



Fourth Quarter and Fiscal 2018 Financial Results Conference Call

December 6th, 2018





Presenters' Agenda

Performance highlights and strategic execution

Chris Fowler, President & CEO

- Performance highlights
- Execution of CWB's Balanced Growth strategy
- Fiscal 2019 outlook



Financial performance

Carolyn Graham, Executive Vice President & CFO

- Fourth quarter and full-year results
- Net interest income and net interest margin
- Funding growth and diversification
- Efficiency and operating leverage
- Credit quality
- Capital management





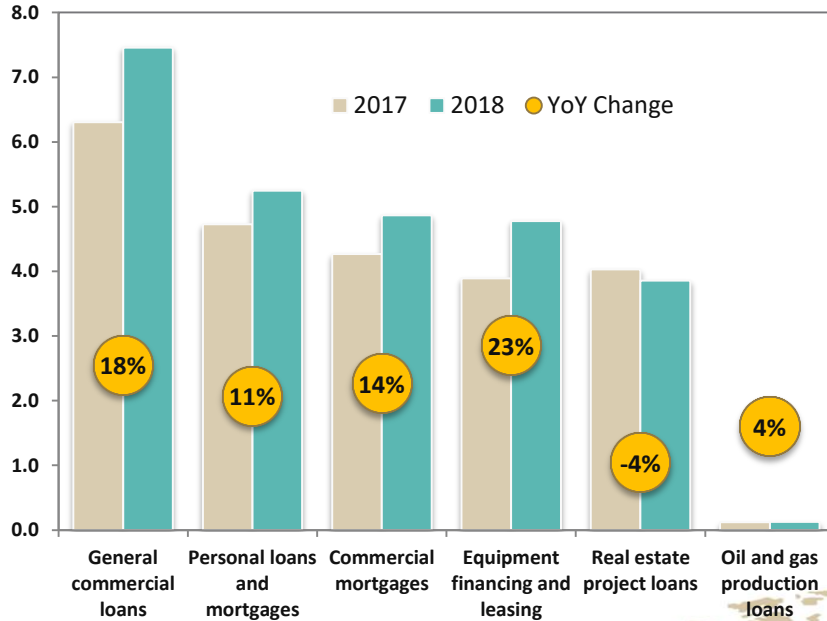
Fiscal 2018 Highlights

VERY STRONG FINANCIAL PERFORMANCE	<ul style="list-style-type: none">• Total revenue of \$803 million, up 11%, with 13% growth of net interest income• Common shareholders' net income of \$249 million, up 16%, and pre-tax, pre-provision income of \$436 million, up 12%• Diluted and adjusted cash EPS of \$2.79 and \$3.01, up 15% and 14%, respectively• Higher net interest margin, strong credit quality and an 8% increase in annual common share dividends
CONTINUED EXECUTION OF TRANSFORMATIONAL INITIATIVES AND STRATEGIC ENHANCEMENTS TO BUSINESS INFRASTRUCTURE	<ul style="list-style-type: none">• Significant progress toward transition to the <i>Advanced Internal Ratings Based (AIRB)</i> approach for capital and risk management, with final application for transition anticipated in fiscal 2019• Enhanced client experience with the implementation of remote deposit capture technology, launch of third online banking platform specifically targeted to small- and medium-sized businesses, improved foreign exchange services, successful onboarding of full-service clients in CWB Virtual Branch, and ongoing growth and development of wealth management offering• Progressed on our related program to deliver more centralized and efficient credit support processes
CONTINUED EXECUTION OF BALANCED GROWTH STRATEGY	<ul style="list-style-type: none">• Very strong loan growth of 13%, including 3% through acquisition.• Loan growth included expansion in every province, with the strategically targeted general commercial and equipment financing and leasing categories accounting for 68% of the growth• Continued execution of CWB's Balanced Growth strategy for funding diversification, including record issuance of senior deposit notes in capital markets, growth of securitization, and continued growth of branch-raised deposits

