CIBC

News Release

CIBC ANNOUNCES SECOND QUARTER 2007 RESULTS

HIGHLIGHTS

- **Cash diluted EPS[1] of $2.29**
- **Return on equity of 28.9%**
- **Cash efficiency ratio (TEB) [1] of 63.2%**
- **Tier 1 capital ratio of 9.5%**

(Toronto, ON – May 31, 2007) – **CIBC** (CM: TSX; NYSE) announced net income of $807 million for the second quarter ended April 30, 2007, up from $585 million for the same period last year. Diluted earnings per share (EPS) were $2.27, up from $1.63 a year ago. Cash diluted EPS[1] were $2.29, up from $1.65 a year ago.

Return on equity for the second quarter was 28.9%, up from 25.7% for the same period last year.

CIBC's Tier 1 capital ratio at April 30, 2007 was 9.5%, up from 9.2% a year ago.

Diluted EPS of $2.27 and cash diluted EPS[1] of $2.29 for the second quarter of 2007 were increased by:

- $80 million ($0.24 per share) tax recovery related to the favourable resolution of an income tax audit in CIBC Retail Markets.
- $24 million ($17 million after-tax, or $0.05 per share) reversal of the general allowance for credit losses.
- $11 million ($0.03 per share) reversal of a portion of the valuation allowance related to a future tax asset from CIBC's U.S. operations.
- $10 million ($7 million after-tax, or $0.02 per share) due to the impact of changes in credit spreads on the mark-to-market of corporate loan credit derivatives.

CIBC's net income, diluted EPS and cash diluted EPS[1] for the second quarter of 2007 were up from net income of $770 million, diluted EPS of $2.11 and cash diluted EPS[1] of $2.12 for the prior quarter, which included items of note aggregating to a decrease in earnings of $0.06 per share.

Update on business priorities

"Our second quarter results were strong, and reflect continued progress against our priorities and objective of consistent and sustainable performance," says Gerald T. McCaughey, President and Chief Executive Officer.

Business strength

CIBC's first priority is to sustain and enhance the strength of its core businesses.

CIBC Retail Markets reported revenue of $2,189 million, up from $2,151 million for the prior quarter and $1,975 million for the same period last year. Net income for the second quarter was $583 million, up 35% from a year ago. Volume growth, lower taxes and the acquisition of a controlling interest in FirstCaribbean International Bank (FirstCaribbean) contributed to this result.

CIBC Retail Markets' results for the second quarter of 2007 include the consolidated second quarter results of FirstCaribbean. On February 2, 2007 CIBC announced the purchase of an additional 8.5% interest in FirstCaribbean, increasing CIBC's ownership to approximately 91.5%.

While the environment in Canada remains competitive, CIBC's retail businesses continue to perform well overall and remain strongly positioned in the market. CIBC's credit cards business is the market leader in Canada and continues to grow in line with expectations. Card loans administered were up 10.6% from the second quarter of last year. CIBC Wood Gundy's assets under administration surpassed $120 billion in the quarter. Mutual funds and managed accounts assets under management grew to $61.1 billion in the quarter, up 9.7% from a year ago. CIBC had market share increases during the quarter in key areas such as mortgages, deposits and fixed term investments.

[1] For additional information, see the "Non-GAAP measures" section

In the area of personal lending, CIBC's focus on credit quality has been reflected in improved loan loss performance over the past year, but lower revenue growth than the market. As the actions CIBC has taken to improve its risk profile run their course, CIBC expects its personal lending business to resume overall revenue growth converging on industry levels.

CIBC's retail strategy in Canada is to become the primary financial institution for more of its clients. During the quarter, CIBC continued to invest in the areas of advice, access and financial solutions to further its relationships with clients:

- CIBC announced the completion of a major multi-year $90 million investment to upgrade CIBC's 3,800 bank machine network across Canada, offering better access for persons with disabilities, enhanced security and new transaction features.
- CIBC announced a limited-time, high interest rate offer on the CIBC Bonus Savings Account for new accounts and balances above $5,000 for existing accounts.
- Building on the success of the CIBC Financial HealthCheck™ service, CIBC launched the CIBC Financial HealthCheck Tips to provide clients with information on how to achieve their financial goals, as well as select and use CIBC's financial services to their maximum advantage.

CIBC World Markets reported another strong quarter. Revenue of $726 million was down from $784 million in the prior quarter, but up from $607 million for the same period last year. Net income for the second quarter was $194 million, up 76% from a year ago.

CIBC World Markets' solid performance reflects the strength of its client relationships combined with continued balance and discipline in the area of risk. In Canada, CIBC World Markets was the lead advisor, underwriter and issuer to Fortis Inc. on its $3.7 billion purchase of Terasen Inc.'s gas distribution business from Kinder Morgan, the largest domestic utility distribution transaction in Canadian history. CIBC opened an investment banking office in Winnipeg, making it the first major Canadian bank to offer a full suite of personal, commercial and corporate banking services in the Manitoba capital. In the U.S., CIBC World Markets' real estate finance business completed its largest commercial mortgage-backed securities offering ever, acting as co-lead manager with J.P. Morgan Securities Inc. on the US$3.9 billion transaction.

CIBC's target business mix is to invest 25% to 35% of the bank's economic capital[1] in its wholesale business. Based on a second quarter business mix of 27% wholesale, CIBC has capacity to allocate additional financial resources to CIBC World Markets.

Productivity

CIBC's second priority is to improve productivity.

CIBC's target in 2007 is to hold expenses flat to Q4 2006 levels, excluding the FirstCaribbean acquisition, by absorbing normal inflationary increases to its cost base. Expenses for the second quarter of $1,976 million were up from $1,943 million in the prior quarter, primarily due to the impact of a full quarter of consolidation of FirstCaribbean's results. CIBC's second quarter expenses included $99 million related to FirstCaribbean, compared with $33 million in the prior quarter. The higher FirstCaribbean expenses were partially offset by the impact of three fewer days in the second quarter.

CIBC's efficiency ratio for the second quarter improved to 64.8% from 66.1% for the same period last year. CIBC's cash efficiency ratio (TEB)[1] for the second quarter improved to 63.2% from 64.9% a year ago.

"Our second quarter results reflect the balance we are seeking between expense constraint and revenue growth," says McCaughey. "We believe that the impact of improved revenue through consistent investment in our core businesses and continued expense discipline is the most balanced way to achieve further productivity improvements."

Balance sheet strength and capital usage

CIBC's third priority is balance sheet strength and capital usage. CIBC's Tier 1 ratio of 9.5% remains above its medium term target of 8.5%. CIBC's capital usage plans are first to invest in core businesses, then balance remaining deployment opportunities.

"With the FirstCaribbean acquisition now complete, CIBC will consider further opportunities for international growth, both through organic expansion at FirstCaribbean and additional strategic acquisitions," says McCaughey. "CIBC will balance these opportunities with capital returns to shareholders."

During the quarter, CIBC announced its intention to repurchase up to 10 million common shares under a normal course issuer bid which expires October 31, 2007.

Dividends are also an important part of CIBC's capital management plan. CIBC's dividend payout ratio for the quarter was 33.7%, up from 32.9% for the prior quarter, but still below its medium term objective of 40% to 50%.

Making a difference in communities

CIBC remains committed to making a difference in the communities in which we live and work.

In February, a team of 22 CIBC employees, family members and friends participated in the 2007 CIBC Wood Gundy Climb for the Cure. The team scaled Africa's tallest peak, Mount Kilimanjaro, to raise over $520,000 for the Canadian Breast Cancer Foundation (CBCF).

In March, CIBC was the lead sponsor of the National Aboriginal Achievement Awards held in Edmonton. CIBC invested more than $900,000 in 2006 in national and local programs supporting the Aboriginal community.

In April, CIBC and the CBCF received the Sustained Success Award from the Sponsorship Marketing Council of Canada in recognition of sponsorship marketing programs that demonstrated the highest levels of accountability, effectiveness and return on investment over a period of three years or longer.

"I would like to thank our employees who have contributed their energy, time and generous support to these campaigns," says McCaughey.

Investor and analyst inquiries should be directed to John Ferren, Vice-President, Investor Relations, at 416-980-2088. Media inquiries should be directed to Rob McLeod, Senior Director, Communications and Public Affairs, at 416-980-3714, or to Mary Lou Frazer, Senior Director, Investor & Financial Communications, at 416-980-4111.

The information on the following pages forms a part of this press release.

(The board of directors of CIBC reviewed this press release prior to it being issued. CIBC's controls and procedures support the ability of the President and Chief Executive Officer and the Chief Financial Officer of CIBC to certify CIBC's second quarter financial report and controls and procedures. CIBC's CEO and CFO will voluntarily provide to the Securities and Exchange Commission a certification relating to CIBC's second quarter financial information, including the attached unaudited interim consolidated financial statements, and will provide the same certification to the Canadian Securities Administrators.)

[1] For additional information, see the "Non-GAAP measures" section.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis (MD&A) should be read in conjunction with the unaudited interim consolidated financial statements included in this report and with the MD&A contained in our 2006 Annual Accountability Report. The unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and are expressed in Canadian dollars. This MD&A is current as of May 31, 2007. Additional information relating to CIBC is available on SEDAR at www.sedar.com and on the U.S. Securities and Exchange Commission's (SEC) website at www.sec.gov. No information on CIBC's website (www.cibc.com) should be considered incorporated herein by reference. Certain comparative amounts have been reclassified to conform with the presentation adopted in the current period. A glossary of terms used throughout this quarterly report can be found on pages 142 and 143 of our 2006 Annual Accountability Report.

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 U.S. Securities and Exchange Commission and in other communications. These statements include, but are not limited to, statements we make in the "Update on business priorities," "Outlook" and "Review of consolidated statement of operations - Income taxes" sections of this report and other statements about our operations, business lines, financial condition, risk management, priorities, targets, ongoing objectives, strategies and outlook for 2007 and subsequent periods. Forward-looking statements are typically identified by the words "believe," "expect," "anticipate," "intend," "estimate" and other similar expressions or future or conditional verbs such as "will," "should," "would" and "could." By their nature, these statements require us to make assumptions including the economic assumptions set out in the "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: legislative or regulatory developments in the jurisdictions where we operate; amendments to, and interpretations of, risk-based capital guidelines and reporting instructions; the resolution of legal proceedings and related matters; the effect of applying future accounting changes; changes in our estimates of reserves and allowances; changes in tax laws; that our estimate of our sustainable effective tax rate will not be achieved; political conditions and developments; the possible effect on our business of international conflicts and the war on terror; natural disasters, public health emergencies and other catastrophic events; reliance on third parties to provide components of our business infrastructure; the accuracy and completeness of information provided to us by clients and counterparties; intensifying competition from established competitors and new entrants in the financial services industry; technological change; global capital market activity; interest rate and currency value fluctuations; general economic conditions worldwide, as well as in Canada, the U.S. and other countries where we have operations; changes in market rates and prices which may adversely affect the value of financial products; our success in developing and introducing new products and services, expanding existing distribution channels, developing new distribution channels and realizing increased revenue from these channels; changes in client spending and saving habits; and our ability to anticipate and manage the risks associated with these factors. This list is not exhaustive of the factors that may affect any of our forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on our forward-looking statements. We do not undertake to update any forward-looking statement that is contained in this report or other communications.

SECOND QUARTER FINANCIAL HIGHLIGHTS

		As at or for the three months ended			As at or for the six months ended	
		2007	2007	2006	**2007**	2006
Unaudited		**Apr. 30**	Jan. 31	Apr. 30	**Apr. 30**	Apr. 30
Common share information						
Per share	- basic earnings	**$ 2.29**	$ 2.13	$ 1.65	**$ 4.42**	$ 3.28
	- cash basic earnings[1]	**2.32**	2.14	1.66	**4.46**	3.31
	- diluted earnings	**2.27**	2.11	1.63	**4.37**	3.25
	- cash diluted earnings[1]	**2.29**	2.12	1.65	**4.41**	3.28
	- dividends	**0.77**	0.70	0.68	**1.47**	1.36
	- book value	**32.67**	31.85	26.61	**32.67**	26.61
Share price	- high	**104.00**	102.00	86.00	**104.00**	86.00
	- low	**97.70**	88.96	77.95	**88.96**	72.90
	- closing	**97.70**	100.88	82.75	**97.70**	82.75
Shares outstanding (thousands)						
	- average basic	**337,320**	336,486	335,147	**336,896**	334,745
	- average diluted	**340,613**	339,942	338,544	**340,272**	338,117
	- end of period	**337,487**	337,139	335,519	**337,487**	335,519
Market capitalization ($ millions)		**$ 32,972**	$ 34,011	$ 27,764	**$ 32,972**	$ 27,764
Value measures						
Price to earnings multiple (12 month trailing)		**11.4**	12.7	n/m	**11.4**	n/m
Dividend yield (based on closing share price)		**3.2 %**	2.8 %	3.4 %	**3.0 %**	3.3 %
Dividend payout ratio		**33.7 %**	32.9 %	41.4 %	**33.3 %**	41.5 %
Market value to book value ratio		**2.99**	3.17	3.11	**2.99**	3.11
Financial results ($ millions)						
Total revenue		**$ 3,050**	$ 3,091	$ 2,777	**$ 6,141**	$ 5,635
Provision for credit losses		**166**	143	138	**309**	304
Non-interest expenses		**1,976**	1,943	1,836	**3,919**	3,713
Net income		**807**	770	585	**1,577**	1,165
Financial measures						
Efficiency ratio		**64.8 %**	62.9 %	66.1 %	**63.8 %**	65.9 %
Cash efficiency ratio, taxable equivalent basis (TEB)[1]		**63.2 %**	61.5 %	64.9 %	**62.3 %**	64.6 %
Return on equity		**28.9 %**	27.1 %	25.7 %	**28.0 %**	25.6 %
Net interest margin		**1.36 %**	1.33 %	1.47 %	**1.34 %**	1.53 %
Net interest margin on average interest-earning assets		**1.55 %**	1.52 %	1.71 %	**1.54 %**	1.79 %
Return on average assets		**1.02 %**	0.97 %	0.83 %	**0.99 %**	0.82 %
Return on average interest-earning assets		**1.16 %**	1.10 %	0.97 %	**1.13 %**	0.95 %
Total shareholder return		**(2.4) %**	16.0 %	4.4 %	**13.2 %**	16.5 %
On- and off-balance sheet information ($ millions)						
Cash, deposits with banks and securities		**$ 100,204**	$ 108,482	$ 90,295	**$ 100,204**	$ 90,295
Loans and acceptances		**164,797**	159,530	145,826	**164,797**	145,826
Total assets		**326,580**	322,608	290,721	**326,580**	290,721
Deposits		**221,169**	223,625	193,503	**221,169**	193,503
Common shareholders' equity		**11,025**	10,736	8,929	**11,025**	8,929
Average assets		**326,088**	316,122	288,428	**321,023**	287,030
Average interest-earning assets		**285,127**	276,799	248,198	**280,895**	246,709
Average common shareholders' equity		**10,964**	10,474	8,803	**10,715**	8,641
Assets under administration		**1,165,585**	1,122,184	1,027,927	**1,165,585**	1,027,927
Balance sheet quality measures						
Common equity to risk-weighted assets		**8.7 %**	8.7 %	7.8 %	**8.7 %**	7.8 %
Risk-weighted assets ($ billions)		**$ 127.2**	$ 124.1	$ 115.1	**$ 127.2**	$ 115.1
Tier 1 capital ratio		**9.5 %**	9.6 %	9.2 %	**9.5 %**	9.2 %
Total capital ratio		**14.1 %**	14.1 %	13.7 %	**14.1 %**	13.7 %
Other information						
Retail / wholesale ratio[2]		**73% / 27 %**	74% / 26 %	74% / 26 %	**73% / 27 %**	74% / 26 %
Regular workforce headcount		**40,488**	40,559	36,741	**40,488**	36,741

(1) For additional information, see the “Non-GAAP measures” section.
(2) Retail includes CIBC Retail Markets and commercial banking (reported as part of CIBC World Markets). Wholesale reflects CIBC World Markets, excluding commercial banking. The ratio represents the amount of capital attributed to the business lines as at the end of the period. For further details, see the “Non-GAAP measures” section on page 37 of the 2006 Annual Accountability Report.
n/m - not meaningful due to the net loss over the 12 month trailing period.

