

CANADIAN IMPERIAL BANK OF COMMERCE /CAN/
Form 6-K
September 05, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the quarter July 31, 2002

CANADIAN IMPERIAL BANK OF COMMERCE
(Translation of registrant's name into English)

Commerce Court
Toronto, Ontario
Canada M5L 1A2
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this form, the registrant is also hereby furnishing the information to the Commission pursuant to Rule 12g 3-2(b) under the Securities Exchange Act of 1934:

Yes

No

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

CANADIAN IMPERIAL BANK OF COMMERCE

Date: September 5, 2002

By: /s/ Valerie K. Pettipas

Name: Valerie K. Pettipas
Title: Assistant Corporate Secretary

By: /s/ Allen J. Logue

Name: Allen J. Logue
Title: Vice President

CERTIFICATIONS

I, John S. Hunkin, certify that:

1. I have reviewed this Form 6-K of Canadian Imperial Bank of Commerce;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the quarterly report filed under cover of this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in the quarterly report filed under cover of this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the quarterly report filed under cover of this report is being prepared; and

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this report (the "Evaluation Date");

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Date: September 5, 2002

/s/ John S. Hunkin

JOHN S. HUNKIN,
Chairman and Chief Executive Officer

I, Tom D. Woods, certify that:

1. I have reviewed this Form 6-K of Canadian Imperial Bank of Commerce;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the quarterly

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report filed under cover of this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in the quarterly report filed under cover of this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the quarterly report filed under cover of this report is being prepared; and

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this report (the "Evaluation Date"); and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Date: September 5, 2002

/s/ Tom D. Woods

TOM D. WOODS,
Executive Vice President and
Chief Financial Officer

[LOGO] CIBC

REPORT TO SHAREHOLDERS FOR THE THIRD QUARTER, 2002

www.cibc.com

Chairman's Message

September 5, 2002

Dear Shareholder:

Third Quarter Results

CIBC announced Reported Earnings of \$193 million, or \$0.41 per share, diluted, during the third quarter, compared with \$227 million, or \$0.51 per share, diluted, the previous quarter and \$460 million, or \$1.13 per share,

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diluted, for the same period a year ago.

The third quarter results reflect the weak capital markets environment, particularly for merchant banking asset sales. On the positive side, our retail banking operations remained strong and our overall costs were down significantly from the second quarter.

During the quarter, CIBC adopted the accounting standard for stock-based compensation. This decision resulted in an earnings increase of \$24 million, or \$0.07 per share, diluted. (See page 5 for more details).

- o Adjusted Earnings, which exclude unusual items, were \$222 million, or \$0.49 per share, diluted, compared with \$268 million, or \$0.62 per share, diluted, the previous quarter, and \$470 million, or \$1.16 per share, diluted, for the same period a year ago.
- o Operating Earnings, which exclude unusual items and the net impact of Amicus, were \$276 million, or \$0.64 per share, diluted, compared with \$332 million, or \$0.79 per share, diluted, in the second quarter of 2002, and \$534 million, or \$1.33 per share, diluted, for the same period a year ago.
- o Return on Equity was 6.2% (Reported); 7.4% (Adjusted); and 9.6% (Operating).
- o Loan Loss Provisions were \$290 million in the third quarter, down from \$390 million in the prior quarter. The full year estimated loan loss provision remains unchanged from the previous quarter at \$1.45 billion to \$1.50 billion, as announced on May 2, 2002.
- o Total Allowance for Credit Losses remained strong, exceeding gross impaired loans by \$260 million.
- o Tier 1 capital ratio was 8.8% and the total capital ratio was 11.9%.

Our retail operations again contributed high returns on equity this quarter, with cards, mortgages and deposits continuing their year-over-year growth pace. The integration of the businesses we acquired as part of our Wealth Management build strategy progressed on schedule.

Within Amicus, we are pleased with the development of our Canadian operations. We also continued discussions during the quarter with potential strategic partners that would assist in mitigating expenses related to our U.S. expansion.

Overall, our performance in the third quarter continued to be affected by the challenging economic environment in North America. A further weakening in capital markets, diminished new origination activity, primarily in the U.S., merchant banking write-downs, and fewer opportunities for merchant banking asset sales, led to reduced earnings in our wholesale business. We also experienced a higher tax rate during the quarter as a result of lower loan losses and higher net income in our Canadian operations.

Within CIBC World Markets, we took further action during the quarter to address these ongoing market challenges, including:

- o Lowering overall operating expenses;
- o Continuing to effectively manage balance sheet resources; and,
- o Continuing to be vigilant in managing market risk.

Operating highlights from the third quarter include:

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Retail Products

- o Continuing to build market share in mortgages: Market share of residential mortgages increased to 13.8%, up from 13.6% the previous quarter.
- o Strong contribution by cards: Market share of card purchase volumes remained strong at 31.8%, while market share of card balances outstanding was 21.7%, both a strong #1 position in Canada.
- o Product Innovation: A new fixed rate mortgage, the Better than Posted Mortgage, was launched during the quarter. It features a low introductory interest rate for the first nine months, followed by a competitive rate for the remainder of a 3,4,5,7, or 10 year term.
- o Building Retail Asset Balances: Outstanding retail loan balances (including personal/business loans, mortgages and cards) showed a positive trend, growing to more than \$101 billion at quarter end.

CIBC Third Quarter 2002

Retail Markets

- o This quarter, Retail Markets introduced a number of new tools geared to increasing customer satisfaction and improving management and planning. The majority of these tools are technology based, enabling faster and more detailed performance measurement, identification of sales opportunities and faster access to information by our front line staff.
- o A major technology rollout was substantially completed this quarter. All but a small number of CIBC branches are now equipped with new technology platforms and upgraded PCs to improve customer service and communications.
- o New products introduced during this period include Email Money Transfer, where CIBC retail customers can transfer funds to other individuals in Canada through online banking.

Wealth Management

- o The operations and technology functions of the private client business acquired from Merrill Lynch Canada Inc. were integrated into CIBC Wood Gundy as planned.
- o Assets in Investment Consulting Service (ICS), CIBC Wood Gundy's separately-managed wrap program, grew by 11% fiscal year-to-date. ICS is the new program resulting from the July 1st integration of the existing CIBC Wood Gundy and Merrill Lynch Canada programs.
- o CIBC Imperial Service continued to grow its branch-based financial advisory business; by the end of the third quarter, more than 700 financial advisors were registered with the Investment Dealers Association of Canada to advise on and sell both third party and CIBC investment products.
- o Wealth Products continued to have success with its professionally managed portfolio services. The new CIBC Managed Portfolios recorded total net sales of \$378 million since its launch last quarter.

CIBC World Markets

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- o CIBC World Markets maintained its year-to-date industry ranking of #1 with respect to equity financings completed in Canada. This ranking was driven by our continued leadership position with income trust products.
- o Following quarter end, the Ontario government's Superbuild agency selected CIBC World Markets as one of two investment banks to act as advisors in helping to find a strategic partner(s) to purchase a minority interest in Hydro One.
- o CIBC World Markets also continued to focus on cost control during the quarter. This included the termination of 57 positions, primarily in the U.S. These staff reductions were in addition to the 107 positions that were eliminated at the end of the second quarter.

Amicus

- o Customer acquisition: The number of registered customers increased 9.2% during the quarter, bringing the total number of customers to 1,172,000.
- o Number of Pavilions: The number of pavilions increased to 552, up from 507 at the end of the second quarter.
- o Funds under management: Loans and deposits under management grew 19.7% quarter over quarter.
- o Deposit growth: Deposits in Canada through President's Choice Financial grew to \$3.2 billion, up from \$2.9 billion the previous quarter.

Performance Against Objectives

After 2 1/2 years of progress against the performance objectives we set at the start of fiscal 2000, the results for the first three quarters of 2002 clearly fall short of our expectations. However, we continue to believe our year-to-date results do not reflect the full potential of our franchise. We remain committed to our strategy for growth and are focused on improving our performance.

Financial Targets	Measurement
Share Price	Best total return to shareholders, among the major Canadian banks, beginning November 1, 1999
ROE (1)	18%(1) by 2002
Earnings Growth(1)	Diluted EPS growth rate of 15%(1) per year
Efficiency(1)	Non-interest expenses to revenue ratio of 60%(1) by 2002
Capital Strength	8.5% - 9.5% (Tier 1) 11.0% - 12.5% (Total Capital)

(1) Operating Earnings: For Reconciliation of Operating Earnings to Reported Earnings - Refer to table on page 4

(2) For the nine months ended July 31, 2002

(3) For the nine months ended July 31, 2001

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CIBC Third Quarter 2002

Outlook

After showing signs of recovery earlier in the year, the outlook for the North American economy is again uncertain. News of corporate misconduct from a number of companies, combined with geo-political unrest in the Middle East and parts of Asia, have hurt investor confidence.

Given these factors, our outlook for the rest of the year remains cautious. We will continue to take action across our businesses to further protect our earnings in the short-term and enhance our growth prospects in the mid- to long-term.

These actions include:

- o Focusing on growth opportunities in our core retail businesses;
- o Continuing to be disciplined in our capital allocation process by directing a greater proportion of capital to our high-growth retail operations;
- o Making progress on the plan we announced last quarter to reduce the amount of capital allocated to merchant banking and the corporate loan portfolio by one-third over the next three years;
- o Taking additional steps to keep our cost structure under control while continuing to invest in technology and other programs critical to our success.

Our strategy remains clear and we continue to believe our prospects for growth are excellent. Our wholesale business remains well-positioned for further market penetration as the economy strengthens. We also continue to make good progress in our retail and wealth management businesses as evidenced by the market share gains in many of our product areas and the successful integration of the businesses we acquired.

John S. Hunkin
Chairman and Chief Executive Officer, CIBC

A NOTE ABOUT PERFORMANCE MEASURES

Operating Earnings and Adjusted Earnings exclude items that management believes are unusual or relate to substantial strategic investments, thereby allowing analysis of business trends and the performance of CIBC's business lines. These measures do not have a standardized meaning under GAAP and may not be comparable to similar measures used by other companies. See the table on page 4 for further explanation.

A NOTE ABOUT FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements about the operations, priorities, targets, plans, objectives and strategies of CIBC for 2002 and subsequent years, including the forward-looking statements of CIBC's business

lines (Retail Products, formerly Electronic Commerce, Technology and Operations; Retail Markets, formerly Retail and Small Business Banking; Wealth Management; CIBC World Markets and Amicus, formerly part of Electronic Commerce). 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". A forward-looking statement is subject to risks and uncertainties that may be general or specific. A variety of factors, many of which are beyond CIBC's control, affect the operations, performance and results of CIBC, and could cause actual results to differ materially from the expectations expressed in any of CIBC's forward-looking statements. These factors include current, pending and proposed legislative or regulatory developments; intensifying competition from established competitors and new entrants in the financial services industry; technological change; global capital market activity, including interest rate fluctuation, currency value fluctuation and general economic conditions worldwide, as well as in Canada, the United States and other countries where CIBC has business operations; the impact of the events of September 11, 2001; changes in market rates and prices which may adversely affect the value of financial products; and CIBC's success in managing the costs associated with the expansion of existing distribution channels, developing new ones and realizing increased revenue from these channels, including electronic commerce-based efforts. This list is not exhaustive of the factors that may affect any of CIBC's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on CIBC's forward-looking statements. CIBC does not undertake to update any forward-looking statement that is contained in this report.

CIBC Third Quarter 2002

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MANAGEMENT'S DISCUSSION AND ANALYSIS - CONSOLIDATED OVERVIEW

Earnings

CIBC's reported earnings were \$193 million for the quarter, down \$267 million from the third quarter of 2001 and down \$34 million from the prior quarter. The decrease from the same quarter in 2001 was primarily due to lower revenue from trading activities and lower merchant banking revenue, partially offset by lower non-interest expenses. Non-interest expenses were down mainly as a result of significantly lower revenue-related compensation. The decrease in reported earnings from the prior quarter was mainly due to lower revenue as a result of lower merchant banking revenue, offset in part by a lower provision for credit losses and lower revenue-related compensation. CIBC's reported earnings for the nine months ended July 31, 2002 were \$753 million, down \$691 million from the same period in 2001 primarily due to lower revenue from trading activities, lower net merchant banking asset gains and a higher provision for credit losses, offset in part by lower revenue-related compensation.

During the quarter, CIBC early adopted the requirements of the Canadian Institute of Chartered Accountants' (CICA) Handbook section 3870, "Stock-Based Compensation and Other Stock-Based Payments". The standard affects CIBC in two ways. First, the standard requires the ongoing measurement of stock appreciation rights (SARs) through the income statement. Second, as encouraged by the accounting standard, CIBC has expensed stock options.

The consolidated financial statements for the first and second quarters have been restated to reflect the early adoption of this accounting standard. The effect of the change in accounting policy on reported earnings for 2002 is included in footnote (1) to the table below.

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Reported earnings per share (EPS), diluted, and reported return on equity (ROE) were \$0.41 and 6.2%, respectively, for the quarter, compared with \$1.13 and 17.4% in the third quarter of 2001 and \$0.51 and 8.0% in the prior quarter. Reported EPS, diluted, and reported ROE for the nine months ended July 31, 2002 were \$1.75 and 8.9%, respectively, compared with \$3.55 and 18.6% for the same period in 2001.

CIBC's operating earnings for the quarter were \$276 million, as noted in the table below, down \$258 million from the third quarter of 2001. Operating earnings were down \$56 million from the prior quarter. CIBC's operating earnings for the nine months ended July 31, 2002 were \$1,039 million, down \$617 million from the same period in 2001. The decreases in operating earnings were primarily due to the reasons noted above.

Operating EPS, diluted, and operating ROE were \$0.64 and 9.6%, respectively, for the quarter, compared with \$1.33 and 20.4% in the third quarter of 2001 and \$0.79 and 12.4% in the prior quarter. Operating EPS, diluted, and operating ROE for the nine months ended July 31, 2002 were \$2.53 and 12.8%, respectively, compared with \$4.11 and 21.5% for the same period in 2001.

