



Pacific & Western

Credit Corp.

Supplemental Financial Information

**For the quarter ended July 31, 2008
(unaudited)**

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Use of this Report

This financial information is supplementary to the Corporation's Third Quarter Press Release and its 2007 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								9 MONTHS ENDED		YEAR ENDED			
	2008			2007			2008	2007	2008	2007	2007	2006	2005	2004
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3					
Results of Operations (teb) *														
Total interest income	\$ 16,701	\$ 18,764	\$ 21,221	\$ 19,510	\$ 17,537	\$ 18,029	\$ 18,607	\$ 56,688	\$ 54,173	\$ 73,683	\$ 66,988	\$ 55,727	\$ 54,572	
Net interest income	1,623	2,944	5,056	4,492	3,780	4,534	4,906	9,625	13,220	17,712	19,222	16,019	15,548	
Provision (recovery) for credit losses	242	64	8	198	142	72	429	314	643	841	787	(61)	(471)	
Impairment writedown on securities	(3,703)	-	-	-	-	-	-	(3,703)	-	-	-	-	-	
Other income (charges)	139	130	(86)	114	260	294	959	183	1,513	1,626	16,162	8,869	281	
Total revenue	(2,183)	3,010	4,962	4,408	3,898	4,756	5,436	5,791	14,090	18,497	34,597	24,949	16,300	
Non-interest expenses	3,523	3,441	3,781	3,049	3,643	3,548	3,658	10,745	10,849	13,897	12,855	12,423	8,652	
Net income (loss) before provision for income taxes	(5,706)	(431)	1,181	1,359	255	1,208	1,778	(4,954)	3,241	4,600	21,742	12,526	7,648	
Income tax provision (recovery)	(1,491)	170	645	721	128	864	687	(674)	1,679	2,400	5,110	4,734	2,447	
Net income (loss)	(4,215)	(601)	536	638	127	344	1,091	(4,280)	1,562	2,200	16,986	7,016	5,201	
Per Common Share (\$'s)														
Basic earnings (loss) per share	(0.31)	(0.05)	0.03	0.04	0.01	0.02	0.08	(0.33)	0.11	0.14	1.25	0.51	0.38	
Diluted earnings (loss) per share	(0.31)	(0.05)	0.03	0.04	0.00	0.02	0.07	(0.33)	0.09	0.14	1.22	0.50	0.37	
Book value/share	2.67	3.23	3.54	3.91	4.18	4.43	4.55	2.67	4.18	3.91	5.00	3.71	3.20	
Closing market price (common share)	5.00	5.50	7.70	7.75	8.00	9.01	12.00	5.00	8.00	7.75	11.81	10.00	7.85	
Weighted average number of common shares	13,637	13,602	13,649	13,739	13,757	13,730	13,471	13,630	13,757	13,674	13,343	13,249	13,206	
Number of common shares outstanding at period end	13,644	13,598	13,605	13,686	13,754	13,757	13,520	13,644	13,754	13,686	13,422	13,508	13,227	
Total market value of common shares	68,220	74,789	104,759	106,067	110,032	123,951	162,240	68,220	110,032	106,067	158,514	133,080	103,832	
Financial Ratios														
Net interest income teb (%)	0.47%	0.85%	1.36%	1.33%	1.20%	1.36%	1.45%	0.89%	1.38%	1.27%	1.56%	1.49%	1.76%	
Return on average common equity	-42.21%	-5.82%	3.71%	4.13%	0.45%	1.91%	6.36%	-13.22%	3.31%	3.25%	28.75%	14.79%	12.48%	
Return on average assets	-1.21%	-0.17%	0.14%	0.19%	0.04%	0.10%	0.32%	-0.39%	0.16%	0.16%	1.38%	0.65%	0.59%	
Non-interest expenses to average total assets (annualized)	1.01%	0.99%	1.02%	0.90%	1.12%	1.07%	1.08%	0.99%	1.14%	1.00%	1.04%	1.16%	0.98%	
