

Second Quarter, 2011 Investor Presentation

CIBC Investor Presentation

May 26, 2011



For what matters.

Forward-Looking Statements

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Visit the Investor Relations section at www.cibc.com



CIBC Overview

**Gerry McCaughey
President and Chief Executive Officer**



**Second Quarter, 2011
Financial Review**

**Kevin Glass
Senior Executive Vice-President
and Chief Financial Officer**



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Q2 Summary

	\$ Per Share
EPS ⁽¹⁾ : \$1.60	
Cash EPS ⁽²⁾ : \$1.62	
Tier 1 Capital Ratio: 14.7%	
TCE ⁽²⁾⁽⁴⁾ Ratio: 10.6%	
Exceed Basel III 2019 min. req'ts	
Includes ⁽³⁾ :	
– Loss on Structured Credit Run-off	(0.13)

Core Operating Results

- **Helped by:**
 - Lower Loan Losses
 - Volume growth in Retail Markets
 - Higher Treasury results
- **Hurt by:**
 - Lower Wholesale Banking revenue (vs. Q1/11)
 - Lower Retail Markets spreads
 - Lower reported FirstCaribbean revenue

⁽¹⁾ Diluted, accrual basis.

⁽²⁾ Non-GAAP financial measure, see Slide 16.

⁽³⁾ See Slide 15 for details.

⁽⁴⁾ Tangible Common Equity.

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CIBC Quarterly Statement of Operations

(\$MM)	F '10			F '11	
	Q2	Q3	Q4	Q1	Q2
Revenue	2,921 ⁽¹⁾	2,849 ⁽¹⁾	3,254 ⁽¹⁾	3,101 ⁽¹⁾	2,889 ⁽¹⁾
Provision for Credit Losses	316	221 ⁽¹⁾	150 ⁽¹⁾	209	194
Non-Interest Expenses	1,678 ⁽¹⁾	1,741 ⁽¹⁾	1,860 ⁽¹⁾	1,822 ⁽¹⁾	1,794 ⁽¹⁾
Income Before Taxes and Non-Controlling Interests	927	887	1,244	1,070	901
Income Taxes	261	244	742 ⁽¹⁾	268	221
Non-Controlling Interests	6	3	2	3	2
Net Income	660	640	500	799	678

⁽¹⁾ Affected by an Item of Note, see Slide 15 for details.

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CIBC Retail Markets Revenue Components

(\$MM)	F '10			F '11	
	Q2	Q3	Q4	Q1	Q2
Personal Banking	1,554	1,605	1,653	1,682	1,614
Business Banking	324	350	355	348	337
Wealth Management	345	336	355	393	397
FirstCaribbean	165	141	127	129	116
Other	(54)	40	(10)	(16)	(12)
	2,334	2,472	2,480	2,536	2,452

vs. Q2/10:

- Personal Banking helped by higher volumes in cards, mortgages and deposits, partially offset by lower spreads
- Business Banking helped by increased volumes, partially offset by lower spreads
- Wealth Management helped by stronger equity markets and higher trading volumes
- FirstCaribbean hurt by lower securities gains, weaker U.S. dollar and accounting for certain AFS securities
- Other helped by higher Treasury allocations

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CIBC Retail Markets Quarterly Statement of Operations

(\$MM)	F '10			F '11		<u>Net Income</u>
	Q2	Q3	Q4	Q1	Q2	
Revenue	2,334	2,472	2,480	2,536	2,452	vs. Q2/10:
Provision for Credit Losses	333	303	242	275	279	+ higher volumes
Non-Interest Expenses	1,330	1,352	1,425	1,413	1,419	+ stronger equity markets
	671	817	813	848	754	+ higher fees
Income Taxes	179	214	228	218	199	+ higher Treasury allocations
Non-Controlling Interests	5	3	2	3	2	+ lower loan losses
Net Income	487	600	583	627	553	– higher expenses
Net Interest Margin ⁽¹⁾	2.85%	2.81%	2.86%	2.85%	2.79%	– lower reported FirstCaribbean revenue
						– lower spreads

⁽¹⁾ Excludes Treasury; on average interest-earning assets.

