

# Fourth Quarter, 2011 Investor Presentation

## CIBC Investor Presentation

December 1, 2011



For what matters.

### 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 other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission and in other communications. These statements include, but are not limited to, statements about our operations, business lines, financial condition, risk management, priorities, targets, ongoing objectives, strategies and outlook for 2012 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 credit, market, liquidity, strategic, operational, reputation and legal, regulatory and environmental risk; 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 changes to accounting standards, rules and interpretations; changes in our estimates of reserves and allowances; changes in tax laws; changes to our credit ratings; political conditions and developments; the possible effect on our business of international conflicts and the war on terror; natural disasters, public health emergencies, disruptions to public infrastructure 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; the failure of third parties to comply with their obligations to us and our affiliates; intensifying competition from established competitors and new entrants in the financial services industry; technological change; global capital market activity; changes in monetary and economic policy; currency value fluctuations; general business and 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; our ability to attract and retain key employees and executives; our ability to successfully execute our strategies and complete and integrate acquisitions and joint ventures; 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 in this presentation or in other communications except as required by law.

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**CIBC Overview**

**Gerry McCaughey  
President and Chief Executive Officer**



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**Fourth Quarter, 2011  
Financial Review**

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



# Fourth Quarter, 2011 Investor Presentation

## Q4 2011 Summary

	\$ Per Share
EPS <sup>(1)</sup> : \$1.89	
Cash EPS <sup>(2)</sup> : \$1.91	
<b>Includes<sup>(3)</sup>:</b>	
– Net Gain on sale of a Merchant Banking Investment	0.12
– Loan Loss in the exited European Leveraged Finance business	(0.05)
– Loss on Structured Credit Run-off	(0.03)
Tier 1 Capital Ratio: 14.7%	
TCE <sup>(2)(4)</sup> Ratio: 11.4%	
Exceed Basel III 2019 minimum requirements	
<b>Core Operating Results</b>	
<ul style="list-style-type: none"> <li>• <b>Helped by:</b> <ul style="list-style-type: none"> <li>– Volume growth in Retail &amp; Business Banking</li> <li>– Higher Wholesale Banking revenue</li> <li>– Higher Treasury revenue</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Hurt by:</b> <ul style="list-style-type: none"> <li>– Lower spreads in deposits and mortgages</li> </ul> </li> </ul>

<sup>(1)</sup> Diluted, accrual basis.

<sup>(2)</sup> Non-GAAP financial measure, see Slide 20.

<sup>(3)</sup> See Slide 18 for details.

<sup>(4)</sup> Tangible Common Equity.

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## CIBC Quarterly Statement of Operations

(\$MM)	F '10	F '11			
	Q4	Q1	Q2	Q3	Q4
Revenue	3,254 <sup>(1)</sup>	3,101 <sup>(1)</sup>	2,889 <sup>(1)</sup>	3,057 <sup>(1)</sup>	3,202 <sup>(1)</sup>
Provision for Credit Losses	150 <sup>(1)</sup>	209	194	195 <sup>(1)</sup>	243 <sup>(1)</sup>
Non-Interest Expenses	1,860 <sup>(1)</sup>	1,822 <sup>(1)</sup>	1,794 <sup>(1)</sup>	1,820 <sup>(1)</sup>	1,914 <sup>(1)</sup>
Income Before Taxes and Non-Controlling Interests	1,244	1,070	901	1,042	1,045
Income Taxes	742 <sup>(1)</sup>	268	221	231	249
Non-Controlling Interests	2	3	2	3	2
Net Income	500	799	678	808	794

<sup>(1)</sup> Affected by an Item of Note, see Slide 18 and Slide 19 for details.

