$ (1,379)	\$ (2,525)	\$ (2,831)	\$ (1,339)	\$ (15,830)	\$ (8,074)	\$ (9,895)	\$ (26,042)	
Per common share:													
Basic earnings (loss) per share	\$ (0.32)	\$ (0.18)	\$ (0.14)	\$ (0.13)	\$ (0.10)	\$ (0.18)	\$ (0.21)	\$ (0.10)	\$ (0.83)	\$ (0.58)	\$ (0.74)	\$ (1.93)	
Diluted earnings (loss) per share	\$ (0.32)	\$ (0.18)	\$ (0.14)	\$ (0.13)	\$ (0.10)	\$ (0.18)	\$ (0.21)	\$ (0.10)	\$ (0.83)	\$ (0.58)	\$ (0.74)	\$ (1.93)	
Common share dividends	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Preferred share dividends paid	\$ 401	\$ 401	\$ 401	\$ 467	\$ 401	\$ 401	\$ 281	\$ 347	\$ 1,670	\$ 1,430	\$ 355	\$ 240	
Comprehensive Income													
Net income (loss)	\$ (8,087)	\$ (3,738)	\$ (2,176)	\$ (1,829)	\$ (1,379)	\$ (2,525)	\$ (2,831)	\$ (1,339)	\$ (15,830)	\$ (8,074)	\$ (9,895)	\$ (26,042)	
Other comprehensive income, net of tax													
Net unrealized gains (losses) on assets held as available-for-sale	(4,326)	429	922	1,394	4,559	3,103	(3,605)	3,407	(1,581)	7,464	1,767	(8,616)	
Amount transferred to net income (loss) for hedges	-	-	-	-	-	-	-	-	-	-	-	190	
Amount transferred to net income (loss) for available-for-sale assets	2,060	(527)	62	183	768	(196)	(629)	(861)	1,778	(918)	984	(937)	
Amount transferred to net income (loss) for impairment writedown on available-for-sale assets	-	76	-	-	-	-	231	-	76	231	-	-	
	(2,266)	(22)	984	1,577	5,327	2,907	(4,003)	2,546	273	6,777	2,751	(9,363)	
Total comprehensive income (loss)	\$ (10,353)	\$ (3,760)	\$ (1,192)	\$ (252)	\$ 3,948	\$ 382	\$ (6,834)	\$ 1,207	\$ (15,557)	\$ (1,297)	\$ (7,144)	\$ (35,405)	

* 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								YEAR ENDED			
	2011				2010				2011	2010	2009	2008*
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Net Interest Income	\$ 4,485	\$ 4,453	\$ 3,889	\$ 4,327	\$ 4,609	\$ 3,807	\$ 2,571	\$ 4,700	\$ 17,154	\$ 15,687	\$ 10,482	\$ 10,620
Taxable equivalent adjustment	378	517	499	548	626	643	623	670	1,942	2,562	2,736	2,857
Net Interest Income (NII) (teb)	4,863	4,970	4,388	4,875	5,235	4,450	3,194	5,370	19,096	18,249	13,218	13,477
FV adjustment on derivatives	-	-	-	-	-	-	-	-	-	-	-	(8,885)
Impairment writedown on securites	(616)	(108)	-	-	-	-	-	-	(724)	-	-	(3,703)
Impairment writedown on other assets	-	-	-	-	-	-	-	-	-	-	-	(11,341)
MBS Securitization Gains	535	-	-	145	-	492	884	-	680	1,376	-	-
Other	(104)	(202)	707	287	451	(737)	(833)	29	688	(1,090)	1,449	275
Total other income (charges)	(185)	(310)	707	432	451	(245)	51	29	644	286	1,449	(23,654)
Net interest and other income (teb)	\$ 4,678	\$ 4,660	\$ 5,095	\$ 5,307	\$ 5,686	\$ 4,205	\$ 3,245	\$ 5,399	\$ 19,740	\$ 18,535	\$ 14,667	\$ (10,177)
Other income (charges) as a % of total revenue	n/m	n/m	13.88%	8.14%	7.93%	n/m	1.57%	0.54%	3.26%	1.54%	9.88%	n/m
Net interest income per average assets	1.34%	1.35%	1.26%	1.44%	1.44%	1.21%	0.94%	1.27%	1.38%	1.34%	0.91%	0.91%
Net interest income-loans	2.08%	2.13%	2.03%	2.14%	2.14%	2.06%	1.67%	1.80%	2.07%	2.03%	0.96%	1.30%

(unaudited)
(\$ thousands)

	QUARTER								YEAR ENDED			
	2011				2010				2011	2010	2009*	2008*
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1*				
Average loans	\$ 1,082,409	\$ 1,058,608	\$ 1,040,756	\$ 1,001,522	\$ 960,431	\$ 940,717	\$ 935,367	\$ 1,198,504	\$ 1,027,897	\$ 947,347	\$ 1,020,319	\$ 1,044,267
Average total assets	\$ 1,438,335	\$ 1,465,522	\$ 1,433,784	\$ 1,342,422	\$ 1,440,991	\$ 1,453,372	\$ 1,388,304	\$ 1,682,845	\$ 1,380,064	\$ 1,361,872	\$ 1,459,253	\$ 1,483,348