Overview

CIBC is a leading North American financial institution. Through our two distinct strategic business lines, CIBC Retail Markets and CIBC World Markets, we provide a full range of products and services to over 11 million individual and small business clients, and meet the financial needs of corporate and institutional clients.

Economic and market environment

Economic growth was stronger in Canada than in the U.S. in the first calendar quarter of 2007. U.S. consumer spending remained solid, but exports, capital spending and homebuilding were weak. Canada benefited from gains in the mining and energy sectors, and housing starts were stable. These factors contributed to a strong job market which supported retail lending volumes. Canadian equity markets remained healthy, lifted by strong earnings growth and continued merger activity, leading to strong equities revenue. The yield curve remained flat by historic standards, even with somewhat higher core inflation in Canada. Some corporate bond spreads widened on increased prospects for leveraged buyouts, negatively affecting our fixed income trading.

Financial performance

Net income for the quarter was $807 million, compared with $585 million from the same quarter last year and $770 million from the prior quarter. Net income for the six months ended April 30, 2007 was $1,577 million, compared with $1,165 million for the same period in 2006.

Diluted earnings per share (EPS) and return on equity (ROE) were $2.27 and 28.9%, respectively, compared with $1.63 and 25.7% for the same quarter last year and $2.11 and 27.1% for the prior quarter. Diluted EPS and ROE for the six months ended April 30, 2007 were $4.37 and 28.0%, respectively, compared with $3.25 and 25.6% for the same period in 2006.

Cash diluted EPS[(1)] were $2.29, compared with $1.65 for the same quarter last year and $2.12 for the prior quarter. Cash diluted EPS[(1)] for the six months ended April 30, 2007 were $4.41, compared with $3.28 for the same period in 2006.

Our results for the reported periods were affected by the following items:

Q2, 2007

- $91 million of favourable tax recoveries and reversals;
- $24 million ($17 million after-tax) reversal of the general allowance for credit losses; and
- $10 million ($7 million after-tax) positive impact of changes in credit spreads on the mark-to-market of our corporate loan credit derivatives.

(1) Based upon net income available to common shareholders before amortization of other intangible assets. For additional information, see the “Non-GAAP measures” section.

Q1, 2007

- $6 million ($4 million after-tax) negative impact of changes in credit spreads on the mark-to-market of our corporate loan credit derivatives.

Q2, 2006

- $35 million of a favourable tax recovery;
- $25 million ($16 million after-tax) reversal of the general allowance for credit losses;
- $14 million ($9 million after-tax) negative impact of changes in credit spreads on the mark-to-market of our corporate loan credit derivatives; and
- $11 million ($7 million after-tax) negative impact due to a one-time accounting adjustment for mortgage loan prepayment fees.

Compared with Q2, 2006

Net income was up $222 million or 38%. Higher revenue from investment banking and credit products and treasury, volume growth in cards, deposits and mortgages and the impact of the FirstCaribbean acquisition (discussed on page 8), all contributed to the increase. Partially offsetting these were higher performance-related compensation, spread compression in retail lending products and higher provision for credit losses. In addition, the current quarter benefited from the higher tax recoveries and reversals noted above. Taxes were also lower as a result of an increase in the relative proportion of earnings subject to lower rates of tax.

Compared with Q1, 2007

Net income was up $37 million or 5% largely driven by the tax recoveries and reversals noted above. Income before taxes and non-controlling interests was down $97 million or 10% mainly due to lower capital markets revenue and the impact of three fewer days in the quarter. These were partially offset by higher revenue from investment banking and credit products and treasury and the impact of the FirstCaribbean acquisition. Higher specific provision for credit losses was partially offset by the reversal of the general allowance noted above.

Compared with the six months ended April 30, 2006

Net income was up $412 million or 35%. Revenue increases across most business lines in CIBC World Markets and higher treasury revenue contributed to the increase. The volume growth in cards, deposits and mortgages was offset by spread compression in the retail lending products. The impact of the FirstCaribbean acquisition also led to higher income. Performance-related compensation was higher, driven by the increase in revenue. The current period benefited from the higher tax recoveries and reversals noted above. Taxes were also lower as a result of an increase in the relative proportion of earnings subject to lower rates of tax.

Outlook

The economic outlook continues to point to moderate growth for the coming quarters as interest rates are expected to remain relatively steady; however, some softening in Canadian housing activity and only moderate growth in consumer spending is anticipated. Product spreads are expected to remain stable. Mortgage, lending and card balances are expected to continue increasing at approximately the recent growth rates.

While investment banking activities and capital markets are difficult to predict, market liquidity and mergers and acquisition (M&A) activity should remain robust. We expect the record level of equity new issue activity in the current quarter will not likely continue into the third or fourth quarters. The credit cycle should remain generally favourable in the near term, but the current low level of corporate default rates is likely not sustainable over the longer term, particularly given increased leveraged buyout activity globally.

Review of results of operations and financial position

Review of consolidated statement of operations

	For the three months ended			For the six months ended	
	2007	2007	2006	**2007**	2006
$ millions	**Apr. 30**	Jan. 31	Apr. 30	**Apr. 30**	Apr. 30
Net interest income	**$ 1,079**	$ 1,059	$ 1,036	**$ 2,138**	$ 2,184
Non-interest income	**1,971**	2,032	1,741	**4,003**	3,451
Total revenue	**3,050**	3,091	2,777	**6,141**	5,635
Provision for credit losses	**166**	143	138	**309**	304
Non-interest expenses	**1,976**	1,943	1,836	**3,919**	3,713
Income before taxes and non-controlling interests	**908**	1,005	803	**1,913**	1,618
Income taxes	**91**	231	190	**322**	428
Non-controlling interests	**10**	4	28	**14**	25
Net income	**$ 807**	$ 770	$ 585	**$ 1,577**	$ 1,165

Net interest income

Net interest income was up $43 million or 4% from the same quarter last year, primarily due to the impact of the FirstCaribbean acquisition and volume growth in cards, deposits and mortgages. These factors were partially offset by increased trading-related funding costs and spread compression in retail lending products.

Net interest income was up $20 million or 2% from the prior quarter, as a result of the FirstCaribbean acquisition, offset in part by the impact of three fewer days in the quarter.

Net interest income for the six months ended April 30, 2007 was down $46 million or 2% from the same period in 2006, largely due to increased trading-related funding costs and spread compression in retail lending products. These were partially offset by the impact of the FirstCaribbean acquisition and volume growth in cards, deposits and mortgages.

Non-interest income

Non-interest income was up $230 million or 13% from the same quarter last year, mainly due to higher gains net of write-downs on available-for-sale (AFS) securities (classified in 2006 as investment securities and limited partnership investments). Revenue on financial instruments designated at fair value (FVO) (the majority of which was classified as trading in 2006) and higher underwriting, advisory and credit fees also contributed to the increase. In addition, losses associated with corporate loan hedging programs were lower. Foreign exchange revenue of $47 million on the repatriation of capital and retained earnings from our non-U.S. foreign operations was included in the second quarter of 2006.

Non-interest income was down $61 million or 3% from the prior quarter, largely due to lower trading activities and lower revenue related to hedging of stock appreciation rights (SARs). These were partially offset by lower losses associated with corporate loan hedging programs.

Non-interest income for the six months ended April 30, 2007 was up $552 million or 16% from the same period in 2006, mainly due to higher gains net of write-downs on AFS securities and higher trading activities. Revenue on FVO financial instruments and higher underwriting, advisory and mutual funds fees also contributed to the increase. The prior period included foreign exchange revenue of $47 million on the repatriation noted above.

Provision for credit losses

Provision for credit losses was up $28 million or 20% from the same quarter last year, mainly driven by lower recoveries offset in part by lower losses in the corporate lending portfolio. Increased losses on the cards portfolio were largely offset by improvements in the unsecured personal lending portfolio.

Provision for credit losses was up $23 million or 16% from the prior quarter, largely due to lower recoveries offset in part by lower losses in the corporate lending portfolio. Losses in the cards and the small business portfolios were higher. The current quarter benefited from the $24 million reversal of the general allowance.

Provision for credit losses for the six months ended April 30, 2007 was up $5 million or 2% from the same period in 2006. The corporate lending portfolio had lower reversals and recoveries. Improvements in the unsecured personal lending portfolio were offset in part by higher losses in the cards portfolio.

Non-interest expenses

Non-interest expenses were up $140 million or 8% from the same quarter last year and up $206 million or 6% for the six months ended April 30, 2007 from the same period in 2006. The increase was mainly due to the impact of the FirstCaribbean acquisition and higher performance-related compensation.

Non-interest expenses were up $33 million or 2% from the prior quarter resulting from the impact of the FirstCaribbean acquisition, offset in part by lower expenses related to SARs and the impact of three fewer days in the quarter. The current quarter's expenses included $99 million related to FirstCaribbean, compared with $33 million in the prior quarter.

Income taxes

Income taxes were down $99 million or 52% from the same quarter last year and down $106 million or 25% for the six months ended April 30, 2007 from the same period in 2006. The current quarter benefited from an $80 million tax recovery related to the favourable resolution of an income tax audit in CIBC Retail Markets and an $11 million reversal of a portion of the valuation allowance related to a future income tax asset from our U.S operations. The increase in the relative proportion of earnings subject to lower rates of tax also contributed to the decrease. The second quarter of 2006 included a tax expense of $47 million on the repatriation of capital and retained earnings from our non-U.S. foreign operations and the $35 million tax recovery related to the favourable resolution of an income tax audit in CIBC Retail Markets.

Income taxes were down $140 million or 61% from the prior quarter, mainly due to the income tax recovery and the reversal of the valuation allowance noted above, and lower income.

The effective tax rate was 10.0% for the quarter, compared with 23.7% for the same quarter last year and 23.0% for the prior quarter. The effective tax rate for the six months ended April 30, 2007 was 16.8% compared with 26.5% for the same period in 2006.

The adjusted effective tax and taxable equivalent (TEB) rates for the quarter ended April 30, 2007 (excluding the income tax recovery of $80 million and the reversal of the valuation allowance of $11 million) were 20.0%[(1)] and 24.5%[(1)], respectively.

While rates will vary from quarter to quarter, our current estimate is that the adjusted sustainable effective tax rate will be in the 20-23% range and the adjusted sustainable TEB tax rate will be in the 24-27% range. These rates are determined based on the estimated earnings in various jurisdictions over the near term and the expected enacted tax rates in these jurisdictions. The impact of one-time items is excluded.

Non-controlling interests

Non-controlling interests were down $18 million or 64% from the same quarter last year and down $11 million or 44% for the six months ended April 30, 2007 from the same period in 2006. The decrease resulted from the deconsolidation of a variable interest entity (VIE) in the third quarter of 2006, offset in part by the acquisition of a controlling interest in FirstCaribbean.

Non-controlling interests were up $6 million from the prior quarter, largely due to the impact of the full three months of consolidation of FirstCaribbean. This increase was partially offset by the purchase of an additional 8.5% interest in FirstCaribbean on February 2, 2007.

(1) For additional information, see the "Non-GAAP measures" section.

Review of consolidated balance sheet

CONDENSED CONSOLIDATED BALANCE SHEET

$ millions, as at	**2007 Apr. 30**	2006 Oct. 31
Assets		
Cash and deposits with banks	**$ 16,441**	$ 11,853
Securities	**83,763**	83,498
Securities borrowed or purchased under resale agreements	**30,916**	25,432
Loans	**156,520**	145,625
Derivative instruments market valuation	**17,233**	17,122
Other assets	**21,707**	20,454
Total assets	**$ 326,580**	$ 303,984
Liabilities and shareholders' equity		
Deposits	**$ 221,169**	$ 202,891
Derivative instruments market valuation	**17,224**	17,330
Obligations related to securities lent or sold short or under repurchase agreements	**45,515**	44,221
Other liabilities	**22,144**	21,013
Subordinated indebtedness	**6,011**	5,595
Preferred share liabilities	**600**	600
Non-controlling interests	**161**	12
Shareholders' equity	**13,756**	12,322
Total liabilities and shareholders' equity	**$ 326,580**	$ 303,984

Assets

Total assets as at April 30, 2007 were up $22.6 billion or 7% from October 31, 2006.

Cash and deposits with banks increased as a result of the FirstCaribbean acquisition and normal treasury funding requirements.

The increase in securities driven by the FirstCaribbean acquisition was largely offset by a decrease in trading securities in our wholesale banking reflecting normal trading activities.

The increase in securities borrowed or purchased under resale agreements was primarily due to normal client-driven business activities.

Loans increased largely due to the FirstCaribbean acquisition. There was also volume growth in residential mortgages (net of securitizations) and cards.

Derivative instruments market valuation increased primarily due to the reclassification of hedging derivative instruments from other assets under the new financial instruments accounting standards (see Note 1 to the interim consolidated financial statements for more details), partially offset by a decrease in the market value of trading derivatives due to the weakening of the U.S. dollar.

Other assets increased mainly due to an increase in acceptances, and goodwill and other intangible assets acquired resulting from the FirstCaribbean acquisition. These increases were partially offset by the reclassification of hedging derivative instruments to derivative instruments market valuation and the investment in limited partnerships to AFS securities, both under the new financial instruments accounting standards. In addition, as a result of acquiring control, our investment in FirstCaribbean is no longer included in other assets.

Liabilities

Total liabilities as at April 30, 2007 were up $21.2 billion or 7% from October 31, 2006.

Deposits increased mainly due to the FirstCaribbean acquisition and volume growth in deposits attributed to funding requirements and client-driven activities.

Derivative instruments market valuation decreased primarily due to a decrease in the market value of trading derivatives resulting from a weakening of the U.S. dollar, partially offset by the reclassification of hedging derivative instruments from other liabilities under the new financial instruments accounting standards.

The increase in obligations related to securities lent or sold short or under repurchase agreements is largely as a result of the FirstCaribbean acquisition and normal increases from client-driven and treasury funding activities.

Other liabilities increased primarily due to an increase in acceptances, offset in part by the reclassification noted above for hedging derivative instruments.

Subordinated indebtedness increased primarily due to the FirstCaribbean acquisition and a change in the fair value of hedged debentures as a result of the implementation of the new financial instruments accounting standards.

The increase in non-controlling interests mainly represents the minority interest in FirstCaribbean.

Shareholders' equity

Shareholders' equity as at April 30, 2007 was up $1.4 billion or 12% from October 31, 2006, primarily due to an increase in retained earnings and preferred shares.

FirstCaribbean International Bank

On December 22, 2006, we obtained control of FirstCaribbean International Bank (FirstCaribbean) by acquiring a further 39.3% ownership interest from Barclays Bank PLC (Barclays) (FirstCaribbean acquisition). After completing the transaction, we owned approximately 83.0% of the common shares of FirstCaribbean with the remaining common shares held by both Barclays and other minority shareholders. The transaction took place at a share price of US$1.62 plus accrued dividends with a total transaction value of US$989 million ($1,153 million), which we paid in cash to Barclays. In addition, we incurred transaction costs, net of tax, of US$7 million ($8 million).

On February 2, 2007, pursuant to a tender offer at the same price for the remaining common shares held by Barclays and the other minority shareholders, we acquired an additional 8.5% interest in FirstCaribbean in exchange for additional cash consideration of US$212 million ($250 million), bringing our total ownership to 91.5%. In addition, we incurred additional transaction costs, net of tax, of US$2 million ($2 million).

For additional details, see Note 2 to the interim consolidated financial statements.

Contingent liabilities

CIBC is a party to a number of legal proceedings, including regulatory investigations, in the ordinary course of its business. While there exists an inherent difficulty in predicting the outcome of any such matters, based on current knowledge and consultation with legal counsel, we do not expect that the outcome of any of these matters, individually or in aggregate, would have a material adverse effect on our consolidated financial position. However, the outcome of any such matters, individually or in aggregate, may be material to our operating results for a particular period.

