



## CIBC Second Quarter Investor Presentation

May 26, 2004



## CIBC Overview

John S. Hunkin  
President and Chief Executive Officer



## Second Quarter, 2004 Financial Review

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May 26, 2004

### Q2 Summary

**EPS<sup>(1)</sup>:** \$1.33  
**ROE:** 18.4%

- Gross Impaired Loans down for 5<sup>th</sup> consecutive quarter
  - currently at \$1.2B from \$2.1B in Q2/03
- Retail / Wholesale Business mix increased to 67% / 33%
- Strong capital ratios
  - Tier 1: 11.0%
  - Total Capital: 12.8%
- Share repurchases of 6.2MM in Q2

Results **helped** by:

- Canadian New Issues and Retail Brokerage – record quarters
- Merchant Banking and higher loan sales
- good wholesale loan loss performance

Results **hurt** by:

- lower revenue and higher loan losses in Retail
- higher project spending, particularly on governance-related initiatives
- Retail interest reimbursement (\$16MM pre-tax)



<sup>(1)</sup> Reported basis; diluted, accrual EPS.  
Cash basis EPS are 1¢ higher, cash basis EPS are calculated by including the after-tax impact of goodwill and other intangibles in net income. See Note to Users page.



### CIBC – Quarterly Financial Highlights

	F '03			F '04	
	Q2	Q3	Q4	Q1	Q2
Net Income (MM)	\$320	\$788	\$510	\$609	<b>\$531</b>
EPS (Diluted)	\$0.76	\$2.02	\$1.28	\$1.54	<b>\$1.33</b>
ROE	11.9%	29.9%	17.9%	21.0%	<b>18.4%</b>
Efficiency (NIX) Ratio (TEB) <sup>(1)</sup>	73.9%	67.3%	69.4%	64.7%	<b>67.2%</b>
Tier 1 Capital Ratio	9.3%	10.2%	10.8%	11.1%	<b>11.0%</b>



<sup>(1)</sup> Taxable equivalent basis (TEB). See Note to Users page. The non-TEB NIX ratio for the quarter was 68.0% (Q2/03: 74.8%; Q3/03: 68.1%; Q4/03: 70.4%; Q1/04: 65.5%)

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### CIBC – Quarterly Income Statement

(\$MM)	F '03			F '04	
	Q2	Q3	Q4	Q1	Q2
Revenue	2,734	2,866	2,897	2,964	<b>3,051</b>
Non-Interest Expenses	2,045	1,952	2,038	1,943	<b>2,074</b>
Operating Income	689	914	859	1,021	<b>977</b>
Provision for Credit Losses	248	425	131	155	<b>207</b>
Net Income Before Tax	441	489	728	866	<b>770</b>
Taxes and Minority Interest	121	(299)	218	257	<b>239</b>
Net Income After Tax	320	788	510	609	<b>531</b>




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## CIBC Revenue


(\$MM)	Q1/04	Q2/04	Change	
Net Interest Income	1,435	<b>1,299</b>	(136)	• narrower spreads; 2 fewer days
Fees for Services				
Underwriting and Advisory	214	<b>252</b>	38	
Deposit and Payment	181	<b>181</b>	-	
Credit	75	<b>85</b>	10	
Card	96	<b>94</b>	(2)	
Investment Mgmt and Custodial	84	<b>96</b>	12	
Mutual Funds	147	<b>156</b>	9	
Insurance	49	<b>25</b>	(24)	
Commissions	232	<b>252</b>	20	
Trading Activities	190	<b>226</b>	36	
Investment Sec. Gains, Net	15	<b>117</b>	102	• several divestitures
Income from Securitized Assets	34	<b>47</b>	13	
Foreign Exchange other than Trading	91	<b>49</b>	(42)	
Other <sup>(1)</sup>	121	<b>172</b>	51	• ineffective hedging/reclass
Total Revenue	2,964	<b>3,051</b>	87	

 <sup>(1)</sup> See slide 59 for details.

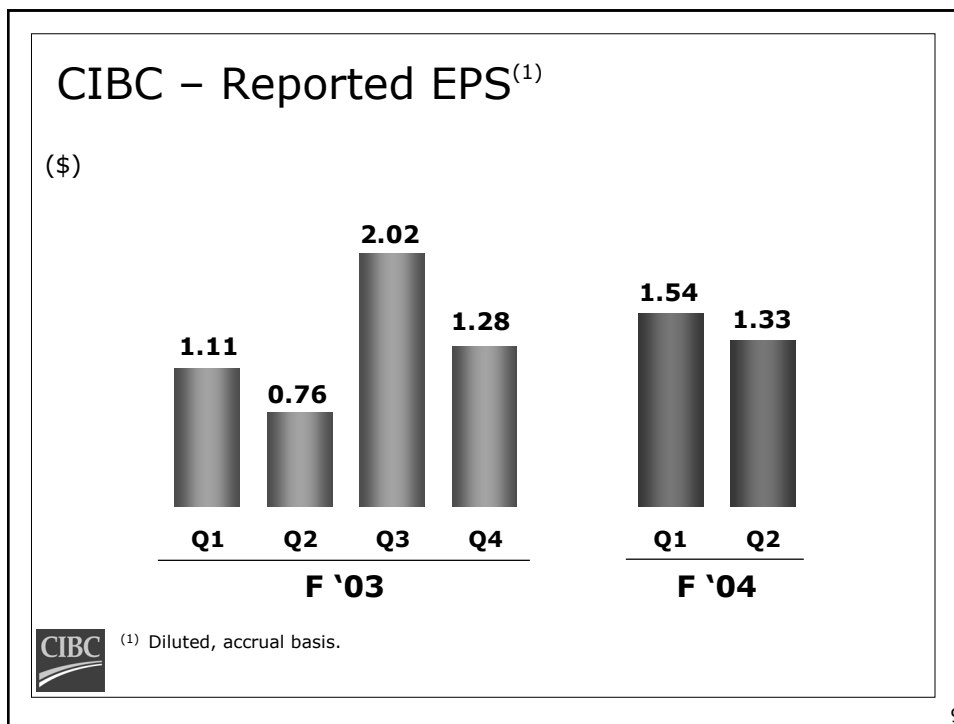
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## CIBC Expenses

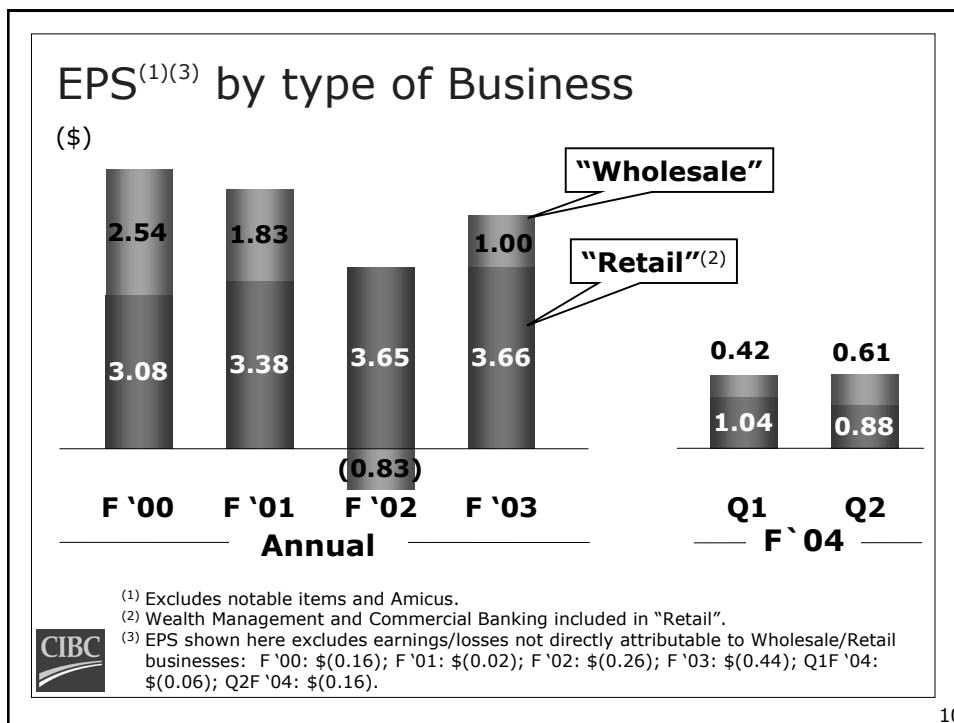
(\$MM)	Q1/04	Q2/04	Change	
Employee Comp. and Benefits	1,123	<b>1,174</b>	51	• increase in revenue- related comp.
Occupancy Costs	135	<b>163</b>	28	
Computer and Office Equip.	271	<b>279</b>	8	• re: New York premises
Communications	82	<b>81</b>	(1)	
Advertising and Bus. Development	56	<b>71</b>	15	
Professional Fees	40	<b>72</b>	32	• mainly governance projects
Business and Capital Taxes	27	<b>35</b>	8	
Restructuring Reversal	-	<b>(5)</b>	(5)	
Other	209	<b>204</b>	(5)	
Total Non-Interest Expenses	1,943	<b>2,074</b>	131	
Efficiency (NIX) Ratio (TEB) <sup>(1)</sup>	64.7%	<b>67.2%</b>	250 bps	
Comp/Rev Ratio	37.9%	<b>38.5%</b>	60 bps	

 <sup>(1)</sup> Taxable equivalent basis (TEB). See Note to Users page. The non-TEB NIX ratio for the quarter was 68.0% (Q2/03: 74.8%; Q3/03: 68.1%; Q4/03: 70.4%; Q1/04: 65.5%)

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### CIBC - NIAT Components

(\$MM)	F '03			F '04	
	Q2	Q3	Q4	Q1	Q2
CIBC Retail Markets	159 <sup>(1)</sup>	247	204	282	<b>205</b>
CIBC Wealth Management	69	87	89	92	<b>99</b>
CIBC World Markets	115	3 <sup>(2)</sup>	126 <sup>(3)</sup>	194	<b>259</b>
Corporate and Other	(23)	451 <sup>(4)</sup>	91 <sup>(5)</sup>	41	<b>(32)</b>
<b>Total</b>	<b>320</b>	<b>788</b>	<b>510</b>	<b>609</b>	<b>531</b>

Notable items (after-tax) include:

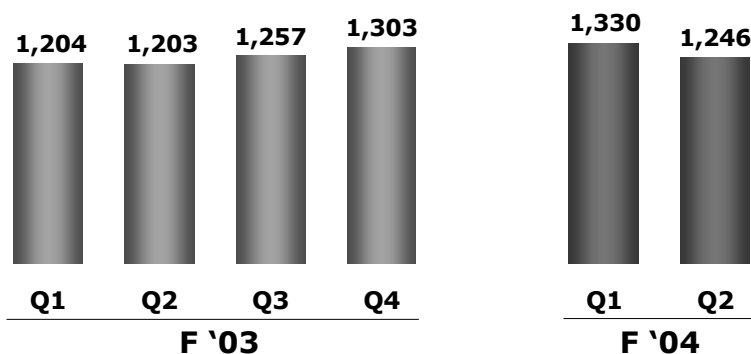
- (1) \$81MM write-down on Air Canada contract.
- (2) \$88MM loss on loans held for sale.
- (3) \$64MM loss on loans held for sale.
- (4) \$689MM recovery of income tax and (\$232MM) future tax asset valuation adjustment.
- (5) \$95MM reversal of general provision.



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### CIBC Retail Markets - Revenue

(\$MM)



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### CIBC Retail Markets – Revenue Components

(\$MM)	F '03			F '04	
	Q2	Q3	Q4	Q1	Q2
Personal Banking	454	487	507	497	<b>492</b>
Sm. Bus. Banking	130	137	140	143	<b>140</b>
Cards	324	311	330	347	<b>333</b>
Mortgages	156	195 <sup>(1)</sup>	192 <sup>(1)</sup>	122 <sup>(2)</sup>	<b>155</b>
Other	139	127	134	221 <sup>(2)</sup>	<b>126</b>
	1,203	1,257	1,303	1,330	<b>1,246</b>



- <sup>(1)</sup> Includes high securitization/hedging gains.  
<sup>(2)</sup> Includes transfer of certain hedging costs associated with mortgage refinancing from Other to Mortgages, effective Q1/04.

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### CIBC Retail Markets - Revenue Components

(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Personal Banking	454	487	507	497	<b>492</b>	+ loan balances up 4% + mortgage commissions up
Sm. Bus. Banking	130	137	140	143	<b>140</b>	
Cards	324	311	330	347	<b>333</b>	
Mortgages	156	195 <sup>(1)</sup>	192 <sup>(1)</sup>	122 <sup>(2)</sup>	<b>155</b>	- interest reimbursement (\$12MM)
Other	139	127	134	221 <sup>(2)</sup>	<b>126</b>	- deposit balances down 1% - 2 less days - spreads down
	1,203	1,257	1,303	1,330	<b>1,246</b>	



- <sup>(1)</sup> Includes high securitization/hedging gains.  
<sup>(2)</sup> Includes transfer of certain hedging costs associated with mortgage refinancing from Other to Mortgages, effective Q1/04.

