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**Opening remarks for the:**  
**RBC Capital Markets**  
**Canadian Financial Services Conference**  
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Good morning...it is my pleasure to be here.

To set the stage for today's discussion, I will review our progress and our priorities for 2007.

Before I begin, let me remind you that my remarks today may include forward-looking information and our actual results could differ materially from what is said today.

CIBC reported strong results in 2006 – reporting record net income and the highest shareholder return among the major Canadian banks.

Most importantly, our results reflect the progress we have made against our priorities.

I'll provide a few comments on our progress, beginning with our business performance...

**Retail Markets** had a good year in 2006, with profitability up 18%.

Volume growth remains solid, and improvements in loan losses, expenses and taxes all contributed to the higher profitability.

Our major focus in 2006 was to improve the credit quality of our retail portfolio.

We've made progress in this area. Our loan losses in the fourth quarter were \$132 million, the lowest level since 2002 and down \$92 million from a high of \$224 million in the fourth quarter of 2005.

Our market share has stabilized in recent months, and increased during the fourth quarter in key areas such as deposits and GICs.

With our improved risk profile, we believe our retail business is positioned well to resume revenue growth converging on industry levels as we progress through 2007.

**World Markets** had a strong performance in the fourth quarter, reporting net income of \$218 million.

Besides the fourth quarter of 2005, which had merchant banking revenue of \$391 million, this is the highest result since the third quarter of 2004.

Net income for the year was \$646 million.

For fiscal 2006, we maintained our strong position in Canada, finishing #1 in equity underwriting and M&A.

And we are optimistic about growth prospects for 2007

So, in summary, when we think of our core businesses in Retail and World Markets, we believe we are well positioned and that our performance will be within the competitive range of the industry.

Our second priority has been to improve productivity.

In this area, we exceeded our objective to generate \$250 million of annual cost reductions by the end of 2006.

We also closed the gap with our competitors in terms of our cost-to-income (NIX) ratio.

In 2007, we plan to further improve our NIX ratio.

As we laid out in detail on our fourth quarter conference call, our plan is to keep our expenses flat to Q4 levels.

This will require us to absorb \$150 million to \$200 million of normal inflationary increases.

We believe that the productivity impact of improving revenue and flat expenses is the most balanced way to achieve further improvements in our NIX ratio, while making the right level of investment to maintain a robust infrastructure and growth.

Over time, we believe this phase of our productivity plans will allow us to exceed our NIX target.

Our third priority is maintaining balance sheet strength and reinvesting our capital.

On December 22, we announced a cash payment of \$988 million U.S. towards the purchase of Barclay's 43.7% interest in FirstCaribbean.

Our FirstCaribbean opportunity is consistent with our priority to enhance our current business strength.

FirstCaribbean's businesses are well established and align with CIBC's core businesses.

With this acquisition now in hand, we are proceeding with further capital deployment discussions with our Board for 2007, focusing first and foremost on dividend increases.

So, to summarize, we remain focused on our three priorities of

- Business strength
- Productivity, as well as
- Balance sheet strength and capital usage

We remain confident these are the right steps towards consistent, sustainable long-term performance.

Our goal in 2007 is to continue on our path and build on the foundation we have worked hard to achieve in 2006.

## **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 the operations, business lines, financial condition, risk management, priorities, targets, ongoing objectives, strategies and our 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 the operations, performance and results of our business lines, 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 in this presentation or in other communications.