



Report to Shareholders for the Fourth Quarter, 2000

www.cibc.com

Chairman's Message

Dear Shareholder:

December 7, 2000

Earnings

Today CIBC reported fourth quarter earnings of \$332 million, up \$324 million from the results achieved in the same quarter a year ago. Earnings per share were \$0.80 and return on equity was 12.1%.

These results reflect solid performance in all business lines and include gains on the sale of our property and casualty insurance companies (\$97 million after-tax), the sale of our Swiss private banking operations (\$20 million after-tax), and an \$18 million after-tax credit reflecting an adjustment to the 1999 restructuring provision. The impact of these gains was offset by a \$143 million after-tax increase in the specific provision for credit losses relating to student loans and a \$57 million after-tax increase in the general allowance for credit losses. Fourth quarter earnings in 1999 included a \$184 million after-tax restructuring charge. Further details concerning these and other significant items are provided later in the report.

During the quarter, we evaluated the status of the student loan portfolio, giving consideration to the expiry of the contract with the federal government on July 31, 2000, ongoing negotiations with various provinces, and the poor credit performance of this portfolio. We have adjusted the specific provision to reflect the results of our assessment. Going forward our involvement in government contracts for student loans will not expose CIBC to credit risk.

Our balance sheet remains strong. Allowances for credit losses exceed impaired loans and our regulatory capital ratios, Tier 1 at 8.7% and total at 12.1%, are among the best in the industry. During the quarter, we repurchased 7.6 million common shares at an average price of \$47.86 per share, under a normal course issuer bid that started December 15, 1999. In the year, we repurchased a total of 26.5 million common shares at an average price of \$40.42 per share.

CIBC and our shareholders had an excellent year. Earnings for the year ended October 31, 2000 set a new record at \$2,060 million, up from \$1,029 million in 1999. Basic earnings per share were \$4.97, up from \$2.23 in 1999. A year ago, my new management team and I made a commitment to generate the best total shareholder return of all the major Canadian banks by 2002. In fiscal 2000, CIBC's total return was 57.5%, outpacing all of the other Canadian banks.

Growth

CIBC is focused on achieving sustainable growth and delivering greater value through innovative strategies and a heightened sense of accountability. During the fourth quarter, work progressed on several key initiatives already under way.

Electronic Commerce

We continue to acquire more customers through strategic alliances with leading brand retailers. Under Amicus, which brings together all our co-branded banking businesses, we now have 456,000 e-banking customers and are acquiring approximately 25,000 more each month. In addition to Amicus customers, we have 2.4 million telephone banking and 798,000 PC Banking customers.

During the quarter, we announced the creation of Procuron Inc., a coalition among business service providers to build a business-to-business electronic marketplace. Procuron will help CIBC business customers save time and money by providing an integrated purchasing system with the convenience of e-commerce and the benefits of automated order management. Starting in early 2001, CIBC, Bell Canada, Scotiabank Group, Mouvement des caisses Desjardins and BCE Emergis will offer online a wide range of brand-name products and services.

Following the quarter, we announced our intention to form a long-term alliance with Investors Group Inc., Great-West Lifeco Inc. and London Life Insurance Co. to distribute a full range of financial products and services under their own brands. Amicus will provide the products, services, operating infrastructure and technology to support this arrangement. Subject to regulatory approval and final agreements, the new products will be introduced in 2001, beginning with Investors Group Inc.

CIBC World Markets

Strong performance continued in our U.S. investment banking operation, and particularly in the new issue equity business for technology companies. During the quarter, CIBC World Markets led and co-managed 38 equity offerings amounting to US\$7.2 billion, up from 32 equity offerings amounting to US\$4.0 billion a year ago.

Wealth Management

We continue to rank first among Canadian banks in mutual fund net sales, and we are also the leader in index funds with \$3.9 billion in assets under administration. During the quarter, we introduced three new index funds.

Retail and Small Business Banking

We remain focused on improving employee and customer satisfaction by upgrading technology in the retail branches and by providing more training for front-line staff. These efforts are beginning to pay off – during the year, ongoing surveys showed improvement in customer satisfaction.

For small business customers, the initial 11 bizSmart kiosks opened in Business Depot stores. BizSmart is a strategic alliance with other leading suppliers to Canadian small business to provide the first no-fee, online banking offer (bizsmart.com) to this growing customer segment.

Focus

We continue our focus on shifting capital to high-return businesses and strategic growth activities, while reducing risk-weighted assets. During the quarter, we completed the sales of CIBC's property and casualty insurance companies and CIBC Suisse S.A. We increased capital in Amicus and equity products, and we further reduced risk-weighted assets related to our non-core wholesale loan portfolio by \$0.9 billion, which represents a 12% reduction in this portfolio.

Performance Against Objectives

For the fourth consecutive quarter, total shareholder return, return on equity, earnings growth and capital strength exceeded our targets. Our share price closed at \$48.40, up from \$31.70 at October 31, 1999. We also exceeded our target to eliminate \$500 million, on an annualized basis, from our operating expense base by the fourth quarter. Our efforts to reduce expenses will be ongoing. We continue to work toward increasing disclosure to help in the understanding of our financial results. This year, we have introduced a separate fourth quarter report and endeavoured to provide a full explanation of items affecting our earnings. We invite you to listen to the audio-visual webcast of our quarterly financial teleconference call with registered bank analysts and institutional investors later today. Information is available at www.cibc.com.

Financial Targets	Measurement	2000 Performance
Share Price	Best total return of Canadian banks over the next 3 years	57.5% versus the bank index of 40.4%
ROE	18% by 2002	19.3% ⁽¹⁾
Earnings Growth	Fully diluted EPS growth rate of 15% per year	\$4.55 ⁽¹⁾ , up 105% from 1999 EPS of \$2.22
Efficiency	Non-interest expenses to revenue ratio of 60% by 2002	68.1% ⁽¹⁾
Capital Strength	7.5% – 8.5% (Tier 1)	8.7%
	10.5% – 11.5% (Total Capital)	12.1%

⁽¹⁾ Normalized for the gains on sales of corporate assets and the additional specific provision for government-sponsored student loans.

We have accomplished much this year. Our excellent returns and consistent performance are the result of hard work by talented employees. We will continue to measure and review our performance, hone our financial discipline and leverage every opportunity to add value to your investment in CIBC.



John S. Hunkin
Chairman and Chief Executive Officer, CIBC

OPERATING HIGHLIGHTS

- Hedged the majority of the remaining 47 million share investment in Global Crossing Ltd.
- Launched cibc.com to invest in new e-commerce ventures
- Launched bizSmart no-fee, online banking for small business customers
- Ranked No. 1 in mutual fund net sales among Canadian banks and trust companies
- Sold our property and casualty insurance companies
- Sold our private client operations in Switzerland
- Announced Procuron Inc. joint venture with other providers to build B2B electronic marketplace
- Introduced Aerogold card for small business
- Increased equity offerings in the U.S. by 80% in terms of dollar value.

Subsequent events:

- Announced Amicus expansion through agreement with three retail financial service companies to distribute banking and brokerage services under their own brands
- Announced agreement with National Data Corporation to form 10-year marketing alliance to expand merchant products and services in North America

A NOTE ABOUT FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements about the operations, objectives, targets and strategies of CIBC. Forward-looking statements may be identified by the words “believe”, “expect”, “anticipate”, “intend”, “estimate” and other similar expressions. These statements are subject to risks and uncertainties. Actual results may differ materially due to a variety of factors, including legislative or regulatory developments, competition, technological change, global capital market activity, interest rates and general economic conditions in Canada, North America or internationally. 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 readers should not place undue reliance on CIBC’s forward-looking statements.

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FINANCIAL AND OPERATIONS COMMENTARY – OVERVIEW

Net Income

CIBC reported net income of \$332 million for the fourth quarter, an increase of \$324 million from the fourth quarter of 1999. Basic earnings per share were \$0.80 and return on equity was 12.1%, up from \$(0.04) and (0.8)%, respectively, in 1999.

CIBC's net income for the year ended October 31, 2000 was \$2,060 million, up \$1,031 million or 100% from 1999. Basic earnings per share were \$4.97 and return on equity was 20.5%, compared to \$2.23 and 9.8% in 1999.

The following table lists certain items affecting CIBC's results.

NET INCOME

\$ millions	For the three months ended			For the years ended	
	2000 Oct. 31	2000 Jul. 31	1999 Oct. 31	2000 Oct. 31	1999 Oct. 31
Net income before the following, net of income taxes:	\$ 412	\$ 383	\$ 317	\$ 1,713	\$ 1,359
Gains on sales of corporate assets ⁽¹⁾	132	-	-	260	-
Restructuring (charge) reversal	18	-	(184)	18	(242)
Oppenheimer acquisition-related costs	(3)	(3)	(5)	(12)	(25)
Consolidation of New York premises	(27)	-	-	(27)	-
General provision for credit losses	(57)	-	(21)	(146)	(84)
Additional specific provision for credit losses – student loans	(143)	-	-	(143)	-
Gains on sales of a portion of CIBC's investment in Global Crossing Ltd., offset by certain write-downs in 1999 ⁽²⁾	-	221	(68)	397	52
Write-down of certain technology assets	-	-	(31)	-	(31)
Net income as reported	\$ 332	\$ 601	\$ 8	\$ 2,060	\$ 1,029

⁽¹⁾ After-tax gains in the fourth quarter of 2000 were from sale of the property and casualty insurance companies (\$97 million), CIBC Suisse S.A. (\$20 million), and an office property (\$15 million).