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## Retail & Business Banking Revenue Components

(\$MM)	F '10	F '11			
	Q4	Q1	Q2	Q3	Q4
Personal Banking	1,615	1,647	1,577	1,630	1,609
Business Banking	356	349	339	358	357
Other	(10)	(16)	(11)	31	95
	1,961	1,980	1,905	2,019	2,061

vs. Q4/10:

- Personal Banking hurt by lower spreads offset in part by volume growth in mortgages, deposits and lending, and higher fees
- Business Banking hurt by lower spreads on deposits offset by strong volume growth
- Other helped by higher Treasury allocations

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## Retail & Business Banking Quarterly Statement of Operations

(\$MM)	F '10	F '11				<u>Net Income</u>
	Q4	Q1	Q2	Q3	Q4	
Revenue	1,961	1,980	1,905	2,019	2,061	vs. Q4/10: + higher volumes + higher fees + higher Treasury allocations <hr/> - lower spreads - higher loan losses
Provision for Credit Losses	241	261	260	285	266	
Non-Interest Expenses	1,017	1,007	1,003	1,021	1,031	
	703	712	642	713	764	
Income Taxes	198	182	166	174	184	
Net Income	505	530	476	539	580	
Net Interest Margin <sup>(1)</sup>	2.74%	2.73%	2.68%	2.61%	2.54%	

<sup>(1)</sup> Excludes Treasury; on average interest-earning assets.

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# Fourth Quarter, 2011 Investor Presentation

## Wealth Management Revenue Components

(\$MM)	F '10	F '11			
	Q4	Q1	Q2	Q3	Q4
Retail Brokerage	255	281	282	263	256
Asset Management	99	111	114	116	115
Private Wealth Management	24	24	24	25	25
	378	416	420	404	396

vs. Q4/10:

- Retail Brokerage hurt by lower commissions and new issues volume, offset by higher trading volumes and assets under administration
- Asset Management helped by strong asset growth in mutual funds

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## Wealth Management Quarterly Statement of Operations

(\$MM)	F '10	F '11			
	Q4	Q1	Q2	Q3	Q4
Revenue	378	416	420	404	396
Provision for Credit Losses	1	-	3	1	-
Non-Interest Expenses	298	309	318	307	307
	79	107	99	96	89
Income Taxes	25	31	29	28	24
Net Income	54	76	70	68	65

Net Income

vs. Q4/10:

+ higher volumes

- lower fees

- higher performance based compensation

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# Fourth Quarter, 2011 Investor Presentation

## Wholesale Banking Revenue Components

(\$MM)	F '10	F '11			
	Q4	Q1	Q2	Q3	Q4
Capital Markets	233	318	291	251	251
Corporate & Investment Banking	146	222	164	232	334 <sup>(1)</sup>
Other	(115) <sup>(1)</sup>	(30) <sup>(1)</sup>	(17) <sup>(1)</sup>	20 <sup>(1)</sup>	28 <sup>(1)</sup>
Total Revenue (TEB) <sup>(2)</sup>	264	510	438	503	613
Total Revenue	238	471	393	454	557

### vs. Q3/11:

- Capital Markets hurt by lower equity new issues and fixed income revenue, offset by higher foreign exchange and derivatives revenue
- Corporate & Investment Banking helped by higher merchant banking gains
- Other helped by higher Treasury allocations

<sup>(1)</sup> Affected by an Item of Note, see Slide 18 and Slide 19 for details.

<sup>(2)</sup> Taxable equivalent basis. Non-GAAP financial measure, see Slide 20.

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## Wholesale Banking Quarterly Statement of Operations

(\$MM)	F '10	F '11				Net Income vs. Q3/11:
	Q4	Q1	Q2	Q3	Q4	
Revenue	238 <sup>(1)</sup>	471 <sup>(1)</sup>	393 <sup>(1)</sup>	454 <sup>(1)</sup>	557 <sup>(1)</sup>	
Provision for Credit Losses	8	(2)	1	6	27 <sup>(1)</sup>	+ higher merchant banking gains
Non-Interest Expenses	327 <sup>(1)</sup>	303 <sup>(1)</sup>	271 <sup>(1)</sup>	294 <sup>(1)</sup>	330 <sup>(1)</sup>	+ higher foreign exchange trading revenue
	(97)	170	121	154	200	
Income Taxes	(41)	34	9	8	28	- lower fixed income revenue
Non-Controlling Interests	-	-	-	1	-	- higher loan losses
Net Income	(56)	136	112	145	172	- higher performance based compensation and fees

<sup>(1)</sup> Affected by an Item of Note, see Slide 18 and Slide 19 for details.