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Wholesale Banking Revenue Components

(\$MM)	F '10			F '11	
	Q2	Q3	Q4	Q1	Q2
Capital Markets	275	241	218	304	301
Corporate & Investment Banking	132	146	136	196	151
Other	149 ⁽¹⁾	(61) ⁽¹⁾	(90) ⁽¹⁾	10 ⁽¹⁾	(14) ⁽¹⁾
Total Revenue (TEB) ⁽²⁾	556	326	264	510	438
Total Revenue	548	315	238	471	393

vs. Q1/11:

- Capital Markets hurt by lower equity new issues activity
- Corporate & Investment Banking hurt by lower advisory and equity new issues activities and lower Merchant Banking revenue
- Other hurt by credit valuation charges (vs. reversals in Q1)

⁽¹⁾ Affected by an Item of Note, see Slide 15 for details.

⁽²⁾ Taxable equivalent basis. Non-GAAP financial measure, see Slide 16.

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Wholesale Banking Quarterly Statement of Operations

(\$MM)	F '10			F '11		
	Q2	Q3	Q4	Q1	Q2	
Revenue	548 ⁽¹⁾	315 ⁽¹⁾	238 ⁽¹⁾	471 ⁽¹⁾	393 ⁽¹⁾	Net Income
Provision for Credit Losses	27	29	8	(2)	1	vs. Q1/11:
Non-Interest Expenses	244 ⁽¹⁾	258 ⁽¹⁾	327 ⁽¹⁾	303 ⁽¹⁾	271 ⁽¹⁾	+ lower expenses
	277	28	(97)	170	121	– lower advisory & equity new issues revenue
Income Taxes	87	3	(41)	34	9	– credit valuation adjustments (vs. reversals in Q1)
Non-Controlling Interests	1	-	-	-	-	– lower Merchant Banking revenue
Net Income	189	25	(56)	136	112	

⁽¹⁾ Affected by an Item of Note, see Slide 15 for details.

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Structured Credit Run-off Q2/11

	Pre-Tax Effect (\$MM)	After-Tax Effect (\$MM)	EPS Effect (\$/share)
[1] Credit Valuation Adjustments with Financial Guarantors	19	14	0.03
[2] Purchased Credit Derivatives Hedging Loans & Receivables	(57)	(41)	(0.10)
[3] Gains/(Losses) on Unwinds	(19)	(14)	(0.04)
[4] Other	(13)	(9)	(0.02)
[5]	(70)	(50)	(0.13)

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Second Quarter, 2011 Financial Review

Appendix



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CIBC Retail Markets Balances⁽¹⁾ & Market Share⁽²⁾

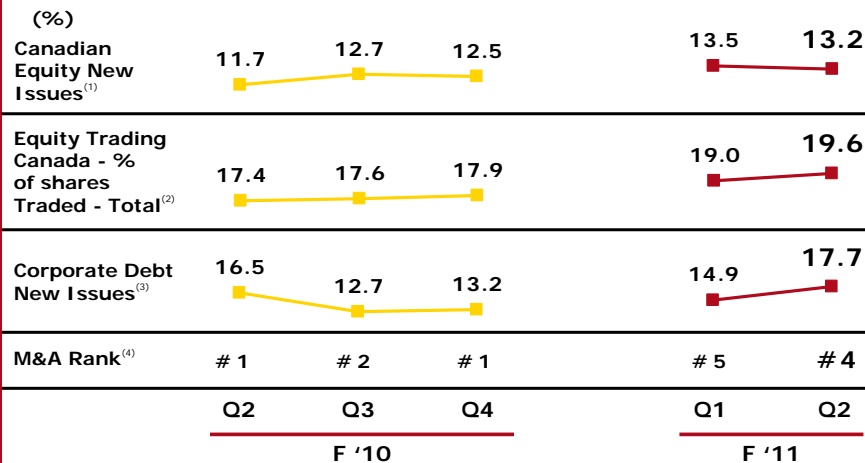
	Balances (\$B)	Market Share (%)		Rank ⁽³⁾
		Q1/11	Q2/11	
Cards ⁽⁴⁾	15.6	18.7	18.6	# 1
Mortgages ⁽⁴⁾	140.9	13.7	13.7	# 2
Personal Lending	30.6	8.3	8.2	# 5
Personal Deposits & GICs	107.0	16.6	16.5	# 3
Business Deposits	32.8	14.0	14.7	# 3
Business Lending	32.0	16.4	16.6	# 4
Mutual Funds	52.7	6.9	6.9	# 4
Wood Gundy ⁽⁵⁾	118.2	20.4	20.1	# 2