⁽²⁾ Write-downs relate to Loewen Group and Newcourt Credit Group Ltd.

After allowing for these items, net income for the fourth quarter was \$412 million, an increase of \$95 million or 30% from the fourth quarter of 1999. Similarly adjusted basic earnings per share were \$0.99 and return on equity was 15.4% (fourth quarter 1999: \$0.72 earnings per share and 12.2% return on equity).

Net income for the year, excluding the above noted items, was \$1,713 million, an increase of \$354 million or 26% from 1999.

Revenue

Revenue was \$3,018 million on a tax equivalent basis (TEB) in the 2000 fourth quarter and \$12,210 million for the year, up \$582 million (24%) and \$1,945 million (19%), respectively, from 1999. Revenue in the fourth quarter of 2000 included gains on sales of corporate assets including the property and casualty insurance companies (\$97 million), CIBC Suisse S.A. (\$28 million) and an office property (\$21 million). Revenue in the fourth quarter of 1999 included significant write-downs against certain investments (see note (2) above).

Revenue for the year 2000 benefited from gains on sales of corporate assets including sales of the property and casualty insurance companies (\$97 million), CIBC Suisse S.A. (\$28 million) and certain office properties (\$203 million), as well as a \$697 million (1999: \$583 million) gain on the sale of a portion of our investment in Global Crossing Ltd. 1999 also included significant write-downs related to certain investments. Excluding these items, revenue for the year was \$11,185 million, up \$1,137 million or 11% from 1999 due to strength across all business lines.

World Markets revenue was up \$882 million for the year. This growth in revenue was driven by merchant banking gains, including a gain on the sale of a portion of our investment in Global Crossing Ltd., and record levels of equity related activities. Wealth Management revenue was up \$558 million primarily due to favourable market conditions and volumes, as well as growth in our client base and assets under administration. Strong performance in cards drove a \$68 million increase in Electronic Commerce revenue, while Retail and Small Business Banking posted solid revenue increases.

Expenses

Non-interest expenses were \$2,062 million for the fourth quarter and \$8,127 million for the year, after excluding the restructuring charge from 1999 and the adjustment in 2000, up 4% and 7%, respectively, from the comparative periods in 1999.

The increase in non-interest expenses was due to higher incentive compensation and variable expenses tied to higher revenue, offset by lower operating expenses as a result of our cost reduction program. In addition, spending on strategic initiatives such as Amicus and bizSmart increased expenses in 2000.

CIBC achieved its target of reducing base operating expenses by \$500 million on an annualized basis by the fourth quarter of 2000. The base was second quarter 1999 expenses, excluding certain revenue-related expenses (incentive compensation, commissions and other variable expenses) and new investment in strategic growth businesses. CIBC achieved annualized savings of almost \$600 million based on the fourth quarter results.

CIBC recorded a restructuring provision of \$426 million in 1999 in support of the program to reduce base operating expenses. This program has been substantially implemented in 2000. During the fourth quarter of 2000, a net \$31 million reduction was made to the original provision. This adjustment resulted primarily from lower severance costs due to higher levels of attrition and redeployment within CIBC, as well as a reduction in scope of certain initiatives.

Assets

Total assets were \$267.7 billion at October 31, 2000, up \$17.4 billion from the fourth quarter of 1999 primarily due to increases in residential mortgages (\$5.3 billion), personal and credit card loans (\$2.9 billion) and trading securities (\$7.2 billion).

CIBC increased its full-year estimate of the specific provision for credit losses by \$250 million. This increase related to the government-sponsored student loan portfolio and reflects the results of management's assessment of the portfolio giving consideration to the expiry of the contract with the federal government on July 31, 2000, ongoing negotiations with various provinces and the overall poor credit performance of this portfolio. As well, CIBC added \$100 million to the general allowance for credit losses, increasing it to \$1,250 million. This increase reflects a prudent approach to the current economic cycle and portfolio composition, as well as continued refinement of CIBC's general allowance methodology.

Specific provisions were \$970 million for the year, compared to \$600 million in 1999. The increase primarily relates to the consumer loan portfolio, specifically student loans and losses associated with growth in the credit card portfolio. At year end, the total allowance for credit losses was \$2,236 million, up \$488 million from 1999. Gross impaired loans were \$1,661 million, up \$179 million from one year ago.

In 2000, CIBC divested certain corporate assets to focus on core competencies and to enhance capital productivity. Divestitures during the year included:

- The sale of CIBC's portfolio of seven wholly-owned office properties located in Vancouver, Edmonton, Hamilton, Montreal, Oshawa and Toronto in the second quarter. A gain of \$182 million (\$128 million after-tax) was recognized during the year, from a total gain of \$333 million. The remaining gain relates to the portion of the premises that CIBC continues to occupy and will be recognized over the approximately 10-year average term of the related leases. As well, CIBC recorded a gain of \$21 million (\$15 million after-tax) relating to the sale of a property in the fourth quarter.
- CIBC's property and casualty insurance companies, The Personal Insurance Company of Canada and CIBC General Insurance, were sold to Desjardins-Laurentian Financial Corporation resulting in a gain of \$97 million (\$97 million after-tax).
- CIBC Suisse S.A. was sold to Crédit Agricole Indosuez, a subsidiary of the French bank, Crédit Agricole group, for a gain of \$28 million (\$20 million after-tax).

Capital Management

CIBC's total capital for regulatory purposes was \$16.1 billion at year end, up \$0.7 billion from October 31, 1999. Tier 1 and total regulatory capital ratios were 8.7% and 12.1%, respectively, at October 31, 2000, up from 8.3% and 11.5% one year ago.

Shareholder Value

CIBC's common share price was \$48.40 at year end, up 53% from \$31.70 at October 31, 1999. Book value per share was \$25.17, up 11% from 1999.

Total return to CIBC shareholders in fiscal 2000, including dividends, was 57.5%.

Under CIBC's normal course issuer bid that started December 15, 1999, CIBC purchased 7.6 million shares during the fourth quarter at an average price of \$47.86 per share. During the year ended October 31, 2000, 26.5 million shares were purchased at an average price of \$40.42 per share.

FINANCIAL AND OPERATIONS COMMENTARY – SEGMENTED

CIBC's management structure has four business lines – Electronic Commerce, Technology and Operations; Retail and Small Business Banking; Wealth Management; and CIBC World Markets. These business lines are supported by four functional groups – Treasury and Balance Sheet Management (TBM); Risk Management; Administration; and Corporate Development.

Electronic Commerce, Technology and Operations (Electronic Commerce)

Electronic Commerce comprises mortgages, card products, insurance and the development of leading-edge technology businesses, either directly or through electronic banking alliances, to generate new revenue opportunities. The group also manages CIBC's operations and technology function, the payments business (chequing, saving and current accounts) and electronic banking services (telephone banking, computer/Internet banking and ABMs), the revenue and expenses of which are fully allocated.

Net income for the fourth quarter of 2000 was \$152 million and included a \$97 million after-tax gain on sale of the property and casualty insurance companies. The fourth quarter of 1999 included a restructuring provision of \$44 million after-tax and a one-time charge relating to technology assets of \$28 million after-tax, while the fourth quarter of 2000 included a \$16 million after-tax credit to

adjust the 1999 restructuring provision. Excluding these items, net income for the fourth quarter of 2000 was \$39 million, down \$10 million from \$49 million in the fourth quarter of 1999.

Net income for the year was \$323 million, up \$124 million from 1999. The increase resulted primarily from the \$97 million after-tax gain on the sale of the property and casualty insurance companies and a \$16 million after-tax credit adjustment to the 1999 restructuring provision in 2000, together with the \$44 million after-tax restructuring provision and the one-time \$28 million after-tax charge relating to technology assets in 1999.

Revenue totaled \$499 million in the fourth quarter, up \$61 million from the 1999 fourth quarter and up \$80 million from the prior quarter. Revenue for the full year was \$1,716 million, up \$68 million from 1999.

