

Commonwealth Bank of Australia

Full Rating Report

Ratings

Foreign Currency

Long-Term IDR	AA-
Short-Term IDR	F1+

Viability Rating	aa-
Support Rating	1
Support Rating Floor	A

Sovereign Risk

Long-Term Foreign-Currency IDR	AAA
Long-Term Local-Currency IDR	AAA

Outlooks

Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

Financial Data

Commonwealth Bank of Australia

	31 Dec 11	30 Jun 11
Total assets (USDm)	712,966	717,245
Total assets (AUDm)	701,986	667,899
Total equity (AUDm)	37,936	36,348
Operating profit (AUDm)	5,063	9,063
Published net income (AUDm)	3,633	6,410
Operating ROAA (%)	1.44	1.37
Operating ROAE (%)	27.11	25.80
Fitch core capital ratio (%)	n.a.	8.76
Tier 1 ratio (%)	9.90	10.01

Key Rating Drivers

Wholesale Funding Reliance: Relative to international peers, Commonwealth Bank of Australia (CBA) is highly reliant on wholesale funding. This reliance was the key driver of the one-notch downgrade of CBA's Long-Term IDR and Viability Rating on 24 February 2012. However, the group remains highly rated, reflecting its business diversity, robust risk-management framework, solid liquidity and capitalisation, and strong domestic banking and wealth-management franchise.

Gradual Funding Improvement: CBA has a dominant deposit franchise in Australia. Nevertheless, wholesale funding still accounts for 37% of total funding (excluding derivatives), with about 60% sourced from offshore markets. Fitch Ratings expects CBA to continue a gradual process of increasing deposits and lengthening the duration of wholesale funding.

CBA takes a number of measures to mitigate some of the risks associated with wholesale funding. These include maintaining access to a diverse range of wholesale funding markets, hedging all foreign-currency borrowings and holding a substantial portfolio of central bank repo-eligible securities. At 31 December 2011 (end-H112), this portfolio totalled AUD133bn.

Impaired Assets Declining: CBA's impaired assets fell by AUD600m to AUD4.7bn during H112; as a result, impaired loans/gross loans declined by 12bp to 0.91%. This is low relative to international peers and highlights the conservative nature of CBA's lending activities. Due to CBA's domestic focus, asset quality is closely linked to the performance of the Australian economy; while Fitch forecasts growth around trend in 2012, downside risks exist, particularly should European conditions deteriorate materially.

Capital Base to Grow: Although CBA is well positioned to meet the new rules, Fitch expects it to continue to expand its capital base in anticipation of the adoption of Basel III in Australia on 1 January 2013. The conservative approach of the Australian prudential regulator means that it is difficult to compare capital ratios with international peers; this will persist under Basel III.

Revenue Growth Subdued: High funding costs and modest system credit growth are likely to lead to subdued revenue growth in 2012. Cost management is therefore likely to be a key focus.

Systemic Importance: CBA's Support Rating and Support Rating Floor reflect its systemic importance and an extremely high probability of support from the Australian authorities if needed. Domestically, CBA is Australia's largest banking group, with 24% of banking system assets at 31 December 2011.

What Could Trigger a Rating Action

Deteriorating Funding Mix: CBA continues to strengthen its funding profile, growing deposits and reducing its reliance on short-term wholesale funding. Nonetheless, CBA is susceptible to wholesale funding market disorder, which if prolonged could put negative pressure on the bank's ratings.

Imprudent Growth: With credit demand forecast to be weak in 2012, Australian banks, including CBA, may be tempted to loosen underwriting standards in pursuit of loan growth. A major loosening of standards could lead to a negative rating action.

Related Research

[Australian and Canadian Major Banks \(January 2012\)](#)

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- CBA is Australia's second-largest bank by total assets, although it is the largest domestically
- CBA has a strong retail franchise

Profile

History

Established by an Act of Parliament in 1911, CBA is headquartered in Sydney, Australia. It is the second largest of Australia's four major banking groups by total assets, although by domestic (Australian) assets it is the largest; the other three major banks are Australia & New Zealand Banking Group (ANZ; 'AA-/Stable'), National Australia Bank (NAB; 'AA-/Stable') and Westpac Banking Corporation (WBC; 'AA-/Stable'). CBA is also one of Australia's largest fund managers, with funds under management of AUD149bn at financial year-end 30 June 2011 (FYE11).

CBA and WBC are the dominant banking groups within the consumer segment in Australia (see Figure 1). CBA's Australian operations accounted for 88% of total revenue in H112. In addition, CBA owns ASB Bank Limited (ASB; 'AA-/Stable/F1+'), one of the four largest New Zealand banks, with assets of NZD64.8bn at 30 September 2011. It also has stakes in a number of banks and wealth-management businesses in the Asia-Pacific region.

CBA's divisional structure is discussed in Annex 1.

Corporate Governance

CBA is publicly listed and its shares are widely held. At FYE11 the group's board of directors consisted of 11 members, 10 of whom were classified as independent. CBA changed chief executive officer (CEO) during H112; the incoming CEO also replaced the departing CEO on the board of directors.

CBA reports its financial accounts using the Australian equivalents of International Financial Reporting Standards and is subject to regulation by both the Australian Securities and Investment Commission (markets and financial services) and the Australian Prudential Regulation Authority (APRA; prudential).

Performance

The figures in this report and the attached spreadsheet are based on Fitch's calculations and may differ from CBA's published figures.

