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of Commerce

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CANADIAN IMPERIAL BANK OF COMMERCE, HK BRANCH
DISCLOSURE STATEMENT AS AT October 31, 2016

SECTION A – BRANCH INFORMATION (HONG KONG OFFICE ONLY)

PART I – PROFIT & LOSS	Oct 31, 2016	Oct 31, 2015
	HK\$'000	HK\$'000
Interest Income	607,109	313,214
Interest Expense	(537,271)	(250,002)
Other operating income:		
- Gains less losses arising from non-trading activities in foreign currencies	8,143	12,979
- Net fees and commission income	24,275	845
- Others	330,070	249,686
Total Income	432,326	326,722
Operating expenses		
- Staff expenses	(161,653)	(138,371)
- Rental expenses	(27,501)	(28,073)
- Other expenses	(33,396)	(28,715)
Gains less losses from disposal of property, plant and Equipment and investment properties	0	2
Total Expenses	(222,550)	(195,157)
Profit before taxation	209,776	131,565
Tax expense	(19,965)	(32,184)
Profit after tax and exceptional items	189,811	99,381

PART II – BALANCE SHEET

	Oct 31, 2016	Apr 30, 2016
	HK\$'000	HK\$'000
ASSETS		
Cash and balances with banks	3,694	396,439
Due from Exchange Fund	289,273	249,229
Placement with banks which have a residual contractual maturity of more than one month but not more than 12 months	9	86
Amount due from overseas offices of the institution	23,765,166	13,765,221
Loans and receivables	2,886,752	3,300,597
Securities held for dealing purposes	2,399,218	1,999,504
Property, plant and equipment and investment properties	9,099	6,532
TOTAL ASSETS	29,353,211	19,717,608
LIABILITIES		
Deposits and balances from banks	15,449,679	5,954,442
Deposits of customers		
- Demand deposits and current accounts	4,879	8,879
- Time, call and notice deposits	7,136,916	4,949,065
Amount due to overseas offices of the institution	6,447,941	8,590,276
Other liabilities	313,796	214,946
TOTAL LIABILITIES	29,353,211	19,717,608

PART III – ADDITIONAL BALANCE SHEET INFORMATION

	Oct 31, 2016	Apr 30, 2016
	HK\$'000	HK\$'000
i) Advances and receivables		
- Advances to customers	2,709,736	3,205,232
- Accrued interest and other accounts	<u>177,016</u>	<u>95,365</u>
Total:	2,886,752	3,300,597
ii) Provision booked at Head Office		
- General – CAD 1,555 million on consolidated basis	Nil	Nil
- Specific (allocated to HK branch)	Nil	Nil
CIBC's provision policy:		
Specific provisions are based on the borrower's debts servicing ability and adequacy of security. Known bad debts are written off. For General provisions, CIBC sets the bank's annual provision level pursuant to consultation with the Office of the Superintendent of Financial Institutions, Canada [OSFI], the Canadian Bank regulator. The current minimum General Provision Levels are mandated by OSFI and publicly disclosed. The general provisions are made in the Head Office's account on consolidated basis and there are no sectoral general provisions applicable by industry or region.		
iii) Amount of advances to customers on which interest is being placed in suspense or on which interest accrual has ceased (impaired loans)	Nil	Nil
The amount of such suspended interest	Nil	Nil
The amount of specific provisions made in respect of such advances (booked in Head Office)	Nil	Nil
The percentage of such advances to total advances to customers	0.00%	0.00%

We do not have advances to banks and other financial institutions on which interest is being placed in suspense or on which interest accrual has ceased as of Oct. 31, 2016. (Apr. 30, 2016: NIL)

PART III – ADDITIONAL BALANCE SHEET INFORMATION

	Oct 31, 2016		Apr 30, 2016	
	HK\$'000	Collateral (%)	HK\$'000	Collateral (%)
iv) Analysis of gross amount of advances to customers classified into the following industry categories:				
Loans and advances for use in HK				
Industrial, commercial & financial:				
- Electricity and gas	0	0.00	320,176	0.00
- Financial concerns	0	0.00	176,351	0.00
- Wholesale and retail trade	531,360	0.00	547,598	0.00
- Transport and transport equipment	552,561	0.00	318,824	0.00
- Others	0	0.00	0	0.00
Information Technology:				
- Telecommunications	400,000	0.00	400,000	0.00
- Others	0	0.00	0	0.00
Individuals:				
- Loans for the purchase of other residential properties	113	100.00	147	100.00
- Others	0	0.00	0	0.00
Sub-total:	1,484,034		1,763,096	
Loans and advances for use outside HK	1,225,702	0.00	1,442,136	0.00
Other loans where the place of use is not known	0	0.00	0	0.00
TOTAL:	2,709,736		3,205,232	

v) Analysis of gross amount of advances to customers by geographical area:

Advances to customers by geographical area are classified according to the location of the counterparties after taking into account the transfer of risk. In general, risk transfer applies when an advance is guaranteed by a party in an area which is different from that of the counterparty.

