



# CIBC Investor Presentation

## Q1 F18

February 22, 2018



# Forward-Looking Statements

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 report, in other filings with Canadian securities regulators or the SEC and in other communications. All such statements are made pursuant to the “safe harbour” provisions of, and are intended to be forward-looking statements under applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements made in the “Overview - Financial results”, “Overview - Significant events”, “Overview - Economic outlook”, “Financial condition - Capital resources”, “Management of risk - Risk overview”, “Management of risk - Top and emerging risks”, “Management of risk - Credit risk”, “Management of risk - Market risk”, “Management of risk - Liquidity risk”, “Accounting and control matters - Critical accounting policies and estimates”, and “Accounting and control matters - Other regulatory developments” sections of this report and other statements about our operations, business lines, financial condition, risk management, priorities, targets, ongoing objectives, strategies, the regulatory environment in which we operate and outlook for calendar year 2018 and subsequent periods. Forward-looking statements are typically identified by the words “believe”, “expect”, “anticipate”, “intend”, “estimate”, “forecast”, “target”, “objective” 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, including the economic assumptions set out in the “Overview - Economic outlook” section of this report, 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 could cause actual results to differ materially from the expectations expressed in any of our forward-looking statements. These factors include: credit, market, liquidity, strategic, insurance, operational, reputation and legal, regulatory and environmental risk; the effectiveness and adequacy of our risk management and valuation models and processes; legislative or regulatory developments in the jurisdictions where we operate, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations issued and to be issued thereunder, the Organisation for Economic Co-operation and Development Common Reporting Standard, and regulatory reforms in the United Kingdom and Europe, the Basel Committee on Banking Supervision’s global standards for capital and liquidity reform, and those relating to bank recapitalization legislation and the payments system in Canada; amendments to, and interpretations of, risk-based capital guidelines and reporting instructions, and interest rate and liquidity regulatory guidance; the resolution of legal and regulatory proceedings and related matters; the effect of changes to accounting standards, rules and interpretations; changes in our estimates of reserves and allowances; changes in tax laws; changes to our credit ratings; political conditions and developments, including changes relating to economic or trade matters; the possible effect on our business of international conflicts and the war on terror; natural disasters, public health emergencies, disruptions to public infrastructure and other catastrophic events; reliance on third parties to provide components of our business infrastructure; potential disruptions to our information technology systems and services; increasing cyber security risks which may include theft of assets, unauthorized access to sensitive information, or operational disruption; social media risk; losses incurred as a result of internal or external fraud; anti-money laundering; the accuracy and completeness of information provided to us concerning clients and counterparties; the failure of third parties to comply with their obligations to us and our affiliates or associates; intensifying competition from established competitors and new entrants in the financial services industry including through internet and mobile banking; technological change; global capital market activity; changes in monetary and economic policy; currency value and interest rate fluctuations, including as a result of market and oil price volatility; general business and economic conditions worldwide, as well as in Canada, the U.S. and other countries where we have operations, including increasing Canadian household debt levels and global credit risks; 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; our ability to attract and retain key employees and executives; our ability to successfully execute our strategies and complete and integrate acquisitions and joint ventures; the risk that expected synergies and benefits of the acquisition of PrivateBancorp, Inc. will not be realized within the expected time frame or at all; 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. Any forward-looking statements contained in this report represent the views of management only as of the date hereof and are presented for the purpose of assisting our shareholders and financial analysts in understanding our financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. We do not undertake to update any forward-looking statement that is contained in this report or in other communications except as required by law.

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Visit the Investor Relations section at [www.cibc.com](http://www.cibc.com)



# CIBC Overview

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Victor Dodig

President and Chief Executive Officer



# First Quarter, 2018

# Financial Review

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Kevin Glass

Senior Executive Vice-President and Chief Financial Officer



# First Quarter, 2018 Highlights

<b>Adjusted<sup>1</sup></b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>
(\$MM, except for EPS, Efficiency Ratio, ROE, and CET1 Ratio)			
Revenue	3,910	4,247	4,432
Non-Interest Expenses	2,268	2,420	2,529
<b>Pre-Provision Earnings</b>	<b>1,642</b>	<b>1,827</b>	<b>1,903</b>
Impaired	211	210	202
Non-Impaired	1	2	(49)
<b>Provision for Credit Losses</b>	<b>212</b>	<b>212</b>	<b>153</b>
<b>Net Income – Reported<sup>2</sup></b>	<b>1,407</b>	<b>1,164</b>	<b>1,328</b>
<b>Net Income – Adjusted<sup>1</sup></b>	<b>1,166</b>	<b>1,263</b>	<b>1,433</b>
<b>Diluted EPS – Reported</b>	<b>\$3.50</b>	<b>\$2.59</b>	<b>\$2.95</b>
<b>Diluted EPS – Adjusted<sup>1</sup></b>	<b>\$2.89</b>	<b>\$2.81</b>	<b>\$3.18</b>
Efficiency Ratio – Adjusted TEB <sup>1</sup>	56.3%	56.5%	55.1%
ROE – Adjusted <sup>1</sup>	20.1%	17.2%	18.8%
CET1 Ratio	11.9%	10.6%	10.8%

## Earnings<sup>1</sup>

- EPS growth of 10% YoY
- Operating Leverage of 2.4%
- ROE of 18.8%

## Revenue

- Balanced volume growth in Canadian Personal and Small Business Banking
- Double digit deposit growth in Canadian Commercial Banking
- Continued strong performance in CIBC Bank USA

## Expenses

- Efficiency ratio of 55.1%, an improvement of 120bps YoY

## Provision for Credit Losses

- Strong credit performance
- IFRS 9 volatility

<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.

<sup>2</sup> Reported results are on slide 20.