Overview and Outlook

Operating profit grew by 17% yoy to AUD5.6bn in H112, due to solid revenue growth and some decline in impairment charges. Despite this result, the performance outlook for 2012 is modest, with subdued credit growth likely to be coupled with continued high funding costs. CBA is likely to look to manage cost growth as a way of maintaining bottom-line profitability.

Net Interest Income

CBA's net interest margin (NIM) declined by 10bp to 2.16% in H112, due in the main to higher funding costs in the Australian operations (although increased holdings of lower-margin liquid assets also had an impact). Some of the higher funding cost was recouped through asset pricing and mix changes. Funding costs are likely to remain high relative to historical levels during 2012, which means the weighted average cost of funding is likely to continue increasing, putting downward pressure on CBA's NIM; this may be offset by further asset mix and price changes.

Non-Interest Income

CBA's non-interest income grew 11% yoy in H112, largely due to the reversal of losses on non-trading derivatives reported in H111. Net fees and commissions, which are CBA's largest non-interest income item, were flat and are unlikely to grow substantially in 2012 due to the slow credit growth environment. Investment market movements will be a key driver of wealth management and trading income.

- Operating profit grew 17% yoy in H112
- Revenue growth is likely to be subdued in 2012 due to high funding costs and modest system credit growth

Figure 1
Market Share

At 31 December 2011	(%)
Mortgages	28.5
Household deposits	29.4

Includes BankWest
Source: APRA

Related Criteria

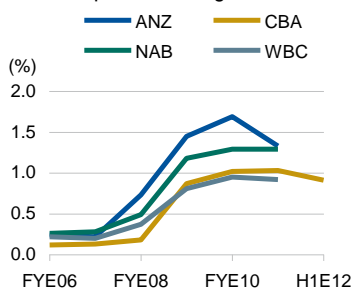
[Global Financial Institutions Rating Criteria \(August 2011\)](#)

[Rating Bank Regulatory Capital and Similar Securities \(December 2011\)](#)

Figure 2

Asset Quality

Gross impaired loans/gross loans



Source: Bank financials, Fitch

Operating Expenses

Operating expense growth has been reasonably well contained by CBA, as indicated by the decline in the group’s cost/income ratio to 42.9% in H112 (FY11: 44.2%). In light of the revenue headwinds facing all Australian banks, cost management is likely to be a focus in 2012.

Impairment Charges

CBA’s impairment charges fell to AUD525m in H112, reflecting stabilising asset quality, particularly in CBA’s institutional business, partly offset by higher provisions against the group’s retail lending. With the charge representing just 21bp of gross loans, further significant falls are unlikely. Conversely, downside risks exist, particularly should the Eurozone sovereign debt crisis lead to broader global economic volatility.

Risk Management

CBA’s risk-management framework appears robust. Ultimate responsibility for the establishment of risk-management systems and controls, and for formulating the group’s risk appetite lies with the board of directors and its risk committee. At the executive level there are two committees responsible for risk-management oversight — the executive risk committee and the asset and liability committee. Risk management and compliance units help to embed CBA’s risk-management framework and culture within each of the operational units. Internal and external audit review the efficacy of the framework.

Credit Risk

Credit risk is CBA’s main form of risk and arises primarily from the group’s lending activities. Asset quality improved during H112, with gross impaired loans/gross loans declining to 0.91% (FYE11: 1.03%). As Figure 2 shows, this at the lower end of ratios reported by CBA’s domestic peers and highlights the relatively conservative nature of CBA’s loan book. Provisioning levels also compare favourably with those of peers – total provisions (individual and collective) equated to 108% of impaired assets at end-H112. In light of CBA’s domestic focus, asset quality is closely linked to the performance of the Australian economy. Although Fitch forecasts economic growth close to average in 2012, there is potential downside risk, particularly in light of the uncertainty regarding the eurozone and its impact on the broader global economy.

Loan Portfolio

At end-H112, 73% of CBA’s total assets were in its loan portfolio. CBA is the dominant mortgage lender in Australia and this is reflected in its loan book, with mortgages making up 66% of on-balance-sheet lending at end-H112. Despite making up such a large component of CBA’s loan book, Fitch does not believe mortgages would be the source of any material losses that may arise.

A number of factors contribute to this view – Australian mortgages are full recourse, banks did not undertake sub-prime lending, underwriting standards remained reasonably conservative, lenders’ mortgage insurance (LMI) is used to protect against losses for riskier loans and there are laws to prevent predatory lending practices. In addition, Australian bank mortgage portfolios are typically well seasoned; at end-H112, CBA’s average loan-to-valuation (LTV) ratio (current balance/original valuations) was 44%, while just 13% of total mortgages had LTV ratios above 80% at origination.

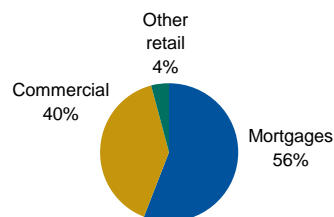
CBA caps new loans at an LTV ratio of 95%, with those above 80% requiring the borrower to purchase LMI. Low-documentation loans, which made up 2.9% of the mortgage book at end-H112, are capped at an LTV ratio of 80%, with LMI required for loans above 60%. LMI covers 26% of the portfolio and was sourced from an external provider. A significant proportion (68%) of CBA’s mortgage customers are in advance of their scheduled repayments by an average of seven payments. All of these factors combine for a very low loss rate; during H112 it was just 2bp annualised.