* 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								YEAR ENDED			
	2011				2010				2011	2010	2009	2008
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Salaries and Employee Benefits												
Salaries	\$ 1,458	\$ 1,709	\$ 1,525	\$ 1,576	\$ 1,570	\$ 1,493	\$ 1,465	\$ 1,395	\$ 6,268	\$ 5,923	\$ 5,307	\$ 4,400
Employee benefits	676	567	441	341	329	355	278	243	2,025	1,205	1,194	1,262
Total	2,134	2,276	1,966	1,917	1,899	1,848	1,743	1,638	8,293	7,128	6,501	5,662
Premises												
Rent	158	158	161	142	149	143	152	140	619	584	693	643
Depreciation	131	141	147	146	161	161	161	161	565	644	664	798
Other	235	225	226	223	220	244	228	233	909	925	843	318
Total	524	524	534	511	530	548	541	534	2,093	2,153	2,200	1,759
General and administrative												
Capital taxes and other assessments	886	695	419	765	765	679	737	733	2,765	2,914	1,825	837
Insurance	88	80	73	69	78	72	74	73	310	297	288	263
Marketing and business development	182	110	120	92	111	205	111	96	504	523	283	358
Professional fees and services	192	368	233	158	181	341	297	273	951	1,092	1,061	565
Postage and stationary	41	42	24	31	39	44	38	42	138	163	109	135
Telephone and communications	24	17	44	27	26	29	24	24	112	103	112	115
Other	307	797	679	655	592	605	593	687	2,438	2,477	2,251	3,100
Total	1,720	2,109	1,592	1,797	1,792	1,975	1,874	1,928	7,218	7,569	5,929	5,373
Total non-interest expenses	\$ 4,378	\$ 4,909	\$ 4,092	\$ 4,225	\$ 4,221	\$ 4,371	\$ 4,158	\$ 4,100	\$ 17,604	\$ 16,850	\$ 14,630	\$ 12,794

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

	QUARTER								YEAR ENDED			
	2011				2010				2011	2010	2009*	2008*
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1*				
Cash resources	\$ 188,994	\$ 161,778	\$ 221,781	\$ 90,146	\$ 88,991	\$ 209,821	\$ 38,001	\$ 189,525	\$ 188,994	\$ 88,991	\$ 170,650	\$ 207,095
Securities	135,137	168,036	205,142	211,324	234,661	365,919	344,683	269,980	135,137	234,661	271,660	158,975
Loans												
Residential mortgages	213,508	210,855	224,461	215,364	221,785	203,327	199,333	184,010	213,508	221,785	183,942	320,247
Government financing-direct and indirect	201,185	203,130	205,116	235,101	223,865	221,064	215,543	230,132	201,185	223,865	211,680	266,513
Corporate loans	587,300	565,230	508,409	473,217	443,122	471,686	457,720	471,439	587,300	443,122	462,229	433,974
Corporate leases	84,106	89,950	99,992	108,912	68,858	52,632	45,004	48,547	84,106	68,858	59,647	76,189
Personal loans	4,833	4,720	5,353	5,587	7,232	7,291	7,834	11,172	4,833	7,232	12,333	13,884
Total	1,090,932	1,073,885	1,043,331	1,038,181	964,862	956,000	925,434	945,300	1,090,932	964,862	929,831	1,110,807
Other assets												
Capital assets	5,295	5,358	5,376	5,418	5,504	5,647	5,825	5,974	5,295	5,504	6,117	6,777
Other assets	23,881	23,374	22,982	23,887	21,870	28,707	26,707	25,179	23,881	21,870	29,597	26,997
Total	29,176	28,732	28,358	29,305	27,374	34,354	32,532	31,153	29,176	27,374	35,714	33,774
Total assets	\$ 1,444,239	\$ 1,432,431	\$ 1,498,612	\$ 1,368,956	\$ 1,315,888	\$ 1,566,094	\$ 1,340,650	\$ 1,435,958	\$ 1,444,239	\$ 1,315,888	\$ 1,407,855	\$ 1,510,651
Deposits												
Demand	\$ 28,046	\$ 28,166	\$ 29,373	\$ 37,786	\$ 34,627	\$ 37,516	\$ 38,116	\$ 38,153	\$ 28,046	\$ 34,627	\$ 39,296	\$ 18,860
Term (including accrued interest)	1,241,684	1,231,552	1,302,006	1,174,387	1,116,276	1,372,283	1,154,663	1,225,979	1,241,684	1,116,276	1,177,840	1,370,595
Total	1,269,730	1,259,718	1,331,379	1,212,173	1,150,903	1,409,799	1,192,779	1,264,132	1,269,730	1,150,903	1,217,136	1,389,455
Other liabilities	26,015	21,435	19,480	23,623	35,393	32,953	26,947	46,256	26,015	35,393	68,371	27,175
Subordinated notes payable (excluding note issue costs)	51,500	51,500	51,500	41,500	41,500	41,500	41,500	41,500	51,500	41,500	41,500	20,000
Shareholders' Equity												
Share capital												
Common	103,965	103,965	99,965	96,865	95,365	95,365	95,365	95,365	103,965	95,365	95,365	87,365
Retained earnings (deficit)	(868)	(350)	103	(406)	(897)	(1,820)	(1,331)	(688)	(868)	(897)	(1,364)	2,561
Accumulated other comprehensive income (loss)	(6,103)	(3,837)	(3,815)	(4,799)	(6,376)	(11,703)	(14,610)	(10,607)	(6,103)	(6,376)	(13,153)	(15,905)
	96,994	99,778	96,253	91,660	88,092	81,842	79,424	84,070	96,994	88,092	80,848	74,021
Total liabilities and shareholders' equity	\$ 1,444,239	\$ 1,432,431	\$ 1,498,612	\$ 1,368,956	\$ 1,315,888	\$ 1,566,094	\$ 1,340,650	\$ 1,435,958	\$ 1,444,239	\$ 1,315,888	\$ 1,407,855	\$ 1,510,651