- **Mortgages** include both residential and commercial mortgages. Revenue was \$89 million in the fourth quarter, up \$15 million from the fourth quarter of 1999 due to increased loan balances offset by a decrease in interest margins. Revenue was up \$8 million from the prior quarter. Revenue for the full year was \$334 million, down \$6 million from 1999. Mortgage balances outstanding were up; however, revenue was down because interest margins decreased as higher interest rates caused a decline in prepayment fees received.
- **Cards** comprise a portfolio of credit and debit cards as well as a merchant business. Revenue was \$246 million in the fourth quarter, up \$25 million from the fourth quarter of 1999 due to a 23% increase in average balances under administration and a 23% increase in purchase volumes. Revenue was up \$6 million from the prior quarter as a result of higher average balances under administration and purchase volumes. Revenue for the full year was \$912 million, up \$134 million from 1999 due to significant increases in average balances under administration and purchase volumes.
- **Insurance** provides creditor and property and casualty insurance products. Revenue was \$109 million in the fourth quarter, up \$50 million from the fourth quarter of 1999 due to the \$97 million gain on the sale of the property and casualty insurance companies at the end of August, partially offset by the impact of exiting direct life insurance in April and the underwriting of property and casualty products. Revenue was up \$63 million from the prior quarter for the same reasons. In the fourth quarter, the remaining creditor life business had revenue of \$12 million, below the average of the first three quarters and ongoing expectations, due to lower investment income and certain one-time events.

Revenue for the full year was \$245 million, up \$12 million from 1999 again due primarily to the gain on sale of the property and casualty companies. Excluding the gain on sale, revenue was \$148 million, down \$85 million from 1999 as a result of exiting direct life insurance products, underwriting of property and casualty insurance and strengthening reserves. Going forward, the insurance business focus will be on the distribution and marketing of creditor, term life, travel medical and accidental death insurance.

- **Other** includes Amicus, electronic and self-service banking, the allocation of a portion of treasury revenue and INTRIA third-party technology services. Revenue was \$55 million in the fourth quarter, down \$29 million from the fourth quarter of 1999 due in part to a decline in treasury revenue. Revenue was up \$3 million from the prior quarter. Revenue for the full year was \$225 million, down \$72 million from 1999 due primarily to a decline in treasury revenue.

In addition to the above, revenue of \$1,849 million in 2000 (1999: \$1,895 million) was managed and fully allocated to other business lines within CIBC. This relates largely to the payments business.

Non-interest expenses for the fourth quarter were \$294 million, down \$102 million from the fourth quarter of 1999 after excluding the restructuring charge in 1999 and the adjustment in 2000. The fourth quarter of 1999 also included a \$48 million charge for the revision in the estimated useful life of certain technology assets. Reductions were achieved in all businesses, especially insurance and technology, with increases in cibc.com and Amicus.

Non-interest expenses for the year were \$1,155 million, up \$54 million from 1999 after excluding the restructuring charge in 1999 and the adjustment in 2000, as well as the one-time \$48 million technology charge from 1999. Expenses were up due to Amicus spending which totaled \$267 million (1999: \$102 million). The Amicus spending was funded in part by savings achieved from our cost reduction program.

At year end, there were 15,264 full-time equivalent employees, which was slightly lower than the number as at October 31, 1999 as reductions due to restructuring and exiting certain insurance businesses were offset by growth in strategic areas.

Developments and progress against targets include:

- Procuron Inc. was formed as CIBC joined forces with Bell Canada, Scotiabank Group, Mouvement des caisses Desjardins and BCE Emergis to create one of

Canada's largest business-to-business (B2B) electronic marketplaces. Procuron will offer businesses aggregated purchasing and automated order management in an efficient, integrated system. Beginning in the first quarter of 2001, CIBC's business customers will be able to take advantage of Procuron's combined purchasing volume, along with its e-commerce and strategic sourcing expertise, to purchase a diverse range of brand-name business products and services.

- Cards launched the Aerogold VISA card for small business in the fourth quarter. The new card delivers a mix of benefits and rewards including a flexible line of credit and a low interest rate.
- CIBC and SureFire Commerce Inc., a global e-commerce solutions provider, have reached an agreement to build the first full-service Canadian online shopping community to be offered by a Canadian financial institution. ShopCIBC will soon be available to CIBC's merchants and be promoted to nearly four million CIBC VISA customers.
- Sutton Group Realty Services Ltd. and CIBC Mortgages Inc. introduced three new innovative mortgage products in October. This provides Sutton customers with an expanded choice of mortgages to select from when buying a home.
- Subsequent to year end, CIBC announced an expansion of Amicus activities, signing a letter of intent with Investors Group Inc., Great-West Lifeco Inc., and London Life Insurance Co. Under this exclusive long-term distribution arrangement, the three companies will distribute banking and brokerage products and services under their own brands, through their respective consultant and advisor networks nationwide. Amicus will provide the products, services, operating infrastructure and technology to support this arrangement. Subject to regulatory approval and final agreements, the new products will be introduced in 2001, beginning with Investors Group Inc.
- Subsequent to year end, CIBC and National Data Corporation (NDC) of Atlanta, Georgia, announced an agreement to form a 10-year marketing alliance to enhance and expand their merchant products and services in the North American marketplace. CIBC Merchant Card Services will join with NDC's current payment processing business to form Global Payments Inc., a new public company which will be a leader in merchant services in North America. Under the terms of the deal, CIBC will sell its merchant acquiring business, a division of cards, and purchase a 26.25% equity stake in Global Payments Inc. The deal is contingent upon obtaining regulatory approvals in Canada and the United States.

Target ➤ Double the number of electronic banking customers (Amicus) within one year

- The number of electronic banking customers in Amicus grew 97% from 231,000 to 456,000.

Target ➤ Increase sales of CIBC's banking products through electronic channels by 50% within one year

- Year-to-date sales volumes through telephone and PC Banking were up 16% from 1999. Growth in the number of calls received reduced our ability to increase outbound marketing calls required to meet the sales growth target and stay within our expense target. Including Amicus, growth is 48%.

Target ➤ Change business processes that are not serving customers well or are exceeding industry cost benchmarks

- To accommodate continued growth in telephone banking, we are opening a new call centre in Fredericton, N.B. in early 2001.

Retail and Small Business Banking

Retail and Small Business Banking comprises a full-service banking operation offering customers lending, deposit and investment products and other banking services through an extensive branch network in Canada and the West Indies, and through electronic channels managed by the Electronic Commerce business line (such as ABMs, telephone banking, debit card and Internet banking). The retail, small business and student loan portfolios are included within the Retail and Small Business Banking business line.

A loss of \$59 million was reported in the fourth quarter as a result of an additional \$143 million after-tax provision for credit losses related to the student loan portfolio and a \$6 million after-tax charge to adjust the 1999 restructuring provision. The fourth quarter of 1999 included a \$31 million after-tax restructuring charge. Excluding these items, net income for the fourth quarter was \$90 million, down \$9 million from the fourth quarter of 1999 and up \$1 million from the prior quarter.

Net income for the year was \$205 million, down from \$291 million in 1999. After adjusting 2000 for the items noted above and 1999 for the \$39 million after-tax restructuring provision and the \$21 million gain on an investment, net income was \$354 million for 2000, up \$45 million from 1999. The increase reflects higher revenue in both retail banking and small business banking, partly offset by reduced loan spreads and lower treasury revenue.

Revenue totaled \$655 million in the fourth quarter, up \$28 million from the fourth quarter of 1999 and down \$4 million from the prior quarter. Revenue for the full year was \$2,590 million, up \$113 million from 1999, excluding the \$21 million gain on investment in 1999.

- **Retail banking** is the individual customer segment (customers other than those in Imperial Service). Revenue is earned from sales and service fees paid by CIBC's product groups, primarily the investments, deposits and lending products businesses. Revenue was \$220 million in the fourth quarter, down \$2 million from the fourth quarter of 1999 and down \$12 million from the prior quarter. Revenue for the full year was \$886 million, up \$64 million from 1999 due to business growth in loans and investments, and higher retail deposit interest margins.
- **Small business banking** is the customer segment supporting small owner-operated businesses, including owners' personal holdings. Revenue is earned from sales and service fees paid by CIBC product groups, primarily the investments, deposits and lending products businesses. Revenue was \$202 million in the fourth quarter, up \$27 million from the fourth quarter of 1999 due to growth in deposits, investments and loan portfolios. Revenue was consistent with the prior quarter. Revenue for the full year was \$780 million, up \$102 million from 1999 due to growth in deposits, investments and loan portfolios. Total outstanding balances of loans and deposits increased 11% from the end of 1999.
- **West Indies** is a full-service banking operation servicing all customer segments through a branch network and electronic delivery channels. Revenue is earned on net interest spreads and sales and service fees. Revenue was \$69 million in the fourth quarter, up \$2 million from the fourth quarter of 1999 due primarily to more favourable foreign exchange rates. Revenue was down \$1 million from the prior quarter as a result of slightly lower net-interest margins. Revenue for the full year was \$268 million. Excluding a \$21 million investment gain in 1999, revenue in 2000 was up by \$26 million due to higher business volumes.
- **Lending products** comprise personal (including student loans), small business and agricultural lending portfolios. Revenue is earned through net interest spreads and service fees; part of this revenue is paid to the customer segments. Revenue was \$163 million in the fourth quarter, up \$15 million from the fourth

quarter of 1999 due to higher volumes in the personal and small business portfolios and improved personal loan spreads. Revenue was up \$8 million from the prior quarter as a result of increased personal loan volumes and spreads. Revenue for the full year was \$624 million, down \$26 million from 1999 due to lower interest margins, which offset the impact of \$1.4 billion in higher loan volumes. The reduction in margins was a result of the continuing shift of the product mix into lower spread products such as secured lines of credit.