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## Structured Credit Run-off Q4/11

	Pre-Tax Effect (\$MM)	After-Tax Effect (\$MM)	EPS Effect (\$/share)
[1] Credit Valuation Adjustments with Financial Guarantors	(34)	(24)	(0.06)
[2] Purchased Credit Derivatives Hedging Loans & Receivables	49	35	0.09
[3] Gains/(Losses) on Unwinds	19	14	0.03
[4] Other	(48)	(35)	(0.09)
[5]	(14)	(10)	(0.03)

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## 2011 Highlights

- Solid revenue growth
- Better loan loss performance
- Maintained expense discipline
- Strong capital position

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## Fourth Quarter, 2011 Financial Review

### Appendix



### Retail, Business Banking & Wealth Management Balances<sup>(1)</sup> & Market Share<sup>(2)</sup>

	Balances	Market Share (%)	
	(\$B)	Q3/11	Q4/11
<b>Cards<sup>(3)</sup></b>	<b>15.6</b>	<b>18.5</b>	<b>18.5</b>
<b>Mortgages<sup>(3)</sup></b>	<b>144.4</b>	<b>13.7</b>	<b>13.6</b>
CIBC Brand	84.8	7.9	8.0
Other <sup>(4)</sup>	59.6	5.8	5.6
<b>Personal Lending</b>	<b>31.3</b>	<b>8.1</b>	<b>8.1</b>
<b>Personal Deposits &amp; GICs</b>	<b>108.7</b>	<b>16.6</b>	<b>16.5</b>
CIBC Brand	81.7	11.2	11.3
Other <sup>(4)</sup>	26.9	5.3	5.2
<b>Business Deposits</b>	<b>34.6</b>	<b>14.5</b>	<b>14.8</b>
<b>Business Lending</b>	<b>33.2</b>	<b>16.8</b>	<b>16.7</b>
<b>Mutual Funds</b>	<b>51.4</b>	<b>7.0</b>	<b>7.2</b>
<b>Wood Gundy<sup>(5)</sup></b>	<b>111.9</b>	<b>20.0</b>	<b>20.0</b>

<sup>(1)</sup> Spot balances as at Oct/11.

<sup>(2)</sup> Industry Market Share; 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.

<sup>(3)</sup> Administered assets.

<sup>(4)</sup> Includes Broker and Amicus.

<sup>(5)</sup> Market Share based on Big 6 (assets under administration); excludes client cash and short positions.





# Fourth Quarter, 2011 Investor Presentation

## Wholesale Banking Market Share

(%)	F '10	F '11			
	Q4	Q1	Q2	Q3	Q4
Canadian Equity New Issues <sup>(1)</sup>	12.5	13.5	13.2	13.2	13.3
Equity Trading Canada - % of shares Traded - Total <sup>(2)</sup>	17.9	19.0	19.6	18.9	19.8
Corporate Debt New Issues <sup>(3)</sup>	13.0	14.9	17.7	16.4	15.5
M&A Rank <sup>(4)</sup>	# 1	# 5	# 4	# 3	# 1

<sup>(1)</sup> Source: CIBC Equity Capital Markets; Based on total amount underwritten fiscal year-to-date. Includes all equity deals greater than \$10MM; <sup>(2)</sup> Periods prior to and including Q2/11 – market share data based on TSX, Alpha and Pure; Q3/11 – market share includes data from additional marketplaces (Chi-X, Matchnow and Omega); Q4/11 – market share includes data from all marketplaces mentioned above and TMX Select; total market share by volume fiscal year-to-date; <sup>(3)</sup> Source: Bloomberg Financial Markets; Bonus credit to book-runner/lead; Based on calendar year-to-date; <sup>(4)</sup> Source: Thomson; Based on fiscal year-to-date. Includes any Canadian involvement announced.