- CBA has a robust risk management framework
- Loans are the main source of credit risk and are weighted towards residential mortgages
- Asset quality shows signs of improvement, although downside risks remain

Figure 3

Loan Portfolio

Exposure at default



Source: CBA H1E12 Pillar 3 report

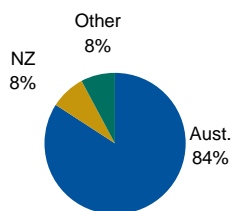
Other consumer credit, such as credit cards and personal loans, is largely unsecured. Arrears levels and loss rates are typically higher than in the mortgage portfolio; however, in light of the relatively small size of the portfolio, there would need to be a severe deterioration in asset quality for this to have a significant impact on CBA.

If losses were to arise, it would most likely be from CBA's commercial loan portfolio. In part this reflects the less granular nature of the commercial portfolio relative to the retail book, and the unsecured nature of lending for larger institutional borrowers. To manage concentration risk, CBA has board-approved single-name, industry and country limits, and an aggregation policy that outlines when entities need to be aggregated for credit-approval and limit-monitoring purposes. As a result, CBA's 10 largest non-bank exposures totalled AUD9.5bn, or a relatively low 33% of Tier 1 capital, at FYE11.

Figure 4

Loan Portfolio

Exposure at default



Source: CBA H1E12 Pillar 3 report

CBA's largest industry exposure (excluding banks and other financial institutions) is to commercial property. At 6.2% of total exposures (on-balance-sheet exposures plus any undrawn committed facilities) it is low relative to domestic peers. While commercial property has been one of the weaker-performing sectors during the global financial crisis that began in 2008, CBA's portfolio is reasonably well diversified by property and borrower type and there is reasonable security cover: 78% of the commercial property portfolio was secured at FYE11, increasing to 92% for the speculative-grade component.

Outside commercial property, there are no significant non-bank industry exposures in CBA's loan book.

Figures 3 and 4 provide some detail of CBA's loan portfolio.

Other Credit Risk

CBA's non-loan assets consist mainly of available-for-sale (AFS) securities (9% of total assets at end-H112), derivatives (5%), cash and due from banks (3%), trading and fair-value securities (2%) and insurance assets (2%). A portion of AFS and trading securities are central bank repo-eligible liquid assets. Off-balance-sheet exposures consist mainly of committed credit facilities.

Operational Risk

The group's operational risk model combines expert assessment of individual exposures with loss data from various sources to determine potential loss from operational risk events, the use of risk mitigation through the purchase of insurance and to calculate operational risk economic capital. CBA's operational risk framework and models are accredited for use under the advanced approaches of Basel II. At end-H112 operational risk made up 8% of risk-weighted assets.

Market Risk

CBA's market risk is modest, accounting for only 5% of risk-weighted assets at end-H112. Traded market risk arises primarily from client trades, with CBA undertaking very little proprietary trading. As a result, traded market risk measures such as value at risk (VaR) are modest; using a 97.5% confidence interval and one-day holding period this averaged just AUD12.2m during H112.

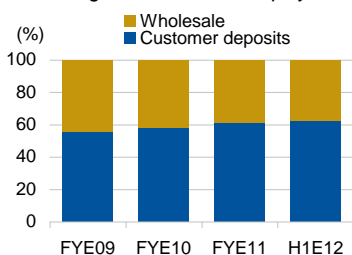
Non-traded interest rate risk in the banking book is higher, although still modest. It is measured and managed in two ways: by simulating net interest earnings at risk (EaR) over the next 12 months and by employing an economic VaR (eVaR) to capture longer-term sensitivity. The average monthly EaR for a 1% parallel shift in the yield curve during H112 was AUD211.8m for Australia and NZD27.0m for New Zealand, while the eVaR (using a 97.5% confidence interval and 20-day holding period) was AUD142.7m for Australia and NZD1.3m for New Zealand.

Non-traded foreign-exchange risk is hedged, with the exception of CBA's long-term investments in its offshore subsidiaries. The group's only significant non-traded foreign-

Figure 5

Funding Mix

Excluding derivatives and equity



Source: CBA, Fitch

- Although customer deposits increase in the funding mix, CBA retains a high reliance on wholesale funding by international standards
- Fitch expects continued improvement in the funding mix, although likely to be gradual
- Capital is sound and CBA appears well positioned for the implementation of Basel III

exchange exposure arises as a result of its capitalisation of ASB.

CBA's life insurance and fund-management businesses also give rise to market risk. In life insurance, this is primarily through the investment of shareholder and policyholder funds. In fund management, fee income is based primarily on the level of funds under management, which can fluctuate with market movements.

Funding, Liquidity and Capital**Funding and Liquidity**

CBA's funding profile benefits from its strong domestic retail franchise; it has the highest amount of domestic deposits of the four major Australian banks. As a result, customer deposits make up 63% of CBA's total funding (excluding derivatives), which is toward the upper end of ratios for domestic peers. Nevertheless, in an international context CBA (and the other major banks) are highly reliant on wholesale funding; this was a key driver of the downgrade of CBA's Long-Term IDR and Viability Rating on 24 February 2012.

Although this reliance on wholesale funding presents risks, CBA adequately manages its exposure. Offshore markets account for 57% of CBA's wholesale funding; the bank seeks to mitigate associated risks through hedging the borrowings into the functional currency using fully collateralised swaps. In addition, the group seeks to maintain diversity by geography, investor, product and maturity, while holding a substantial portfolio of central bank repo-eligible assets (AUD133bn at end-H112). CBA's low risk and transparent balance sheet also assists in its funding process.

Since 2008, all Australian banks, including CBA, have focused on deposit gathering (see Figure 5) and increasing the duration of wholesale borrowings; Fitch expects this trend to continue, particularly in light of incoming Basel III liquidity requirements. CBA appears reasonably positioned to fulfil these requirements.