Review of quarterly financial information

$ millions, except per share amounts, for the three months ended	**2007**		2006				2005	
	Apr. 30	Jan. 31	Oct. 31	Jul. 31	Apr. 30	Jan. 31	Oct. 31	Jul. 31
Revenue								
CIBC Retail Markets	**$ 2,189**	$ 2,151	$ 2,046	$ 2,038	$ 1,975	$ 2,068	$ 2,063	$ 2,025
CIBC World Markets	**726**	784	697	677	607	679	964	929
Corporate and Other	**135**	156	147	111	195	111	399	201
Total revenue	**3,050**	3,091	2,890	2,826	2,777	2,858	3,426	3,155
Provision for credit losses	**166**	143	92	152	138	166	170	199
Non-interest expenses	**1,976**	1,943	1,892	1,883	1,836	1,877	2,060	4,854
Income (loss) before taxes and non-controlling interests	**908**	1,005	906	791	803	815	1,196	(1,898)
Income taxes	**91**	231	87	125	190	238	436	(106)
Non-controlling interests	**10**	4	-	4	28	(3)	32	115
Net income (loss)	**$ 807**	$ 770	$ 819	$ 662	$ 585	$ 580	$ 728	$ (1,907)
Per share - basic earnings (loss)	**$ 2.29**	$ 2.13	$ 2.34	$ 1.88	$ 1.65	$ 1.64	$ 2.08	$ (5.77)
- diluted earnings (loss)[(1)]	**$ 2.27**	$ 2.11	$ 2.32	$ 1.86	$ 1.63	$ 1.62	$ 2.06	$ (5.77)

(1) In case of a loss, the effect of stock options potentially exercisable on diluted earnings (loss) per share will be anti-dilutive; therefore, basic and diluted earnings (loss) per share will be the same.

Our quarterly results are modestly affected by seasonal factors. The first quarter is normally characterized by increased credit card purchases over the holiday period. The second quarter has fewer days as compared with the other quarters, generally leading to lower earnings. The summer months (July – third quarter and August – fourth quarter) typically experience lower levels of capital markets activity, which affects our brokerage, investment management and wholesale activities.

Revenue

CIBC Retail Markets revenue increased in the first and second quarters of 2007 as a result of the FirstCaribbean acquisition. Continued strength in cards and deposits also contributed to revenue growth in the past few quarters. Three fewer days contributed to lower revenue in the second quarters of 2007 and 2006.

CIBC World Markets revenue is influenced to a large extent by capital markets conditions and the opportunity for merchant banking divestitures. Increased capital markets volumes led to higher revenue in the first quarter of 2007. Increased merchant banking gains net of write-downs contributed to higher revenue in the third and fourth quarters of 2005.

Corporate and Other revenue is affected by the impact of significant items not included in the other business lines. Revenue in the third quarter of 2006 was lower due to the deconsolidation of a VIE. Foreign exchange revenue on the repatriation of capital and retained earnings from our foreign operations led to an increase in revenue in the second quarter of 2006 and the fourth quarter of 2005. Revenue was higher in the third quarter of 2005 due to higher revenue in a consolidated VIE.

Provision for credit losses

The provision for credit losses is dependent upon the credit cycle in general and on the credit performance of the loan portfolio. Retail lending provisions increased in the first and second quarters of 2007 largely due to higher losses in the cards portfolio. However, provisions are lower than the previous quarters of 2005, reflecting a shift to a higher proportion of secured personal lending products. Corporate lending recoveries have decreased in the current quarter. The high level of recoveries and reversals in the large corporate lending portfolio in the past is not expected to continue. Reversals of the general allowance were included in the current quarter, the fourth quarters of 2006 and 2005, and in the second quarter of 2006.

Non-interest expenses

Non-interest expenses have declined in recent quarters as a result of our productivity initiative. The FirstCaribbean acquisition and higher performance-related compensation contributed to an increase in expenses in the first and second quarters of 2007. Severance costs were higher in the fourth quarter of 2005. The third quarter of 2005 included the Enron-related litigation and hedge funds settlement provisions.

Income taxes

Income taxes vary with changes in income subject to tax and the jurisdictions in which the income is earned. It can also be affected by the impact of significant items. Income tax recoveries related to the favourable resolution of various income tax audits and reduced tax contingencies were included in the current quarter, the last three quarters of 2006 and the fourth quarter of 2005. Income tax expense on the repatriation of capital and retained earnings from our foreign operations was also included in the second quarter of 2006 and the fourth quarter of 2005. The Enron-related litigation provision led to an income tax benefit in the third quarter of 2005.

Non-controlling interests

Non-controlling interests were higher in the quarter due to the full three months of consolidation of FirstCaribbean. During the first three quarters of 2006, we deconsolidated certain VIEs which resulted in a decrease in non-controlling interests. In the first quarter of 2006, we acquired the remaining non-controlling interest in INTRIA Items Inc. The third quarter of 2005 included higher revenue in consolidated VIEs.

CIBC Retail Markets

CIBC Retail Markets comprises CIBC's retail and wealth management businesses. We provide a full range of financial products and services to individual and small business clients, as well as investment management services globally to retail and institutional clients.

Results [1]

$ millions	For the three months ended 2007 Apr. 30	2007 Jan. 31	2006 Apr. 30	For the six months ended 2007 Apr. 30	2006 Apr. 30
Revenue					
Personal and small business banking	**$ 501**	$ 517	$ 490	**$ 1,018**	$ 1,000
Imperial Service	**232**	237	227	**469**	457
Retail brokerage	**306**	314	319	**620**	616
Cards	**360**	371	337	**731**	684
Mortgages and personal lending	**361**	389	357	**750**	770
Asset management	**112**	111	108	**223**	215
FirstCaribbean[2]	**150**	50	-	**200**	-
Other	**167**	162	137	**329**	301
Total revenue	**2,189**	2,151	1,975	**4,340**	4,043
Provision for credit losses	**182**	153	180	**335**	360
Non-interest expenses	**1,353**	1,288	1,237	**2,641**	2,482
Income before taxes	**654**	710	558	**1,364**	1,201
Income taxes	**64**	176	126	**240**	331
Non-controlling interests	**7**	4	-	**11**	-
Net income	**$ 583**	$ 530	$ 432	**$ 1,113**	$ 870
Efficiency ratio	**61.8%**	59.9%	62.6%	**60.8%**	61.4%
Cash efficiency ratio (TEB)[3]	**61.3%**	59.7%	62.6%	**60.6%**	61.4%
ROE[3]	**52.9%**	55.0%	47.0%	**53.9%**	46.4%
Economic profit[3]	**$ 442**	$ 405	$ 312	**$ 847**	$ 624
Regular workforce headcount	**27,266**	27,254	23,108	**27,266**	23,108

(1) For additional segmented information, see the notes to the interim consolidated financial statements.
(2) Consistent with other businesses, revenue includes earnings on capital and internal funding charges.
(3) For additional information, see the "Non-GAAP measures" section.

Financial overview

Net income was up $151 million or 35% from the same quarter last year. Revenue increased as a result of the FirstCaribbean acquisition, volume growth in cards, deposits and mortgages, and higher treasury revenue allocations, partially offset by spread compression in lending products. Non-interest expenses were higher resulting from the FirstCaribbean acquisition. The current quarter benefited from a tax recovery of $80 million as compared with $35 million in the prior year quarter, both related to the favourable resolution of income tax audits.

Net income was up $53 million or 10% from the prior quarter. Revenue was up due to the FirstCaribbean acquisition, offset in part by the impact of three fewer days in the quarter. Non-interest expenses were higher mainly due to the FirstCaribbean acquisition. The current quarter benefited from the tax recovery noted above.

Net income for the six months ended April 30, 2007 was up $243 million or 28% from the same period in 2006. The increase in revenue was due mainly to the FirstCaribbean acquisition, volume growth in cards, deposits and mortgages, and higher treasury revenue allocations, offset in part by spread compression in lending products. Non-interest expenses were up largely as a result of the FirstCaribbean acquisition. Both the current and prior periods benefited from the tax recoveries noted above.

Revenue

FirstCaribbean revenue is included from the date of acquisition on December 22, 2006. Prior to December 22, 2006, FirstCaribbean was equity-accounted and the revenue was included in "Other".

Revenue was up $214 million or 11% from the same quarter last year.

Personal and small business banking revenue was up $11 million, mainly due to volume growth. Spread compression in fixed-term investments was largely offset by improved spreads in deposits.

Retail brokerage revenue was down $13 million, due to lower trading commissions and new issue activity, partially offset by higher fee-based revenue.

Cards revenue was up $23 million, primarily due to volume growth, partially offset by spread compression.

Mortgages and personal lending revenue was up $4 million with higher fee income and volume growth in mortgages largely offset by spread compression.

Other revenue was up $30 million due mainly to higher treasury revenue allocations.

Revenue was up $38 million or 2% from the prior quarter.

Personal and small business banking, Imperial Service and Mortgages and personal lending revenue were down as a result of three fewer days in the quarter and spread compression.

Retail brokerage revenue was down $8 million, primarily due to lower new issue activity and trading commissions.

Cards revenue was down $11 million, largely due to lower fee income and three fewer days in the quarter, partially offset by improved spreads.

Revenue for the six months ended April 30, 2007 was up $297 million or 7% from the same period in 2006.

Personal and small business banking revenue was up $18 million led by volume growth. Improved spreads in deposits were largely offset by spread compression in fixed-term investments.

Imperial Service revenue was up $12 million, mainly due to higher revenue from investment product sales.

Retail brokerage revenue was up $4 million as higher fee income resulting from growth in asset values was largely offset by lower trading commissions.

Cards revenue was up $47 million, primarily due to volume growth and higher fee income, partially offset by spread compression.

Mortgages and personal lending revenue was down $20 million, primarily due to spread compression, partially offset by higher securitization revenue and volume growth in mortgages.

Asset management revenue was up $8 million with higher fee income driven by growth in average funds managed largely offset by higher internal commissions paid to Imperial Service.

Other revenue was up $28 million resulting mainly from higher treasury revenue allocations.

Provision for credit losses

Provision for credit losses was comparable with the same quarter last year as improvements in the unsecured personal lending portfolio were offset by increased losses in the cards portfolio.

Provision for credit losses was up $29 million or 19% from the prior quarter, mainly due to higher losses in the cards and small business portfolios.

Provision for credit losses for the six months ended April 30, 2007 was down $25 million or 7% from the same period in 2006, primarily due to improvements in the unsecured personal lending portfolio, partially offset by increased losses in the cards portfolio.

Non-interest expenses

Non-interest expenses were up $116 million or 9% from the same quarter last year and up $65 million or 5% from the prior quarter largely as a result of the FirstCaribbean acquisition.

Non-interest expenses for the six months ended April 30, 2007 were up $159 million or 6% from the same period in 2006, primarily due to the FirstCaribbean acquisition and higher corporate support costs.

Income taxes

Income taxes were down $62 million or 49% from the same quarter last year and down $91 million or 27% for the six months ended April 30, 2007 from the same period in 2006. A higher tax recovery and lower taxes attributable to an increase in the relative proportion of earnings subject to lower rates of tax contributed to the decrease.

Income taxes were down $112 million or 64% from the prior quarter, primarily due to the tax recovery noted above.

Non-controlling interests

Non-controlling interests represents the minority interest in FirstCaribbean.

Regular workforce headcount

The regular workforce headcount was up 4,158 from the same quarter last year, largely due to the FirstCaribbean acquisition and a realignment of staff from Administration, Technology and Operations.

CIBC World Markets

CIBC World Markets is the wholesale and corporate banking arm of CIBC, providing a range of integrated credit and capital markets, investment banking, and merchant banking products and services to clients in key financial markets in North America and around the world. We provide capital solutions and advisory expertise across a wide range of industries as well as research for our corporate, government and institutional clients.

Results [1]

	For the three months ended			For the six months ended	
$ millions	**2007 Apr. 30**	2007 Jan. 31	2006 Apr. 30	**2007 Apr. 30**	2006 Apr. 30
Revenue (TEB)[2]					
Capital markets	**$ 351**	$ 449	$ 354	**$ 800**	$ 725
Investment banking and credit products[3]	**247**	204	119	**451**	356
Commercial banking[3]	**121**	121	119	**242**	243
Merchant banking	**85**	77	69	**162**	81
Other	**(24)**	(5)	(12)	**(29)**	(31)
Total revenue (TEB)[2]	**780**	846	649	**1,626**	1,374
TEB adjustment	**54**	62	42	**116**	88
Total revenue	**726**	784	607	**1,510**	1,286
Provision for (recovery of) credit losses	**4**	(10)	(16)	**(6)**	(31)
Non-interest expenses	**524**	551	505	**1,075**	1,038
Income before taxes and non-controlling interests	**198**	243	118	**441**	279
Income taxes	**1**	33	7	**34**	39
Non-controlling interests	**3**	-	1	**3**	2
Net income	**$ 194**	$ 210	$ 110	**$ 404**	$ 238
Efficiency ratio	**72.2%**	70.3%	83.4%	**71.2%**	80.7%
Cash efficiency ratio (TEB)[2]	**67.1%**	65.2%	77.9%	**66.1%**	75.5%
ROE[2]	**36.8%**	41.6%	23.5%	**39.2%**	24.6%
Economic profit[2]	**$ 127**	$ 146	$ 50	**$ 273**	$ 114
Regular workforce headcount	**2,353**	2,384	2,222	**2,353**	2,222

(1) For additional segmented information, see the notes to the interim consolidated financial statements.
(2) For additional information, see the "Non-GAAP measures" section.
(3) Effective November 1, 2006, all cash management revenue previously allocated to investment banking and credit products was transferred to commercial banking on a retroactive basis.

Financial overview

Net income was up $84 million or 76% from the same quarter last year, largely as a result of higher revenue in U.S. real estate finance which completed its largest commercial mortgage-backed securities offering, and Canadian investment banking. Taxes were lower driven by an increase in the relative proportion of earnings subject to lower rates. These were partially offset by higher non-interest expenses and provision for credit losses.

Net income was down $16 million or 8% from the prior quarter, primarily due to lower capital markets revenue, partially offset by higher investment banking and credit products revenue and lower non-interest expenses.

Net income for the six months ended April 30, 2007 was up $166 million or 70% from the same period in 2006, mainly due to higher revenue across most business lines and lower taxes resulting from an increase in the relative proportion of earnings subject to lower rates. These were partially offset by higher non-interest expenses and a lower recovery of credit losses.

Revenue

Revenue was up $119 million or 20% from the same quarter last year.

Investment banking and credit products revenue was up $128 million. Higher revenue in U.S. real estate finance and Canadian investment banking accounted for almost half of the increase. In addition, losses associated with corporate loan hedging programs were lower.

Merchant banking revenue was up $16 million, resulting from higher gains and lower write-downs.

Revenue was down $58 million or 7% from the prior quarter.

Capital markets revenue was down $98 million. Lower revenue in debt capital markets, equity and commodity structured products and Canadian equities contributed to the decrease.

Investment banking and credit products revenue was up $43 million, primarily due to higher revenue in U.S. real estate finance and lower losses associated with corporate loan hedging programs, partially offset by lower revenue in investment banking.

Revenue for the six months ended April 30, 2007 was up $224 million or 17% from the same period in 2006.

Capital markets revenue was up $75 million, driven by higher revenue in equity and commodities structured products.

Investment banking and credit products revenue was up $95 million, primarily due to higher revenue in U.S. real estate finance and lower losses associated with corporate loan hedging programs, partially offset by lower revenue in European investment banking.

Merchant banking revenue was up $81 million, resulting from higher gains and lower write-downs.

Provision for (recovery of) credit losses

Provision for credit losses was $4 million, compared with a recovery of $16 million for the same quarter last year. Lower recoveries in the U.S. were partially offset by lower losses net of recoveries in commercial banking.

Provision for credit losses was $4 million, compared with a recovery of $10 million for the prior quarter. Lower recoveries in Europe and higher losses net of recoveries in commercial banking were partially offset by lower losses net of recoveries in the U.S.