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## CIBC Retail Markets - Revenue Components

(\$MM)	F '03			F '04		<b>Small Business</b>
	Q2	Q3	Q4	Q1	Q2	
Personal Banking	454	487	507	497	<b>492</b>	+ loan balances up 3%
Sm. Bus. Banking	130	137	140	143	<b>140</b>	+ mortgage commissions up
Cards	324	311	330	347	<b>333</b>	- deposit balances down 1%
Mortgages	156	195 <sup>(1)</sup>	192 <sup>(1)</sup>	122 <sup>(2)</sup>	<b>155</b>	- spreads down
Other	139	127	134	221 <sup>(2)</sup>	<b>126</b>	- 2 less days
	1,203	1,257	1,303	1,330	<b>1,246</b>	



<sup>(1)</sup> Includes high securitization/hedging gains.

<sup>(2)</sup> Includes transfer of certain hedging costs associated with mortgage refinancing from Other to Mortgages, effective Q1/04.

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## CIBC Retail Markets - Revenue Components

(\$MM)	F '03			F '04		<b>Cards</b>
	Q2	Q3	Q4	Q1	Q2	
Personal Banking	454	487	507	497	<b>492</b>	+ revolve rate up
Sm. Bus. Banking	130	137	140	143	<b>140</b>	+ FX up
Cards	324	311	330	347	<b>333</b>	- balances down 3%
Mortgages	156	195 <sup>(1)</sup>	192 <sup>(1)</sup>	122 <sup>(2)</sup>	<b>155</b>	- purchase volumes down
Other	139	127	134	221 <sup>(2)</sup>	<b>126</b>	- 2 less days
	1,203	1,257	1,303	1,330	<b>1,246</b>	- securitization revenue down



<sup>(1)</sup> Includes high securitization/hedging gains.

<sup>(2)</sup> Includes transfer of certain hedging costs associated with mortgage refinancing from Other to Mortgages, effective Q1/04.

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## CIBC Retail Markets - Revenue Components

(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Personal Banking	454	487	507	497	<b>492</b>	<b>Mortgages</b> + securitization gains <hr/> - core revenue \$123MM (\$125MM - Q1) - balances down 0.3% - 2 less days
Sm. Bus. Banking	130	137	140	143	<b>140</b>	
Cards	324	311	330	347	<b>333</b>	
Mortgages	156	195 <sup>(1)</sup>	192 <sup>(1)</sup>	122 <sup>(2)</sup>	<b>155</b>	
Other	139	127	134	221 <sup>(2)</sup>	<b>126</b>	
	1,203	1,257	1,303	1,330	<b>1,246</b>	



- <sup>(1)</sup> Includes high securitization/hedging gains.  
<sup>(2)</sup> Includes transfer of certain hedging costs associated with mortgage refinancing from Other to Mortgages, effective Q1/04.

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## CIBC Retail Markets - Revenue Components

(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Personal Banking	454	487	507	497	<b>492</b>	<b>Other</b> - treasury allocations - re-insurance - student loans - West Indies - PCF
Sm. Bus. Banking	130	137	140	143	<b>140</b>	
Cards	324	311	330	347	<b>333</b>	
Mortgages	156	195 <sup>(1)</sup>	192 <sup>(1)</sup>	122 <sup>(2)</sup>	<b>155</b>	
Other	139	127	134	221 <sup>(2)</sup>	<b>126</b>	
	1,203	1,257	1,303	1,330	<b>1,246</b>	

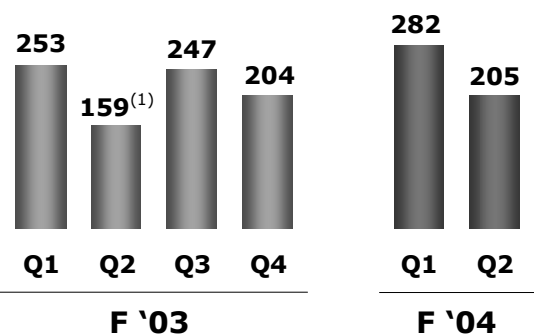


- <sup>(1)</sup> Includes high securitization/hedging gains.  
<sup>(2)</sup> Includes transfer of certain hedging costs associated with mortgage refinancing from Other to Mortgages, effective Q1/04.

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### CIBC Retail Markets - NIAT

(\$MM)



**vs. Q1**

- + costs down \$12MM

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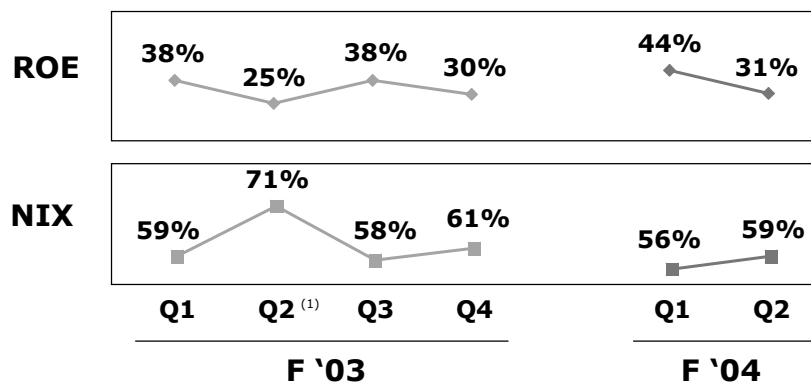
- revenue down \$84MM
- loan losses up \$37MM (Ag., Personal Loans)



Notable items (after-tax) include:  
<sup>(1)</sup> \$81MM write-down on Air Canada contract.

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### CIBC Retail Markets - ROE & Efficiency (NIX) Ratio

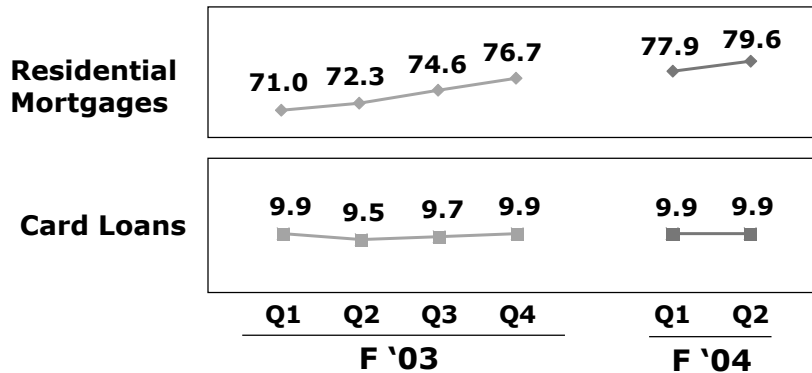


Notable items (pre-tax) include:  
<sup>(1)</sup> \$128MM write-down on Air Canada contract.

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### CIBC Retail Markets - Cards & Mortgages

(\$B; spot)

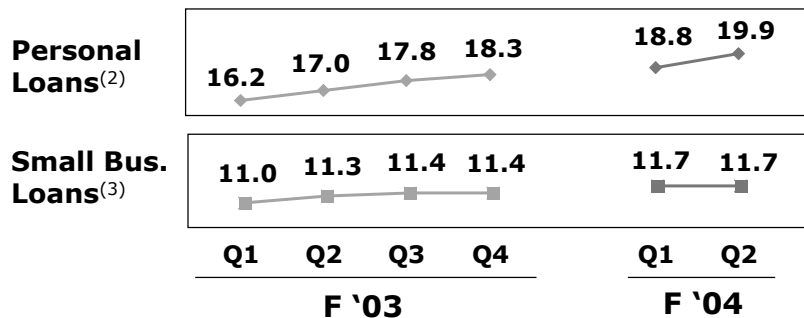


Note: Includes assets under administration booked under Retail Markets only. See page 6 of the Supplementary Financial Information.

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### CIBC Retail Markets - Loan Balances<sup>(1)</sup>

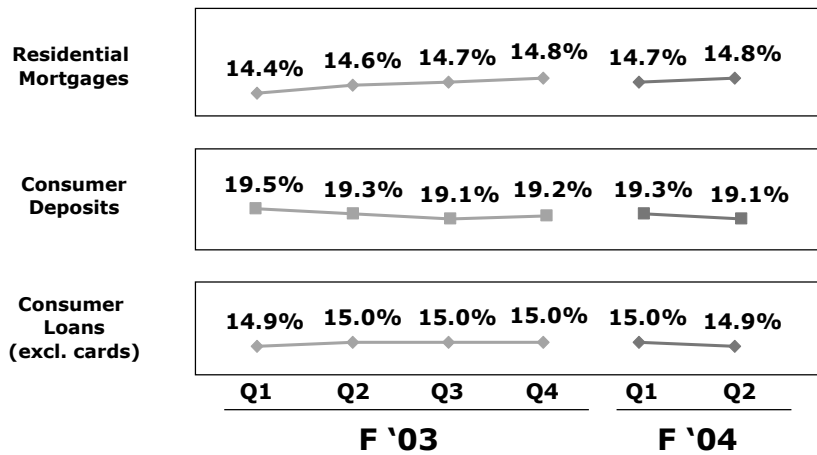
(\$B; spot)



<sup>(1)</sup> Includes loans booked under Retail Markets only.  
<sup>(2)</sup> Personal loans excluding student and dealer plan loans.  
<sup>(3)</sup> Small Business loans excluding dealer plan loans.

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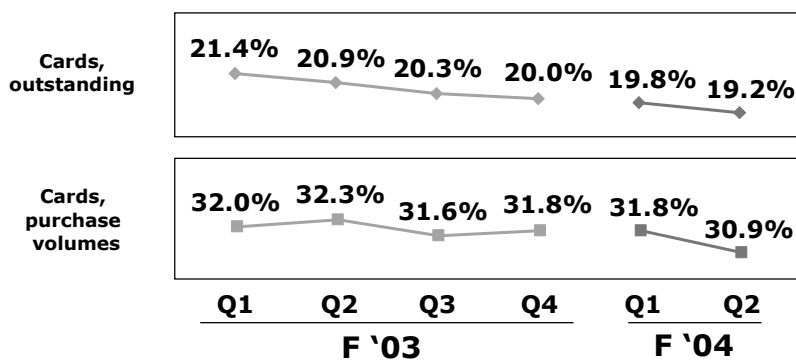
### CIBC Retail Markets - Market Share



Source: OSFI (consumer deposits); Bank of Canada (all other).  
One or two month time lag depending on availability of disclosure.

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### CIBC Retail Markets - Market Share (cont'd)



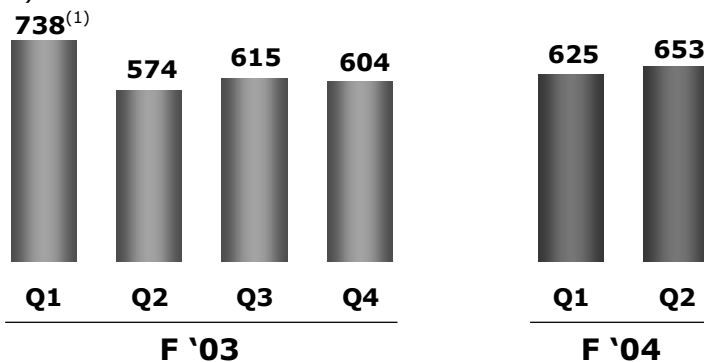
Source: CBA; excludes AMEX and proprietary cards.  
Two month time lag.

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### CIBC Wealth Management - Revenue

(\$MM)



Notable items (pre-tax) include:

<sup>(1)</sup> \$52MM gain on sale of Oppenheimer Private Client and Asset Management businesses.  
Q1/03 includes 2 months of Oppenheimer revenues (before sale) of \$77MM.

