

Attention Business/Financial Editors:

Western Financial Group reports nine month revenue up 35.0%, net income up 79.2%, EPS up 18.8%

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HIGH RIVER, AB, Nov. 14 /CNW/ - (TSX-WES, WES.PR.A) - Western Financial Group ("the Company") today announced its operating and financial results for the nine months ended September 30, 2007. For the nine months, revenue increased 35.0% to \$80.8 million from \$59.8 million compared to the same period in 2006 and net income increased 79.2%. Basic earnings per share amounted to \$0.19 (diluted \$0.17) per share from \$0.16 (diluted \$0.13) in the same period in 2006.

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Financial Highlights

(in \$ thousands)	Three months ended September 30			Nine months ended September 30		
	2007	2006	% change	2007	2006	% change
<b>THE NETWORK</b>						
Revenue (\$)	17,007	11,419	48.9%	49,290	34,072	44.7%
Operating income (\$)	4,944	3,161	56.4%	16,080	10,606	51.6%
<b>BANK WEST</b>						
Interest & investment income (\$)	3,312	2,343	41.4%	8,632	5,759	49.9%
Net interest & investment income (\$)	665	576	15.5%	2,953	2,103	40.4%
Operating income (\$)	3	37	(91.9%)	249	16	1456.3%
<b>WESTERN LIFE</b>						
Premium income (\$)	7,382	6,159	19.9%	20,044	16,869	18.8%
Investment income (\$)	924	714	29.4%	396	2,057	(80.7%)
Operating income (\$)	733	934	(21.5%)	2,514	2,060	22.0%
<b>CORPORATE AND ALL OTHER</b>						
Revenue (\$)	929	416	123.3%	2,396	1,082	121.4%
Operating loss (\$)	(1,343)	(1,211)	(10.9%)	(4,432)	(4,201)	(5.5%)
<b>OVERALL</b>						
Revenue (\$)	29,554	21,051	40.4%	80,758	59,839	35.0%
Net Income (\$)	2,344	1,486	57.7%	8,979	5,010	79.2%
Earnings per share						
- basic (\$)	\$0.05	\$0.05	0.0%	\$0.19	\$0.16	18.8%
- diluted (\$)	\$0.04	\$0.04	0.0%	\$0.17	\$0.13	30.8%

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"We continue to enjoy robust growth as we move toward achieving our financial and operational objectives for the year," said Scott Tannas, President and CEO.

The Network's revenue showed a 44.7% increase, through new acquisitions and from strong gains in same store sales (up 7.1%).

#### Bank West

The Bank in Q3 grew its loan book by \$21.5 million to \$199.6 million at September 30, 2007. Specific loan losses for the quarter were higher than previous quarters, but remain lower than budgeted for the nine month period. The Bank's loan book will grow significantly over the coming quarter, with the completion of the Ubiquity Bank acquisition on October 1, and through new loan growth.

#### Western Life Assurance

Western Life continues to show strength in premium income and in operating income with a growth of 18.8% and 22.0% respectively. The decrease in investment income is a result of adopting the new accounting standards for financial instruments. With the increase in interest rates in 2007 Western Life saw a market drop in bonds resulting in a decrease in investment income, offset by a decrease in actuarial expense.

#### Equity Investments

Western Financial Group's portfolio of equity partner investments performed well with Jennings Capital, H.E.D. and Harvard Western all exceeding budget expectations.

#### Conference Call

Western Financial Group will host a conference call to discuss the Company's first quarter results on Monday, November 19, 2007 at 9:00 am Mountain time (11:00 am Eastern time). Participants are asked to call either 800-732-9307 or 416-644-3414 (Toronto). An archived recording of the call will be available until December 3, 2007 by calling 877-289-8525 or 416-640-1917 (Toronto) with the passcode 21252995 followed by the number sign. The conference will also be broadcast live over the internet and archived through the Company's website at [www.westernfinancialgroup.net](http://www.westernfinancialgroup.net).

Western Financial Group is a leader in providing insurance, financial services and banking services in over 80 communities, to more than 400,000 individuals and businesses in Western Canada through its WFG Agency Network locations, its affiliated insurance brokers, Western Life Assurance Company and Bank West.

The Company's Financial Report for the three and nine months of 2007 will be filed on SEDAR on November 14, 2007.