Recovery of credit losses for the six months ended April 30, 2007 was down $25 million or 81% from the same period in 2006, primarily due to higher losses and lower recoveries in the U.S., partially offset by higher recoveries in Europe and lower losses in commercial banking.

Non-interest expenses

Non-interest expenses were up $19 million or 4% from the same quarter last year, primarily due to higher performance-related compensation, partially offset by lower litigation provisions.

Non-interest expenses were down $27 million or 5% from the prior quarter, mainly due to lower litigation provisions.

Non-interest expenses for the six months ended April 30, 2007 were up $37 million or 4% from the same period in 2006, primarily due to higher performance-related compensation, partially offset by lower litigation provisions and corporate support costs.

Income taxes

Despite higher income, income taxes were down $6 million or 86% from the same quarter last year and down $5 million or 13% for the six months ended April 30, 2007 from the same period in 2006. The increase in the relative proportion of earnings subject to lower rates of tax, including tax-exempt income, contributed to the decrease. The current quarter benefited from the $11 million reversal of a portion of the valuation allowance related to a future tax asset from our U.S. operations.

Income taxes were down $32 million or 97% from the prior quarter, resulting from lower income and the valuation allowance reversal noted above.

Regular workforce headcount

The regular workforce headcount was up 131 from the same quarter last year, primarily due to a realignment of staff from Administration, Technology and Operations.

Corporate and Other

Corporate and Other comprises the five functional groups – Administration, Technology and Operations; Corporate Development; Finance; Legal and Regulatory Compliance; and Treasury and Risk Management – that support CIBC's business lines, as well as CIBC Mellon joint ventures, and other income statement and balance sheet items, including the general allowance, not directly attributable to the business lines. The general allowance applicable to FirstCaribbean is determined locally and is included in CIBC Retail Markets. The revenue and expenses of the functional groups are generally allocated to the business lines.

Results (1)

	For the three months ended			For the six months ended	
$ millions	**2007 Apr. 30**	2007 Jan. 31	2006 Apr. 30	**2007 Apr. 30**	2006 Apr. 30
Total revenue	**$ 135**	$ 156	$ 195	**$ 291**	$ 306
Recovery of credit losses	**(20)**	-	(26)	**(20)**	(25)
Non-interest expenses	**99**	104	94	**203**	193
Income before taxes and non-controlling interests	**56**	52	127	**108**	138
Income taxes	**26**	22	57	**48**	58
Non-controlling interests	**-**	-	27	**-**	23
Net income	**$ 30**	$ 30	$ 43	**$ 60**	$ 57
Regular workforce headcount	**10,869**	10,921	11,411	**10,869**	11,411

(1) For additional segmented information, see the notes to the interim consolidated financial statements.

Financial overview

Net income was down $13 million or 30% from the same quarter last year, mainly due to higher unallocated corporate support costs. The second quarter of 2006 included foreign exchange revenue of $47 million and the related tax expense of the same amount on the repatriation of capital and retained earnings from our non-U.S. foreign operations.

Net income was unchanged from the prior quarter, as the reversal of the $20 million of general allowance for credit losses was offset by higher unallocated corporate support costs.

Net income for the six months ended April 30, 2007 was up $3 million or 5% from the same period in 2006. Higher revenue from treasury and the CIBC Mellon joint ventures and lower project costs contributed to the increase. These were partially offset by higher unallocated corporate support costs.

Revenue

Revenue was down $60 million or 31% from the same quarter last year and down $15 million or 5% for the six months ended April 30, 2007 from the same period in 2006. Foreign exchange revenue of $47 million on the repatriation noted above was included in the second quarter of 2006. The deconsolidation of a VIE in the third quarter of 2006 offset in part by higher revenue from treasury and CIBC Mellon joint ventures also contributed to the decline.

Revenue was down $21 million or 13% from the prior quarter, mainly due to lower revenue related to the hedging of SARs.

Recovery of credit losses

The current quarter included the $20 million reversal of the general allowance compared with $25 million in the same quarter last year.

Non-interest expenses

Non-interest expenses were up $5 million or 5% from the same quarter last year and up $10 million or 5% for the six months ended April 30, 2007 from the same period in 2006. The increase was mainly due to higher unallocated corporate support costs, partially offset by lower project costs.

Non-interest expenses were down $5 million or 5% from the prior quarter, primarily due to lower expenses related to SARs, partially offset by higher unallocated corporate support costs.

Income taxes

Income taxes were down $31 million or 54% from the same quarter last year. An income tax expense of $47 million on the repatriation noted above was included in the second quarter of 2006.

Income taxes for the six months ended April 30, 2007 were down $10 million or 17% from the same period in 2006, mainly due to the income tax expense of $47 million on the repatriation noted above, partially offset by the impact of higher income subject to tax.

Non-controlling interests

Non-controlling interests in the second quarter of 2006 and the six months ended April 30, 2006 represents the minority interest in a consolidated VIE. The VIE was deconsolidated in the third quarter of 2006.

Regular workforce headcount

The regular workforce headcount was down 542 from the same quarter last year, primarily due to the reduction of back office functions and the realignment of staff to the business groups. These decreases were partially offset by the transfer of staff from an external service provider relating to the repatriation of desktop support and related network management services to CIBC.

Management of risk

Our approach to the management of risk and capital resources has not changed significantly from that described on pages 53 to 66 of the 2006 Annual Accountability Report.

Management of credit risk

CREDIT QUALITY PERFORMANCE		
	2007	2006
$ millions, as at	Apr. 30	Oct. 31
Gross impaired loans		
Consumer	**$ 555**	$ 386
Business and government	**426**	244
Total gross impaired loans	**$ 981**	$ 630
Allowance for credit losses		
Consumer	**$ 374**	$ 363
Business and government	**248**	181
Specific allowance	**622**	544
General allowance	**894**	900
Total allowance for credit losses	**$ 1,516**	$ 1,444

Gross impaired loans were up $351 million or 56% from October 31, 2006. Consumer gross impaired loans were up $169 million or 44%. Business and government gross impaired loans were up $182 million or 75%. The overall increase in gross impaired loans was largely due to the FirstCaribbean acquisition. During the six months ended April 30, 2007, gross impaired loans increased $22 million in Canada, $22 million in the U.S. and $307 million in other countries.

Allowance for credit losses was up $72 million or 5% from October 31, 2006. Specific allowance was up $78 million or 14% from year-end, primarily due to the FirstCaribbean acquisition. This increase was partially offset by a reduction in the specific allowance of the personal loans portfolio in Canada. The general allowance totalled $894 million, down $6 million from the year-end. The reversal of $24 million of general allowance, and a transfer of $5 million to specific allowance related to the student loans portfolio were largely offset by the FirstCaribbean acquisition.

For details on the provision for credit losses, see the "Review of consolidated statement of operations" section.

Management of market risk

Trading activities

The following table shows Value-at-Risk (VaR) by risk-type for CIBC's trading activities. Total average risk was down from the same quarter last year primarily due to lower levels of credit spread risk, partially offset by higher levels of interest rate risk. Risk changes have not been significant and do not reflect any material change in business activity.

Trading revenue (TEB)[A] was positive for 79% of the days in the quarter and 86% of the days for the six months ended April 30, 2007 and trading losses did not exceed VaR for any day during the three and six months ended April 30, 2007.

VaR BY RISK TYPE - TRADING PORTFOLIO										
	As at or for the three months ended								For the six months ended	
	Apr. 30, 2007				Jan. 31, 2007		Apr. 30, 2006		Apr. 30, 2007	Apr. 30, 2006
$ millions	High	Low	As at	Average	As at	Average	As at	Average	Average	Average
Interest rate risk	**$ 8.8**	**$ 4.9**	**$ 7.5**	**$ 7.0**	$ 8.6	$ 7.0	$ 6.1	$ 6.3	**$ 7.0**	$ 5.0
Credit spread risk	**4.8**	**3.0**	**4.7**	**3.9**	3.2	3.5	4.8	5.0	**3.7**	4.7
Equity risk	**7.4**	**5.2**	**5.8**	**5.9**	5.8	6.4	6.5	6.4	**6.1**	6.1
Foreign exchange risk	**1.1**	**0.1**	**0.4**	**0.5**	0.6	0.4	0.5	0.2	**0.4**	0.2
Commodity risk	**1.9**	**0.9**	**1.0**	**1.4**	1.5	1.6	2.1	1.7	**1.5**	1.6
Diversification effect(1)	**n/m** (2)	**n/m** (2)	**(9.7)**	**(9.5)**	(10.2)	(9.9)	(10.2)	(10.0)	**(9.6)**	(8.7)
Total risk	**$ 10.3**	**$ 8.0**	**$ 9.7**	**$ 9.2**	$ 9.5	$ 9.0	$ 9.8	$ 9.6	**$ 9.1**	$ 8.9

(1) Aggregate VaR is less than the sum of the VaR of the different market risk types due to risk offsets resulting from portfolio diversification effect.
(2) Not meaningful. It is not meaningful to compute a diversification effect because the high and low may occur on different days for different risk types.

(A) For additional information, see the "Non-GAAP measures" section on page 37 of our 2006 Annual Accountability Report.

Non-trading activities

The following table shows the potential impact of an immediate 100 basis points increase and decrease in interest rates over the next 12 months, as adjusted for estimated prepayments.

INTEREST RATE SENSITIVITY - NON TRADING (AFTER-TAX) $ millions, as at	**2007** **Apr. 30**	2007 Jan. 31	2006 Apr. 30
100 basis points increase in interest rates			
Impact on net interest income	**$ 22**	$ 12	$ 79
Impact on shareholders' equity[(1)]	**292**	183	260
100 basis points decrease in interest rates			
Impact on net interest income	**$ (95)**	$ (72)	$ (149)
Impact on shareholders' equity[(1)]	**(326)**	(239)	(260)

(1) Measured on a present value basis.

Management of liquidity risk

Consistent with our liquidity risk mitigation strategies, we continue to source term funding in the wholesale markets from a variety of clients and geographic locations, borrowing across a range of maturities using a mix of funding instruments.

Core personal deposits remain a prime source of dependable retail funding. As at April 30, 2007, Canadian dollar deposits from individuals totalled $82.0 billion (October 31, 2006: $77.4 billion).

Strategies for managing liquidity risk include maintaining diversified sources of wholesale term funding, asset securitization initiatives, capital and subordinated debt issuance, and maintenance of segregated pools of high-quality liquid assets that can be sold or pledged as security to provide a ready source of cash.

One factor that can affect our access to wholesale markets and funding costs in those markets is our credit ratings. Over the course of the quarter, DBRS Limited upgraded our senior and subordinated debt ratings from AA(low) to AA and from A(high) to AA(low), respectively. Moody’s Investors Service implemented a new bank rating methodology, the final outcome of which was a revision of our senior debt rating from Aa3 to Aa2 and our subordinated debt rating from A1 to Aa3. These changes have resulted in minimal impact to our access and cost of wholesale funding.

The following table summarizes our liquid assets:

$ billions, as at	**2007** **Apr. 30**	2006 Oct. 31
Cash	**$ 1.0**	$ 0.9
Deposits with banks	**15.4**	10.9
Securities[(1)]	**66.1**	66.8
Securities borrowed or purchased under resale agreements	**30.9**	25.4
	$ 113.4	$ 104.0

(1) Includes available-for-sale securities (2006: investment securities) and securities designated at fair value with residual term to contractual maturity within one year, and trading securities.

In the course of our regular business activities, certain assets are pledged as part of collateral management, including those necessary for day-to-day clearing and settlement of payments and securities. Pledged assets as at April 30, 2007 totalled $22.3 billion (October 31, 2006: $25.5 billion).

Management of capital resources

Regulatory capital

We manage capital in accordance with policies established by the Board and a Board-approved annual capital plan.

Regulatory capital is determined in accordance with guidelines issued by the Office of the Superintendent of Financial Institutions (OSFI).

$ millions, as at	**2007** **Apr. 30**	2006 Oct. 31
Tier 1 capital	**$ 12,111**	$ 11,935
Total regulatory capital	**17,954**	16,583
Risk-weighted assets	**127,186**	114,780
Tier 1 capital ratio	**9.5 %**	10.4 %
Total capital ratio	**14.1 %**	14.5 %
Assets-to-capital multiple	**17.9 x**	18.0 x

Our Tier 1 ratio was down 90 basis points from the year-end, largely due to an increase in risk-weighted assets and goodwill, both arising from the acquisition of FirstCaribbean. These factors were partially offset by the increase in retained earnings, the minority interest in FirstCaribbean, and the issue of common shares from the exercise of options.

Our Total capital ratio was down 40 basis points from year-end, largely due to the factors noted above. The total capital ratio benefited from the reduction in equity-accounted investments as a result of our FirstCaribbean acquisition.

Significant capital management activities

The following table summarizes our significant capital management activities:

$ millions	For the three months ended April 30, 2007	For the six months ended April 30, 2007
Issue of Class A Preferred Shares	$ 300	$ 750
Redemption of Class A Preferred Shares	-	416 (1)
Issue of common shares (options exercised)	21	71
Dividends		
Preferred shares - classified as equity	35	73
Preferred shares - classified as liabilities	8	16
Common shares	259	494

(1) Includes $16 million premium on redemption.

For additional details, see Note 5 to the interim consolidated financial statements.

Normal course issuer bid

On April 30, 2007, the Toronto Stock Exchange accepted our notice of intention to commence a normal course issuer bid. Purchases under this bid commenced on May 2, 2007 and will conclude on the earlier of the termination of the bid, the date on which purchases under the bid have been completed, or October 31, 2007. Under this bid, from time to time we may purchase for cancellation up to 10 million common shares. Between the commencement of the bid and May 30, 2007, we repurchased and cancelled approximately 1.3 million shares at an average price of $102.13 for a total amount of $130 million.

Dividends

During the quarter, we increased our quarterly common share dividend from $0.70 per share to $0.77 per share.

Regulatory approval to pay dividends

We obtained the approval of OSFI under section 79(5) of the Bank Act to pay dividends on our common shares and Class A Preferred Shares for the quarters ended January 31, 2007 and April 30, 2007.

On April 20, 2007, section 79(5) of the Bank Act was repealed and further OSFI approvals will not be required.

Off-balance sheet arrangements and contractual obligations

Off-balance sheet arrangements

We enter into several types of off-balance sheet arrangements in the normal course of our business. These include transactions with VIEs, derivatives, credit-related arrangements and guarantees. Details on our off-balance sheet arrangements are provided on pages 67 to 69 of the 2006 Annual Accountability Report. For additional details on securitizations and guarantees, see the notes to the interim consolidated financial statements. There were no other significant changes to off-balance sheet arrangements for the three and six months ended April 30, 2007.

Contractual obligations

Details on our contractual obligations are provided on page 69 of the 2006 Annual Accountability Report.

On November 1, 2006, we amended an information technology services contract with an external service provider to extend an existing three year commitment to seven years, and thereby increased the purchase obligation by approximately $600 million through 2013. There were no significant changes to contractual obligations that were not in the ordinary course of our business.

Critical accounting policies and estimates

A summary of significant accounting policies is presented in Note 1 to the 2006 consolidated financial statements.

Certain accounting policies of CIBC are critical to understanding the results of operations and financial condition of CIBC. These critical accounting policies require management to make certain judgments and estimates, some of which may relate to matters that are uncertain. Significant changes in accounting policies were adopted on November 1, 2006 related to the financial instruments standards noted below. For a description of the judgments and estimates involved in the application of critical accounting policies and assumptions made for pension and other benefit plans, see pages 70 to 73 of the 2006 Annual Accountability Report.

Changes in accounting policy

Financial instruments

On November 1, 2006, we adopted the Canadian Institute of Chartered Accountants (CICA) handbook sections 3855 “Financial Instruments – Recognition and Measurement,” 3865 “Hedges” (including the amendments to the transitional provisions finalized by the CICA on December 15, 2006 by way of a Board Notice), 1530 “Comprehensive Income,” and 3251 “Equity.”