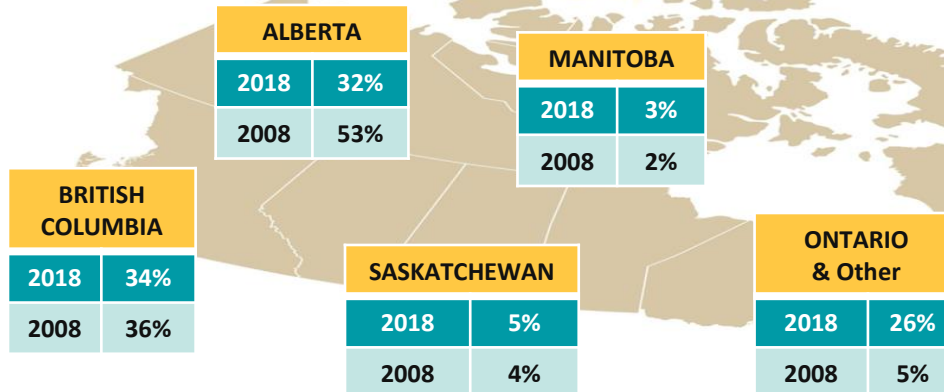
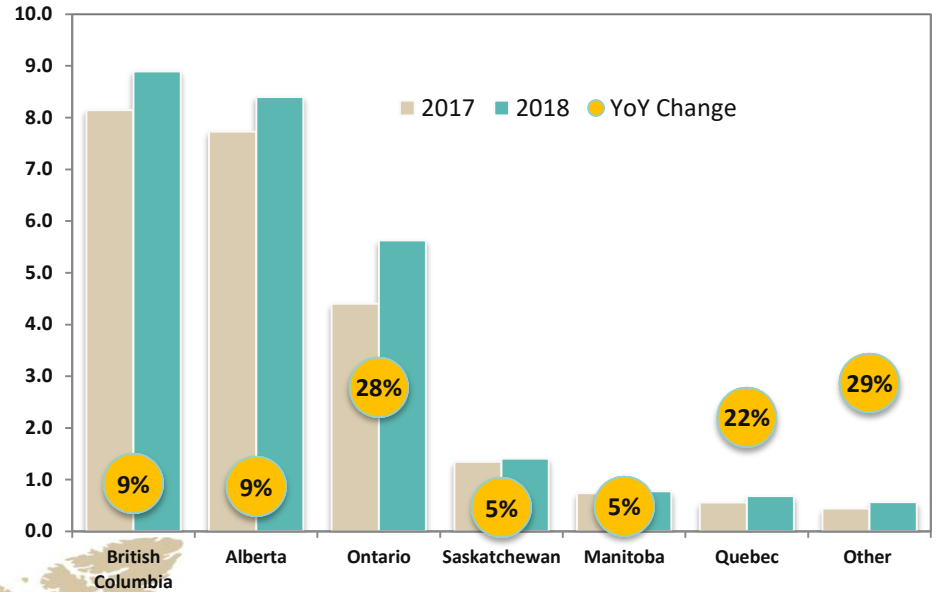


Balanced Growth | Increasing Diversification

Total loans (in \$ Billions), by type



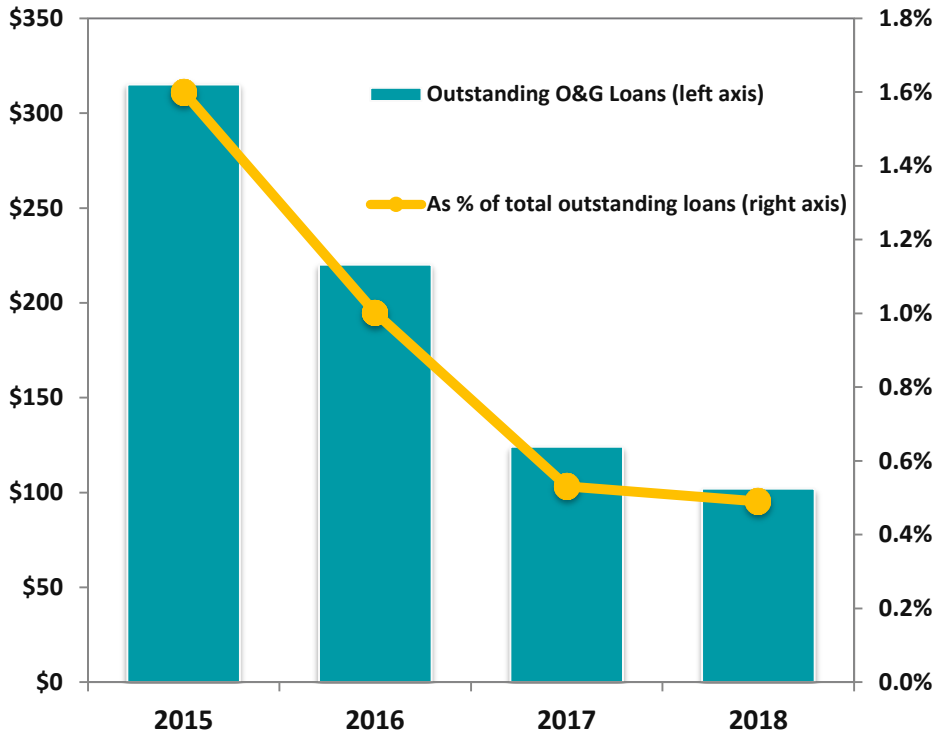
Total loans (in \$ Billions), by geography



