Frequently Asked Questions – Q1 2007

1. Why didn't you split your stock?

We review all capital matters, including stock splits, on an ongoing basis.

As we stated on our March 1, 2007 conference call, our priorities this quarter were to first complete our previously announced acquisition of additional shares in FirstCaribbean International Bank, and subsequently, to consider an increase to our common share dividend.

Our reported dividend payout ratio (common share dividends paid as a percentage of net income after preferred share dividends and premiums) was 32.9% for the first quarter of 2007, well below our medium term target payout ratio of 40-50%.

On March 1, 2007, we announced an increase to our common share dividend to be paid in the second quarter of 10%, from 70 cents per share to 77 cents per share.

At this time, we are not planning a stock split. If CIBC decides to split its stock, the announcement will be made public by way of a press release.

2. Can you comment on market share trends and revenue performance from your retail business?

Overall, our retail business continues to perform well.

Retail brokerage had a particularly strong quarter, with revenue of $314 million. Cards revenue was $371 million, up 7% from a year ago.

Our market share overall is stable, and we have had increases in the first quarter of 2007 in key areas such as deposits and GICs.

In the area of personal lending, our focus on credit quality has improved loan loss performance, but it has resulted in lower revenue growth than some of our industry peers.

We expect that as the actions we have taken to improve our risk profile run their course, we will see revenue growth in our retail lending business begin to converge with industry levels.

3. Is CIBC World Markets' Q107 performance sustainable?

CIBC World Markets delivered another solid performance in the first quarter of 2007, reporting revenue of $784 million and net income of $210 million. Return on equity[1] was 41.6%.

This performance is in line with our stated objective of delivering relatively consistent earnings in an industry where conditions are variable, accompanied by a moderate and controllable risk posture.

Although market conditions are difficult to predict, our outlook for 2007 remains reasonably positive. We expect to benefit from steady M&A activity, but with a less active mining market and the potential for a moderation in energy prices.

Our plan is to continue to leverage the strength of our core client franchise that is the source of our leading market position in Canada.

We believe there will be opportunities in 2007 to invest incremental financial resources to targeted areas of our wholesale business where there are opportunities for growth and where we may not currently be operating at full capacity.

4. Loan losses remain well below your target range. Why have you not lowered your guidance?

Our objective of a provision for credit losses between 50 and 65 basis points of net loans and acceptances is a medium-term, through the cycle, objective.

At 36 basis points, our loss ratio remains below our through the cycle objective.

Loan losses in our retail portfolio remain stable. Retail loan losses were $153 million for the quarter, up $21 million from the fourth quarter of 2006, but down $27 million from the first quarter of 2006. The increase from the fourth quarter was primarily attributable to volume growth, particularly in our cards business, and lower recoveries and reversals in our small business and agriculture portfolios.

Our corporate loan portfolio continues to perform well, albeit in a relatively favourable credit environment. Net recoveries and reversals in this portfolio totaled $10 million in the first quarter of 2007, compared with $1 million in net recoveries in the fourth quarter of 2006.

Our outlook is for overall loan losses to trend up towards the bottom end of our through the cycle objective over the coming quarters.

---

[1] Segmented return on equity is a non-GAAP financial measure. See page i of the Q1 2007 Supplementary Financial Information.

5. **Given the reporting changes, can you summarize your realized securities gains for the quarter on an apples-to-apples basis compared with prior quarters?**

On November 1, 2006, we adopted the CICA handbook sections 3855 “Financial Instruments – Recognition and Measurement”, 3865 “Hedges”, 1530 “Comprehensive Income” and 3251 “Equity”.

These standards require that all financial assets be classified as trading, designated at fair value, available for sale (AFS), held to maturity (HTM), or loans and receivables. The investment securities classification is no longer applicable under the new rules. In addition, the standards require that all financial assets, including all derivatives, be measured at fair value with the exception of loans and receivables, debt securities classified as HTM, and AFS equities that do not have quoted market values in an active market.

Realized gains (losses)

As a result of this change in accounting policy, all realized net gains (losses) previously reported under “Non-interest income - Investment securities gains (losses), net”, as well as some gains (losses) from limited partnerships previously reported under “Non-interest income - Other”, are now reported under “Non-interest income – Realized net gains on available for sale securities” on page 3 of the Q1 2007 Supplementary Financial Information (SFI).

On slide 45 of our First Quarter, 2007 Investor Presentation, we have provided the comparable number from the fourth quarter for the $132 million of realized net gains on available for sale securities reported for the first quarter of 2007.

Gains (losses) on equity-accounted investments continue to be included in “Non-interest income – Other”.

Unrealized gains (losses)

All unrealized net gains (losses) on investments previously reported within the section “Estimated fair value of investment securities”, as well as some unrealized net gains (losses) from limited partnerships previously reported within the “Other assets” line of the section “Fair value of financial instruments”, are now reported within the section “Fair value of available for sale/investment securities” on page 25 of the Q1 2007 SFI.