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### CIBC Wealth Management - Revenue Components

(\$MM)	F '03			F '04	
	Q2	Q3	Q4	Q1	Q2
Imperial Service	173	180	189	188	<b>187</b>
Retail Brokerage	245	250	246	258	<b>294</b>
Private Wealth Management	35	39	30	35	<b>37</b>
Wealth Products	124	128	123	119	<b>120</b>
Other	(3)	18	16	25	<b>15</b>
	574	615	604	625	<b>653</b>



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### CIBC Wealth Management - Revenue Components

(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Imperial Service	173	180	189	188	<b>187</b>	<b>Imperial Service</b> + funds managed up 2% (vs. Q1) and up 8% (vs. Q2/03) + product commissions
Retail Brokerage	245	250	246	258	<b>294</b>	
Private Wealth Management	35	39	30	35	<b>37</b>	
Wealth Products	124	128	123	119	<b>120</b>	- spreads down - interest reimbursement (\$3MM) - 2 fewer days
Other	(3)	18	16	25	<b>15</b>	
	574	615	604	625	<b>653</b>	



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### CIBC Wealth Management - Revenue Components

(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Imperial Service	173	180	189	188	<b>187</b>	
Retail Brokerage	245	250	246	258	<b>294</b>	<b>Retail Brokerage</b> + CIBC Wood Gundy - record quarter
Private Wealth Management	35	39	30	35	<b>37</b>	- 1 <sup>st</sup> mo. of Q3 well down
Wealth Products	124	128	123	119	<b>120</b>	
Other	(3)	18	16	25	<b>15</b>	
	574	615	604	625	<b>653</b>	



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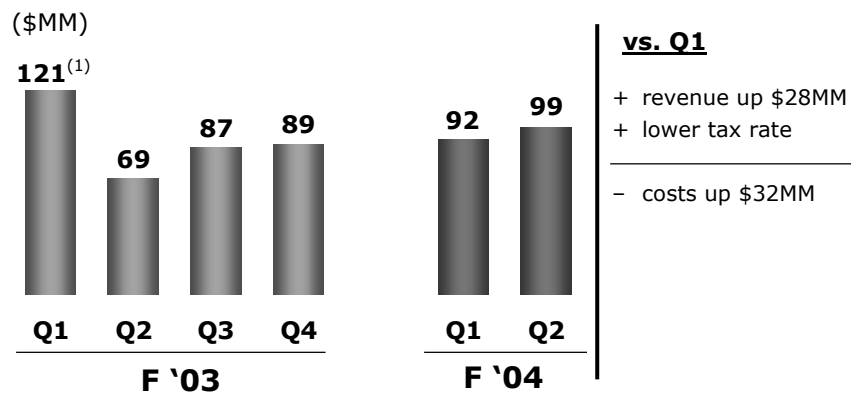
### CIBC Wealth Management - Revenue Components

(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Imperial Service	173	180	189	188	<b>187</b>	+ Mutual Funds up
Retail Brokerage	245	250	246	258	<b>294</b>	- GIC's down
Private Wealth Management	35	39	30	35	<b>37</b>	
Wealth Products	124	128	123	119	<b>120</b>	
Other	(3)	18	16	25	<b>15</b>	
	574	615	604	625	<b>653</b>	



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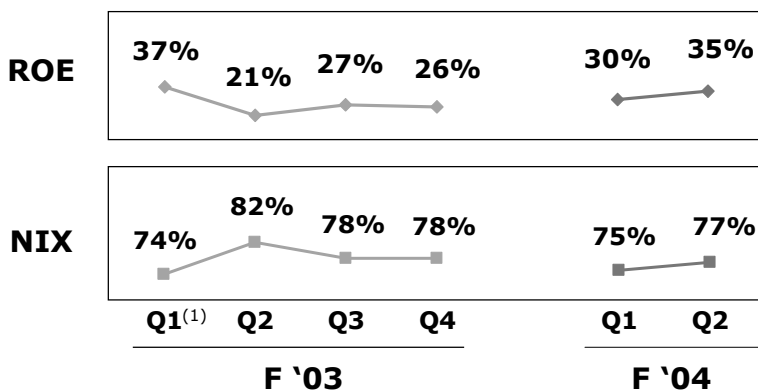
### CIBC Wealth Management - NIAT



Notable items (after-tax) include:  
<sup>(1)</sup> \$28MM gain on sale of Oppenheimer Private Client and Asset Management businesses.

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### CIBC Wealth Management - ROE & Efficiency (NIX) Ratio



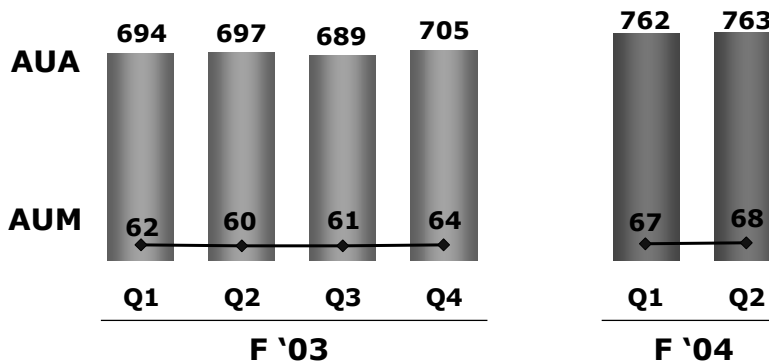
Notable items (pre-tax) include:

<sup>(1)</sup> \$52MM gain on sale of Oppenheimer Private Client and Asset Management businesses.

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### AUA<sup>(1)</sup> & AUM

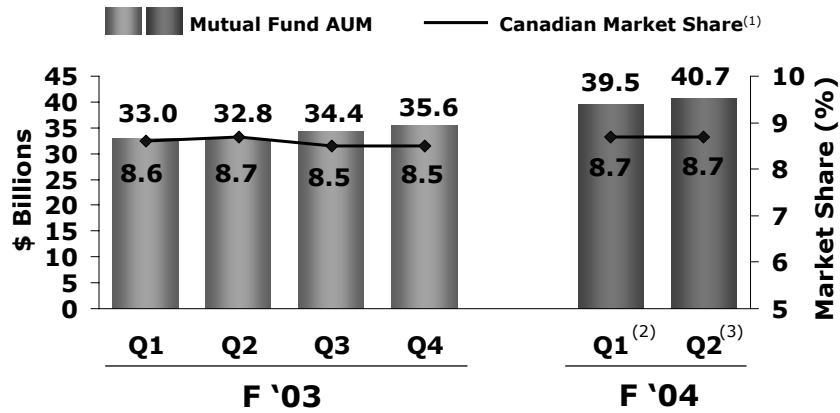
(\$B)



<sup>(1)</sup> AUA includes Custodial Services assets administered (not part of Wealth Management). See page 16 of the Supplementary Financial Information.

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### Mutual Fund AUM & Market Share



Source - Investment Funds Institute of Canada (IFIC).

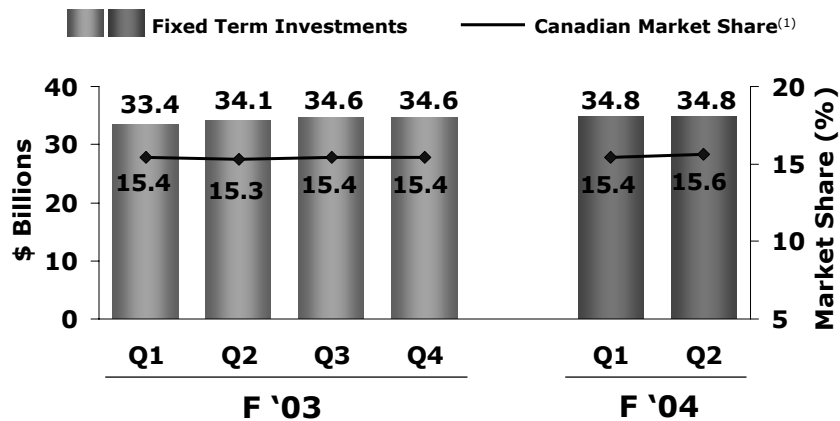
<sup>(1)</sup> Among banks and non-banks.

<sup>(2)</sup> \$1.2B included as of Q1/04 due to reclassification.

<sup>(3)</sup> \$0.5B included as of Q2/04 due to reclassification.

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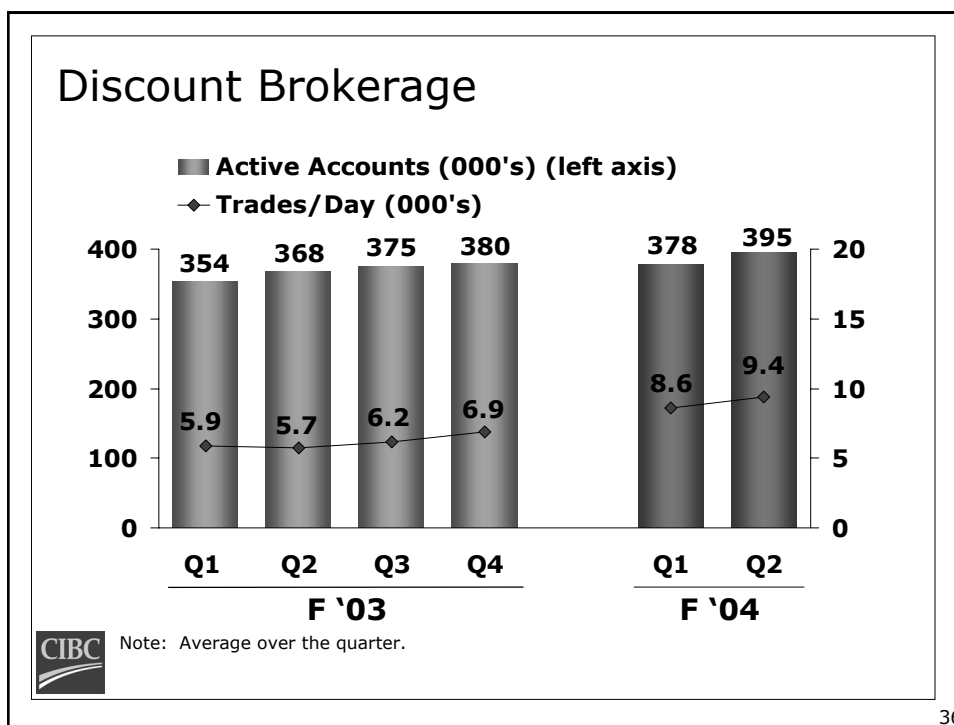
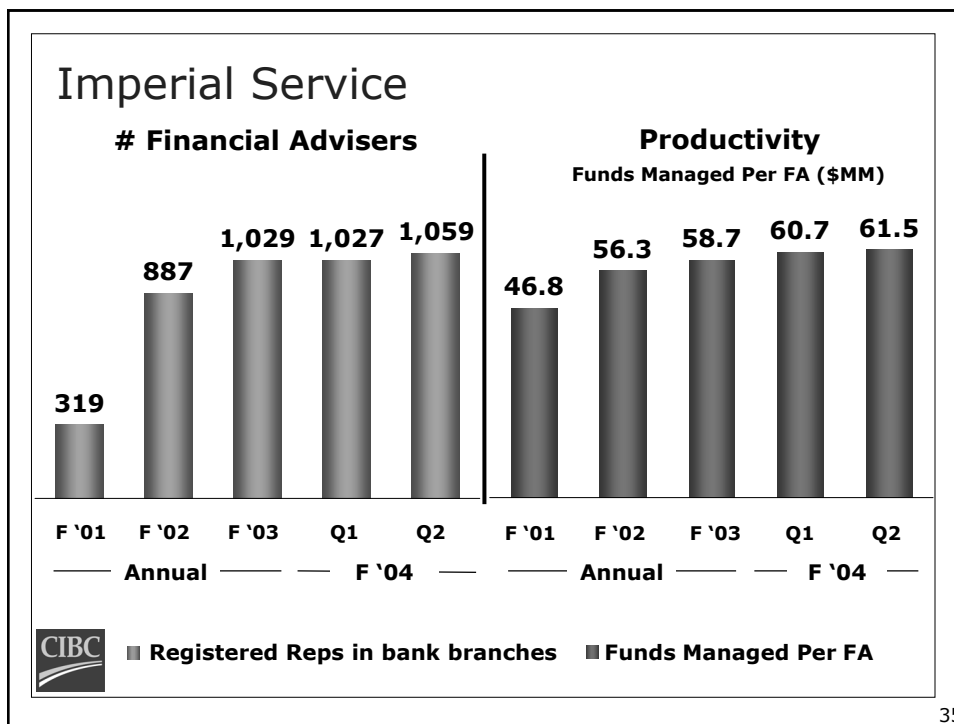
### Fixed Term Investments & Market Share

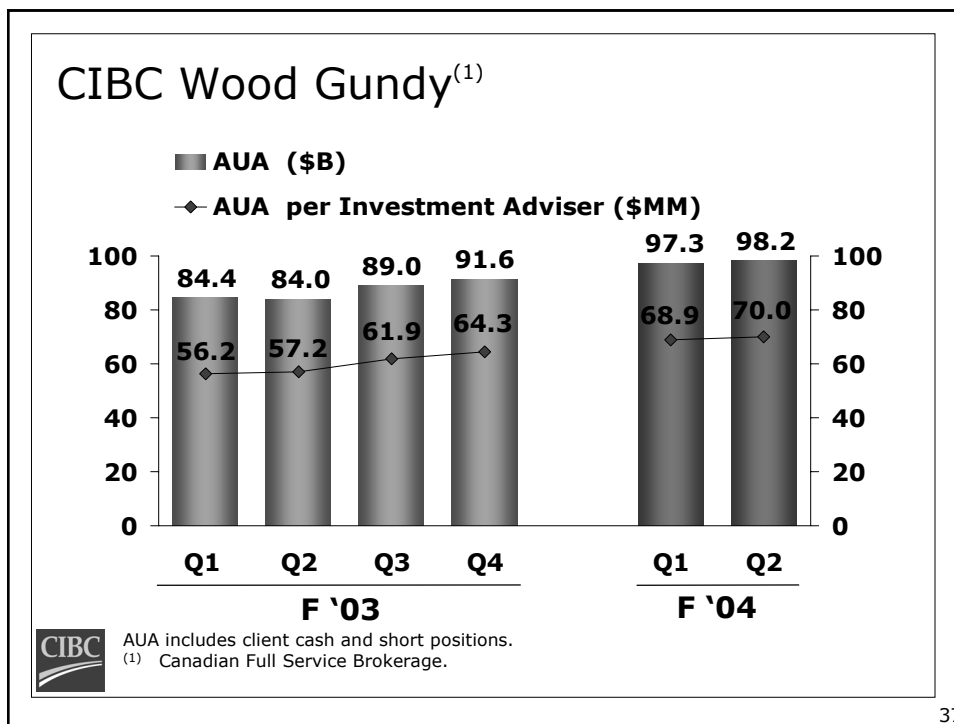


Note: Source - Bank of Canada. One month time lag.