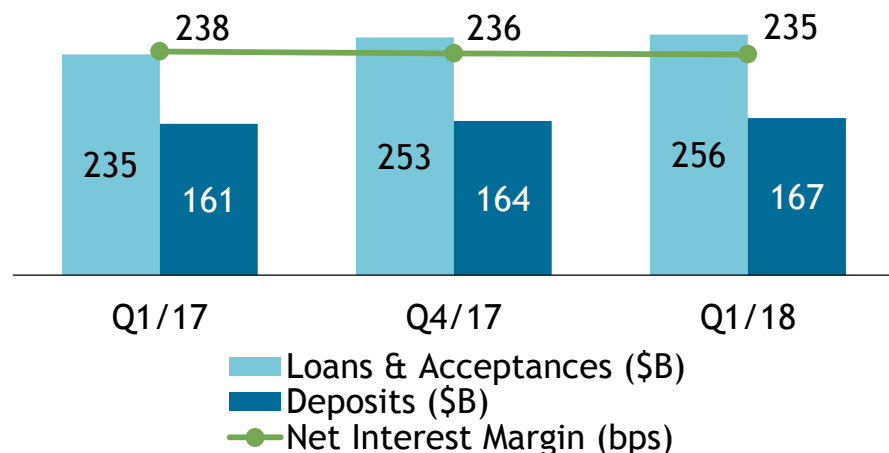


# Canadian Personal and Small Business Banking

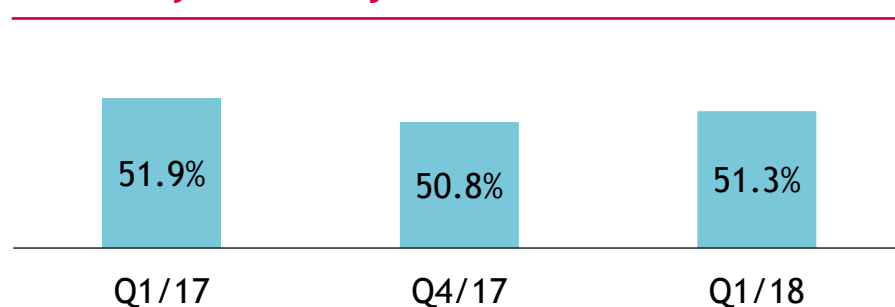
Strong, balanced growth from deepening client relationships

Adjusted <sup>1</sup> (\$MM)	Q1/17	Q4/17	Q1/18
Personal & Small Business Banking	1,992	2,086	2,125
Other	12	10	13
<b>Revenue</b>	<b>2,004</b>	<b>2,096</b>	<b>2,138</b>
Non-Interest Expenses	1,040	1,065	1,096
<b>Pre-Provision Earnings</b>	<b>964</b>	<b>1,031</b>	<b>1,042</b>
Impaired	196	181	180
Non-Impaired	6	2	(32)
<b>Provision for Credit Losses</b>	<b>202</b>	<b>183</b>	<b>148</b>
<b>Net Income – Reported<sup>2</sup></b>	<b>805</b>	<b>551</b>	<b>656</b>
<b>Net Income – Adjusted<sup>1</sup></b>	<b>561</b>	<b>623</b>	<b>658</b>

- Solid volume growth across products
- Well-contained expenses driving positive operating leverage of 1.3%
- Strong credit performance



## Efficiency Ratio – Adjusted<sup>1</sup>



<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.

<sup>2</sup> Reported results are on slide 20.

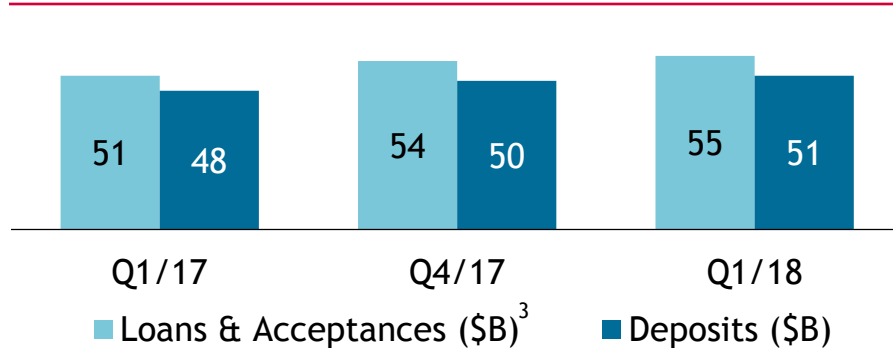
# Canadian Commercial Banking and Wealth Management

## Continued volume growth driving strong results

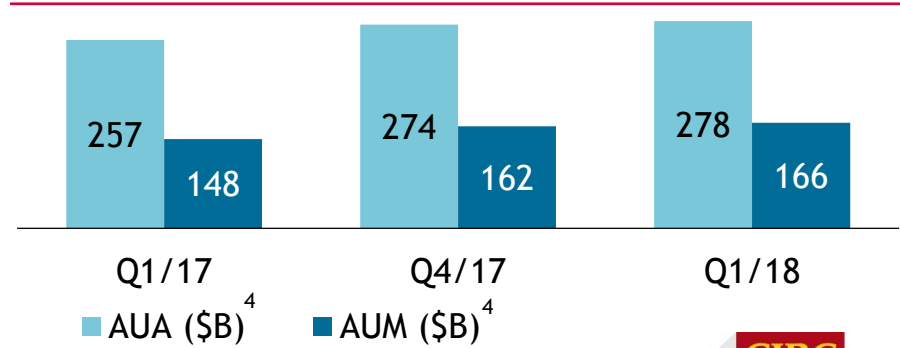
<b>Adjusted<sup>1</sup></b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>
(\$MM)			
Commercial Banking	323	348	354
Wealth Management	556	574	600
<b>Revenue</b>	<b>879</b>	<b>922</b>	<b>954</b>
Non-Interest Expenses	498	519	523
<b>Pre-Provision Earnings</b>	<b>381</b>	<b>403</b>	<b>431</b>
Impaired	4	11	4
Non-Impaired	n/a	n/a	(3)
<b>Provision for Credit Losses</b>	<b>4</b>	<b>11</b>	<b>1</b>
<b>Net Income – Reported<sup>2</sup></b>	<b>276</b>	<b>287</b>	<b>314</b>
<b>Net Income – Adjusted<sup>1</sup></b>	<b>276</b>	<b>288</b>	<b>314</b>

- Strong volume growth in Commercial Banking
  - Deposits up 10% YoY
  - Loans up 8% YoY
- 11% YoY growth in retail mutual funds, ranking 2<sup>nd</sup> among Big 5 Canadian Banks
- Operating leverage of 3.5%
- Acquisition of Wellington Financial closed in January/2018

### Loans and Deposits



### Wealth Management



<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.

<sup>2</sup> Reported results are on slide 20.

<sup>3</sup> Comprises loans and acceptances and notional amount of letters of credit.

<sup>4</sup> Assets under management (AUM) are included in assets under administration (AUA).



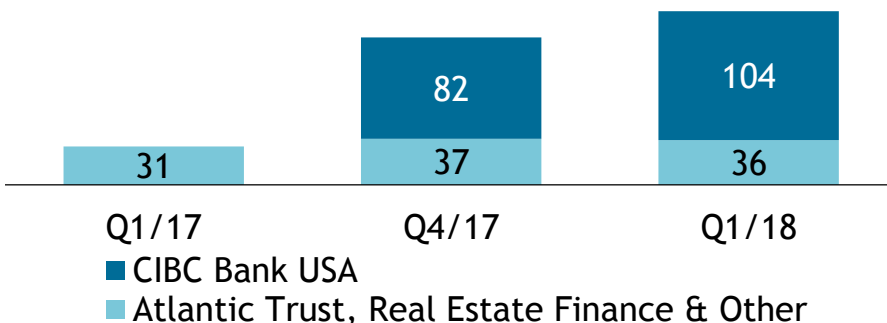
# U.S. Commercial Banking and Wealth Management