The standards require that all financial assets be classified as trading, designated at fair value, available for sale, held to maturity, or loans and receivables. In addition, the standards require that all financial assets, including all derivatives, be measured at fair value with the exception of loans and receivables, debt securities classified as held-to-maturity, and available-for-sale equities that do not have quoted market values in an active market. As required, these standards have been applied as an adjustment to opening retained earnings and accumulated other comprehensive income (AOCI). As a result, retained earnings decreased by $50 million; and AOCI increased by $123 million, excluding the impact of the reclassification of the foreign currency translation adjustments opening balance to AOCI. Prior period balances have not been restated.

For further details, see Note 1 to the interim consolidated financial statements.

Future accounting changes

Leveraged leases

In July 2006, the Financial Accounting Standards Board (FASB) issued a FASB Staff Position (FSP) FAS 13-2, "Accounting for a Change or Projected Change in the Timing of Cash Flows Relating to Income Taxes Generated by a Leveraged Lease Transaction," which amends Statement of Financial Accounting Standard 13, "Accounting for Leases," certain aspects of which are incorporated in the CICA Emerging Issues Abstract (EIC) 46, "Leveraged Leases." The FSP is effective for CIBC beginning November 1, 2007.

For additional details, see page 130 of our 2006 Annual Accountability Report.

Capital disclosures

In December 2006, the CICA issued a new handbook section 1535, "Capital Disclosures," which requires an entity to disclose its objectives, policies and processes for managing capital. This new standard is effective for CIBC beginning November 1, 2007.

Financial instruments

In December 2006, the CICA issued two new handbook sections, 3862 "Financial Instruments – Disclosures" and 3863 "Financial Instruments – Presentation." These new standards are effective for CIBC beginning November 1, 2007.

These sections replace CICA handbook section 3861, "Financial Instruments – Disclosure and Presentation." These new sections enhance disclosure requirements on the nature and extent of risks arising from financial instruments and how the entity manages those risks.

Controls and procedures

Disclosure controls and procedures

CIBC's management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness, as at April 30, 2007, of CIBC's disclosure controls and procedures (as defined in the rules of the SEC and the Canadian Securities Administrators) and has concluded that such disclosure controls and procedures are effective.

Changes in internal control over financial reporting

There have been no changes in CIBC's internal control over financial reporting during the quarter ended April 30, 2007 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Non-GAAP measures

We use a number of financial measures to assess the performance of our business lines. Some measures are calculated in accordance with GAAP, while other measures do not have a standardized meaning under GAAP, and, accordingly, these measures may not be comparable to similar measures used by other companies. Investors may find these non-GAAP financial measures useful in analyzing financial performance. For a more detailed discussion on our non-GAAP measures, see page 37 of the 2006 Annual Accountability Report.

The following tables provide a reconciliation of our non-GAAP to GAAP measures:

Statement of operations measures

$ millions, for the three months ended		CIBC Retail Markets	CIBC World Markets	Corporate and Other	CIBC Total
Apr. 30, 2007	**Total revenue**	**$ 2,189**	**$ 726**	**$ 135**	**$ 3,050**
	Add: adjustment for TEB	**-**	**54**	**-**	**54**
	Revenue (TEB)	**$ 2,189**	**$ 780**	**$ 135**	**$ 3,104**
	Net income	**$ 583**	**$ 194**	**$ 30**	**$ 807**
	Less: charge for economic capital	**141**	**67**	**1**	**209**
	Economic profit	**$ 442**	**$ 127**	**$ 29**	**$ 598**
	Efficiency ratio	**61.8 %**	**72.2 %**	**n/m**	**64.8 %**
	Less: adjustment for impact of TEB	**-**	**5.1**	**n/m**	**1.1**
	amortization of other intangible assets	**0.5**	**-**	**n/m**	**0.5**
	Cash efficiency ratio (TEB)	**61.3 %**	**67.1 %**	**n/m**	**63.2 %**
Jan. 31, 2007	Total revenue	$ 2,151	$ 784	$ 156	$ 3,091
	Add: adjustment for TEB	-	62	-	62
	Revenue (TEB)	$ 2,151	$ 846	$ 156	$ 3,153
	Net income	$ 530	$ 210	$ 30	$ 770
	Less: charge for economic capital	125	64	4	193
	Economic profit	$ 405	$ 146	$ 26	$ 577
	Efficiency ratio	59.9 %	70.3 %	n/m	62.9 %
	Less: adjustment for impact of TEB	-	5.1	n/m	1.3
	amortization of other intangible assets	0.2	-	n/m	0.1
	Cash efficiency ratio (TEB)	59.7 %	65.2 %	n/m	61.5 %
Apr. 30, 2006	Total revenue	$ 1,975	$ 607	$ 195	$ 2,777
	Add: adjustment for TEB	-	42	-	42
	Revenue (TEB)	$ 1,975	$ 649	$ 195	$ 2,819
	Net income	$ 432	$ 110	$ 43	$ 585
	Less: charge for economic capital	120	60	4	184
	Economic profit	$ 312	$ 50	$ 39	$ 401
	Efficiency ratio	62.6 %	83.4 %	n/m	66.1 %
	Less: adjustment for impact of TEB	-	5.5	n/m	1.0
	amortization of other intangible assets	-	-	n/m	0.2
	Cash efficiency ratio (TEB)	62.6 %	77.9 %	n/m	64.9 %

n/m – not meaningful

$ millions, for the six months ended		CIBC Retail Markets	CIBC World Markets	Corporate and Other	CIBC Total
Apr. 30, 2007	**Total revenue**	**$ 4,340**	**$ 1,510**	**$ 291**	**$ 6,141**
	Add: adjustment for TEB	**-**	**116**	**-**	**116**
	Revenue (TEB)	**$ 4,340**	**$ 1,626**	**$ 291**	**$ 6,257**
	Net income	**$ 1,113**	**$ 404**	**$ 60**	**$ 1,577**
	Less: charge for economic capital	**266**	**131**	**5**	**402**
	Economic profit	**$ 847**	**$ 273**	**$ 55**	**$ 1,175**
	Efficiency ratio	**60.8 %**	**71.2 %**	**n/m**	**63.8 %**
	Less: adjustment for impact of TEB	**-**	**5.1**	**n/m**	**1.2**
	amortization of other intangible assets	**0.2**	**-**	**n/m**	**0.3**
	Cash efficiency ratio (TEB)	**60.6 %**	**66.1 %**	**n/m**	**62.3 %**
Apr. 30, 2006	Total revenue	$ 4,043	$ 1,286	$ 306	$ 5,635
	Add: adjustment for TEB	-	88	-	88
	Revenue (TEB)	$ 4,043	$ 1,374	$ 306	$ 5,723
	Net income	$ 870	$ 238	$ 57	$ 1,165
	Less: charge for economic capital	246	124	9	379
	Economic profit	$ 624	$ 114	$ 48	$ 786
	Efficiency ratio	61.4 %	80.7 %	n/m	65.9 %
	Less: adjustment for impact of TEB	-	5.2	n/m	1.0
	amortization of other intangible assets	-	-	n/m	0.3
	Cash efficiency ratio (TEB)	61.4 %	75.5 %	n/m	64.6 %

n/m – not meaningful

Adjusted income taxes

Adjusted effective tax rate is calculated by adjusting the tax expense for significant tax recoveries and other tax adjustments. The adjusted effective tax rate (TEB) is calculated by also grossing up income and income taxes with the tax-exempt income to an equivalent before-tax basis.

		For the three months ended			For the six months ended	
		2007	2007	2006	**2007**	2006
$ millions		**Apr. 30**	Jan. 31	Apr. 30	**Apr. 30**	Apr. 30
Income before taxes and non-controlling interests	A	**$ 908**	$ 1,005	$ 803	**$ 1,913**	$ 1,618
TEB adjustment	B	**54**	62	42	**116**	88
Income before taxes and non-controlling interests (TEB)	C	**$ 962**	$ 1,067	$ 845	**$ 2,029**	$ 1,706
Reported income taxes per financial statements	D	**$ 91**	$ 231	$ 190	**$ 322**	$ 428
TEB adjustment	B	**54**	62	42	**116**	88
Income tax recoveries	E	**80**	-	35	**80**	35
Reversal of valuation allowance	F	**11**	-	-	**11**	-
Adjusted income taxes	G	**$ 236**	$ 293	$ 267	**$ 529**	$ 551
Reported effective income tax rate (TEB)	(D+B)/C	**15.1%**	27.5%	27.5%	**21.6%**	30.2%
Adjusted effective income tax rate	(D+E+F)/A	**20.0%**	23.0%	28.0%	**21.6%**	28.6%
Adjusted effective income tax rate (TEB)	G/C	**24.5%**	27.5%	31.6%	**26.1%**	32.3%

Cash basis measures

Cash basis measures are calculated by adjusting the amortization of other intangible assets to net income and non-interest expenses. Management believes these measures permit uniform measurement, which may enable users of our financial information to make comparisons more readily.

	For the three months ended			For the six months ended	
	2007	2007	2006	**2007**	2006
$ millions	**Apr. 30**	Jan. 31	Apr. 30	**Apr. 30**	Apr. 30
Net income	**$ 807**	$ 770	$ 585	**$ 1,577**	$ 1,165
Add: after-tax effect of amortization of other intangible assets	**9**	4	5	**13**	10
Cash net income	**$ 816**	$ 774	$ 590	**$ 1,590**	$ 1,175
Non-interest expenses	**$ 1,976**	$ 1,943	$ 1,836	**$ 3,919**	$ 3,713
Less: amortization of other intangible assets	**12**	5	7	**17**	14
Cash non-interest expenses	**$ 1,964**	$ 1,938	$ 1,829	**$ 3,902**	$ 3,699
Cash basic EPS	**$ 2.32**	$ 2.14	$ 1.66	**$ 4.46**	$ 3.31
Cash diluted EPS	**$ 2.29**	$ 2.12	$ 1.65	**$ 4.41**	$ 3.28

CIBC INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS

	For the three months ended			For the six months ended	
	2007	2007	2006	**2007**	2006
Unaudited, $ millions	**Apr. 30**	Jan. 31	Apr. 30	**Apr. 30**	Apr. 30
Interest income					
Loans	**$ 2,350**	$ 2,304	$ 2,008	**$ 4,654**	$ 4,041
Securities borrowed or purchased under resale agreements	**499**	472	366	**971**	699
Securities	**719**	762	640	**1,481**	1,260
Deposits with banks	**200**	173	98	**373**	185
	3,768	3,711	3,112	**7,479**	6,185
Interest expense					
Deposits	**1,928**	1,903	1,444	**3,831**	2,772
Other liabilities	**678**	665	552	**1,343**	1,069
Subordinated indebtedness	**75**	76	72	**151**	144
Preferred share liabilities	**8**	8	8	**16**	16
	2,689	2,652	2,076	**5,341**	4,001
Net interest income	**1,079**	1,059	1,036	**2,138**	2,184
Non-interest income					
Underwriting and advisory fees	**178**	185	137	**363**	317
Deposit and payment fees	**193**	193	187	**386**	382
Credit fees	**82**	69	62	**151**	150
Card fees	**60**	70	52	**130**	116
Investment management and custodial fees	**130**	130	118	**260**	232
Mutual fund fees	**216**	212	201	**428**	395
Insurance fees, net of claims	**62**	58	46	**120**	104
Commissions on securities transactions	**226**	229	230	**455**	459
Trading revenue (Note 8)	**296**	375	307	**671**	569
Investment securities losses, net	**n/a**	n/a	(5)	**n/a**	(7)
Realized net gains on available for sale securities	**119**	132	n/a	**251**	n/a
Revenue on financial instruments designated at fair value and related economic hedges (Note 9)	**59**	43	n/a	**102**	n/a
Income from securitized assets	**136**	129	129	**265**	245
Foreign exchange other than trading	**101**	84	104	**185**	168
Other	**113**	123	173	**236**	321
	1,971	2,032	1,741	**4,003**	3,451
Total revenue	**3,050**	3,091	2,777	**6,141**	5,635
Provision for credit losses (Note 3)	**166**	143	138	**309**	304
Non-interest expenses					
Employee compensation and benefits	**1,126**	1,160	1,054	**2,286**	2,134
Occupancy costs	**152**	150	144	**302**	290
Computer and office equipment	**279**	263	274	**542**	547
Communications	**88**	71	75	**159**	150
Advertising and business development	**66**	50	54	**116**	101
Professional fees	**43**	39	41	**82**	85
Business and capital taxes	**34**	35	35	**69**	66
Other	**188**	175	159	**363**	340
	1,976	1,943	1,836	**3,919**	3,713
Income before income taxes and non-controlling interests	**908**	1,005	803	**1,913**	1,618
Income tax expense	**91**	231	190	**322**	428
	817	774	613	**1,591**	1,190
Non-controlling interests	**10**	4	28	**14**	25
Net income	**$ 807**	$ 770	$ 585	**$ 1,577**	$ 1,165
Earnings per share (in dollars) (Note 11) -Basic	**$ 2.29**	$ 2.13	$ 1.65	**$ 4.42**	$ 3.28
-Diluted	**$ 2.27**	$ 2.11	$ 1.63	**$ 4.37**	$ 3.25
Dividends per common share (in dollars)	**$ 0.77**	$ 0.70	$ 0.68	**$ 1.47**	$ 1.36

n/a not applicable. Beginning November 1, 2006, certain new accounting categories have been created pursuant to adoption of the Canadian Institute of Chartered Accountants (CICA) handbook sections 3855, 3865, 1530 and 3251. These sections were adopted on a prospective basis with no restatement of prior period information. See Note 1 for additional details.

The accompanying notes are an integral part of these interim consolidated financial statements.

CONSOLIDATED BALANCE SHEET

Unaudited, $ millions, as at	2007 Apr. 30	2006 Oct. 31
ASSETS		
Cash and non-interest-bearing deposits with banks	**$ 1,707**	$ 1,317
Interest-bearing deposits with banks	**14,734**	10,536
Securities		
Trading (Note 8)	**63,404**	62,331
Available for sale	**14,227**	n/a
Designated at fair value (Note 9)	**6,132**	n/a
Investment	**n/a**	21,167
	83,763	83,498
Securities borrowed or purchased under resale agreements	**30,916**	25,432
Loans		
Residential mortgages	**87,075**	81,358
Personal	**28,970**	28,052
Credit card	**7,998**	7,253
Business and government (Notes 8 and 9)	**33,992**	30,404
Allowance for credit losses (Note 3)	**(1,515)**	(1,442)
	156,520	145,625
Other		
Derivative instruments market valuation (Note 7)	**17,233**	17,122
Customers' liability under acceptances	**8,277**	6,291
Land, buildings and equipment	**2,142**	2,032
Goodwill	**1,983**	982
Other intangible assets	**475**	192
Other assets	**8,830**	10,957
	38,940	37,576
	$ 326,580	$ 303,984
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Personal	**$ 90,490**	$ 81,829
Business and government (Note 9)	**116,338**	107,468
Bank	**14,341**	13,594
	221,169	202,891
Other		
Derivative instruments market valuation (Note 7)	**17,224**	17,330
Acceptances	**8,277**	6,297
Obligations related to securities sold short	**13,743**	13,788
Obligations related to securities lent or sold under repurchase agreements	**31,772**	30,433
Other liabilities	**13,867**	14,716
	84,883	82,564
Subordinated indebtedness	**6,011**	5,595
Preferred share liabilities	**600**	600
Non-controlling interests	**161**	12
Shareholders' equity		
Preferred shares	**2,731**	2,381
Common shares	**3,135**	3,064
Treasury shares	**(4)**	(19)
Contributed surplus	**76**	70
Foreign currency translation adjustments	**n/a**	(442)
Retained earnings	**8,200**	7,268
Accumulated other comprehensive income (AOCI) (Note 6)	**(382)**	n/a
	13,756	12,322
	$ 326,580	$ 303,984

n/a not applicable. See the “Consolidated statement of operations” for additional details.

