

Results Presentation

For the half year ended 31 December 2007

Ralph Norris

CHIEF EXECUTIVE OFFICER

David Craig

CHIEF FINANCIAL OFFICER



Determined to be different.

13th February 2008

Commonwealth Bank of Australia ACN 123 123 124

Disclaimer

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation, 13 February 2008. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

Agenda

- **Ralph Norris, CEO – Results and Company Update**
- David Craig, CFO – Detailed Financials
- Ralph Norris, CEO – Outlook
- Questions and Answers

Overview

- ▶ A solid operating result in a difficult environment
- ▶ Good business momentum maintained
- ▶ Strong volume and market share growth
- ▶ Strategy on track and delivering
- ▶ Well positioned in challenging times

A solid operating result

	Dec 07	Dec 07 vs Dec 06
Operating Income (\$m)	6,974	8%
Cash NPAT (\$m)	2,385	4%
Cash EPS (cents)	180.7	2%
Return on Equity – Cash (%)	20.8	(180)bpts
Dividend per Share - Fully Franked (cents)	113	6%

Market shares

Notes

	Dec 07	Jun 07	Dec 06
Retail Banking Services			
Home loans	18.8%	18.5%	18.4%
Credit cards	18.6%	18.8%	19.3%
Personal lending	16.7%	16.4%	16.4%
Retail deposits	22.0%	21.6%	21.9%
Household deposits	28.9%	29.0%	28.8%
Premium Business Services			
Business lending - APRA	12.5%	12.4%	12.5%
Business lending - RBA	12.9%	12.7%	12.9%
Business deposits - APRA	13.7%	13.0%	12.0%
Equities trading - CommSec (total market)	6.4%	4.3%	4.3%
Equities trading - CommSec (online market)	62.7%	46.3%	45.7%
Wealth Management			
Australian retail - administrator view	14.2%	14.1%	15.3%
FirstChoice platform	9.4%	9.0%	8.1%
Australia life insurance (total risk)	14.1%	14.2%	14.3%
Australia life insurance (individual risk)	12.7%	12.7%	12.7%
International Financial Services			
NZ lending for housing	23.1%	23.1%	23.1%
NZ retail deposits	21.3%	21.2%	20.7%
NZ life insurance	31.8%	31.8%	31.5%

Strong volume growth and share gains

	12 months	Since Jun 07
	CBA Volume Growth	Market Share
Home Lending	14% ↑	0.3% ↑
Retail Deposits	12% ↑	0.4% ↑
Business Lending	24% ↑	0.2% ↑
Business Deposits	38% ↑	0.7% ↑
FirstChoice	36% ↑	0.4% ↑

Strategy on track and delivering

Customer Service

- ▶ Customer satisfaction at 10 year high
- ▶ New branch operating model delivering stronger results
- ▶ Improved customer experience at new design branches

Business Banking

- ▶ Strong volume and market share outcomes
- ▶ Improving customer satisfaction
- ▶ Very strong growth in business deposits

Technology and Operational Excellence

- ▶ IT cost savings and efficiency targets on track
- ▶ Improving home loan processing times

Trust and Team Spirit

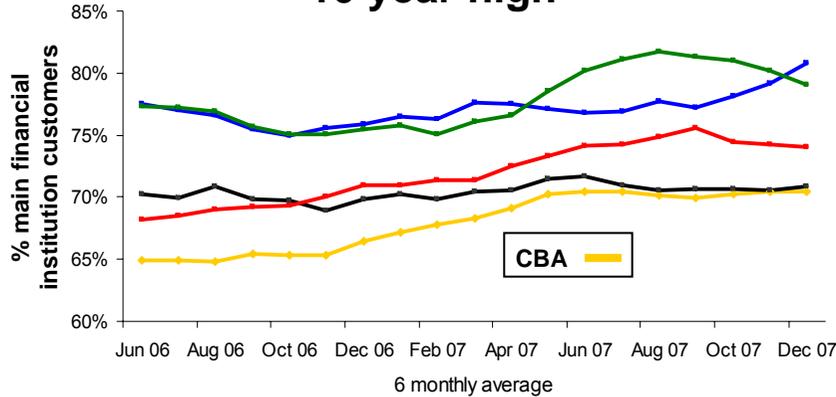
- ▶ Culture survey gains consolidated
- ▶ Continued focus on engagement

Profitable Growth

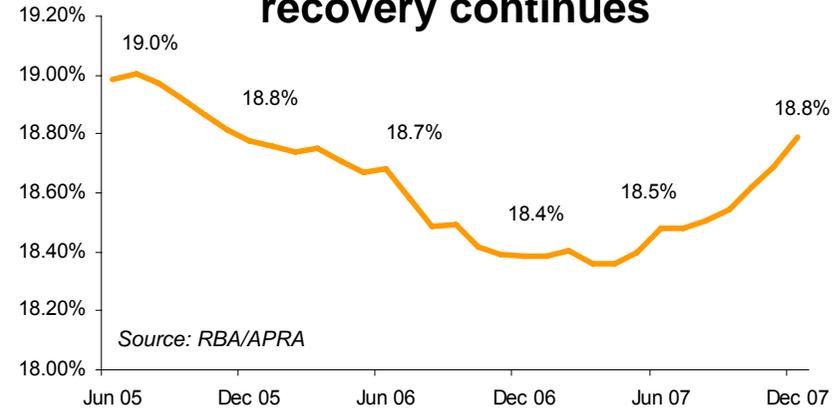
- ▶ Very strong FUM growth in Colonial First State
- ▶ Encouraging improvements in group-wide referrals
- ▶ Branch licence in Vietnam

Retail Banking Services

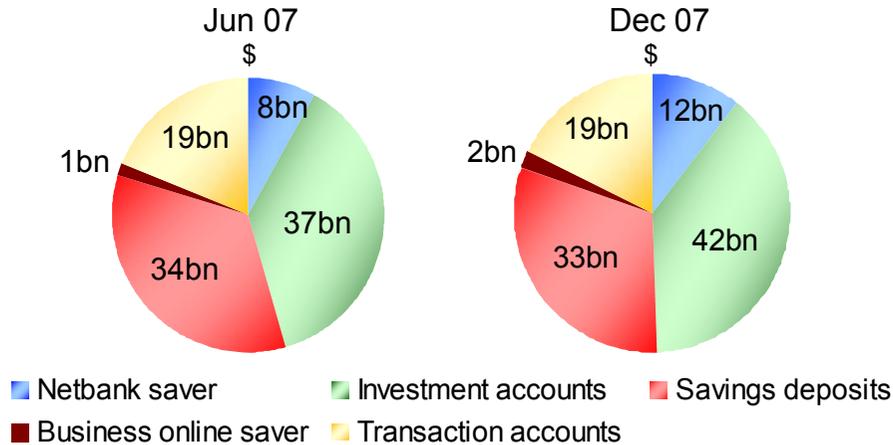
Customer satisfaction at 10 year high*



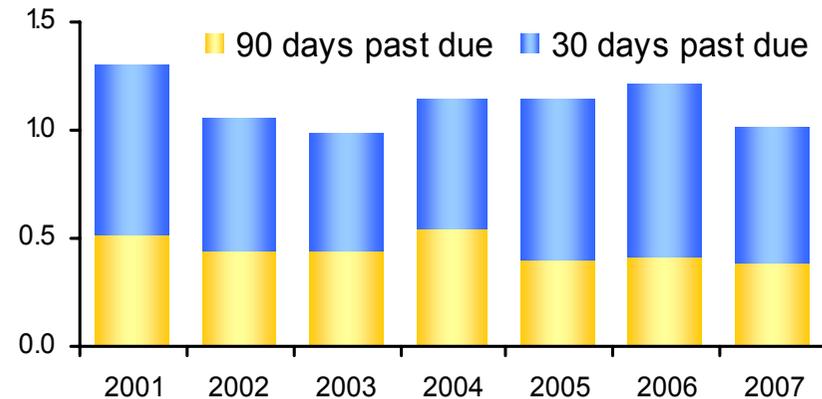
Home loan market share recovery continues



Deposit mix changes remain modest



Credit quality very sound



* Includes home loans, credit cards, personal loans. Annually as at December.

* Source: Roy Morgan Research. Aust MFI Population 14+, % "Very" or "Fairly Satisfied"

Most improved customer satisfaction

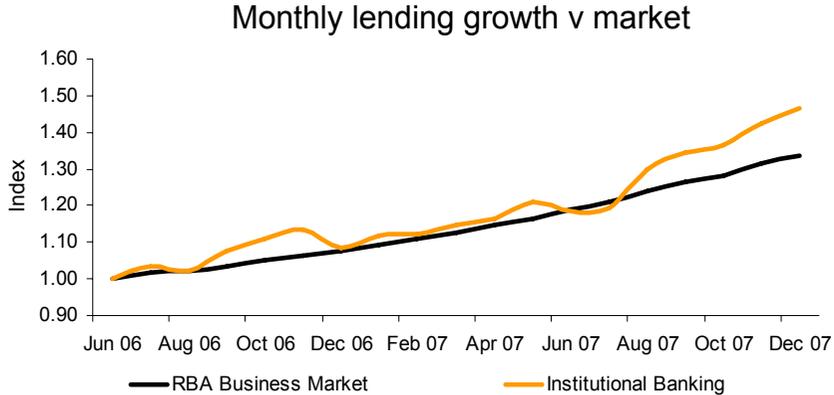
Business Customers*

	Customer Satisfied	Movement	
	Dec 07 %	6 Months %	12 months %
ANZ	77.6	↑ 0.7	↑ 1.9
Commonwealth	65.7	↑ 5.0	↑ 7.4
NAB	72.2	↑ 2.8	↑ 3.5
Westpac	73.8	↑ 4.3	↑ 7.2
St George	79.7	↑ 0.3	↓ 0.4