	Oct 31, 2016		Apr 30, 2016	
	HK\$'000	% to total advances to customers	HK\$'000	% to total advances to customers
Gross amount of advances:				
- Hong Kong	2,709,736	100.00%	2,484,164	77.50%
The related overdue loans:	0		0	
The related impaired loans:	0		0	

PART III – ADDITIONAL BALANCE SHEET INFORMATION

Breakdown of international claims by major countries or geographical segments where only major countries constitute 10% or more of the total international claims after taking into account the of risk transfer.

	Banks	Official Sector	Non-Bank Private Sector		Others	Total
			Non-Bank Financial Institution	Non-Bank Private Sector		
As at Oct 31, 2016 (HKD million)						
Developed countries						
of which Canada	23,853	Nil	Nil	Nil	87	23,940
The related overdue loans:	Nil	Nil	Nil	Nil	Nil	Nil
The related non-performing loans:	Nil	Nil	Nil	Nil	Nil	Nil

	Banks	Official Sector	Non-Bank Private Sector		Others	Total
			Non-Bank Financial Institution	Non-Bank Private Sector		
As at Apr 30, 2016 (HKD million)						
Developed countries						
of which Canada	13,815	Nil	Nil	Nil	38	13,853
The related overdue loans:	Nil	Nil	Nil	Nil	Nil	Nil
The related non-performing loans:	Nil	Nil	Nil	Nil	Nil	Nil

vi) Analysis of foreign currency exposures

As at Oct 31, 2016 (HKD million)						
	<u>CAD</u>	<u>USD</u>	<u>JPY</u>	<u>EUR</u>	<u>AUD</u>	<u>Total</u>
Spot Assets	278	12,450	1	396	11,453	24,578
Spot Liabilities	(210)	(16,797)	(1)	(2)	(297)	(17,307)
Forward purchases	8,100	38,143	11,260	0	8,059	65,562
Forward sales	(8,100)	(33,763)	(11,260)	(393)	(19,222)	(72,738)
Net option position	Nil	Nil	Nil	Nil	Nil	Nil
Net long (short) position	68	33	0	1	(7)	95
As at Apr 30, 2016 (HKD million)						
	<u>CAD</u>	<u>USD</u>	<u>JPY</u>	<u>EUR</u>	<u>AUD</u>	<u>Total</u>
Spot Assets	237	5,697	1	411	9,364	15,710
Spot Liabilities	(208)	(11,144)	(1)	(2)	(794)	(12,149)
Forward purchases	0	29,152	13,495	5,646	1,549	49,842
Forward sales	0	(23,749)	(13,495)	(6,054)	(10,130)	(53,428)
Net option position	Nil	Nil	Nil	Nil	Nil	Nil
Net long (short) position	29	(44)	0	1	(11)	(25)

The net options position is calculated in accordance with our internal reporting method. We do not have structural positions as at Oct 31, 2016. (Apr 30, 2016: NIL)

	Oct 31, 2016		Apr 30, 2016	
	HK\$'000	% to total advances to customers	HK\$'000	% to total advances to customers
vii) Analysis of overdue loans to customers (net of any interest that has been capitalized but accrued to a suspense account)				
- 6 months or less but more than 3 months	0	0.00%	0	0.00%
- 1 year or less but more than 6 months	0	0.00%	0	0.00%
- more than 1 year	0	0.00%	0	0.00%
We do not have overdue advances to banks and other financial institutions as at Oct 31, 2016. (Apr 30, 2016: NIL)				
viii) The aggregate amount of rescheduled advances to customers (net of those which have been overdue for over 3 months and reported in item vii) above.	Nil	0.00%	Nil	0.00%
We do not have rescheduled advances to banks and other financial institutions as at Oct 31, 2016. (Apr 30, 2016: NIL)				
ix) The amount of advances to customers which:				
- are overdue for more than three months and on which interest is still being accrued; and	Nil	0.00%	Nil	0.00%
- are overdue for three months or less or not yet overdue and on which interest is being placed in suspense or on which interest accrual has ceased.	Nil	0.00%	Nil	0.00%
We do not have overdue advances to banks and other financial institutions as at Oct 31, 2016. (Apr 30, 2016: NIL)				
x) Reconciliation between overdue loans and impaired loans:				
Overdue advances to customers	Nil	0.00%	Nil	0.00%
Less:				
Overdue for more than 3 months and on which interest is still being accrued	Nil	0.00%	Nil	0.00%
Add:				
Advances overdue for 3 months or less, or not yet overdue, and on which interest has been placed in suspense or on which interest accrual has ceased				
- included in rescheduled advances	Nil	0.00%	Nil	0.00%
- others	Nil	0.00%	Nil	0.00%
Total impaired loans and advances	Nil	0.00%	Nil	0.00%
xi) Mainland exposures to non-bank counterparties	Nil		Nil	