The accompanying notes are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	For the three months ended			For the six months ended	
Unaudited, $ millions	**2007 Apr. 30**	2007 Jan. 31	2006 Apr. 30	**2007 Apr. 30**	2006 Apr. 30
Preferred shares					
Balance at beginning of period	**$ 2,431**	$ 2,381	$ 2,381	**$ 2,381**	$ 2,381
Issue of preferred shares	**300**	450	-	**750**	-
Redemption of preferred shares	**-**	(400)	-	**(400)**	-
Balance at end of period	**$ 2,731**	$ 2,431	$ 2,381	**$ 2,731**	$ 2,381
Common shares					
Balance at beginning of period	**$ 3,114**	$ 3,064	$ 2,992	**$ 3,064**	$ 2,952
Issue of common shares	**21**	50	39	**71**	79
Balance at end of period	**$ 3,135**	$ 3,114	$ 3,031	**$ 3,135**	$ 3,031
Treasury shares					
Balance at beginning of period	**$ (1)**	$ (19)	$ (5)	**$ (19)**	$ -
Purchases	**(1,213)**	(1,356)	(664)	**(2,569)**	(2,069)
Sales	**1,210**	1,374	665	**2,584**	2,065
Balance at end of period	**$ (4)**	$ (1)	$ (4)	**$ (4)**	$ (4)
Contributed surplus					
Balance at beginning of period	**$ 74**	$ 70	$ 56	**$ 70**	$ 58
Stock option expense	**1**	2	2	**3**	3
Stock options exercised	**(1)**	(4)	(5)	**(5)**	(8)
Net premium on treasury shares	**2**	6	-	**8**	-
Balance at end of period	**$ 76**	$ 74	$ 53	**$ 76**	$ 53
Foreign currency translation adjustments					
Balance at beginning of period	**$ -**	$ (442)	$ (375)	**$ (442)**	$ (327)
Transitional adjustment on adoption of new accounting policies(1)	**-**	442	-	**442**	-
Foreign exchange losses from investment in subsidiaries and other items	**n/a**	n/a	(208)	**n/a**	(754)
Foreign exchange gains from hedging activities	**n/a**	n/a	161	**n/a**	907
Income tax expense	**n/a**	n/a	(44)	**n/a**	(292)
Balance at end of period	**$ -**	$ -	$ (466)	**$ -**	$ (466)
Retained earnings					
Balance at beginning of period, as previously reported	**$ 7,693**	$ 7,268	$ 5,987	**$ 7,268**	$ 5,667
Transitional adjustment on adoption of new accounting policies(1)	**-**	(50)	-	**(50)**	-
Balance at beginning of period, as restated	**7,693**	7,218	5,987	**7,218**	5,667
Net income	**807**	770	585	**1,577**	1,165
Dividends					
Preferred	**(35)**	(38)	(33)	**(73)**	(66)
Common	**(259)**	(235)	(229)	**(494)**	(456)
Premium on redemption of preferred shares (classified as equity)	**-**	(16)	-	**(16)**	-
Other	**(6)**	(6)	5	**(12)**	5
Balance at end of period	**$ 8,200**	$ 7,693	$ 6,315	**$ 8,200**	$ 6,315
Accumulated other comprehensive income, net of tax (Note 6)					
Balance at beginning of period	**$ (144)**	n/a	n/a	**n/a**	n/a
Transitional adjustment on adoption of new accounting policies(1)	**-**	(319)	n/a	**(319)**	n/a
Other comprehensive income	**(238)**	175	n/a	**(63)**	n/a
Balance at end of period	**$ (382)**	$ (144)	n/a	**$ (382)**	n/a
Retained earnings and AOCI	**$ 7,818**	$ 7,549	$ 6,315	**$ 7,818**	$ 6,315
Shareholders' equity at end of period	**$ 13,756**	$ 13,167	$ 11,310	**$ 13,756**	$ 11,310

(1) Represents the transitional adjustment on adoption of the CICA handbook sections 3855, 3865, 1530 and 3251. See Note 1 for additional details.
n/a not applicable. See the "Consolidated statement of operations" for additional details.

The accompanying notes are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Unaudited, $ millions	For the three months ended 2007 Apr. 30	2007 Jan. 31	For the six months ended 2007 Apr. 30
Net income	**$ 807**	$ 770	**$ 1,577**
Other comprehensive income, net of tax			
Foreign currency translation adjustments			
Net (losses) gains on investment in self-sustaining foreign operations(1)	**(1,089)**	805	**(284)**
Net gains (losses) on hedges of foreign currency translation adjustments(2)	**840**	(603)	**237**
	(249)	202	**(47)**
Unrealized gains (losses) on available for sale securities			
Net unrealized gains (losses) on securities available for sale(3)	**74**	(43)	**31**
Transfer of net losses (gains) to net income(4)	**1**	(28)	**(27)**
	75	(71)	**4**
Gains (losses) on cash flow hedges			
Net (losses) gains on derivatives designated as cash flow hedges(5)	**(55)**	73	**18**
Net gains on derivatives designated as cash flow hedges transferred to net income(6)	**(9)**	(29)	**(38)**
	(64)	44	**(20)**
Total other comprehensive (loss) income(7)	**(238)**	175	**(63)**
Comprehensive income	**$ 569**	$ 945	**$ 1,514**

(1) Net of income tax benefit (expense) of $10 million (Jan. 31, 2007: $(10) million).
(2) Net of income tax (expense) benefit of $(425) million (Jan. 31, 2007: $313 million).
(3) Net of income tax (expense) benefit of $(52) million (Jan. 31, 2007: $29 million).
(4) Net of income tax (expense) benefit of $(1) million (Jan. 31, 2007: $16 million).
(5) Net of income tax benefit (expense) of $29 million (Jan. 31, 2007: $(39) million).
(6) Net of income tax benefit of $5 million (Jan. 31, 2007: $15 million).
(7) Includes non-controlling interest of nil (Jan. 31, 2007: $1 million).

The accompanying notes are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Unaudited, $ millions	For the three months ended 2007 Apr. 30	2007 Jan. 31	2006 Apr. 30	For the six months ended 2007 Apr. 30	2006 Apr. 30
Cash flows provided by (used in) operating activities					
Net income	**$ 807**	$ 770	$ 585	**$ 1,577**	$ 1,165
Adjustments to reconcile net income to cash flows provided by (used in) operating activities:					
Provision for credit losses	**166**	143	138	**309**	304
Amortization of buildings, furniture, equipment and leasehold improvements	**59**	53	51	**112**	105
Amortization of other intangible assets	**12**	5	7	**17**	14
Stock-based compensation	**(2)**	18	6	**16**	21
Future income taxes	**51**	63	93	**114**	170
Investment securities losses realized, net	**n/a**	n/a	5	**n/a**	7
Realized net gains on available for sale securities	**(119)**	(132)	n/a	**(251)**	-
Gains on disposal of land, buildings and equipment	**-**	-	(1)	**-**	(1)
Other non-cash items, net	**(11)**	50	-	**39**	-
Changes in operating assets and liabilities					
Accrued interest receivable	**74**	(106)	(122)	**(32)**	(105)
Accrued interest payable	**29**	(474)	200	**(445)**	213
Amounts receivable on derivative contracts	**450**	(404)	790	**46**	1,721
Amounts payable on derivative contracts	**629**	(958)	(1,379)	**(329)**	(1,437)
Net change in trading securities	**4,709**	(4,238)	1,797	**471**	(5,320)
Net change in securities designated at fair value	**837**	(629)	n/a	**208**	n/a
Net change in other assets and liabilities designated at fair value	**1,194**	187	n/a	**1,381**	n/a
Current income taxes	**(457)**	(377)	220	**(834)**	273
Other, net	**1,325**	(1,742)	35	**(417)**	(1,855)
	9,753	(7,771)	2,425	**1,982**	(4,725)
Cash flows provided by (used in) financing activities					
Deposits, net of withdrawals	**(3,619)**	5,554	(163)	**1,935**	769
Obligations related to securities sold short	**(14)**	(69)	2,785	**(83)**	3,113
Net obligations related to securities lent or sold under repurchase agreements	**2,517**	(1,178)	(2,277)	**1,339**	7,357
Issue of subordinated indebtedness	**59**	-	1,300	**59**	1,300
Redemption of subordinated indebtedness	**-**	-	(250)	**-**	(500)
Redemption of preferred shares	**-**	(416)	-	**(416)**	-
Issue of preferred shares	**300**	450	-	**750**	-
Issue of common shares	**21**	50	39	**71**	79
Net proceeds from treasury shares (purchased) sold	**(3)**	18	1	**15**	(4)
Dividends	**(294)**	(273)	(262)	**(567)**	(522)
Other, net	**(154)**	353	(295)	**199**	(145)
	(1,187)	4,489	878	**3,302**	11,447
Cash flows provided by (used in) investing activities					
Interest-bearing deposits with banks	**1,020**	(2,494)	(765)	**(1,474)**	714
Loans, net of repayments	**(5,976)**	1,295	(2,301)	**(4,681)**	(1,946)
Proceeds from securitizations	**1,698**	2,537	1,868	**4,235**	3,894
Investment securities					
Purchase of securities	**n/a**	n/a	(3,384)	**n/a**	(9,395)
Proceeds from sale of securities	**n/a**	n/a	1,247	**n/a**	2,541
Proceeds from maturity of securities	**n/a**	n/a	896	**n/a**	1,537
Available for sale securities					
Purchase of securities	**(2,618)**	(1,787)	n/a	**(4,405)**	n/a
Proceeds from sale of securities	**3,353**	1,462	n/a	**4,815**	n/a
Proceeds from maturity of securities	**986**	2,396	n/a	**3,382**	n/a
Net securities borrowed or purchased under resale agreements	**(6,948)**	1,464	(23)	**(5,484)**	(3,208)
Net cash used in acquisition(1)	**(262)**	(778)	-	**(1,040)**	(75)
Purchase of land, buildings and equipment	**-**	(233)	-	**(233)**	(6)
Proceeds from disposal of land, buildings and equipment	**-**	-	7	**-**	7
	(8,747)	3,862	(2,455)	**(4,885)**	(5,937)
Effect of exchange rate changes on cash and non-interest-bearing deposits with banks	**(50)**	41	(10)	**(9)**	(22)
Net increase (decrease) in cash and non-interest-bearing deposits with banks during period	**(231)**	621	838	**390**	763
Cash and non-interest-bearing deposits with banks at beginning of period	**1,938**	1,317	1,235	**1,317**	1,310
Cash and non-interest-bearing deposits with banks at end of period	**$ 1,707**	$ 1,938	$ 2,073	**$ 1,707**	$ 2,073
Cash interest paid	**$ 2,660**	$ 3,126	$ 1,876	**$ 5,786**	$ 3,788
Cash income taxes paid (recovered)	**$ 496**	$ 545	$ (123)	**$ 1,041**	$ (15)

(1) Primarily relates to acquisition of FirstCaribbean International Bank and acquisition of the remaining non-controlling interest in INTRIA Items Inc.
n/a not applicable. See the "Consolidated statement of operations" for additional details.

The accompanying notes are an integral part of these interim consolidated financial statements.

The interim consolidated financial statements of Canadian Imperial Bank of Commerce and its subsidiaries (CIBC) have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). These financial statements follow the same accounting policies and their methods of application as CIBC's consolidated financial statements for the year ended October 31, 2006, except as noted below. CIBC's interim consolidated financial statements do not include all disclosures required by Canadian GAAP for annual financial statements and, accordingly, should be read in conjunction with the consolidated financial statements for the year ended October 31, 2006, as set out on pages 80 to 130 of the 2006 Annual Accountability Report.

During the first quarter of 2007, we revisited our presentation of certain revenue and expense items for prior periods to better reflect the nature of these items. Accordingly, certain comparative amounts have been reclassified to conform with the presentation adopted in the first quarter of 2007.

1. Change in accounting policy

On November 1, 2006, we adopted the CICA handbook sections 3855 "Financial Instruments – Recognition and Measurement," 3865 "Hedges" (including the amendments to the transitional provisions finalized by the CICA on December 15, 2006 by way of a Board Notice), 1530 "Comprehensive Income," and 3251 "Equity."

The standards require that all financial assets be classified as trading, designated at fair value (FVO), available for sale (AFS), held to maturity (HTM), or loans and receivables. The investment securities classification is no longer applicable under the new rules. In addition, the standards require that all financial assets, including all derivatives, be measured at fair value with the exception of loans and receivables, debt securities classified as HTM, and AFS equities that do not have quoted market values in an active market.

Fair values are based on quoted market prices where available from active markets, otherwise fair values are estimated using a variety of valuation techniques and models. Commencing November 1, 2006, quoted market values of financial assets and liabilities classified as trading or FVO are in reference to bid or asking prices where available, as appropriate, instead of closing prices. Where bid and asking prices are unavailable, we continue to use the closing price.

Transaction costs related to trading and FVO securities are expensed as incurred. Transaction costs related to AFS and HTM securities and fees and costs relating to loans and receivables are generally capitalized and are then amortized over the expected life of the instrument using the effective yield method.

Settlement date accounting continues to be used for all securities, except that changes in fair value between the trade date and settlement date are reflected in income for trading and FVO securities, while changes in fair value between trade date and settlement date are reflected in other comprehensive income (OCI) for AFS securities.

Classification of financial instruments

Trading financial assets are securities purchased for resale, generally within a short period of time. Trading financial liabilities include obligations related to securities sold short. They are measured at fair value at the balance sheet date. Gains and losses realized on disposal and unrealized gains and losses from market fluctuations continue to be reported in income as trading revenue. Dividends and interest earned and interest incurred are included in interest income and expense, respectively. Obligations related to securities sold short that are held as economic hedges rather than trading and FVO are also measured at fair value with the realized and unrealized gains and losses reported in other non-interest income.

Designated at fair value (FVO) financial assets and financial liabilities are those that an entity designates on initial recognition as instruments that it will measure at fair value through the consolidated statement of operations. These are accounted for in the same manner as trading financial assets and financial liabilities. In addition to the requirement that reliable fair values are available, there are regulatory restrictions imposed by the Office of the Superintendent of Financial Institutions (OSFI) on the use of this designation including that retail asset exposures are precluded from being designated and that the fair value designated financial instruments are managed on a fair value basis.

Held-to-maturity (HTM) financial assets are non-derivative financial assets with fixed or determinable payments and a fixed maturity, other than loans and receivables, that an entity has the positive intention and ability to hold to maturity. These financial assets are accounted for at amortized cost. We have not currently designated any financial assets as HTM.

Available-for-sale (AFS) financial assets are those non-derivative financial assets that are designated as AFS, or that are not classified as loans and receivables, HTM investments, trading or designated at fair value. Securities included in this category comprise debt and equity securities, including investments over which we have no significant influence. Except for equities that do not have quoted market values in an active market, AFS securities are carried at fair value whereby the unrealized gains and losses are included in accumulated other comprehensive income (AOCI) until sale or other-than-temporary impairment when the cumulative gain or loss is transferred to the consolidated statement of operations. Equities that do not have quoted market values in an active market are carried at cost. Realized gains and losses on sale, determined on an average cost basis, and write-downs to reflect other-than-temporary impairments in value are included in non-interest income. Dividends and interest income from these securities are included in interest income.

Loans and receivables continue to be accounted for at amortized cost.

Financial liabilities recorded at amortized cost include all liabilities, other than derivatives, obligations related to securities sold short, or liabilities to which the FVO has been applied.

Derivatives are always carried at fair value and are reported as assets where they have a positive fair value and as liabilities where they have a negative fair value, in both cases as derivative instruments market valuation. Derivatives embedded in other financial instruments are valued as separate derivatives when their economic characteristics and risks are not clearly and closely related to those of the host contract; the terms of the embedded derivative are the same as those of a free standing derivative; and the combined contract is not held for trading or designated at fair value. These embedded derivatives are classified together with the host instrument and measured at fair value with changes therein recognized in the consolidated statement of operations. We elected to apply this accounting treatment to all host contracts containing such embedded derivatives at November 1, 2006.

Equity

Accumulated other comprehensive income is included on the consolidated balance sheet as a separate component of shareholders' equity (net of tax), and includes net unrealized gains and losses on AFS securities, the effective portion of gains and losses on derivative instruments designated within effective cash flow hedges, and unrealized foreign currency translation gains and losses on self-sustaining foreign operations net of gains or losses on related hedges.