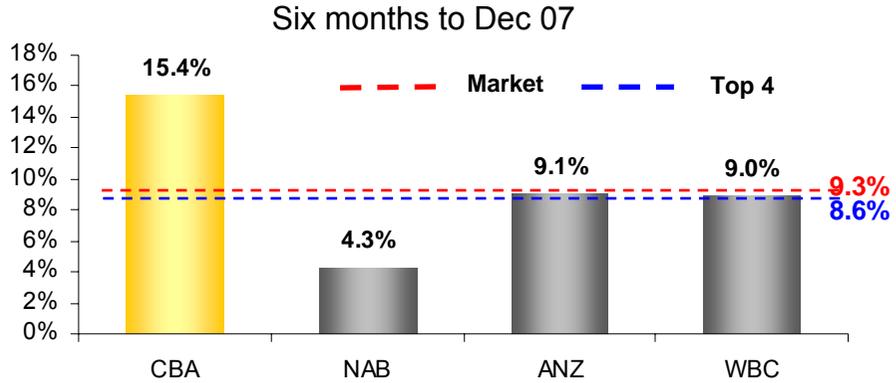
* Source: TNS Business Finance Monitor Dec 07. Customer satisfaction with MFI – businesses with annual turnover to \$100m (ex Agribusinesses). All time periods refer to a 12 month rolling average. Percentage point change refers to the increase / decrease of each bank's customers who are satisfied. Satisfaction is based on business customers who said they were Very or Fairly Satisfied with their relationship with their MFI

Premium Business Services

Strong growth in Institutional Banking

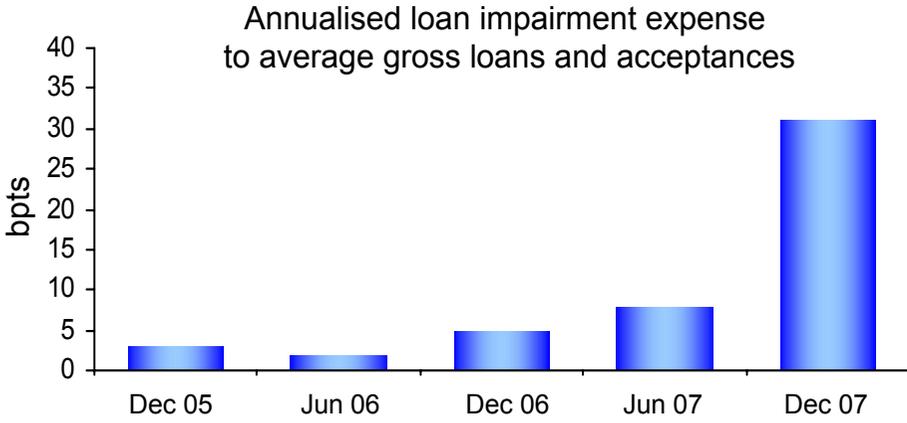


Deposits growth well above system

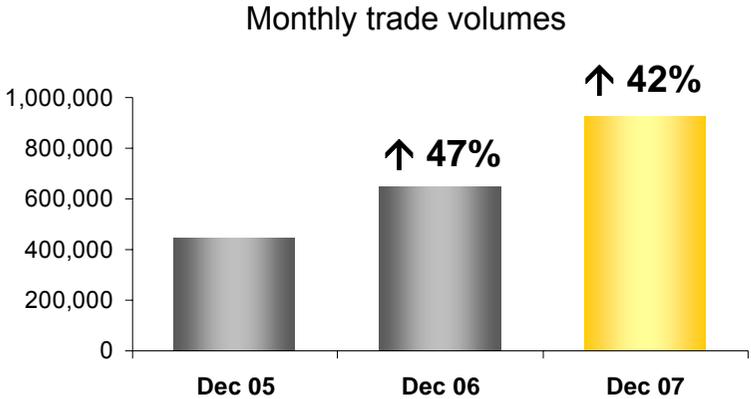


Source: APRA – Deposits non financial corporations

Increased Provisioning

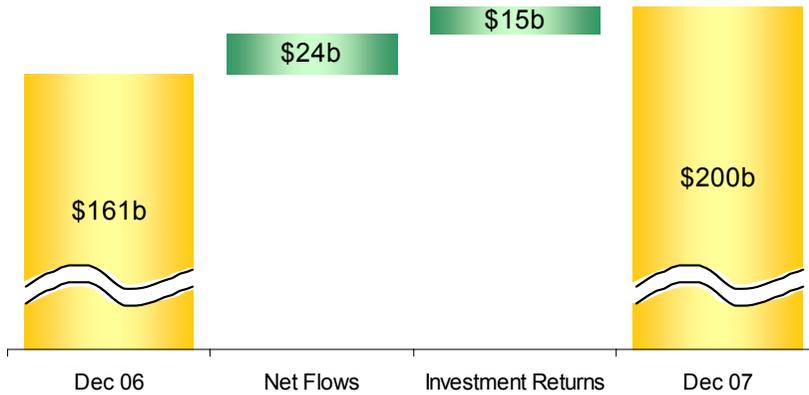


CommSec growth trajectory continues

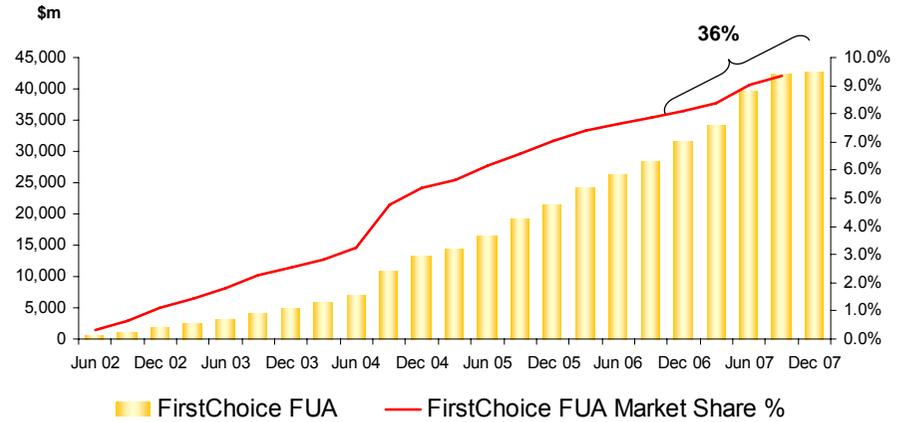


Wealth Management

Funds under Administration up 24%

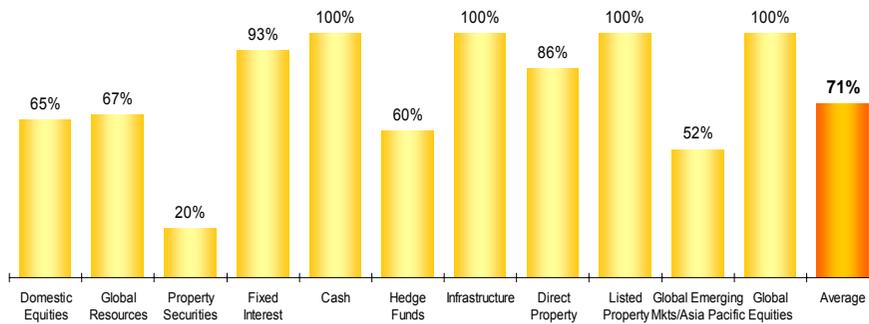


FirstChoice FUA up 36%

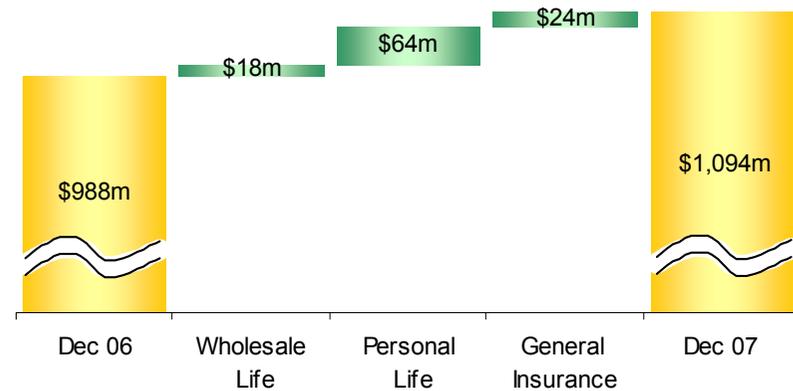


Good investment performance

Number of Funds in each Asset Class Out Performing Benchmark (3 years)



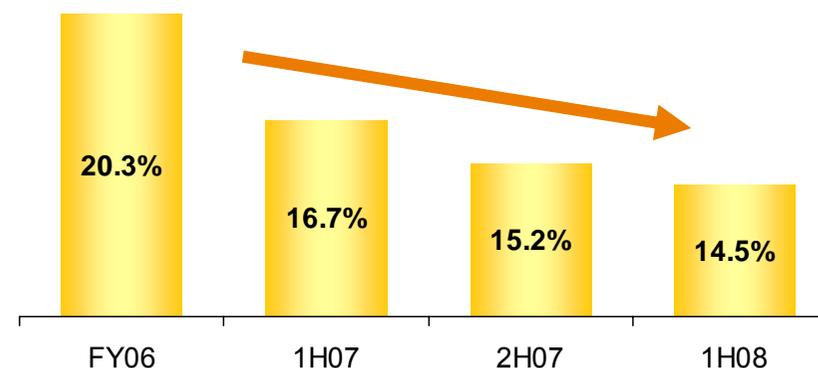
Insurance premiums up 11%



Other highlights

- Further IT savings – efficiency ratio trending below 15%
- Encouraging improvements in Group-wide referrals
- Market share maintained in NZ Banking despite aggressive competition
- Asian growth:
 - Branch licence in Vietnam
 - ANK acquisition completed
 - Largest foreign branch network in Indonesia

IT efficiency ratio



Group-wide converted referrals

(No.)