<sup>(1)</sup> Among the "Big 6" banks.

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### CIBC Retail & Wealth plus Commercial Banking

(\$MM)

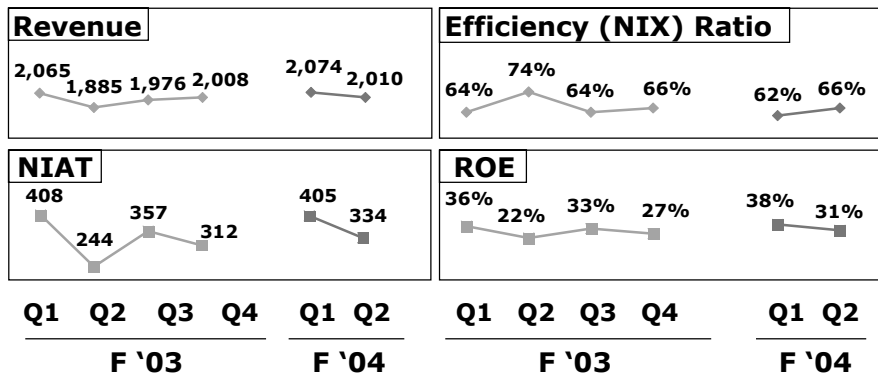
	Revenue			NIAT		
	F '03	F '04		F '03	F '04	
	Q2	Q1	Q2	Q2	Q1	Q2
CIBC Retail Markets	1,203	1,330	<b>1,246</b>	159	282	<b>205</b>
CIBC Wealth Management	574	625	<b>653</b>	69	92	<b>99</b>
<b>CIBC Retail &amp; Wealth</b>	1,777	1,955	<b>1,899</b>	228	374	<b>304</b>
Plus: Commercial Banking	108	119	<b>111</b>	16	31	<b>30</b>
	1,885	2,074	<b>2,010</b>	244	405	<b>334</b>

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### CIBC Retail & Wealth plus Commercial Banking

(\$MM)

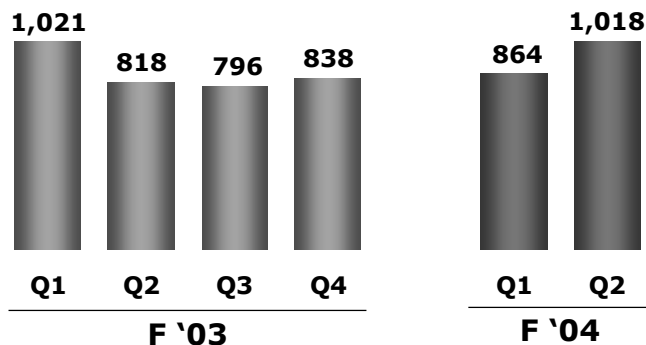


Note: Q1/03 includes gain from Oppenheimer sale; Q2/03 includes write-down on Air Canada contract.

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### CIBC World Markets - Revenue

(\$MM)



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## CIBC World Markets – Revenue Components

(\$MM)	F '03			F '04	
	Q2	Q3	Q4	Q1	Q2
Capital Markets	391	378	337	394	<b>421</b>
Investment Banking & Credit Products	390	310	372	366	<b>442</b>
Merchant Banking	(67)	6	9	14	<b>83</b>
Commercial Banking	108	104	101	119	<b>111</b>
Other	27	33	57	11	<b>(4)</b>
Total Revenue (TEB) <sup>(1)</sup>	849	831	876	904	<b>1,053</b>
TEB Adjustment	31	35	38	40	<b>35</b>
Total Revenue	818	796	838	864	<b>1,018</b>



<sup>(1)</sup> Taxable equivalent basis. See Note to Users page.

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## CIBC World Markets - Revenue Components

(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Capital Markets	391	378	337	394	<b>421</b>	<b>Capital Markets</b>
Investment Banking & Credit Products	390	310	372	366	<b>442</b>	+ Structured products + Canadian new equity issues
Merchant Banking	(67)	6	9	14	<b>83</b>	
Commercial Banking	108	104	101	119	<b>111</b>	
Other	27	33	57	11	<b>(4)</b>	
Total Revenue (TEB) <sup>(1)</sup>	849	831	876	904	<b>1,053</b>	
TEB Adjustment	31	35	38	40	<b>35</b>	
Total Revenue	818	796	838	864	<b>1,018</b>	- Foreign exchange



<sup>(1)</sup> Taxable equivalent basis. See Note to Users page.

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## CIBC World Markets - Revenue Components

(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Capital Markets	391	378	337	394	<b>421</b>	<b>Investment Banking &amp; Credit</b>
Investment Banking & Credit Products	390	310	372	366	<b>442</b>	
Merchant Banking	(67)	6	9	14	<b>83</b>	- U.S. Structured Finance - Q3 likely to be down
Commercial Banking	108	104	101	119	<b>111</b>	
Other	27	33	57	11	<b>(4)</b>	
Total Revenue (TEB) <sup>(1)</sup>	849	831	876	904	<b>1,053</b>	
TEB Adjustment	31	35	38	40	<b>35</b>	
Total Revenue	818	796	838	864	<b>1,018</b>	



<sup>(1)</sup> Taxable equivalent basis. See Note to Users page.

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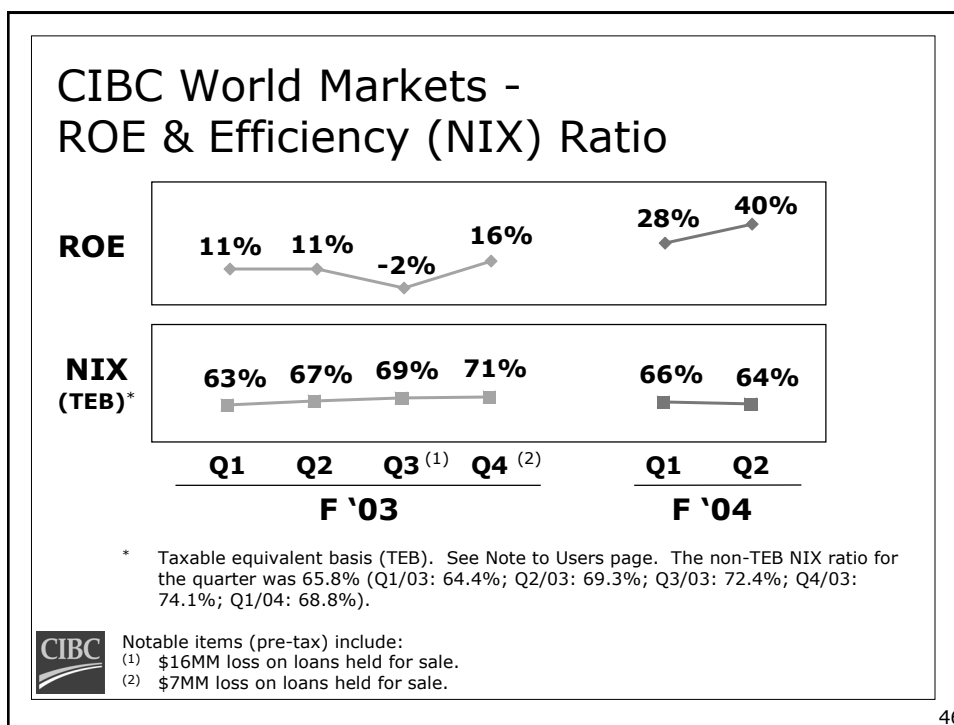
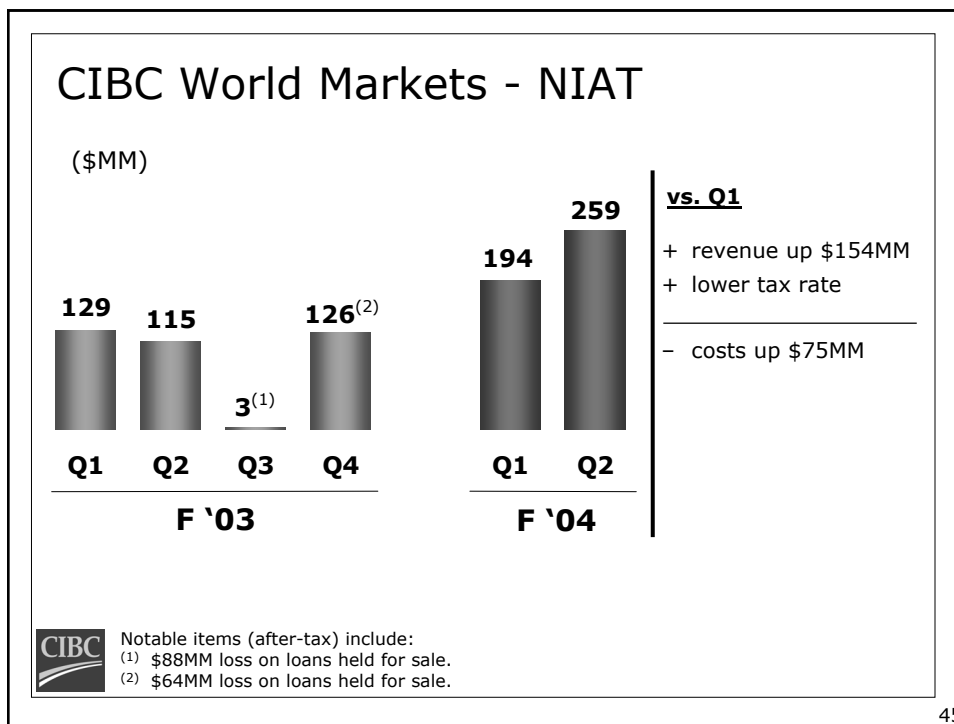
## CIBC World Markets - Revenue Components