The issue of insufficient qualifying assets (essentially Australian government bonds) in relation to the liquidity coverage ratio appears to have been addressed through the proposed establishment of a committed liquidity facility with the Reserve Bank of Australia. The net stable funding ratio may prove a greater challenge in light of the structure of Australian bank balance sheets; nevertheless, banks have been managing liabilities in anticipation of addressing this ratio.

Covered bonds, which Australian banks are now permitted to issue, may help the banks meet the net stable funding ratio. More importantly, they provide a further source of funding diversity, allowing Australian banks to access a new investor base. CBA has been an active issuer in this market in the early part of 2012; to date, the group has issued AUD7.2bn of covered bonds.

Capital

CBA's capitalisation is sound. The Fitch core capital ratio was 8.8% at FYE11; due to the conservative application of Basel II in Australia, including the calculation of risk-weighted assets, this ratio is not directly comparable with those reported for overseas peers.

CBA's core regulatory Tier 1 ratio was 7.7% at end-H112, which is at the lower end of ratios reported by its domestic peers. This in part is due to the relatively high level of risk-weighted assets calculated using the standardised approach (primarily BankWest) under Basel II. Nevertheless, CBA appears well positioned to meet Basel III requirements – at end-H112 it estimates that its common equity Tier 1 ratio under the local regulator's interpretation was 7.1%, while on a fully harmonised basis it would have been 9.3%.

Annex 1

Structurally, CBA classifies its customer-facing operations as follows.

- Retail banking services provide banking services to the group's core retail customer base, including small businesses.
- Business and private banking provides services to CBA's SME and agribusiness customers and the group's premium individual clients.
- Institutional banking and markets provide equity, debt and banking services, including payment systems, to the group's Institutional clients.
- Wealth management brings together CBA's fund-management platform, master funds, superannuation, and insurance operations. Services are distributed through bank branches and a network of independent financial advisors.
- The New Zealand unit provides retail and business banking services to customers in New Zealand.
- BankWest is CBA's alternative brand in the retail and small business banking segment in Australia.

The customer-facing businesses are supported by five back-office divisions: financial services, risk management, enterprise services (IT), human resources, and marketing and communications.

Annex 2

Figure 6
Domestic Peer Comparison

	CBA (aa-) ^a		ANZ (aa-) ^a		NAB (aa-) ^a		WBC (aa-) ^a	
	31 Dec 11 ^b	30 Jun 11	30 Sep 11	30 Sep 10	30 Sep 11	30 Sep 10	30 Sep 11	30 Sep 10
Financial profile (AUDm)								
Net interest income	6,539	12,612	11,483	10,869	13,052	12,272	12,013	11,867
Non-interest income	3,290	5,936	5,425	4,821	3,412	4,451	4,849	4,997
Impairment charges	545	1,280	1,237	1,787	1,750	2,791	993	1,456
Operating profit	5,063	9,063	7,796	6,633	6,744	5,702	8,463	7,992
Net income after tax	3,633	6,410	5,363	4,505	5,220	4,225	7,059	6,412
Equity	37,936	36,348	37,083	33,284	37,274	34,040	43,808	40,118
Assets	701,986	667,899	594,488	531,703	753,757	685,952	670,228	618,227
Performance ratios (%)								
Operating profit/average total assets	1.44	1.37	1.38	1.26	0.96	0.86	1.35	1.32
Operating profit/average equity	27.11	25.80	21.74	19.95	16.93	14.79	20.49	20.84
Net interest margin	2.16	2.15	2.46	2.47	2.25	2.25	2.19	2.22
Non-interest income/gross revenues	33.47	32.00	30.29	28.76	20.72	26.62	28.76	29.63
Costs/income	42.94	44.24	47.81	47.65	48.41	49.21	43.92	43.98
Costs/average assets	1.23	1.24	1.40	1.38	1.14	1.24	1.18	1.22
Capitalisation (%)								
Fitch core capital ratio	n.a.	8.76	9.70	8.98	7.65	7.28	9.47	8.45
Core Tier 1	7.67	7.66	8.52	8.04	7.58	6.80	8.09	7.50
Tier 1	9.90	10.01	10.94	10.10	9.70	8.91	9.68	9.09
Total	11.11	11.70	12.07	11.92	11.26	11.36	11.04	10.97
Equity/total assets	5.40	5.44	6.24	6.26	4.95	4.96	6.54	6.49
Asset quality (%)								
Impaired loans/gross loans	0.91	1.03	1.33	1.69	1.29	1.29	0.92	0.95
Reserves for impaired loans/impaired loans	107.84	97.17	91.08	80.89	64.41	74.43	87.63	102.75
Impairment charges/pre-impairment operating profit	9.72	12.38	13.69	21.22	20.60	32.86	10.50	15.41
Funding and liquidity (%)								
Loans/customer deposits	139.91	148.75	135.26	143.10	153.82	157.20	161.43	172.16
Customer deposits/total funding excl. derivatives	62.88	61.58	65.30	62.66	54.04	54.87	54.78	55.02

^a Viability Ratings in brackets

^b CBA's 31 December 2011 numbers are half-year – ratios have been annualised where appropriate