Efficiency ratio	N/M	\$ 1.12	\$ 0.76	\$ 0.66	\$ 0.90	\$ 0.73	\$ 0.62	\$ 1.76	\$ 0.74	\$ 0.72	\$ 0.36	\$ 0.50	\$ 0.55	
Number of full time equivalent staff at period end	58	58	60	57	62	64	65	58	62	57	61	48	44	
Assets to full time employee**	24,662	23,005	24,845	25,590	19,767	21,357	20,904	24,662	19,767	25,590	21,799	23,567	23,082	
Financial Position														
Cash and securities	446,908	309,816	478,175	441,727	266,588	432,535	414,315	446,908	266,588	441,727	425,418	352,383	327,446	
Cash and securities to total assets (%)	31.24%	23.22%	32.08%	30.28%	21.75%	31.65%	30.49%	31.24%	21.75%	30.32%	31.99%	31.15%	32.24%	
Total loans	948,596	989,714	975,558	977,727	923,385	899,971	895,158	948,596	923,385	977,727	863,830	749,307	663,637	
Mortgages and loans to total assets (%)	66.32%	74.18%	65.44%	67.03%	75.34%	65.84%	65.88%	66.32%	75.34%	67.03%	64.96%	66.24%	65.35%	
Total assets	1,430,395	1,334,269	1,490,682	1,458,656	1,225,583	1,366,834	1,358,729	1,430,395	1,225,583	1,458,656	1,329,729	1,131,227	1,015,588	
Average assets	1,382,332	1,412,476	1,474,669	1,342,120	1,296,209	1,362,781	1,344,229	1,444,526	1,277,656	1,394,193	1,230,478	1,073,408	884,828	
Deposits	1,173,732	1,214,123	1,363,050	1,282,756	1,116,317	1,155,383	1,174,237	1,173,732	1,116,317	1,282,756	1,210,555	935,758	887,245	
Notes payable	68,850	40,805	40,732	35,660	35,847	35,523	35,456	68,850	35,847	35,660	36,184	36,186	34,186	
Shareholders' equity	39,946	47,499	51,712	57,054	60,981	64,523	65,087	39,946	60,981	57,054	70,650	52,923	45,818	
Credit Quality														
Gross impaired loans	7,931	1,366	1,363	1,452	2,616	2,544	2,544	7,931	2,616	1,452	3,096	362	1,221	
Gross impaired loans as a % of total assets	0.55%	0.10%	0.09%	0.10%	0.21%	0.19%	0.19%	0.55%	0.21%	0.10%	0.23%	0.03%	0.12%	
Net impaired loans	4,391	(1,932)	(1,851)	(1,754)	(628)	(558)	(451)	4,391	(628)	(1,754)	530	(1,527)	(502)	
Net impaired loans as a % of total loans	0.46%	-0.20%	-0.19%	-0.18%	-0.07%	-0.06%	-0.05%	0.46%	-0.07%	-0.18%	0.06%	-0.20%	-0.08%	
Capital Adequacy														
Pacific & Western Bank capital ratios														
Tier 1 capital	91,838	69,927	63,630	61,820	63,701	65,674	64,571	91,838	63,701	61,820	70,163	56,447	49,188	
Tier 2 capital	20,000	20,000	30,000	30,000	30,000	31,248	33,673	20,000	30,000	30,000	34,000	28,000	23,500	
Total capital	111,838	89,927	93,630	91,820	93,701	96,922	98,244	111,838	93,701	91,820	104,163	84,447	72,688	
Risk weighted assets	1,021,138	833,103	825,960	800,582	752,461	778,717	797,169	1,021,138	752,461	800,582	786,005	759,348	675,129	
Risk based capital ratio	10.95%	10.79%	11.34%	11.47%	12.45%	12.45%	12.32%	10.95%	12.45%	11.47%	13.25%	11.12%	10.77%	
Tier 1 ratio	8.99%	8.39%	7.70%	7.72%	8.47%	8.43%	8.10%	8.99%	8.47%	7.72%	8.93%	7.43%	7.29%	
Assets to capital ratio	13.11	15.21	16.26	16.19	13.35	14.32	13.95	13.11	13.35	16.19	12.96	13.60	14.07	