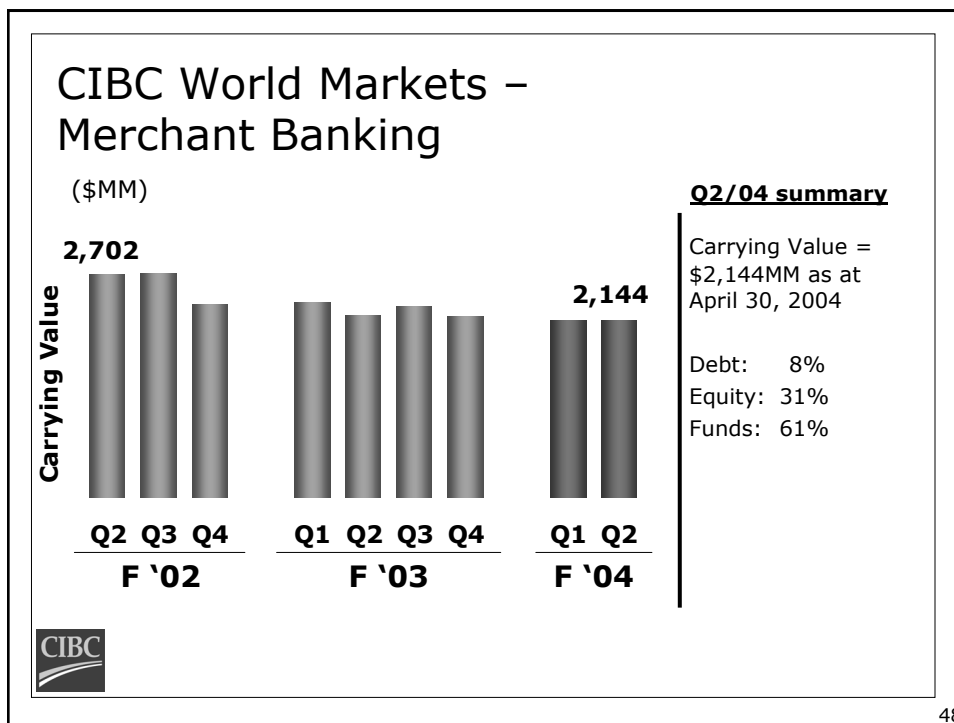
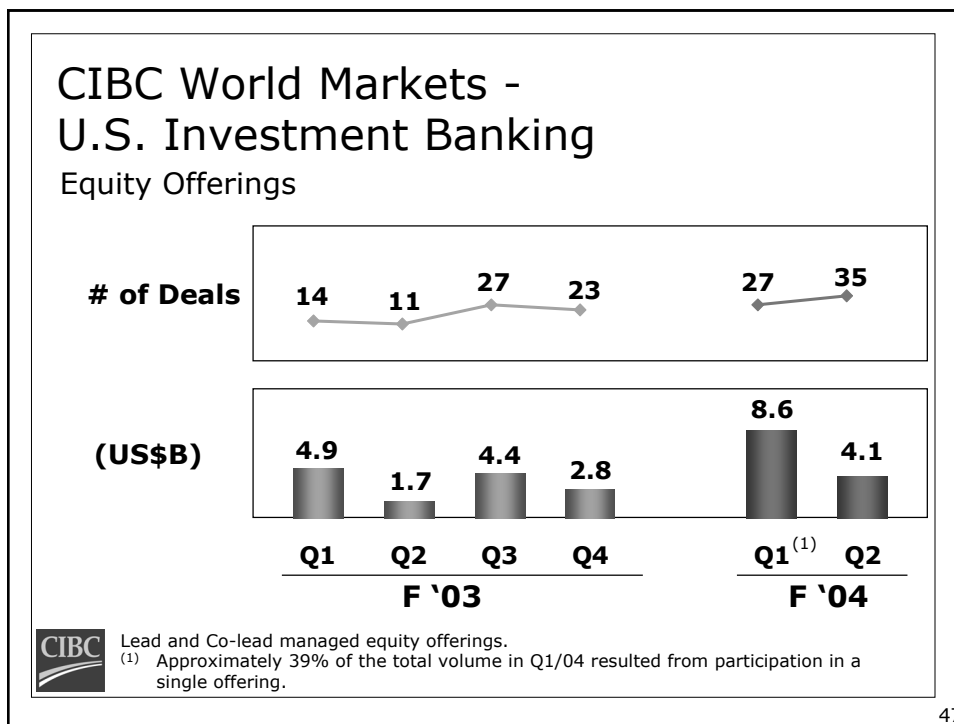
(\$MM)	F '03			F '04		
	Q2	Q3	Q4	Q1	Q2	
Capital Markets	391	378	337	394	<b>421</b>	<b>Merchant Banking</b>
Investment Banking & Credit Products	390	310	372	366	<b>442</b>	
Merchant Banking	(67)	6	9	14	<b>83</b>	- Writedowns - \$54MM - Q3 – likely loss on sale of Fund investments
Commercial Banking	108	104	101	119	<b>111</b>	
Other	27	33	57	11	<b>(4)</b>	
Total Revenue (TEB) <sup>(1)</sup>	849	831	876	904	<b>1,053</b>	
TEB Adjustment	31	35	38	40	<b>35</b>	
Total Revenue	818	796	838	864	<b>1,018</b>	



<sup>(1)</sup> Taxable equivalent basis. See Note to Users page.

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## CIBC World Markets - Merchant Banking

### Total Portfolio Industry Diversification

(Carrying Value = \$2,144MM as at April 30, 2004)

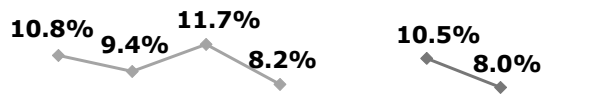
Consumer Services	16.3%
Entertainment	3.3
Financial Services	7.3
Hardware & Software	8.8
Healthcare	4.6
Industrial Growth & Services	18.8
Media & Publishing	8.1
Real Estate	3.6
Resource-based industries	2.4
Retail	6.2
Telecommunications and Cable	10.1
Utilities	4.2
Other	6.3
	100.0%



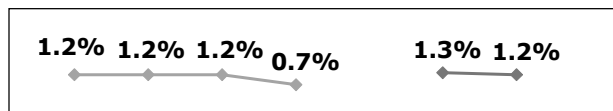
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## CIBC World Markets – Market Share Equity Trading

Canada % of  
shares traded



US % of  
shares traded



Q1 Q2 Q3 Q4 Q1 Q2  
F '03 F '04

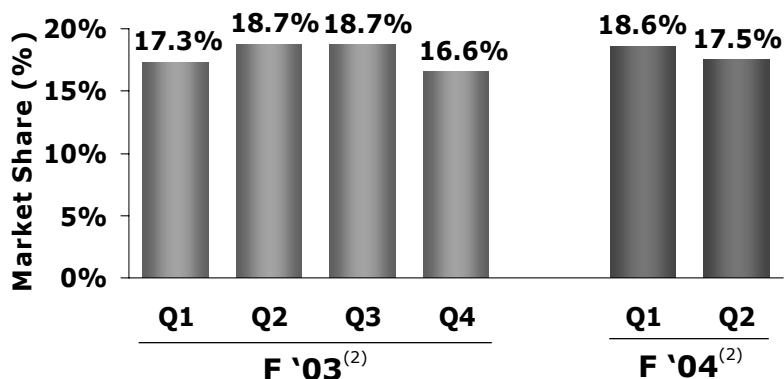


Source: TSX (Canada); AUTEX (US). US volume represents listed exchange information.

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### CIBC World Markets – Market Share Canadian Equity New Issues<sup>(1)</sup>



Note: Source - CIBC Equity Syndication.

<sup>(1)</sup> Based on total amount underwritten. Includes equity deals greater than \$30MM.

<sup>(2)</sup> F '03 market share = 17.8%. F '04 year-to-date market share = 18.0%.

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### CIBC - Competitive Balance Sheet Measures

(\$MM)

	Tier 1 Ratio	Unrealized Gains	General Allowance	GA as % of RWA <sup>(1)</sup>	Net Impaired Loans <sup>(2)</sup>
<b>CIBC</b>	<b>11.0%</b>	<b>648</b>	<b>1,100</b>	<b>0.94%</b>	<b>340</b>
Bank Peer Group <sup>(3)</sup>	10.2%	582	1,234	0.88%	1,104

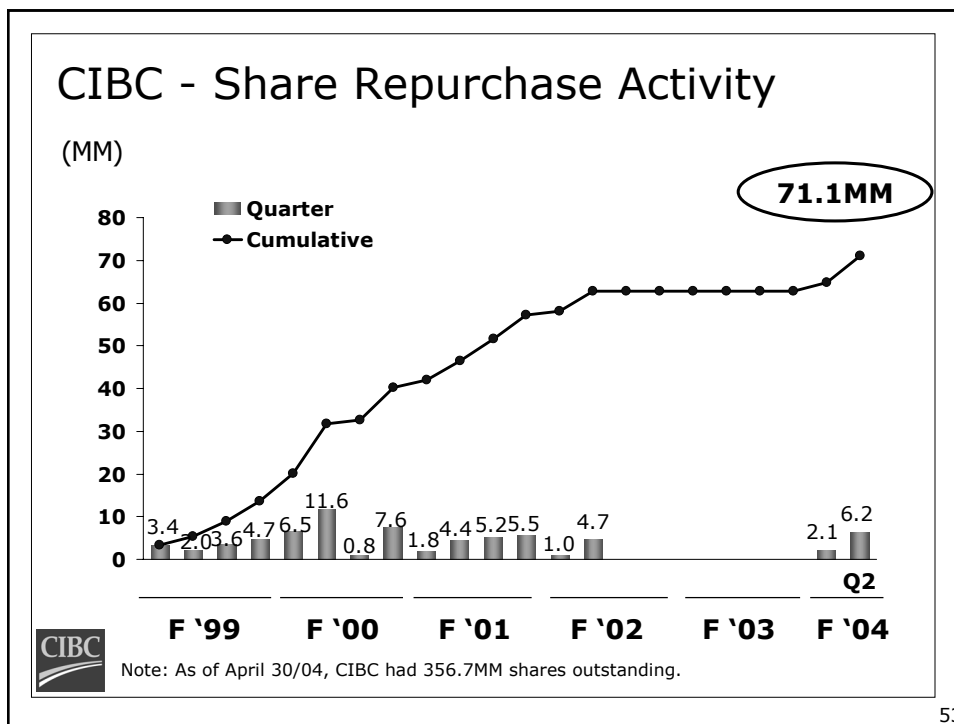


<sup>(1)</sup> General Allowance as a percent of Risk-Weighted Assets.

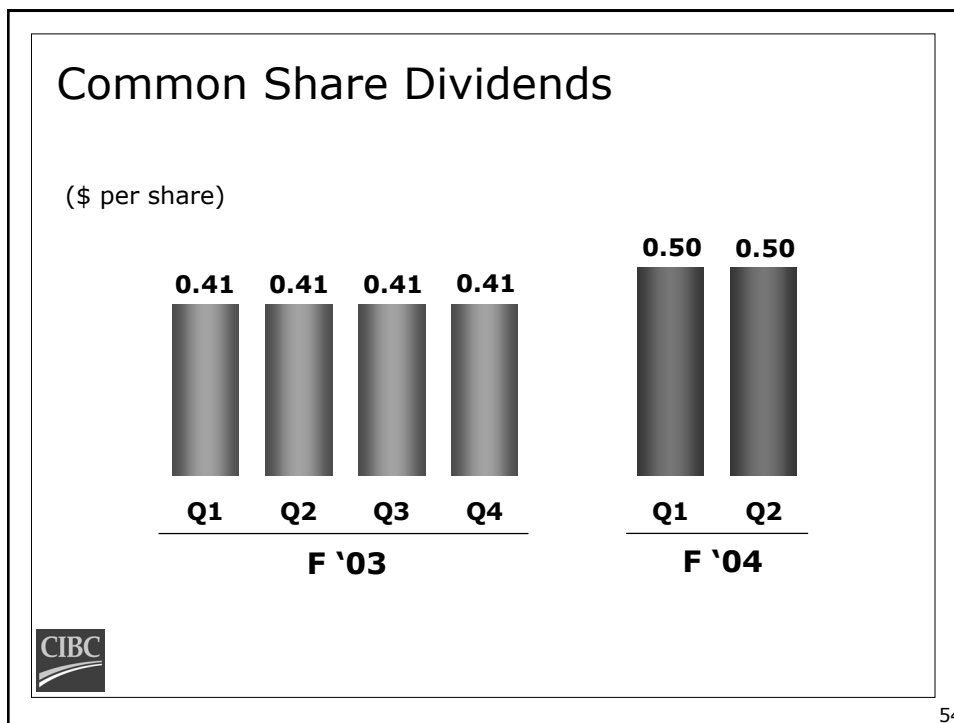
<sup>(2)</sup> Net Impaired Loans = Gross Impaired Loans less Specific Allowance.

<sup>(3)</sup> Bank Peer Group consists of Q1/04 actual information for RBC, BMO, TD and BNS.

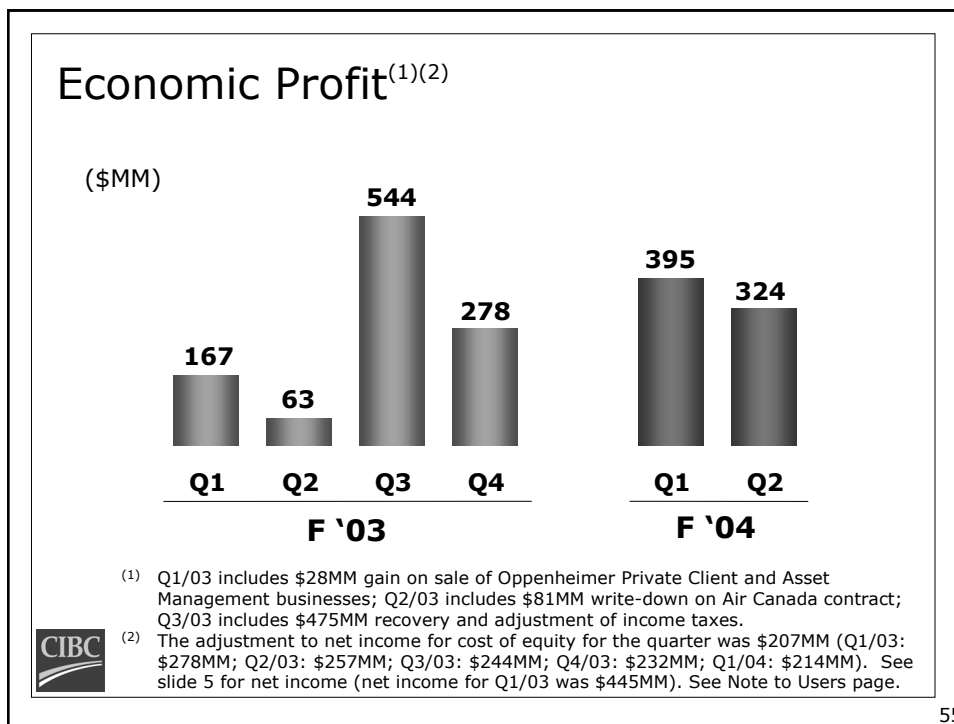
52



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### Economic Profit<sup>(1)(2)</sup>

(\$MM)

	F '03			F '04	
	Q2	Q3	Q4	Q1	Q2
CIBC Retail Markets	81	165	120	201	<b>124</b>
CIBC Wealth Management	30	48	47	53	<b>63</b>
CIBC World Markets	-	(102)	31	106	<b>178</b>
Corporate and Other	(48)	433	80	35	<b>(41)</b>
<b>Total CIBC</b>	<b>63</b>	<b>544</b>	<b>278</b>	<b>395</b>	<b>324</b>

<sup>(1)</sup> Q1/03 includes \$28MM gain on sale of Oppenheimer Private Client and Asset Management businesses; Q2/03 includes \$81MM write-down on Air Canada contract; Q3/03 includes \$475MM recovery and adjustment of income taxes.