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## Items of Note Fiscal 2011

	Pre-Tax Effect (\$MM)	After-Tax Effect (\$MM)	EPS Effect (\$/share)	Strategic Business Unit
<b>Q4 2011</b>				
Net Gain on Sale of a Merchant Banking Investment	90	46	0.12	Wholesale Bkg
Loan Loss in the exited European Leveraged Finance business	(25)	(18)	(0.05)	Wholesale Bkg
Loss on Structured Credit Run-off Activities	(14)	(10)	(0.03)	Wholesale Bkg
	<b>51</b>	<b>18</b>	<b>0.04</b>	
<b>Q3 2011</b>				
Reduction in the General Allowance	37	27	0.06	Corp. & Other
Loss on Structured Credit Run-off Activities	(18)	(13)	(0.03)	Wholesale Bkg
Premium on Preferred Share Redemptions <sup>(1)</sup>	n/a	n/a	(0.03)	All SBUs
	<b>19</b>	<b>14</b>	<b>-</b>	
<b>Q2 2011</b>				
Loss on Structured Credit Run-off Activities	(70)	(50)	(0.13)	Wholesale Bkg
	<b>(70)</b>	<b>(50)</b>	<b>(0.13)</b>	
<b>Q1 2011</b>				
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
	<b>(25)</b>	<b>(12)</b>	<b>(0.03)</b>	

<sup>(1)</sup> Reduces net income to common shareholders and "Reported" Earnings Per Share (no NIAT impact).

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# Fourth Quarter, 2011 Investor Presentation

## Items of Note Fiscal 2010

	Pre-Tax Effect (\$MM)	After-Tax Effect (\$MM)	EPS Effect (\$/share)	Strategic Business Unit
<b>Q4 2010</b>				
Loss on Structured Credit Run-off Activities	(177)	(122)	(0.31)	Wholesale Bkg
Impact of Capital Repatriation Activities	411	(117)	(0.30)	Corp. & Other
Reduction in the General Allowance	65	45	0.12	Corp. & Other
	<b>299</b>	<b>(194)</b>	<b>(0.49)</b>	
<b>Q3 2010</b>				
Loss on Structured Credit Run-off Activities	(138)	(96)	(0.25)	Wholesale Bkg
Reduction in the General Allowance	76	53	0.14	Corp. & Other
	<b>(62)</b>	<b>(43)</b>	<b>(0.11)</b>	
<b>Q2 2010</b>				
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
	<b>88</b>	<b>57</b>	<b>0.15</b>	
<b>Q1 2010</b>				
Gain on Structured Credit Run-off Activities	25	17	0.04	Wholesale Bkg
Mark-to-Market on Credit Derivatives re. Corporate Loan Hedges	(17)	(12)	(0.03)	Wholesale Bkg
Write-down of Future Tax Asset		(25)	(0.06)	Retail & Business Banking, Corp. & Other
	<b>8</b>	<b>(20)</b>	<b>(0.05)</b>	

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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 Q4/11 Supplementary Financial Information available on [www.cibc.com](http://www.cibc.com).

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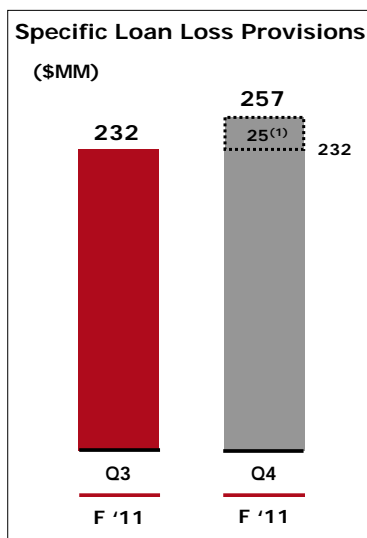