- **Other** consists primarily of the allocation of a portion of treasury revenue. Revenue was \$1 million in the fourth quarter, down \$14 million from the fourth quarter of 1999. Excluding an asset write-down of \$6 million in the prior quarter, revenue was down \$5 million from the third quarter. Revenue for the full year was \$32 million, down \$53 million from 1999. In each instance, the decline was due to lower treasury revenue.

Non-interest expenses for the fourth quarter were \$456 million, up \$34 million from the fourth quarter of 1999 after excluding the restructuring charge from 1999 and the adjustment in 2000. This increase relates to higher non-credit losses in 2000 and lower general and administration expenses in 1999.

Non-interest expenses for the year were \$1,809 million, up \$56 million from 1999 after excluding the restructuring charge from 1999 and the adjustment in 2000. The increase is primarily due to strategic spending, increased incentive compensation based on operating results and a rise in the level of non-credit losses.

At year end there were 15,418 full-time equivalent employees, down 2% from 1999 due primarily to restructuring. Adjusting for new branches, technology initiatives, launch of bizSmart, creation of small business advisory teams, and for employees completing service in restructured positions, full-time equivalent positions were down 855 or 5% from 1999.

Developments and progress against targets include:

- BizSmart, Canada's first no-fee, online banking offer for small business customers was launched in the fourth quarter. In October 2000, 11 kiosks were opened in Business Depot locations in the Greater Toronto Area. Roll-out across the country is planned for 2001.

- A web site, www.cibcasianbanking.com, was launched in the fourth quarter for CIBC Asian Banking.
- During the year, we created a separate group of 2,000 professionals committed to improving how we serve the small business segment. This group is organized into teams to strengthen our integrated offer to better meet both the personal and business financial services needs of our clients, as well as to establish a basis for better account relationship continuity.
- More than 5,000 personal computers and servers were installed in the first phase of a major technology upgrade and training initiative for the retail banking front-line. In October 2000, we continued the technology upgrade and initiated a project to replace counter workstations and printers.
- Retail University, a training initiative aimed at increasing employee capability, was launched in 2000 and includes programs for retail banking sales and service employees and their managers. More than 5,000 employees will be participating in the in-branch and in-class programs over the next year.
- A new customer care process was implemented to ensure our customers' concerns are consistently addressed in a professional and timely fashion. Our customer loyalty results improved slightly in 2000 despite large-scale branch reorganization and staffing changes.

Target ➤ Improve customer loyalty by 10% by 2002

- Ratings for 2000 improved by 2% over 1999, based on internal customer loyalty measures for October 2000.

Target ➤ Become No.1 bank for small business customers by 2002

- In a recent external survey of small business customers, CIBC ranked first among Canadian banks with 77% of our small business customers also conducting their personal business with CIBC.
- The latest available provincial market share statistics record a 27 basis point improvement over 1999 in our share of business loans in the under \$1 million category.
- The launch of bizSmart provides Canada's first no-fee, online banking offer for small business.

Target ➤ Grow small business loans by 15% a year

- Small business loan volumes at October 31, 2000 were 12% higher than at the end of 1999.

Wealth Management

Wealth Management is a leader in helping individual clients achieve their financial goals through a sales force of more than 2,900 financial professionals. These professionals deliver an array of investment products and services including: full-service brokerage (reported in CIBC World Markets in 1999), discount brokerage, a full range of mutual funds, GICs, global private banking and trust, investment management services, and a full range of banking and credit services.

Net income for the fourth quarter was \$119 million, up \$120 million from the fourth quarter of 1999. The fourth quarter of 1999 included an after-tax restructuring charge of \$30 million while the fourth quarter of 2000 included a \$6 million after-tax adjustment to the restructuring provision. Excluding the impact of the restructuring charge and the adjustment to the provision, the \$84 million increase in net income was due largely to increased revenue across all businesses as well as the gain on the sale of CIBC Suisse S.A. of \$20 million.

Net income was \$461 million for 2000, up \$285 million from the year ended October 31, 1999, reflecting increased revenue due to favourable market conditions as well as growth in the client base.

Revenue totaled \$654 million in the fourth quarter, up \$128 million from the 1999 fourth quarter and up \$18 million from the prior quarter. Revenue for the full year was \$2,764 million, up \$558 million from 1999 due to growth across all business lines, in particular private client investment, asset management and wealth products.

- *Imperial Service is the customer segment offering financial advice to CIBC's high-value clients. Specially trained financial advisers support the financial planning and product fulfilment needs of these clients. Revenue is earned from sales and service fees paid by CIBC's product groups, primarily the investments, deposits and lending products businesses. Revenue was \$161 million in the fourth quarter, up \$13 million from the fourth quarter of 1999 and was consistent with the prior quarter. Revenue for the full year was \$619 million, up \$31 million from 1999 mainly due to higher retail deposit interest margins.*
- *Private client investment and asset management generates fees and commissions from full-service retail brokerage providing equity and debt investments, mutual fund products, asset management service and advisory and financial planning services to individuals in Canada and the United States. Revenue was*

\$308 million in the fourth quarter, up \$56 million from the fourth quarter of 1999 due to market conditions generating increased trading volumes. Revenue was down \$1 million from the prior quarter. Revenue for the full year was \$1,430 million, up \$352 million from 1999. Revenue increased due to higher retail trading volumes as well as growth in our client base. Also contributing to the increase were higher than normal incentive fees representing our no-risk participation in the profits of investment partnerships.

- *Global private banking and trust provides a comprehensive range of global solutions, including investment management, trusts, private banking and global custody to meet the financial management needs of individuals, families and corporations with significant financial resources. Revenue was \$60 million in the fourth quarter, up \$30 million from the fourth quarter of 1999 due to the \$28 million gain on the sale of CIBC Suisse S.A. Revenue was up \$30 million from the prior quarter also as a result of the gain on the sale of CIBC Suisse S.A. Revenue for the full year was \$153 million, up \$40 million from 1999.*
- *Wealth products includes mutual funds, investment management services, online and discount brokerage services and GICs. These investment products are developed and distributed to retail, small business and Imperial Service customers. Revenue was \$117 million in the fourth quarter, up \$39 million from the fourth quarter of 1999. Revenue was down \$11 million from the prior quarter. Revenue for the full year was \$513 million, up \$169 million from 1999 due to strong market conditions and increases to our customer base. In particular, discount brokerage trading volumes increased 111% from 1999 and discount brokerage assets under administration grew 46% from 1999. As well, growth in mutual funds was strong, resulting in assets under administration increasing by \$3.5 billion or 17% from 1999.*
- *Other consists primarily of the allocation of a portion of treasury revenue. Revenue was \$8 million in the fourth quarter, down \$10 million from the fourth quarter of 1999 due to lower treasury revenue. Revenue was unchanged from the prior quarter. Revenue for the full year was \$49 million, down \$34 million from 1999 again due to lower treasury revenue.*

Non-interest expenses for the fourth quarter were \$493 million, up \$17 million from the fourth quarter of 1999 after excluding the restructuring charge from 1999 and the adjustment in 2000.

Non-interest expenses for the year were \$2,080 million, up \$155 million from 1999 after excluding the restructuring charge from 1999 and the adjustment in 2000. The increase in non-interest expense from 1999 was primarily due to revenue-related expenses of which the most significant is variable compensation. Excluding revenue-related expenses from both 1999 and 2000, non-interest expenses were \$1,263 million, down \$71 million from 1999. The reduction resulted from cost reduction initiatives within Wealth Management.

At year end, there were 7,540 full-time equivalent employees, down 709 or 9% from 1999 primarily due to re-alignment of the Imperial Service sales force, restructuring of the domestic trust operations and the sale of CIBC Suisse S.A.

Developments and progress against targets include:

- CIBC continues to rank first among banks in mutual fund net sales year-to-date, with \$1.5 billion, and is also the Canadian leader in index funds with \$3.9 billion in assets under administration at the end of the fourth quarter.
- CIBC Securities Inc. expanded its index fund family, adding three new index funds that offer greater fund choice for investors. The addition of the CIBC Nasdaq Index Fund, the CIBC Asia Pacific Index Fund, and the CIBC Emerging Markets Index Fund brings CIBC's offer of passively managed funds to 15 and positions CIBC as the only company in Canada to offer index funds on all major indices around the world.
- The sale of CIBC Suisse S.A. was finalized in the fourth quarter, resulting in a pre-tax gain of \$28 million.

Target ➤ Increase assets under administration by 10% within one year

- Assets under administration (excluding international assets administered for institutional clients) were \$163.2 billion at the end of the fourth quarter, an increase of 16% from October 31, 1999.

Target ➤ Maintain a leadership position in index mutual funds by growing assets by 25%

- Assets within the index mutual funds increased 72% from the fourth quarter of 1999. CIBC has the largest retail index mutual fund asset base in Canada.