Retail to Premium	48%	↑
Premium to Retail	218%	↑
Wealth Management to Retail	74%	↑
Tier 1 Branch Insurance Cross-Sell	75%	↑

All movements Dec 07 Half vs Dec 06 Half

Results Presentation

For the half year ended 31 December 2007

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Financials

- 
- **Group Result**
 - Business Unit Summaries
 - Capital and Basel II
 - Key Messages

Group financial summary

	Dec 07 \$m	Dec 06 \$m	Dec 07 vs Dec 06
Operating income	6,974	6,472	8%
Shareholder investment returns	42	85	(51%)
Income	7,016	6,557	7%
Operating expenses	3,378	3,144	7%
Loan impairment expense	333	195	71%
Net profit before tax	3,305	3,218	3%
Tax and Minorities	920	922	-
Cash NPAT	2,385	2,296	4%
Non cash items	(14)	(105)	
Statutory NPAT	2,371	2,191	8%

Other key information

Defined benefit superannuation plan income/(expense):

- This amount is influenced by actuarial estimates of the long-term return on plan assets, the discount rate applied to plan liabilities, and the cost of additional member benefits accrued during the period

Treasury shares valuation adjustment:

- CBA shares held within life insurance statutory funds (on behalf of policyholders) result in an Income Statement mismatch
- When the Bank's share price rises, an expense is recognised for the increase in liability to policyholders, with no offsetting gain recognised on the "treasury shares"

One-off AIFRS mismatches:

- Accounting loss arising in prior periods due to the unwinding of structured transactions offsetting profit never recognised through P&L

Hedging and AIFRS volatility:

- Unrealised accounting gains and losses arising from the application of "AASB 139 Financial Instruments: Recognition and Measurement"

Non cash items – a quick explanation

	Dec 07 \$m	Dec 06 \$m
Defined benefit superannuation plan income/(expense)	(4)	4
Treasury shares	(13)	(38)
One-off AIFRS mismatches	-	(46)
Reclassified Hedging and AIFRS volatility	3	(25)
Total non cash items	(14)	(105)

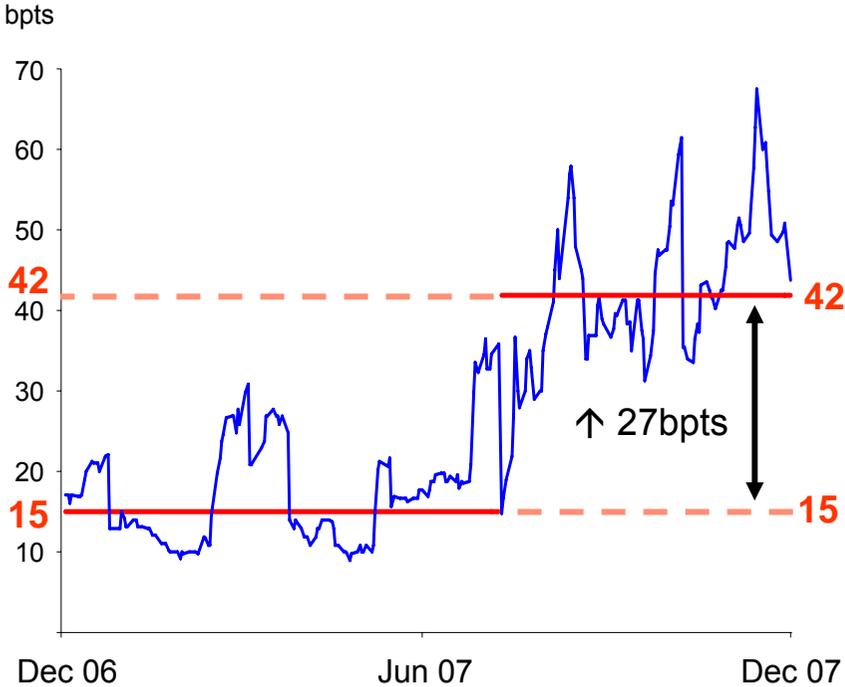


A solid operating result

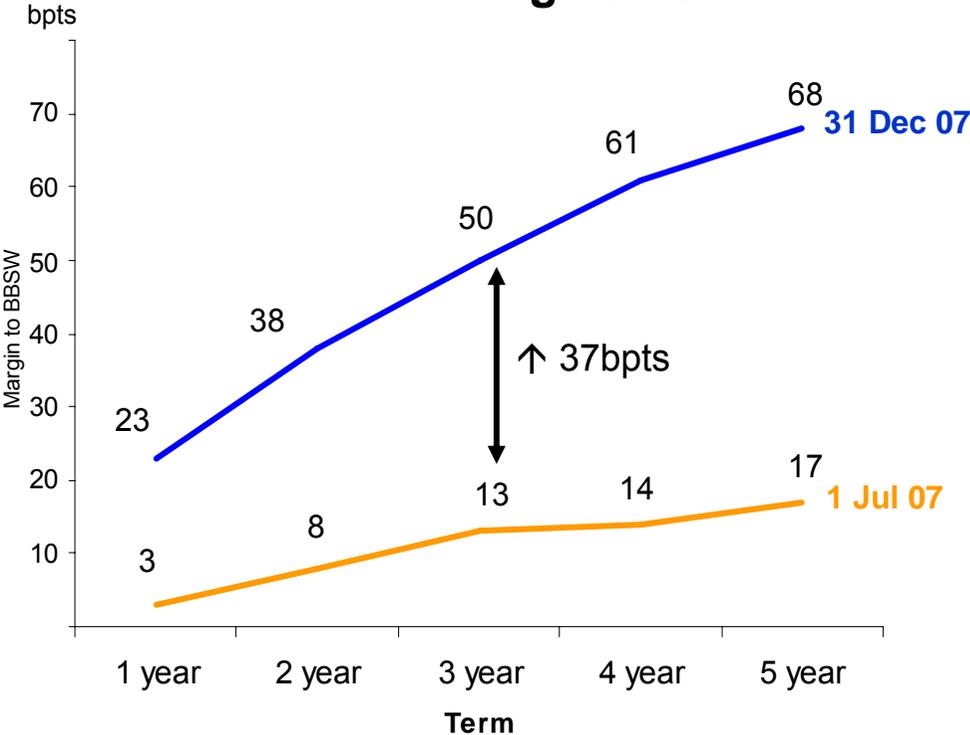
	Dec 07 \$m	Dec 06 \$m	Dec 07 vs Dec 06
Cash NPAT	2,385	2,296	4%
Shareholder investment returns after tax	(28)	(61)	
Underlying NPAT	2,357	2,235	
Extra funding costs after tax	70		
Underlying NPAT excluding extra funding costs	2,427	2,235	9%

Extra funding costs*

Basis risk



Long term wholesale funding costs



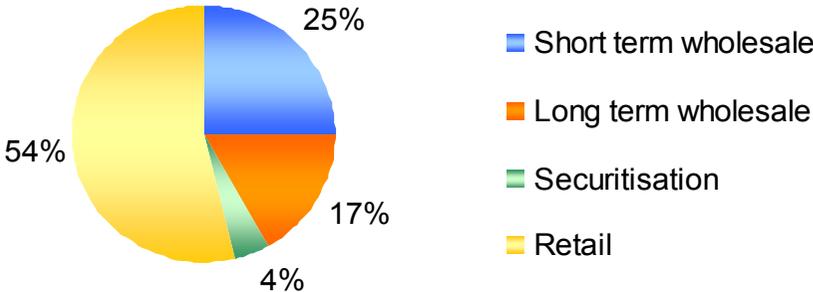
* Borne equally between Net Interest Income and Other Banking Income



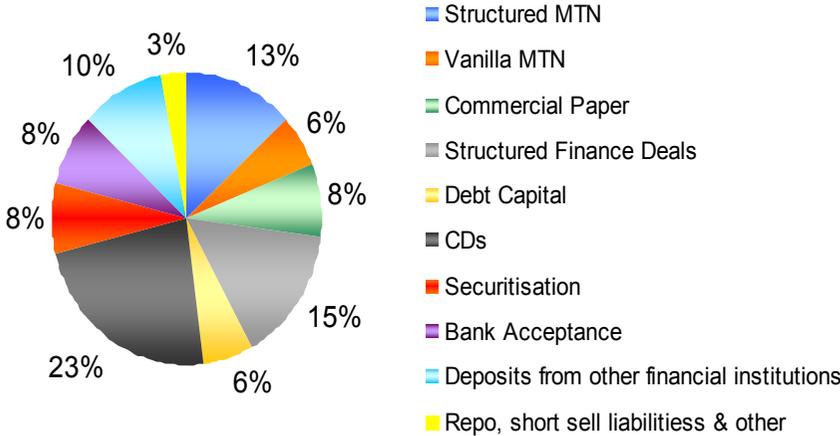
Funding – well positioned

- No direct sub-prime exposure
- Strong retail funding (13% annualised deposit growth YTD Dec 07)
- Diversified wholesale funding
- No reliance on securitisation
- Long term wholesale maturity profile improved since June (from 4.0 to 4.3 yrs)
- High level of liquid assets, >\$25bn (~25% surplus to normal operations)

Source of funding



Wholesale funding



Results by Business Unit

	Dec 07 \$m	Dec 06 \$m	Dec 07 vs Dec 06
Retail Banking Services	949	881	8%
Premium Business Services	724	724	-
Wealth Management	380	299	27%
International Financial Services	296	233	27%
Other:			
Corporate centre	104	181	(42%)
Eliminations/Unallocated	(68)	(22)	Large
Cash NPAT	2,385	2,296	4%



Other key information

Notes

% of total group operating income	6 months		
	Dec 07	Jun 07	Dec 06
Net interest income	56%	54%	54%
Other banking income	22%	24%	26%
Funds Mgt. income	16%	15%	14%
Insurance income	6%	7%	6%
Total	100%	100%	100%

Av interest earning assets (\$m) *	352,107	325,380	306,868
Net interest income (\$m) *	3,838	3,489	3,432
Net interest margin (bpts)	2.17%	2.16%	2.22%