- (1) Spot balances as at Q2/11; excluding FirstCaribbean.
 (2) Source: CBA, Bank of Canada, Investment Funds Institute of Canada (IFIC), Supplementary Financial Information (SFI), Investor Presentations and Investor Economics; one to four month time lag depending on availability of disclosure.
 (3) Rank based on Big 6 banks.
 (4) Administered assets.
 (5) Excludes client cash and short positions.

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Wholesale Banking Market Share



- (1) Source: CIBC Equity Capital Markets; Based on total amount underwritten fiscal year-to-date. Includes all equity deals greater than \$10MM; (2) Based on TSX, Alpha and Pure total market share by volume fiscal year-to-date; (3) Source: Bloomberg Financial Markets; Bonus credit to lead league tables; Based on calendar year-to-date; (4) Source: Thompson; Based on fiscal year-to-date. Includes all deals, excludes advisors to foreign targets.

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Items of Note				
	Pre-Tax Effect (\$MM)	After-Tax Effect (\$MM)	EPS Effect (\$/share)	Strategic Business Unit
Q2 2011 Loss on Structured Credit Run-off Activities	(70)	(50)	(0.13)	Wholesale Bkg
	<u>(70)</u>	<u>(50)</u>	<u>(0.13)</u>	
Q1 2011 Loss on Structured Credit Run-off Activities	(68)	(49)	(0.12)	Wholesale Bkg
Gain on sale of CIBC Mellon Trust Company's Issuer Services business	43	37	0.09	Corp. & Other
	<u>(25)</u>	<u>(12)</u>	<u>(0.03)</u>	
Q4 2010 Loss on Structured Credit Run-off Activities	(177)	(122)	(0.31)	Wholesale Bkg
Impact of Capital Repatriation Activities	411	(117)	(0.30)	Corp. & Other
Reversal of Provision for Credit Losses in the General Allowance	65	45	0.12	Corp. & Other
	<u>299</u>	<u>(194)</u>	<u>(0.49)</u>	
Q3 2010 Loss on Structured Credit Run-off Activities	(138)	(96)	(0.25)	Wholesale Bkg
Reversal of Provision for Credit Losses in the General Allowance	76	53	0.14	Corp. & Other
	<u>(62)</u>	<u>(43)</u>	<u>(0.11)</u>	
Q2 2010 Gain on Structured Credit Run-off Activities	58	40	0.11	Wholesale Bkg
Reversal of Interest Expense re. the favourable conclusion of prior years' tax audits	30	17	0.04	Wholesale Bkg
	<u>88</u>	<u>57</u>	<u>0.15</u>	

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Non-GAAP Financial Measures

Cash Earnings Per Share, Taxable Equivalent Basis & Tangible Common Equity

For further details, see Non-GAAP measures within the Notes to users section on page i of the Q2/11 Supplementary Financial Information available on www.cibc.com.