PART IV – OFF BALANCE SHEET EXPOSURES

	Oct 31, 2016	Apr 30, 2016
CONTINGENT LIABILITIES AND COMMITMENTS (Contractual Amounts)	HK\$'000	HK\$'000
Trade-related contingencies	24,193	15,890
Other commitments	898,439	421,176

DERIVATIVES

Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	3,751,962	359,543
Interest rate contracts	0	0
Equity Contracts	0	0

RISK EXPOSURE INFORMATIONFair value (after taking into account the effect of bilateral netting agreement):

Exchange rate contracts (include interbranch)	0	0
Interest rate contracts	0	0

There is no bilateral netting agreement for above derivatives contracts

PART V – LIQUIDITY RATIO

	Oct 31, 2016	Oct 31, 2015
The average liquidity maintenance ratio (“LMR”) for the financial period of Nov15 to Oct16	69.10%	
The average liquidity maintenance ratio (“LMR”) for the financial period of Jan15 to Oct15		64.07%
The average liquidity ratio (“LR”) for the financial period of Nov14 to Dec14		51.42%

Note: The liquidity ratios above are not directly comparable due to adoption of liquidity maintenance ratio to category 2 financial institution starting from January 2015.

CIBC HK Branch liquidity management is governed by the CIBC Liquidity Risk Management policy and the Liquidity Management Framework. Funding Liquidity Management (FLM) staff based in Hong Kong manage liquidity risk according to local governance and with additional oversight provided by CIBC Treasury and FLM based in Toronto (Head Office) and Treasury in London. CIBC Treasury (Head Office) manage and monitor global liquidity risk exposure and ensure compliance with approved liquidity limits and guidelines. CIBC HK Branch follows the guidance set forth by the HKMA in Supervisory Manual LM-2 in conjunction with overall CIBC group policy objectives.

PART VI – ADDITIONAL PROFIT AND LOSS STATEMENT INFORMATION

	Oct 31, 2016	Oct 31, 2015
Breakdown of Fee and Commission income from November to October:		
Gross fees and commission income	24,275	845
Gross fees and commission expenses	0	0
	<u> </u>	<u> </u>
Net fees and commission income	<u>24,275</u>	<u>845</u>

**CANADIAN IMPERIAL BANK OF COMMERCE
(INCLUDING HK BRANCH)
DISCLOSURE STATEMENT AS AT October 31, 2016**

(based on CIBC fourth quarter report for the period ended October 31, 2016)

SECTION B – BANK INFORMATION (CONSOLIDATED BASIS)

CAPITAL AND CAPITAL ADEQUACY

	Oct 31, 2016	Apr 30, 2016
	CAD Million	CAD Million
Total shareholders' equity	23,673	21,772
Capital adequacy ratio	14.80%	13.90%

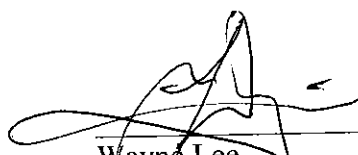
CIBC's regulatory capital requirements are determined in accordance with OSFI's capital adequacy guidelines.

OTHER FINANCIAL INFORMATION

Total assets	501,357	478,144
Total liabilities	477,684	456,372
Total advances	307,417	290,546
Total customer deposits	338,321	320,140
	Oct 31, 2016	Oct 31, 2015
Pre-tax profit	5,013	4,224

Statement by Chief Executive

This Disclosure Statement is in compliance with the Banking (Disclosure) Rules and recommendations as stated in the Hong Kong Monetary Authority's Supervisory Policy Manual on "Guideline on the Application of the Banking (Disclosure) Rules". To the best of my knowledge, the disclosure is not false or misleading.



 Wayne Lee
 Chief Executive
 Canadian Imperial Bank of Commerce, Hong Kong Branch