



Canadian Imperial Bank
of Commerce

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**CANADIAN IMPERIAL BANK OF COMMERCE, HK BRANCH
DISCLOSURE STATEMENT AS AT APRIL 30, 2017**

SECTION A – BRANCH INFORMATION (HONG KONG OFFICE ONLY)

PART I – PROFIT & LOSS	Apr 30, 2017	Apr 30, 2016
	HK\$'000	HK\$'000
Interest Income	307,157	248,162
Interest Expense	(275,575)	(212,311)
Other operating income:		
- Gains less losses arising from non-trading activities in foreign currencies	205	(5,422)
- Net fees and commission income	756	591
- Others	158,290	184,456
Total Income	190,833	215,476
Operating expenses		
- Staff expenses	(85,958)	(77,175)
- Rental expenses	(14,108)	(14,031)
- Other expenses	(16,256)	(16,118)
Gains less losses from disposal of property, plant and Equipment and investment properties	(2)	0
Total Expenses	(116,324)	(107,324)
Profit before taxation	74,509	108,152
Tax expense	(23,721)	0
Profit after tax and exceptional items	50,788	108,152

PART II – BALANCE SHEET

	Apr 30, 2017 HK\$'000	31 Oct,2016 HK\$'000
ASSETS		
Cash and balances with banks	156,854	3,694
Due from Exchange Fund	46,665	289,273
Placement with banks which have a residual contractual maturity of more than one month but not more than 12 months	10	9
Amount due from overseas offices of the institution	14,063,246	23,765,166
Loans and receivables	2,614,215	2,886,752
Securities held for dealing purposes	2,578,461	2,399,218
Property, plant and equipment and investment properties	10,930	9,099
TOTAL ASSETS	19,470,381	29,353,211
LIABILITIES		
Deposits and balances from banks	7,327,541	15,449,679
Due to Exchange Fund	227,851	0
Deposits of customers		
- Demand deposits and current accounts	8,597	4,879
- Time, call and notice deposits	7,366,303	7,136,916
Amount due to overseas offices of the institution	4,367,838	6,447,941
Other liabilities	172,251	313,796
TOTAL LIABILITIES	19,470,381	29,353,211

PART III – ADDITIONAL BALANCE SHEET INFORMATION

	Apr 30, 2017	Oct 31, 2016
	HK\$'000	HK\$'000
i) Advances and receivables		
- Advances to customers	2,432,097	2,709,736
- Accrued interest and other accounts	<u>182,118</u>	<u>177,016</u>
Total:	2,614,215	2,886,752
ii) Provision booked at Head Office		
- General – CAD 1,553 million on consolidated basis	Nil	Nil
- Specific (allocated to HK branch)	Nil	Nil

CIBC's provision policy:

Specific provisions are based on the borrower's debts servicing ability and adequacy of security. Known bad debts are written off. For General provisions, CIBC sets the bank's annual provision level pursuant to consultation with the Office of the Superintendent of Financial Institutions, Canada [OSFI], the Canadian Bank regulator. The current minimum General Provision Levels are mandated by OSFI and publicly disclosed. The general provisions are made in the Head Office's account on consolidated basis and there are no sectoral general provisions applicable by industry or region.

iii) Amount of advances to customers on which interest is being placed in suspense or on which interest accrual has ceased (impaired loans)	Nil	Nil
The amount of such suspended interest	Nil	Nil
The amount of specific provisions made in respect of such advances (booked in Head Office)	Nil	Nil
The percentage of such advances to total advances to customers	0.00%	0.00%

We do not have advances to banks and other financial institutions on which interest is being placed in suspense or on which interest accrual has ceased as of Apr. 30, 2017. (Oct. 31, 2016: NIL)