Source: Bank financial reports, Fitch

Commonwealth Bank of Australia
Income Statement

	31 Dec 2011			30 Jun 2011		30 Jun 2010		30 Jun 2009	
	6 Months - Interim USDm Unaudited	6 Months - Interim AUDm Unaudited	As % of Earning Assets	Year End AUDm Unqualified	As % of Earning Assets	Year End AUDm Unqualified	As % of Earning Assets	Year End AUDm Unqualified	As % of Earning Assets
1. Interest Income on Loans	17,653.9	17,382.0	5.36	34,192.0	5.39	29,849.0	4.84	28,438.0	4.82
2. Other Interest Income	1,882.0	1,853.0	0.57	3,112.0	0.49	2,366.0	0.38	3,081.0	0.52
3. Dividend Income	2.0	2.0	0.00	5.0	0.00	5.0	0.00	14.0	0.00
4. Gross Interest and Dividend Income	19,537.9	19,237.0	5.93	37,309.0	5.88	32,220.0	5.22	31,533.0	5.35
5. Interest Expense on Customer Deposits	9,189.5	9,048.0	2.79	17,347.0	2.73	13,830.0	2.24	14,216.0	2.41
6. Other Interest Expense	3,707.1	3,650.0	1.12	7,350.0	1.16	6,463.0	1.05	7,002.0	1.19
7. Total Interest Expense	12,896.6	12,698.0	3.91	24,697.0	3.89	20,293.0	3.29	21,218.0	3.60
8. Net Interest Income	6,641.3	6,539.0	2.01	12,612.0	1.99	11,927.0	1.93	10,315.0	1.75
9. Net Gains (Losses) on Trading and Derivatives	308.8	304.0	0.09	721.0	0.11	535.0	0.09	723.0	0.12
10. Net Gains (Losses) on Other Securities	-66.0	-65.0	-0.02	-779.0	-0.12	-67.0	-0.01	-483.0	-0.08
11. Net Gains (Losses) on Assets at FV through Income Statement	47.7	47.0	0.01	-2.0	0.00	8.0	0.00	-66.0	-0.01
12. Net Insurance Income	631.7	622.0	0.19	1,118.0	0.18	1,230.0	0.20	769.0	0.13
13. Net Fees and Commissions	1,303.1	1,283.0	0.40	2,558.0	0.40	2,577.0	0.42	2,611.0	0.44
14. Other Operating Income	1,116.2	1,099.0	0.34	2,320.0	0.37	2,218.0	0.36	1,804.0	0.31
15. Total Non-Interest Operating Income	3,341.5	3,290.0	1.01	5,936.0	0.94	6,501.0	1.05	5,358.0	0.91
16. Personnel Expenses	2,516.8	2,478.0	0.76	4,871.0	0.77	4,583.0	0.74	3,994.0	0.68
17. Other Operating Expenses	1,770.3	1,743.0	0.54	3,334.0	0.53	3,269.0	0.53	3,122.0	0.53
18. Total Non-Interest Expenses	4,287.0	4,221.0	1.30	8,205.0	1.29	7,852.0	1.27	7,116.0	1.21
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
20. Pre-impairment Operating Profit	5,695.7	5,608.0	1.73	10,343.0	1.63	10,576.0	1.71	8,557.0	1.45
21. Loan Impairment Charge	553.5	545.0	0.17	1,280.0	0.20	2,379.0	0.39	2,683.0	0.46
22. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	0.0	0.00	0.0	0.00	365.0	0.06
23. Operating Profit	5,142.2	5,063.0	1.56	9,063.0	1.43	8,197.0	1.33	5,509.0	0.93
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	983.0	0.17
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	32.0	0.01
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	-2.0	-2.0	0.00	-6.0	0.00	-4.0	0.00	-11.0	0.00
29. Pre-tax Profit	5,140.2	5,061.0	1.56	9,057.0	1.43	8,193.0	1.33	6,449.0	1.09
30. Tax expense	1,450.3	1,428.0	0.44	2,647.0	0.42	2,513.0	0.41	1,696.0	0.29
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	3,689.8	3,633.0	1.12	6,410.0	1.01	5,680.0	0.92	4,753.0	0.81
33. Change in Value of AFS Investments	n.a.	n.a.	-	72.0	0.01	228.0	0.04	-14.0	0.00
34. Revaluation of Fixed Assets	n.a.	n.a.	-	6.0	0.00	41.0	0.01	-16.0	0.00
35. Currency Translation Differences	n.a.	n.a.	-	-530.0	-0.08	-20.0	0.00	262.0	0.04
36. Remaining OCI Gains/(losses)	n.a.	n.a.	-	-74.0	-0.01	332.0	0.05	-1,893.0	-0.32
37. Fitch Comprehensive Income	3,689.8	3,633.0	1.12	5,884.0	0.93	6,261.0	1.02	3,092.0	0.52
38. Memo: Profit Allocation to Non-controlling Interests	9.1	9.0	0.00	16.0	0.00	16.0	0.00	30.0	0.01
39. Memo: Net Income after Allocation to Non-controlling Interests	3,680.7	3,624.0	1.12	6,394.0	1.01	5,664.0	0.92	4,723.0	0.80
40. Memo: Common Dividends Relating to the Period	2,991.1	2,945.0	0.91	4,975.0	0.78	4,474.0	0.73	3,409.0	0.58
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	42.0	0.01	47.0	0.01	57.0	0.01