## Continued focus on building profitable client relationships

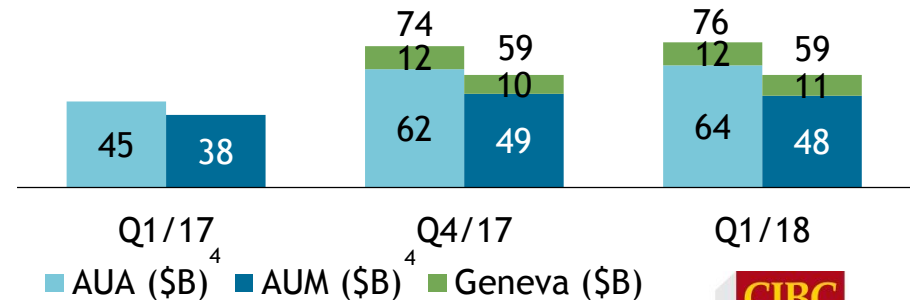
Adjusted <sup>1</sup> (\$MM)	Q1/17	Q4/17	Q1/18
Commercial Banking	47	264	281
Wealth Management	64	114	128
Other	2	13	4
<b>Revenue<sup>2</sup></b>	<b>113</b>	<b>391</b>	<b>413</b>
Non-Interest Expenses	71	219	230
<b>Pre-Provision Earnings</b>	<b>42</b>	<b>172</b>	<b>183</b>
Impaired	2	13	4
Non-Impaired	n/a	-	10
Provision for Credit Losses	2	13	14
<b>Net Income – Reported<sup>3</sup></b>	<b>29</b>	<b>107</b>	<b>134</b>
<b>Net Income – Adjusted<sup>1</sup></b>	<b>31</b>	<b>119</b>	<b>140</b>

- Revenue growth driven by U.S. commercial banking and private wealth capabilities added during 2017
- Fee revenue benefited from strong performance in derivatives and syndication fees
- Overall credit quality remains strong

### Net Income – Adjusted (\$MM)<sup>1</sup>



### Wealth Management



<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.

<sup>2</sup> Revenue is reported on a taxable equivalent basis (TEB).

<sup>3</sup> Reported results are on slide 20.

<sup>4</sup> Assets under management (AUM) are included in assets under administration (AUA).





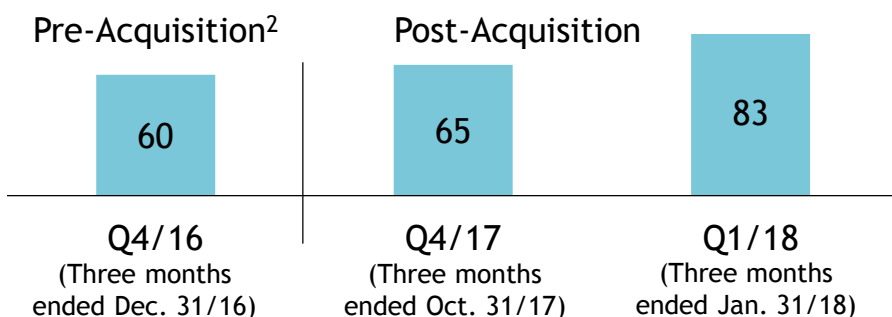
# CIBC Bank USA (US\$)



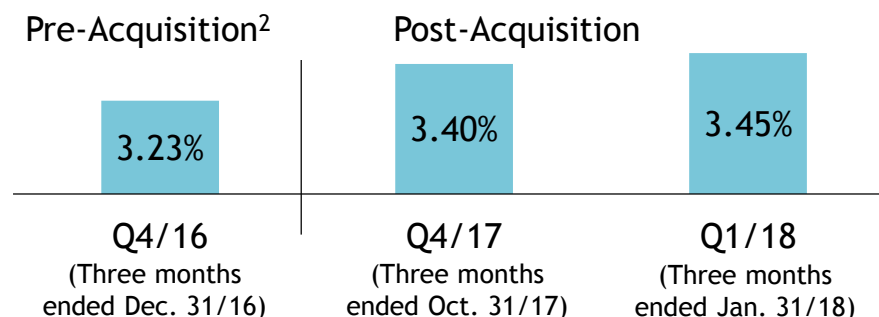
Adjusted <sup>1</sup> (US\$MM), for the three months ended	2016 Dec. 31 <sup>2</sup>	2017 Oct. 31	2018 Jan. 31
Revenue	196	226	236
Non-Interest Expenses	96	119	117
<b>Pre-Provision Earnings</b>	<b>100</b>	<b>107</b>	<b>119</b>
Impaired	1	10	3
Non-Impaired	5	-	7
<b>Provision for Credit Losses</b>	<b>6</b>	<b>10</b>	<b>10</b>
<b>Net Income – Reported</b>	<b>60</b>	<b>57</b>	<b>81</b>
<b>Net Income – Adjusted<sup>1</sup></b> (US\$B)	<b>60</b>	<b>65</b>	<b>83</b>
Average Loans <sup>3</sup>	14.9	16.4	16.8
Average Deposits <sup>3</sup>	16.1	16.2	17.1

- Loans up US\$1.9B, or 13% YoY
  - Commercial & Industrial up US\$1.4B, or 15%
  - Commercial Real Estate & Construction up US\$0.3B, or 8%
- Deposits up US\$1.0B, or 6% YoY
  - Non-interest bearing demand deposits up US\$0.6B, or 12%

## Net Income – Adjusted (US\$MM)<sup>1</sup>



## Net Interest Margin – Adjusted<sup>1</sup>



<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.

<sup>2</sup> Results are for the calendar quarters as previously disclosed by PrivateBancorp, Inc.'s public filings.

<sup>3</sup> Loan balances exclude loans held for sale. Loan and deposit balances exclude the impact of purchase accounting.



# Capital Markets

## Delivering diversified earnings

<b>Adjusted<sup>1</sup></b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>
(\$MM)			
Global Markets	532	299	486
Corporate & Investment Banking	288	326	305
Other	10	(3)	10
<b>Revenue<sup>2</sup></b>	<b>830</b>	<b>622</b>	<b>801</b>
Non-Interest Expenses	366	320	376
<b>Pre-Provision Earnings</b>	<b>464</b>	<b>302</b>	<b>425</b>
Impaired	-	-	2
Non-Impaired	n/a	n/a	(18)
<b>Provision for (reversal of) Credit Losses</b>	<b>-</b>	<b>-</b>	<b>(16)</b>
<b>Net Income – Reported<sup>3</sup></b>	<b>347</b>	<b>222</b>	<b>322</b>
<b>Net Income – Adjusted<sup>1</sup></b>	<b>347</b>	<b>222</b>	<b>322</b>

- Continued strong results in Global Markets and Corporate Banking
- Growth in U.S. platform across client segments
- Focused expense discipline delivering strong NIX ratio

## Revenue (\$MM)<sup>1,2</sup>



<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.