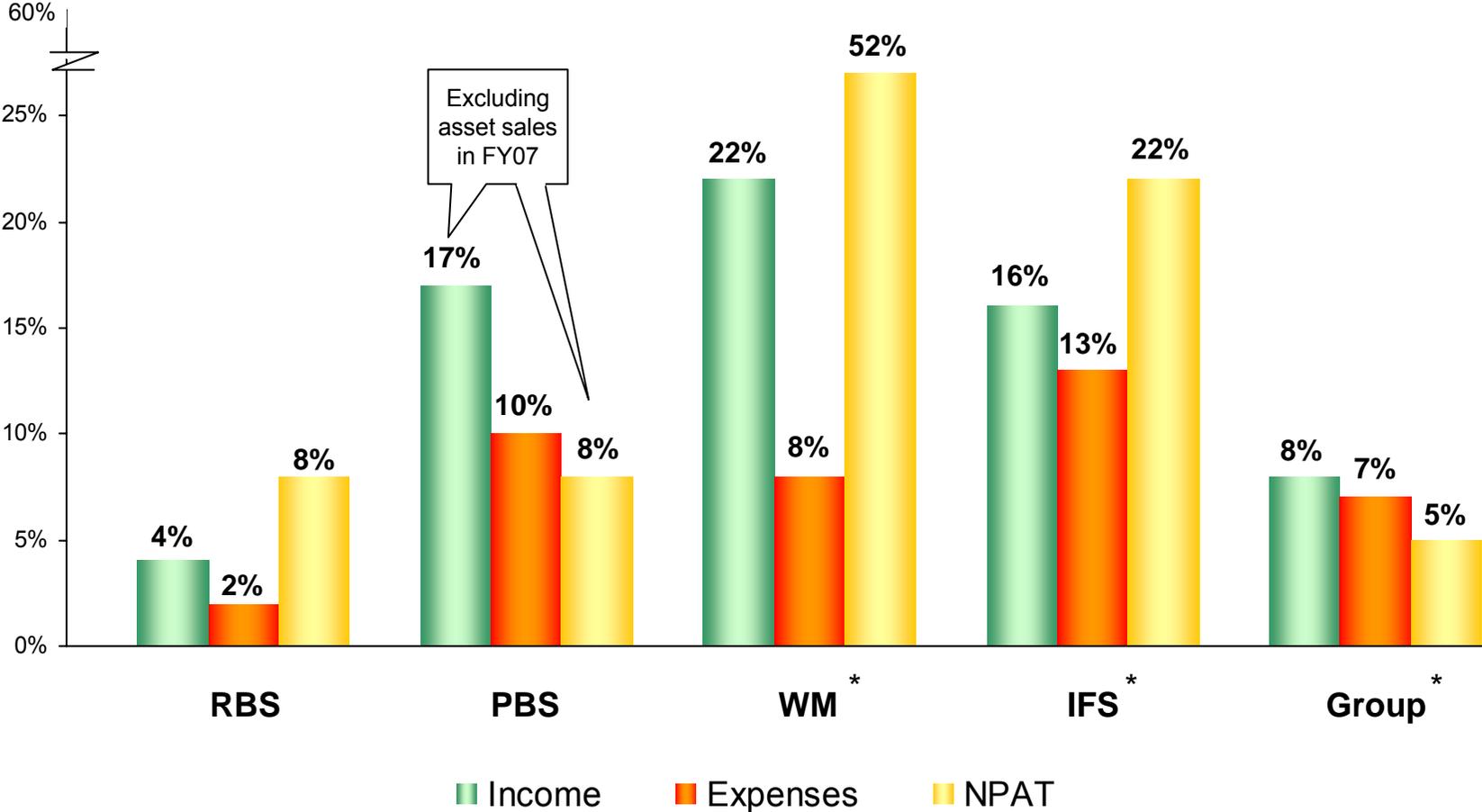
* Excluding securitisation



Determined to be different.

Positive "Jaws" in all business units

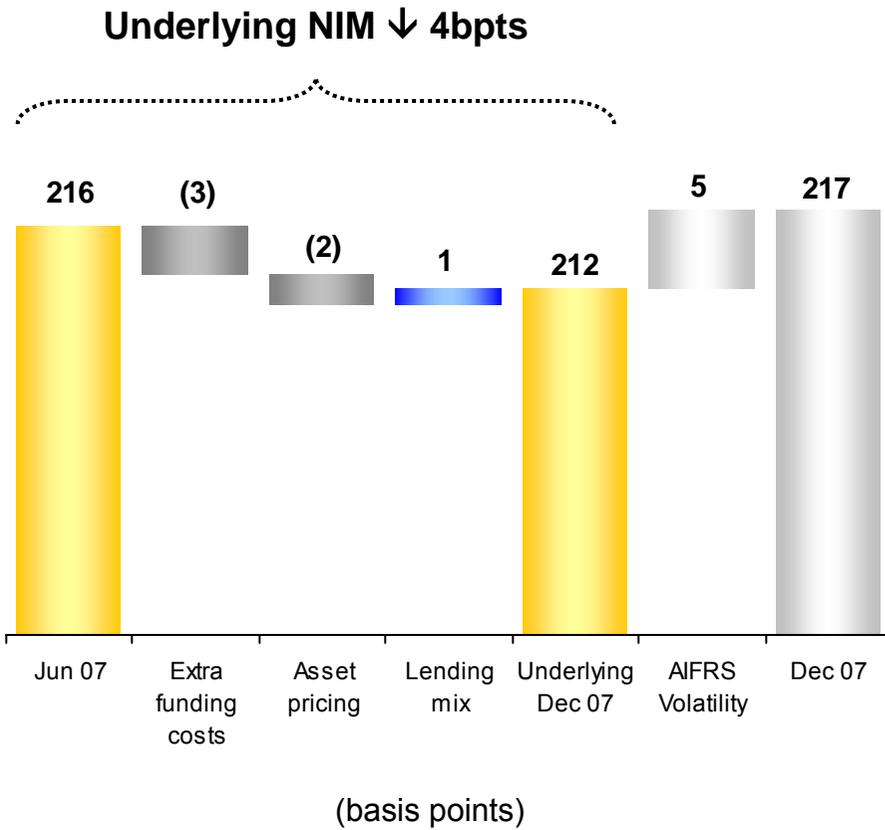
Dec 07 vs Dec 06



* Excludes shareholder investment returns

Underlying NIM down 4bpts

- | | |
|--|-------------|
| | <u>bpts</u> |
| ■ Extra funding costs | |
| ➤ Basis spread | ↓ 2 |
| ➤ Wholesale funding | ↓ 1 |
| | ↓ 3 |
| ■ A further 3bpts of extra funding costs for short dated hedging in Other Banking Income | |
| ■ Asset pricing and mix | ↓ 2 |
| ■ Lending mix | ↑ 1 |
| ➤ Strong growth in higher margin business lending | |



Costs up 7%, or 3% since Jun 07

Movement Dec 07 vs Dec 06	\$m	
GST credits	(64)	Used to fund extra investment
Incremental investment spend	62	Investment for growth
CPI increases	126	(staff, property, IT etc)
Volume expenses	54	Largely strong FUM growth
Market-driven staff cost increases	57	Staff cost increases
New staff (largely customer facing)	47	
Incentive payments	21	
Net savings	(69)	Includes IT savings
Total movement	234	(↑7%)

Continuing to invest

		1H08 Investment spend (\$m)			
		Expensed	Capitalised	Total	
Growth projects	■ Business Banking Growth Strategy				
	■ Online and Customer Systems				
	■ Home loan Top Ups				
	■ Motor Insurance Underwriting				
		110	80	190	
Productivity projects	■ Product and System Rationalisation (WM)				
	■ Home loan Simplification				
	■ IT Infrastructure Upgrade				
	■ IT Outsourcing				
		126	39	165	
Risk and compliance Projects	■ Computer and Business Continuity Centres				
	■ Basel II				
	■ Anti-Money Laundering				
		66	17	83	
		302	136	438	
					↑ 25%

Financials

- Group Result

- **Business Unit Summaries**

- Capital and Basel II

- Key Messages

Other key information

		Dec 07	Jun 07	Dec 06	Dec 07 vs Dec 06
Net interest income	Home loans	645	637	631	2%
	Consumer finance	374	374	368	2%
	Retail deposits	1,124	1,028	1,043	8%
		2,143	2,039	2,042	5%
Other banking income	Home loans	69	56	56	23%
	Consumer finance	157	223	174	(10%)
	Retail deposits	338	340	338	-
	Distribution	53	53	51	4%
		617	672	619	-
Total banking income	Home loans	714	693	687	4%
	Consumer finance	531	597	542	(2%)
	Retail deposits	1,462	1,368	1,381	6%
	Distribution	53	53	51	4%
		2,760	2,711	2,661	4%
Operating expenses		1,263	1,262	1,239	2%
Loan impairment expense		141	185	164	(14%)
Expense to income		45.8%	46.6%	46.6%	(2%)
Cash net profit after tax		949	885	881	8%



Retail Banking Services

- Strong volume growth:
 - Home loans ↑ 14%
 - Deposits ↑ 12%
- Good market share outcomes
- Efficiency gains helped contain cost growth below CPI
- Sound credit quality

	Dec 07 \$m	Dec 07 vs Dec 06
Home loans	714	4%
Consumer finance	531	(2%)
Retail deposits	1,462	6%
Distribution	53	4%
Total banking income	2,760	4%
Operating expenses	1,263	2%
Loan impairment	141	(14%)
Tax	407	
Cash net profit after tax	949	8%

Notes

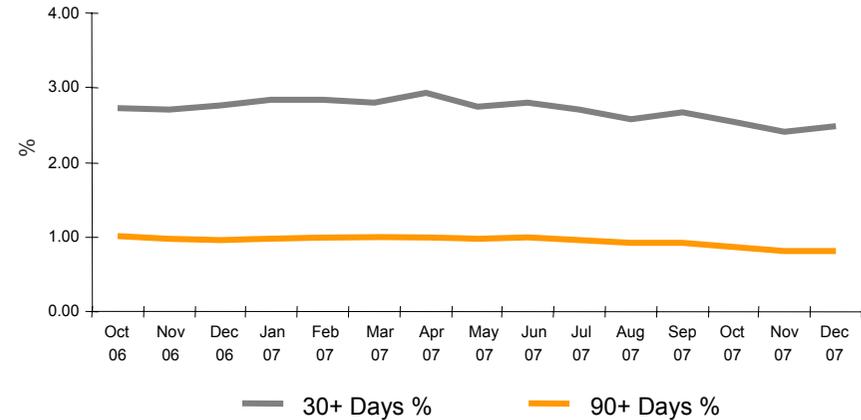
Home loan stress testing (Net of insured and securitised losses)

Expected loss \$m	PD stress factor			
	x1	x2	x4	x6
Property value				
No decrease	14.0	18.4	25.2	29.5
10% decrease	33.1	44.9	63.6	76.2
20% decrease	67.1	93.9	136.5	166.4
30% decrease	116.2	166.1	246.6	304.2