Exchange rate

USD1 = AUD0.98460

USD1 = AUD0.93120

USD1 = AUD1.17320

USD1 = AUD1.23244

Commonwealth Bank of Australia
Balance Sheet

	31 Dec 2011			30 Jun 2011		30 Jun 2010		30 Jun 2009	
	6 Months - Interim USDm	6 Months - Interim AUDm	As % of Assets	Year End AUDm	As % of Assets	Year End AUDm	As % of Assets	Year End AUDm	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	348,009.3	342,650.0	48.81	335,841.0	50.28	323,573.0	50.06	292,206.0	47.10
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Corporate & Commercial Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Other Loans	178,263.3	175,518.0	25.00	180,097.0	26.96	186,883.0	28.91	194,077.0	31.28
6. Less: Reserves for Impaired Loans/ NPLs	5,139.1	5,060.0	0.72	5,147.0	0.77	5,428.0	0.84	4,924.0	0.79
7. Net Loans	521,133.5	513,108.0	73.09	510,791.0	76.48	505,028.0	78.14	481,359.0	77.59
8. Gross Loans	526,272.6	518,168.0	73.81	515,938.0	77.25	510,456.0	78.98	486,283.0	78.39
9. Memo: Impaired Loans included above	4,765.4	4,692.0	0.67	5,297.0	0.79	5,216.0	0.81	4,210.0	0.68
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	8,559.8	8,428.0	1.20	10,393.0	1.56	10,072.0	1.56	14,421.0	2.32
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Trading Securities and at FV through Income	16,770.3	16,512.0	2.35	20,469.0	3.06	22,851.0	3.54	25,401.0	4.09
4. Derivatives	37,772.7	37,191.0	5.30	30,317.0	4.54	27,689.0	4.28	26,358.0	4.25
5. Available for Sale Securities	60,909.0	59,971.0	8.54	45,171.0	6.76	32,915.0	5.09	21,504.0	3.47
6. Held to Maturity Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. At-equity Investments in Associates	1,892.1	1,863.0	0.27	1,712.0	0.26	1,490.0	0.23	1,047.0	0.17
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	117,344.1	115,537.0	16.46	97,669.0	14.62	84,945.0	13.14	74,310.0	11.98
10. Memo: Government Securities included Above	n.a.	n.a.	-	34,079.0	5.10	26,334.0	4.07	14,149.0	2.28
11. Memo: Total Securities Pledged	n.a.	n.a.	-	8,270.0	1.24	8,126.0	1.26	12,448.0	2.01
12. Investments in Property	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
13. Insurance Assets	14,635.4	14,410.0	2.05	14,998.0	2.25	15,940.0	2.47	17,260.0	2.78
14. Other Earning Assets	1,280.7	1,261.0	0.18	857.0	0.13	703.0	0.11	2,242.0	0.36
15. Total Earning Assets	662,953.5	652,744.0	92.99	634,708.0	95.03	616,688.0	95.41	589,592.0	95.04
C. Non-Earning Assets									
1. Cash and Due From Banks	19,520.6	19,220.0	2.74	13,241.0	1.98	10,119.0	1.57	11,340.0	1.83
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	2,486.3	2,448.0	0.35	2,366.0	0.35	2,351.0	0.36	2,472.0	0.40
5. Goodwill	7,743.2	7,624.0	1.09	7,399.0	1.11	7,473.0	1.16	7,473.0	1.20
6. Other Intangibles	2,439.6	2,402.0	0.34	2,204.0	0.33	1,947.0	0.30	1,772.0	0.29
7. Current Tax Assets	n.a.	n.a.	-	105.0	0.02	64.0	0.01	77.0	0.01
8. Deferred Tax Assets	1,494.0	1,471.0	0.21	1,300.0	0.19	1,270.0	0.20	1,653.0	0.27
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	16,328.5	16,077.0	2.29	6,576.0	0.98	6,418.0	0.99	5,993.0	0.97
11. Total Assets	712,965.7	701,986.0	100.00	667,899.0	100.00	646,330.0	100.00	620,372.0	100.00
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	9,627.3	9,479.0	1.35	9,288.0	1.39	8,794.0	1.36	8,616.0	1.39
2. Customer Deposits - Savings	190,119.8	187,192.0	26.67	178,056.0	26.66	168,538.0	26.08	163,142.0	26.30
3. Customer Deposits - Term	176,409.7	173,693.0	24.74	159,496.0	23.88	142,831.0	22.10	121,694.0	19.62
4. Total Customer Deposits	376,156.8	370,364.0	52.76	346,840.0	51.93	320,163.0	49.54	293,452.0	47.30
5. Deposits from Banks	17,696.5	17,424.0	2.48	15,899.0	2.38	12,608.0	1.95	15,109.0	2.44
6. Repos and Cash Collateral	3,753.8	3,696.0	0.53	4,063.0	0.61	5,760.0	0.89	n.a.	-
7. Other Deposits and Short-term Borrowings	58,670.5	57,767.0	8.23	101,707.0	15.23	98,497.0	15.24	119,671.0	19.29
8. Total Deposits, Money Market and Short-term Funding	456,277.7	449,251.0	64.00	468,509.0	70.15	437,028.0	67.62	428,232.0	69.03
9. Senior Debt Maturing after 1 Year	121,173.1	119,307.0	17.00	67,189.0	10.06	80,453.0	12.45	62,233.0	10.03
10. Subordinated Borrowing	10,596.2	10,433.0	1.49	6,329.0	0.95	8,062.0	1.25	8,512.0	1.37
11. Other Funding	n.a.	n.a.	-	17,000.0	2.55	22,931.0	3.55	23,884.0	3.85
12. Total Long Term Funding	131,769.2	129,740.0	18.48	90,518.0	13.55	111,446.0	17.24	94,629.0	15.25
13. Derivatives	38,809.7	38,212.0	5.44	33,976.0	5.09	24,884.0	3.85	32,134.0	5.18
14. Trading Liabilities	10,142.2	9,986.0	1.42	4,231.0	0.63	3,953.0	0.61	2,578.0	0.42
15. Total Funding	636,998.8	627,189.0	89.34	597,234.0	89.42	577,311.0	89.32	557,573.0	89.88
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	-6.0	0.00	27.0	0.00	46.0	0.01
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	1,274.6	1,255.0	0.18	1,277.0	0.19	1,197.0	0.19	1,243.0	0.20
4. Current Tax Liabilities	1,450.3	1,428.0	0.20	1,222.0	0.18	1,056.0	0.16	883.0	0.14
5. Deferred Tax Liabilities	400.2	394.0	0.06	301.0	0.05	221.0	0.03	168.0	0.03
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	13,082.5	12,881.0	1.83	13,652.0	2.04	14,592.0	2.26	16,056.0	2.59
9. Other Liabilities	20,276.3	19,964.0	2.84	11,700.0	1.75	10,905.0	1.69	9,434.0	1.52
10. Total Liabilities	673,482.6	663,111.0	94.46	625,380.0	93.63	605,309.0	93.65	585,403.0	94.36
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	5,232.0	0.78	5,451.0	0.84	3,527.0	0.57
2. Pref. Shares and Hybrid Capital accounted for as Equity	953.7	939.0	0.13	939.0	0.14	939.0	0.15	939.0	0.15
G. Equity									
1. Common Equity	37,151.1	36,579.0	5.21	35,428.0	5.30	33,019.0	5.11	29,467.0	4.75
2. Non-controlling Interest	536.3	528.0	0.08	528.0	0.08	523.0	0.08	520.0	0.08
3. Securities Revaluation Reserves	84.3	83.0	0.01	245.0	0.04	173.0	0.03	-55.0	-0.01
4. Foreign Exchange Revaluation Reserves	-1,096.9	-1,080.0	-0.15	-1,083.0	-0.16	-553.0	-0.09	-533.0	-0.09
5. Fixed Asset Revaluations and Other Accumulated OCI	1,854.6	1,826.0	0.26	1,230.0	0.18	1,469.0	0.23	1,104.0	0.18
6. Total Equity	38,529.4	37,936.0	5.40	36,348.0	5.44	34,631.0	5.36	30,503.0	4.92
7. Total Liabilities and Equity	712,965.7	701,986.0	100.00	667,899.0	100.00	646,330.0	100.00	620,372.0	100.00
8. Memo: Fitch Core Capital	n.a.	n.a.	-	24,688.0	3.70	n.a.	-	n.a.	-
9. Memo: Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = AUD0.98460