CIBC World Markets

CIBC World Markets has a broadly based, North American investment banking capability, providing integrated financial solutions to corporate, institutional and government clients. CIBC World Markets includes commercial banking activities (reported under Personal and Commercial Bank in 1999).

Net income for the fourth quarter was \$144 million, up \$82 million from the fourth quarter of 1999. Current quarter results include a \$27 million after-tax charge for New York premises consolidation, while the fourth quarter of 1999 included a \$59 million after-tax charge for restructuring. Net income was down \$242 million from the prior quarter as earnings in that period reflected the sale of a portion of our investment in Global Crossing Ltd.

Net income was \$1,123 million for 2000, up \$583 million from the year ended October 31, 1999. Capital Markets and Merchant Banking business segments contributed to very strong revenue growth.

Revenue totaled \$1,120 million in the fourth quarter, up \$260 million from the 1999 fourth quarter and down \$171 million from the prior quarter. Revenue for the full year was \$4,749 million, up \$882 million from 1999.

- ***Capital markets operates trading, sales and research businesses serving institutional, corporate and government clients across North America and around the world.*** Revenue was \$342 million in the fourth quarter, up \$175 million from the fourth quarter of 1999 due to improved performance from fixed income, foreign exchange and equity businesses. Revenue was down \$4 million from the prior quarter. Revenue for the full year was \$1,516 million, up \$510 million from 1999 due to significant revenue growth in equity structured products and U.S. institutional equity activities, driven in part by strong market conditions during the year.
- ***Investment banking and credit products provides advisory services and underwriting of debt, credit and equity for corporate and government clients across North America and around the world.*** Revenue was \$417 million in the fourth quarter, down \$138 million from the fourth quarter of 1999 due to reduced deal flow in leveraged finance markets (i.e. corporate lending and high yield activities). Revenue was up \$23 million from the prior quarter. Revenue for the full year was \$1,707 million, down \$199 million from 1999, again due to weakness in leveraged finance markets.

- **Merchant banking** makes investments to create, grow and recapitalize companies across a variety of industries. Revenue was \$244 million in the fourth quarter, up \$239 million from the fourth quarter of 1999 because of investment write-downs in the prior year's fourth quarter results. Revenue was down \$168 million from the prior quarter as a result of the \$383 million gain on the disposal of a portion of our investment in Global Crossing Ltd. recognized in the prior quarter. Gains in the current quarter from other investments partially offset this impact. Revenue for the full year was \$1,021 million, up \$559 million from 1999.
- **Commercial banking** originates financial solutions centred around credit products for medium-sized businesses in Canada. Revenue was \$124 million in the fourth quarter, down \$2 million from the fourth quarter of 1999 and up \$7 million from the prior quarter. Revenue for 2000 was \$475 million, up \$7 million from 1999.
- **Other** includes the allocation of a portion of treasury revenue; CEF Capital, an affiliated Asian merchant bank holding company; and other revenue not directly attributed to the main businesses listed above. Revenue was \$(7) million in the fourth quarter, down \$14 million from the fourth quarter of 1999, in part due to lower treasury revenue. Revenue was also down \$29 million from the prior quarter. Revenue for the full year was \$30 million, up \$5 million from 1999.

Non-interest expenses for the fourth quarter were \$804 million, up \$172 million from the fourth quarter of 1999 after excluding the restructuring charge from 1999. Non-interest expenses for the year were \$2,906 million, up \$298 million from 1999 after excluding the restructuring charge from 1999. These increases were primarily driven by higher variable compensation associated with increased revenue and charges related to New York premises consolidation.

At year end, there were 3,281 full-time equivalent employees, down 8% from 1999 due to implementation of defined restructuring initiatives.

Developments and progress against targets include:

- Strong performance from our U.S. investment banking platform continued in 2000, particularly in the new issue equity business for technology companies. In the year, CIBC World Markets led and co-managed equity offerings for an aggregate volume of US\$23.1 billion, up from an aggregate volume of US\$12.1 billion in the prior year.
- The equity structured products business within capital markets, a hybrid proprietary and client business that employs technology and human capital to manage trading strategies in equity markets, has grown significantly. Revenue for the current year was up substantially from the prior year.
- CIBC World Markets has hedged the majority of the remaining 47 million share investment in Global Crossing Ltd. CIBC has entered into forward sale contracts with a range of maturities from 2001 to 2003. Floor prices have been set at between US\$20-\$28 per share and ceiling prices of between US\$46-\$64 per share.
- An initiative of CIBC World Markets and Electronic Commerce, cibc.com, was launched during the quarter. This venture will act as an incubator for new ideas and e-business in the future.
- A strategic review and restructuring plan for the commercial banking business was completed. Restructuring initiatives are under way and showing positive results.
- A decision was made to consolidate New York premises into one central location. This will further enhance our ability to service clients more efficiently in the future.

Target ➤ Generate a 15% - 20% return on equity

- Achieved a return on equity of 25.6% for the year, with net income after-tax of \$1.1 billion.

SEGMENTED INCOME STATEMENT

<i>Unaudited, \$ millions, for the three months ended</i>		Retail & Small		Wealth	CIBC	Corporate	CIBC
		Electronic	Business				
		Commerce	Banking		Markets		
Oct. 31, 2000	Net interest income (TEB) ⁽²⁾	\$ 573	\$ 260	\$ 129	\$ 34	\$ 52	\$ 1,048
	Non-interest income	395	64	436	1,037	38	1,970
	Intersegment revenue ⁽³⁾	(469)	331	89	49	–	–
	Total revenue (TEB) ⁽²⁾	499	655	654	1,120	90	3,018
	Non-interest expenses	294	456	493	804	15	2,062
	Restructuring charge	(28)	10	(11)	–	(2)	(31)
	Provision for credit losses	52	323	(1)	93	100 ⁽⁴⁾	567
	Income (loss) before taxes and non-controlling interests	181	(134)	173	223	(23)	420
	Income taxes and non-controlling interests	29	(75)	54	79	1	88
	Net income (loss)	\$ 152	\$ (59)	\$ 119	\$ 144	\$ (24)	\$ 332
Jul. 31, 2000	Net interest income (TEB) ⁽²⁾	\$ 581	\$ 265	\$ 145	\$ 57	\$ 41	\$ 1,089
	Non-interest income	318	59	398	1,182	8	1,965
	Intersegment revenue ⁽³⁾	(480)	335	93	52	–	–
	Total revenue (TEB) ⁽²⁾	419	659	636	1,291	49	3,054
	Non-interest expenses	285	467	508	701	35	1,996
	Restructuring charge	–	–	–	–	–	–
	Provision for credit losses	53	63	2	100	–	218
	Income before taxes and non-controlling interests	81	129	126	490	14	840
	Income taxes and non-controlling interests	22	40	40	104	33	239
	Net income (loss)	\$ 59	\$ 89	\$ 86	\$ 386	\$ (19)	\$ 601
Oct. 31, 1999	Net interest income (TEB) ⁽²⁾	\$ 572	\$ 250	\$ 145	\$ 216	\$ (17)	\$ 1,166
	Non-interest income	336	49	299	584	2	1,270
	Intersegment revenue ⁽³⁾	(470)	328	82	60	–	–
	Total revenue (TEB) ⁽²⁾	438	627	526	860	(15)	2,436
	Non-interest expenses	396	422	476	632	61	1,987
	Restructuring charge	77	55	53	103	37	325
	Provision for credit losses	19	59	14	80	38 ⁽⁴⁾	210
	Income (loss) before taxes and non-controlling interests	(54)	91	(17)	45	(151)	(86)
	Income taxes and non-controlling interests	(31)	23	(16)	(17)	(53)	(94)
	Net income (loss)	\$ (23)	\$ 68	\$ (1)	\$ 62	\$ (98)	\$ 8
<i>Unaudited, \$ millions, for the years ended</i>							
Oct. 31, 2000	Net interest income (TEB) ⁽²⁾	\$ 2,253	\$ 1,053	\$ 576	\$ 407	\$ 124	\$ 4,413
	Non-interest income	1,312	243	1,837	4,138	267	7,797
	Intersegment revenue ⁽³⁾	(1,849)	1,294	351	204	–	–
	Total revenue (TEB) ⁽²⁾	1,716	2,590	2,764	4,749	391	12,210
	Non-interest expenses	1,155	1,809	2,080	2,906	177	8,127
	Restructuring charge	(28)	10	(11)	–	(2)	(31)
	Provision for credit losses	169	514	1	286	250 ⁽⁴⁾	1,220
	Income (loss) before taxes and non-controlling interests	420	257	694	1,557	(34)	2,894
	Income taxes and non-controlling interests	97	52	233	434	18	834
	Net income (loss)	\$ 323	\$ 205	\$ 461	\$ 1,123	\$ (52)	\$ 2,060
Oct. 31, 1999	Net interest income (TEB) ⁽²⁾	\$ 2,178	\$ 975	\$ 630	\$ 811	\$ (57)	\$ 4,537
	Non-interest income	1,365	173	1,245	2,843	102	5,728
	Intersegment revenue ⁽³⁾	(1,895)	1,350	331	213	1	–
	Total revenue (TEB) ⁽²⁾	1,648	2,498	2,206	3,867	46	10,265
	Non-interest expenses	1,149	1,753	1,925	2,608	137	7,572
	Restructuring charge	77	68	53	182	46	426
	Provision for credit losses	103	238	14	245	150 ⁽⁴⁾	750
	Income (loss) before taxes and non-controlling interests	319	439	214	832	(287)	1,517
	Income taxes and non-controlling interests	120	148	38	292	(110)	488
	Net income (loss)	\$ 199	\$ 291	\$ 176	\$ 540	\$ (177)	\$ 1,029

⁽¹⁾ Corporate and Other comprises the four functional groups – Treasury and Balance Sheet Management (TBM); Risk Management; Administration; and Corporate Development – that support CIBC's business lines, as well as CIBC Mellon's custody business and other revenue and expense items not directly attributable to the four business lines. TBM revenues, expenses, capital and balance sheet items are allocated to the four business lines through a combination of funds transfer pricing and revenue, expense, balance sheet and capital allocation models. TBM is responsible for CIBC's overall balance sheet (including capital) management. As well, TBM's integrated treasury division provides all funding and financing, liquidity, cash and collateral management services across the business lines. The expenses of the Administration and Risk Management groups are also generally allocated to the business lines.