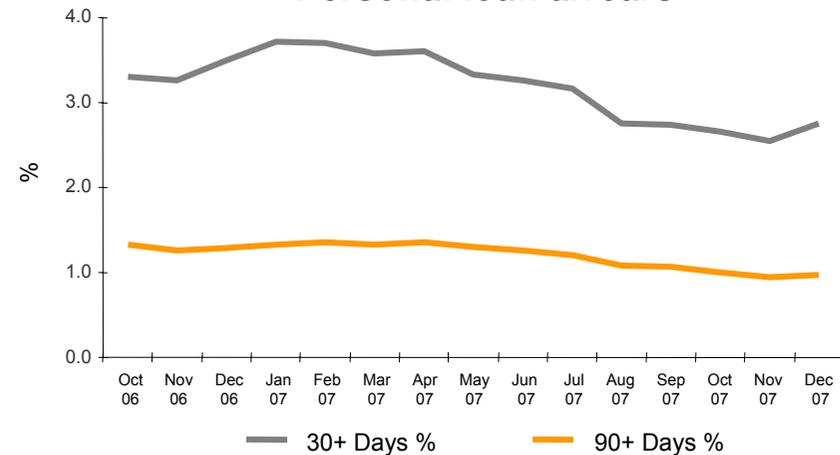
PD = Probability of default Excludes lines of credit

- Stress test scenario consistent with experience of UK recession of the late 1980s / early 1990s
 - Up to 6 fold increase in PD, due to unemployment of 10% and interest rates of 14%
 - Up to 30% fall in security value
- Under current conditions, 1 year HL expected loss at around \$14m
- Under most stressed conditions, expected loss totals \$304m = 3 months home loan net income.
- Additional insured losses of \$330m covered by mortgage insurance and securitisation

Credit card arrears



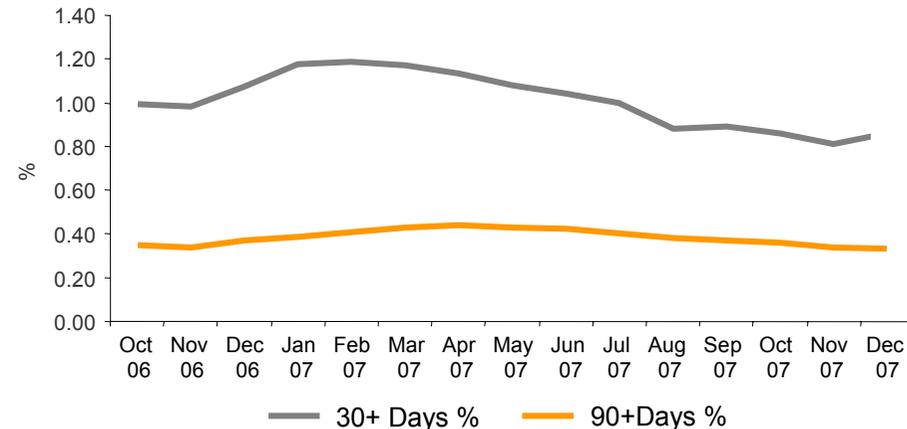
Personal loan arrears



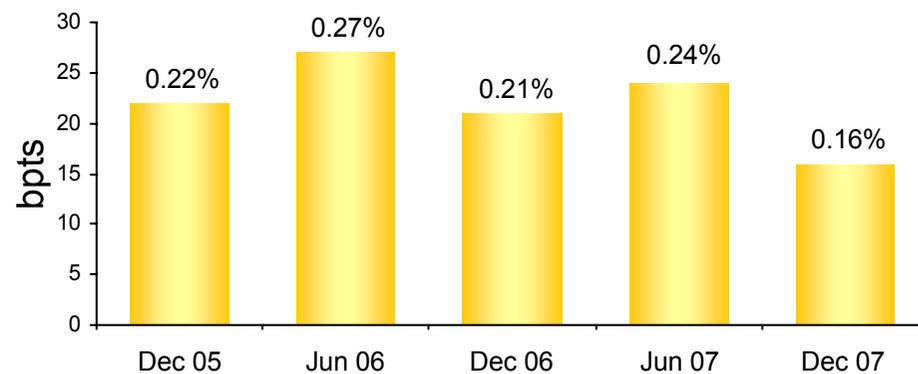
Sound consumer credit quality

- Arrears rates trending lower in all portfolios
- Home loan stress test:
 - Under most stressed conditions – potential loss of \$304m (3 months home loan income)
 - Approx. 60% of home loan customers paying two or more payments in advance
- 70% of home loans by market value have LVR <60%

Home loan arrears



Annualised loan impairment expense to average gross loans and acceptances



Other key information

		Dec 07	Jun 07	Dec 06	Dec 07 vs Dec 06
Net interest income	Institutional Banking	469	417	374	25%
	Private Client Services	121	100	88	38%
	Corporate Financial Services	354	324	331	7%
	Agribusiness	53	49	51	4%
	Local Business Banking	99	87	89	11%
			1,096	977	933
Other banking income	Institutional Banking	422	400	435	(3%)
	Private Client Services	193	173	139	39%
	Corporate Financial Services	232	217	218	6%
	Agribusiness	40	32	31	29%
	Local Business Banking	72	66	73	(1%)
	Eliminations	(22)	(21)	(19)	16%
		937	867	877	7%
Total banking income	Institutional Banking	891	817	809	10%
	Private Client Services	314	273	227	38%
	Corporate Financial Services	586	541	549	7%
	Agribusiness	93	81	82	13%
	Local Business Banking	171	153	162	6%
	Eliminations	(22)	(21)	(19)	16%
		2,033	1,844	1,810	12%
Operating expenses		883	863	806	10%
Loan impairment expense		175	55	20	Large
Expense to income		43.4%	46.8%	44.5%	(2%)
Cash net profit after tax		724	721	724	-



Premium Business Services

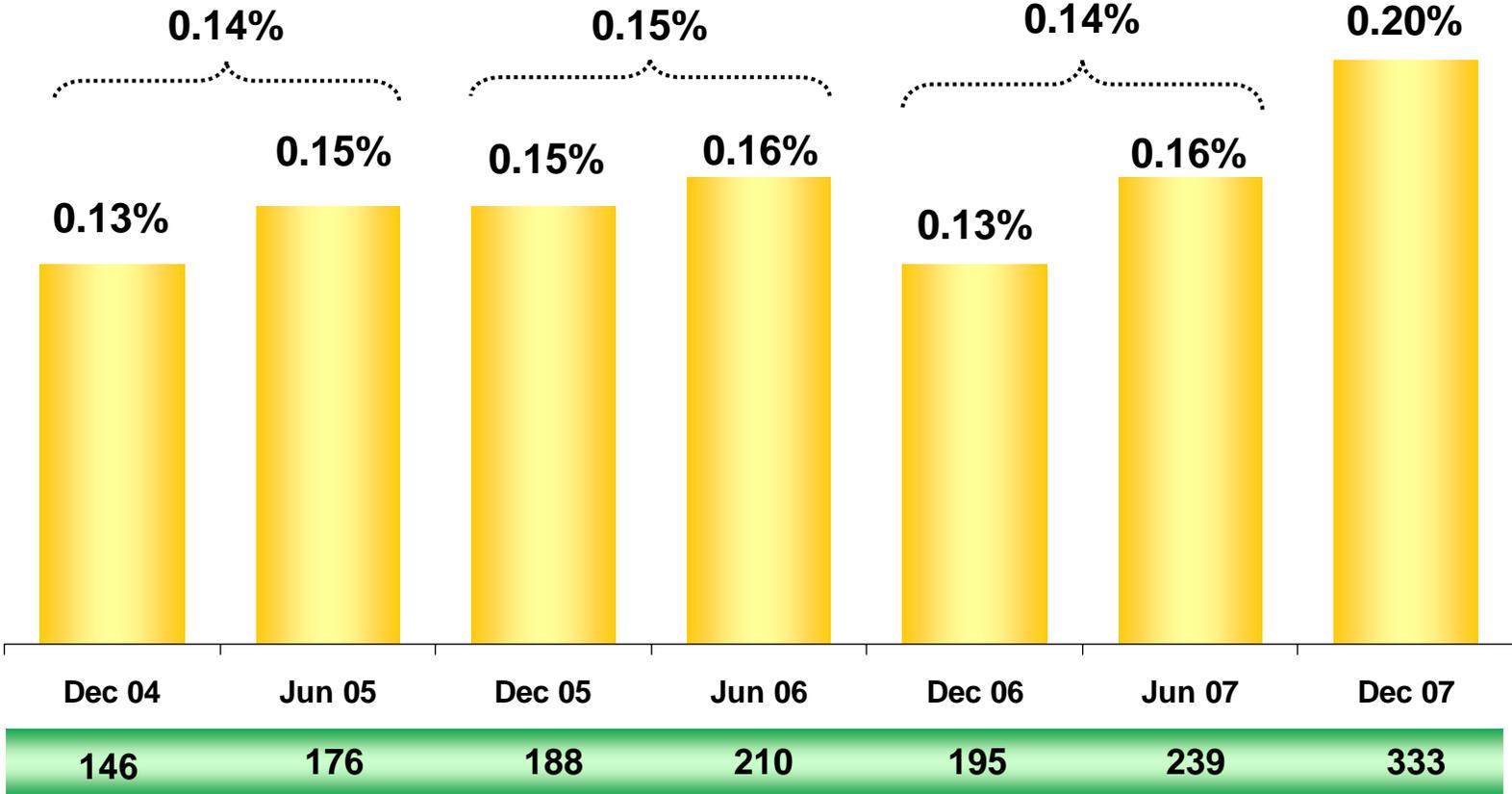
- Excluding “Loy Yang”:
 - PBS profit ↑ 8%
 - Institutional ↑ 22%
- Strong PCS result underpinned by CommSec growth
- Business Banking ↑ 20% annualised in last six months
- Stable margins
- Expense growth reflects strong volumes and investment
- Loan impairment up \$155m

