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CIBC

Annual & General Meeting Speech

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Please see Notes to Readers at the end of this document

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Thank you, Bill, and good morning, ladies and gentlemen.

CIBC had good financial results in 2004.

We met seven of our nine financial objectives.

We had the best total return to shareholders of the major Canadian banks, which we have now done 4 of the last 5 years.

And our results for the first quarter of 2005, released earlier this morning, were also good.

Let me start with an overview of the market environment in 2004.

Conditions in Retail Banking were generally good, as housing starts increased and interest rates remained low. However, heightened competition caused margins to narrow somewhat.

Retail spending was up in 2004 and unemployment levels remained relatively low, both of which were good for the credit card business.

Market conditions in Wealth Management were strong as well. Trading volume on the Toronto Stock Exchange increased 7% in 2004, and the Canadian mutual fund industry had its best year in the last four.

On the wholesale side, conditions in corporate lending improved, as loan loss recoveries were up, and bankruptcies were down vs. 2003.

In the Capital Markets, new equity issue activity was up in both Canada and the U.S. The trading environment was reasonably strong, although not as good as it was in 2003.

In Merchant Banking, conditions were much better than in the past few years, due to improved mergers and acquisitions and high yield debt financing markets.

When I put this slide up at our 2002 annual meeting, there were only five check marks. Last year's slide had eight. This year's ten check marks reflect the better market environment CIBC, and all the Canadian banks, had to operate in last year.

Here is our summary Income Statement for 2004.

I will take you through each of these lines now.

Revenue was \$11.9 billion, up 3%, from 2003, primarily due to higher revenue in Retail Markets. Revenue there was up 6%.

Revenue from Wealth Management and World Markets was about the same as it was in 2003.

Loan Losses were down over \$500 million, as losses in World Markets, which were about \$650 million in 2003, moved into a net recovery position in 2004.

Expenses of \$8.3 billion in 2004 included a \$300 million legal provision on the Enron-related litigation. Other expenses were down marginally, as several of our cost containment initiatives, particularly in Technology and Operations, continued to have an impact.

Net Income was a record \$2.2 billion in 2004, with the better revenue and improved loan loss experience being partially offset by higher expenses. 2004 Net Income was just slightly in excess of that in 2003, which benefited from nearly \$500 million in net tax recoveries.

Here you can see the relative contribution to the \$2.2 billion of net income by each of our three main business groups.

It also reflects the diversification of our business mix, and in particular shows that about 70% of 2004 net income came from our more stable retail-oriented businesses.

Retail Markets net income in 2004 was just over a billion dollars, up from \$863 million in 2003. Adjusting for asset sales and other items, Net Income was up 5% in 2004, after being up 3% in 2003.

Our credit card business in particular had another strong year maintaining its #1 position.

Wealth Management net income in 2004 was \$402 million, up nearly 10% from \$366 million in 2003.

2002's net income was \$309 million after adjusting for the expenses incurred on the Merrill Lynch retail brokerage acquisition, which has been integrated into Wood Gundy very successfully.

In World Markets, net income of \$684 million was up significantly vs. the \$373 million in 2003, and a loss in 2002.

This was driven primarily by the better corporate lending and merchant banking environment, good trading revenues, and strong Canadian new equity issues.

Reported Earnings per Share for 2004 were \$5.53, up 7% from 2003.

Adjusting both numbers for asset sales and other items, 2004 EPS was up over 33% vs. 2003.

We achieved seven of our nine financial performance objectives in 2004.

First, CIBC delivered the best total return to shareholders of the major Canadian banks over the past year, and over the past 5 years in total.

Return on equity was 18.7%, above the upper end of our target range. Adjusted for asset sales and other items, it was 18.6%.

We were successful in achieving one part of our productivity objective, as revenue grew at a faster rate than expenses. And, while we have made progress over the past two years in reducing our expense to revenue, or NIX, ratio, we need to go further.

Another financial objective was to shift invested capital more towards Retail and Wealth Management. Our target was 70% by the end of 2005. We exceeded this target one year in advance.

In 2002 we set out to reduce the capital in our corporate loan business by one-third by 2005. We achieved this goal in 2003, and last year we continued to reduce this exposure.

We also established a goal to reduce our Merchant Banking portfolio by one-third by the end of 2005. By the end of 2004, we had achieved this goal as well.

Our Tier 1 capital ratio was 10.5% at the end of 2004, well above our minimum target.

Our final financial objective was to pay out between 40 and 50% of our earnings in dividends. In 2004, we paid out just less than 40% of earnings. Despite increasing our dividends by 34%, earnings were higher than anticipated in the second half of the year, which pulled down this ratio.