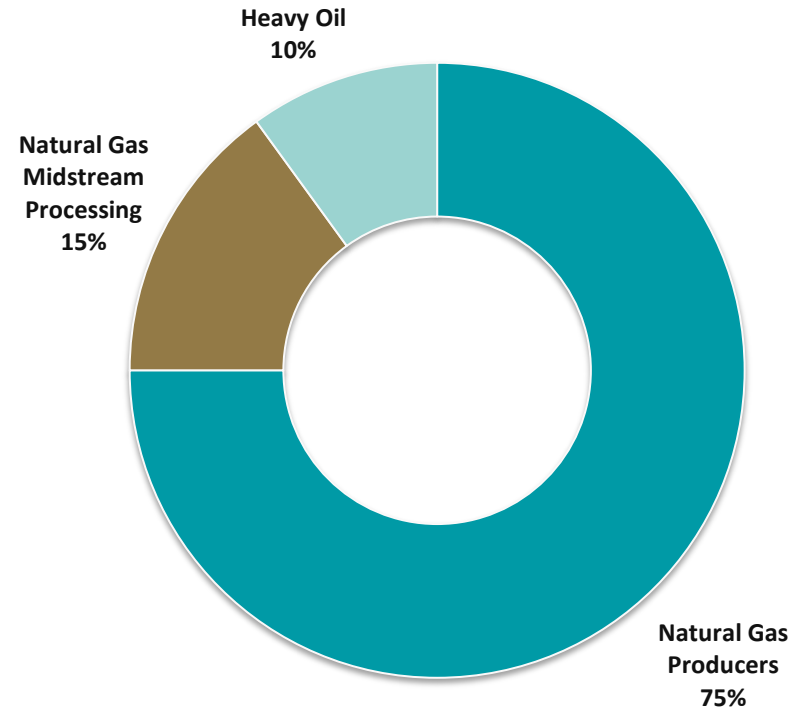


Prudent Risk Management | Oil and Gas Production Loans

Outstanding oil and gas production loans (\$ million)



2018 O&G Portfolio Mix



- Production profile for CWB’s natural gas producer clients is skewed to natural gas liquids, where the market is stronger compared to dry gas



Quarterly Results compared to Q4 2017

- Common shareholders' net income of \$65 million, up 6%, and pre-tax, pre-provision income of \$111 million, up 7%
- Adjusted cash earnings per common share of \$0.78, up 5%
- Adjusted for the impact of gains on sale related to the CWT strategic transactions in both periods, growth of adjusted cash earnings per common share was approximately 15%
- Record total revenue of \$209 million, up 7%
 - Net interest income of \$189 million, up 11%
 - Very strong 13% loan growth, including 3% from the acquisition of business lending assets on January 31, 2018 and increased geographic diversification, with the strategically targeted general commercial and equipment financing and leasing categories accounting for 68% of the growth
 - Net interest margin of 2.61%, down two basis points
 - Non-interest income of \$19 million, down 21%
 - Primarily reflects the impact of the CWT strategic transactions