Unaudited, \$ millions	For the three months ended			For
	2002 Jul. 31	2002 Apr. 30 (1)	2001 Jul. 31	
Reported earnings(1)	\$ 193	\$ 227	\$ 460	
Less:				
Gain on sale of corporate assets(2)	10	--	22	
Adjustment for tax rate changes(3)	--	--	(21)	
Merrill Lynch acquisition-related costs(4)	(27)	(41)	--	
Events of September 11, 2001(5)	(12)	--	--	
Goodwill amortization(6)	--	--	(11)	
Adjusted earnings(7)	222	268	470	
Less:				
Net impact of Amicus(8)	(54)	(64)	(64)	
Operating earnings(7)	\$ 276	\$ 332	\$ 534	
EPS(9) - diluted, reported	\$ 0.41	\$ 0.51	\$ 1.13	
- diluted, adjusted	\$ 0.49	\$ 0.62	\$ 1.16	
- diluted, operating	\$ 0.64	\$ 0.79	\$ 1.33	
ROE - reported	6.2%	8.0%	17.4%	
- adjusted	7.4%	9.7%	17.8%	
- operating	9.6%	12.4%	20.4%	

Please refer to the accompanying footnotes.

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Footnotes

- (1) Reported earnings include the impact of CIBC's early adoption in the third quarter of 2002 of the requirements of the CICA Handbook section 3870, "Stock-Based Compensation and Other Stock-Based Payments". Certain comparative figures have been restated. The effect of this change on reported earnings for 2002 is provided below.

Unaudited, \$ millions	For the three months		
	2002 Jul. 31	2002 Apr. 30	Ja
Increase (decrease) in reported earnings for change in accounting policy			
Stock appreciation rights	\$ 30	\$ 1	\$
Stock options	(6)	(9)	
	\$ 24	\$ (8)	\$
Impact on EPS			
Basic	\$ 0.07	\$ (0.02)	\$
Diluted	\$ 0.07	\$ (0.02)	\$

Opening retained earnings at November 1, 2001 were charged \$42 million after-tax to recognize the cumulative amount relating to all vested SARs outstanding at the beginning of the fiscal year of adoption.

- (2) During the third quarter of 2002, a \$10 million after-tax gain was recognized relating to the sale of CIBC's investment in Life of Barbados Limited. During the third quarter of 2001, a \$22 million after-tax gain was recognized on the sale of two of CIBC's off-shore banking subsidiaries, CIBC Fund Managers (Guernsey) Limited and CIBC Bank and Trust Company (Channel Islands) Limited (collectively Guernsey private banking business). During the second quarter of 2001, a \$43 million after-tax gain was recognized relating to the sale of the Merchant Card Services business.
- (3) During the third quarter of 2001, it was determined that the provincial income tax rate decreases proposed in the May 9, 2001 Ontario Budget and the July 30, 2001 British Columbia Budget Update were substantially enacted. As a result, CIBC recognized a \$21 million charge to income tax expense in that quarter, thereby reducing its future income tax assets, in recognition of the fact that temporary differences will reverse when the rates are lower. An adjustment of \$45 million was recognized in the first quarter of 2001, resulting from the federal income tax rate decreases proposed in the October 18, 2000 federal government Economic Statement and Budget Update.
- (4) Costs incurred relate to the acquisition of Merrill Lynch Canada Inc.'s Private Client & Securities Services businesses. These costs also include additional compensation to certain investment advisors within CIBC Wood Gundy.
- (5) During the third quarter of 2002, an after-tax expense of \$12 million was

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recognized relating to losses and incremental expenses incurred for certain of CIBC's New York operations located at One World Financial Center, in close proximity to the World Trade Center.

- (6) On November 1, 2001, CIBC adopted the requirements of the CICA Handbook section 3062, "Goodwill and Other Intangible Assets", which require that amortization of goodwill, including that relating to equity accounted investments, cease after October 31, 2001. Accordingly, adjusted earnings for 2001 include adding back amortization of goodwill to present 2001 results on a basis comparable to the current period.
- (7) Operating earnings exclude items that, in management's opinion, are either unusual in nature, or that relate to substantial strategic investments (e.g. Amicus), thereby allowing for the analysis of business trends and the performance of CIBC's business lines. Adjusted earnings exclude only unusual items. The words "operating earnings" and "adjusted earnings" do not have a standardized meaning under generally accepted accounting principles and consequently, may not be comparable to similar measures presented by other companies. Please refer to the "Operating performance measurements" section in this report for further details.
- (8) During the first quarter of 2002, certain business activities were moved from Retail Products to Amicus. Please refer to the "Management's Discussion and Analysis - Segmented" section in this report for further details. Comparative information has been restated.
- (9) During the first quarter of 2002, CIBC retroactively adopted the CICA Handbook section 3500, "Earnings Per Share". Prior period EPS figures have been restated.

CIBC Third Quarter 2002

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Revenue

CIBC's reported revenue for the quarter was \$2,562 million on a taxable equivalent basis (TEB), down \$338 million from the third quarter of 2001 and down \$428 million from the prior quarter. Reported revenue for the nine months ended July 31, 2002 was \$8,630 million, up \$23 million from the same period in 2001.

Operating revenue (TEB) for the quarter was \$2,487 million, down \$350 million from the third quarter of 2001 and down \$452 million from the prior quarter. Operating revenue for the nine months ended July 31, 2002 was \$8,458 million, up \$24 million from the same period in 2001.

Revenue in the current quarter was down compared with the third quarter of 2001 due to lower revenue from trading activities and lower merchant banking revenue as a result of weak market conditions, partially offset by higher net interest income from improved spreads and continuing growth in mortgages and cards balances and revenue from acquired businesses. CIBC's revenue decreased from the prior quarter primarily due to lower merchant banking revenue. Revenue for the nine months ended July 31, 2002 increased slightly over the same period in 2001 primarily due to the reasons noted above. However, lower revenue from trading activities and merchant banking were more than offset by higher net interest income and revenue from acquired businesses.

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Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31	2002 Jul. 31	2001 Jul. 31
Reported revenue (TEB)	\$ 2,562	\$ 2,990	\$ 2,900	\$ 8,630	\$ 8,607
Less:					
Gain on sale of corporate assets	13	--	22	13	80
Amicus(1)	62	51	48	159	109
Goodwill amortization - equity accounted investments	--	--	(7)	--	(16)
Operating revenue (TEB)	\$ 2,487	\$ 2,939	\$ 2,837	\$ 8,458	\$ 8,434

(1) Comparative figures have been restated to conform with the presentation used in the first quarter of 2002.

Non-interest expenses

CIBC's reported non-interest expenses for the quarter were \$1,982 million, down \$90 million from the third quarter of 2001 and down \$331 million from the prior quarter. Reported non-interest expenses for the nine months ended July 31, 2002 were \$6,456 million, up \$513 million from the same period in 2001.

Operating non-interest expenses for the quarter were \$1,771 million, down \$149 million from the third quarter of 2001 and down \$330 million from the prior quarter. Operating non-interest expenses for the nine months ended July 31, 2002 were \$5,839 million, up \$306 million from the same period in 2001.

The decrease in non-interest expenses from the third quarter of 2001 and the prior quarter was primarily due to a significant reduction in revenue-related compensation. In addition, the early adoption of the accounting standard for stock-based compensation resulted in a net positive impact of \$43 million over the third quarter of 2001 and \$51 million over the prior quarter. The reduction in SARs expense in the third quarter of 2002, which was the result of a lower CIBC common share price, more than offset the cost of expensing stock options. The decrease in non-interest expenses from the third quarter of 2001 was partially offset by the inclusion of ongoing expenses related to acquired businesses.

Non-interest expenses for the nine months ended July 31, 2002 were up from the same period in 2001 mainly due to ongoing expenses related to acquired businesses, partially offset by the reduction in revenue-related compensation. On a year-to-date basis, the net impact of the early adoption of accounting for stock-based compensation is minimal.

Unaudited, \$ millions	For the three months ended			For the nine months e	
	2002 Jul. 31	2002 Apr. 30 (1)	2001 Jul. 31	2002 Jul. 31	Jul

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Reported non-interest expenses	\$ 1,982	\$ 2,313	\$ 2,072	\$ 6,456	\$ 5
Less:					
Merrill Lynch acquisition-related costs	44	68	--	162	
Events of September 11, 2001	20	--	--	20	
Amicus(2)	147	144	148	435	
Goodwill amortization	--	--	4	--	
<hr style="border-top: 1px dashed black;"/>					
Operating non-interest expenses	\$ 1,771	\$ 2,101	\$ 1,920	\$ 5,839	\$ 5
<hr style="border-top: 1px dashed black;"/>					

- (1) Certain comparative figures have been restated resulting from the adoption of the CICA Handbook section 3870.
- (2) Comparative figures have been restated to conform with the presentation used in the first quarter of 2002.

Events of September 11, 2001

Management is nearing completion of the process of evaluating the extent of damage and related insurance recoveries for property damage, additional expenses and business interruption arising from the events of September 11, 2001. During the quarter, expenses of \$20 million were recorded as other non-interest expenses.

Management has decided to locate a number of employee groups in the downtown Manhattan area but has not made a final decision whether to return to One World Financial Center once it becomes fully tenantable. Management has surrendered a portion of the space previously occupied in One World Financial Center to the landlord pursuant to the terms of the existing lease. The full financial impact of these decisions was not determinable at the time of preparation of the interim consolidated financial statements.

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CIBC Third Quarter 2002

Taxes

CIBC's reported income tax expense for the quarter was \$54 million, down \$22 million from the third quarter of 2001. This was primarily due to lower earnings. The effective tax rate for CIBC in the third quarter of 2002 was higher than in the third quarter of 2001 as a result of a greater proportion of higher taxed income primarily from Canadian operations. The tax expense in the quarter was up \$22 million from the prior quarter largely because of lower provision for credit losses in the U.S.

Income tax expense for the nine months ended July 31, 2002 was \$99 million, down \$300 million from the same period in 2001 due to lower earnings and a reduced proportion of higher taxed income from North American operations. This was largely a result of higher provision for credit losses in North America in 2002. This also resulted in a lower effective tax rate.

Significant accounting policies

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The accounting policies of CIBC are fundamental to understanding the results of operations and financial condition of CIBC. A summary of significant accounting policies is presented on pages 67 to 70 of the 2001 Annual Report and a summary of changes to these policies is included in the notes to CIBC's interim consolidated financial statements.

Certain accounting policies require management to make judgements and best estimates. Any change in these judgements and estimates could have a material impact on the financial results and understanding of CIBC's financial condition. Management has established policies and control procedures that are intended to ensure the application of accounting policies and that the processes for changing methodologies are well controlled, applied consistently and occur in an appropriate and systematic manner.

Accounting policies which involve management's judgements include those relating to loans, specifically in determining the allowance for credit losses and retained interests from securitizations, assessing other than temporary impairment of securities held for investment, the mark to market of trading instruments at fair value, valuation of goodwill and other intangible assets, valuation of post-employment and post-retirement obligations, taxes and restructuring.

Stock option plans

CIBC has stock option plans that are designed to attract and retain talented employees, and align shareholders, directors and employee interests. The two stock option plans are the Employee Stock Option Plan (ESOP) and the Non-officer Director Stock Option Plan, as detailed in Note 13 to the consolidated financial statements in the 2001 Annual Report.

All stock option grants under ESOP are approved by the Management Resources and Compensation Committee of the CIBC Board of Directors (the Committee). None of the members of the Committee is a present or former officer of CIBC or any of its subsidiaries.

During the quarter, CIBC adopted the fair-value based method to account for stock options. This is further explained in the notes to the interim consolidated financial statements.

The dilution impact of the stock option plans is summarized in the table below. The dilution impact is calculated as the new option grants for the year, net of options forfeited by employees leaving the company, divided by the average number of shares outstanding during the year.

Unaudited	2002 YTD	2001	2000	1999	1998
Net options granted (millions)	2.8	2.4	5.1	4.5	3.4
Average number of shares outstanding (millions)	361.1	372.3	388.9	409.8	415.0
Net grants during period as % of average number of shares outstanding	0.8%	0.6%	1.3%	1.1%	0.8%

MANAGEMENT'S DISCUSSION AND ANALYSIS - SEGMENTED

During the first quarter of 2002, CIBC expanded and realigned its businesses as part of its strategy to focus more on retail-related operations. CIBC's reporting structure was expanded to five business lines, with Amicus reflected as a separate business line. Two of the other business lines were renamed to reflect the nature of the businesses. CIBC's five business lines are Retail Products (formerly Electronic Commerce, Technology and Operations); Retail Markets (formerly Retail and Small Business Banking); Wealth Management; CIBC World Markets; and Amicus (formerly part of Electronic Commerce, Technology and Operations). These business lines are supported by three functional groups - Treasury, Balance Sheet and Risk Management; Administration; and Corporate Development.

More specifically, during the first quarter of 2002, CIBC realigned the following businesses:

- o the payments business (chequing, savings and current accounts) and electronic banking services, specifically, telephone banking, Internet banking and branch ABMs, moved from Retail Products to Retail Markets;
- o non-branch ABMs and President's Choice Financial mortgages moved from Retail Products to Amicus;
- o lending products moved from Retail Markets to Retail Products; and
- o asset management moved from private client investment (formerly private client investment and asset management) to wealth products, both within Wealth Management.

Prior period segmented financial information has been restated.

During the first quarter of 2002, CIBC acquired Merrill Lynch Canada Inc.'s Private Client & Securities Services businesses and CM Investment Management Inc. (formerly Merrill Lynch Investment Managers Canada Inc.). These businesses are in Wealth Management as part of private client investment and wealth products, respectively.

During the second quarter, CIBC acquired control of Juniper Financial Corp., a U.S. credit card company. This investment is included in merchant banking in CIBC World Markets.

During the third quarter, it was announced that management responsibility for various lines of business within Retail Products would be redistributed. The segmented financial information is expected to be aligned to reflect the new structure in the fourth quarter of 2002.