<sup>(2)</sup> See the Supplementary Financial Information for the adjustment to net income for cost of equity. See slide 11 for net income. See Note to Users page, and for additional segmented information see the notes to the Q2/04 financial statements.

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## Behind the Reported NIMs

	<u>Q1/04</u>	<u>Q2/04</u>		
Reported NIM	2.03%	<b>1.86%</b>		
Reported NIM (TEB) <sup>(1)</sup>	2.08%	<b>1.91%</b>	<u>NIMs up in</u>	<u>NIMs down in</u>
– <u>excluding</u> fixed <sup>(2)</sup> assets	2.47%	<b>2.28%</b>	– cards	– personal loans and deposits
& – <u>excluding</u> trading assets and <u>adding</u> back securitizations <sup>(3)</sup>	3.15%	<b>2.92%</b>	– large corporate loans	– small business loans and deposits
& – <u>excluding</u> unusual NII <sup>(4)</sup>	3.16%	<b>2.94%</b>		

(1) Taxable equivalent basis. See Note to Users page.

(2) And other non-interest earning assets.

(3) i.e., to assess NIM on all originated product, independent of securitization.

(4) e.g., interest on tax settlements; interest reimbursement program; interest on NY Premises.



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## Behind the 22 bps Decline in NIM<sup>(1)</sup>

(bps)	<u>Assets</u>		<u>Liabilities</u>
	<u>Rate</u>		<u>Rate</u>
	Mortgages (7)		Retail deposits 2
	Personal loans (5)		Wholesale funding 4
	Corporate loans (6)		
	Cards (revolve) 2		
	(16)		
	<u>Mix</u> (4)		<u>Mix</u> (2)
	<u>Q1 Effect</u>		
	Student loans (2)		4
	West Indies (2)		
	<u>Other</u> (2)		
	(26)		



(1) i.e. Difference between 3.16% (Q1) and 2.94% (Q2) – see slide 57.

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## "Other" Non-Interest Income

	F '03			F '04	
	Q2	Q3	Q4	Q1	Q2
Gain (Loss) on Sale of Loans	35	(8)	23	44	<b>42</b>
Limited Partnership Gains / (Losses)	(23)	(1)	3	26	<b>8</b>
Other <sup>(1)</sup>	127	166	106	51	<b>122</b>
	139	157	132	121	<b>172</b>



<sup>(1)</sup> Includes other commissions and fees, etc.

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## Second Quarter, 2004 Risk Review

Wayne Fox

Vice Chair and Chief Risk Officer  
Treasury, Balance Sheet and Risk Management

## Key Messages

### Credit quality continues to improve

- Business & Government loans reduced 16% year-over-year
- Gross Impaired Loans reduced 41% year-over-year

### Specific provision down year-over-year

- Business & Government provision of \$33MM result of improvement in credit quality
- Consumer provision of \$174MM

### Continued capital strength

- Tier 1 Ratio: 11.0%

### Guidance Unchanged

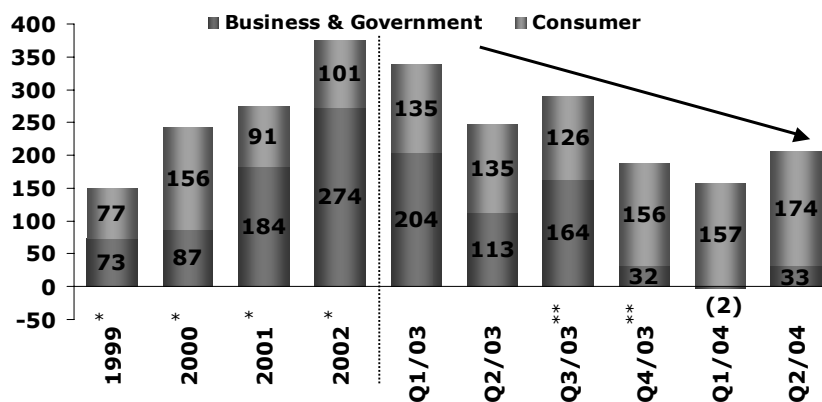
- Specific Provisions: \$800 - 850MM
- General Allowance: 90 - 95 bps of RWAs



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## Specific Provision for Credit Losses

(\$MM)

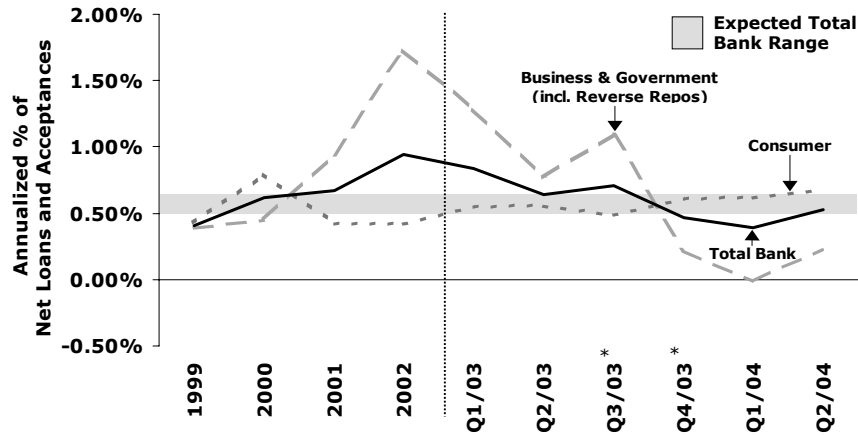


\* Full Year /4.

\*\* Excludes loan loss on transfer to Held for Sale: \$135MM in Q3/03 and \$93MM in Q4/03.

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### Specific Provision for Credit Losses as % of Net Loans and Acceptances

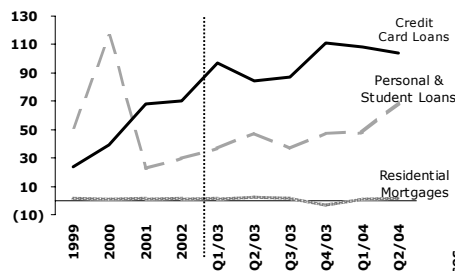


\* Excludes loan loss on transfer to Held for Sale: \$135MM in Q3/03 and \$93MM in Q4/03.

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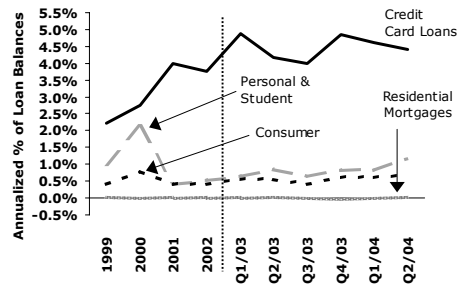
### Consumer Portfolio Specific Provisions

(\$MM)



Large credit card portfolio continues to represent the majority of the consumer specific provision

Consumer specific provision rates stabilizing



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## Fiscal 2004 Guidance Unchanged

- Specific Provisions: \$800 - 850MM
- General Allowance: 90 - 95 bps of RWAs

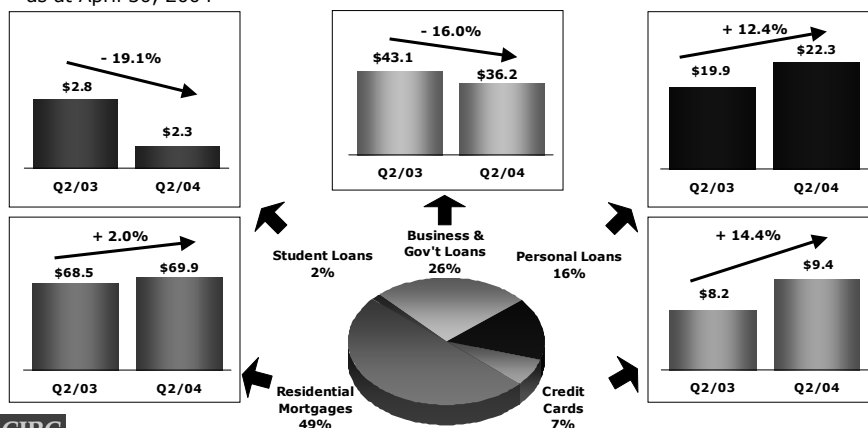


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## Loan Portfolio Mix Shift to Consumer Credit Continues

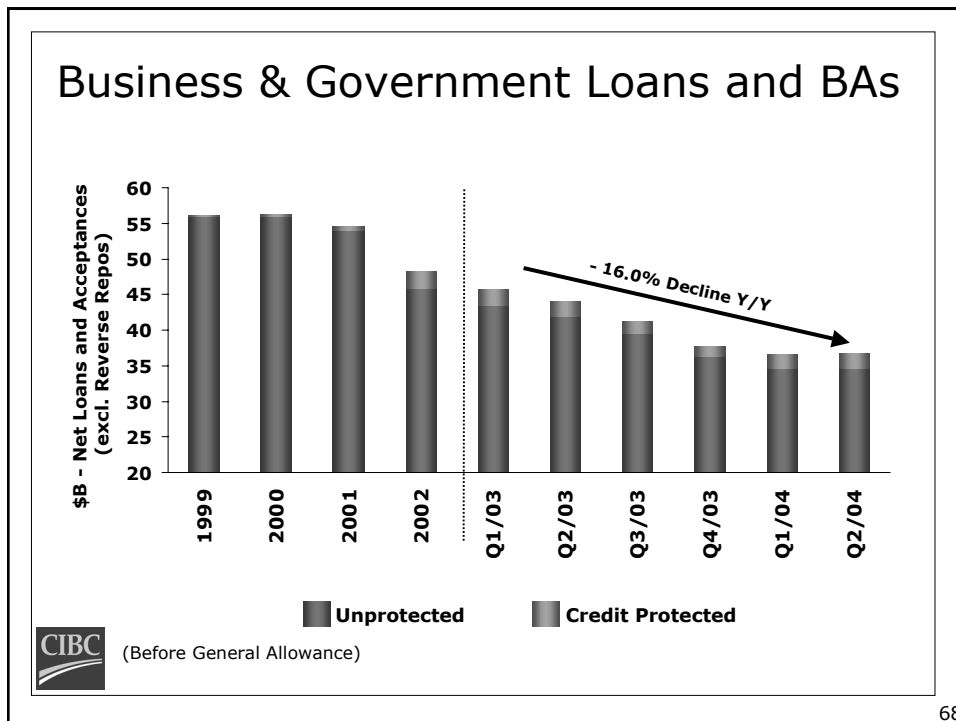
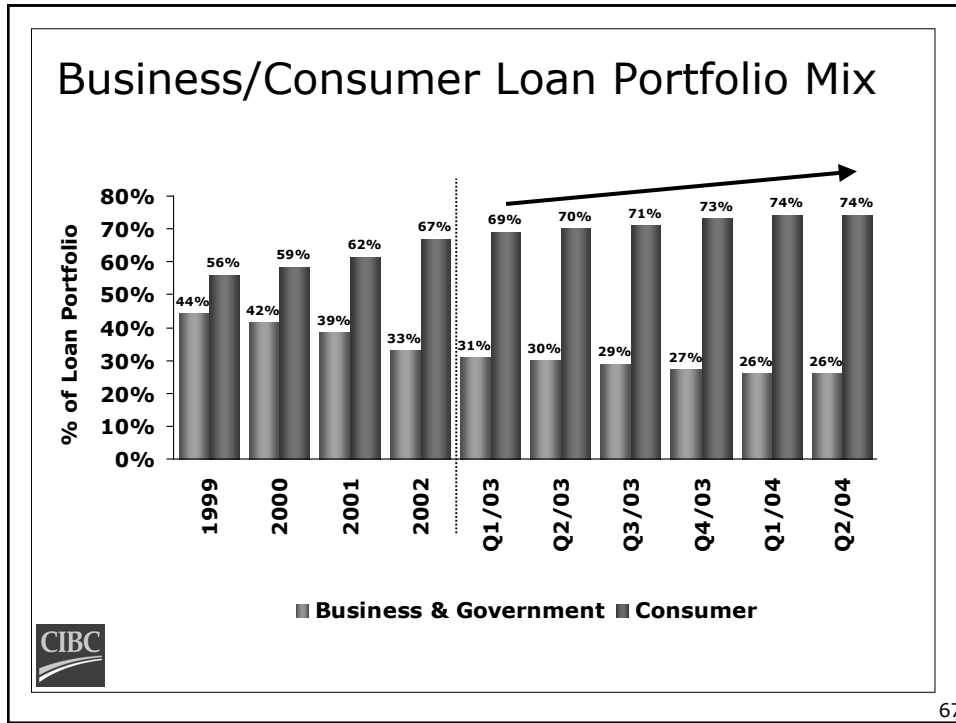
(Net Loans and Acceptances - \$140.2B\*)

as at April 30, 2004



(\* After General Allowance and excluding Reverse Repos)