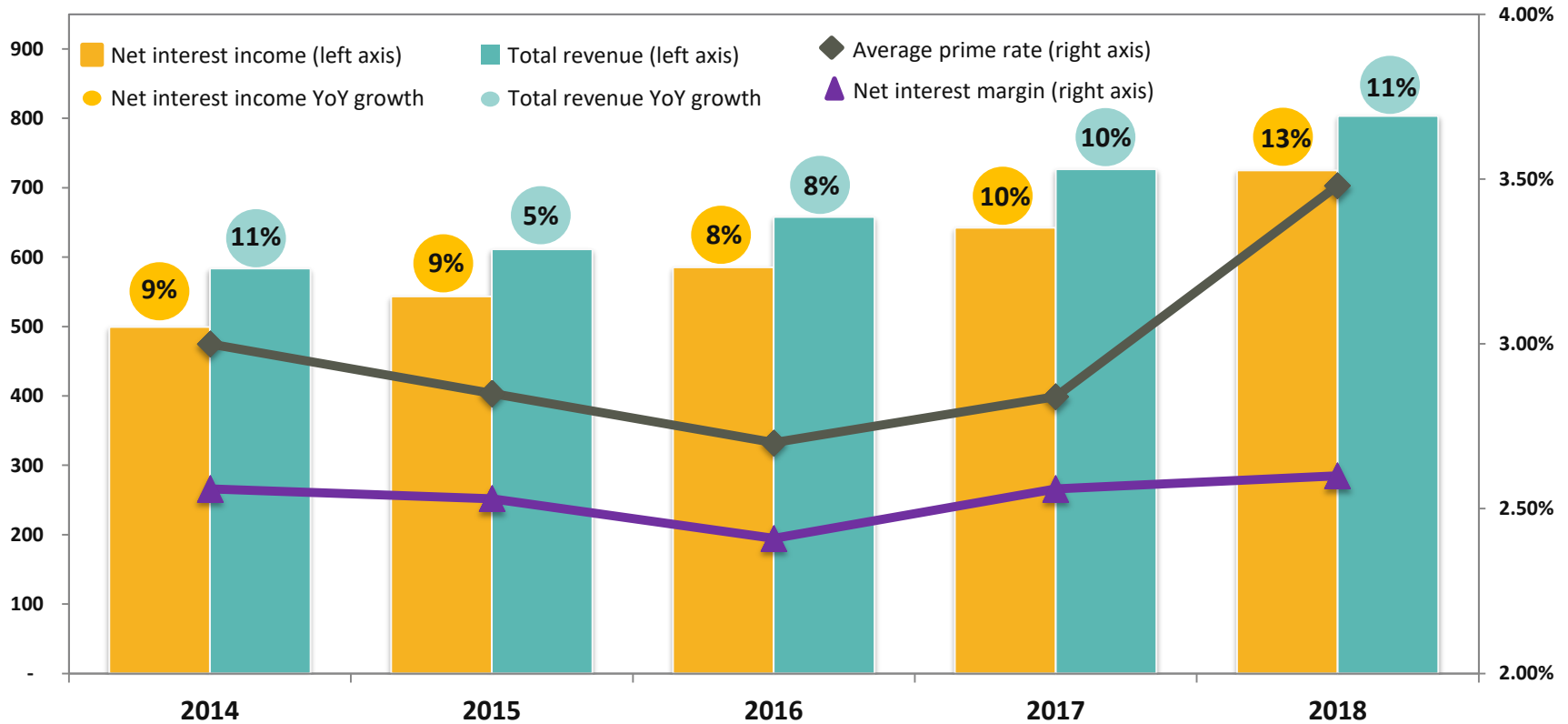
Fiscal 2018 Results compared to fiscal 2017

- Common shareholders' net income of \$249 million, up 16% and pre-tax, pre-provision income of \$436 million, up 12%
- Adjusted cash earnings per common share of \$3.01, up 14%, reflecting double-digit revenue growth and strong credit quality, partially offset by higher non-interest expenses and acquisition-related fair value changes
- Total revenue of \$803 million, up 11%
 - Net interest income of \$725 million, up 13%
 - Primarily reflects 13% loan growth
 - Net interest margin of 2.60%, up four basis points
 - Non-interest income of \$78 million, down 7%
 - Growth in wealth management income more than offset by lower revenues from trust services following the CWT strategic transactions
 - Lower credit-related fee income reflecting the shift in loan growth towards general commercial loans which tend to be associated with lower fees
- Positive operating leverage



Financial Performance | Strong, consistent revenue growth

Net Interest Income, Total Revenue (\$ million), Net Interest margin and Prime Rate