## Fourth Quarter, 2011 Risk Review

**Tom Woods**  
Senior Executive Vice-President  
and Chief Risk Officer



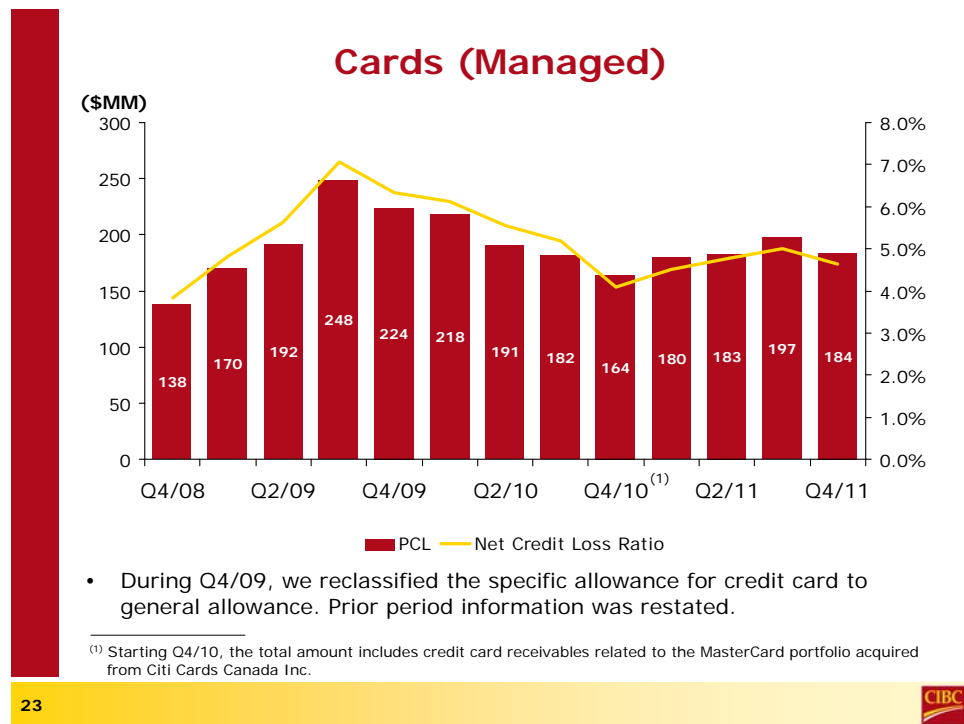
### Q4 Credit Review



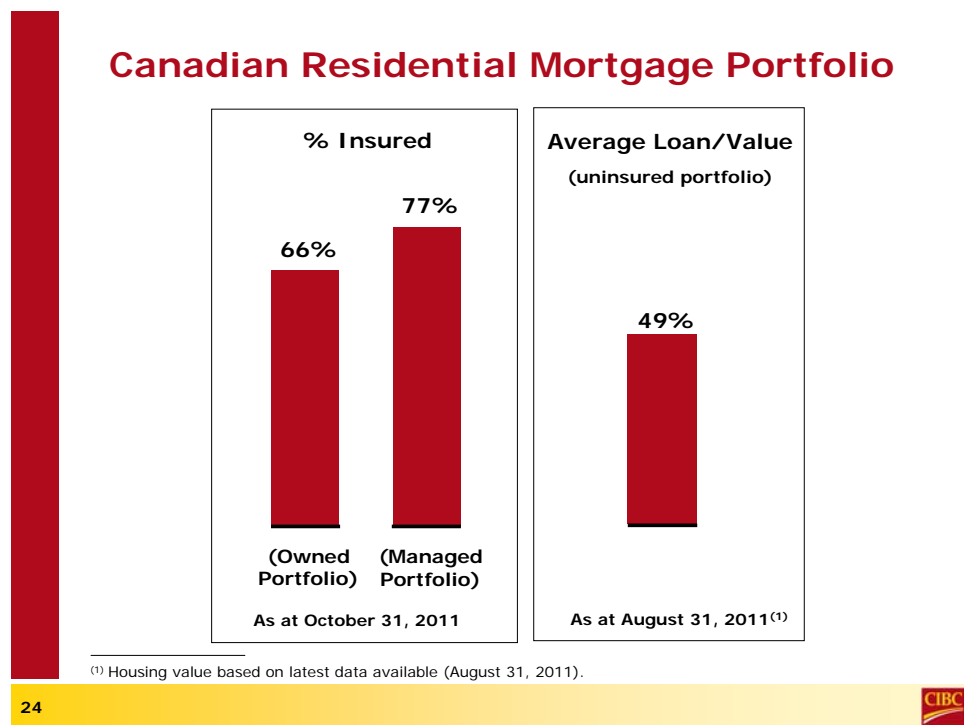
<sup>(1)</sup> European Run-off portfolio reserve.