USD1 = AUD0.93120

USD1 = AUD1.17320

USD1 = AUD1.23244

**Commonwealth Bank of Australia
Summary Analytics**

	31 Dec 2011 6 Months - Interim	30 Jun 2011 Year End	30 Jun 2010 Year End	30 Jun 2009 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	6.93	6.99	6.12	6.80
2. Interest Expense on Customer Deposits/ Average Customer Deposits	5.14	5.20	4.53	5.32
3. Interest Income/ Average Earning Assets	6.36	6.37	5.71	6.39
4. Interest Expense/ Average Interest-bearing Liabilities	4.40	4.51	3.82	4.55
5. Net Interest Income/ Average Earning Assets	2.16	2.15	2.11	2.09
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	1.98	1.93	1.69	1.55
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	2.16	2.14	2.10	2.08
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	33.47	32.00	35.28	34.19
2. Non-Interest Expense/ Gross Revenues	42.94	44.24	42.61	45.40
3. Non-Interest Expense/ Average Assets	1.20	1.24	1.23	1.21
4. Pre-impairment Op. Profit/ Average Equity	30.03	29.44	31.54	29.32
5. Pre-impairment Op. Profit/ Average Total Assets	1.59	1.57	1.65	1.46
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	9.72	12.38	22.49	35.62
7. Operating Profit/ Average Equity	27.11	25.80	24.44	18.87
8. Operating Profit/ Average Total Assets	1.44	1.37	1.28	0.94
9. Taxes/ Pre-tax Profit	28.22	29.23	30.67	26.30
10. Pre-Impairment Operating Profit / Risk Weighted Assets	3.75	3.67	3.64	2.96
11. Operating Profit / Risk Weighted Assets	3.38	3.22	2.82	1.91
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	19.46	18.25	16.94	16.28
2. Net Income/ Average Total Assets	1.03	0.97	0.89	0.81
3. Fitch Comprehensive Income/ Average Total Equity	19.46	16.75	18.67	10.59
4. Fitch Comprehensive Income/ Average Total Assets	1.03	0.89	0.98	0.53
5. Net Income/ Av. Total Assets plus Av. Managed Securitized Assets	n.a.	n.a.	n.a.	n.a.
6. Net Income/ Risk Weighted Assets	2.43	2.28	1.95	1.65
7. Fitch Comprehensive Income/ Risk Weighted Assets	2.43	2.09	2.15	1.07
D. Capitalization				
1. Fitch Core Capital/Weighted Risks	n.a.	8.76	n.a.	n.a.
2. Fitch Eligible Capital/ Weighted Risks	n.a.	n.a.	n.a.	n.a.
3. Tangible Common Equity/ Tangible Assets	3.83	4.06	3.96	3.48
4. Tier 1 Regulatory Capital Ratio	9.90	10.01	9.15	8.07
5. Total Regulatory Capital Ratio	11.11	11.70	11.49	10.42
6. Core Tier 1 Regulatory Capital Ratio	7.67	7.66	6.86	6.35
7. Equity/ Total Assets	5.40	5.44	5.36	4.92
8. Cash Dividends Paid & Declared/ Net Income	81.06	78.27	79.60	72.92
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	81.06	85.27	72.21	112.10
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.
11. Net Income - Cash Dividends/ Total Equity	3.61	3.83	3.35	4.22
E. Loan Quality				
1. Growth of Total Assets	5.10	3.34	4.18	27.24
2. Growth of Gross Loans	0.43	1.07	4.97	27.54
3. Impaired Loans(NPLs)/ Gross Loans	0.91	1.03	1.02	0.87
4. Reserves for Impaired Loans/ Gross loans	0.98	1.00	1.06	1.01
5. Reserves for Impaired Loans/ Impaired Loans	107.84	97.17	104.06	116.96
6. Impaired Loans less Reserves for Imp Loans/ Equity	-0.97	0.41	-0.61	-2.34
7. Loan Impairment Charges/ Average Gross Loans	0.22	0.26	0.49	0.64
8. Net Charge-offs/ Average Gross Loans	0.22	0.36	0.41	0.26
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	0.91	1.03	1.02	0.87
F. Funding				
1. Loans/ Customer Deposits	139.91	148.75	159.44	165.71
2. Interbank Assets/ Interbank Liabilities	48.37	65.37	79.89	95.45
3. Customer Deposits/ Total Funding excl Derivatives	62.88	61.58	57.96	55.85