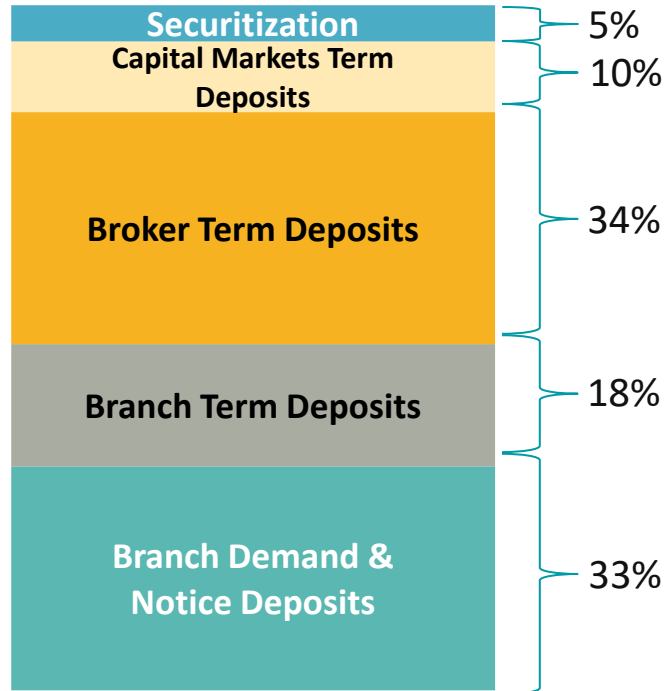




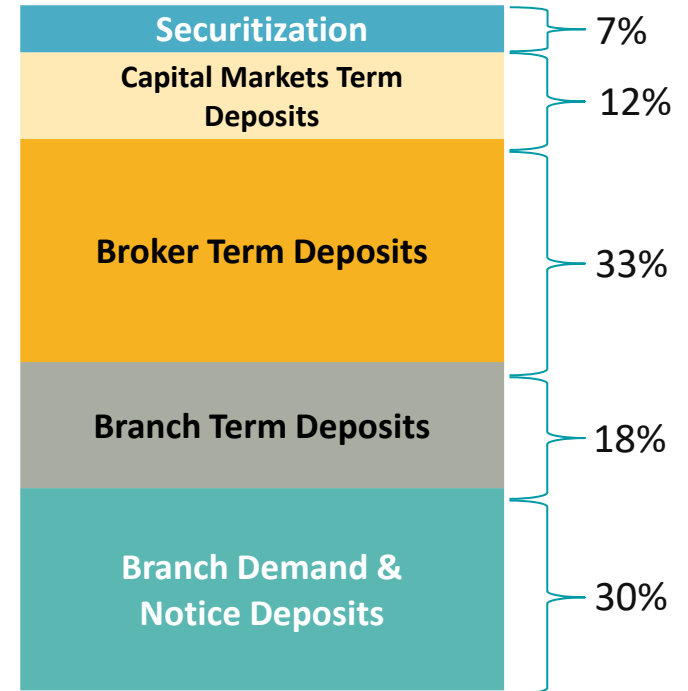
Balanced Growth | Increased funding diversification