# Fourth Quarter, 2011 Investor Presentation



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# Fourth Quarter, 2011 Investor Presentation

## Exposure to Certain Countries and Regions

As of Q4/11 (\$MM)	Sovereigns	Banks	Derivative MTM Receivables (Banks) <sup>(2)</sup>
Greece	\$ -	\$ -	\$ -
Ireland	-	\$10	\$194
Italy	-	-	\$57
Portugal	-	-	-
Spain	-	-	\$6
Middle East & North Africa	-	-	\$1
	\$ -	\$10 <sup>(1)</sup>	\$258
Less Collateral	\$ -	\$ -	\$240
<b>Total</b>	<b>\$ -</b>	<b>\$10 <sup>(1)</sup></b>	<b>\$18</b>

<sup>(1)</sup> Plus \$13 million unfunded exposure.

<sup>(2)</sup> We have no direct corporate exposure, apart from banks, and indirect exposure of \$352 million, in our structured credit run-off portfolio (where we benefit from significant subordination to our position).

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## U.S. Real Estate Finance

As of Q4/11 \$MM	Net Loans/BAs <sup>(1)</sup>	Net Impaired Loans <sup>(1)</sup>
Retail	829	7
Hotel	591	9
Multi-family	488	52
Office	518	28
Joint venture	405	-
Multi-use	348	28
Other	200	43
<b>Q4/11 Total</b>	<b>3,379</b>	<b>167</b>

<sup>(1)</sup> Net of write-downs and allowance for credit losses.

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## European Leveraged Finance

As of Q4/11

\$MM	Drawn	Undrawn
Total exposure <sup>(1)</sup>	457	91

## U.S. Leveraged Finance

As of Q4/11

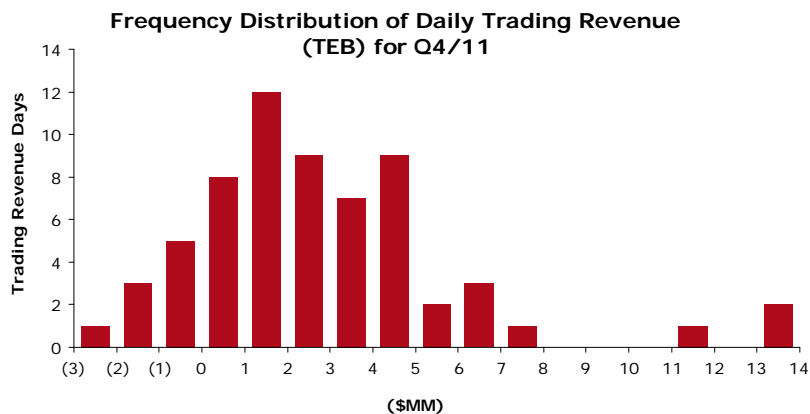
\$MM	Drawn	Undrawn
Total exposure <sup>(1)</sup>	112	179

<sup>(1)</sup> Net of write-downs and allowance for credit losses.

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## Q4 Trading Revenue (TEB)<sup>(1)</sup> Distribution<sup>(2)</sup>



<sup>(1)</sup> For further details, see Non-GAAP measures within the Notes to Users section on page I of the Q4/11 Supplementary Financial Information available on [www.cibc.com](http://www.cibc.com).