PART III – ADDITIONAL BALANCE SHEET INFORMATION

	Apr 30, 2017		Oct 31, 2016	
	HK\$'000	Collateral (%)	HK\$'000	Collateral (%)
iv) Analysis of gross amount of advances to customers classified into the following industry categories:				
Loans and advances for use in HK				
Industrial, commercial & financial:				
- Electricity and gas	0	0.00	0	0.00
- Financial concerns	0	0.00	0	0.00
- Wholesale and retail trade	137,320	0.00	531,360	0.00
- Transport and transport equipment	691,451	0.00	552,561	0.00
- Others	0	0.00	0	0.00
Information Technology:				
- Telecommunications	380,000	0.00	400,000	0.00
- Others	0	0.00	0	0.00
Individuals:				
- Loans for the purchase of other residential properties	79	100.00	113	100.00
- Others	0	0.00	0	0.00
Sub-total:	1,208,850		1,484,034	
Loans and advances for use outside HK	1,223,247	0.00	1,225,702	0.00
Other loans where the place of use is not known	0	0.00	0	0.00
TOTAL:	2,432,097		2,709,736	

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

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

	Apr 30, 2017		Oct 31, 2016	
	HK\$'000	% to total advances to customers	HK\$'000	% to total advances to customers
Gross amount of advances:				
- Hong Kong	2,432,097	100.00%	2,709,736	100.00%
The related overdue loans:	0		0	
The related impaired loans:	0		0	

PART III – ADDITIONAL BALANCE SHEET INFORMATION

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

	Banks	Official Sector	Non-Bank Private Sector		Others	Total
			Non-Bank Financial Institution	Non-Bank Private Sector		
As at Apr 30, 2017 (HKD million)						
Developed countries						
of which Canada	14,117	Nil	Nil	Nil	125	14,242
The related overdue loans:	Nil	Nil	Nil	Nil	Nil	Nil
The related non-performing loans:	Nil	Nil	Nil	Nil	Nil	Nil

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

vi) Analysis of foreign currency exposures

As at Apr 30, 2017 (HKD million)							
	<u>CAD</u>	<u>USD</u>	<u>CNY</u>	<u>JPY</u>	<u>EUR</u>	<u>AUD</u>	<u>Total</u>
Spot Assets	934	5,762	0	0	0	8,869	15,565
Spot Liabilities	(665)	(9,531)	(37)	(1)	0	(866)	(11,100)
Forward purchases	3,298	17,576	37	0	3,837	1,022	25,770
Forward sales	(3,543)	(13,707)	0	0	(3,837)	(9,029)	(30,116)
Net option position	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net long (short) position	24	100	0	(1)	0	(4)	119
As at Oct 31, 2016 (HKD million)							
	<u>CAD</u>	<u>USD</u>	<u>JPY</u>	<u>EUR</u>	<u>AUD</u>	<u>Total</u>	
Spot Assets	278	12,450	1	396	11,453	24,578	
Spot Liabilities	(210)	(16,797)	(1)	(2)	(297)	(17,307)	
Forward purchases	8,100	38,143	11,260	0	8,059	65,562	
Forward sales	(8,100)	(33,763)	(11,260)	(393)	(19,222)	(72,738)	
Net option position	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net long (short) position	68	33	0	1	(7)	95	

The net options position is calculated in accordance with our internal reporting method. We do not have structural positions as at Apr 30, 2017. (Oct 31, 2016: NIL)