Composition of total funding

2017



2018

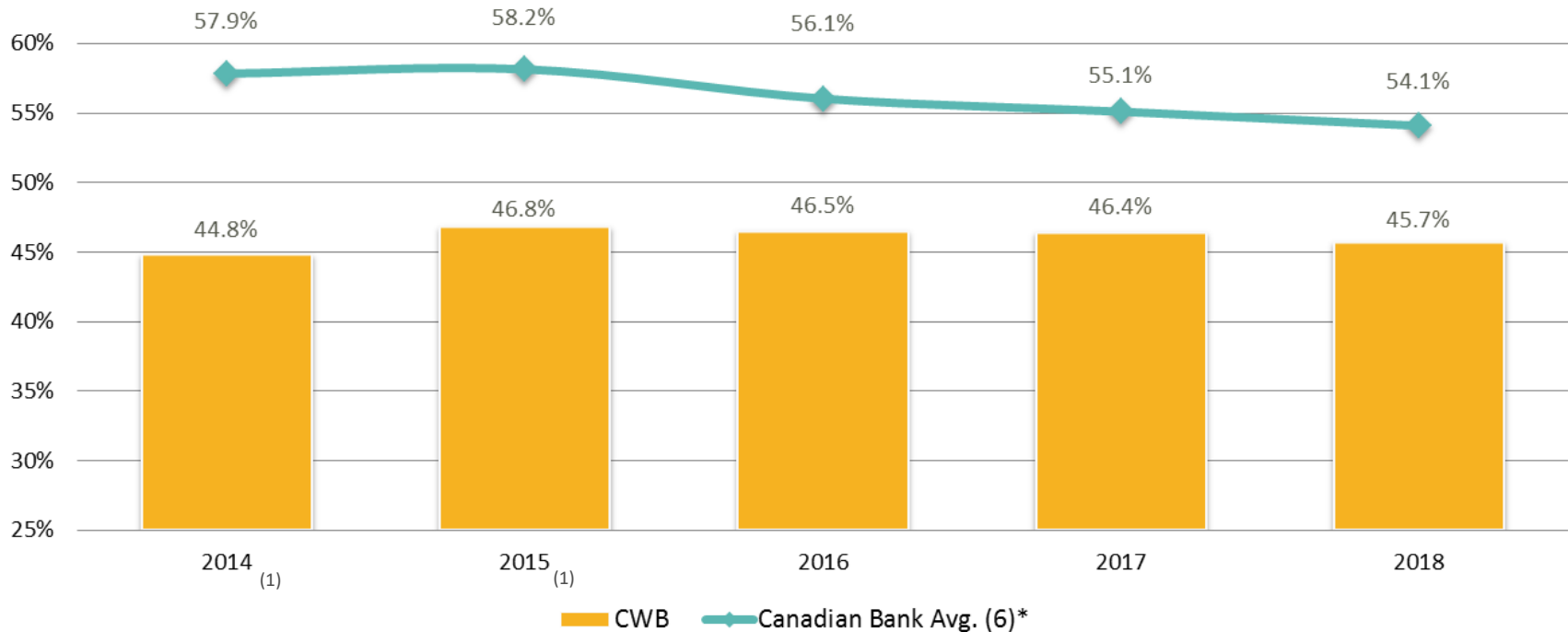


- Growth of debt capital markets with five successful senior deposit note issuances or re-openings totaling \$1.1 billion
- Growth of securitization to fund both equipment loans and leases, and residential mortgages
- Growth of branch-raised deposits
- Decrease in broker deposits as a proportion of total funding



Financial Performance | Strong efficiency

Efficiency Ratio (non-interest expenses as a % of total revenues)



* "Canadian Bank Avg. (6)" as referenced within this presentation is calculated based on information contained in the publicly available company reports of Canada's six largest banks (TSX trading symbols: BMO, BNS, CM, NA, RY, TD).

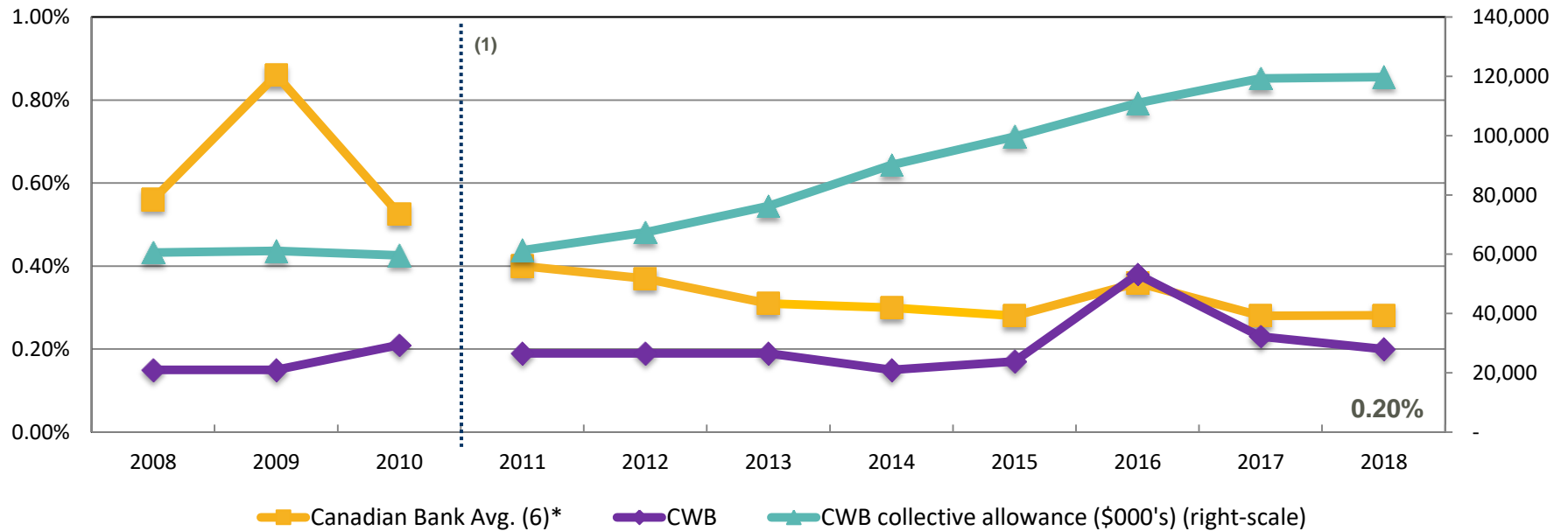
(1) Represents Continuing Operations

- Higher total revenues as well as effective management of discretionary expense growth resulted in positive operating leverage of 1.9% in fiscal 2018
- Achieved positive operative leverage while supporting ongoing transformation and technology investments