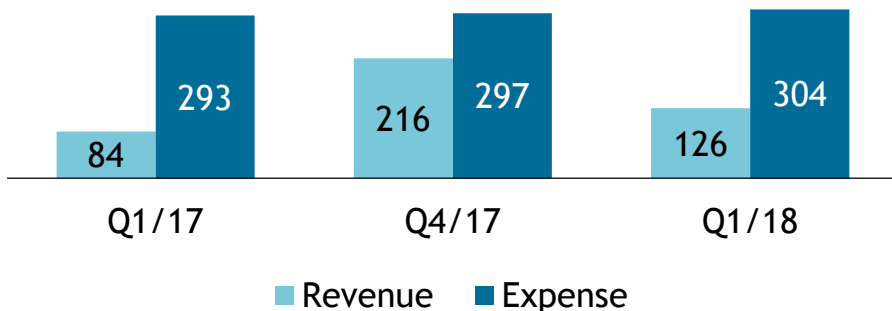
<sup>2</sup> Revenue is reported on a taxable equivalent basis (TEB).

<sup>3</sup> Reported results are on slide 20.



# Corporate and Other

<b>Adjusted<sup>1</sup></b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>
(\$MM)			
International Banking	179	183	179
Other	(95)	33	(53)
<b>Revenue<sup>2</sup></b>	<b>84</b>	<b>216</b>	<b>126</b>
Non-Interest Expenses	293	297	304
<b>Pre-Provision Earnings</b>	<b>(209)</b>	<b>(81)</b>	<b>(178)</b>
Impaired	9	5	12
Non-Impaired	(5)	-	(6)
<b>Provision for Credit Losses</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Net Income (Loss) – Reported<sup>3</sup></b>	<b>(50)</b>	<b>(3)</b>	<b>(98)</b>
<b>Net Income (Loss) – Adjusted<sup>1</sup></b>	<b>(49)</b>	<b>11</b>	<b>(1)</b>



- Consistent results in International Banking
- Higher TEB revenue offset QoQ
- Stable credit performance

<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.

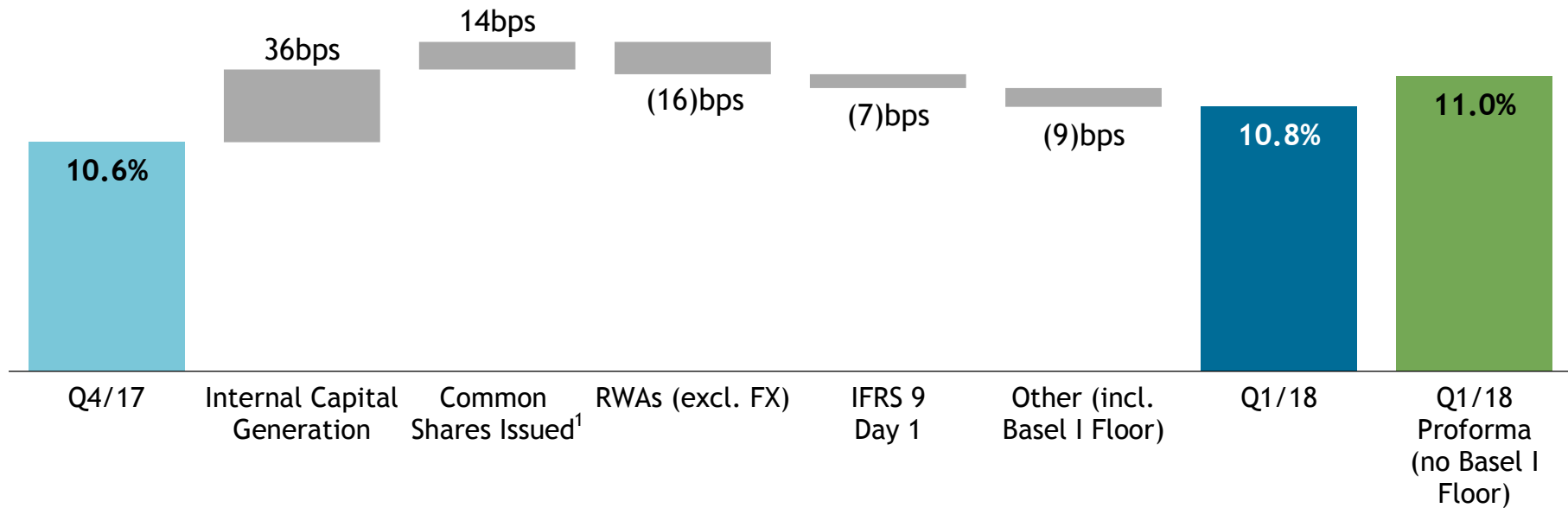
<sup>2</sup> Revenue is reported on a taxable equivalent basis (TEB).

<sup>3</sup> Reported results are on slide 20.



# Capital

## CET1 Ratio (all-in basis)



- Strong internal capital generation
  - Capital issuance driven by DRIP
- Partially offset by:
- RWA growth and IFRS 9 Day 1 impact
  - CET1 ratio without Basel I Floor adjustment is at 11.0%



<sup>1</sup> Excludes the impact related to the final settlement of PrivateBancorp acquisition and the Wellington Financial acquisition.

# First Quarter, 2018 Risk Review

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Laura Dottori-Attanasio

Senior Executive Vice-President and Chief Risk Officer



# Provision for Credit Losses

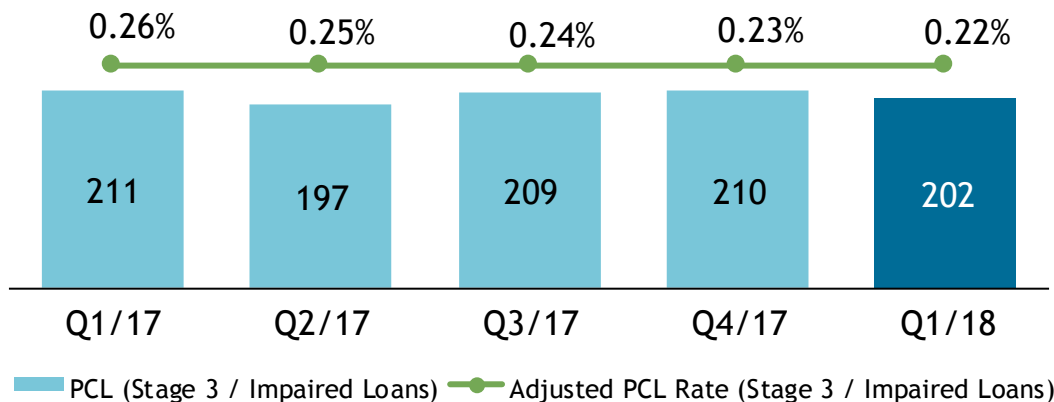
Adjusted <sup>1</sup>	IAS 39		IFRS 9
	Q1/17	Q4/17	Q1/18
(\$MM)			
Canadian Personal and Small Business Banking	196	181	180
Canadian Commercial Banking and Wealth Management	4	11	4
U.S. Commercial Banking and Wealth Management	2	13	4
Capital Markets	-	-	2
Corporate and Other	9	5	12
Provision for Impaired (IAS 39) / Stage 3 (IFRS 9)	211	210	202
Provision for Non-Impaired / Stage 1 & 2	1	2	(49)
Total Provision for Credit Losses	212	212	153
Total Provision for Credit Losses – Reported	212	229	153