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## Held for Sale Portfolio Update

(\$MM)	Q3/03 Transfer	Q4/03 Transfer	Total Transfer
Total On and Off Balance Sheet Credits	1,440	1,432	2,872
Off Balance Sheet Credits	551	241	792
On Balance Sheet Credits (Net of Unamortized Fees)	885	1,174	2,059
Credit Loss on Transfer	(135)	(93)	(228)
Non-Credit Loss on Transfer	(16)	(7)	(23)
<b>Held-for-Sale Portfolio</b>	<b>\$734</b>	<b>\$1,074</b>	<b>\$1,808</b>
<b>Remaining Outstandings Q2/04</b>			<b>19%</b>



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## Credit Protection Industry Diversification

(\$MM)

as at April 30, 2004

	On Balance Sheet	Total Bought
Oil & Gas	\$539	\$1,504
Business Services	344	449
Manufacturing (Capital Goods)	293	665
Telecommunications and Cable	212	606
Forest Products	130	315
Retail	129	346
Publishing, Printing and Broadcasting	126	179
Manufacturing (Consumer Goods)	56	149
Utilities	44	281
Education, Health and Social Services	42	78
Financial Institutions	39	1,114
Other Industries	142	609
<b>Total (Net)</b>	<b>\$2,096</b>	<b>\$6,295</b>
<b>As at Jan 31/04</b>	<b>\$1,849</b>	<b>\$4,123</b>

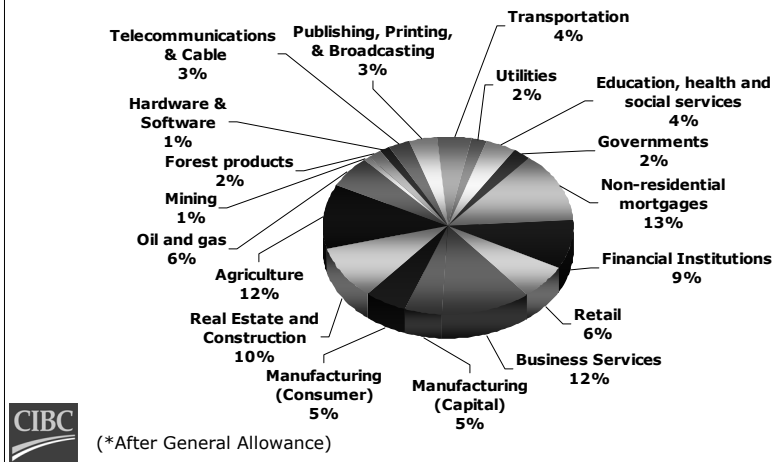


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## Business & Government Loan Diversification

(Net Loans and Acceptances excl. Reverse Repos - \$36.2B\*)

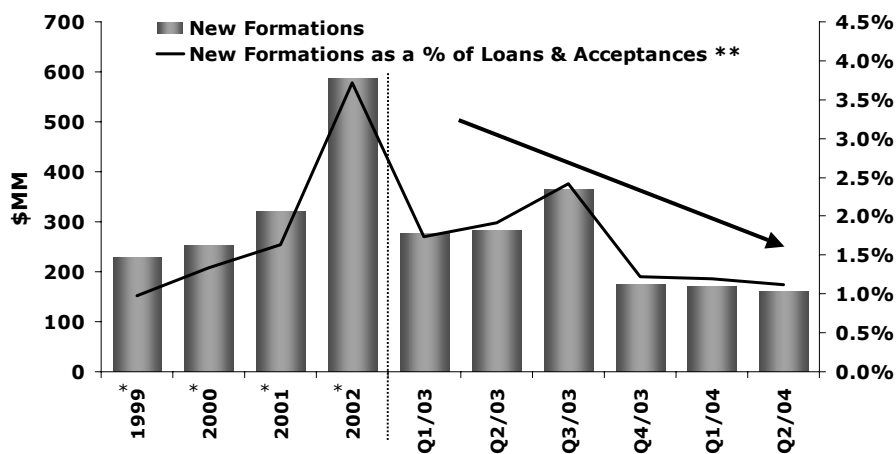
as at April 30, 2004



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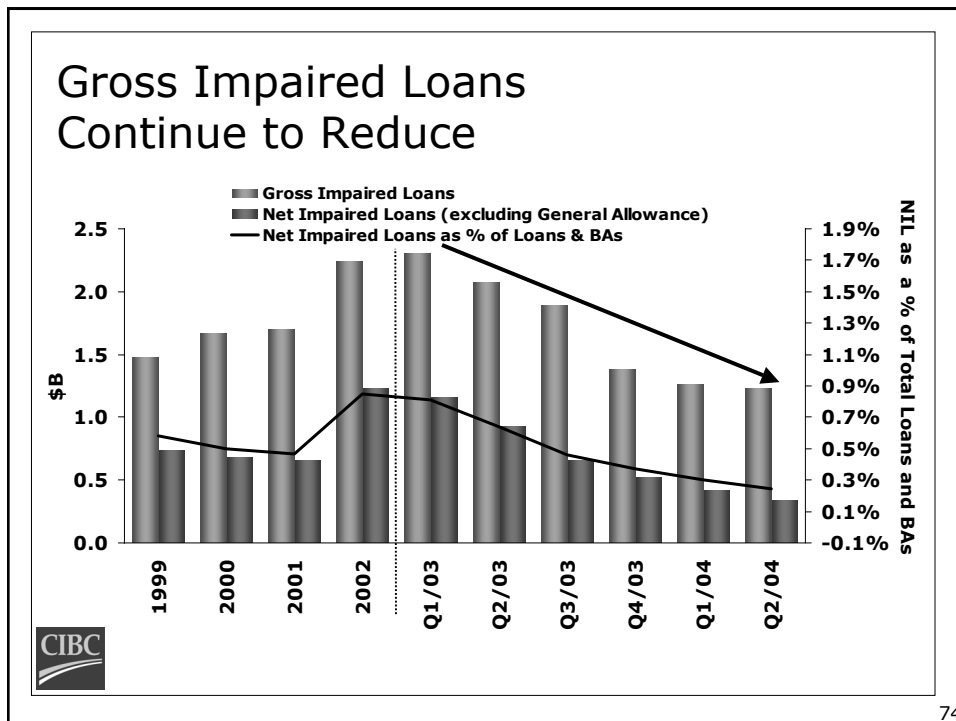
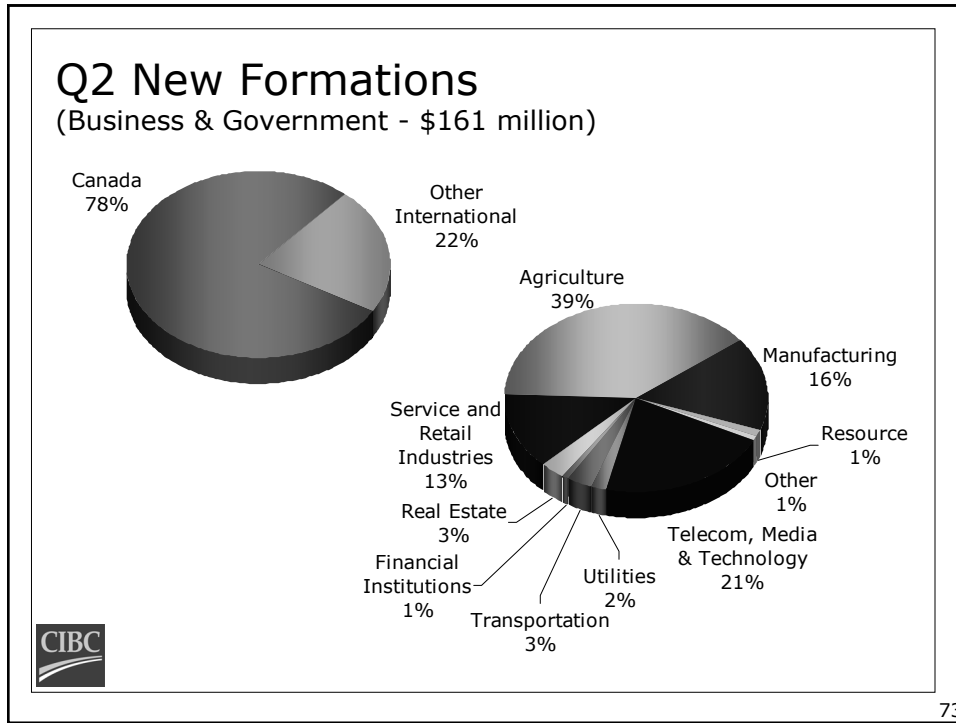
## New Formations Continue Lower Trend

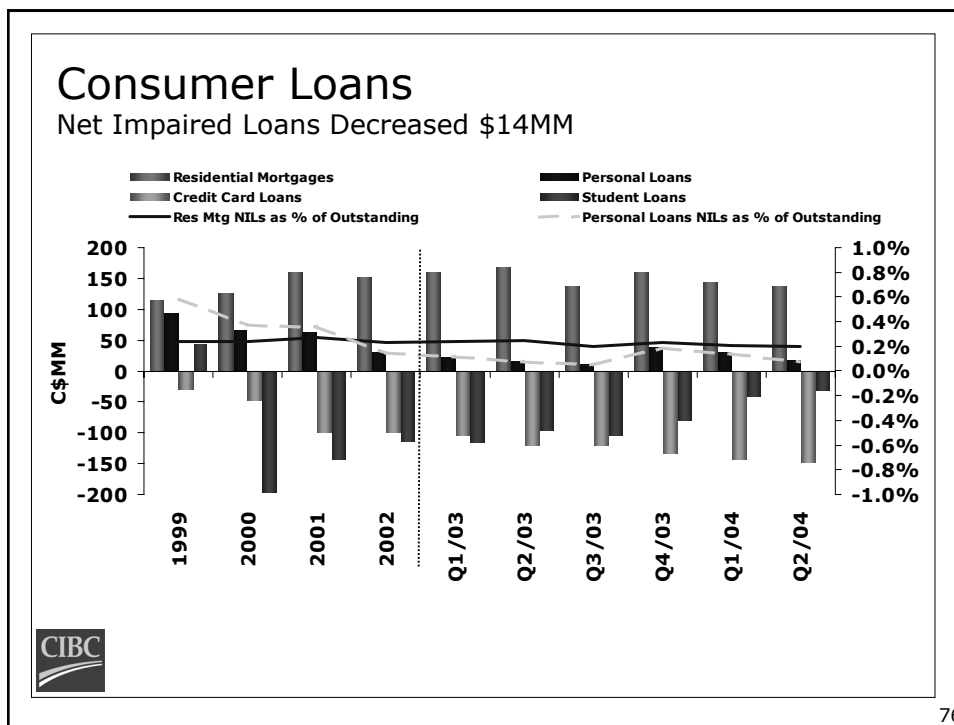
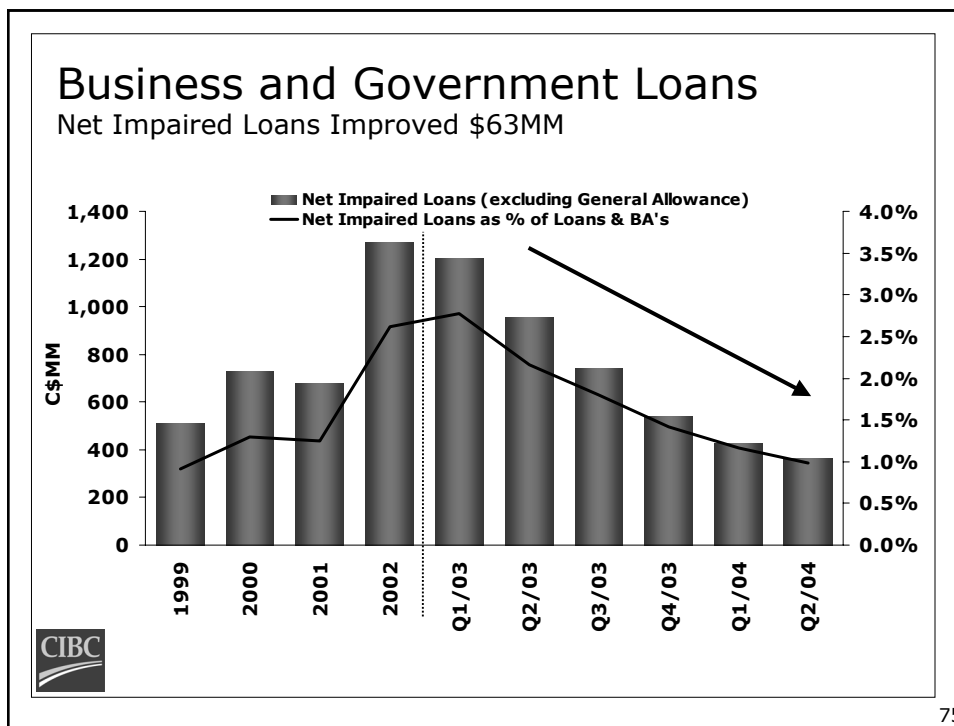
(Business & Government)