	Dec 07 \$m	Dec 07 vs Dec 06
Institutional Banking	891	10%
Private Client Services	314	38%
Business Banking		
Corporate Financial Services	586	7%
Agribusiness	93	13%
Local Business Banking	171	6%
Eliminations	(22)	16%
Total banking income	2,033	12%
Operating expenses	883	10%
Loan impairment	175	Large
Tax	251	
Cash net profit after tax	724	-

Other key information

Annualised loan impairment expense to average gross loans and acceptances

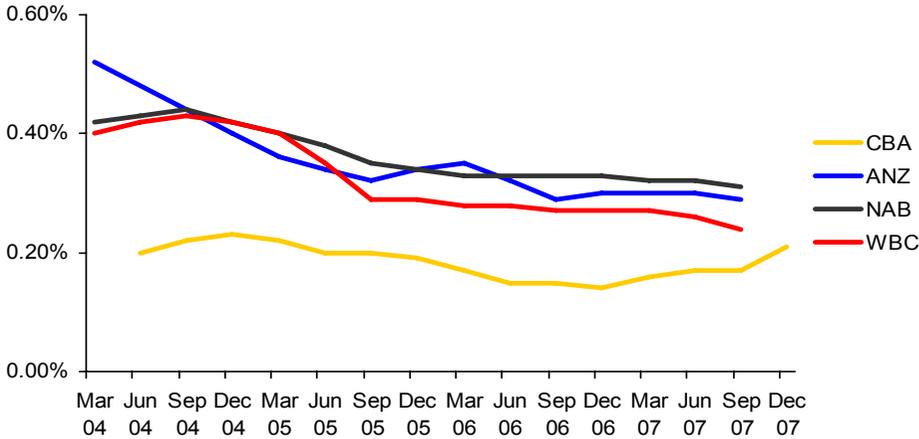
(Commercial and Consumer)



Commercial Credit Quality

- Portfolio quality remains sound
- Small number of well-publicised exposures driven by market conditions
- Exposures to Financial Institutions and Property sectors well diversified
- Margin lending:
 - Low gearing
 - Limited forced sale of securities

Gross impaired assets to RWA



Margin Lending

Portfolio size	\$9bn
Gearing / LVR (end-January 2008)	37%
Margin calls in January 2008	7,500
January margin calls - % of clients	<5%
January margin calls – forced sales	4%

Other key information

		Dec 07	Jun 07	Dec 06	Dec 07 vs Dec 06
Net operating income	CFS GAM	431	356	305	41%
	Colonial First State	378	354	306	24%
	CommInsure	321	327	320	-
	Other	(4)	5	(9)	(56%)
		1,126	1,042	922	22%
Operating expenses	CFS GAM	191	170	140	36%
	Colonial First State	211	211	196	8%
	CommInsure	156	172	144	8%
	Other	53	56	85	(38%)
		611	609	565	8%
Underlying profit after tax	CFS GAM	172	126	117	47%
	Colonial First State	117	101	74	58%
	CommInsure	116	106	129	(10%)
	Other	(33)	(30)	(75)	(56%)
		372	303	245	52%
Cash net profit after tax	CFS GAM	168	136	122	38%
	Colonial First State	123	87	55	Large
	CommInsure	148	144	194	(24%)
	Other	(59)	(39)	(72)	(18%)
		380	328	299	27%



Wealth Management

■ CFS GAM:

- Underlying profit up 47%
- FUM up 28% to \$164bn
- Business diversification
- Improved margins
- 32% of AWG now sold down

■ Colonial First State:

- Underlying profit up 58%
- FirstChoice FUA up 36%
- Stable margins

■ Commlnsure:

- Impacted by weather events
- Strong volume growth:
 - Inforce premiums ↑ 11%
 - Personal life sales ↑ 24%
 - General insurance sales ↑ 30%

	Dec 07 \$m	Dec 07 vs Dec 06
CFS GAM	431	41%
Colonial First State	378	24%
Commlnsure	321	-
Other	(4)	(56%)
Net operating income	1,126	22%
Operating expenses	611	8%
Tax	143	28%
Underlying profit after tax	372	52%
Shareholder investment returns	8	(85%)
Cash net profit after tax	380	27%

Other key information

		Dec 07	Jun 07	Dec 06	Dec 07 vs Dec 06
Net interest income	ASB	400	372	336	19%
	Other	42	18	23	83%
		442	390	359	23%
Other banking income	ASB	156	118	148	5%
	Other	27	20	21	29%
		183	138	169	8%
Total banking income	ASB	556	490	484	15%
	Other	69	38	44	57%
		625	528	528	18%
Funds Management Income		22	25	21	5%
Insurance Income		120	129	115	4%
Total operating income		767	682	664	16%
Operating expenses		411	376	364	13%
Loan impairment expense		12	14	6	Large
Expense to income		53.6%	55.1%	54.8%	(2%)
Underlying profit after tax		276	235	226	22%
Shareholder investment returns after tax		20	10	7	Large
Cash net profit after tax		296	245	233	27%



International Financial Services

- Strong banking income growth
- ASB profit ↑ 12% in NZD
- Growing contribution from Asian operations
- Sovereign result impacted by claims deterioration - sales growth remains strong
- Expense growth reflects additional staff (mainly Indonesia) and growth activities

	Dec 07 \$m	Dec 07 vs Dec 06
ASB	556	15%
Other	69	57%
Total banking income	625	18%
Funds management income	22	5%
Insurance income	120	4%
Total operating income	767	16%
Operating expenses	411	13%
Loan impairment	12	Large
Tax and minority interests	68	-
Underlying profit after tax	276	22%
Shareholder investment returns	20	Large
Cash net profit after tax	296	27%

Financials

- Group Result
- Business Unit Summaries



- **Capital and Basel II**

- Key Messages

Capital treatment – Basel I

	AIFRS	APRA			S&P
	Accounting	Tier 1	Tier 2	Total	ACE
Shareholders' Equity					
Ordinary Share Capital	✓	✓		✓	✓
Other Equity Instruments	✓	✓		✓	
Reserves					
General Reserve & Capital Reserve	✓	✓		✓	✓
Asset Revaluation Reserve	✓		✓	✓	
Other reserve accounts	✓				
Retained Earnings	✓	✓		✓	✓
Minority Interests	✓	✓		✓	
Hybrid Debt Issues & Loan Capital		✓		✓	
Other debt issues (subordinated)			✓	✓	
Collective & other credit provisions			✓	✓	
AIFRS transitional relief (T1 & T2)		✓	✓	✓	
Capital Deductions					
Intangibles		✓		✓	✓
Superannuation Surplus (after tax)		✓		✓	✓
Equity investments in other companies		✓		✓	
Value of acquired inforce business				✓	
Investments in offshore banks				✓	✓
Other Deductions			✓	✓	

Capital Overview

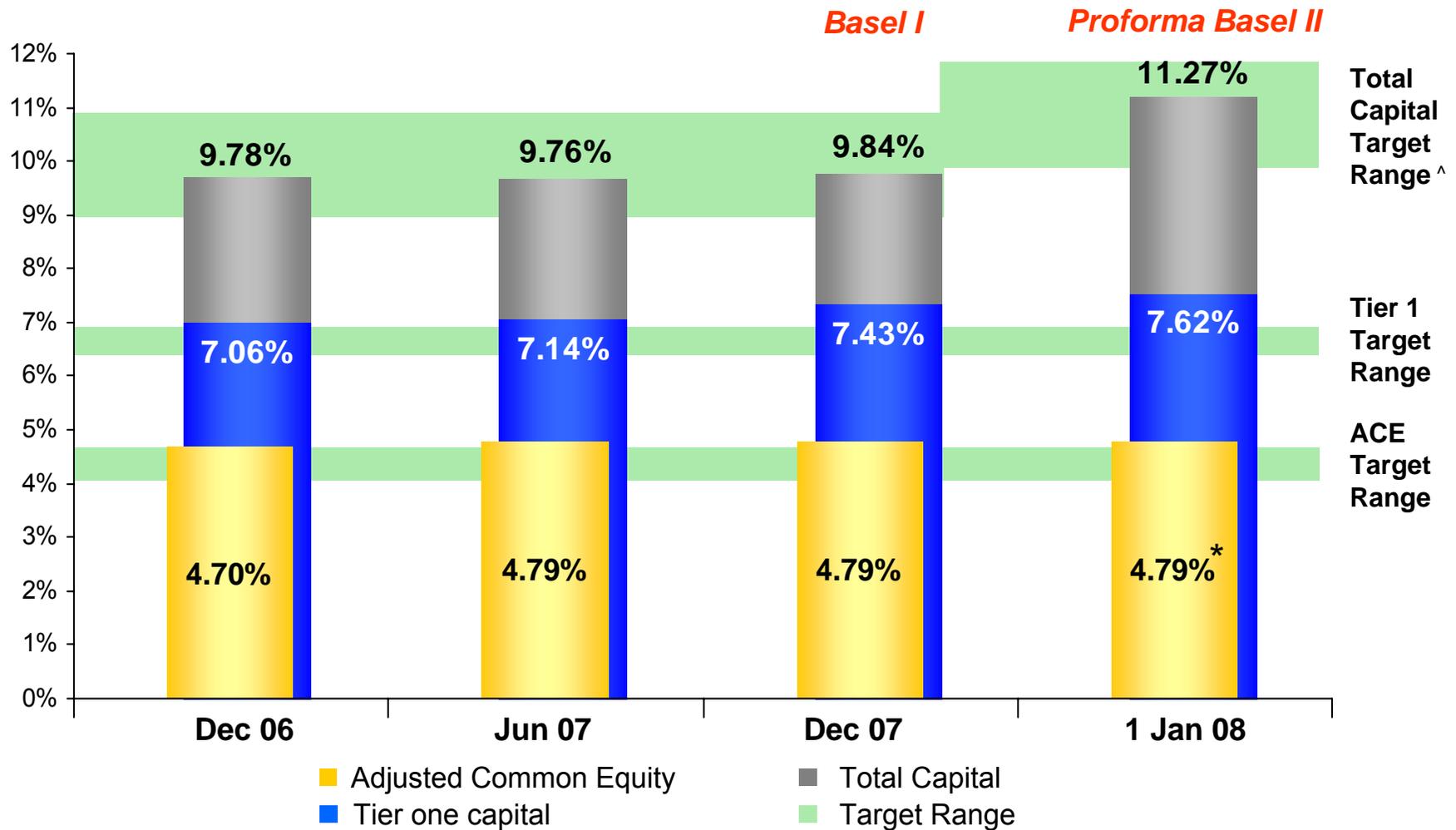
- Basel II advanced accreditation received December 2007
- Risk management benefits:
 - More sophisticated internal systems
 - More flexible decision-making
- Capital impacts:
 - Increased capital ratios (Total and Tier 1)
 - New ratios comfortably within or above target ranges
- Applying for Financial Holding Company Status in the U.S