⁽²⁾ Taxable equivalent basis (TEB). See definition on page 19.

⁽³⁾ Intersegment revenue represents internal sales commissions, service fee and revenue allocations under the Manufacturer/Customer Segment/Distributor Management Model.

⁽⁴⁾ Represents an increase in the general allowance for credit losses.

REVENUE BY BUSINESS LINE⁽¹⁾ (TEB)

Unaudited, \$ millions	For the three months ended			For the years ended	
	2000 Oct. 31	2000 Jul. 31 ⁽³⁾	1999 Oct. 31 ⁽³⁾	2000 Oct. 31	1999 Oct. 31 ⁽³⁾
Electronic Commerce					
Mortgages ⁽²⁾	\$ 89	\$ 81	\$ 74	\$ 334	\$ 340
Cards ⁽²⁾	246	240	221	912	778
Insurance	109	46	59	245	233
Other	55	52	84	225	297
	499	419	438	1,716	1,648
Retail and Small Business Banking					
Retail banking	220	232	222	886	822
Small business banking	202	202	175	780	678
West Indies	69	70	67	268	263
Lending products	163	155	148	624	650
Other	1	–	15	32	85
	655	659	627	2,590	2,498
Wealth Management					
Imperial Service	161	161	148	619	588
Private client investment and asset management	308	309	252	1,430	1,078
Global private banking and trust	60	30	30	153	113
Wealth products	117	128	78	513	344
Other	8	8	18	49	83
	654	636	526	2,764	2,206
CIBC World Markets					
Capital markets	342	346	167	1,516	1,006
Investment banking and credit products	417	394	555	1,707	1,906
Merchant banking	244	412	5	1,021	462
Commercial banking	124	117	126	475	468
Other	(7)	22	7	30	25
	1,120	1,291	860	4,749	3,867
Corporate and Other					
	90	49	(15)	391	46
Total	\$ 3,018	\$ 3,054	\$ 2,436	\$ 12,210	\$ 10,265

⁽¹⁾ Revenue includes the impact of internal sales commissions, service fee and revenue allocations under the Manufacturer/Customer Segment/Distributor Management Model.

⁽²⁾ Mortgages and Cards revenues are net of sales commissions and service fees paid to other business lines under the Manufacturer/Customer Segment/Distributor Management Model. These sales commissions and service fees amounted to \$27 million, \$28 million and \$22 million for Mortgages and \$11 million, \$12 million and \$10 million for Cards for the three months ended October 31, 2000, July 31, 2000 and October 31, 1999, respectively. These sales commissions amounted to \$106 million and \$94 million for Mortgages and \$46 million and \$37 million for Cards for the years ended October 31, 2000 and October 31, 1999, respectively.

⁽³⁾ Certain comparative figures have been restated to conform with the presentation used in the current period.

SELECTED INFORMATION

Unaudited, for the three months ended		Electronic Commerce	Retail & Small Business Banking	Wealth Management	CIBC World Markets	Corporate and Other	CIBC Total
Oct. 31, 2000	Average assets ⁽¹⁾ (\$ millions)	\$ 81,881	\$ 48,990	\$ 19,321	\$ 117,247	\$ –	\$ 267,439
	Return on equity	49.4%	(17.6)%	94.3%	11.9%	(2)	12.1%
	Efficiency ratio	53.3%	71.1%	73.7%	71.8%	(2)	67.3%
	Full-time equivalent employees	15,264	15,418	7,540	3,281	2,712	44,215
Jul. 31, 2000	Average assets ⁽¹⁾ (\$ millions)	\$ 80,014	\$ 49,412	\$ 21,215	\$ 114,731	\$ 1	\$ 265,373
	Return on equity	15.6%	18.9%	57.5%	34.7%	(2)	23.8%
	Efficiency ratio	68.0%	70.9%	79.9%	54.3%	(2)	65.4%
	Full-time equivalent employees	15,474	15,633	8,055	3,342	2,763	45,267
Oct. 31, 1999	Average assets ⁽¹⁾ (\$ millions)	\$ 69,219	\$ 44,725	\$ 17,215	\$ 129,241	\$ 610	\$ 261,010
	Return on equity	(7.4)%	12.1%	(1.8)%	4.7%	(2)	(0.8)%
	Efficiency ratio	108.0%	76.1%	100.6%	85.5%	(2)	94.9%
	Full-time equivalent employees	15,346	15,717	8,249	3,571	3,115	45,998
Unaudited, for the years ended							
Oct. 31, 2000	Average assets ⁽¹⁾ (\$ millions)	\$ 77,410	\$ 48,201	\$ 19,307	\$ 117,900	\$ 301	\$ 263,119
	Return on equity	22.8%	10.2%	78.8%	25.6%	(2)	20.5%
	Efficiency ratio	65.7%	70.2%	74.9%	61.2%	(2)	66.3%
Oct. 31, 1999	Average assets ⁽¹⁾ (\$ millions)	\$ 67,770	\$ 44,024	\$ 17,647	\$ 141,631	\$ 772	\$ 271,844
	Return on equity	12.5%	13.8%	26.5%	11.6%	(2)	9.8%
	Efficiency ratio	74.4%	72.9%	89.7%	72.1%	(2)	77.9%

⁽¹⁾ Assets are disclosed on an average basis as this measure is most relevant to a financial institution and is the measure reviewed by CIBC's management.

⁽²⁾ Not meaningful.

CIBC CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF INCOME

<i>Unaudited, \$ millions</i>	<i>For the three months ended</i>			<i>For the years ended</i>	
	2000 Oct. 31	2000 Jul. 31 ⁽¹⁾	1999 Oct. 31	2000 Oct. 31	1999 Oct. 31
Interest income					
Loans	\$ 3,017	\$ 2,990	\$ 2,889	\$ 11,467	\$ 11,215
Securities	911	859	573	3,297	2,692
Deposits with banks	151	158	118	563	498
	4,079	4,007	3,580	15,327	14,405
Interest expense					
Deposits and other liabilities	2,972	2,867	2,393	10,728	9,691
Subordinated indebtedness	84	83	57	317	306
	3,056	2,950	2,450	11,045	9,997
Net interest income	1,023	1,057	1,130	4,282	4,408
Provision for credit losses	567	218	210	1,220	750
	456	839	920	3,062	3,658
Non-interest income					
Fees for services					
Underwriting	212	177	191	886	700
Deposit	127	130	120	503	490
Credit	124	126	117	508	495
Card	101	99	85	368	314
Trust and custodial	102	99	88	457	371
Mutual funds	71	72	51	280	184
Insurance	13	36	61	124	214
	750	739	713	3,126	2,768
Commissions on securities transactions	354	346	290	1,480	1,181
Trading activities	259	261	126	977	584
Investment securities gains (losses), net	242	381	(42)	970	378
Income from securitized assets	69	58	57	237	200
Other	296	180	126	1,007	617
	1,970	1,965	1,270	7,797	5,728
	2,426	2,804	2,190	10,859	9,386
Non-interest expenses					
Employee compensation and benefits	1,272	1,168	1,039	4,937	4,388
Occupancy costs	186	150	155	634	594
Computer and office equipment	190	186	258	758	849
Communications	90	98	98	371	380
Advertising and business development	76	79	70	273	283
Professional fees	56	72	73	240	211
Business and capital taxes	21	29	32	108	127
Restructuring charge	(31)	–	325	(31)	426
Other	171	214	262	806	740
	2,031	1,996	2,312	8,096	7,998
Income before income taxes and non-controlling interests	395	808	(122)	2,763	1,388
Income taxes	31	198	(137)	641	320
	364	610	15	2,122	1,068
Non-controlling interests in net income of subsidiaries	32	9	7	62	39
Net income	\$ 332	\$ 601	\$ 8	\$ 2,060	\$ 1,029
Dividends on preferred shares	\$ 34	\$ 33	\$ 28	\$ 128	\$ 112
Net income applicable to common shares	\$ 298	\$ 568	\$ (20)	\$ 1,932	\$ 917

(1) Certain comparative figures have been restated to conform with the presentation used in the current period.