## Provision for Impaired (vs. Q4/17)

- Lower losses in Canadian Commercial Banking and CIBC Bank USA
- Higher losses in CIBC FirstCaribbean

## Provision for Non-Impaired (Q1/18)

- Migrations within stage 1 and 2 resulted in lower provisions, driven by a more favourable macro-economic outlook



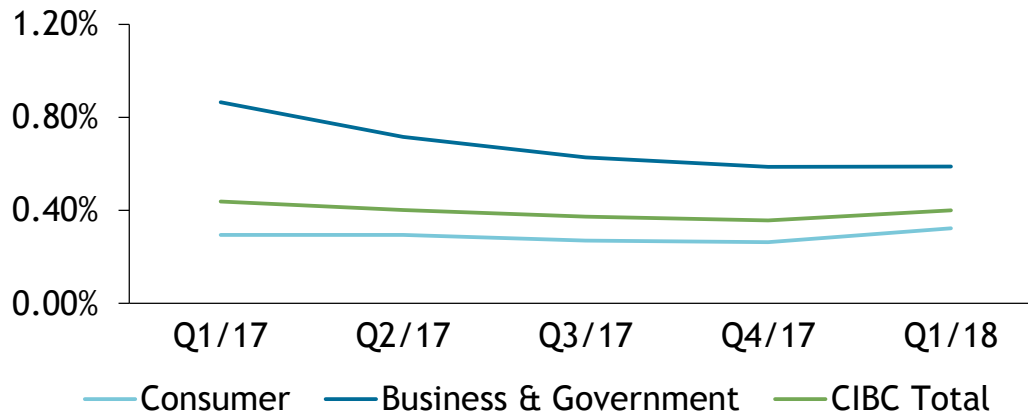
<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.



# Credit Quality – Gross Impaired Loans

Reported	IAS 39		IFRS 9
	Q1/17	Q4/17	Q1/18
Canadian Residential Mortgages	0.15%	0.14%	0.23%
Canadian Personal Lending	0.34%	0.29%	0.30%
CIBC Business & Government Loans <sup>1</sup>	0.64%	0.40%	0.40%
CIBC Bank USA	n/a	0.67%	0.66%
CIBC FirstCaribbean	6.82%	5.49%	5.54%
<b>Total Gross Impaired Loans</b>	<b>0.44%</b>	<b>0.36%</b>	<b>0.40%</b>

## Gross Impaired Loan Ratio



### vs. Q4/17:

- Increase in Canadian residential mortgages gross impaired rate mainly due to adoption of IFRS 9
  - Under IFRS 9, all mortgages are impaired at 90 days past due regardless of insurance type
  - Under IAS 39, mortgages insured by the government and private insurers were impaired at 365 days and 180 days past due, respectively

<sup>1</sup> Excludes CIBC Bank USA and CIBC FirstCaribbean business & government loans.

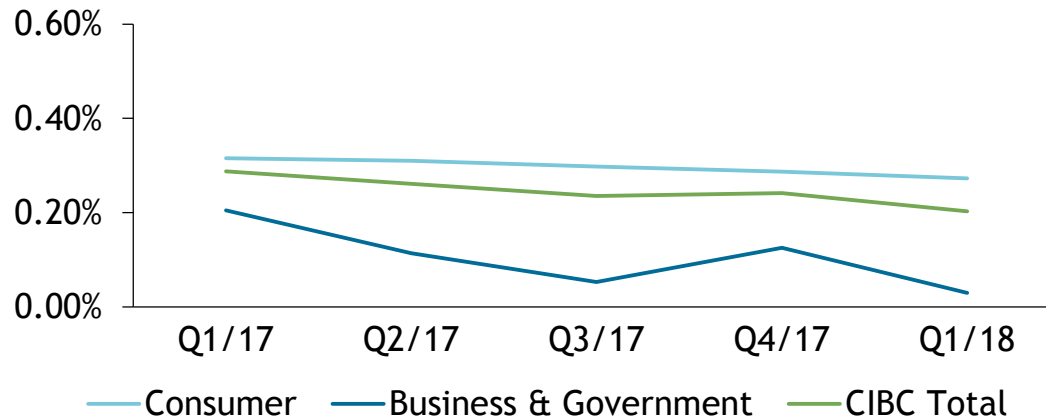


# Credit Quality – Net Write-offs

Reported	Q1/17	Q4/17	Q1/18
Canadian Residential Mortgages	0.01%	0.01%	0.01%
Canadian Credit Cards	3.52%	3.06%	2.99%
Canadian Personal Lending	0.76%	0.72%	0.72%
CIBC Business & Government Loans <sup>1</sup>	0.21%	0.08%	0.02%
CIBC Bank USA	n/a	0.02%	-0.01%
CIBC FirstCaribbean	0.45%	1.77%	0.77%
Total Net Write-off Ratio	0.29%	0.24%	0.20%

- Overall net write-off ratio trended lower QoQ

## Net Write-off Ratio



<sup>1</sup> Excludes CIBC Bank USA and CIBC FCIB business & government loans.



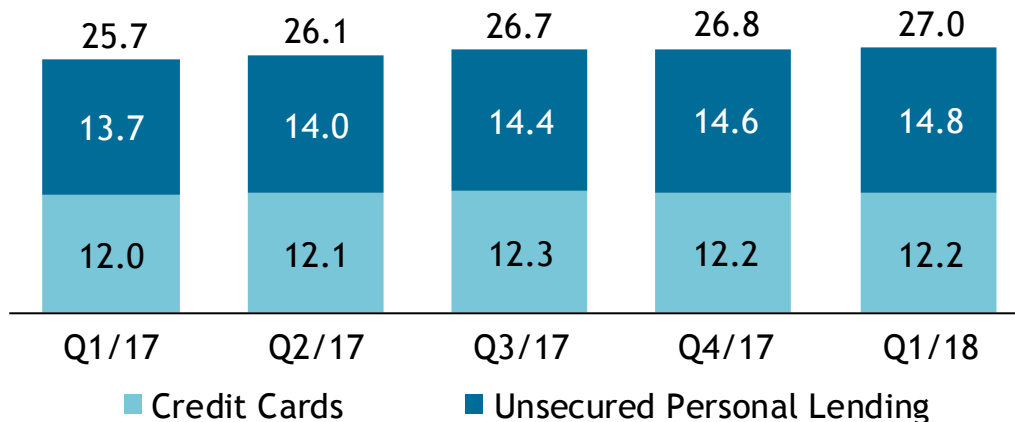


# Canadian Credit Cards and Unsecured Personal Lending

90+ Days Delinquency Rates	<u>IAS 39</u>		<u>IFRS 9</u>
	Q1/17	Q4/17	Q1/18
Canadian Credit Cards	0.88%	0.78%	0.94%
Canadian Unsecured Personal Lending <sup>1</sup>	0.51%	0.48%	0.51%

- 90+ days delinquency rate of cards portfolio up QoQ, primarily due to adoption of IFRS 9 (+6bps) and seasonality (+6bps)
- 90+ days delinquency rate of unsecured personal lending remained stable

## Balances (\$B; spot)



<sup>1</sup> Includes unsecured personal lines of credit, loans and overdraft.