Capital treatment – Basel II

	AIFRS	APRA		
	Accounting	Tier 1	Tier 2	Total
Shareholders' Equity				
Ordinary Share Capital	✓	✓		✓
Other Equity Instruments	✓	✓		✓
Reserves				
General Reserve & Capital Reserve	✓	✓		✓
Asset Revaluation Reserve	✓		✓	✓
Other reserve accounts	✓			
Retained Earnings	✓	✓		✓
Minority Interests	✓	✓		✓
Hybrid Debt Issues & Loan Capital		✓		✓
Other debt issues (subordinated)			✓	✓
Capital Deductions				
Intangibles		✓		✓
Superannuation Surplus (after tax)		✓		✓
Equity investments in other companies/unit trusts		✓	✓	✓
Expected losses in excess of eligible provisions		✓	✓	✓
Investments in offshore banks		✓	✓	✓
Other Deductions		✓	✓	✓

Note The Bank is awaiting Standard and Poor's guidance on the impact that Basel II regulatory changes will have on the Bank's ACE ratio.

Capital ratios (pre DRP share purchase)



[^] Total Capital Target Range amended from 9-11% to 10-12% to align with US Financial Holding Company (FHC) requirements.

* Awaiting S&P guidance on Basel II impact on the Bank's ACE capital. Existing Basel I ratio shown



Financials

- Group Result
- Business Unit Summaries
- Capital and Basel II

- **Key Messages**

Key Messages

- A solid operating result
- Strong volume growth driving market share gains
- Sound consumer credit quality – increased commercial provisioning driven by market conditions
- Continuing to invest for growth
- Very strong capital position
- Well positioned in a challenging environment

Agenda

- Ralph Norris, CEO – Results and Company Update
- David Craig, CFO – Detailed Financials



- **Ralph Norris, CEO – Outlook**

- Questions and Answers

System credit growth

	Jun 07 Actual	Jun 08 Forecast*	Jun 09 Forecast*
Housing credit	12.9%	10.5-12.5%	12-14%
Other personal credit	16.2%	8-10%	6.5-8.5%
Business credit	18.9%	18.5-20.5%	13-15%

* CBA economist forecast for the Australian market as at February 2008

Outlook

- Continuing global uncertainty:
 - Slowing economic growth in US
 - Continuing sub-prime fall-out
- Volatility expected to continue through calendar 2008
- Domestic economy remains strong:
 - Low unemployment, good GDP growth, exposure to Asia/commodities
 - Inflation and higher interest rates
- CBA well positioned:
 - Strong capital position
 - Diversified funding profile
 - Strong business momentum
 - Strategy on track – continuing to invest
- Expect EPS growth to meet or exceed the average of peers

Supplementary materials

For the half year ended 31 December 2007



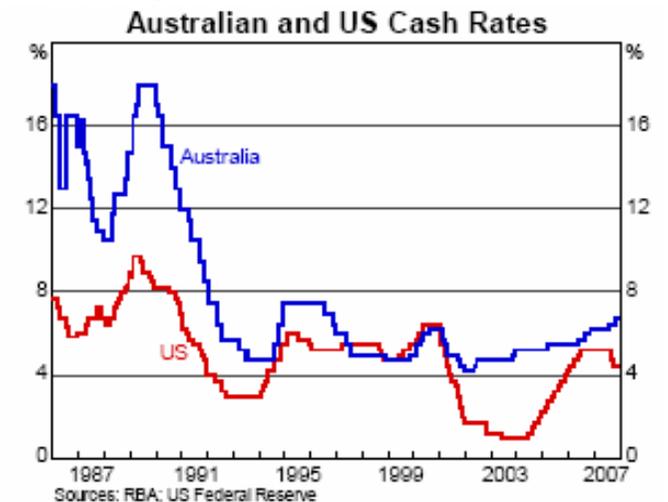
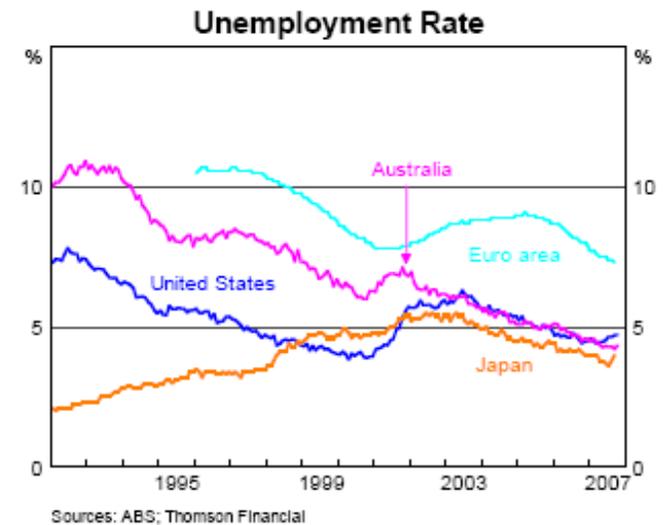
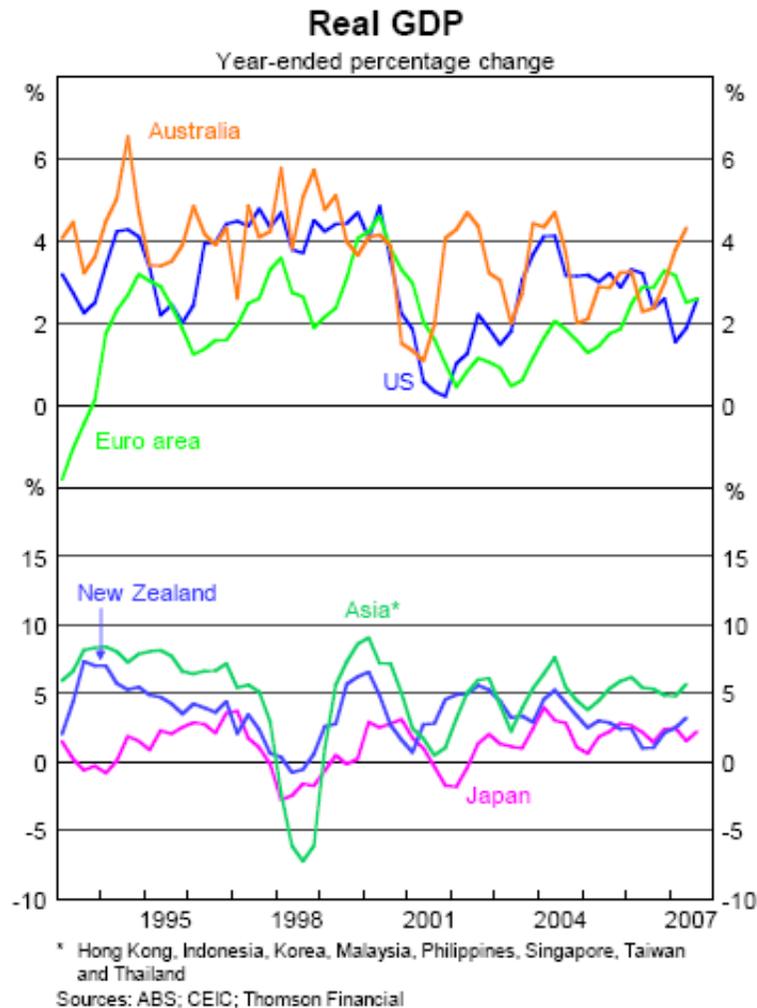
Determined to be different.

13th February 2008

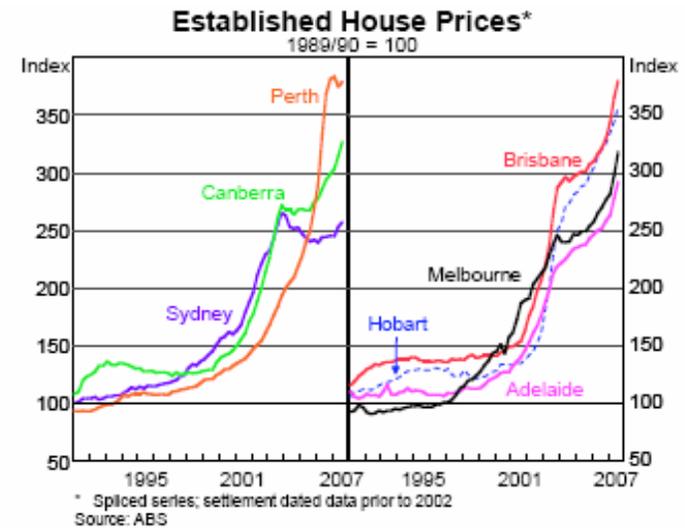
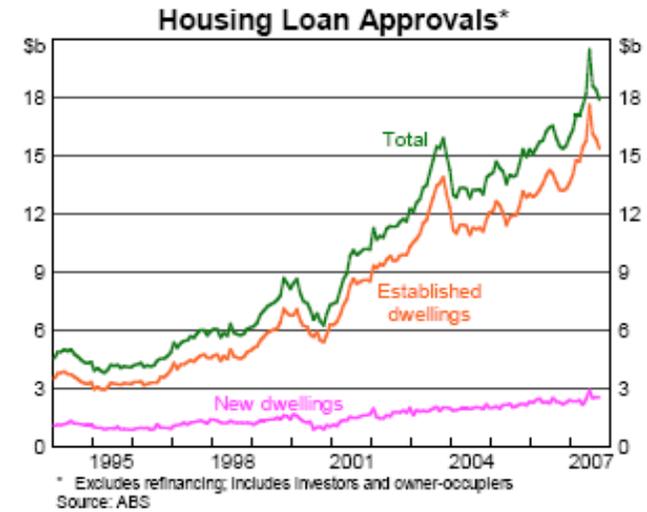
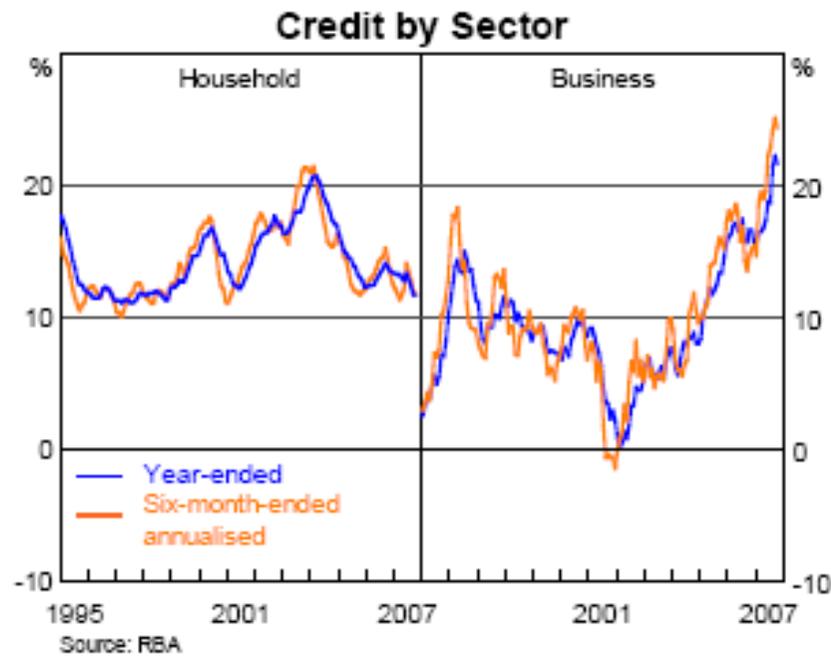
Commonwealth Bank of Australia ACN 123 123 124