CIBC CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

<i>Unaudited, \$ millions, as at</i>	2000 Oct. 31	1999 Oct. 31 ⁽¹⁾
ASSETS		
Cash resources		
Cash and non-interest bearing deposits with banks	\$ 1,383	\$ 1,902
Interest-bearing deposits with banks	9,296	10,625
	10,679	12,527
Securities		
Securities held for investment	15,864	13,277
Securities held for trading	53,217	46,054
Loan substitute securities	161	161
	69,242	59,492
Loans		
Residential mortgages	51,898	46,613
Personal and credit card loans	27,452	24,532
Business and government loans	47,091	47,047
Securities borrowed or purchased under resale agreements	20,461	19,158
General allowance for credit losses	(1,250)	(1,000)
	145,652	136,350
Other		
Derivative instruments market valuation	23,847	24,449
Customers' liability under acceptances	9,088	9,296
Land, buildings and equipment	1,508	2,213
Other assets	7,686	6,004
	42,129	41,962
	\$ 267,702	\$ 250,331
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Individuals	\$ 63,109	\$ 60,878
Businesses and governments	103,141	85,940
Banks	13,382	13,223
	179,632	160,041
Other		
Derivative instruments market valuation	24,374	25,097
Acceptances	9,088	9,296
Obligations related to securities sold short	13,992	15,563
Obligations related to securities lent or sold under repurchase agreements	14,199	13,640
Other liabilities	10,630	11,092
	72,283	74,688
Subordinated indebtedness	4,418	4,544
Shareholders' equity		
Preferred shares	1,876	1,933
Common shares	2,868	3,035
Retained earnings	6,625	6,090
	11,369	11,058
	\$ 267,702	\$ 250,331

⁽¹⁾ Certain comparative figures have been restated to conform with the presentation used in 2000.

CIBC CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

<i>Unaudited, \$ millions</i>	<i>As at or for the three months ended</i>			<i>As at or for the years ended</i>	
	2000 Oct. 31	2000 Jul. 31	1999 Oct. 31	2000 Oct. 31	1999 Oct. 31
Preferred shares					
Balance at beginning of period	\$ 2,287	\$ 2,284	\$ 1,946	\$ 1,933	\$ 1,961
Issue of preferred shares	–	–	–	345	–
Redemption of preferred shares	(425)	–	–	(425)	–
Translation adjustment on foreign currency preferred shares	14	3	(13)	23	(28)
Balance at end of period	\$ 1,876	\$ 2,287	\$ 1,933	\$ 1,876	\$ 1,933
Common shares					
Balance at beginning of period	\$ 2,905	\$ 2,905	\$ 3,070	\$ 3,035	\$ 3,128
Issue of common shares	21	6	1	34	10
Repurchase of common shares	(58)	(6)	(36)	(201)	(103)
Balance at end of period	\$ 2,868	\$ 2,905	\$ 3,035	\$ 2,868	\$ 3,035
Retained earnings					
Balance at beginning of period	\$ 6,777	\$ 6,365	\$ 6,369	\$ 6,090	\$ 6,047
Net income	332	601	8	2,060	1,029
Dividends					
Preferred	(34)	(33)	(28)	(128)	(112)
Common	(125)	(127)	(121)	(501)	(492)
Premium on repurchase/redemption of shares	(326)	(26)	(128)	(890)	(397)
Other	1	(3)	(10)	(6)	15
Balance at end of period	\$ 6,625	\$ 6,777	\$ 6,090	\$ 6,625	\$ 6,090

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>Unaudited, \$ millions</i>	<i>For the three months ended</i>			<i>For the years ended</i>	
	2000 Oct. 31	2000 Jul. 31	1999 Oct. 31	2000 Oct. 31	1999 Oct. 31
Cash flows from (used in) operating activities	\$ (1,551)	\$ (3,577)	\$ 6,556	\$ (6,245)	\$ 6,683
Cash flows from (used in) financing activities	438	(1,067)	(12,955)	16,719	(19,424)
Cash flows from (used in) investing activities	1,466	4,968	5,283	(10,650)	12,810
Net increase (decrease) in cash and cash equivalents during the period	353	324	(1,116)	(176)	69
Cash and cash equivalents at beginning of period	1,171	847	2,816	1,700	1,631
Cash and cash equivalents at end of period	\$ 1,524	\$ 1,171	\$ 1,700	\$ 1,524	\$ 1,700

RESTRUCTURING PROVISION ⁽¹⁾

<i>Unaudited, \$ millions</i>	<i>As at or for the three months ended October 31, 2000</i>			<i>As at or for the year ended October 31, 2000</i>		
	Termination Benefits	Other	Total	Termination Benefits	Other	Total
Balance at beginning of period	\$ 159	\$ 12	\$ 171	\$ 346	\$ 19	\$ 365
Drawdown during the period	(42)	(3)	(45)	(229)	(10)	(239)
Change in estimate	(31)	–	(31)	(31)	–	(31)
Balance at end of period	\$ 86	\$ 9	\$ 95	\$ 86	\$ 9	\$ 95

<i>Unaudited, \$ millions</i>	<i>As at or for the three months ended October 31, 1999</i>			<i>As at or for the year ended October 31, 1999</i>		
	Termination Benefits	Other	Total	Termination Benefits	Other	Total
Balance at beginning of period	\$ 107	\$ 18	\$ 125	\$ 66	\$ 1	\$ 67
Restructuring charge	293	32	325	377	49	426
Drawdown during the period	(54)	(31)	(85)	(97)	(31)	(128)
Balance at end of period	\$ 346	\$ 19	\$ 365	\$ 346	\$ 19	\$ 365

(1) The following represents significant actions taken under the restructuring program.

- **Electronic Commerce** reorganized its technology operations infrastructure and payments business and finalized the exit of direct life insurance products.
- **Retail and Small Business Banking** reconfigured its Canadian branch network, with a net reduction of 93 branches.
- **Wealth Management** continued to change the composition of its Imperial Service sales force.
- **CIBC World Markets** continued restructuring activities in the quarter. Significant drawdown of the remaining provision is anticipated throughout 2001.
- **Corporate and Other** have completed their major restructuring initiatives.

Approximately 850 positions were reduced in the quarter (year-to-date, approximately 3,100 positions).

OUTSTANDING SHARES

Unaudited, as at

	October 31, 2000	October 31, 1999
Class A Preferred Shares⁽¹⁾		
Fixed rate shares entitled to non-cumulative dividends		
Series 12	–	6,000,000
Series 13	–	8,000,000
Series 14	8,000,000	8,000,000
Series 15	12,000,000	12,000,000
Series 16	5,500,000	5,500,000
Series 17	6,500,000	6,500,000
Series 18	12,000,000	12,000,000
Series 19	8,000,000	8,000,000
Series 20	4,000,000	4,000,000
Series 21	8,000,000	–
Series 22	4,000,000	–
Common shares	377,140,195	402,278,579
Employee stock options outstanding ⁽²⁾		
Options with Stock Appreciation Rights	15,334,231	16,933,275 ⁽³⁾
Options without Stock Appreciation Rights	4,912,956	–

⁽¹⁾ The rights and privileges of Class A Preferred Shares Series 12-20 are described in Note 11 of CIBC's October 31, 1999 consolidated financial statements. Series 21 and 22 have the same rights and privileges, including the right to convert the shares to CIBC common shares on or after a specified conversion date.

⁽²⁾ Under CIBC's Employee Stock Option Plan, stock options are periodically granted to selected employees. Each option provides the employee with the right to purchase one CIBC common share from CIBC at a fixed price equal to the market price of the shares at the grant date. Up to 50% of vested options granted prior to 2000 can be exercised as Stock Appreciation Rights (SARs). SARs can be exchanged for a cash amount equal to the difference between the option strike price and the weighted-average price of the common shares on The Toronto Stock Exchange the day immediately preceding the day the SARs are exercised.

⁽³⁾ Options outstanding as at October 31, 1999 have been adjusted to reflect two special option grants issued in fiscal 1999.

DIRECT DIVIDEND DEPOSIT SERVICE

Canadian-resident holders of common shares may have their dividends deposited directly into their account at any financial institution which is a member of the Canadian Payments Association. To arrange, please write to CIBC Mellon Trust Company, 320 Bay St., P.O. Box 1, Toronto, Ontario M5H 4A6.

SHAREHOLDERS INVESTMENT PLAN

Registered holders of CIBC common shares wanting to acquire additional common shares of the bank may participate in the shareholder investment plan and pay no brokerage commissions or service charges.

For a copy of the offering circular, contact the Corporate Secretary at (416) 980-3096 or fax (416) 980-7012.