As described in the 2001 Annual Report, CIBC measures and reports the results of operations of its business lines using the Manufacturer / Customer Segment / Distributor Management Model.

Operating performance measurements

The principal measurements used by CIBC to assess business line performance include: operating earnings, ROE, which is based on risk-adjusted (economic) capital, and economic profit. These measures assist CIBC in achieving its objectives of controlled growth and returns commensurate with the risk taken. For a detailed discussion on how CIBC reports, please refer to page 25 of

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the 2001 Annual Report.

Management uses operating earnings and adjusted earnings to review and analyze the performance of its business lines. Operating earnings exclude items that, in management's opinion, are either unusual in nature, or that relate to substantial strategic investments (e.g. Amicus), thereby allowing for the analysis of business trends. Adjusted earnings exclude only unusual items. The words "operating earnings" and "adjusted earnings" do not have a standardized meaning under generally accepted accounting principles and consequently, may not be comparable to similar measures presented by other companies.

Retail Products

Retail Products comprises card products, lending products, mortgages and insurance. The business also manages CIBC's technology and operations function.

Ongoing Objectives

Achieve 25% - 30% operating ROE.

Bring to market two new cibc.com ventures annually.

Q3 Performance

Operating ROE of 38% for the quarter and 42% year-to-date.

No new ventures have been announced year-to-date.

Earnings

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31 (1)	2002 Jul. 31	2001 Jul. 31
Total revenue (TEB)	\$ 625	\$ 647	\$ 608	\$ 2,010	\$ 1,820
Non-interest expenses	270	257	252	796	729
Provision for credit losses	106	99	108	336	306
Income before taxes and non-controlling interests	249	291	248	878	785
Income taxes and non-controlling interests	83	95	88	296	271
Reported earnings	166	196	160	582	514
Less:					
Gain on sale of corporate assets	--	--	--	--	43
Goodwill amortization	--	--	(4)	--	(9)
Operating earnings	\$ 166	\$ 196	\$ 164	\$ 582	\$ 480

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Reported efficiency ratio	43.2%	39.7%	41.3%	39.6%	40.0%
Reported ROE	38.4%	42.0%	30.6%	42.4%	33.8%
Reported economic profit	\$ 114	\$ 143	\$ 98	\$ 426	\$ 330
Operating efficiency ratio	43.2%	39.7%	40.8%	39.6%	40.9%
Operating ROE	38.4%	42.0%	31.4%	42.4%	31.4%
Operating economic profit	\$ 114	\$ 143	\$ 102	\$ 426	\$ 296

(1) Comparative figures have been restated to exclude Amicus.

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CIBC Third Quarter 2002

Operating earnings for the quarter were \$166 million, up \$2 million from the third quarter of 2001. Operating earnings were down \$30 million from the prior quarter due to higher internal commissions paid to the customer segments by lending products, increased non-interest expenses and increases in the provision for credit losses.

Operating earnings for the nine months ended July 31, 2002 were \$582 million, up \$102 million from the same period in 2001 due to growing volumes and wider spreads in both cards and mortgages. Reported earnings can be found in the table above.

Revenue

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31 (1)	2002 Jul. 31	2001 Jul. 31 (1)
Reported revenue (TEB)					
Cards	\$ 308	\$ 302	\$ 266	\$ 917	\$ 838
Lending products	124	149	155	445	472
Mortgages	134	134	128	432	340
Insurance	19	19	13	53	38
Other	40	43	46	163	132
	625	647	608	2,010	1,820
Less:					
Gain on sale of corporate assets	--	--	--	--	58
Goodwill amortization - equity accounted investments	--	--	(3)	--	(4)
Operating revenue (TEB)					
Cards	308	302	269	917	784

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Lending products	124	149	155	445	472
Mortgages	134	134	128	432	340
Insurance	19	19	13	53	38
Other	40	43	46	163	132
	\$ 625	\$ 647	\$ 611	\$ 2,010	\$ 1,766

(1) Comparative figures have been restated to exclude Amicus.

Operating revenue for the quarter was \$625 million, up \$14 million from the third quarter of 2001 due to increased volumes in mortgages and increased spreads in cards, partially offset by increased internal commissions paid to the customer segments by lending products. Operating revenue was down \$22 million from the prior quarter mainly due to increased internal commissions paid by lending products and a decrease in the percentage of customers paying interest on outstanding card balances, which more than offset the impact of volume increases in mortgages and cards, and the benefit of three additional days in the quarter.

Operating revenue for the nine months ended July 31, 2002 was \$2,010 million, up \$244 million from the same period in 2001 due to improved spreads and volumes in cards and mortgages, and increased levels of prepayment fees earned in mortgages. Higher internal commissions, especially in lending products, have partially offset these increases. Reported revenue can be found in the table above.

Non-interest expenses

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31 (1)	2002 Jul. 31	2001 Jul. 31 (1)
Reported non-interest expenses	\$ 270	\$ 257	\$ 252	\$ 796	\$ 729
Less:					
Goodwill amortization	--	--	1	--	5
Operating non-interest expenses	\$ 270	\$ 257	\$ 251	\$ 796	\$ 724

(1) Comparative figures have been restated to exclude Amicus.

Operating non-interest expenses for the quarter were \$270 million, up \$19 million from the third quarter in 2001 due to higher employee compensation and communications costs. Operating non-interest expenses were up \$13 million from the prior quarter for the same reasons.

Operating non-interest expenses for the nine months ended July 31, 2002 were \$796 million, up \$72 million from the same period in 2001 due to higher employee compensation, communications costs, depreciation and advertising. Reported non-interest expenses can be found in the table above.

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The regular workforce headcount totaled 13,214 at the end of the quarter, up 889 from the third quarter of 2001 and up 170 from the prior quarter to support the increased growth in mortgages and other areas.

Provision for credit losses

Provision for credit losses was \$106 million for the quarter, down \$2 million from the third quarter of 2001. Provision for credit losses was up \$7 million from the prior quarter due to an increase in lending products and recoveries realized in the prior quarter.

Provision for credit losses for the nine months ended July 31, 2002 was \$336 million, up \$30 million from the same period in 2001 due to a softening in the economy and volume growth in cards.

Retail Markets

Retail Markets provides financial services to retail and small business customers in Canada, as well as retail and commercial customers in the Caribbean. These services are offered through CIBC's extensive branch network and through CIBC's rapidly expanding electronic channels, such as telephone banking, Internet banking, ABMs and debit cards. The business line also manages the payments business (chequing, savings and current accounts) for which revenue and expenses are allocated to all the customer segments.

CIBC Third Quarter 2002

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Ongoing Objectives

Q3 Performance

Achieve operating ROE of 17% - 20%.

Operating ROE of 55% for the quarter and 42% year-to-date.

Operating ROE is significantly above plan largely because the amount of capital required is well below the amount in the original plan.

Improve customer loyalty.

Internal customer loyalty survey for July 2002 shows the 12 month rolling average unchanged at 65%.

Become the leading bank for small business customers.

Small business revenue growth was 7% during the first nine months compared with the same period last year.

Small business banking loan portfolio grew 0.6% from the prior quarter and 6.8% year-to-date.

Earnings

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31	2002 Jul. 31	2001 Jul. 31
Total revenue (TEB)	\$ 577	\$ 513	\$ 500	\$ 1,594	\$ 1,477
Non-interest expenses	465	442	439	1,341	1,241
Provision for credit losses	--	3	5	14	1
Income before taxes and non-controlling interests	112	68	56	239	200
Income taxes and non-controlling interests	35	18	9	68	3
Reported earnings	77	50	47	171	177
Less:					
Gain on sale of corporate assets	10	--	--	10	--
Operating earnings	\$ 67	\$ 50	\$ 47	\$ 161	\$ 177
Reported efficiency ratio	80.6%	86.4%	87.9%	84.1%	84.1%
Reported ROE	64.1%	38.4%	34.7%	44.7%	43.1%
Reported economic profit	\$ 62	\$ 35	\$ 32	\$ 127	\$ 127
Operating efficiency ratio	82.4%	86.4%	87.9%	84.8%	84.1%
Operating ROE	55.2%	38.4%	34.7%	41.9%	43.1%
Operating economic profit	\$ 52	\$ 35	\$ 32	\$ 117	\$ 127

Operating earnings for the quarter were \$67 million, up \$20 million from the third quarter of 2001 due to higher revenue and a lower provision for credit losses, partially offset by increased non-interest expenses. Operating earnings for the quarter were up \$17 million from the prior quarter due to revenue growth, partially offset by higher non-interest expenses.

Operating earnings for the nine months ended July 31, 2002 were \$161 million, down \$11 million from the same period in 2001, as 8% revenue growth was more than offset by higher non-interest expenses and a higher effective tax rate. Reported earnings can be found in the table above.

Revenue

For the three months ended			For the nine months ended	
2002	2002	2001	2002	2001

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Unaudited, \$ millions	Jul. 31	Apr. 30	Jul. 31	Jul. 31	Jul. 31
Reported revenue (TEB)					
Retail banking	\$ 302	\$ 266	\$ 249	\$ 814	\$ 738
Small business banking	188	171	167	530	496
West Indies	81	69	70	225	208
Other	6	7	14	25	29
	577	513	500	1,594	1,471
Less:					
Gain on sale of corporate assets	13	--	--	13	--
Operating revenue (TEB)					
Retail banking	302	266	249	814	738
Small business banking	188	171	167	530	496
West Indies	68	69	70	212	208
Other	6	7	14	25	29
	\$ 564	\$ 513	\$ 500	\$ 1,581	\$ 1,471

Operating revenue for the quarter was \$564 million, up \$64 million from the third quarter of 2001 due to strong volume growth and increased internal commissions from product manufacturers, which more than offset the effect of lower deposit spreads. Operating revenue was up \$51 million from the prior quarter mainly due to higher commissions from the product manufacturers, three more days in the quarter, improved deposit spreads and volume growth.

Operating revenue for the nine months ended July 31, 2002 was \$1,581 million, up \$110 million from the same period in 2001 primarily due to increased fee and commission revenue from product manufacturers and 13% domestic deposit volume growth, which more than offset the revenue decrease due to lower deposit spreads. Reported revenue can be found in the table above.

Non-interest expenses

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31	2002 Jul. 31	2001 Jul. 31
Reported and operating non-interest expenses	\$ 465	\$ 442	\$ 439	\$ 1,341	\$ 1,247

Non-interest expenses for the quarter were \$465 million, up \$26 million from the third quarter of 2001 and up \$23 million from the prior quarter,

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primarily due to higher marketing, technology and operations costs, and other support expenses.

Non-interest expenses for the nine months ended July 31, 2002 were \$1,341 million, up \$94 million from the same period in 2001, mainly due to increased compensation and higher infrastructure spending on technology and other initiatives.

The regular workforce headcount totaled 14,175, down 388 from the third quarter of 2001 and down 394 from the prior quarter, as a result of the cost reduction program announced in the fourth quarter of 2001.

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Provision for credit losses

Provision for credit losses for the quarter was down \$5 million from the third quarter of 2001 and down \$3 million from the prior quarter.

Provision for credit losses for the nine months ended July 31, 2002 was \$14 million compared with \$17 million in 2001.

Wealth Management

Wealth Management is focused on providing relationship-based advisory sales, service and product solutions to the full spectrum of wealth building clients. The business delivers a wide selection of investment products and services - full-service brokerage in Canada and the U.S., discount brokerage, asset management, global private banking and trust, and a broad selection of investment and credit services through our branch-based sales force.

Ongoing Objectives

Achieve more than 50% operating ROE.

Q3 Performance

Operating ROE of 64% for the quarter and 60% year-to-date.

Increase mutual fund assets by 9% for the year.

Mutual fund assets increased 16% year-to-date which includes acquired assets of CM Investment Management Inc. Excluding acquired assets, growth was 1% year-to-date.

Increase total Wealth Management non-institutional assets under administration by 4% for the year.

Non-institutional assets under administration increased 27% year-to-date which includes acquired assets of Merrill Lynch Canada Inc. and CM Investment Management Inc. Excluding acquired assets, growth was negative 1% year-to-date.

Earnings

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31	2002 Jul. 31	2001 Jul. 31
Total revenue (TEB)	\$ 707	\$ 751	\$ 598	\$ 2,133	\$ 1,936
Non-interest expenses	626	710	488	1,936	1,936
Income before taxes	81	41	110	197	110
Income taxes	24	8	20	54	20
Reported earnings	57	33	90	143	90
Less:					
Gain on sale of corporate assets	--	--	22	--	--
Merrill Lynch acquisition-related costs	(27)	(41)	--	(99)	--
Operating earnings	\$ 84	\$ 74	\$ 68	\$ 242	\$ 68
Reported efficiency ratio	88.6%	94.5%	81.5%	90.8%	81.5%
Reported ROE	42.6%	22.4%	81.5%	34.8%	81.5%
Reported economic profit	\$ 41	\$ 17	\$ 77	\$ 97	\$ 77
Operating efficiency ratio	82.4%	85.5%	84.6%	83.2%	84.6%
Operating ROE	63.7%	52.7%	61.1%	60.0%	61.1%
Operating economic profit	\$ 68	\$ 58	\$ 55	\$ 196	\$ 55

Operating earnings for the quarter were \$84 million, up \$16 million from the third quarter of 2001. This is primarily due to operating earnings generated from the acquisitions of the private client business of Merrill Lynch Canada Inc., CM Investment Management Inc. and the remaining shares of TAL Global Asset Management Inc., as well as increased Imperial Service earnings. Operating earnings were up \$10 million from the prior quarter primarily due to lower expenses resulting from cost management activities including integration synergies from the acquired businesses, partially offset by reduced revenue.

Operating earnings for the nine months ended July 31, 2002 were \$242 million, down \$11 million from the same period in 2001 primarily due to lower revenue earned on GICs as a result of narrower spreads and lower volumes as well as lower treasury earnings. This was partially offset by increased Imperial Service commission revenue due to increased loan and mortgage volumes, as well as earnings from the acquisitions noted above. Reported earnings can be found in the table above.