* 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.

** excludes operations of Discovery Air Inc.

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

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	QUARTER							9 MONTHS ENDED		YEAR ENDED			
	2008			2007				2008	2007				
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2007	2006	2005	2004
Net Interest Income	\$ 944	\$ 2,285	\$ 4,212	\$ 3,777	\$ 3,221	\$ 4,043	\$ 4,462	\$ 7,441	\$ 11,726	\$ 15,503	\$ 17,571	\$ 14,244	\$ 13,764
Taxable equivalent adjustment	679	659	844	715	559	491	444	2,184	1,494	2,209	1,650	1,775	1,784
Net Interest Income (NII) (teb)	1,623	2,944	5,056	4,492	3,780	4,534	4,906	9,625	13,220	17,712	19,221	16,019	15,548
Earnings (loss) from equity accounted investments	-	-	-	-	-	-	-	-	-	-	1,721	-	-
Administration fees	-	-	-	-	-	-	-	-	-	-	5	155	263
Gains	-	-	-	-	-	-	888	-	888	888	16,933	655	-
Aerial forest fire operations	-	-	-	-	-	-	-	-	-	-	26	5,059	-
Impairment writedown on securities	(3,703)	-	-	-	-	-	-	(3,703)	-	-	(3,230)	-	-
Impairment writedown on other assets	-	-	(20)	(100)	-	-	-	(20)	-	(100)	(616)	-	-
Other	139	130	(66)	214	260	294	71	203	625	839	1,323	3,000	18
Total other income (charges)	\$ (3,564)	130	(86)	114	260	294	959	(3,520)	1,513	1,627	16,162	8,869	281
Net interest and other income (teb)	\$ (1,941)	\$ 3,074	\$ 4,970	\$ 4,606	\$ 4,040	\$ 4,828	\$ 5,865	\$ 6,105	\$ 14,733	\$ 19,339	\$ 35,383	\$ 24,888	\$ 15,829
Other income (charges) as a % of total revenue	N/M	4.23%	-1.73%	2.48%	6.44%	6.09%	16.35%	N/M	10.27%	8.41%	45.68%	35.64%	1.78%
Net interest income-loans	1.18%	1.27%	1.71%	1.77%	1.72%	2.01%	2.15%	1.53%	1.80%	2.01%	2.06%	2.11%	2.18%
Net interest income-securities	-0.90%	0.22%	1.12%	0.78%	0.43%	0.42%	0.60%	-0.07%	0.45%	0.60%	0.63%	0.35%	1.00%
Net interest income per average assets	0.47%	0.85%	1.36%	1.33%	1.16%	1.36%	1.45%	0.89%	1.38%	1.27%	1.56%	1.49%	1.76%

(unaudited)
(\$ thousands)

	QUARTER							9 MONTHS ENDED		YEAR ENDED			
	2008			2007				2008	2007				
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3	2007	2006	2005	2004
Average loans	\$ 969,155	\$ 982,636	\$ 976,643	\$ 950,556	\$ 911,678	\$ 897,565	\$ 879,494	\$ 963,162	\$ 893,608	\$ 920,779	\$ 806,569	\$ 706,472	\$ 608,021
Average total assets	1,382,332	1,412,476	1,474,669	1,342,120	1,296,209	1,362,781	1,344,229	1,444,526	1,277,656	1,394,193	1,230,478	1,073,408	884,828
Average common equity	40,178	46,061	50,838	55,473	59,207	61,260	64,324	44,955	62,271	60,307	58,242	45,826	39,758
Average total equity	43,723	49,606	54,383	59,018	62,752	64,805	67,869	48,500	65,816	63,852	61,787	49,371	43,303