Hedge accounting

Where derivatives are held for risk management purposes, and when transactions meet the criteria specified in the CICA handbook section 3865, we apply fair value hedge accounting, cash flow hedge accounting, or accounting for hedges of net investments in self-sustaining foreign operations (NIFO), as appropriate, to account for the risks being hedged. When hedge accounting is not applied, the change in the fair value of the derivative is always recognized in income, including for instruments used for economic hedging purposes such as seller swaps that do not meet the requirements for hedge accounting.

In order for derivatives to qualify for hedge accounting, the hedge relationship must be designated and formally documented at its inception in accordance with the CICA handbook section 3865, outlining the particular risk management objective and strategy, the specific asset, liability or cash flow being hedged, as well as how hedge effectiveness is assessed.

We document our assessment of the effectiveness of the derivatives that are used in hedging transactions in offsetting changes in fair values or cash flows of the hedged items both at the hedge inception and on an ongoing basis. Ineffectiveness results to the extent that the changes in the fair value of the hedging derivative differ from changes in the fair value of the hedged risk in the hedged item; or the cumulative change in the fair value of the hedging derivative differs from the cumulative change in the fair value of expected future cash flows of the hedged item. Effectiveness requires a high correlation of changes in fair values or cash flows. The amount of ineffectiveness, provided that it is not to the extent as to disqualify the entire hedge from hedge accounting, is recorded immediately in income.

The change in fair value of derivatives and non-derivatives not designated as accounting hedges but used to economically hedge FVO financial assets or liabilities is included in revenue on financial instruments designated at fair value and related economic hedges. The change in fair value of other derivatives not designated as accounting hedges but used for other economic hedging purposes is included in either foreign exchange other than trading (FXOTT) or other non-interest income. The change in fair value of all other trading derivatives is included in trading revenue.

<u>*Fair value hedges*</u>

We designate fair value hedges as part of interest rate risk management strategies that use derivatives to hedge changes in the fair value of financial instruments with fixed interest rates. These hedges minimize fluctuations in income that are caused by interest rate volatility through the creation of "basis adjustments" to the hedged financial instruments that are recognized in net interest income against the change in fair value recognized in net interest income from the hedging derivatives. Accordingly, any hedge ineffectiveness, representing the difference between change in fair value of the hedging derivative and the change in the basis adjustment to the hedged item, is also recognized in net interest income.

We also designate fair value hedges as part of foreign exchange risk management strategies that use derivatives and other financial instruments to hedge changes in the fair value of financial instruments denominated in a currency other than the functional currency. These hedges minimize fluctuations in income that are caused by foreign exchange rate changes through the creation of basis adjustments to the hedged financial instruments that are recognized in FXOTT against the change in fair value recognized in FXOTT from the hedging financial instruments. Accordingly, any hedge ineffectiveness is reflected in FXOTT.

The basis adjustment included in income is equal to the change in fair value of the hedged item attributed to the risk being hedged. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is terminated and the basis adjustment to the hedged item is amortized over the remaining term of the original hedge. If the hedged item is derecognized, the unamortized basis adjustment is recognized immediately in income.

Upon the adoption of the new standards we re-established various fair value hedging relationships pursuant to which certain deferred hedge balances have been included as a basis adjustment to the hedged item. The accumulated ineffectiveness related to these hedges has been recognized in retained earnings together with deferred hedge balances related to hedging relationships that have not been continued or would not qualify for hedge effectiveness under the new rules.

Cash flow hedges

We designate cash flows hedges as part of risk management strategies that use derivatives and other financial instruments to mitigate our risk from variable cash flows by converting certain variable rate financial instruments to fixed rate financial instruments and by hedging forecasted foreign currency denominated cash flows.

The effective portion of the change in fair value of the derivative instrument is offset through OCI until the variability in cash flows being hedged is recognized in earnings in future accounting periods, at which time the amount that was in the AOCI is reclassified into income. The ineffective portion of the change in fair value of the hedging derivative is recognized either in FXOTT or net interest income immediately as it arises. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is terminated and any remaining amount in AOCI remains therein until it is recognized in income when the variability in cash flows hedged or the hedged forecast transaction is ultimately recognized in income. When the forecasted transaction is no longer expected to occur, the related cumulative gain or loss that was reported in the AOCI is immediately recognized in income.

Upon the adoption of the new standards we re-established various cash flow hedging relationships pursuant to which certain deferred hedge balances have been included as an adjustment to the AOCI. The accumulated ineffectiveness related to these hedges has been recognized in retained earnings together with deferred hedge balances related to hedging relationships that have not been continued or would not qualify for hedge effectiveness under the new rules.

Hedges of net investments in self-sustaining foreign operations

We designate NIFO hedges to protect our investment in self sustaining operations against adverse movement in foreign exchange rates.

These hedges are accounted for in a similar manner to cash flow hedges as the effective portion of the changes in fair value of the hedging derivative instruments is included in OCI until reduction in the net investment at which time any gains or losses in the AOCI are recognized in FXOTT. The ineffective portion of the change in fair value of the hedging derivative is recognized in FXOTT.

Transitional adjustment

As required, these standards have been applied as an adjustment to opening retained earnings and AOCI as at November 1, 2006. Prior period balances have not been restated. The impact of adopting these standards was as follows:

$ millions	As at Oct. 31, 2006	Adjustment upon adoption of new standards	**As at Nov. 1, 2006**
ASSETS			
Securities			
Investment	$ 21,167	$ (21,167)	$ -
Available for sale	-	16,006	**16,006**
Trading	62,331	(552)	**61,779**
Designated at fair value	-	6,340	**6,340**
	83,498	627	**84,125**
Loans	145,625	136	**145,761**
Derivative instruments market valuation	17,122	1,585	**18,707**
Other assets	10,957	(1,701)	**9,256**
Impact on total assets	$ 257,202	$ 647	**$ 257,849**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits	$ 202,891	$ (44)	**$ 202,847**
Derivative instruments market valuation	17,330	1,565	**18,895**
Other liabilities	14,716	(947)	**13,769**
Impact on total liabilities	234,937	574	**235,511**
Shareholders' equity			
Foreign currency translation adjustments	(442)	442	-
Retained earnings	7,268	(50)	**7,218**
Accumulated other comprehensive income			
Foreign currency translation adjustments	-	(442)	**(442)**
Unrealized losses on AFS securities	-	(29)	**(29)**
Gains on cash flow hedges	-	152	**152**
Impact on shareholders' equity	6,826	73	**6,899**
Impact on liabilities and shareholders' equity	$ 241,763	$ 647	**$ 242,410**

The $16,006 million of financial assets classified as AFS included $15,429 million (fair value $15,391 million) and $615 million (fair value $615 million) of financial assets previously classified as investment securities and other assets, respectively. The $6,340 million of financial assets classified as designated at fair value securities included $5,738 million (fair value $5,799 million) and $541 million (fair value $541 million) of financial assets previously classified as investment securities and trading securities, respectively.

2. Acquisition

Step 1 Acquisition

On December 22, 2006, we obtained control of FirstCaribbean International Bank (FirstCaribbean) by acquiring 90% of Barclay's Bank PLC's (Barclays) interest in FirstCaribbean, which represents a further 39.3% ownership interest. As a result of this transaction ("the Step 1 Acquisition"), as at January 31, 2007, we owned approximately 83.0% of the common shares of FirstCaribbean with the remaining common shares held by both Barclays and other minority shareholders. The common shares were acquired at US$1.62 each plus accrued dividends for total cash consideration of US$989 million ($1,153 million) paid to Barclays. In addition, we incurred transaction costs, net of tax, of US$7 million ($8 million).

Step 2 Acquisition

On February 2, 2007, pursuant to a tender offer at the same price for the remaining common shares held by Barclays and the other minority shareholders, we acquired an additional 8.5% interest in FirstCaribbean ("the Step 2 Acquisition) in exchange for additional cash consideration of US$212 million ($250 million), bringing our total ownership to 91.5%. In addition, we incurred additional transaction costs, net of tax, of US$2 million ($2 million).

The Step 1 Acquisition and the Step 2 Acquisition transactions have been accounted for using the purchase method. The results of FirstCaribbean's operations have been included within CIBC Retail Markets strategic business line in the interim consolidated financial statements since December 22, 2006. Prior to that date, we accounted for our 43.7% interest in FirstCaribbean using the equity method of accounting.

Details of the aggregate consideration given and the fair value of net assets acquired in respect of the Step 1 Acquisition and the Step 2 Acquisition are as follows:

$ millions	Step 1 Acquisition	Step 2 Acquisition	Total
Aggregate consideration			
Purchase consideration (paid in cash)	$ 1,153	$ 250	$ 1,403
Transaction costs, net of tax	8	2	10
Carrying value of equity investment in FirstCaribbean prior to acquisition	840	-	840
	$ 2,001	$ 252	$ 2,253
Fair value of net assets acquired			
Cash and deposits with banks	$ 3,107	$ -	$ 3,107
Securities	3,934	-	3,934
Loans	6,667	-	6,667
Goodwill	958	84	1,042
Other intangible assets	267	45	312
Other assets	876	8	884
Total assets acquired	15,809	137	15,946
Deposits	10,921	-	10,921
Other liabilities	2,386	4	2,390
Subordinated indebtedness	232	-	232
Non-controlling interest	269	(119)	150
Total liabilities assumed	13,808	(115)	13,693
Net assets acquired	$ 2,001	$ 252	$ 2,253

The goodwill may be adjusted throughout 2007 as part of the finalization of the allocation of the purchase price to the assets acquired and liabilities assumed from FirstCaribbean in respect of the Step 1 Acquisition and the Step 2 Acquisition.

Subsequent to the Step 2 Acquisition transaction, the total acquired intangible assets include a core deposit intangible of $288 million and the FirstCaribbean brand name of $24 million. The core deposit intangible is amortized at 12% per annum using the declining balance method, while the brand has an indefinite life and is not amortized.

Goodwill recognized as a result of the Step 1 Acquisition and the Step 2 Acquisition is not deductible for tax purposes.

3. Allowance for credit losses

$ millions, for the three months ended	**April 30, 2007**			January 31, 2007			April 30, 2006		
	Specific allowance	**General allowance**	**Total allowance**	Specific allowance	General allowance	Total allowance	Specific allowance	General allowance	Total allowance
Balance at beginning of period	**$ 636**	**$ 920**	**$ 1,556**	$ 544	$ 900	$ 1,444	$ 647	$ 975	$ 1,622
Provision for (recovery of)									
credit losses	**190**	**(24)**	**166**	143	-	143	163	(25)	138
Write-offs	**(220)**	**-**	**(220)**	(224)	-	(224)	(208)	-	(208)
Recoveries	**22**	**-**	**22**	53	-	53	50	-	50
Transfer from general to specific[1]	**2**	**(2)**	**-**	3	(3)	-	-	-	-
Other[2]	**(8)**	**-**	**(8)**	117	23	140	2	-	2
Balance at end of period	**$ 622**	**$ 894**	**$ 1,516**	$ 636	$ 920	$ 1,556	$ 654	$ 950	$ 1,604
Comprised of:									
Loans	**$ 621**	**$ 894**	**$ 1,515**	$ 634	$ 920	$ 1,554	$ 652	$ 950	$ 1,602
Letters of credit[3]	**1**	**-**	**1**	2	-	2	2	-	2

$ millions, for the six months ended	**April 30, 2007**			April 30, 2006		
	Specific allowance	**General allowance**	**Total allowance**	Specific allowance	General allowance	Total allowance
Balance at beginning of period	**$ 544**	**$ 900**	**$ 1,444**	$ 663	$ 975	$ 1,638
Provision for (recovery of)						
credit losses	**333**	**(24)**	**309**	329	(25)	304
Write-offs	**(444)**	**-**	**(444)**	(416)	-	(416)
Recoveries	**75**	**-**	**75**	73	-	73
Transfer from general to specific[1]	**5**	**(5)**	**-**	-	-	-
Other[2]	**109**	**23**	**132**	5	-	5
Balance at end of period	**$ 622**	**$ 894**	**$ 1,516**	$ 654	$ 950	$ 1,604
Comprised of:						
Loans	**$ 621**	**$ 894**	**$ 1,515**	$ 652	$ 950	$ 1,602
Letters of credit[3]	**1**	**-**	**1**	2	-	2

(1) Related to student loan portfolio.
(2) First quarter of 2007 includes $117 million in specific allowance and $23 million in general allowance related to the FirstCaribbean acquisition.
(3) Included in other liabilities.

4. Securitizations

	For the three months ended				For the six months ended		
$ millions	**Apr. 30, 2007**	Jan. 31, 2007	Apr. 30, 2006		**Apr. 30, 2007**	Apr. 30, 2006	
	Residential mortgages	Residential mortgages	Residential mortgages	Cards	**Residential mortgages**	Residential mortgages	Cards
Securitized	**$ 1,356**	$ 3,850	$ 2,246	$ 109	**$ 5,206**	$ 5,031	$ 381
Sold[1]	**1,707**	2,549	1,768	109	**4,256**	3,533	381
Net cash proceeds	**1,698**	2,537	1,759	109	**4,235**	3,513	381
Retained interests[2]	**34**	33	27	9	**67**	58	32
Gain on sale, net of transaction costs	**16**	10	9	-	**26**	17	1
Retained interest assumptions:							
Prepayment/payment rate[3]	**11.0 - 39.0 %**	11.0 - 39.0 %	11.0 - 39.0 %	43.8 %	**11.0 - 39.0 %**	11.0 - 39.0 %	43.5 - 43.8 %
Discount rate	**4.1 - 4.4 %**	4.1 - 4.3 %	4.1 - 4.6 %	9.0 %	**4.1 - 4.4 %**	3.5 - 4.6 %	9.0 %
Expected credit losses	**0.0 - 0.1 %**	0.0 - 0.1 %	0.0 - 0.1 %	3.6 %	**0.0 - 0.1 %**	0.0 - 0.1 %	3.6 %

(1) Assets securitized and not sold are reported as FVO securities (2006: investment securities) on the consolidated balance sheet.
(2) Retained interests arising from securitization are reported as AFS securities (2006: investment securities) on the consolidated balance sheet.
(3) Annual prepayment rate for residential mortgages and monthly payment rate for cards.

5. Significant capital transactions

On November 15, 2006, we issued 18 million Non-cumulative Class A Series 31 Preferred Shares with a par value of $25.00 each for an aggregate amount of $450 million.

On January 31, 2007, we redeemed all 16 million outstanding Non-cumulative Class A Series 24 Preferred Shares at a price of $26.00 per share for an aggregate consideration of $416 million.

On February 14, 2007, we issued 12 million Non-cumulative Class A Series 32 Preferred Shares with a par value of $25.00 each for an aggregate amount of $300 million.

During the quarter, we issued 0.4 million common shares for $21 million (for the six months ended April 30, 2007: 1.3 million common shares for $71 million), pursuant to stock option plans.

On April 30, 2007, the Toronto Stock Exchange accepted our notice of intention to commence a normal course issuer bid. Purchases under this bid commenced on May 2, 2007 and will conclude on the earlier of the termination of the bid, the date on which purchases under the bid have been completed, or October 31, 2007. Under this bid, from time to time we may purchase for cancellation up to 10 million common shares. Between the commencement of the bid and May 30, 2007, we repurchased and cancelled approximately 1.3 million shares at an average price of $102.13 for a total amount of $130 million.

Regulatory approval to pay dividends

We obtained the approval of the OSFI under section 79(5) of the Bank Act to pay dividends on our common shares and Class A Preferred Shares for the quarters ended January 31, 2007 and April 30, 2007.

On April 20, 2007, section 79(5) of the Bank Act was repealed and further OSFI approvals will not be required.

6. Accumulated other comprehensive income (net of tax)

$ millions, as at	2007 Apr. 30
Foreign currency translation adjustments	$ (489)
Net unrealized losses on AFS securities	(25) (1)
Net gains on cash flow hedges	132 (2)
	$ (382)

(1) Includes $186 million of cumulative loss related to AFS securities measured at fair value.

(2) A net gain of $22 million, deferred in AOCI, as at April 30, 2007, is expected to be reclassified to net income during the next 12 months. Remaining amounts will be reclassified to net income over periods up to 13 years thereafter.