Forward-looking statements involve numerous assumptions, risks and uncertainties, including the risk that prediction and other forward-looking statements may not prove to be accurate. We caution the reader not to place undue reliance on these disclosures, as a number of important factors could cause actual results to differ materially from the estimates and comments expressed in them. Such factors may include, but are not limited to: changing financial and economic conditions in Canada, particularly in Western Canada; regulatory developments; competition industry trends and availability of capital resources; and our anticipated success in managing our risks. We caution readers that the foregoing list is not exhaustive. Except required by law, we do not undertake to update any forward-looking statements, written or oral, that we may make from time to time regarding our operations and performance.

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CONSOLIDATED BALANCE SHEET (unaudited)

(in thousands, except for per share amounts)

	As at Sept 30 2007	As at December 31 2006
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ASSETS		
Cash and cash equivalents	\$ 35,519	\$ 9,085
Marketable securities	-	85,243
Marketable securities - held-for-trading	44,502	-
Marketable securities - available-for-sale	40,947	-
Accounts receivable	25,383	23,510
Prepaid expenses	5,149	7,340
Income taxes receivable	1,446	388
Future income taxes	1,154	1,271
Deferred charges	43	714
Other assets	4,423	2,235
Equity investments	20,651	23,501
Mortgages and loans	201,241	149,051
Capital assets	10,922	8,844
Intangible assets	24,623	14,175
Goodwill	90,511	59,565
	<hr/>	<hr/>
	506,514	384,922
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LIABILITIES		
Accounts payable and accrued liabilities	44,940	35,944
Actuarial liabilities	36,315	34,754
Provision for unpaid and unreported claims	9,211	6,637
Deferred gain on investments	-	1,295
Customer deposits	198,480	147,118
Long-term debt	38,943	25,164
Future income taxes	5,910	2,790
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	333,799	253,702
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SHAREHOLDERS' EQUITY		
Share capital (Note 4)	144,205	110,607
Other paid in capital	102	152
Contributed surplus	2,019	1,923
Retained earnings	26,414	18,538
Accumulated other comprehensive loss	(25)	-
	<hr/>	<hr/>
	172,715	131,220
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	\$ 506,514	\$ 384,922
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CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS (unaudited)  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND  
2006

(in thousands, except for per share amounts)

Three months ended                      Nine months ended

	September 30		September 30	
	2007	2006	2007	2006
<b>Revenue</b>				
Commission and other customer income	\$ 17,278	\$ 11,831	\$ 50,210	\$ 34,902
Premium income	7,370	6,024	20,001	16,815
Interest income on customer loans	3,312	2,343	8,632	5,759
Investment income				
Change in fair value of held-for-trading assets	362	-	(1,134)	-
Realized gain on sales of available-for-sale and held-for-trading assets	173	-	11	-
Other net investment income	1,059	853	3,038	2,363
	29,554	21,051	80,758	59,839
<b>Expenses</b>				
Operating expenses	18,258	12,857	50,798	36,964
Policyholder benefits	4,312	3,506	9,168	10,114
Interest expense - customer deposits	2,272	1,504	5,679	3,656
Provision for credit losses	375	263	702	624
Income before the following	4,337	2,921	14,411	8,481
Income from long-term investments	256	536	1,850	1,890
Interest and financing costs on long-term debt	(532)	(610)	(1,959)	(2,084)
Amortization of intangible assets	(215)	(118)	(625)	(307)
Amortization of capital assets	(401)	(416)	(1,154)	(1,165)
Income before income taxes	3,445	2,313	12,523	6,815
Income taxes	(1,101)	(827)	(3,544)	(1,805)
<b>NET INCOME FOR THE PERIOD</b>	<b>2,344</b>	<b>1,486</b>	<b>8,979</b>	<b>5,010</b>
<b>Retained earnings, beginning of period as previously reported</b>				
	24,529	14,585	18,538	11,061
<b>Cumulative effect of adopting new accounting policies (Note 1)</b>				
	-	-	300	-
<b>Retained earnings, beginning of period as restated</b>				
	24,529	14,585	18,838	11,061
Preferred share dividends	-	-	(501)	-
Common share dividends	(459)	-	(902)	-
<b>Retained earnings, end of period</b>	<b>\$ 26,414</b>	<b>\$ 16,071</b>	<b>\$ 26,414</b>	<b>\$ 16,071</b>

Earnings per share (Note 5)

Basic	\$	0.05	\$	0.05	\$	0.19	\$	0.16
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Diluted	\$	0.04	\$	0.04	\$	0.17	\$	0.13
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CO: Western Financial Group

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