Financial Performance | Strong credit quality

Provision for Credit Losses (as a percentage of average loans)



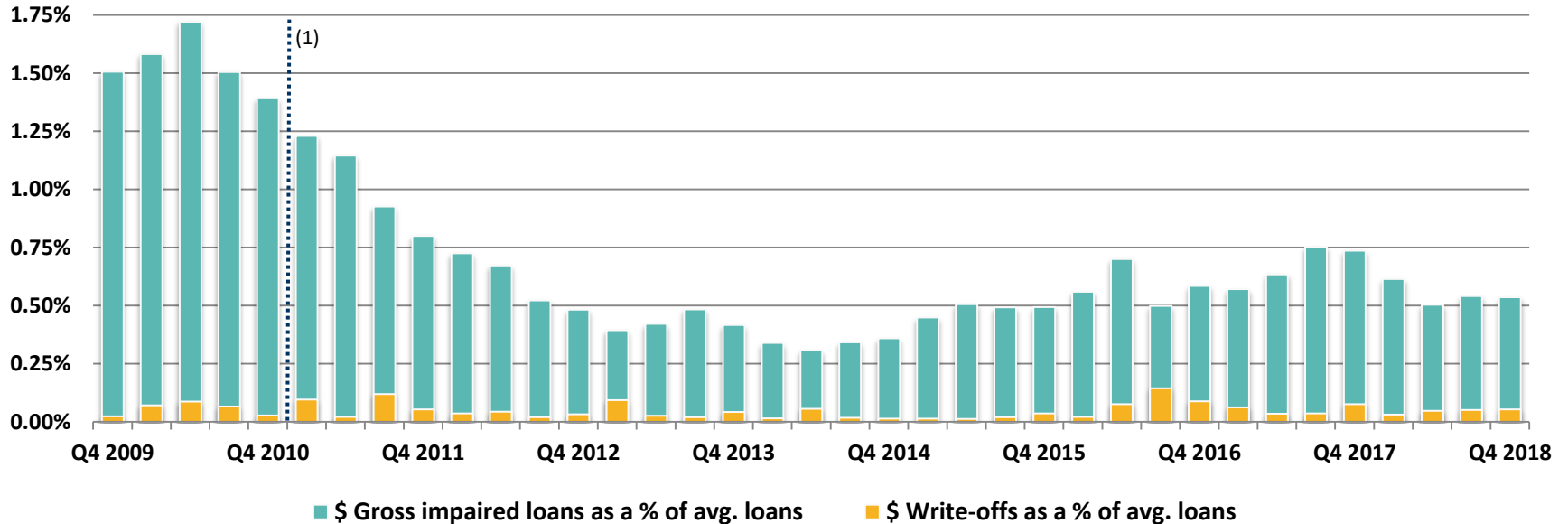
(1) As of Q1 11, financial results are reported under IFRS, as opposed to GAAP, and are not directly comparable.

- Full-year provision for credit losses as a percentage of average loans of 20 basis points, down from 23 basis points last year
- Fourth quarter provision for credit losses represented 19 basis points of average loans, compared to 20 basis points in the same quarter last year
- The provision for credit losses has been within CWB’s historical range of 18 – 23 basis points in each of the past six quarters



Financial Performance | Strong credit quality

Gross Impaired Loans & Write-offs (as a percentage of average loans)



(1) As of Q1 11, financial results are reported under IFRS, as opposed to GAAP, and are not directly comparable.

- The dollar level of gross impaired loans fluctuates as loans become impaired and are subsequently resolved, and does not directly reflect the dollar value of expected write-offs given tangible security held in support of lending exposures
- Actual credit losses as a percentage of total loans remain low and continue to demonstrate the benefits of CWB's secured lending practices and disciplined underwriting



Regulatory Capital | Strong capital position

<i>Standardized approach for calculating risk-weighted assets</i>	Q4 2018	Regulatory Minimum
Common equity Tier 1 capital (CET1)	9.2%	7.0%
Tier 1 capital	10.3%	8.5%
Total capital	11.9%	10.5%
Basel III Leverage Ratio	8.0%	3.0%

- Very strong regulatory capital position under the *Standardized* approach
- Very conservative Basel III leverage ratio



