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Check against delivery

Good morning.

Thank you for joining us in Vancouver for CIBC's 142nd Annual General Meeting.

Let me begin by recognizing CIBC's 39,000 employees for their dedication to our clients throughout 2008.

Today, I am going to discuss three areas:

First, the events that have significantly impacted global financial markets during the last two years;

Second, the actions we have taken to strengthen CIBC against this global backdrop;

And third, I will comment on the global economic transition that is underway.

Let me begin with global market events.

As you will have seen in the media, the worldwide financial industry has been dramatically impacted during the last two years.

A downturn that began in the U.S. real estate market in early 2007 quickly spread into the broader credit markets.

By late in the year, financial institutions around the world were announcing significant credit losses as the breadth and scope migrated from difficulty to crisis.

The deterioration in the capital markets, and now the global economy, have proved challenging for consumers, corporations, government, regulators and banks.

The hallmarks of the downturn have been the volatility, rapidity and degree of change.

There is no question...the economic gears are dramatically shifting globally.

I believe that when we look back on this period, we will see that after almost 20 years of the benefits from globalization, this is the first significant banking and economic downturn that is a result of this newly globalized world.

What I believe we will also see, but have yet to experience, are the results of the first globalized response by central banks, regulators and governments – as well as a bit of luck in the recent rapid decline in the price of oil.

As a Canadian, I am proud that Canada finds itself better positioned than other economies both to weather this downturn and benefit from a subsequent recovery.

I will touch on the potential results of this unprecedented global response in more detail later.

But first, let me turn to CIBC's performance during this period and what your bank is doing to respond to these global developments.

2008 financial performance

Since 2002, CIBC's strategic imperative has been to deliver consistent and sustainable earnings.

We have taken major steps to reduce risk in our wholesale bank, increase productivity, maintain capital strength and invest in our core businesses.

When I spoke at last year's annual meeting, I stated that our focus was to get CIBC back on the strategic track which had delivered significant value for our shareholders in the past.

To do that, we undertook many actions in the latter half of 2007 and 2008 to significantly enhance the safety and soundness of CIBC.

As a result of these actions, CIBC heads into 2009 in a position of relative strength.

Our Tier 1 capital level at the end of 2008 was 10.5% -- this makes CIBC one of the best capitalized banks in North America.

And our total common equity of \$11.2 billion was also higher than a year ago.

Our capital position is a key strength for CIBC, providing a prudent cushion for global conditions.

And, while no bank stock has done well since I spoke to you at our last annual general meeting, it is worth noting that in calendar 2008, CIBC outperformed all the other large Canadian banks and all but two of the 15 biggest banks in the world in terms of total shareholder return.

And although strong relative performance in a declining market is hardly a cause for celebration, it is one benchmark of our progress since our last annual general meeting and the fact that we more than held our own in 2008.

As we look ahead, market conditions worldwide for banks remain difficult.

Yet arguably one of the better places to be right now is in Canada.

At CIBC, the majority of our revenue is derived from Retail Markets, where we enjoy strong market positions in a broad range of products and services.

At CIBC World Markets, we have honed our focus to four core businesses, mostly centred in Canada.

In 2008, we made our Retail Markets business stronger.

- We opened eight new branches and advanced plans to open another 40 in 2009.
- We increased our investment in upgrading our branches, ATM network and telephone banking capacity.
- We made it easier for our customers to bank with us by introducing additional Saturday, Sunday or evening hours at our branches.

- And, we built on the strength of CIBC Wood Gundy and Imperial Service to further our strategy of offering sound financial advice to our clients.

On the wholesale side, CIBC World Markets has made important strides by focusing on four key businesses.

- global equities
- fixed income and currencies
- investment, corporate and merchant banking, and
- real estate finance

In 2009, we will move our wholesale franchise forward based on these solid foundations while strengthening client relationships and ensuring our activities are aligned with our risk appetite.

Outside of Canada, we have small exposure in the U.S., as well as our FirstCaribbean Bank, which continues to do well.

2009 and beyond

As we look to 2009 and beyond, our priorities remain clear.

We will invest in our core businesses, particularly in Canada, improve productivity and build on the strength of our balance sheet.

We will manage our business prudently with a clear focus on creating long-term value for our shareholders.

Conclusion

This has been an extraordinary period of change for our industry and the broader international economy.

In my many meetings with colleagues, competitors and other stakeholders, the most common sentiment expressed about 2008 is that we are all glad it is over.

The key question on everyone's mind – and the one that I get asked most is – what's going to happen next?

And while it is a question I also have – I would like to share with you some thoughts on this topic.

In the last 20 years, the world has experienced strong global economic growth that has brought prosperity and development.

Now - for the first time in a globalized world - we are witnessing a global financial crisis that has been followed by a worldwide recession.

However, I think we also need to recognize there has been a global response that is equally unprecedented in scope.

Much of this globalized response has only occurred fairly recently, and these measures historically require several quarters, at least, to get traction.

Therefore, I believe 2009 will be a very interesting year because during that period the full force of these actions may begin to take hold within the global economy.

Concurrent with that, we have received assistance from an unexpected quarter. One might call it luck.

It took four years for oil prices to triple to \$150 a barrel.

This has been dramatically reversed in a matter of months.

So what was once a strong headwind for the economy – the price of oil - has now become a significant tailwind – and this has occurred fairly recently.

At the same time, the deep and rapid decline in U.S. real estate, which was one of the origins of this crisis, is now long in the tooth and may run its course, if anything, through exhaustion on the downside.

And while that may not mean a significant rebound, a tapering off of the rate of decline would provide much relief in terms of future expectations and consumer confidence.

Given all these factors, the latter part of 2009 and first part of 2010 may prove to be a turning point -- where eventually the economy slowly changes gears and - as confidence returns - we move from recession to the preliminary elements of recovery.

However, in the short-term, the unknowns far outweigh the knowns and a very prudent and careful approach is required.

With respect to CIBC, we will maintain our course.

We will continue our focus on derisking your bank and seeking to deliver consistent, high-quality earnings.

We will exercise caution and prudence through 2009 keeping in mind that recessions lay the foundation for future recoveries.

In closing my comments on 2008, I want to take this opportunity to thank our outgoing Chairman, Bill Etherington, for his many years of leadership and service to CIBC.

Equally as important, on a personal level, I would like to thank Bill for working closely with me during these extraordinary times.

I also want to once again thank CIBC's employees for their dedication and commitment...and you, our shareholders, for your continued support.

Thank you.