Revenue

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Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31	2002 Jul. 31	2001 Jul. 31
Reported revenue (TEB)					
Imperial Service	\$ 176	\$ 164	\$ 168	\$ 498	\$ 471
Private client investment	336	378	238	1,015	752
Global private banking and trust	31	30	53	95	117
Wealth products	166	162	116	476	380
Other	(2)	17	23	49	52
	707	751	598	2,133	1,772
Less:					
Gain on sale of corporate assets	--	--	22	--	22
Operating revenue (TEB)					
Imperial Service	176	164	168	498	471
Private client investment	336	378	238	1,015	752
Global private banking and trust	31	30	31	95	95
Wealth products	166	162	116	476	380
Other	(2)	17	23	49	52
	\$ 707	\$ 751	\$ 576	\$ 2,133	\$ 1,750

Operating revenue for the quarter was \$707 million, up \$131 million from the third quarter of 2001. This was primarily due to an overall increase in the revenue base for private client investment and wealth products resulting from the acquisitions of:

- o the remaining shares in TAL Global Asset Management Inc. in October 2001;
- o the retail brokerage business of Merrill Lynch Canada Inc. in December 2001; and
- o CM Investment Management Inc. in January 2002.

Revenue increases were partially offset by a reduction in treasury revenue and GIC revenue due to narrower spreads and lower volumes. Operating revenue was down \$44 million from the prior quarter due to weaker market

CIBC Third Quarter 2002

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conditions affecting retail trading volumes and lower treasury revenue.

Operating revenue for the nine months ended July 31, 2002 was \$2,133 million, up \$383 million from the same period in 2001 primarily due to the

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acquisitions and higher Imperial Service revenue, partially offset by lower GIC revenue. Reported revenue can be found in the table above.

Non-interest expenses

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002	2002	2001	2002	2001
	Jul. 31	Apr. 30	Jul. 31	Jul. 31	Jul. 31
Reported non-interest expenses	\$ 626	\$ 710	\$ 488	\$ 1,936	\$ 1,413
Less:					
Merrill Lynch acquisition-related costs	44	68	--	162	--
Operating non-interest expenses	\$ 582	\$ 642	\$ 488	\$ 1,774	\$ 1,413

Operating non-interest expenses for the quarter were \$582 million, up \$94 million from the third quarter of 2001. Excluding the ongoing expenses of the acquired businesses, operating non-interest expenses were down \$41 million from the third quarter of 2001 due to cost management activities. Operating non-interest expenses were down \$60 million from the prior quarter primarily due to lower revenue-related compensation, integration synergies from acquired businesses and cost management activities.

Operating non-interest expenses for the nine months ended July 31, 2002 were \$1,774 million, up \$361 million from the same period in 2001. Excluding the ongoing expenses of the acquired businesses, operating non-interest expenses were down \$44 million due to cost management activities. Reported non-interest expenses can be found in the table above.

The regular workforce headcount totaled 9,297, up 2,575 from the third quarter of 2001 due to the acquisitions noted above. The regular workforce headcount was down 114 from the prior quarter primarily resulting from the cost reduction program announced in the fourth quarter of 2001 and integration synergies from the acquired businesses.

CIBC World Markets

CIBC World Markets is a full-service investment bank, active throughout North America and with growing capabilities in Europe and niche capabilities in Asia.

Ongoing Objectives

Generate \$1 billion in annual net operating income after-tax.

Achieve a 15% - 20%

Q3 Performance

Operating loss for the quarter was \$76 million, bringing year-to-date operating earnings to \$122 million.

Operating ROE of (10)% for

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operating ROE.

the quarter and 3% year-to-date.

Generate \$600 million - \$800 million in annual merchant banking revenue.

Revenue of \$(116) million in the quarter and \$407 million year-to-date.

Earnings

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31	2002 Jul. 31	2002 Jul. 31
Total revenue (TEB)	\$ 553	\$ 982	\$ 1,066	\$ 2,710	\$ 3,000
Non-interest expenses	487	699	685	1,846	2,000
Provision for credit losses	179	283	138	855	1,000
(Loss) income before taxes and non-controlling interests	(113)	--	243	9	243
Income taxes and non-controlling interests	(37)	(57)	14	(113)	(113)
Reported (loss) earnings	(76)	57	229	122	229
Less:					
Goodwill amortization	--	--	(3)	--	--
Operating (loss) earnings	\$ (76)	\$ 57	\$ 232	\$ 122	\$ 229
Reported efficiency ratio	88.1%	71.2%	64.3%	68.1%	64.3%
Reported ROE	(10.0)%	4.4%	23.4%	2.7%	23.4%
Reported economic (loss) profit	\$ (192)	\$ (51)	\$ 116	\$ (211)	\$ 116
Operating efficiency ratio	88.1%	71.2%	63.9%	68.1%	63.9%
Operating ROE	(10.0)%	4.4%	23.8%	2.7%	23.8%
Operating economic (loss) profit	\$ (192)	\$ (51)	\$ 119	\$ (211)	\$ 119

Operating loss for the quarter was \$76 million, a decrease in operating earnings of \$308 million from the third quarter of 2001 primarily due to significantly lower revenue and higher loan losses, partially offset by lower non-interest expenses. Operating earnings were down \$133 million from the prior quarter as a result of lower revenue, partially offset by a decrease in the provision for credit losses and lower non-interest expenses.

Operating earnings for the nine months ended July 31, 2002 were \$122

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million, down \$583 million from the same period in 2001 due to the reasons noted above related to the prior year. Reported earnings can be found in the table above.

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CIBC Third Quarter 2002

Revenue

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31	2002 Jul. 31	2001 Jul. 31
Reported and operating revenue (TEB)					
Capital markets	\$ 279	\$ 307	\$ 365	\$ 1,024	\$ 1,214
Investment banking and credit products	278	354	480	965	1,307
Merchant banking	(116)	220	103	407	389
Commercial banking	113	109	125	334	367
Other	(1)	(8)	(7)	(20)	(36)
	\$ 553	\$ 982	\$ 1,066	\$ 2,710	\$ 3,241

Revenue for the quarter was \$553 million, down \$513 million from the third quarter of 2001 due to lower trading and origination activities, along with the impact of net merchant banking asset write-downs. Revenue was down \$429 million from the prior quarter. This decrease mainly related to merchant banking as the previous period included significant gains from closing out the remaining hedge contracts in respect of Global Crossing Ltd. shares, partially offset by asset write-downs. Trading and origination revenues were also lower than the prior period, reflecting the impact of continuing difficult financial markets in the U.S.

Revenue for the nine months ended July 31, 2002 was \$2,710 million, down \$531 million from the same period in 2001 due to reduced trading and origination activity in the U.S. associated with continuing weak economic conditions.

Non-interest expenses

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30	2001 Jul. 31	2002 Jul. 31	2001 Jul. 31
Reported non-interest expenses	\$ 487	\$ 699	\$ 685	\$ 1,846	\$ 2,025
Less:					

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Goodwill amortization	--	--	3	--	10

Operating non-interest expenses	\$ 487	\$ 699	\$ 682	\$ 1,846	\$ 2,015

Operating non-interest expenses for the quarter were \$487 million, down \$195 million from the third quarter of 2001 mainly due to lower variable compensation. Operating non-interest expenses were down \$212 million from the prior quarter mostly due to the reason noted above. The prior quarter also included higher severance costs associated with the reduction of staff.

Operating non-interest expenses for the nine months ended July 31, 2002 were \$1,846 million, down \$169 million from the same period in 2001 mainly due to the reason noted above. Reported non-interest expenses can be found in the table above.

The regular workforce headcount totaled 2,824, down 165 from the third quarter of 2001 reflecting the impact of the cost reduction program announced at year end and implementation of a more recent program to reduce staff levels. The regular workforce headcount was down 26 from the prior quarter.

Provision for credit losses

Provision for credit losses for the quarter was \$179 million, up \$41 million from the third quarter of 2001 as the weak economic conditions experienced during the previous three quarters continued in the current quarter. The provision for credit losses was down \$104 million from the prior quarter which included a significant loss in connection with the facilities to Teleglobe Inc.

Provision for credit losses for the nine months ended July 31, 2002 was \$855 million, up \$488 million from the same period in 2001 due to a combination of deteriorating market conditions and specific provisions relating to Enron Corporation, Global Crossing Ltd. and Teleglobe Inc.

Amicus

Amicus comprises the co-branded retail electronic banking businesses, including President's Choice Financial (Loblaw Companies Limited), Marketplace Bank (Winn-Dixie Stores, Inc.), Safeway SELECT Bank (Safeway Inc.) and the non-branch ABM business.

Ongoing Objectives

Q3 Performance

Add at least one million new Amicus customers in the two-year period ending October 31, 2002.

99,000 customers were added in the quarter, bringing the total added since October 31, 2000 to 715,000 customers.

Earnings

For the three months ended

For the nine months ended

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Unaudited, \$ millions	2002			2001	
	Jul. 31	Apr. 30	Jul. 31	Jul. 31	Jul. 31
Total revenue (TEB)	\$ 62	\$ 51	\$ 48	\$ 159	\$ 109
Non-interest expenses	147	144	148	435	395
Provision for credit losses	5	5	3	15	7
Loss before taxes	(90)	(98)	(103)	(291)	(293)
Income taxes	(36)	(34)	(39)	(106)	(113)
Reported loss	(54)	(64)	(64)	(185)	(180)
Less:					
Goodwill amortization	--	--	--	--	(3)
Adjusted loss	\$ (54)	\$ (64)	\$ (64)	\$ (185)	\$ (177)

Adjusted loss for the quarter was \$54 million, down \$10 million from the third quarter of 2001 and the prior quarter due to increased revenue. Adjusted loss for the nine months ended July 31, 2002 was \$185 million, up \$8 million from the same period in 2001 due to expense growth partially offset by increased revenue. Reported loss can be found in the table above.

Revenue for the quarter was \$62 million, up \$14 million from the third quarter of 2001 and up \$11 million from the prior quarter due to volume growth and spread improvements. Revenue for the nine months ended July 31, 2002 was \$159 million, up \$50 million from the same period in 2001 for the reasons noted above.

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Non-interest expenses for the quarter were \$147 million, comparable to the third quarter of 2001 and the prior quarter. Non-interest expenses for the nine months ended July 31, 2002 were \$435 million, up \$40 million from the same period in 2001 due to business growth in Canada and the U.S.

The regular workforce headcount totaled 2,518 at the end of the quarter, down 108 from the third quarter of 2001 due to the cost reduction program. The regular workforce headcount was up 72 from the prior quarter primarily due to pavilion growth in the U.S.

Provision for credit losses was \$5 million for the quarter, up \$2 million from the third quarter of 2001 due to business growth and unchanged from the prior quarter. Provision for credit losses for the nine months ended July 31, 2002 was \$15 million, up \$8 million from the same period in 2001 due to business growth.

Corporate and Other

Corporate and Other comprises the three functional groups - Treasury, Balance Sheet and Risk Management; Administration; and Corporate Development - as well as CIBC Mellon's custody business and other revenue and expense items not directly attributable to the business lines. Activities of the functional groups

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on behalf of CIBC as a whole are captured in Corporate and Other.

Earnings

Unaudited, \$ millions	For the three months ended			For the nine months ended	
	2002 Jul. 31	2002 Apr. 30 (1)	2001 Jul. 31	2002 Jul. 31	2001 Jul. 31
Reported earnings (loss)	\$ 23	\$ (45)	\$ (2)	\$ (80)	\$ (2)
Less:					
Adjustment for tax rate changes	--	--	(21)	--	(21)
Events of September 11, 2001	(12)	--	--	(12)	--
Goodwill amortization - equity accounted investments	--	--	(4)	--	(4)
Operating earnings (loss)	\$ 35	\$ (45)	\$ 23	\$ (68)	\$ (2)

(1) Certain comparative figures have been restated resulting from the adoption of the CICA Handbook section 3870.

Operating earnings for the quarter were \$35 million, up \$12 million from the third quarter of 2001 mainly due to the net positive impact of \$24 million related to the early adoption of accounting for stock-based compensation, partially offset by lower treasury revenue. Operating earnings were up \$80 million from the prior quarter mainly due to the reason stated above as well as lower revenue-related compensation.

Operating loss for the nine months ended July 31, 2002 was \$68 million, compared with operating earnings of \$46 million for the same period in 2001, primarily due to lower treasury revenue and the write-down of a preferred share investment in the first quarter of 2002. On a year-to-date basis, the net impact of the early adoption of accounting for stock-based compensation was minimal.

Management of risk and balance sheet

CIBC's approach to management of risk and balance sheet (including capital) has not changed significantly from that described on pages 46 to 58 of the 2001 Annual Report. During the quarter, Treasury, Balance Sheet and Risk Management (TBRM) continued the implementation and execution of its plan to integrate into a single functional group. The new structure is designed to enhance service throughout CIBC while maintaining an independent and disciplined approach to the measurement, monitoring and control of CIBC's risk and balance sheet resources.

Management of credit risk

Gross impaired loans were \$2.29 billion at quarter end, up from \$1.70 billion as at October 31, 2001. The largest increase in gross impaired loans was within the telecommunications, media and technology industry sector, primarily in the U.S. and Europe. Gross impaired loans increased \$263 million in the U.S., \$59 million in Canada and \$268 million in other geographical regions for the

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nine months ended July 31, 2002.

Provision for credit losses for the quarter was \$290 million, down from \$390 million in the second quarter and up from \$254 million for the third quarter of 2001. Year-to-date provision for credit losses of \$1,220 million was up from \$697 million for the same period in 2001. Losses from credit card loans, resource-based industries and telecommunications, media and technology industry sectors accounted for 81% of the quarter's losses and 83% of the losses year-to-date.