* 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)

	QUARTER								YEAR ENDED				
	2011				2010				2011	2010	2009	2008	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1					
Gross impaired loans													
Residential mortgages	\$ 878	\$ 867	\$ 1,025	\$ 1,023	\$ 1,023	\$ 975	\$ 1,179	\$ 1,718	\$ 878	\$ 1,023	\$ 1,076	\$ 1,188	
Business loans	-	-	-	-	-	-	1,489	1,319	-	-	1,629	6,327	
Personal loans	45	46	573	822	2,229	2,244	2,578	3,664	45	2,229	3,690	276	
Total gross impaired loans	\$ 923	\$ 913	\$ 1,598	\$ 1,845	\$ 3,252	\$ 3,219	\$ 5,246	\$ 6,701	\$ 923	\$ 3,252	\$ 6,395	\$ 7,791	
Allowance for credit losses													
Specific provisions	\$ 850	\$ 850	\$ 855	\$ 875	\$ 1,048	\$ 1,048	\$ 1,012	\$ 1,159	\$ 850	\$ 1,048	\$ 1,133	\$ 830	
General allowance	2,827	2,719	3,230	3,381	3,812	4,285	4,285	8,401	2,827	3,812	8,401	5,212	
Total allowance for credit losses	\$ 3,677	\$ 3,569	\$ 4,085	\$ 4,256	\$ 4,860	\$ 5,333	\$ 5,297	\$ 9,560	\$ 3,677	\$ 4,860	\$ 9,534	\$ 6,042	
Reconciliation of allowance for credit losses													
Balance, beginning of period	\$ 3,569	\$ 4,085	\$ 4,256	\$ 4,860	\$ 5,333	\$ 5,297	\$ 9,560	\$ 9,534	\$ 4,860	\$ 9,534	\$ 6,042	\$ 3,206	
Provision (recovery) for credit losses	83	-	42	40	(473)	19	(735)	26	165	(1,163)	3,449	2,816	
Recoveries (write-offs)	25	(516)	(213)	(644)	-	17	(3,528)	-	(1,348)	(3,511)	43	20	
Balance, end of period	\$ 3,677	\$ 3,569	\$ 4,085	\$ 4,256	\$ 4,860	\$ 5,333	\$ 5,297	\$ 9,560	\$ 3,677	\$ 4,860	\$ 9,534	\$ 6,042	
Total net impaired loans	\$ (2,754)	\$ (2,656)	\$ (2,487)	\$ (2,411)	\$ (1,608)	\$ (2,114)	\$ (51)	\$ (2,859)	\$ (2,754)	\$ (1,608)	\$ (3,139)	\$ 1,749	
	0	0											
Total loans	\$ 1,090,932	\$ 1,073,885	\$ 1,043,331	\$ 1,038,181	\$ 964,862	\$ 956,000	\$ 925,434	\$ 956,000	\$ 1,090,932	\$ 964,862	\$ 929,831	\$ 1,110,807	
Net impaired loans (after general allowance) as a % of total loans	-0.25%	-0.25%	-0.24%	-0.23%	-0.17%	-0.22%	-0.01%	-0.30%	-0.25%	-0.17%	-0.34%	0.16%	
Gross impaired loans as a % of total loans	0.08%	0.09%	0.15%	0.18%	0.33%	0.34%	0.57%	0.71%	0.08%	0.33%	0.69%	0.70%	
Allowance for credit losses as a % of gross impaired loans	398.37%	390.91%	255.63%	230.68%	149.45%	165.67%	100.97%	142.67%	398.37%	149.45%	149.09%	77.55%	