# Appendix

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# Strong and Balanced Market Share Growth

	Q1/18 Balances (\$B)	YoY Growth	Most Current Market Share <sup>1</sup>	Absolute Rank	YoY Growth Rank
<b>Money-In</b>					
Personal Deposits & GICs	145	4.2%	16.8%	4	3
Canadian Retail Mutual Fund AUM	103	10.9%	15.4%	3	2
Small Business Deposits & GICs	22	1.7%	13.6%	4	5
<b>Money-Out</b>					
Real Estate Secured Personal Lending	225	9.6%	18.6%	4	1
Unsecured Personal Lending incl. Cards	28	4.6%	12.1%	4	2
Small Business Lending	3	7.9%	10.4%	5	4

<sup>1</sup> Market share is calculated using most current data available from OSFI (as at Dec/17), Canadian Bankers Association (as at Oct/17) and Investment Funds Institute of Canada (Dec/17), and is based on 6 banks (CIBC, BMO, BNS, NA, RBC and TD).



# Reported Results (\$MM)

<b>Total Bank</b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>	<b>Canadian Personal &amp; Small Business Banking</b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>
Revenue	4,209	4,269	4,459	Personal & Small Business Banking	1,992	2,086	2,125
Non-Interest Expenses	2,274	2,570	2,578	Other	311	7	13
<b>Pre-Provision Earnings</b>	<b>1,935</b>	<b>1,699</b>	<b>1,881</b>	<b>Revenue</b>	<b>2,303</b>	<b>2,093</b>	<b>2,138</b>
Provision for Credit Losses	212	229	153	Non-Interest Expenses	1,041	1,161	1,098
<b>Income Before Income Taxes</b>	<b>1,723</b>	<b>1,470</b>	<b>1,728</b>	<b>Pre-Provision Earnings</b>	<b>1,262</b>	<b>932</b>	<b>1,040</b>
Income Taxes	316	306	400	Provision for Credit Losses	202	183	148
<b>Net Income – Reported</b>	<b>1,407</b>	<b>1,164</b>	<b>1,328</b>	<b>Income Before Income Taxes</b>	<b>1,060</b>	<b>749</b>	<b>892</b>
Net Income – Adjusted <sup>1</sup>	1,166	1,263	1,433	Income Taxes	255	198	236
				<b>Net Income – Reported</b>	<b>805</b>	<b>551</b>	<b>656</b>
				Net Income – Adjusted <sup>1</sup>	561	623	658
<b>Canadian Commercial Banking &amp; Wealth Management</b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>	<b>U.S. Commercial Banking &amp; Wealth Management</b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>
Commercial Banking	323	348	354	Commercial Banking	47	290	295
Wealth Management	556	574	600	Wealth Management	64	119	133
<b>Revenue</b>	<b>879</b>	<b>922</b>	<b>954</b>	Other	2	13	4
Non-Interest Expenses	498	520	523	<b>Revenue<sup>2</sup></b>	<b>113</b>	<b>422</b>	<b>432</b>
<b>Pre-Provision Earnings</b>	<b>381</b>	<b>402</b>	<b>431</b>	Non-Interest Expenses	74	235	257
Provision for Credit Losses	4	11	1	<b>Pre-Provision Earnings</b>	<b>39</b>	<b>187</b>	<b>175</b>
<b>Income Before Income Taxes</b>	<b>377</b>	<b>391</b>	<b>430</b>	Provision for Credit Losses	2	48	14
Income Taxes	101	104	116	<b>Income Before Income Taxes</b>	<b>37</b>	<b>139</b>	<b>161</b>
<b>Net Income – Reported</b>	<b>276</b>	<b>287</b>	<b>314</b>	Income Taxes <sup>2</sup>	8	32	27
Net Income – Adjusted <sup>1</sup>	276	288	314	<b>Net Income – Reported</b>	<b>29</b>	<b>107</b>	<b>134</b>
				Net Income – Adjusted <sup>1</sup>	31	119	140
<b>Capital Markets</b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>	<b>Corporate &amp; Other</b>	<b>Q1/17</b>	<b>Q4/17</b>	<b>Q1/18</b>
Global Markets	532	299	486	International Banking	179	183	179
Corporate & Investment Banking	288	326	305	Other	(95)	27	(45)
Other	10	(3)	10	<b>Revenue<sup>2</sup></b>	<b>84</b>	<b>210</b>	<b>134</b>
<b>Revenue<sup>2</sup></b>	<b>830</b>	<b>622</b>	<b>801</b>	Non-Interest Expenses	295	334	324
Non-Interest Expenses	366	320	376	<b>Pre-Provision Earnings</b>	<b>(211)</b>	<b>(124)</b>	<b>(190)</b>
<b>Pre-Provision Earnings</b>	<b>464</b>	<b>302</b>	<b>425</b>	Provision for (reversal of) Credit Losses	4	(13)	6
Provision for (reversal of) Credit Losses	-	-	(16)	<b>Loss Before Income Taxes</b>	<b>(215)</b>	<b>(111)</b>	<b>(196)</b>
<b>Income Before Income Taxes</b>	<b>464</b>	<b>302</b>	<b>441</b>	Income Taxes <sup>2</sup>	(165)	(108)	(98)
Income Taxes <sup>2</sup>	117	80	119	<b>Net Income (Loss) – Reported</b>	<b>(50)</b>	<b>(3)</b>	<b>(98)</b>
<b>Net Income – Reported</b>	<b>347</b>	<b>222</b>	<b>322</b>	Net Income (Loss) – Adjusted <sup>1</sup>	(49)	11	(1)
Net Income – Adjusted <sup>1</sup>	347	222	322				

<sup>1</sup> Adjusted results are Non-GAAP financial measures. See slide 26 for further details.

<sup>2</sup> Revenue and income taxes are reported on a taxable equivalent basis (TEB).