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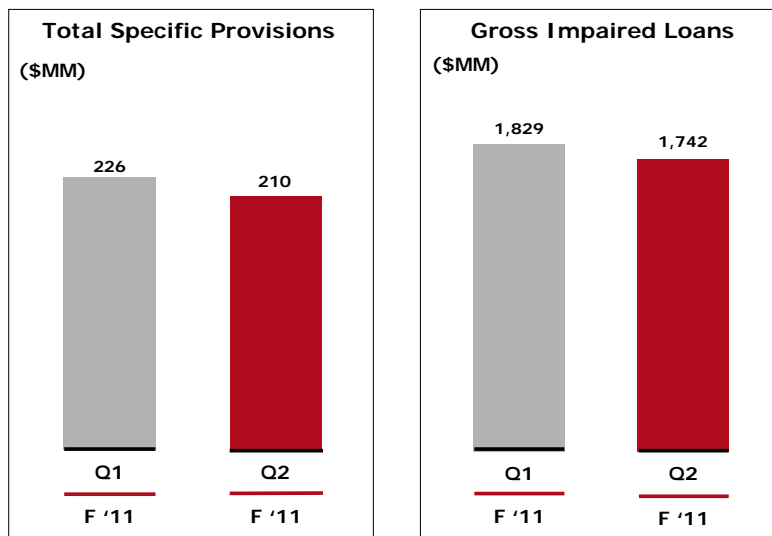


Second Quarter, 2011 Risk Review

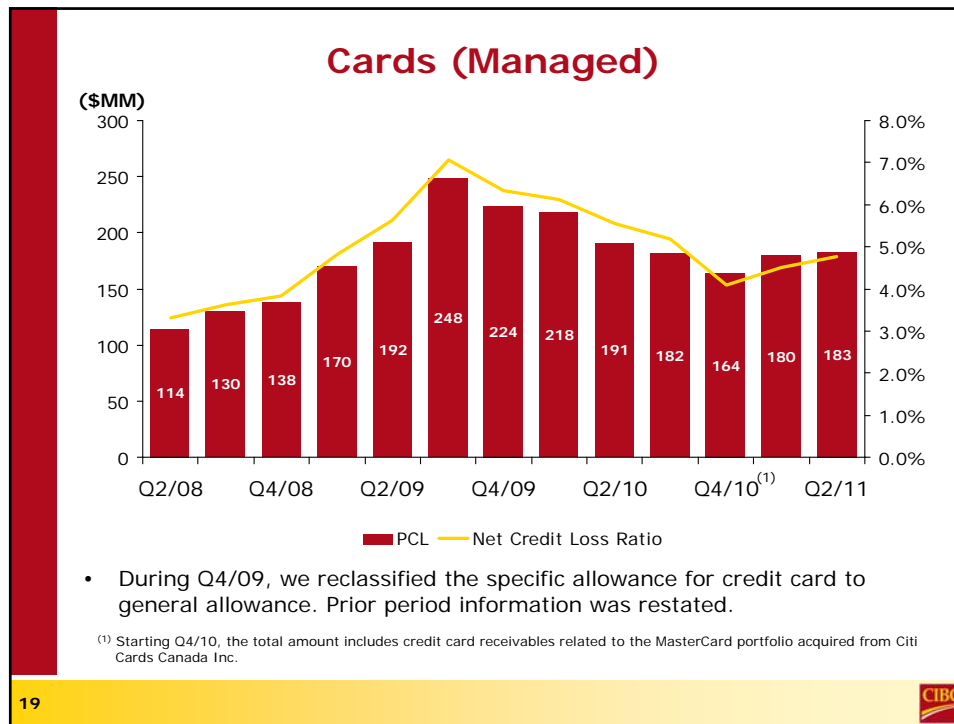
Tom Woods
Senior Executive Vice-President
and Chief Risk Officer



Q2 Credit Review



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U.S. Real Estate Finance

As of Q2/11 \$MM	Net Loans/BAs ⁽¹⁾	Net Impaired Loans ⁽¹⁾
Retail	447	6
Hotel	357	9
Multi-family	281	48
Office	312	33
Multi-use	165	26
Other	318	48
Q2/11 Total	1,880	170