CIBC's total allowance for credit losses, which includes specific and general allowances, was \$2.55 billion as at the end of the quarter, up \$85 million from the end of the prior quarter, up \$258 million from October 31, 2001, and up \$269 million from the end of the third quarter of 2001. The increase in the total allowance is attributable to changes in the specific allowance.

Total allowance for credit losses continued to exceed gross impaired loans by \$260 million at July 31, 2002, compared with \$592 million as at October 31, 2001.

Management of market risk

The table below shows the period end and average RMU (value-at-risk) in aggregate and by risk-type for CIBC's combined trading activities for the quarter ended July 31, 2002, and average RMU for fiscal 2002 year-to-date, and for fiscal 2001. Levels of total risk were below levels of the prior year, although risk levels increased late in the quarter as more volatile market conditions were reflected in risk parameters.

CIBC employs a daily backtesting process that compares daily trading revenue with RMU. Daily trading revenue was positive for 73% of the days in the quarter, and on no occasion did trading losses exceed RMU.

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RMU BY RISK TYPE - TRADING PORTFOLIO

Unaudited, \$ millions	2002 Q3 End	2002 Q3 Average	2002 YTD Average	2001 Average
Interest rate risk	3.31	6.59	9.53	7.05
Credit spread risk	7.34	5.54	5.58	8.50
Equity risk	7.90	7.79	8.19	9.81
Foreign exchange risk	0.44	0.53	0.85	0.81
Commodity risk	1.13	0.96	0.88	1.16
Diversification effect	(7.97)	(10.80)	(12.46)	(13.13)
Total risk	12.15	10.61	12.57	14.20

Management of liquidity risk

CIBC's liquidity management process includes the maintenance of a pool of highly liquid assets with sources of funds diversified by customer, currency, type and geographical location. Total securities as at July 31, 2002 included liquid assets of \$64.1 billion, or 21% of total assets, compared with \$57.6 billion, or 20% of total assets, as at October 31, 2001. CIBC also had \$23.8 billion of securities borrowed or purchased under resale agreements as at July

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31, 2002. In the course of CIBC's regular business activities, certain assets were pledged as part of collateral or funding management. The amount of pledged assets as at July 31, 2002 was \$44.7 billion.

In July 2002, Moody's Investors Service, one of the agencies that monitors CIBC's credit ratings, announced that it is placing CIBC's Aa3 long-term credit rating under review for possible downgrade. This does not impact CIBC's short-term P-1 credit rating. If CIBC's long-term credit rating were downgraded, collateral requirements for derivatives transactions could increase (estimated at \$253 million as at July 31, 2002) and CIBC could also face an increase in the cost of funds.

Management of operational risk

In December 2001, the Risk Management Group of the Basel Committee on Banking Supervision issued a paper on Sound Practices for the Management and Supervision of Operational Risk. TBRM's Operational Risk Measurement, Monitoring and Control (ORMC) Department continues to identify, measure, monitor and control operational risk in line with emerging industry practices. During the quarter, ORMC formalized and CIBC's Operations & Administration and Capital & Risk Committees approved the operational risk measurement, monitoring and control policies, procedures and standards.

Management of balance sheet

During the nine months ended July 31, 2002, CIBC continued to reallocate balance sheet resources (including capital) to businesses with strong earnings, high strategic importance and long-term growth potential. Residential mortgages continued to exhibit strong growth resulting in an increase of its balance sheet usage by 11% from October 31, 2001. Similarly, continued strength in credit cards and personal lending increased the retail-lending component of the balance sheet by over 9% during the nine months ended July 31, 2002.

CIBC continued to liberate resources from lower return businesses. Resources allocated to the non-core wholesale loan portfolio were reduced by approximately 42% since October 31, 2001 through a combination of loan sales, credit derivatives and maturities.

Overall, CIBC's balance sheet grew by \$17.2 billion, to \$304.7 billion, from October 31, 2001. Increases were mainly driven by growth in retail assets such as residential mortgages (\$6.5 billion), personal and credit card loans (\$2.6 billion), as well as lower risk assets such as securities (\$10.0 billion), and interest bearing deposits with banks (\$1.3 billion). These increases were partially offset by continued reductions in business and government loans (\$2.7 billion), customers' liability under acceptances (\$1.4 billion), and by derivative instruments market valuation (\$1.8 billion). CIBC continued to maintain strong capital ratios through continuous balance sheet resource management.

The net unrealized excess of market value over book value of CIBC's investment portfolio totaled \$622 million. The unrealized gains in corporate equity related mainly to investments held in the merchant banking portfolio.

Management of regulatory capital and capital ratios

As at July 31, 2002, CIBC's Tier 1 and total regulatory capital were \$11.6 billion and \$15.7 billion, respectively, compared with \$11.7 billion and \$15.6 billion at October 31, 2001. The Tier 1 and the total regulatory capital ratios stood at 8.8% and 11.9%, respectively, compared with 9.0% and 12.0% at October 31, 2001.

In April 2002, CIBC issued \$400 million of non-cumulative Class A

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preferred shares Series 25. A portion of the proceeds of these preferred shares, while structurally qualifying as Tier 1 capital, continues to be temporarily reported as Tier 2 capital because CIBC's total Tier 1 qualifying preferred shares exceed the limit of 25% of net Tier 1 capital prescribed by the regulator.

On January 9, 2002, CIBC began a normal course issuer bid to purchase up to 18 million common shares. The bid ends January 8, 2003. During the quarter, no common shares were repurchased. For the nine months ended July 31, 2002, 5,686,000 common shares were repurchased at an average price of \$55.05.

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CIBC INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF INCOME

Unaudited, \$ millions	For the three months end		
	2002 Jul. 31	2002 Apr. 30 (1)	20 Jul.
Interest income			
Loans	\$ 2,120	\$ 1,976	\$ 2,5
Securities	677	644	8
Deposits with banks	57	53	1
	2,854	2,673	3,5
Interest expense			
Deposits and other liabilities	1,476	1,304	2,3
Subordinated indebtedness	53	54	
	1,529	1,358	2,4
Net interest income	1,325	1,315	1,1
Provision for credit losses	290	390	2
	1,035	925	9
Non-interest income			
Fees for services			
Underwriting	186	213	1
Deposit	156	144	1
Credit	107	104	1
Card	89	72	
Trust and custodial	122	122	
Mutual funds	148	159	
Insurance	39	40	
	847	854	7
Commissions on securities transactions	311	332	2
Trading activities	36	25	3
Investment securities (losses) gains, net	(156)	212	1
Income from securitized assets	41	44	
Other	130	187	2

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	1,209	1,654	1,6
	2,244	2,579	2,6
Non-interest expenses			
Employee compensation and benefits	1,052	1,401	1,2
Occupancy costs	179	178	1
Computer and office equipment	249	243	2
Communications	110	110	1
Advertising and business development	65	82	
Professional fees	73	74	
Business and capital taxes	27	29	
Events of September 11, 2001	20	--	
Other	207	196	1
	1,982	2,313	2,0
Income before income taxes and non-controlling interests	262	266	5
Income taxes	54	32	
	208	234	4
Non-controlling interests in net income of subsidiaries	15	7	
Net income	\$ 193	\$ 227	\$ 4
Net income per common share(2) (in dollars) - Basic	\$ 0.41	\$ 0.51	\$ 1.
- Diluted	\$ 0.41	\$ 0.51	\$ 1.
Dividends per common share (in dollars)	\$ 0.41	\$ 0.41	\$ 0.

(1) In the third quarter of 2002, CIBC early adopted, effective November 1, 2001, the requirements of the Canadian Institute of Chartered Accountants' (CICA) Handbook section 3870, "Stock-Based Compensation and Other Stock-Based Payments". Certain comparative figures have been restated. See note 5 to the interim consolidated financial statements.

(2) On November 1, 2001, CIBC retroactively adopted the requirements of the CICA Handbook section 3500 in respect of earnings per share. Prior period information has been restated. See note 3 to the interim consolidated financial statements.

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

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CIBC Third Quarter 2002

CIBC INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

Unaudited, \$ millions, as at 2002
Jul. 31

ASSETS

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Cash resources	
Cash and non-interest bearing deposits with banks	\$ 1,738
Interest-bearing deposits with banks	11,107

	12,845

Securities	
Securities held for investment	26,814
Securities held for trading	57,880
Loan substitute securities	88

	84,782

Loans	
Residential mortgages	65,205
Personal and credit card loans	30,517
Business and government loans	43,468
Securities borrowed or purchased under resale agreements	23,845
General allowance for credit losses	(1,250)

	161,785

Other	
Derivative instruments market valuation	23,890
Customers' liability under acceptances	6,739
Land, buildings and equipment	2,339
Goodwill(1)	1,085
Other intangible assets(1)	308
Other assets(1)	10,887

	45,248

	\$ 304,660

LIABILITIES AND SHAREHOLDERS' EQUITY	

Deposits	
Individuals	\$ 70,515
Businesses and governments	127,208
Banks	16,847

	214,570

Other	
Derivative instruments market valuation	23,584
Acceptances	6,739
Obligations related to securities sold short	11,342
Obligations related to securities lent or sold under repurchase agreements	20,111
Other liabilities	11,863

	73,639

Subordinated indebtedness	3,863

Shareholders' equity	
Preferred shares	3,097
Common shares	2,830
Contributed surplus (Note 5)	21
Retained earnings	6,640

	12,588

\$ 304,660

(1) Goodwill and other intangible assets were reclassified from other assets in the second quarter of 2002. Comparative figures have been restated to conform to the presentation used in 2002.

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

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CIBC INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Unaudited, \$ millions	As at or for the three mo	
	2002 Jul. 31	2002 Apr. 30 (1)
Preferred shares		
Balance at beginning of period	\$ 3,092	\$ 2,698
Issue of preferred shares	--	400
Translation adjustment on foreign currency preferred shares	5	(6)
Balance at end of period	\$ 3,097	\$ 3,092
Common shares		
Balance at beginning of period	\$ 2,823	\$ 2,836
Issue of common shares	7	24
Purchase of common shares for cancellation	--	(37)
Balance at end of period	\$ 2,830	\$ 2,823
Contributed surplus (Note 5)		
Balance at beginning of period	\$ 15	\$ 6
Stock option expense	6	9
Balance at end of period	\$ 21	\$ 15
Retained earnings		
Balance at beginning of period	\$ 6,653	\$ 6,911
Adjustment for change in accounting policy (Note 5)	--	(60)
Balance at beginning of period, as restated	\$ 6,653	\$ 6,851
Net income	193	227
Dividends		
Preferred	(45)	(40)
Common	(147)	(148)
Premium on purchase of common shares	--	(223)
Foreign currency translation adjustment, net of income taxes(2)	(13)	(11)
Other	(1)	(3)

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Balance at end of period \$ 6,640 \$ 6,653

	As at or for the nine months	
	2002	
Unaudited, \$ millions	Jul. 31	
Preferred shares		
Balance at beginning of period	\$ 2,299	
Issue of preferred shares	800	
Translation adjustment on foreign currency preferred shares	(2)	
Balance at end of period	\$ 3,097	
Common shares		
Balance at beginning of period	\$ 2,827	
Issue of common shares	47	
Purchase of common shares for cancellation	(44)	
Balance at end of period	\$ 2,830	
Contributed surplus (Note 5)		
Balance at beginning of period	\$ --	
Stock option expense	21	
Balance at end of period	\$ 21	
Retained earnings		
Balance at beginning of period	\$ 6,774	
Adjustment for change in accounting policy (Note 5)	(42)	
Balance at beginning of period, as restated	\$ 6,732	
Net income	753	
Dividends		
Preferred	(117)	
Common	(430)	
Premium on purchase of common shares	(269)	
Foreign currency translation adjustment, net of income taxes(2)	(16)	
Other	(13)	
Balance at end of period	\$ 6,640	

(1) Certain comparative figures have been restated resulting from the adoption of the CICA Handbook section 3870.

(2) The cumulative balance in the foreign currency translation account is a gain of \$24 million (April 30, 2002: \$37 million; July 31, 2001: \$17 million).