7. Derivative instruments market valuation

$ millions, as at	2007 Apr. 30 Assets	2007 Apr. 30 Liabilities
Trading (Note 8)	$ 15,970	$ 15,993
Designated accounting hedges (Note 12)	731	291
Economic hedges[1]		
Economic hedges of FVO financial assets and liabilities	157	223
Other economic hedges	375	717
	$ 17,233	$ 17,224

(1) Comprises derivatives not part of qualifying hedging relationships for accounting purposes under the CICA handbook section 3865.

8. Trading financial instruments

The following tables present the assets and liabilities and income related to trading financial instruments. Net interest income arises from interest and dividends related to trading assets and liabilities other than derivatives, and is reported net of interest expense and income associated with funding these assets and liabilities. Non-interest income includes unrealized gains and losses on security positions held, and gains and losses that are realized from the purchase and sales of securities. Non-interest income also includes all income from trading derivative instruments.

$ millions, as at	2007 Apr. 30	2006 Oct. 31
Securities		
Debt	$ 33,161	$ 28,493
Equity	30,243	33,838
	63,404	62,331
Loans		
Business and government	-	3,641
Derivative instruments	15,970	16,805
	$ 79,374	$ 82,777
Obligations related to securities sold short	$ 13,651	$ 12,716
Derivative instruments	15,993	16,891
	$ 29,644	$ 29,607

$ millions	For the three months ended 2007 Apr. 30	2007 Jan. 31	2006 Apr. 30	For the six months ended 2007 Apr. 30	2006 Apr. 30
Trading income consists of:					
Interest income	**$ 669**	$ 729	$ 561	**$ 1,398**	$ 1,137
Interest expense	**842**	920	697	**1,762**	1,337
Net interest expense	**(173)**	(191)	(136)	**(364)**	(200)
Non-interest income	**296**	375	307	**671**	569
	$ 123	$ 184	$ 171	**$ 307**	$ 369
Income by product line:					
Interest rates	**$ 50**	$ 65	$ 26	**$ 115**	$ 92
Foreign exchange	**48**	44	41	**92**	80
Equities	**22**	43	43	**65**	66
Commodities	**2**	6	8	**8**	15
Other	**1**	26	53 (1)	**27**	116 (1)
	$ 123	$ 184	$ 171	**$ 307**	$ 369

(1) Comprises primarily loan trading activities.

9. Financial instruments designated at fair value (FVO)

FVO financial instruments include the following:

- Certain commercial real estate fixed rate loans, real estate related securities and loans held to hedge structured total return swap transactions, and certain loans hedged through credit derivatives are designated at fair value to significantly reduce measurement inconsistencies that would arise if the related derivatives were treated as trading and marked-to-market and the underlying financial instruments were carried at amortized cost.
- Secondary traded loans are designated at fair value to match both the accounting and the economics of the portfolio. These financial instruments are managed as trading loans with a documented trading strategy pursuant to which the positions are intended to be sold within six months.
- Certain financial assets, such as mortgage-backed securities, Government of Canada bonds and treasury bills, debt securities, and certain fixed rate deposit liabilities are designated at fair value to significantly reduce measurement inconsistencies that would arise if the related hedging derivatives, such as interest rate swaps, seller swaps and other asset swaps, were treated as trading and marked-to-market and the underlying financial asset accounted for at amortized cost.

The following tables present the FVO assets and liabilities, the income earned from these financial instruments and the income and losses on derivatives used to economically hedge these financial instruments. Net interest income arises from interest and dividends related to the FVO assets and liabilities, and is reported net of interest expense and income associated with funding these assets and liabilities. Non-interest income includes unrealized gains and losses on the FVO assets and liabilities and all income from the derivative instruments held to economically hedge these financial instruments.

$ millions, as at	2007 Apr. 30
FVO assets	
Securities	
Debt	**$ 6,132**
Loans	
Business and government	**4,225**
	$ 10,357
FVO liabilities	
Deposits	
Business and government	**$ 5,502**
Obligations related to securities sold short	**38**
	$ 5,540

$ millions	For the three months ended 2007 Apr. 30	2007 Jan. 31	For the six months ended 2007 Apr. 30
Interest income	**$ 143**	$ 153	**$ 296**
Interest expense	**127**	150	**277**
Net interest income	**16**	3	**19**
Non-interest income			
FVO financial instruments	**80**	(11)	**69**
Economic hedges(1)	**(21)**	54	**33**
	59	43	**102**
	$ 75	$ 46	**$ 121**

(1) Comprises derivative instruments held to economically hedge FVO financial instruments.

Deposits designated at fair value

As at April 30, 2007, the carrying amount of FVO deposits was $2 million lower than the amount if the deposits were carried on an amortized cost basis.

For the three and six months ended April 30, 2007, the cumulative net loss attributable to changes in CIBC's credit risk for FVO deposits was not significant.

10. Employee future benefit expenses

$ millions	For the three months ended 2007 Apr. 30	2007 Jan. 31	2006 Apr. 30	For the six months ended 2007 Apr. 30	2006 Apr. 30
Defined benefit plan					
Pension benefit plans	**$ 47**	$ 48	$ 52	**$ 95**	$ 102
Other benefit plans	**11**	8	18	**19**	37
	$ 58	$ 56	$ 70	**$ 114**	$ 139
Defined contribution plan					
CIBC's pension plans	**$ 5**	$ 4	$ 4	**$ 9**	$ 7
Government pension plans(1)	**22**	22	22	**44**	43
	$ 27	$ 26	$ 26	**$ 53**	$ 50

(1) Includes Canada Pension Plan, Quebec Pension Plan, and U.S. Federal Insurance Contributions Act.

11. Earnings per share

$ millions, except per share amounts	For the three months ended 2007 Apr. 30	2007 Jan. 31	2006 Apr. 30	For the six months ended 2007 Apr. 30	2006 Apr. 30
Basic EPS					
Net income	**$ 807**	$ 770	$ 585	**$ 1,577**	$ 1,165
Preferred share dividends and premium	**(35)**	(54)	(33)	**(89)**	(66)
Net income applicable to common shares	**$ 772**	$ 716	$ 552	**$ 1,488**	$ 1,099
Weighted-average common shares outstanding (thousands)	**337,320**	336,486	335,147	**336,896**	334,745
Basic EPS	**$ 2.29**	$ 2.13	$ 1.65	**$ 4.42**	$ 3.28
Diluted EPS					
Net income applicable to common shares	**$ 772**	$ 716	$ 552	**$ 1,488**	$ 1,099
Weighted-average common shares outstanding (thousands)	**337,320**	336,486	335,147	**336,896**	334,745
Add: stock options potentially exercisable(1) (thousands)	**3,293**	3,456	3,397	**3,376**	3,372
Weighted-average diluted common shares outstanding(2) (thousands)	**340,613**	339,942	338,544	**340,272**	338,117
Diluted EPS	**$ 2.27**	$ 2.11	$ 1.63	**$ 4.37**	$ 3.25

(1) Excludes average options outstanding of 1,698 with a weighted-average exercise price of $102.07; average options outstanding of 3,249 with a weighted-average exercise price of $98.30; and average options outstanding of 10,151 with a weighted-average exercise price of $84.69 for the three months ended April 30, 2007, January 31, 2007 and April 30, 2006, respectively, as the options' exercise prices were greater than the average market price of CIBC's common shares.

(2) Convertible preferred shares and preferred share liabilities have not been included in the calculation since we have the right to redeem them for cash prior to the conversion date.

12. Designated accounting hedges

For fair value, cash flow and NIFO hedging activities, a gain relating to net ineffectiveness of approximately $3 million for the quarter (for the three months ended January 31, 2007: loss of approximately $2 million) was included in the consolidated statement of operations. Portions of derivative gains (losses) that were excluded from the assessment of hedge effectiveness for fair value and cash flow hedging activities are included in the consolidated statement of operations and are not significant for the three and six months ended April 30, 2007.

The following table presents notional amounts and carrying value of our hedging-related derivative instruments:

$ millions, as at 2007 Apr. 30	Derivatives notional amount	Carrying value Positive	Negative
Fair value hedges	**$ 70,742**	**$ 395**	**$ 285**
Cash flow hedges	**5,081**	**239**	**6**
NIFO hedges	**6,154**	**97**	**-**
	$ 81,977	**$ 731**	**$ 291**

In addition, foreign currency denominated deposit liabilities of $197 million and $16.3 billion have been designated as fair value hedges of foreign exchange risk and NIFO hedges, respectively.

13. Guarantees

$ millions, as at	2007 Apr. 30 Maximum potential future payment	2006 Oct. 31 Maximum potential future payment
Securities lending with indemnification(1)	**$ 45,517**	$ 37,921
Standby and performance letters of credit	**6,754**	6,094
Credit enhancement facilities	**22**	-
Credit derivatives written options	**82,110**	59,769
Other derivative contracts	**(2)**	(2)
Other indemnification agreements	**(2)**	(2)

(1) Comprises the full contract amount of custodial client securities lent by CIBC Mellon Global Securities Services (GSS), which is a 50/50 joint venture between CIBC and Mellon Financial Corporation.

(2) See page 120 of the 2006 Annual Accountability Report for further details.

As at April 30, 2007, we had a liability of $221 million (October 31, 2006: $43 million) on our consolidated balance sheet related to the guarantees noted above (excluding other derivative contracts). For other derivative contracts, as at April 30, 2007, we had a liability of $3.3 billion (October 31, 2006: $5.4 billion) on our consolidated balance sheet. As at April 30, 2007, the total collateral available relating to these guarantees was $63.2 billion (October 31, 2006: $48.9 billion).

14. Segmented information

CIBC has two strategic business lines: CIBC Retail Markets and CIBC World Markets. These business lines are supported by five functional groups – Administration, Technology and Operations; Corporate Development; Finance; Legal and Regulatory Compliance; and Treasury and Risk Management. The activities of these functional groups are included within Corporate and Other, with their revenue, expenses and balance sheet resources generally being allocated to the business lines.

As discussed in Note 2, the results of FirstCaribbean are included in the CIBC Retail Markets strategic business line since December 22, 2006.

$ millions, for the three months ended		CIBC Retail Markets	CIBC World Markets	Corporate and Other	CIBC Total
Apr. 30, 2007	**Net interest income (expense)**	**$ 1,134**	**$ (140)**	**$ 85**	**$ 1,079**
	Non-interest income	**1,107**	**812**	**52**	**1,971**
	Intersegment revenue[1]	**(52)**	**54**	**(2)**	**-**
	Total revenue	**2,189**	**726**	**135**	**3,050**
	Provision for (recovery of) credit losses	**182**	**4**	**(20)**	**166**
	Amortization[2]	**31**	**5**	**35**	**71**
	Other non-interest expenses	**1,322**	**519**	**64**	**1,905**
	Income before income taxes and non-controlling interests	**654**	**198**	**56**	**908**
	Income tax expense	**64**	**1**	**26**	**91**
	Non-controlling interests	**7**	**3**	**-**	**10**
	Net income	**$ 583**	**$ 194**	**$ 30**	**$ 807**
	Average assets[3]	**$ 213,981**	**$ 111,404**	**$ 703**	**$ 326,088**
Jan. 31, 2007	Net interest income (expense)	$ 1,101	$ (124)	$ 82	$ 1,059
	Non-interest income	1,105	851	76	2,032
	Intersegment revenue[1]	(55)	57	(2)	-
	Total revenue	2,151	784	156	3,091
	Provision for (recovery of) credit losses	153	(10)	-	143
	Amortization[2]	20	5	33	58
	Other non-interest expenses	1,268	546	71	1,885
	Income before income taxes and non-controlling interests	710	243	52	1,005
	Income tax expense	176	33	22	231
	Non-controlling interests	4	-	-	4
	Net income	$ 530	$ 210	$ 30	$ 770
	Average assets[3]	$ 204,984	$ 110,594	$ 544	$ 316,122
Apr. 30, 2006	Net interest income (expense)	$ 1,058	$ (83)	$ 61	$ 1,036
	Non-interest income	970	636	135	1,741
	Intersegment revenue[1]	(53)	54	(1)	-
	Total revenue	1,975	607	195	2,777
	Provision for (recovery of) credit losses	180	(16)	(26)	138
	Amortization[2]	20	5	34	59
	Other non-interest expenses	1,217	500	60	1,777
	Income before income taxes and non-controlling interests	558	118	127	803
	Income tax expense	126	7	57	190
	Non-controlling interests	-	1	27	28
	Net income	$ 432	$ 110	$ 43	$ 585
	Average assets[3]	$ 186,162	$ 101,663	$ 603	$ 288,428

$ millions, for the six months ended			CIBC Retail Markets		CIBC World Markets		Corporate and Other		CIBC Total
Apr. 30, 2007	**Net interest income (expense)**	**$**	**2,235**	**$**	**(264)**	**$**	**167**	**$**	**2,138**
	Non-interest income		**2,212**		**1,663**		**128**		**4,003**
	Intersegment revenue[1]		**(107)**		**111**		**(4)**		**-**
	Total revenue		**4,340**		**1,510**		**291**		**6,141**
	Provision for (recovery of) credit losses		**335**		**(6)**		**(20)**		**309**
	Amortization[2]		**51**		**10**		**68**		**129**
	Other non-interest expenses		**2,590**		**1,065**		**135**		**3,790**
	Income before income taxes and non-controlling interests		**1,364**		**441**		**108**		**1,913**
	Income tax expense		**240**		**34**		**48**		**322**
	Non-controlling interests		**11**		**3**		**-**		**14**
	Net income	**$**	**1,113**	**$**	**404**	**$**	**60**	**$**	**1,577**
	Average assets[3]	**$**	**209,400**	**$**	**111,000**	**$**	**623**	**$**	**321,023**
Apr. 30, 2006	Net interest income (expense)	$	2,182	$	(107)	$	109	$	2,184
	Non-interest income		1,970		1,282		199		3,451
	Intersegment revenue[1]		(109)		111		(2)		-
	Total revenue		4,043		1,286		306		5,635
	Provision for (recovery of) credit losses		360		(31)		(25)		304
	Amortization[2]		42		11		66		119
	Other non-interest expenses		2,440		1,027		127		3,594
	Income before income taxes and non-controlling interests		1,201		279		138		1,618
	Income tax expense		331		39		58		428
	Non-controlling interests		-		2		23		25
	Net income	$	870	$	238	$	57	$	1,165
	Average assets[3]	$	185,341	$	101,067	$	622	$	287,030

(1) Intersegment revenue represents internal sales commissions and revenue allocations under the Manufacturer / Customer Segment / Distributor Management Model.
(2) Includes amortization of buildings, furniture, equipment, leasehold improvements and finite-lived other intangible assets.
(3) Assets are disclosed on an average basis as this measure is most relevant to a financial institution and is the measure reviewed by management.

15. Future accounting changes

Leveraged leases

In July 2006, the Financial Accounting Standards Board (FASB) issued a FASB Staff Position (FSP) FAS 13-2, "Accounting for a Change or Projected Change in the Timing of Cash Flows Relating to Income Taxes Generated by a Leveraged Lease Transaction," which amends Statement of Financial Accounting Standard 13, "Accounting for Leases," certain aspects of which are incorporated in the CICA Emerging Issues Abstract (EIC) 46, "Leveraged Leases." The FSP is effective for CIBC beginning November 1, 2007.

For additional details, see page 130 of our 2006 Annual Accountability Report.

Capital disclosures

In December 2006, the CICA issued a new handbook section 1535, "Capital Disclosures," which requires an entity to disclose its objectives, policies and processes for managing capital. This new standard is effective for CIBC beginning November 1, 2007.

Financial instruments

In December 2006, the CICA issued two new handbook sections, 3862 "Financial Instruments – Disclosures" and 3863 "Financial Instruments – Presentation." These new standards are effective for CIBC beginning November 1, 2007.

These sections replace CICA handbook section 3861, "Financial Instruments — Disclosure and Presentation." These new sections enhance disclosure requirements on the nature and extent of risks arising from financial instruments and how the entity manages those risks.