APPENDIX



Medium-term Performance Targets

	Target Ranges	Fiscal 2018 Performance
Adjusted cash earnings per common share growth ⁽¹⁾	7 – 12%	Delivered 14%.
Adjusted return on common shareholders' equity ⁽²⁾	12 – 15%	Delivered 11.9%, up 90 basis points from fiscal 2017.
Operating leverage ⁽³⁾	Positive	Delivered positive 1.9%.
Common equity Tier 1 capital ratio under the Standardized approach ⁽⁴⁾	Strong	Delivered a very strong ratio of 9.2%.
Common share dividend payout ratio ⁽⁵⁾	~30%	Delivered 36%, with an 8% increase to the annual common share dividend, and a higher annual dividend for the 26 th consecutive year.

(1) Adjusted cash earnings per common share is calculated as diluted earnings per common share excluding the acquisition-related amortization of intangible assets and the contingent consideration fair value changes, net of tax. Excluded items are not considered to be indicative of ongoing operating performance. (2) Adjusted return on common shareholders' equity is calculated as common shareholders' net income excluding the acquisition-related amortization of intangible assets and the contingent consideration fair value changes, net of tax, divided by average common shareholders' equity. (3) Operating leverage is calculated as the growth rate of total revenue less the growth rate of non-interest expenses, excluding the pre-tax amortization of acquisition-related intangible assets. (4) Common equity Tier 1 capital ratio is calculated in accordance with Basel III guidelines issued by the Office of the Superintendent of Financial Institutions Canada (OSFI). (5) Common share dividend payout ratio is calculated as common share dividends declared during the past twelve months divided by common shareholders' net income earned over the same period.

- Performance target ranges reflect the objectives embedded within CWB's strategic direction and a time horizon consistent with the longer-term interests of our shareholders
- Targets are based on expectations for moderate economic growth and a relatively stable interest rate environment in Canada over the three- to five-year forecast horizon



Advisory

Forward-looking Statements

From time to time, CWB makes written and verbal forward-looking statements. Statements of this type are included in the Annual Report and reports to shareholders and may be included in filings with Canadian securities regulators or in other communications such as press releases and corporate presentations. Forward-looking statements include, but are not limited to, statements about CWB's objectives and strategies, targeted and expected financial results and the outlook for CWB's businesses or for the Canadian economy. Forward-looking statements are typically identified by the words "believe", "expect", "anticipate", "intend", "estimate", "may increase", "may impact", "goal", "focus", "potential", "proposed" and other similar expressions, or future or conditional verbs such as "will", "should", "would" and "could".

By their very nature, forward-looking statements involve numerous assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that management's predictions, forecasts, projections, expectations and conclusions will not prove to be accurate, that its assumptions may not be correct and that its strategic goals will not be achieved.

A variety of factors, many of which are beyond CWB's control, may cause actual results to differ materially from the expectations expressed in the forward-looking statements. These factors include, but are not limited to, general business and economic conditions in Canada, including the volatility and level of liquidity in financial markets, fluctuations in interest rates and currency values, the volatility and level of various commodity prices, changes in monetary policy, changes in economic and political conditions, legislative and regulatory developments, legal developments, the level of competition, the occurrence of natural catastrophes, changes in accounting standards and policies, the accuracy and completeness of information CWB receives about customers and counterparties, the ability to attract and retain key personnel, the ability to complete and integrate acquisitions, reliance on third parties to provide components of business infrastructure, changes in tax laws, technological developments, unexpected changes in consumer spending and saving habits, timely development and introduction of new products, and management's ability to anticipate and manage the risks associated with these factors. It is important to note that the preceding list is not exhaustive of possible factors.

Additional information about these factors can be found in the Risk Management section of CWB's annual Management's Discussion and Analysis (MD&A). These and other factors should be considered carefully, and readers are cautioned not to place undue reliance on these forward-looking statements as a number of important factors could cause CWB's actual results to differ materially from the expectations expressed in such forward-looking statements. Unless required by securities law, CWB does not undertake to update any forward-looking statement, whether written or verbal, that may be made from time to time by it or on its behalf.

Assumptions about the performance of the Canadian economy over the forecast horizon and how it will affect CWB's businesses are material factors considered when setting organizational objectives and targets. In determining expectations for economic growth, CWB primarily considers economic data and forecasts provided by the Canadian government and its agencies, as well as an average of certain private sector forecasts. These forecasts are subject to inherent risks and uncertainties that may be general or specific. Where relevant, material economic assumptions underlying forward looking statements are disclosed .