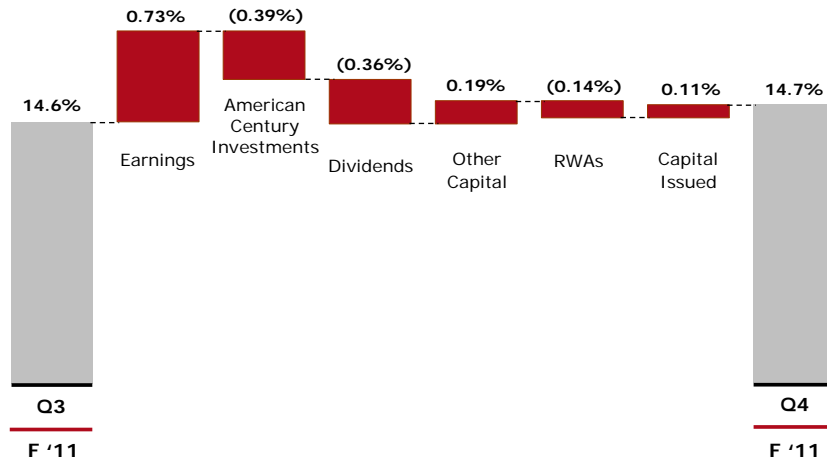
<sup>(2)</sup> Trading revenue (TEB) excludes revenue related to the consolidation of variable interest entities, reductions in fair value of structured credit assets, counterparty credit valuation adjustments, and other items which cannot be meaningfully allocated to specific days. For further details see the Q4/11 Supplementary Financial Information available on [www.cibc.com](http://www.cibc.com).

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# Fourth Quarter, 2011 Investor Presentation

## Tier 1 Ratio Movement in Q4



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## Fourth Quarter, 2011 Q&A



## IFRS Update

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



## Upcoming IFRS Disclosure

What	When	Forum
Opening Balance Sheet	December 1, 2011	2011 Annual Report
Restated Comparative P&L	Late January 2012	Restated Supplemental
Go Live Reporting	March 8, 2012	Q1 2012 Financials





# Fourth Quarter, 2011 Investor Presentation

## Balance Sheet November 1, 2010 (Opening)

(\$B)	Canadian GAAP	IFRS Adjustments	IFRS	Key Impacts (\$B)
<b>Assets</b>				<b>Assets:</b>
Cash and Deposits with Banks	12.1	(1.2)	10.8	• 27.4 Mortgage Securitization
Securities	77.6	(23.3)	54.3	• 3.8 Cards Securitization
Mortgages	93.6	49.7	143.3	• (2.2) Equity Accounting for Joint Ventures
Credit Cards	12.1	3.8	15.9	• (1.7) All Others
Other Loans	71.2	(0.8)	70.4	
Other	85.5	(0.9)	84.6	
	352.0	27.3	379.3	
<b>Liabilities and Total Equity</b>				<b>Retained Earnings:</b>
Deposits	246.7	(11.9)	234.8	• (1.1) Fresh-start for pensions
Secured Borrowing	-	43.8	43.8	• (0.6) Fresh-start for currency translation account
Capital Trust Securities	-	1.6	1.6	• (0.2) All Others
Other Liabilities (incl. Sub Debt)	89.4	(5.1)	84.3	
Retained Earnings	6.1	(1.9)	4.2	
AOCI	(0.4)	0.8	0.4	
Other Equity	10.1	-	10.1	
Non Controlling Interests	0.2	-	0.2	
	352.0	27.3	379.3	

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## Income Statement Fiscal 2011

- Items expected to materially affect the bottom line include:
  - Pension expense reduction from the "fresh-start" election of \$80 million after-tax
  - FCIB goodwill impairment of approximately \$200 million (Q3/11)
  - Hedge accounting charges of \$65 million after-tax (Q1/11)
- Other Items of note with minimal net impact include:
  - Mortgage and card securitization
  - Stock based compensation
  - Joint ventures
  - Interest on impaired loans

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## Regulatory Capital Fiscal 2012

- Reduction in Tier 1 Capital (Basel II) of \$1.4 billion (from 14.7% to 13.6%)
  - OSFI's transitional relief allows us to phase-in \$1.3 billion of the impact over 2012
  - Tier 1 ratio after adjustments for transitional relief is 14.7% at November 1, 2011
- No impact on Basel III common equity ratio
  - Basel III pro-forma common equity ratio remains at 8.1%

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## IFRS Update Q&A