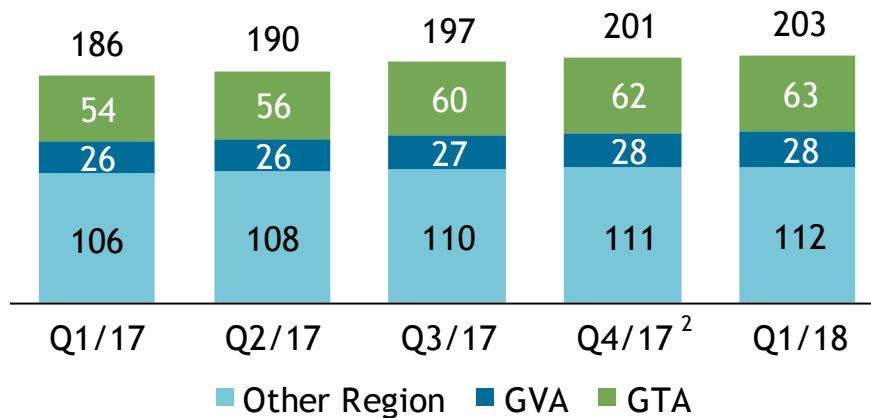
# Canadian Real Estate Secured Personal Lending

## 90+ Days Delinquency Rates

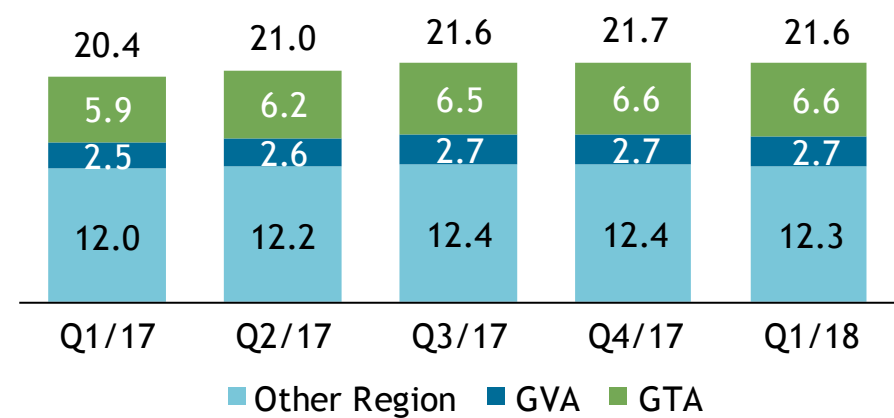
	Q1/17	Q4/17	Q1/18
Total Mortgages	0.26%	0.23%	0.23%
Uninsured Mortgages	0.19%	0.17%	0.19%
Uninsured Mortgages in GVA <sup>1</sup>	0.06%	0.05%	0.07%
Uninsured Mortgages in GTA <sup>1</sup>	0.07%	0.08%	0.10%

- Uninsured mortgages in the Greater Vancouver Area<sup>1</sup> (GVA) and Greater Toronto Area<sup>1</sup> (GTA) have lower 90+ days delinquency rates than the Canadian average

## Mortgage Balances (\$B; spot)



## HELOC Balances (\$B; spot)



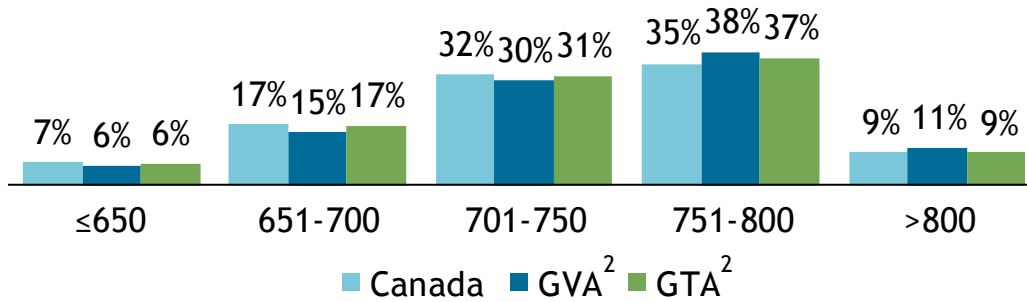
<sup>1</sup> GVA and GTA definitions based on regional mappings from Teranet.

<sup>2</sup> Restated.



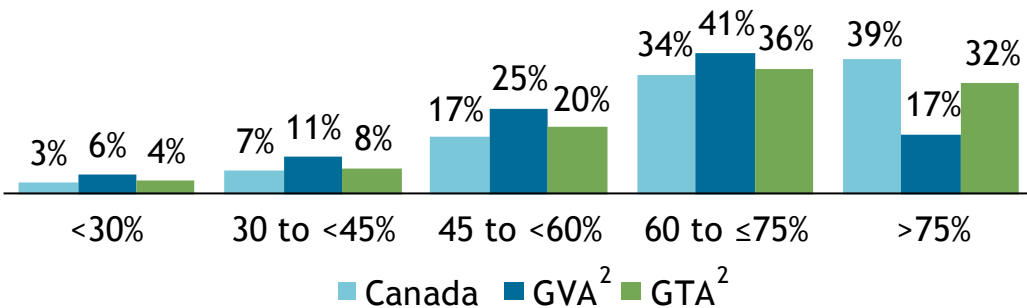
# Canadian Uninsured Residential Mortgages – Q1/18 Originations

## Beacon Distribution



- \$9B of originations in Q1/18
- Average LTV<sup>1</sup> in Canada: 64%
  - GVA<sup>2</sup>: 57%
  - GTA<sup>2</sup>: 62%

## Loan-to-Value (LTV)<sup>1</sup> Distribution



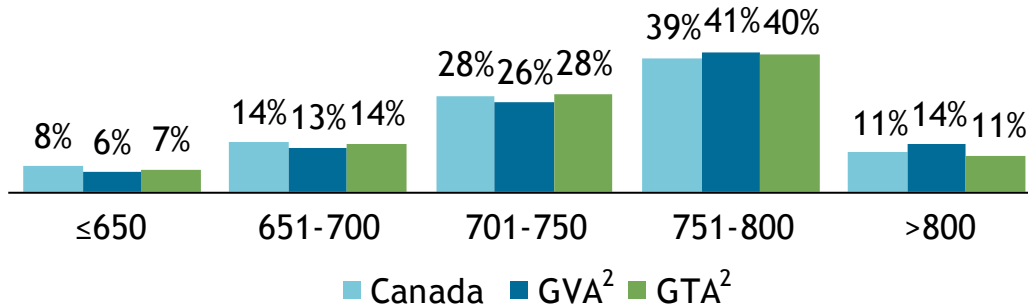
<sup>1</sup> LTV ratios for residential mortgages are calculated based on weighted average. See page 28 of the Q1/18 Report to Shareholders for further details.

<sup>2</sup> GVA and GTA definitions based on regional mappings from Teranet.