	Apr 30, 2017		Oct 31, 2016	
	HK\$'000	% to total advances to customers	HK\$'000	% to total advances to customers
vii) Analysis of overdue loans to customers (net of any interest that has been capitalized but accrued to a suspense account)				
- 6 months or less but more than 3 months	0	0.00%	0	0.00%
- 1 year or less but more than 6 months	0	0.00%	0	0.00%
- more than 1 year	0	0.00%	0	0.00%
We do not have overdue advances to banks and other financial institutions as at Apr 30, 2017. (Oct 31, 2016: NIL)				
viii) The aggregate amount of rescheduled advances to customers (net of those which have been overdue for over 3 months and reported in item vii) above.	Nil	0.00%	Nil	0.00%
We do not have rescheduled advances to banks and other financial institutions as at Apr 30, 2017. (Oct 31, 2016: NIL)				
ix) The amount of advances to customers which:				
- are overdue for more than three months and on which interest is still being accrued; and	Nil	0.00%	Nil	0.00%
- are overdue for three months or less or not yet overdue and on which interest is being placed in suspense or on which interest accrual has ceased.	Nil	0.00%	Nil	0.00%
We do not have overdue advances to banks and other financial institutions as at Apr 30, 2017. (Oct 31, 2016: NIL)				
x) Reconciliation between overdue loans and impaired loans:				
Overdue advances to customers	Nil	0.00%	Nil	0.00%
Less:				
Overdue for more than 3 months and on which interest is still being accrued	Nil	0.00%	Nil	0.00%
Add:				
Advances overdue for 3 months or less, or not yet overdue, and on which interest has been placed in suspense or on which interest accrual has ceased				
- included in rescheduled advances	Nil	0.00%	Nil	0.00%
- others	Nil	0.00%	Nil	0.00%
Total impaired loans and advances	Nil	0.00%	Nil	0.00%
xi) Mainland exposures to non-bank counterparties	Nil		Nil	

PART IV – OFF BALANCE SHEET EXPOSURES

	Apr 30, 2017	Oct 31, 2016
CONTINGENT LIABILITIES AND COMMITMENTS	HK\$'000	HK\$'000
(Contractual Amounts)		
Trade-related contingencies	23,816	24,193
Other commitments	1,341,026	898,439

DERIVATIVES

Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	13,667,535	3,751,962
Interest rate contracts	0	0
Equity Contracts	0	0

RISK EXPOSURE INFORMATION

Fair value (after taking into account the effect of bilateral netting agreement):

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

There is no bilateral netting agreement for above derivatives contracts

PART V – LIQUIDITY RATIO

	Apr 30, 2017	Apr 30, 2016
The average liquidity maintenance ratio (“LMR”) for the financial period of Nov16 to Apr17	91.45%	
The average liquidity maintenance ratio (“LMR”) for the financial period of Nov15 to Apr16		44.23%

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

PART VI – ADDITIONAL PROFIT AND LOSS STATEMENT INFORMATION

	Apr 30, 2017	Apr 30, 2016
Breakdown of Fee and Commission income from November to April:		
Gross fees and commission income	756	591
Gross fees and commission expenses	0	0
	<hr/>	<hr/>
Net fees and commission income	<u>756</u>	<u>591</u>

**CANADIAN IMPERIAL BANK OF COMMERCE
(INCLUDING HK BRANCH)
DISCLOSURE STATEMENT AS AT April 30, 2017**

(based on CIBC second quarter report for the period ended April 30, 2017)

SECTION B – BANK INFORMATION (CONSOLIDATED BASIS)

CAPITAL AND CAPITAL ADEQUACY

	Apr 30, 2017	Oct 31, 2016
	CAD Million	CAD Million
Total shareholders' equity	25,876	23,673
Capital adequacy ratio	15.40%	14.80%

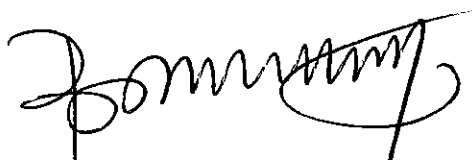
CIBC's regulatory capital requirements are determined in accordance with OSFI's capital adequacy guidelines.

OTHER FINANCIAL INFORMATION

Total assets	528,591	501,357
Total liabilities	502,715	477,684
Total advances	321,929	307,417
Total customer deposits	357,979	338,321
Pre-tax profit	Apr 30, 2017 2,967	Apr 30, 2016 2,226

Statement by Chief Executive

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



Betty Lok
Alternate Chief Executive
Canadian Imperial Bank of Commerce, Hong Kong Branch