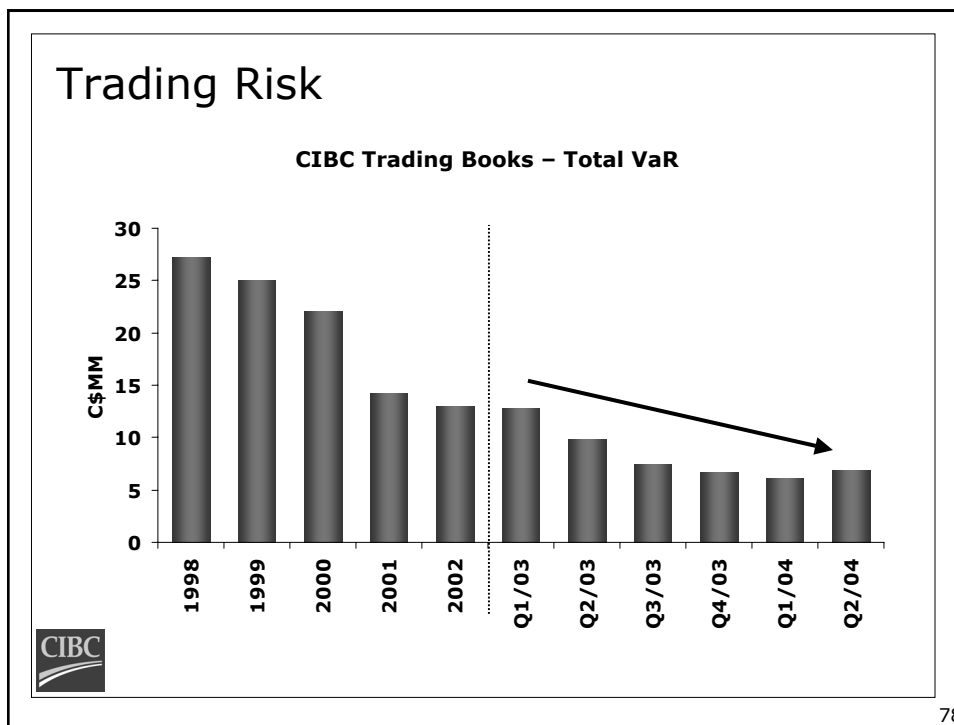
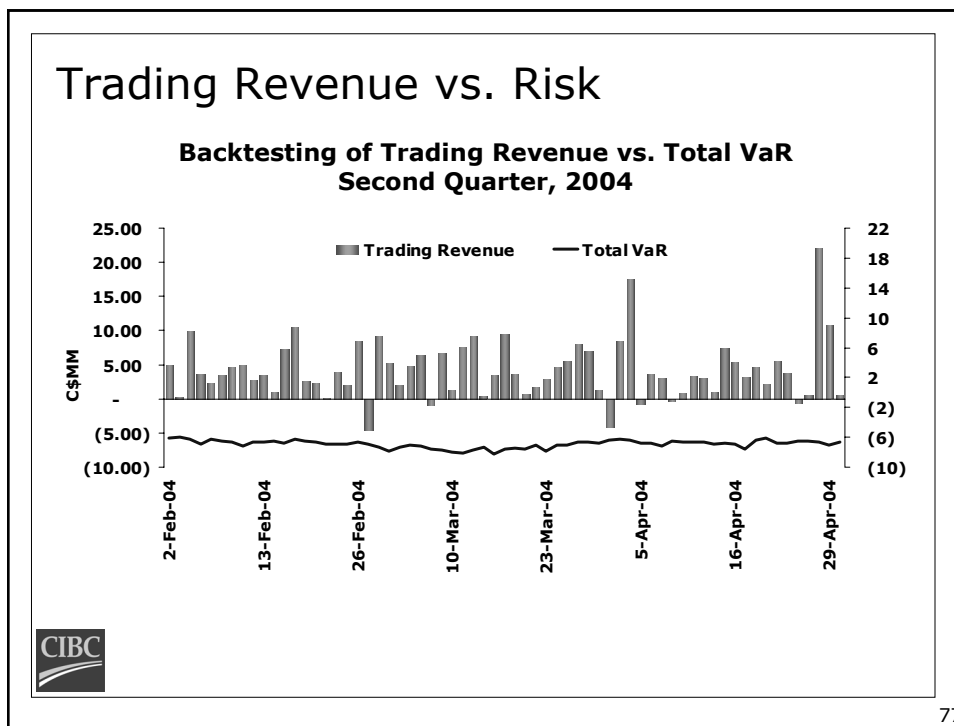


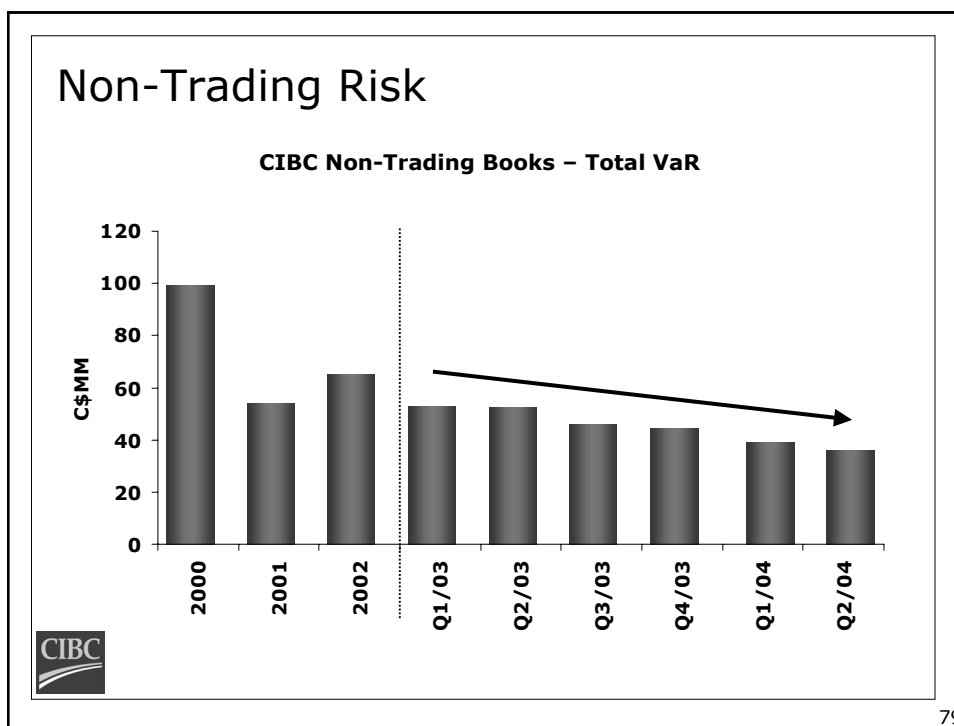
\* Full year / 4  
\*\* Includes Reverse Repos

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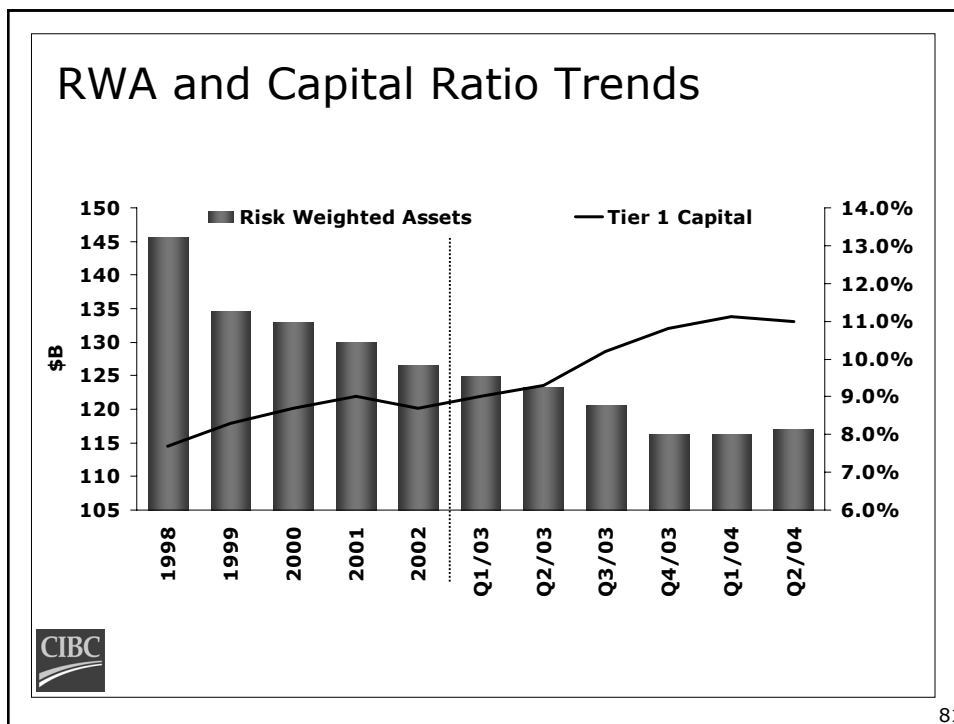




### Internal Capital Generation

(C\$MM)	NIAT	Preferred Dividends	Common Dividends	Share Repurchases	Net	
					Quarterly	Annual
1999	1,029	(112)	(492)	(500)		(75)
2000	2,060	(128)	(501)	(1,074)		357
2001	1,686	(121)	(536)	(867)		162
2002	653	(161)	(577)	(313)		(398)
Q1/03	445	(44)	(147)		254	
Q2/03	320	(47)	(148)		125	
Q3/03	788	(46)	(148)		594	
Q4/03	510	(43)	(148)		319	1,292
Q1/04	609	(49)	(181)	(143)	236	
Q2/04	531	(48)	(179)	(428)	(124)	

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## Note To Users

### Performance measurement

CIBC uses a number of financial measures to assess its performance. Some measures are calculated in accordance with generally accepted accounting principles (GAAP), such as net income and return on equity (ROE). Other measures are non-GAAP measures, such as net interest income on a taxable equivalent basis (TEB), economic profit, economic capital, and cash basis measures. These measures do not have a standardized meaning under GAAP and may not be comparable to similar measures used by other companies.

Management reviews net interest income adjusted to reflect tax-exempt income on an equivalent before-tax basis. This measure enables comparability of net interest income arising from both taxable and tax-exempt sources. Net interest income (TEB) is used to calculate the efficiency ratio, net interest margin, and net interest margin on average interest-earning assets on a taxable equivalent basis. Management believes these measures permit uniform measurement, which enables users of CIBC's financial information to make comparisons more readily.

Economic capital is the basis upon which CIBC attributes its consolidated legal capital to the business lines for the purpose of calculating economic profit. Economic capital is comprised of credit, market, operational, and strategic risk capital. From time to time, CIBC's economic capital model may be enhanced as part of the risk measurement process. These changes are made prospectively. Management uses economic profit to measure the return generated by each business in excess of CIBC's cost of equity, which enables users of this financial information to identify relative contributions to shareholder value.

Cash basis measures are calculated by adding back the after-tax impact of goodwill and other intangible expenses to net income.

### Financial Statements and Supplementary Financial Information

The Financial Statements and Supplementary Financial Information are available on CIBC's website at [www.cibc.com](http://www.cibc.com).





## Forward Looking Statements

This presentation contains forward-looking statements which are made pursuant to the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about the operations, business lines, financial condition, risk management, priorities, targets, ongoing objectives, strategies and outlook of CIBC for 2004 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". A forward-looking statement is subject to inherent risks and uncertainties that may be general or specific. A variety of factors, many of which are beyond CIBC's control, affect the operations, performance and results of CIBC and its business lines, and could cause actual results to differ materially from the expectations expressed in any of CIBC's forward-looking statements. These factors include: current, pending and proposed legislative or regulatory developments in the jurisdictions where CIBC operates including pending developments in Canadian laws regulating financial institutions and US regulatory changes affecting foreign companies listed on a US exchange; as well as 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 tax laws; political conditions and developments; intensifying competition from established competitors and new entrants in the financial services industry; technological change; global capital market activity; interest rate fluctuation; currency value fluctuation; general economic conditions worldwide, as well as in Canada, the United States and other countries where CIBC has operations; changes in market rates and prices which may adversely affect the value of financial products; CIBC's success in developing and introducing new products and services, expanding existing distribution channels, developing new distribution channels and realizing increased revenue from these channels, including electronic commerce-based efforts. This list is not exhaustive of the factors that may affect any of CIBC's forward-looking statements. These and other factors should be considered carefully and you should not place undue reliance on CIBC's forward-looking statements. CIBC does not undertake to update any forward-looking statement in this presentation.

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Q & A