



Canadian Imperial Bank  
of Commerce

Suite 3602  
Cheung Kong Center  
2 Queen's Road Central  
Hong Kong

Tel : (852) 2841 6111  
Fax : (852) 2845 9218

**CANADIAN IMPERIAL BANK OF COMMERCE, HK BRANCH**  
**DISCLOSURE STATEMENT AS AT October 31, 2017**

**SECTION A – BRANCH INFORMATION (HONG KONG OFFICE ONLY)**

<b>PART I – PROFIT &amp; LOSS</b>	<b>Oct 31, 2017</b>	<b>Oct 31, 2016</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Interest Income	564,261	607,109
Interest Expense	(506,774)	(537,271)
Other operating income:		
- Gains less losses arising from non-trading activities in foreign currencies	(14,939)	8,143
- Net fees and commission income	28,156	24,275
- Others	335,740	330,070
<b>Total Income</b>	<b>406,444</b>	<b>432,326</b>
Operating expenses		
- Staff expenses	(160,818)	(161,653)
- Rental expenses	(28,840)	(27,501)
- Other expenses	(33,325)	(33,396)
Gains less losses from disposal of property, plant and Equipment and investment properties	(2)	0
<b>Total Expenses</b>	<b>(222,985)</b>	<b>(222,550)</b>
Profit before taxation	183,459	209,776
Tax expense	(34,474)	(19,965)
<b>Profit after tax and exceptional items</b>	<b>148,985</b>	<b>189,811</b>

**PART II – BALANCE SHEET**

	<b>Oct 31, 2017</b>	<b>Apr 30, 2017</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>ASSETS</b>		
Cash and balances with banks	61,962	156,854
Due from Exchange Fund	66,013	46,665
Placement with banks which have a residual contractual maturity of more than one month but not more than 12 months	-	10
Amount due from overseas offices of the institution	18,332,038	14,063,246
Loans and receivables	4,266,496	2,614,215
Securities held for dealing purposes	2,995,622	2,578,461
Property, plant and equipment and investment properties	10,362	10,930
<b>TOTAL ASSETS</b>	<b>25,732,493</b>	<b>19,470,381</b>
<b>LIABILITIES</b>		
Deposits and balances from banks	9,745,810	7,327,541
Due to Exchange Fund	-	227,851
Deposits of customers		
- Demand deposits and current accounts	5,034	8,597
- Time, call and notice deposits	8,121,671	7,366,303
Amount due to overseas offices of the institution	7,592,479	4,367,838
Other liabilities	267,499	172,251
<b>TOTAL LIABILITIES</b>	<b>25,732,493</b>	<b>19,470,381</b>

### PART III – ADDITIONAL BALANCE SHEET INFORMATION

	Oct 31, 2017	Apr 30, 2017
	HK\$'000	HK\$'000
i) Advances and receivables		
- Advances to customers	4,104,532	2,432,097
- Accrued interest and other accounts	<u>161,964</u>	<u>182,118</u>
Total:	4,266,496	2,614,215
ii) Provision booked at Head Office		
- General – CAD 1,545 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 Oct. 31, 2017. (Apr. 30, 2017: NIL)

**PART III – ADDITIONAL BALANCE SHEET INFORMATION**

	Oct 31, 2017		Apr 30, 2017	
	HK\$'000	Collateral (%)	HK\$'000	Collateral (%)
iv) Analysis of gross amount of advances to customers classified into the following industry categories:				
<b>Loans and advances for use in HK</b>				
Industrial, commercial & financial:				
- Electricity and gas	0	0.00	0	0.00
- Financial concerns	1,300,090	0.00	0	0.00
- Wholesale and retail trade	0	0.00	137,320	0.00
- Transport and transport equipment	678,123	0.00	691,451	0.00
- Others	0	0.00	0	0.00
Information Technology:				
- Telecommunications	290,000	0.00	380,000	0.00
- Others	0	0.00	0	0.00
Individuals:				
- Loans for the purchase of other residential properties	44	100.00	79	100.00
- Others	0	0.00	0	0.00
Sub-total:	2,268,257		1,208,850	
<b>Loans and advances for use outside HK</b>	1,836,275	0.00	1,223,247	0.00
<b>Other loans where the place of use is not known</b>	0	0.00	0	0.00
<b>TOTAL:</b>	<b>4,104,532</b>		<b>2,432,097</b>	

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.

	Oct 31, 2017		Apr 30, 2017	
	HK\$'000	% to total advances to customers	HK\$'000	% to total advances to customers
Gross amount of advances:				
- Hong Kong	4,104,532	100.00%	2,432,097	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
			Financial Institution	Non-Financial Private Sector		
<b>As at Oct 31, 2017 (HKD million)</b>						
Developed countries						
of which Canada	18,400	Nil	Nil	Nil	88	18,487
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
			Financial Institution	Non-Financial Private Sector		
<b>As at Apr 30, 2017 (HKD million)</b>						
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