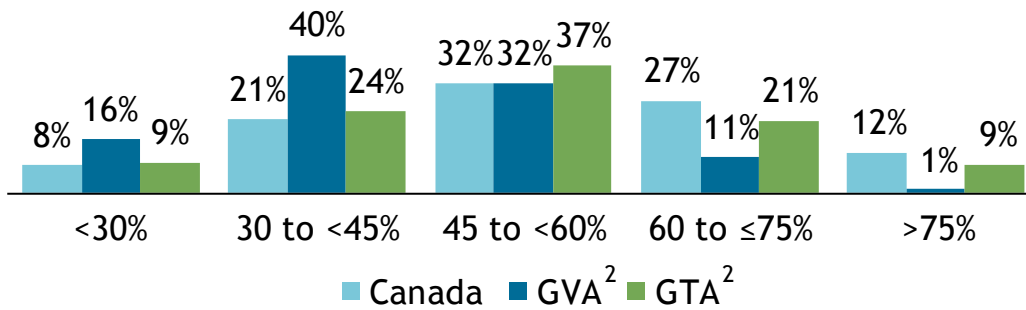
# Canadian Uninsured Residential Mortgages

## Beacon Distribution



- Better current Beacon and LTV<sup>1</sup> distributions in GVA<sup>2</sup> and GTA<sup>2</sup> than the Canadian average
- 1% of this portfolio has a Beacon score of 650 or lower and an LTV<sup>1</sup> over 75%
- Average LTV<sup>1</sup> in Canada: 54%
  - GVA<sup>2</sup>: 43%
  - GTA<sup>2</sup>: 52%

## Loan-to-Value (LTV)<sup>1</sup> Distribution

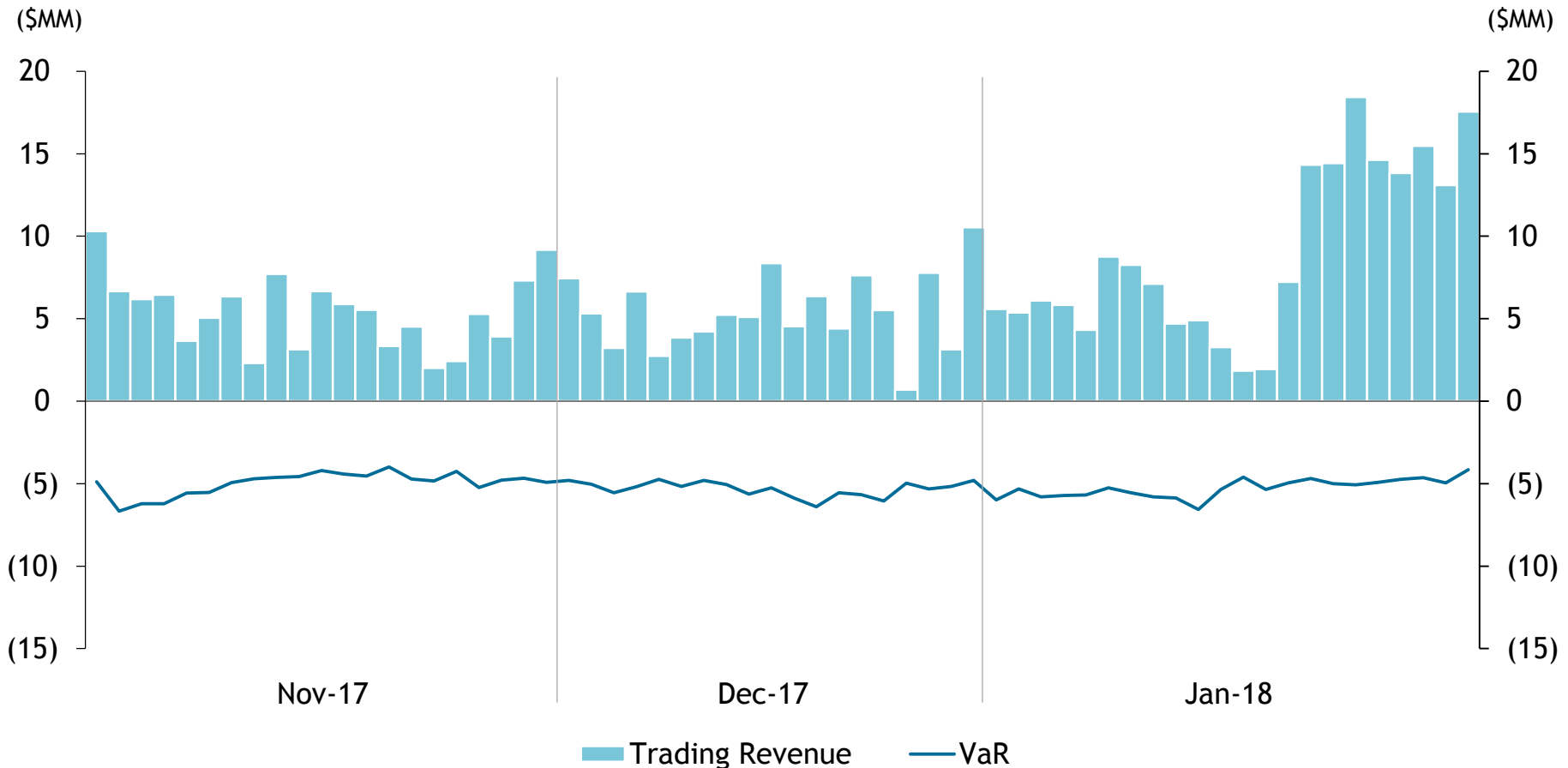


<sup>1</sup> LTV ratios for residential mortgages are calculated based on weighted average. See page 28 of the Q1/18 Report to Shareholders for further details.

<sup>2</sup> GVA and GTA definitions based on regional mappings from Teranet.



# Trading Revenue (TEB)<sup>1</sup> Distribution<sup>2</sup>



<sup>1</sup> Non-GAAP financial measure. See slide 26 for further details.

<sup>2</sup> Trading revenue (TEB) comprises both trading net interest income and non-interest income and excludes underwriting fees, commissions, certain month-end transfer pricing and other miscellaneous adjustments. Trading revenue (TEB) excludes certain exited portfolios.





# Q1 2018 Items of Note

	Pre-Tax Effect (\$MM)	After-Tax & NCI Effect (\$MM)	EPS Effect (\$/Share)	Reporting Segments
Charge from net tax adjustments resulting from the U.S. tax reforms enacted in the first quarter of 2018		88	0.20	Corporate & Other
Amortization of intangible assets	32	24	0.05	Canadian Personal & Small Business Banking/ U.S. Commercial Banking & Wealth Management/ Corporate & Other
Purchase accounting adjustments net of transaction and integration-related costs associated with the acquisitions of The PrivateBank and Geneva Advisors	(10)	(7)	(0.02)	U.S. Commercial Banking & Wealth Management/ Corporate & Other
<b>Adjustment to Net Income attributable to common shareholders and EPS</b>	<b>22</b>	<b>105</b>	<b>0.23</b>	



# Non-GAAP Financial Measures

- Adjusted results are Non-GAAP financial measures that do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers.
- For further details on items of note see slide 25 of this presentation; for Non-GAAP measures and reconciliation of Non-GAAP to GAAP measures see pages 1 and 2 of the Q1/18 Supplementary Financial Information and pages 14 and 15 of the 2017 Annual Report available on [www.cibc.com](http://www.cibc.com).