PRICE OF COMMON SHARES PURCHASED UNDER THE SHAREHOLDER INVESTMENT PLAN

Date purchased	Share purchase option	Dividend reinvestment & stock dividend options
August 1/00	\$42.30	
September 1/00	\$45.35	
October 2/00	\$49.90	
October 30/00		\$48.26

FOURTH QUARTER FINANCIAL HIGHLIGHTS

Unaudited	As at and for the three months ended				As at and for the years ended		
	2000 Oct. 31	2000 Jul. 31	1999 Oct. 31	2000 Oct. 31	2000 Oct. 31	1999 Oct. 31	2000 Oct. 31
COMMON SHARE INFORMATION				(US\$) ⁽¹⁾			
Per share							
– basic earnings	\$ 0.80	\$ 1.47	\$ (0.04)	\$ 0.54	\$ 4.97	\$ 2.23	\$ 3.37
– fully diluted earnings	\$ 0.78	\$ 1.43	\$ (0.04)	\$ 0.52	\$ 4.84	\$ 2.22	\$ 3.29
– dividends	\$ 0.33	\$ 0.33	\$ 0.30	\$ 0.22	\$ 1.29	\$ 1.20	\$ 0.88
– book value	\$ 25.17	\$ 25.21	\$ 22.68	\$ 16.53	\$ 25.17	\$ 22.68	\$ 16.53
Share price							
– high	\$ 50.50	\$ 44.15	\$ 35.20	\$ 33.17	\$ 50.50	\$ 42.60	\$ 33.17
– low	\$ 42.35	\$ 37.00	\$ 28.00	\$ 27.82	\$ 30.50	\$ 28.00	\$ 20.03
– closing	\$ 48.40	\$ 42.40	\$ 31.70	\$ 31.79	\$ 48.40	\$ 31.70	\$ 31.79
Shares outstanding (thousands)							
– average basic	380,864	384,534	402,811	380,864	388,951	409,789	388,951
– average fully diluted	397,364	400,914	416,281	397,364	404,569	422,501	404,569
– end of period	377,140	383,989	402,279	377,140	377,140	402,279	377,140
Market capitalization (\$ millions)	\$ 18,254	\$ 16,281	\$ 12,752	\$ 11,989	\$ 18,254	\$ 12,752	\$ 11,989
VALUE MEASURES							
Price to earnings multiple (12 months trailing)	9.7	10.2	14.2	9.7	9.7	14.2	9.7
Dividend yield (based on closing share price)	2.7%	3.1%	3.8%	2.7%	2.7%	3.8%	2.7%
Dividend payout ratio	42.3%	22.4%	>100%	42.3%	25.9%	53.6%	25.9%
Market value to book value ratio	1.92	1.68	1.40	1.92	1.92	1.40	1.92
OPERATING RESULTS (\$ millions)							
Total revenue on a taxable equivalent basis (TEB) ⁽²⁾	\$ 3,018	\$ 3,054	\$ 2,436	\$ 2,021	\$ 12,210	\$ 10,265	\$ 8,289
Provision for credit losses							
– specific	\$ 467	\$ 218	\$ 172	\$ 313	\$ 970	\$ 600	\$ 658
– general	\$ 100	\$ –	\$ 38	\$ 67	\$ 250	\$ 150	\$ 170
– total	\$ 567	\$ 218	\$ 210	\$ 380	\$ 1,220	\$ 750	\$ 828
Non-interest expenses	\$ 2,031	\$ 1,996	\$ 2,312	\$ 1,360	\$ 8,096	\$ 7,998	\$ 5,496
Net income	\$ 332	\$ 601	\$ 8	\$ 222	\$ 2,060	\$ 1,029	\$ 1,399
OPERATING MEASURES							
Net interest margin (TEB) ⁽²⁾	1.56%	1.63%	1.77%	1.56%	1.68%	1.67%	1.68%
Net interest margin on average interest earning assets (TEB) ⁽²⁾	1.85%	1.94%	2.13%	1.85%	1.99%	2.03%	1.99%
Efficiency ratio ⁽³⁾	67.3%	65.4%	94.9%	67.3%	66.3%	77.9%	66.3%
Return on common equity	12.1%	23.8%	(0.8)%	12.1%	20.5%	9.8%	20.5%
Return on average assets	0.49%	0.90%	0.01%	0.49%	0.78%	0.38%	0.78%
BALANCE SHEET INFORMATION (\$ millions)							
Cash resources and securities	\$ 79,921	\$ 78,940	\$ 72,019	\$ 52,492	\$ 79,921	\$ 72,019	\$ 52,492
Loans and acceptances	\$ 154,740	\$ 154,100	\$ 145,646	\$ 101,633	\$ 154,740	\$ 145,646	\$ 101,633
Total assets	\$ 267,702	\$ 265,780	\$ 250,331	\$ 175,827	\$ 267,702	\$ 250,331	\$ 175,827
Deposits	\$ 179,632	\$ 176,794	\$ 160,041	\$ 117,982	\$ 179,632	\$ 160,041	\$ 117,982
Common shareholders' equity	\$ 9,493	\$ 9,682	\$ 9,125	\$ 6,235	\$ 9,493	\$ 9,125	\$ 6,235
Average assets	\$ 267,439	\$ 265,373	\$ 261,010	\$ 179,131	\$ 263,119	\$ 271,844	\$ 178,631
Average interest earning assets	\$ 225,506	\$ 223,073	\$ 217,095	\$ 151,044	\$ 221,331	\$ 223,774	\$ 150,262
Average common shareholders' equity	\$ 9,764	\$ 9,500	\$ 9,405	\$ 6,540	\$ 9,420	\$ 9,323	\$ 6,395
Assets under administration	\$ 691,400	\$ 695,700	\$ 609,500	\$ 454,112	\$ 691,400	\$ 609,500	\$ 454,112
BALANCE SHEET QUALITY MEASURES							
Common equity to risk-weighted assets	7.1%	7.2%	6.8%	7.1%	7.1%	6.8%	7.1%
Return on risk-weighted assets	0.98%	1.77%	0.02%	0.98%	1.53%	0.74%	1.53%
Tier 1 capital ratio	8.7%	8.9%	8.3%	8.7%	8.7%	8.3%	8.7%
Total capital ratio	12.1%	12.0%	11.5%	12.1%	12.1%	11.5%	12.1%
Net impaired loans after general allowance (\$ millions)	\$ (575)	\$ (170)	\$ (266)	\$ (378)	\$ (575)	\$ (266)	\$ (378)
Net impaired loans to net loans and acceptances	(0.37)%	(0.11)%	(0.18)%	(0.37)%	(0.37)%	(0.18)%	(0.37)%

⁽¹⁾ Represents the translation of Canadian GAAP financial information into US\$ using the quarter-end rate of \$0.6568 for balance sheet figures and the average rates of \$0.6698 and \$0.6789 for the fourth quarter and year-to-date, respectively, for operating results.

⁽²⁾ Taxable equivalent basis (TEB). Net interest income includes tax-exempt income on certain securities. Since this income is not taxable to CIBC, the rate of interest or dividend received by CIBC is significantly lower than would apply to a loan of the same amount. As the impact of tax-exempt income varies from year to year, such income has been adjusted to a taxable equivalent basis to permit uniform measurement and comparison of net interest income. An equal and offsetting adjustment is made to increase the provision for income taxes.

⁽³⁾ Efficiency ratio may also be referred to as non-interest expenses to revenue ratio.

TO REACH US:

Corporate Secretary: For shareholder information, call (416) 980-3096 or fax (416) 980-7012.

Investor Relations: Financial analysts, portfolio managers and other investors requiring financial information may call (416) 980-6657 or fax (416) 980-5028.

Corporate Communications: For information on corporate activity and media inquiries, please call (416) 980-4523 or fax (416) 363-5347.

CIBC Telephone Banking: As part of our commitment to our customers, information, products and services are available by calling toll-free across Canada at 1-800-465-2422.

Online Investor Presentation: Full financial statements and a presentation to investors and analysts are available on the CIBC website, Investor Relations section, at www.cibc.com.

Earnings conference call: CIBC's fourth quarter results conference call with analysts and institutional investors will take place on Thursday, December 7, 2000 at 3:30 p.m. (EST). The call may be accessed on a listen-only basis by calling either (416) 695-5806 in Toronto or 1-800-273-9672 throughout the rest of North America.

Instant replay of the quarterly conference call will be available at approximately 6:00 p.m. (EST) December 7 to midnight (EST) December 21, 2000. The call may be accessed by calling either (416) 695-5800 in Toronto or toll-free from elsewhere in North America at 1-800-408-3053, passcode 613466.

Webcast of call: A live webcast of CIBC's quarterly conference call will take place on December 7, 2000 at 3:30 p.m. (EST). You may access the call through CIBC's website, Investor Relations section, at www.cibc.com. An archived version of this call will also be available on CIBC's website.

Annual Meeting of Shareholders: CIBC's next Annual Meeting of Shareholders will be held on Thursday, March 1, 2001 at The Royal York Hotel, 123 Front Street West, Toronto, Ontario.



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