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

 CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited, \$ millions	2002 Jul. 31
Cash flows provided by (used in) operating activities	
Net income	\$ 193
Adjustments to determine net cash flows:	
Provision for credit losses	290
Amortization of buildings, equipment and leasehold improvements	84
Amortization of goodwill	--
Amortization of intangible assets	7
Future income taxes	(18)
Investment securities losses (gains), net	156
Accrued interest receivable	84
Accrued interest payable	(562)
Net change in securities held for trading	(4,184)
Gains on disposal of subsidiaries	--
Loss (gain) on disposal of land, buildings and equipment	--
Current income taxes	77
Other, net	(719)
	(4,592)
Cash flows provided by (used in) financing activities	
Deposits, net of withdrawals	10,660
Obligations related to securities sold short	(3,693)
Net obligations related to securities lent or sold under repurchase agreements	3,366
Redemption of subordinated indebtedness	--
Issue of preferred shares	--
Issue of common shares	7
Purchase of common shares for cancellation	--
Dividends	(192)
Other, net	(445)
	9,703
Cash flows provided by (used in) investing activities	
Interest-bearing deposits with banks	1,170
Loans, net of repayments	(4,056)
Proceeds from securitizations	714
Purchase of securities held for investment	(9,545)
Proceeds on sale of securities held for investment	8,723
Net securities borrowed or purchased under resale agreements	(1,602)
Net cash related to acquisitions	--
Proceeds from disposal of subsidiaries	--
Purchase of land, buildings and equipment	(156)
Proceeds from disposal of land, buildings and equipment	2
	(4,750)
Effect of exchange rate changes on cash and cash equivalents	4
Net increase (decrease) in cash and cash equivalents during period	365
Cash and cash equivalents at beginning of period	1,344

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Cash and cash equivalents at end of period	\$ 1,709

Represented by:	
Cash and non-interest-bearing deposits with banks	\$ 1,738
Cheques and other items in transit, net	(29)

Cash and cash equivalents at end of period	\$ 1,709

Cash interest paid	\$ 2,091
Cash income taxes (recovered) paid	\$ (88)

	For the nine months ended
	2002
Unaudited, \$ millions	Jul. 31

Cash flows provided by (used in) operating activities	
Net income	\$ 753
Adjustments to determine net cash flows:	
Provision for credit losses	1,220
Amortization of buildings, equipment and leasehold improvements	249
Amortization of goodwill	--
Amortization of intangible assets	24
Future income taxes	(376)
Investment securities losses (gains), net	(166)
Accrued interest receivable	195
Accrued interest payable	(559)
Net change in securities held for trading	(6,082)
Gains on disposal of subsidiaries	--
Loss (gain) on disposal of land, buildings and equipment	(7)
Current income taxes	308
Other, net	(817)

	(5,258)

Cash flows provided by (used in) financing activities	
Deposits, net of withdrawals	20,218
Obligations related to securities sold short	129
Net obligations related to securities lent or sold under repurchase agreements	(1,292)
Redemption of subordinated indebtedness	(132)
Issue of preferred shares	800
Issue of common shares	47
Purchase of common shares for cancellation	(313)
Dividends	(547)
Other, net	(15)

	18,895

Cash flows provided by (used in) investing activities	
Interest-bearing deposits with banks	(1,285)
Loans, net of repayments	(8,955)
Proceeds from securitizations	1,356
Purchase of securities held for investment	(28,664)
Proceeds on sale of securities held for investment	24,924
Net securities borrowed or purchased under resale agreements	234
Net cash related to acquisitions	(626)
Proceeds from disposal of subsidiaries	--
Purchase of land, buildings and equipment	(398)

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Proceeds from disposal of land, buildings and equipment	2	
		(13,412)
Effect of exchange rate changes on cash and cash equivalents		(3)
Net increase (decrease) in cash and cash equivalents during period		222
Cash and cash equivalents at beginning of period		1,487
Cash and cash equivalents at end of period		\$ 1,709
Represented by:		
Cash and non-interest-bearing deposits with banks	\$	1,738
Cheques and other items in transit, net		(29)
Cash and cash equivalents at end of period	\$	1,709
Cash interest paid	\$	4,997
Cash income taxes (recovered) paid	\$	184

(1) Certain comparative figures have been restated resulting from the adoption of the CICA Handbook section 3870.

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

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting Policies

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, including the accounting requirements of the Superintendent of Financial Institutions, Canada (OSFI).

CIBC's interim consolidated financial statements follow the same accounting policies and methods of their application as CIBC's consolidated financial statements for the year ended October 31, 2001, except for the change in accounting for earnings per share as described in note 3, the change in accounting for business combinations, goodwill and other intangible assets as described in note 4 and the change in accounting for stock-based compensation as described in note 5. CIBC's interim consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended October 31, 2001, as set out on pages 62 to 100 of CIBC's 2001 Annual Report.

2. Interim Financial Statements

During the first quarter of 2002, CIBC adopted the Canadian Institute of Chartered Accountants' (CICA) Handbook section 1751, "Interim Financial Statements", which changed the requirements for the presentation and disclosure of interim financial statements and their accompanying notes.

3. Earnings Per Share (EPS)

During the first quarter of 2002, CIBC adopted the CICA Handbook section

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3500, "Earnings Per Share". The requirements of section 3500 were adopted retroactively, and basic and diluted EPS figures for prior periods were restated. As a result, CIBC's basic EPS were unchanged for the three and nine months ended July 31, 2001, and CIBC's diluted EPS were increased by \$0.01 and \$0.04 for the three and nine months ended July 31, 2001, respectively.

	For the three months ended		
Unaudited, \$ millions (except per share amounts)	2002 Jul. 31	2002 Apr. 30 (1)	2001 Jul. 31
Basic EPS			
Net income	\$ 193	\$ 227	\$ 460
Preferred share dividends and premiums	(45)	(42)	(33)
Net income applicable to common shares	\$ 148	\$ 185	\$ 427
Average common shares outstanding (thousands)	358,961	360,817	371,042
Per share	\$ 0.41	\$ 0.51	\$ 1.15
Diluted EPS			
Net income applicable to common shares	\$ 148	\$ 185	\$ 427
Average common shares outstanding (thousands)	358,961	360,817	371,042
Stock options potentially exercisable(2)	10,237	12,304	17,788
Shares potentially repurchased	(7,824)	(8,801)	(12,257)
Number of incremental shares	2,413	3,503	5,531
Average diluted common shares outstanding (thousands)	361,374	364,320	376,573
Per share	\$ 0.41	\$ 0.51	\$ 1.13

- (1) Certain comparative figures have been restated resulting from the adoption of the CICA Handbook section 3870.
- (2) The computation of diluted EPS excludes average options outstanding of 4,347,938 with a weighted-average exercise price of \$53.94; average options outstanding of 2,621,259 with a weighted-average exercise price of \$55.10; and average options outstanding of 1,355,667 with a weighted-average exercise price of \$52.57 for the three months ended July 31, 2002, April 30, 2002 and July 31, 2001, respectively, as the options' exercise prices were greater than the average market price of CIBC's common shares. Also excluded from the computation are average options outstanding of 578,889 with a weighted-average exercise price of \$37.60; average options outstanding of 597,111 with a weighted-average exercise price of \$37.60; and average options outstanding of 611,333 with a weighted-average exercise price of \$37.60 for the three months ended July 31, 2002, April 30, 2002 and July 31, 2001, respectively, as these options are performance based and the vesting criteria for these options had not been achieved.
- (3) The number of incremental shares is determined by computing a year-to-date

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weighted-average of the number of incremental shares included in each interim period.

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4. Business Combinations, Goodwill and Other Intangible Assets

On November 1, 2001, CIBC adopted the requirements of the CICA Handbook section 3062, "Goodwill and Other Intangible Assets", which addresses the accounting and disclosure requirements for goodwill and other intangible assets.

CIBC adopted the requirements of the CICA Handbook section 1581, "Business Combinations", in fiscal 2001. Under section 1581, if certain criteria are met upon the initial adoption of section 3062, reclassifications between goodwill and other intangible assets are required for any business combinations completed before July 1, 2001. The implementation of section 3062 did not have a significant impact on CIBC and no reclassifications were required.

During the second quarter of 2002, CIBC completed its impairment testing on the balance of goodwill and other intangible assets with an indefinite life as at the adoption date. There were no impairment losses as at the adoption date.

Transitional provisions of section 3062 require that amortization of goodwill (including that relating to equity accounted investments) and intangible assets with an indefinite life cease after October 31, 2001. The transitional provisions of section 3062 require the following disclosures:

Unaudited, \$ millions (except per share amounts)	For the three months ended		
	2002 Jul. 31	2002 Apr. 30 (1)	2001 Jul. 31
Reported net income	\$ 193	\$ 227	\$ 460
Add back:			
Goodwill amortization(2)	--	--	4
Goodwill amortization - equity accounted investments(3)	--	--	7
	--	--	11
Net income adjusted for goodwill amortization	\$ 193	\$ 227	\$ 471
Basic EPS - Reported	\$ 0.41	\$ 0.51	\$ 1.15
- Adjusted for goodwill	\$ 0.41	\$ 0.51	\$ 1.18
Diluted EPS - Reported	\$ 0.41	\$ 0.51	\$ 1.13
- Adjusted for goodwill	\$ 0.41	\$ 0.51	\$ 1.16

(1) Certain comparative figures have been restated resulting from the adoption of the CICA Handbook section 3870.

(2) Recorded in non-interest expenses in the interim consolidated statements of income.

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(3) Recorded in interest income in the interim consolidated statements of income.

5. Stock-based compensation

During the third quarter of 2002, CIBC early adopted, effective November 1, 2001, the requirements of the CICA Handbook section 3870, "Stock-Based Compensation and Other Stock-Based Payments". The impact of this change in accounting policy is detailed below:

Stock Option Plans

As encouraged by section 3870, CIBC has adopted the fair-value based method to account for stock-based transactions with employees and non-officer members of CIBC's Board of Directors. Consequently, options granted on or after November 1, 2001 have been valued using the Black-Scholes option-pricing model. The value is being recognized over the applicable vesting period as an increase to compensation expense and contributed surplus. The non-officer Directors options vest immediately upon grant and the employee stock options vest over four years. As a result, compensation expense increased by \$6 million for the quarter and \$21 million for the nine months ended July 31, 2002. When the options are exercised, the proceeds received by CIBC, together with the amount in contributed surplus, will be credited to share capital. None of the options granted since November 1, 2001 have been exercised.

For options granted prior to November 1, 2001, CIBC continues to follow the accounting policy under which no expense is recognized for these stock options. When these options are exercised, the proceeds received by CIBC are recorded as share capital. During the nine months ended July 31, 2002, proceeds of \$47 million were credited to share capital for these options.

The weighted-average grant-date fair value of options granted in the first nine months of 2002 has been estimated at \$16.27 using the Black-Scholes option-pricing model. The pricing model assumes weighted-average risk-free interest rates of 5.42%, weighted-average expected dividend yields of 3.00% annually, weighted-average expected common stock price volatility of 25.86% and a weighted-average expected life of 10 years.

Assuming CIBC were to continue activity in its stock option plans at comparable levels for the next four years and assuming all fair value and vesting assumptions remain unchanged, then in 2005 and thereafter the impact on net income would be approximately \$49 million and estimated diluted EPS impact would be \$0.13 per annum.

A maximum of 42,834,500 common shares may be issued under CIBC's Stock Option Plans.

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Stock Appreciation Rights (SARs)

Up to 50% of options relating to the Employee Stock Option Plan granted prior to 2000 can be exercised as SARs. SARs can be exchanged for a cash amount equal to the difference between the option strike price and the weighted-average price of the common shares on the Toronto Stock Exchange the day immediately preceding the day the SARs are exercised.

Under section 3870, the cost of these SARs must be measured on an ongoing basis. The amount by which the quoted market price exceeds the option strike price for vested SARs must be recognized as compensation (expense) credit in the

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period in which the change in the market price occurs. An increase in CIBC's share price will result in an increase in compensation expense, whereas a decline in share price will result in a decrease to compensation expense. The section requires that the cumulative amount relating to all vested SARs outstanding at the beginning of the fiscal year of adoption be charged to opening retained earnings for that fiscal year. This resulted in a \$42 million after-tax charge to opening retained earnings at November 1, 2001, a \$72 million pre-tax increase in liabilities and a reduction in future income taxes of \$30 million. Compensation expense decreased by \$49 million for the quarter and by \$24 million for the nine months ended July 31, 2002.

The consolidated financial statements for first and second quarters of 2002 have been restated. The accounting for other stock-based compensation plans is not affected by this change. Details of the stock-based compensation plans are included in Note 13 to the consolidated financial statements in the 2001 Annual Report.

The effect of the new accounting policy on prior quarters is detailed below:

NET INCOME

Unaudited, \$ millions (except per share amounts), for the three months ended April 30, 2002

As previously reported	\$	235
Adjustment for change in accounting policy		
- Stock appreciation rights		1
- Stock options		(9)
- Tax impact relating to stock appreciation rights		--
As restated	\$	227
Basic EPS - Reported	\$	0.53
- Adjusted for change in accounting policy	\$	0.51
Diluted EPS - Reported	\$	0.53
- Adjusted for change in accounting policy	\$	0.51

The following table summarizes the activity in the stock option plans during the nine months ended at:

STOCK OPTION PLANS

Unaudited, as at or for the nine months ended	July 31, 2002		sto
	Number of stock options	Weighted average exercise price	
Outstanding at end of period	19,070,952	\$36.55	
Granted	3,018,116	\$54.60	
Exercised	(1,548,238)	\$30.76	
Forfeited/Cancelled	(226,782)	\$41.22	
Exercised as SARs	(301,525)	\$30.03	

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Outstanding at end of period	20,012,523	\$39.77
-----	-----	-----
Exercisable at end of period	11,513,476	\$34.84
-----	-----	-----

The following table provides information relating to options outstanding and options vested as at July 31, 2002:

 OPTIONS OUTSTANDING

Unaudited Range of exercise prices	Number outstanding	Stock options outstanding		Number vested
		Weighted-average contractual life remaining	Weighted-average exercise price	
\$15.375 - \$21.125	2,183,669	2.58	\$18.64	2,183,669
\$31.700 - \$39.150	9,325,985	6.65	\$36.86	6,018,468
\$40.350 - \$49.940	4,212,737	6.71	\$42.67	2,941,664
\$50.910 - \$57.190	4,290,132	9.13	\$53.99	369,675
-----	-----	-----	-----	-----
Total	20,012,523	6.75	\$39.77	11,513,476
-----	-----	-----	-----	-----

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6. Acquisitions

In March 2002, CIBC acquired control of Juniper Financial Corp. (Juniper). During the third quarter of 2002, CIBC invested an additional \$79 million into Juniper in the form of Class D Preferred Shares. CIBC reviewed the purchase price equation to reflect the additional \$79 million investment and reduced the values attributed to goodwill and non-controlling interests by \$54 million. As at July 31, 2002, CIBC owned 92% of voting equity in Juniper.

During the first quarter of 2002, CIBC acquired Merrill Lynch Canada Inc.'s Private Client & Securities Services businesses and Merrill Lynch Investment Managers Canada Inc. (MLIM), Merrill Lynch's asset management business in Canada, for cash. MLIM was subsequently renamed CM Investment Management Inc. CIBC is in the process of integrating the acquired businesses' operations with its existing operations. As part of the integration plan, CIBC expected staff reductions, branch closures and exiting of certain activities of the acquired businesses; these costs were accrued as liabilities in the purchase equation. CIBC expects the integration to be substantially completed by the end of this year.

The results of operations of these businesses have been included in CIBC's interim consolidated financial statements since their respective closing dates. Details of these transactions are as follows:

 Merrill Lynch Canada Inc.'
 Private Client &

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Unaudited	Juniper Financial Corp.	Securities Services Businesses
Date of closing	March 29, 2002(1)/July 30, 2002	December 28, 2001
Percentage of voting shares acquired	92%	Asset Purchase
Goodwill (\$ millions)	\$ 108	\$ 561
- Business line assigned to	CIBC World Markets	Wealth Management
- Deductible for tax purposes	--	\$ 376
Other intangible assets (\$ millions)	--	--
- Assigned to	--	--
- Subject to amortization	--	--

(1) The Juniper Financial Corp. closing date reflects the date on which CIBC obtained control.