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

	QUARTER							9 MONTHS ENDED		YEAR ENDED				
	2008			2007				2008	2007	2007		2006	2005	2004
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q3	Q3					
Salaries and Employee Benefits														
Salaries	\$ 1,491	\$ 1,495	\$ 1,577	\$ 1,204	\$ 1,590	\$ 1,620	\$ 1,605	\$ 4,563	\$ 4,815	\$ 5,304	\$ 5,059	\$ 4,044	\$ 3,626	
Employee Benefits	443	471	569	348	458	474	515	1,483	1,447	2,509	1,533	759	773	
Aerial forest fire operations	-	-	-	-	-	-	-	-	-	-	616	1,231	-	
Total	1,934	1,966	2,146	1,552	2,048	2,094	2,120	6,046	6,262	7,813	7,208	6,034	4,399	
Premises														
Rent	156	167	178	175	184	151	161	501	496	671	509	419	379	
Depreciation	275	258	248	240	221	240	223	781	684	924	512	355	324	
Other	53	61	56	45	56	44	33	170	133	178	154	118	127	
Aerial forest fire operations	-	-	-	-	-	-	-	-	-	-	81	608	-	
Total	484	486	482	460	461	435	417	1,452	1,313	1,773	1,256	1,500	830	
General and administrative														
Capital and business taxes	225	87	184	154	150	131	174	496	455	609	625	501	434	
Insurance	76	71	67	76	74	71	75	214	220	296	275	216	183	
Listing, sustaining fees and annual meeting	40	60	55	32	35	74	75	155	184	216	151	221	180	
Marketing and business development	107	114	152	153	147	147	125	373	419	572	531	388	301	
Professional fees and services	124	157	193	160	207	133	164	474	504	664	534	468	351	
Postage and stationary	39	40	33	39	26	43	37	112	106	145	124	125	142	
Telephone and communications	27	33	30	33	36	32	41	90	109	142	132	108	98	
Travel	132	163	157	134	222	193	203	452	618	752	545	194	176	
Other	335	264	282	256	237	195	225	881	657	915	1,190	1,994	1,558	
Aerial forest fire operations	-	-	-	-	-	-	-	-	-	-	284	674	-	
Total	1,105	989	1,153	1,037	1,134	1,019	1,119	3,247	3,272	4,311	4,391	4,889	3,423	
Total non-interest expenses	\$ 3,523	\$ 3,441	\$ 3,781	\$ 3,049	\$ 3,643	\$ 3,548	\$ 3,656	\$ 10,745	\$ 10,847	\$ 13,897	\$ 12,855	\$ 12,423	\$ 8,652	

BALANCE SHEET
(unaudited)
(\$ thousands)

	QUARTER							YEAR ENDED			
	2008			2007				2007	2006	2005	2004
	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
Cash resources	\$ 225,237	\$ 160,847	\$ 185,463	\$ 113,421	\$ 25,714	\$ 136,383	\$ 142,656	\$ 113,421	\$ 207,720	\$ 72,532	\$ 43,728
Securities	221,671	148,969	292,712	328,306	240,874	296,152	271,659	328,306	217,698	279,851	283,718
Loans											
Residential mortgages	200,453	250,427	246,523	247,802	245,845	208,386	181,941	247,802	175,363	197,608	196,798
Government financing-direct and indirect	312,994	289,278	283,600	283,000	255,140	254,039	258,947	283,000	249,562	200,998	191,075
Business loans	415,021	420,838	415,053	412,330	390,836	396,188	408,113	412,330	389,407	282,472	180,358
Personal loans	20,128	29,171	30,382	34,595	31,564	41,358	46,157	34,595	49,498	68,229	95,406
Total	948,596	989,714	975,558	977,727	923,385	899,971	895,158	977,727	863,830	749,307	663,637
Other assets											
Capital assets	8,027	8,174	8,218	8,164	6,957	6,487	6,266	8,164	3,536	9,793	3,124
Deferred financing charges	-	-	-	-	-	-	-	-	629	858	1,087
Investment in Discovery Air *	9,218	10,736	13,122	16,592	16,828	16,858	30,763	16,592	24,985	-	-
Other assets	17,646	15,829	15,609	14,446	11,825	10,983	12,227	14,446	11,331	18,886	20,294
Total	34,891	34,739	36,949	39,202	35,610	34,328	49,256	39,202	40,481	29,537	24,505
Total assets	\$ 1,430,395	\$ 1,334,269	\$ 1,490,682	\$ 1,458,656	\$ 1,225,583	\$ 1,366,834	\$ 1,358,729	\$ 1,458,656	\$ 1,329,729	\$ 1,131,227	\$ 1,015,588
Deposits											
Demand	\$ 14,951	\$ 10,394	\$ 7,251	\$ 7,544	\$ 15,982	\$ 7,255	\$ 7,301	\$ 7,544	\$ 7,859	\$ 10,131	\$ 14,280
Term (including accrued interest)	1,158,781	1,203,729	1,355,799	1,275,212	1,100,335	1,148,128	1,166,936	1,275,212	1,202,696	925,627	872,965
Total	1,173,732	1,214,123	1,363,050	1,282,756	1,116,317	1,155,383	1,174,237	1,282,756	1,210,555	935,758	887,245
Other liabilities	147,867	31,842	35,188	83,186	12,438	111,405	83,949	83,186	12,340	105,606	48,339
Notes payable	68,850	40,805	40,732	35,660	35,847	35,523	35,456	35,660	36,184	36,186	34,186
Non-controlling interest in subsidiary	-	-	-	-	-	-	-	-	-	754	-
Shareholders' Equity											
Share capital											
Common	35,786	35,598	35,532	35,925	36,372	36,339	34,737	35,925	34,230	33,249	32,920
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	39,331	39,143	39,077	39,470	39,917	39,884	38,282	39,470	37,775	36,794	36,465
Accumulated other comprehensive income (loss)	19,605	23,820	24,404	24,125	23,513	23,386	23,131	24,125	32,875	16,129	9,353
	(18,990)	(15,464)	(11,769)	(6,541)	(2,449)	1,253	3,674	(6,541)	-	-	-
	39,946	47,499	51,712	57,054	60,981	64,523	65,087	57,054	70,650	52,923	45,818
Total liabilities and shareholders' equity	\$ 1,430,395	\$ 1,334,269	\$ 1,490,682	\$ 1,458,656	\$ 1,225,583	\$ 1,366,834	\$ 1,358,729	\$ 1,458,656	\$ 1,329,729	\$ 1,131,227	\$ 1,015,588