As part of our commitment to be a leader in governance, we complied with the requirements of section 404 of the U.S. Sarbanes-Oxley Act, reporting that we had no material deficiencies in our internal control over financial reporting.

We understand that we were the first North American bank to do so, having complied voluntarily a year ahead of the deadline for Canadian banks.

CIBC's total return to shareholders, which measures share appreciation with dividends reinvested, outperformed by a considerable margin both the TSX Financial and TSX Composite Indices over the past five years.

Our good financial results and strong capital position have enabled us to increase our dividend consistently over the past ten years.

I'll now review the results for the first quarter of 2005.

Net income for the quarter was \$707 million, including \$171 million in respect of gains on the sale of our shares in Juniper Financial and other non-core assets.

Each of our business groups posted good results this quarter.

Net income for Retail Markets was \$364 million. Adjusting for asset sales, net income was \$257 million, down marginally from Q1, 2004 mainly because of the higher loan losses.

Wealth Management net income was up 27% from Q1 of 2004 due to stronger equity markets.

World Markets net income was \$173 million, down slightly from Q1 last year, which had high gains on sales of non-core loans.

Overall, earnings per share were \$1.94 for the quarter. Return on equity was 25.7%. And our efficiency ratio was 61.7%. Adjusting

these numbers for the asset sale gains, all three were still above analyst expectations. Our Tier 1 capital ratio remained strong at 10.5%, even though we continued our share buyback program, this quarter acquiring 2.1% of our shares in the market.

We will be providing a more detailed review of our first quarter results in the investor conference call on our website at 2:15 p.m. this afternoon.

So, to summarize— CIBC had good financial results in 2004.

We met seven of our nine financial objectives.

CIBC shares delivered the best total return to investors of the major Canadian banks.

And our performance continued to be strong in the first quarter of 2005.

Thank you.

Notes to Readers

This presentation contains non-GAAP financial measures. For further details regarding economic capital and the retail/wholesale business mix, please see the Non-GAAP Measures section of our 2004 Annual Accountability Report. Certain GAAP financial measures in this presentation have been adjusted, as management believes these adjustments enable users of our financial information to assess our performance and make comparisons more readily. A reconciliation between these adjusted financial measures and the comparable measure calculated in accordance with GAAP is provided in the schedule to this presentation.

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 2005 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 are described in our 2004 Annual Accountability Report and should be considered carefully and readers should not place undue reliance on CIBC's forward-looking statements. CIBC does not undertake to update any forward-looking statement that is contained in this presentation.

RECONCILIATION OF NON-GAAP TO GAAP MEASURES
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Unaudited, for the period ended

	Q1/05	2004 12M	2003 12M	2002 12M
Total Bank Net Income				
Reported	\$707	\$2,199	\$2,063	\$653
Adjustments (after-tax):				
Gain on sale of shares of Republic Bank Ltd.	(85)	-	-	-
Gain on sale of shares of Juniper Financial Corp.	(64)	-	-	-
Gain on sale of shares of ACE Aviation Holdings Inc.	(22)	-	-	-
Enron-related litigation matters	-	194	-	-
Tax recovery relating to the resolution of various income tax audits	-	(85)	-	-
Adjustment to future income tax assets	-	(50)	-	(52)
Reversal of general allowance for credit losses	-	(48)	(95)	-
Recovery relating to Air Canada contract	-	(32)	-	-
Reversal of provision for credit losses in the student loan portfolio	-	(24)	-	-
New York premises sublease losses	-	16	-	-
Recovery and interest on overpayment of income taxes	-	-	(707)	-
Valuation allowance relating to US future income tax asset	-	-	232	-
Losses on loans held for sale	-	-	152	-
Write-down related to Air Canada contract	-	-	81	-
Restructuring charge (reversal)	-	-	(20)	323
Gain on sales of corporate assets	-	-	(32)	(200)
Merrill Lynch integration costs	-	-	21	112
Business interruption insurance recovery	-	-	(11)	-
Events of September 11, 2001	-	-	-	19
Adjusted	\$536	\$2,170	\$1,684	\$855

Unaudited, for the period ended

	2004 12M	2003 12M	2002 12M
Retail Markets Net Income			
Reported	\$1,043	\$863	\$1,073
Adjustments (after-tax):			
Recovery relating to Air Canada contract	(32)	-	-
Reversal of provision for credit losses in the student loan portfolio	(24)	-	-
Write-down related to Air Canada contract	-	81	-
Restructuring charge (reversal)	-	(3)	41
Gain on sales of corporate assets	-	-	(200)
Adjusted	\$987	\$941	\$914

Unaudited, for the period ended

	2002 12M
Wealth Management Net Income	
Reported	\$197
Adjustments (after-tax):	
Merrill Lynch integration costs	112
Adjusted	\$309