Details of the aggregate consideration given and the fair values of net assets acquired are as follows:

Unaudited, \$ millions	Juniper Financial Corp. (1)	Merrill Lynch Canada I Private Client & Securities Service Businesses
Aggregate consideration		
Acquisition cost (paid in cash)	\$ 310	\$ 555 (2)
Direct acquisition expenses	--	4
	\$ 310	\$ 559
Fair values of net assets acquired (3)		
Cash resources	\$ 117	\$ --
Loans	356	--
Land, buildings and equipment	27	28
Goodwill	108	561
Other intangible assets	--	--
Future tax asset	--	26
Other assets	50	5
Total assets acquired	\$ 658	\$ 620
Deposits	334	--
Future tax liability	--	--
Integration liabilities	--	51 (4)
Other liabilities	14	10
Total liabilities assumed	\$ 348	\$ 61
Net assets acquired	\$ 310	\$ 559

(1) The purchase price equation has been adjusted and restated to reflect the additional \$79 million investment made during the third quarter of 2002.

(2) The acquisition cost was adjusted in the second quarter from the amount

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reported in the first quarter of 2002, reflecting the updated number of investment advisors joining CIBC.

- (3) The allocation of the purchase price is subject to revision as CIBC is in the process of completing the valuation of the assets acquired and liabilities assumed.
- (4) Includes severance of \$26 million, exit costs of \$19 million and other costs of \$6 million.
- (5) Includes severance of \$5 million, exit costs of \$1 million and other costs of \$1 million.

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During the second quarter of 2002, CIBC completed the review and determination of the fair values of the assets acquired and liabilities assumed from the acquisition of the remaining shares in TAL Global Asset Management Inc. in October 2001. As a result, goodwill increased by \$14 million, other assets decreased by \$24 million and future tax liability decreased by \$10 million. During the second quarter, CIBC also completed assessing useful lives of the identified intangible assets acquired, of which \$41 million relating to mutual fund management contracts have been determined to have an indefinite life. The remaining identified intangible assets are amortized over periods ranging from 5 to 10 years.

7. Securitization

During the third quarter of 2002, CIBC securitized \$670 million of government guaranteed residential mortgage loans through the creation of mortgage-backed securities, and subsequently sold \$726 million from those securities and the unsold mortgage-backed securities created in the second quarter of 2002. CIBC received net cash proceeds of \$714 million and retained the rights to future excess interest on the residential mortgages valued at \$26 million. A pre-tax loss on sale, net of transaction costs, of \$2 million was recognized as other non-interest income in the interim consolidated statements of income. CIBC retained responsibility for servicing the mortgages and recognizes revenue for servicing as these services are provided. The key assumptions used to value the sold and retained interests include a pre-payment rate of 12% and a discount rate of 5.1%. There are no expected credit losses as the mortgages are government guaranteed.

During the second quarter of 2002, CIBC securitized \$703 million of government guaranteed residential mortgage loans through the creation of mortgage-backed securities, and subsequently sold \$645 million of those securities. CIBC received net cash proceeds of \$642 million and retained the rights to future excess interest on the residential mortgages valued at \$30 million. A pre-tax gain on sale, net of transaction costs, of \$10 million was recognized as other non-interest income in the interim consolidated statements of income. CIBC retained responsibility for servicing the mortgages and recognizes revenue for servicing as these services are provided. The key assumptions used to value the sold and retained interests include a pre-payment rate of 12% and discount rates of 4.9% - 5.5%. There are no expected credit losses as the mortgages are government guaranteed.

Future accounting development

CIBC uses special purpose entities (SPE's) to securitize its own assets, to provide clients access to liquidity in the commercial paper market through CIBC administered conduits and as an intermediary, to structure SPE transactions

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for clients.

In August 2002, CICA issued a draft guideline "Consolidation of Special-Purpose Entities". As well, in June 2002, the Financial Accounting Standards Board in the U.S. issued an exposure draft addressing the accounting for SPE's. The impact of these drafts on CIBC's consolidated financial statements is not yet determinable.

8. Segmented Information

During the first quarter of 2002, CIBC expanded and realigned its business lines as part of its strategy to focus more on retail-related operations. CIBC's reporting structure was expanded from four to five business lines, with Amicus reflected separately. In addition, two of the business lines were renamed to reflect the nature of their businesses. CIBC's five business lines are: Retail Products (formerly Electronic Commerce, Technology and Operations); Retail Markets (formerly Retail and Small Business Banking); Wealth Management; CIBC World Markets; and Amicus (formerly part of Electronic Commerce, Technology and Operations). These business lines are supported by three functional groups - Treasury, Balance Sheet and Risk Management; Administration; and Corporate Development.

More specifically, during the first quarter of 2002, CIBC realigned the following businesses:

- o the payments business (chequing, savings and current accounts) and electronic banking services, specifically, telephone banking, Internet banking and branch ABMs, moved from Retail Products to Retail Markets;
- o non-branch ABMs and President's Choice Financial mortgages moved from Retail Products to Amicus;
- o lending products moved from Retail Markets to Retail Products; and
- o asset management moved from private client investment (formerly private client investment and asset management) to wealth products, both within Wealth Management.

As a result, prior period segmented information for 2001 has been restated to conform with the presentation adopted in the first quarter of 2002.

During the third quarter of 2002, it was announced that management responsibility for various lines of business within Retail Products would be redistributed. The segmented financial information is expected to be aligned to reflect the new structure in the fourth quarter of 2002.

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SEGMENTED INCOME STATEMENTS

Unaudited, \$ millions, for the three months ended	Retail Products	Retail Markets	Wealt Managemen
Jul. 31, 2002			
Net interest income (TEB) (4)	\$ 595	\$ 369	\$ 13
Non-interest income	208	184	46
Intersegment revenue (5)	(178)	24	10

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	Total revenue (TEB) (4)	625	577	70
	Non-interest expenses	270	465	62
	Provision for credit losses	106	--	--
	Income (loss) before taxes and non-controlling interests	249	112	8
	Income taxes	80	26	2
	Non-controlling interests	3	9	--
	Net income (loss)	\$ 166	\$ 77	\$ 5
	Average assets (6)	\$ 129,908	\$ 16,048	\$ 28,15
Apr. 30, 2002(1)	Net interest income (TEB) (4)	\$ 595	\$ 345	\$ 15
	Non-interest income	203	154	51
	Intersegment revenue(5)	(151)	14	8
	Total revenue (TEB) (4)	647	513	75
	Non-interest expenses	257	442	71
	Provision for credit losses	99	3	--
	Income (loss) before taxes and non-controlling interests	291	68	4
	Income taxes	92	11	--
	Non-controlling interests	3	7	--
	Net income (loss)	\$ 196	\$ 50	\$ 3
	Average assets (6)	\$ 126,173	\$ 15,507	\$ 27,69
Jul. 31, 2001(2)	Net interest income (TEB) (4)	\$ 530	\$ 371	\$ 13
	Non-interest income	195	161	36
	Intersegment revenue(5)	(117)	(32)	9
	Total revenue (TEB) (4)	608	500	59
	Non-interest expenses	252	439	48
	Provision for credit losses	108	5	--
	Income (loss) before taxes and non-controlling interests	248	56	11
	Income taxes	85	3	2
	Non-controlling interests	3	6	--
	Net income (loss)	\$ 160	\$ 47	\$ 9
	Average assets (6)	\$ 117,417	\$ 14,335	\$ 23,97
Unaudited, \$ millions, for the nine months ended				
Jul. 31, 2002	Net interest income (TEB) (4)	\$ 1,871	\$ 1,066	\$ 45
	Non-interest income	604	490	1,40
	Intersegment revenue(5)	(465)	38	27
	Total revenue (TEB) (4)	2,010	1,594	2,13
	Non-interest expenses	796	1,341	1,93
	Provision for credit losses	336	14	--
	Income (loss) before taxes and non-controlling interests	878	239	19
	Income taxes	287	47	5
	Non-controlling interests	9	21	--

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	Net income (loss)	\$ 582	\$ 171	\$ 14
	Average assets (6)	\$ 126,993	\$ 15,547	\$ 26,83
Jul. 31, 2001(2)	Net interest income (TEB) (4)	\$ 1,486	\$ 1,124	\$ 42
	Non-interest income	645	465	1,07
	Intersegment revenue(5)	(311)	(118)	26
	Total revenue (TEB) (4)	1,820	1,471	1,77
	Non-interest expenses	729	1,247	1,41
	Provision for credit losses	306	17	-
	Income (loss) before taxes and non-controlling interests	785	207	35
	Income taxes	263	16	8
	Non-controlling interests	8	19	-
	Net income (loss)	\$ 514	\$ 172	\$ 27
	Average assets (6)	\$ 115,545	\$ 14,212	\$ 22,75
Unaudited, \$ millions, for the three months ended		Amicus	Corporate and Other (3)	CIBC Total
Jul. 31, 2002	Net interest income (TEB) (4)	\$ 33	\$ 12	\$ 1,353
	Non-interest income	29	27	1,209
	Intersegment revenue(5)	--	(1)	--
	Total revenue (TEB) (4)	62	38	2,562
	Non-interest expenses	147	(13)	1,982
	Provision for credit losses	5	--	290
	Income (loss) before taxes and non-controlling interests	(90)	51	290
	Income taxes	(36)	28	82
	Non-controlling interests	--	--	15
	Net income (loss)	\$ (54)	\$ 23	\$ 193
	Average assets (6)	\$ 5,652	\$ --	\$ 294,975
Apr. 30, 2002(1)	Net interest income (TEB) (4)	\$ 23	\$ 32	\$ 1,336
	Non-interest income	28	16	1,654
	Intersegment revenue(5)	--	(2)	--
	Total revenue (TEB) (4)	51	46	2,990
	Non-interest expenses	144	61	2,313
	Provision for credit losses	5	--	390
	Income (loss) before taxes and non-controlling interests	(98)	(15)	287
	Income taxes	(34)	30	53
	Non-controlling interests	--	--	7
	Net income (loss)	\$ (64)	\$ (45)	\$ 227
	Average assets (6)	\$ 5,225	\$ --	\$ 289,533

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Jul. 31, 2001(2)	Net interest income (TEB) (4)	\$ 22	\$ 57	\$ 1,206
	Non-interest income	28	23	1,694
	Intersegment revenue (5)	(2)	--	--

	Total revenue (TEB) (4)	48	80	2,900
	Non-interest expenses	148	60	2,072
	Provision for credit losses	3	--	254

	Income (loss) before taxes and non-controlling interests	(103)	20	574
	Income taxes	(39)	23	106
	Non-controlling interests	--	(1)	8

	Net income (loss)	\$ (64)	\$ (2)	\$ 460

	Average assets (6)	\$ 3,940	\$ --	\$ 280,801

Unaudited, \$ millions, for the nine months ended				

Jul. 31, 2002	Net interest income (TEB) (4)	\$ 73	\$ 94	\$ 4,164
	Non-interest income	86	(67)	4,466
	Intersegment revenue (5)	--	(3)	--

	Total revenue (TEB) (4)	159	24	8,630
	Non-interest expenses	435	102	6,456
	Provision for credit losses	15	--	1,220

	Income (loss) before taxes and non-controlling interests	(291)	(78)	954
	Income taxes	(106)	2	179
	Non-controlling interests	--	--	22

	Net income (loss)	\$ (185)	\$ (80)	\$ 753

	Average assets (6)	\$ 4,994	\$ --	\$ 290,602

Jul. 31, 2001(2)	Net interest income (TEB) (4)	\$ 44	\$ 148	\$ 3,322
	Non-interest income	71	46	5,285
	Intersegment revenue (5)	(6)	--	--

	Total revenue (TEB) (4)	109	194	8,607
	Non-interest expenses	395	134	5,943
	Provision for credit losses	7	--	697

	Income (loss) before taxes and non-controlling interests	(293)	60	1,967
	Income taxes	(113)	92	485
	Non-controlling interests	--	--	38

	Net income (loss)	\$ (180)	\$ (32)	\$ 1,444

	Average assets (6)	\$ 2,324	\$ --	\$ 277,953

Refer to the accompanying footnotes.

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- (1) Certain comparative figures have been restated resulting from the adoption of the CICA Handbook section 3870.
- (2) Certain comparative figures have been restated to conform with the presentation used in the first quarter of 2002.
- (3) Corporate and Other comprises the three functional groups - Treasury, Balance Sheet and Risk Management (TBRM); Administration; and Corporate Development - that support CIBC's business lines, as well as CIBC Mellon's custody business, and other revenue and expense items not directly attributable to the five business lines. TBRM revenue, expenses and balance sheet (including capital) items are allocated to the five business lines through a combination of funds transfer pricing and revenue, expense and balance sheet (including capital) allocation models. TBRM is responsible for CIBC's overall balance sheet (including capital) and risk measurement, monitoring and control. As well, TBRM's integrated Treasury Division provides bank-wide asset-liability, funding, liquidity, cash and collateral management. Activities of the Administration group on behalf of CIBC as a whole are reported in Corporate and Other. Expenses of the Administration group relating to activities conducted on behalf of specific business lines are allocated to those business lines. Remaining expenses of the Administration group are also generally allocated to the business lines.
- (4) Taxable equivalent basis (TEB). Net interest income includes tax-exempt income on certain securities. Since this income is not taxable to CIBC, the rate of interest or dividend received by CIBC is significantly lower than would apply to a loan of the same amount. As the impact of tax-exempt income varies from year to year, such income has been adjusted to a taxable equivalent basis to permit uniform measurement and comparison of net interest income. An equal and offsetting adjustment is made to increase the provision for income taxes. This is the measure reviewed by CIBC's management.
- (5) Intersegment revenue represents internal sales commissions and revenue allocations under the Manufacturer / Customer Segment / Distributor Management Model.
- (6) Assets are disclosed on an average basis as this measure is most relevant to a financial institution and is the measure reviewed by CIBC's management.