6. **Within non-interest income, you have introduced a new line item called "Revenue on financial instruments designated at fair value and related economic hedges". To what financial instruments and related economic hedges does this revenue relate? In which line item did this revenue previously appear?**

As a result of implementing the new Financial Instruments accounting standard, CICA handbook section 3855, certain financial assets and liabilities have been designated at fair value in CIBC's consolidated balance sheet. The related income earned from these financial instruments and the income and losses on derivatives used to economically hedge these financial instruments, which nets to revenue of $43 million for the first quarter of 2007, has been separately disclosed as "Revenue on financial instruments designated at fair value and related economic hedges" on page 3 of the Q1 2007 Supplementary Financial Information (SFI). In prior quarters, components of this net revenue would have been included within both the "Trading revenue" and "Other" lines of Non-interest Income.

Note 9 to the CIBC Interim Consolidated Financial Statements on page 29 of the Report to Shareholders for the First Quarter, 2007 provides further detail on the financial instruments that have been designated at fair value and the related income and losses from those instruments.

With revenue generated from real estate securitizations no longer being classified as trading, market risk related to this activity has been excluded from the value at risk (VaR) disclosed on slide 56 of the First Quarter, 2007 Investor Presentation.

7. How much did FirstCaribbean International Bank contribute to your first quarter earnings?

FirstCaribbean International Bank (FirstCaribbean) disclosed its results for the first quarter of 2007 on March 15, 2007, reporting net income of US$63 million. Included in this result was a US$15 million gain (net of tax) from a change in accounting policy for benefits. FirstCaribbean's first quarter results are available on its website at www.firstcaribbeanbank.com.

FirstCaribbean's first quarter results are included within the CIBC Retail Markets business segment results disclosed on page 6 of the Q1 2007 Supplementary Financial Information, as described below.

From November 1, 2006 through December 22, 2006, we continued to account for our 43.7% interest in FirstCaribbean using the equity method of accounting. CIBC's proportionate share of FirstCaribbean's net income during this period is included in Retail Markets, "Other" revenue.

On December 22, 2006, CIBC obtained control of FirstCaribbean by acquiring 90% of Barclay's Bank PLC's interest in FirstCaribbean which represents a further 39.3% interest.

As a result of this transaction, from December 22, 2006, through January 31, 2007, we consolidated FirstCaribbean's results based on our ownership interest increasing to 83.0%. 100% of FirstCaribbean's revenue during this period is included in Retail Markets, "Other" revenue, 100% of FirstCaribbean's non-interest expenses, provision for credit losses, and income tax expense are included in each of those respective lines, and 17% of FirstCaribbean's net income for this period is included in the "Non-controlling interests" line.

In addition, the net assets acquired include a core deposit intangible of $248 million, which will be amortized at 12% per annum using the declining balance method. This amortization expense will be included in non-interest expenses.

On February 2, 2007, subsequent to the quarter end, we acquired an additional 8.5% interest in FirstCaribbean which brings our total ownership to 91.5%.

A Note About Forward-Looking Statements

From time to time, we make written or oral forward-looking statements within the meaning of certain securities laws, including in this presentation, in filings with Canadian securities regulators or the U.S. Securities and Exchange Commission and in other communications. These statements include, statements about our operations, business lines, financial condition, risk management, priorities, targets, ongoing objectives, strategies and outlook for 2007 and subsequent periods. Forward-looking statements are typically identified by the words "believe," "expect," "anticipate," "intend," "estimate" and other similar expressions or future or conditional verbs such as "will," "should," "would" and "could." By their nature, these statements require us to make assumptions, and are subject to inherent risks and uncertainties that may be general or specific. A variety of factors, many of which are beyond our control, affect our operations, performance and results, and could cause actual results to differ materially from the expectations expressed in any of our forward-looking statements. These factors include: legislative or regulatory developments in the jurisdictions where we operate; amendments to, and interpretations of, risk-based capital guidelines and reporting instructions; the resolution of legal proceedings and related matters; the effect of applying future accounting changes; changes in our estimates of reserves and allowances; changes in tax laws; that our estimate of sustainable effective tax rate will not be achieved; political conditions and developments; the possible effect on our business of international conflicts and the war on terror; natural disasters, public health emergencies and other catastrophic events; reliance on third parties to provide components of our business infrastructure; the accuracy and completeness of information provided to us by clients and counterparties; intensifying competition from established competitors and new entrants in the financial services industry; technological change; global capital market activity; interest rate and currency value fluctuations; general economic conditions worldwide, as well as in Canada, the U.S. and other countries where we have operations; changes in market rates and prices which may adversely affect the value of financial products; our success in developing and introducing new products and services, expanding existing distribution channels, developing new distribution channels and realizing increased revenue from these channels; changes in client spending and saving habits; and our ability to anticipate and manage the risks associated with these factors. This list is not exhaustive of the factors that may affect any of our forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on our forward-looking statements. We do not undertake to update any forward-looking statement that is contained any communications.

Investor Relations contacts:

John Ferren, Vice-President, CFA, CA	(416) 980-2088
Rachel Gauci, Director	(416) 980-8691
Investor Relations Fax Number	(416) 980-5028

Visit the Investor Relations section at www.cibc.com