⁽¹⁾ Net of write-downs and allowance for credit losses

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U.S. Leveraged Finance

As of Q2/11

\$MM

Total exposure⁽¹⁾

	Drawn	Undrawn
Total exposure ⁽¹⁾	167	211

European Leveraged Finance

As of Q2/11

\$MM

Total exposure⁽¹⁾

	Drawn	Undrawn
Total exposure ⁽¹⁾	476	104

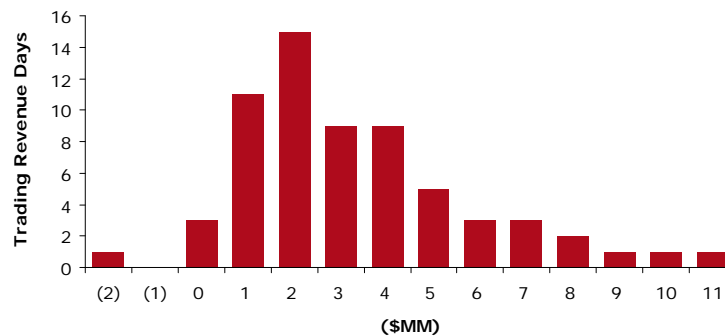
⁽¹⁾ Net of write-downs and allowance for credit losses

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Q2 Trading Revenue (TEB)⁽¹⁾ Distribution⁽²⁾

Frequency Distribution of Daily Trading Revenue (TEB) for Q2/11



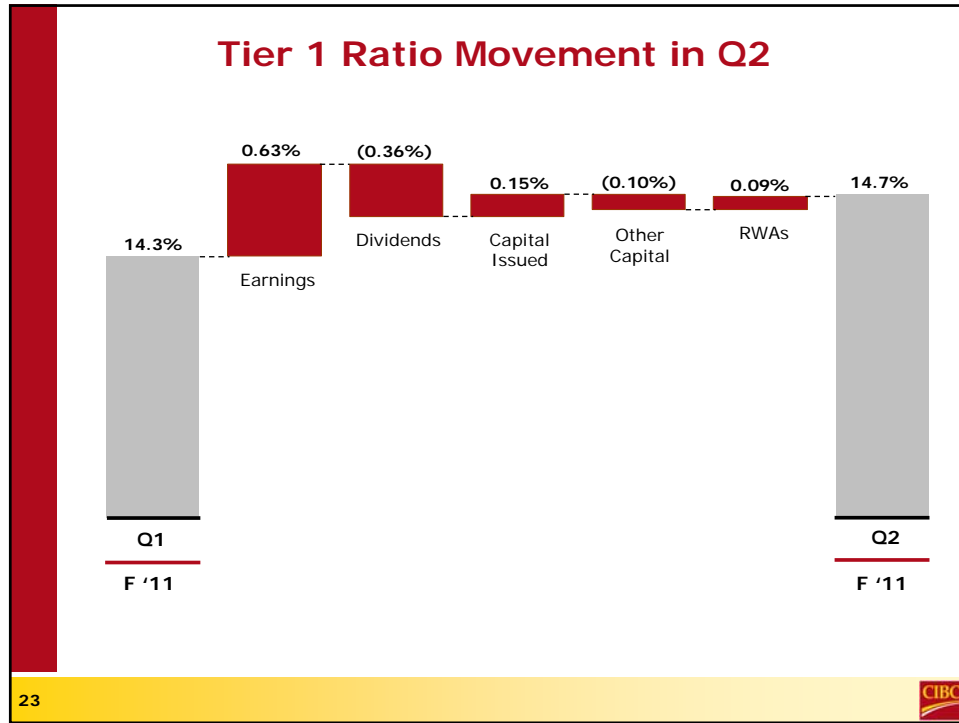
⁽¹⁾ For further details, see Non-GAAP measures within the Notes to Users section on page i of the Q2/11 Supplementary Financial Information available on www.cibc.com.

⁽²⁾ Trading revenue (TEB) excludes revenue related to the consolidation of variable interest entities, reductions in fair value of structured credit assets, counterparty credit valuation adjustments, and other items which cannot be meaningfully allocated to specific days. For further details see the Q2/11 Supplementary Financial Information available on www.cibc.com.

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Second Quarter, 2011 Q&A