#### vi) Analysis of foreign currency exposures

<b>As at Oct 31, 2017 (HKD million)</b>							
	<u>CAD</u>	<u>USD</u>	<u>CNY</u>	<u>JPY</u>	<u>EUR</u>	<u>AUD</u>	<u>Total</u>
Spot Assets	3,156	5,237	0	0	0	13,216	21,609
Spot Liabilities	(196)	(13,756)	0	0	0	(1,315)	(15,267)
Forward purchases	453	19,857	0	0	0	3,586	23,896
Forward sales	(3,345)	(11,275)	0	0	0	(15,498)	(30,118)
Net option position	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Net long (short) position</b>	<b>68</b>	<b>63</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(11)</b>	<b>120</b>
<b>As at Apr 30, 2017 (HKD million)</b>							
	<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
<b>Net long (short) position</b>	<b>24</b>	<b>100</b>	<b>0</b>	<b>(1)</b>	<b>0</b>	<b>(4)</b>	<b>119</b>

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

	Oct 31, 2017		Apr 30, 2017	
	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 Oct 31, 2017. (Apr 30, 2017: 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 Oct 31, 2017. (Apr 30, 2017: 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 Oct 31, 2017. (Apr 30, 2017: 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**

	<b>Oct 31, 2017</b>	<b>Apr 30, 2017</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>

**CONTINGENT LIABILITIES AND COMMITMENTS  
(Contractual Amounts)**

Trade-related contingencies	22,206	23,816
Other commitments	752,214	1,341,026

**DERIVATIVES**

Exchange rate contracts (excluding forward foreign exchange contracts arising from swap deposit arrangements)	2,312	13,667,535
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

	Oct 31, 2017	Oct 31, 2016
The average liquidity maintenance ratio (“LMR”) for the financial period of Nov16 to Oct17	109.17%	
The average liquidity maintenance ratio (“LMR”) for the financial period of Nov15 to Oct16		69.10%

### Liquidity Risk Management:

Liquidity risk is the risk of having insufficient cash or its equivalent in a timely and cost-effective manner to meet financial obligations as they come due.

CIBC’s liquidity risk tolerance is defined by the risk appetite statement (RAS), which is approved annually by the Board.

The Asia Pacific RAS, unique to the region within which CIBC Hong Kong Branch operates, articulates the aggregate levels of risk that the Asia-Pacific Region is willing to assume in pursuit of its strategy and business objectives and sets the basic goals and measurement metrics, which define tolerance levels for various risks. A Contingency Funding Plan (CFP) is reviewed and approved regularly by the Asia Pacific Management Committee.

In the Asia-Pacific Region Treasury, Finance and Risk Management staffs manage liquidity requirements in accordance with local regulation and internal policies, following the three lines of defense model with independent assessment of the design and operating effectiveness of liquidity risk management controls, processes and systems.

### Liquidity Risk Monitoring and Reporting

The Liquidity Maintenance Ratio (LMR) is monitored on a daily basis, against regulatory limits (25%) and internal buffer targets. A two day liquidity projection is prepared.

A control has been established to ensure that LMR adequacy is maintained, whereby Finance personnel produce the LMR projection, based on status quo reporting. This projection is validated by Treasury (Funding & Liquidity Management, FLM) staff and then adjusted with cash flows arising from new transactions, to derive the updated daily LMR. On the following day, the Finance team produces the LMR report and FLM validate that the two reports reconcile. The daily LMR is also sent to Capital Market Risk Management and other Global Treasury colleagues for review and monitoring.

Local funding considerations are incorporated into CIBC’s consolidated liquidity stress testing paradigm, as appropriate, but stress testing is not performed regionally; instead this is considered holistically at the parent bank level.

## PART VI – ADDITIONAL PROFIT AND LOSS STATEMENT INFORMATION

	Oct 31, 2017	Oct 31, 2016
Breakdown of Fee and Commission income from November to October:		
Gross fees and commission income	28,156	24,275
Gross fees and commission expenses	0	0
	<hr/>	<hr/>
Net fees and commission income	28,156	24,275
	<hr/> <hr/>	<hr/> <hr/>



**CANADIAN IMPERIAL BANK OF COMMERCE  
(INCLUDING HK BRANCH)  
DISCLOSURE STATEMENT AS AT October 31, 2017**

(based on CIBC fourth quarter report for the period ended October 31, 2017)

**SECTION B – BANK INFORMATION (CONSOLIDATED BASIS)**

**CAPITAL AND CAPITAL ADEQUACY**

	<b>Oct 31, 2017</b>	<b>Apr 30, 2017</b>
	CAD Million	CAD Million
Total shareholders' equity	31,237	25,876
Capital adequacy ratio	13.80%	15.40%

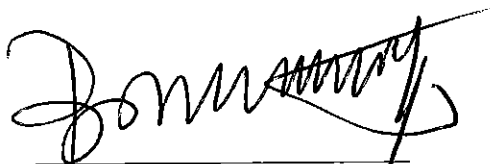
CIBC's regulatory capital requirements are determined in accordance with OSFI's capital adequacy guidelines.

**OTHER FINANCIAL INFORMATION**

Total assets	565,264	528,591
Total liabilities	534,027	502,715
Total advances	356,734	321,929
Total customer deposits	384,949	357,979
	<b>Oct 31, 2017</b>	<b>Oct 31, 2016</b>
Pre-tax profit	5,880	5,013

**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