**Commonwealth Bank of Australia
Reference Data**

	31 Dec 2011			30 Jun 2011		30 Jun 2010		30 Jun 2009	
	6 Months - Interim USDm	6 Months - Interim AUDm	As % of Assets	Year End AUDm	As % of Assets	Year End AUDm	As % of Assets	Year End AUDm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	n.a.	n.a.	-	4,462.0	0.67	3,658.0	0.57	3,642.0	0.59
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	n.a.	n.a.	-	128,007.0	19.17	109,420.0	16.93	117,887.0	19.00
6. Other Contingent Liabilities	n.a.	n.a.	-	3,665.0	0.55	2,663.0	0.41	3,180.0	0.51
7. Total Business Volume	712,965.7	701,986.0	100.00	804,033.0	120.38	762,071.0	117.91	745,081.0	120.10
8. Memo: Total Weighted Risks	302,361.4	297,705.0	42.41	281,711.0	42.18	290,821.0	45.00	288,836.0	46.56
9. Fitch Adjustments to Weighted Risks.	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Weighted Risks	302,361.4	297,705.0	42.41	281,711.0	42.18	290,821.0	45.00	288,836.0	46.56
B. Average Balance Sheet									
Average Loans	509,638.4	501,790.0	71.48	489,208.0	73.25	487,836.0	75.48	418,366.0	67.44
Average Earning Assets	610,648.0	601,244.0	85.65	586,074.0	87.75	564,702.0	87.37	493,527.0	79.55
Average Assets	710,450.9	699,510.0	99.65	660,105.0	98.83	640,417.0	99.09	587,228.0	94.66
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	583,595.4	574,608.0	81.85	547,763.0	82.01	531,265.0	82.20	466,300.0	75.16
Average Common equity	36,566.6	36,003.5	5.13	34,021.3	5.09	31,383.3	4.86	26,837.3	4.33
Average Equity	37,722.9	37,142.0	5.29	35,129.7	5.26	33,534.0	5.19	29,189.0	4.71
Average Customer Deposits	355,630.7	350,154.0	49.88	333,345.7	49.91	305,054.0	47.20	267,433.3	43.11
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances > 5 years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	2,495.0	0.40
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	3,712.0	0.60
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	10,261.0	1.65
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	5,036.0	0.81
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Liability Maturities:									
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	10,596.2	10,433.0	1.49	6,329.0	0.95	8,062.0	1.25	8,512.0	1.37
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation									
1. Equity	38,529.4	37,936.0	5.40	36,348.0	5.44	34,631.0	5.36	30,503.0	4.92
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	953.7	939.0	0.13	939.0	0.14	939.0	0.15	939.0	0.15
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	39,483.0	38,875.0	5.54	37,287.0	5.58	35,570.0	5.50	31,442.0	5.07
E. Fitch Eligible Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	38,529.4	37,936.0	5.40	36,348.0	5.44	34,631.0	5.36	30,503.0	4.92
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	n.a.	n.a.	-	-6.0	0.00	27.0	0.00	46.0	0.01
3. Non-loss-absorbing non-controlling interests	n.a.	n.a.	-	0.0	0.00	n.a.	-	n.a.	-
4. Goodwill	7,743.2	7,624.0	1.09	7,399.0	1.11	7,473.0	1.16	7,473.0	1.20
5. Other intangibles	2,439.6	2,402.0	0.34	2,204.0	0.33	1,947.0	0.30	1,772.0	0.29
6. Deferred tax assets deduction	1,494.0	1,471.0	0.21	999.0	0.15	3.0	0.00	6.0	0.00
7. Net asset value of insurance subsidiaries	n.a.	n.a.	-	1,052.0	0.16	1,078.0	0.17	290.0	0.05
8. First loss tranches of off-balance sheet securitizations	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
9. Fitch Core Capital	n.a.	n.a.	-	24,688.0	3.70	n.a.	-	n.a.	-
10. Eligible weighted Hybrid capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Government held Hybrid Capital	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
12. Fitch Eligible Capital	n.a.	n.a.	-	24,688.0	3.70	n.a.	-	n.a.	-

Exchange Rate

USD1 = AUD0.98460

USD1 = AUD0.93120

USD1 = AUD1.17320

USD1 = AUD1.23244

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