9. Share Capital

OUTSTANDING SHARES

Unaudited, as at	July 31, 2002	October 31, 2001
Class A Preferred Shares(1)		
Fixed rate shares entitled to non-cumulative dividends		
Series 14	8,000,000	8,000,000
Series 15	12,000,000	12,000,000
Series 16	5,500,000	5,500,000
Series 17	6,500,000	6,500,000
Series 18	12,000,000	12,000,000
Series 19	8,000,000	8,000,000
Series 20	4,000,000	4,000,000
Series 21	8,000,000	8,000,000
Series 22	4,000,000	4,000,000
Series 23	16,000,000	16,000,000

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Series 24	16,000,000	--
Series 25	16,000,000	--
Common shares	359,048,669	363,187,931

- (1) The rights and privileges of Class A Preferred Shares Series 14-23 are described in Note 12 of CIBC's October 31, 2001 consolidated financial statements. Series 24 and 25 have the same rights and privileges, including the right to convert the shares to CIBC common shares on or after a specified conversion date.

10. Significant Capital Transactions

On January 9, 2002, CIBC began a normal course issuer bid to purchase up to 18 million common shares. The bid ends on January 8, 2003. During the third quarter of 2002, no common shares were repurchased. For the nine months ended July 31, 2002, 5,686,000 common shares were repurchased at an average price of \$55.05.

CIBC issued non-cumulative Class A Preferred Shares Series 24 and 25 of \$400 million each, during the first and second quarter of 2002 respectively.

11. Events of September 11, 2001

CIBC's New York operations located at One World Financial Center, in close proximity to the World Trade Center, were directly affected by the events of September 11, 2001. During the third quarter of 2002, losses and incremental expenses related specifically to these events amounted to \$20 million.

Management is nearing completion of the process of evaluating the extent of damage and related insurance recoveries for property damage, additional expenses and business interruption arising from the events of September 11, 2001.

Management has decided to locate a number of employee groups in the downtown Manhattan area but has not made a final decision whether to return to One World Financial Center once it becomes fully tenantable. Management has surrendered a portion of the space previously occupied in One World Financial Center to the landlord pursuant to the terms of the existing lease. The

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full financial impact of these decisions was not determinable at the time of preparation of the interim consolidated financial statements.

12. Restructuring

In the fourth quarter of 2001, a restructuring charge of \$207 million was included in non-interest expenses in the consolidated statements of income, as CIBC initiated a bank-wide cost reduction program in response to changing economic conditions.

Significant actions taken under the restructuring program in the first three quarters of 2002 include the following:

- o Retail Products continued staff rationalization within Technology and Operations to align with changes elsewhere within CIBC.
- o Retail Markets continued with the consolidation of branches and

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rationalization of business support functions.

- o Wealth Management has substantially realigned its work force and continues to progress as planned.
- o CIBC World Markets continued to implement cost reduction programs including the reorganization of certain operations in Australia, and staff reductions in the capital markets, investment banking and commercial banking businesses. At the end of the quarter, planned staff reductions were close to being completed.
- o Amicus continued reorganization of several areas including reducing premises commitments.
- o Corporate and Other have been actively engaged in streamlining their operations in several Administration functions.

Approximately 370 positions were eliminated in the third quarter and approximately 1,100 positions have been eliminated year-to-date. At program inception, planned employee reductions through restructuring were approximately 2,300 positions.

The actions under this restructuring program will be substantially completed by the fourth quarter of 2002.

The status of the restructuring provision is as follows:

RESTRUCTURING PROVISION Unaudited, \$ millions	As at or for the three months ended July 31, 2002			As at or
	Termination Benefits	Other	Total	Termination Benefits
Balance at beginning of period	\$ 110	\$ 22	\$ 132	\$ 186
Drawdown during the period	(29)	--	(29)	(105)
Balance at end of period	\$ 81	\$ 22	\$ 103	\$ 81

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THIRD QUARTER FINANCIAL HIGHLIGHTS

Unaudited	As at	
	2002 Jul. 31	2002 Apr. 30

COMMON SHARE INFORMATION

Per share - basic earnings	- reported	\$ 0.41	\$ 0.51
	- operating	\$ 0.64	\$ 0.80

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	- diluted earnings	- reported	\$ 0.41	\$ 0.51
		- operating	\$ 0.64	\$ 0.79
	- dividends		\$ 0.41	\$ 0.41
	- book value		\$ 26.44	\$ 26.45
Share price	- high		\$ 54.50	\$ 57.70
	- low		\$ 38.75	\$ 49.45
	- closing		\$ 45.10	\$ 54.70
Shares outstanding (thousands)				
	- average basic		358,961	360,817
	- average diluted		361,374	364,320
	- end of period		359,049	358,843
Market capitalization (\$ millions)			\$ 16,193	\$ 19,629

VALUE MEASURES				
Price to earnings multiple (12 month trailing)		- reported	19.5	17.9
		- operating	12.5	12.6
Dividend yield (based on closing share price)			3.6%	3.0%
Dividend payout ratio		- reported	99.1%	79.2%
		- operating	63.9%	50.7%
Market value to book value ratio			1.71	2.07

INCOME STATEMENT INFORMATION (\$ millions)				
Total revenue on a taxable equivalent basis (TEB) (4)		- reported	\$ 2,562	\$ 2,990
		- operating	\$ 2,487	\$ 2,939
Provision for credit losses - specific			\$ 290	\$ 390
		- general	--	--
	- total		\$ 290	\$ 390

Non-interest expenses		- reported	\$ 1,982	\$ 2,313
		- operating	\$ 1,771	\$ 2,101
Earnings		- reported	\$ 193	\$ 227
		- operating	\$ 276	\$ 332

FINANCIAL MEASURES				
Efficiency ratio		- reported	77.4%	77.3%
		- operating	71.2%	71.5%
Return on equity		- reported	6.2%	8.0%
		- operating	9.6%	12.4%
Ratio of retail / wholesale operating earnings(5)			144%/(44)%	93% / 7%
Net interest margin (TEB) (4)			1.82%	1.89%
Net interest margin on average interest earning assets (TEB) (4)			2.11%	2.20%
Return on average assets			0.26%	0.32%
Return on average interest earning assets			0.30%	0.37%
Regular workforce headcount			44,213	44,519

BALANCE SHEET AND OFF-BALANCE SHEET INFORMATION (\$ millions)				
Cash resources and securities			\$ 97,627	\$ 93,821
Loans and acceptances			\$ 168,524	\$ 164,228
Total assets			\$ 304,660	\$ 291,187
Deposits			\$ 214,570	\$ 203,910
Common shareholders' equity			\$ 9,491	\$ 9,491
Average assets			\$ 294,975	\$ 289,533
Average interest earning assets			\$ 254,306	\$ 249,287
Average common shareholders' equity			\$ 9,525	\$ 9,601
Assets under administration			\$ 750,900	\$ 730,300

BALANCE SHEET QUALITY MEASURES				
Common equity to risk-weighted assets			7.2%	7.3%
Risk-weighted assets (\$ billions)			\$ 131.9	\$ 130.3
Tier 1 capital ratio			8.8%	8.9%
Total capital ratio			11.9%	12.0%

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Net impaired loans after general allowance (\$ millions)	\$	(260)	\$	(322)
Net impaired loans to net loans and acceptances		(0.15)%		(0.20)%

Unaudited	As at or for the		
	2002 Jul. 31	2001 Jul. 31	
COMMON SHARE INFORMATION			
Per share			
- basic earnings	- reported	\$ 1.76	\$ 3.6
	- operating	\$ 2.55	\$ 4.1
- diluted earnings	- reported	\$ 1.75	\$ 3.5
	- operating	\$ 2.53	\$ 4.1
- dividends		\$ 1.19	\$ 1.0
- book value		\$ 26.44	\$ 26.6
Share price			
- high		\$ 57.70	\$ 54.7
- low		\$ 38.75	\$ 43.2
- closing		\$ 45.10	\$ 50.9
Shares outstanding (thousands)			
- average basic		361,057	374,44
- average diluted		364,243	379,94
- end of period		359,049	368,46
Market capitalization (\$ millions)		\$ 16,193	\$ 18,77
VALUE MEASURES			
Price to earnings multiple (12 month trailing)			
	- reported	19.5	11.
	- operating	12.5	9.
Dividend yield (based on closing share price)		3.5%	2.
Dividend payout ratio			
	- reported	67.5%	29.
	- operating	46.6%	25.
Market value to book value ratio		1.71	1.9
INCOME STATEMENT INFORMATION (\$ millions)			
Total revenue on a taxable equivalent basis (TEB) (4)			
	- reported	\$ 8,630	\$ 8,60
	- operating	\$ 8,458	\$ 8,43
Provision for credit losses			
- specific		\$ 1,220	\$ 69
- general		--	--
- total		\$ 1,220	\$ 69
Non-interest expenses			
	- reported	\$ 6,456	\$ 5,94
	- operating	\$ 5,839	\$ 5,53
Earnings			
	- reported	\$ 753	\$ 1,44
	- operating	\$ 1,039	\$ 1,65
FINANCIAL MEASURES			
Efficiency ratio			
	- reported	74.8%	69.
	- operating	69.0%	65.
Return on equity			
	- reported	8.9%	18.
	- operating	12.8%	21.
Ratio of retail / wholesale operating earnings(5)		94%/6%	62%/3
Net interest margin (TEB) (4)		1.92%	1.6
Net interest margin on average interest earning assets (TEB) (4)		2.23%	1.8
Return on average assets		0.35%	0.6
Return on average interest earning assets		0.40%	0.8
Regular workforce headcount		44,213	41,37
BALANCE SHEET AND OFF-BALANCE SHEET INFORMATION (\$ millions)			
Cash resources and securities		\$ 97,627	\$ 89,45

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Loans and acceptances	\$ 168,524	\$ 159,68
Total assets	\$ 304,660	\$ 277,96
Deposits	\$ 214,570	\$ 184,73
Common shareholders' equity	\$ 9,491	\$ 9,81
Average assets	\$ 290,602	\$ 277,95
Average interest earning assets	\$ 249,517	\$ 237,74
Average common shareholders' equity	\$ 9,593	\$ 9,73
Assets under administration	\$ 750,900	\$ 636,10

BALANCE SHEET QUALITY MEASURES

Common equity to risk-weighted assets	7.2%	7.
Risk-weighted assets (\$ billions)	\$ 131.9	\$ 131.
Tier 1 capital ratio	8.8%	9.
Total capital ratio	11.9%	12.
Net impaired loans after general allowance (\$ millions)	\$ (260)	\$ (21
Net impaired loans to net loans and acceptances	(0.15)%	(0.1

- (1) Certain comparative figures have been restated resulting from the adoption of the CICA Handbook section 3870.
- (2) Certain comparative figures have been restated to conform with the presentation adopted in the first quarter of 2002 .
- (3) Represents the translation of Canadian GAAP financial information into US\$ using the quarter end rate of \$0.6318 for balance sheet figures and the average rate of \$0.6495 for the quarter and \$0.6364 for year-to-date operating results.
- (4) Taxable equivalent basis (TEB). Net interest income includes tax-exempt income on certain securities. Since this income is not taxable to CIBC, the rate of interest or dividend received by CIBC is lower than would apply to a loan of the same amount. As the impact of tax-exempt income varies from year to year, such income has been adjusted to a taxable equivalent basis to permit uniform measurement and comparison of net interest income. An equal and offsetting adjustment is made to increase the provision for income taxes.
- (5) Retail includes Retail Products, Retail Markets, Wealth Management and commercial banking (reported as part of CIBC World Markets). Wholesale reflects CIBC World Markets, excluding commercial banking.

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CIBC Third Quarter 2002

TO REACH US:

Corporate Secretary: Shareholders may call (416) 980-3096, fax (416) 980-7012, or e-mail: paul.fisher@cibc.com.

Investor Relations: Financial analysts, portfolio managers and other investors requiring financial information may call (416) 980-8306, fax (416) 980-5028, or e-mail: alison.rampersad@cibc.com.

Corporate Communications: Financial, business and trade media may call (416) 980-4523, fax (416) 363-5347, or e-mail: stephen.forbes@cibc.com.

CIBC Telephone Banking: As part of our commitment to our customers, information about CIBC products and services is available by calling 1-800-465-2422 toll free across Canada.

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Online Investor Presentations: Supplementary financial information and a presentation to investors and analysts are available at the Investor Relations area of the CIBC website at www.cibc.com.

Earnings Conference Call: CIBC's third quarter results conference call with analysts and investors was held on Wednesday, August 21, 2002 at 2:00 p.m. (EDT).

Webcast: An archived version of the webcast hosted on Wednesday, August 21, 2002 is available on www.cibc.com, Investor Relations section.

DIRECT DIVIDEND DEPOSIT SERVICE

Canadian-resident holders of common shares may have their dividends deposited directly into their account at any financial institution which is a member of the Canadian Payments Association. To arrange, please write to CIBC Mellon Trust Company, P.O. Box 7010, Adelaide Street Postal Station, Toronto, Ontario M5C 2W9, or e-mail: inquiries@cibcmellon.ca.

SHAREHOLDERS INVESTMENT PLAN

Registered holders of CIBC common shares wishing to acquire additional common shares may participate in the shareholder investment plan and pay no brokerage commissions or service charges.

For a copy of the offering circular, contact the Corporate Secretary at (416) 980-3096, or fax (416) 980-7012.

PRICE OF COMMON SHARES PURCHASED UNDER THE SHAREHOLDER INVESTMENT PLAN

Dates purchased	Share purchase option	Dividend reinvestment & stock dividend options
May 1/02	\$53.50	
June 3/02	\$51.00	
July 2/02	\$47.38	
July 29/02		\$43.70

[LOGO]
CIBC

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