* 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			
	2008			2007				2007	2006	2005	2004	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1					
Gross impaired loans												
Residential mortgages	\$ 1,180	\$ 1,225	\$ 1,225	\$ 1,303	\$ 1,461	\$ 1,102	\$ 1,102	\$ 1,303	\$ 1,106	\$ -	\$ 207	
Government financing-direct and indirect	-	-	-	-	-	-	-	-	-	-	-	
Business loans	6,549	-	-	-	1,065	1,352	1,352	-	1,977	362	1,014	
Personal loans	202	141	138	149	90	90	90	149	13	-	-	
Total gross impaired loans	\$ 7,931	\$ 1,366	\$ 1,363	\$ 1,452	\$ 2,616	\$ 2,544	\$ 2,544	\$ 1,452	\$ 3,096	\$ 362	\$ 1,221	
Allowance for credit losses												
Specific provisions	\$ 813	\$ 683	\$ 481	\$ 473	\$ 708	\$ 687	\$ 652	\$ 473	\$ 358	\$ -	\$ 75	
General allowance	2,727	2,615	2,733	2,733	2,536	2,415	2,343	2,733	2,208	1,889	1,648	
Total allowance for credit losses	\$ 3,540	\$ 3,298	\$ 3,214	\$ 3,206	\$ 3,244	\$ 3,102	\$ 2,995	\$ 3,206	\$ 2,566	\$ 1,889	\$ 1,723	
Reconciliation of allowance for credit losses												
Balance, beginning of period	\$ 3,298	\$ 3,214	\$ 3,206	\$ 3,244	\$ 3,102	\$ 2,995	\$ 2,566	\$ 2,566	\$ 1,889	\$ 1,723	\$ 1,476	
Provision (recovery) for credit losses	242	64	8	198	142	72	429	841	787	(61)	(471)	
Recoveries (write-offs)	-	20	-	(236)	-	35	-	(201)	(110)	227	718	
Balance, end of period	\$ 3,540	\$ 3,298	\$ 3,214	\$ 3,206	\$ 3,244	\$ 3,102	\$ 2,995	\$ 3,206	\$ 2,566	\$ 1,889	\$ 1,723	
Total net impaired loans	\$ 4,391	\$ (1,932)	\$ (1,851)	\$ (1,754)	\$ (628)	\$ (558)	\$ (451)	\$ (1,754)	\$ 530	\$ (1,527)	\$ (502)	
Total loans	\$ 948,596	\$ 989,714	\$ 975,558	\$ 977,727	\$ 923,385	\$ 899,971	\$ 895,158	\$ 977,727	\$ 863,830	\$ 749,307	\$ 663,637	
Net impaired loans (after general allowance) as a % of total loans	0.46%	-0.20%	-0.19%	-0.18%	-0.07%	-0.06%	-0.05%	-0.18%	0.06%	-0.20%	-0.08%	
Gross impaired loans as a % of total assets	0.55%	0.10%	0.09%	0.10%	0.21%	0.19%	0.19%	0.10%	0.23%	0.03%	0.12%	
Allowance for credit losses as a % of gross impaired loans	44.63%	241.43%	235.80%	220.80%	124.01%	121.93%	117.72%	220.80%	82.88%	521.82%	141.11%	