Economy

GDP, unemployment and cash rates

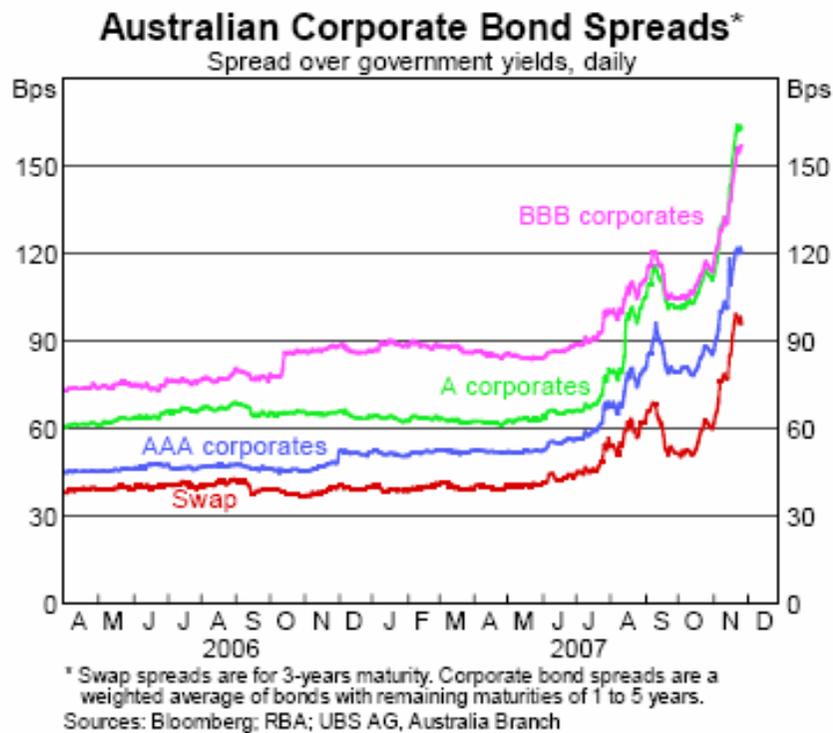


Credit growth

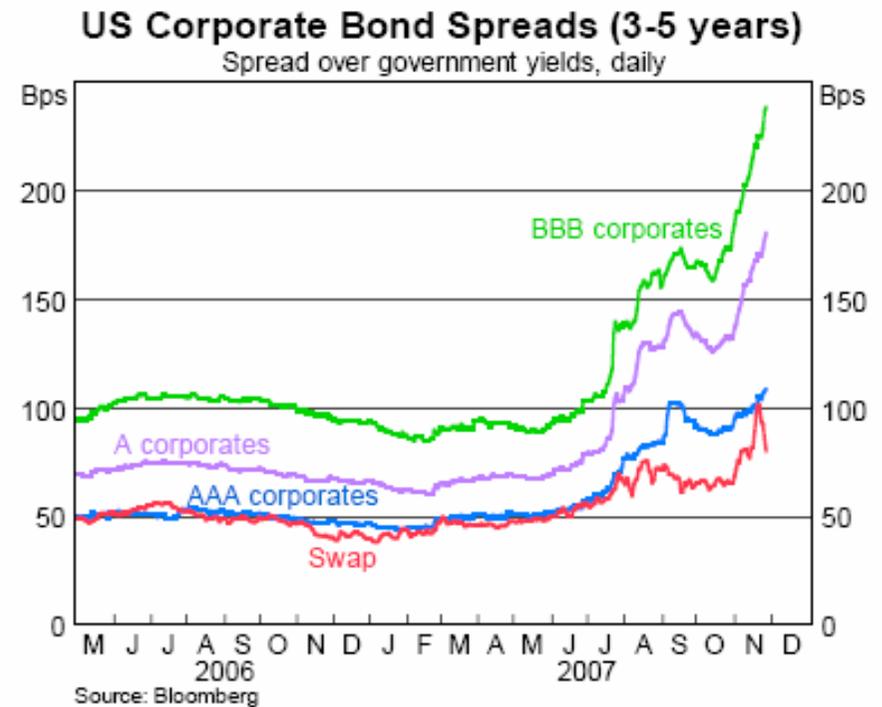


Spreads

Aus. BBB Corporates
~ 35bpts over swaps



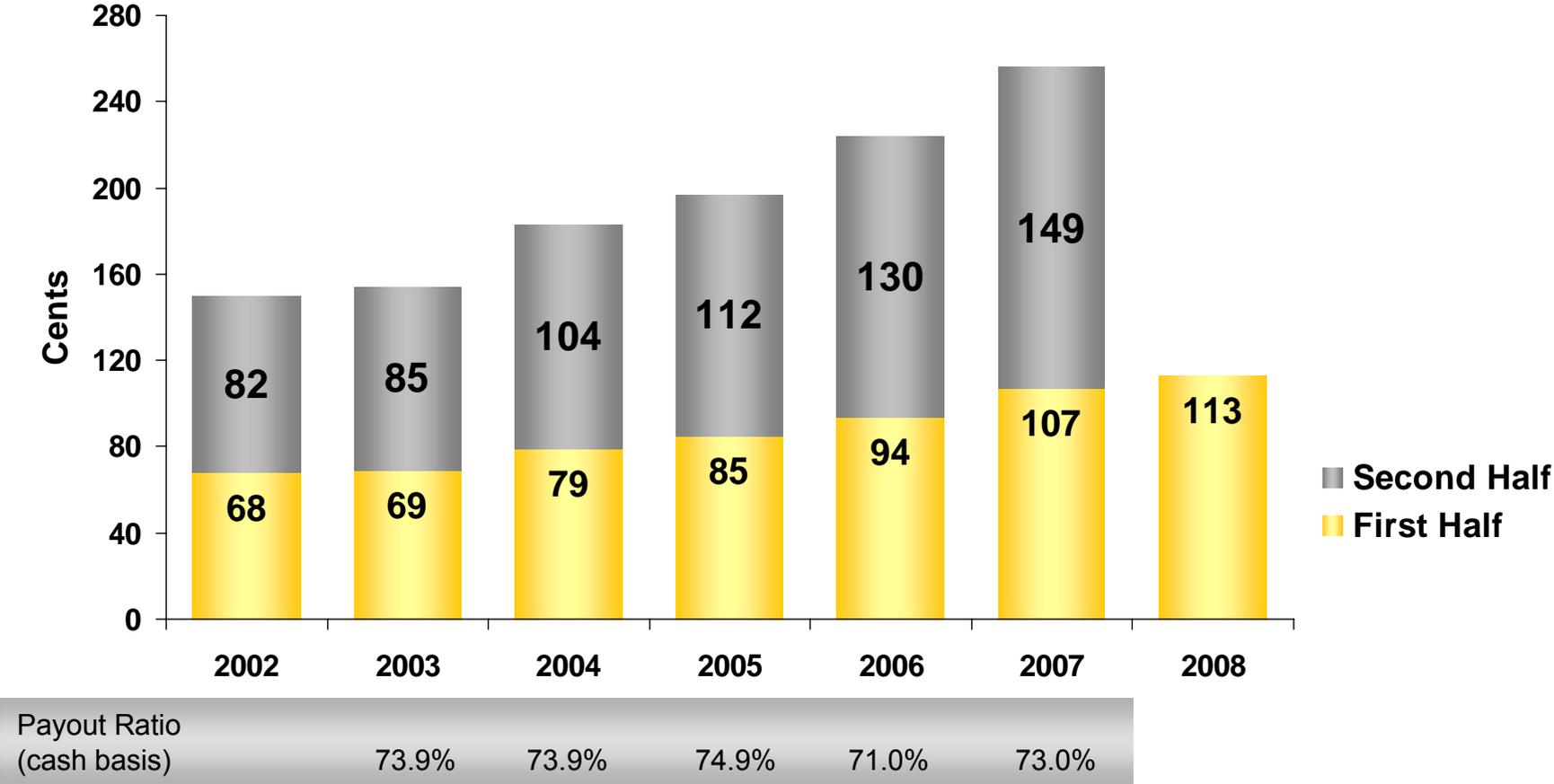
US BBB Corporates
~ 50bpts over swaps



Group

Fully franked dividends

Dividend (cents per share)



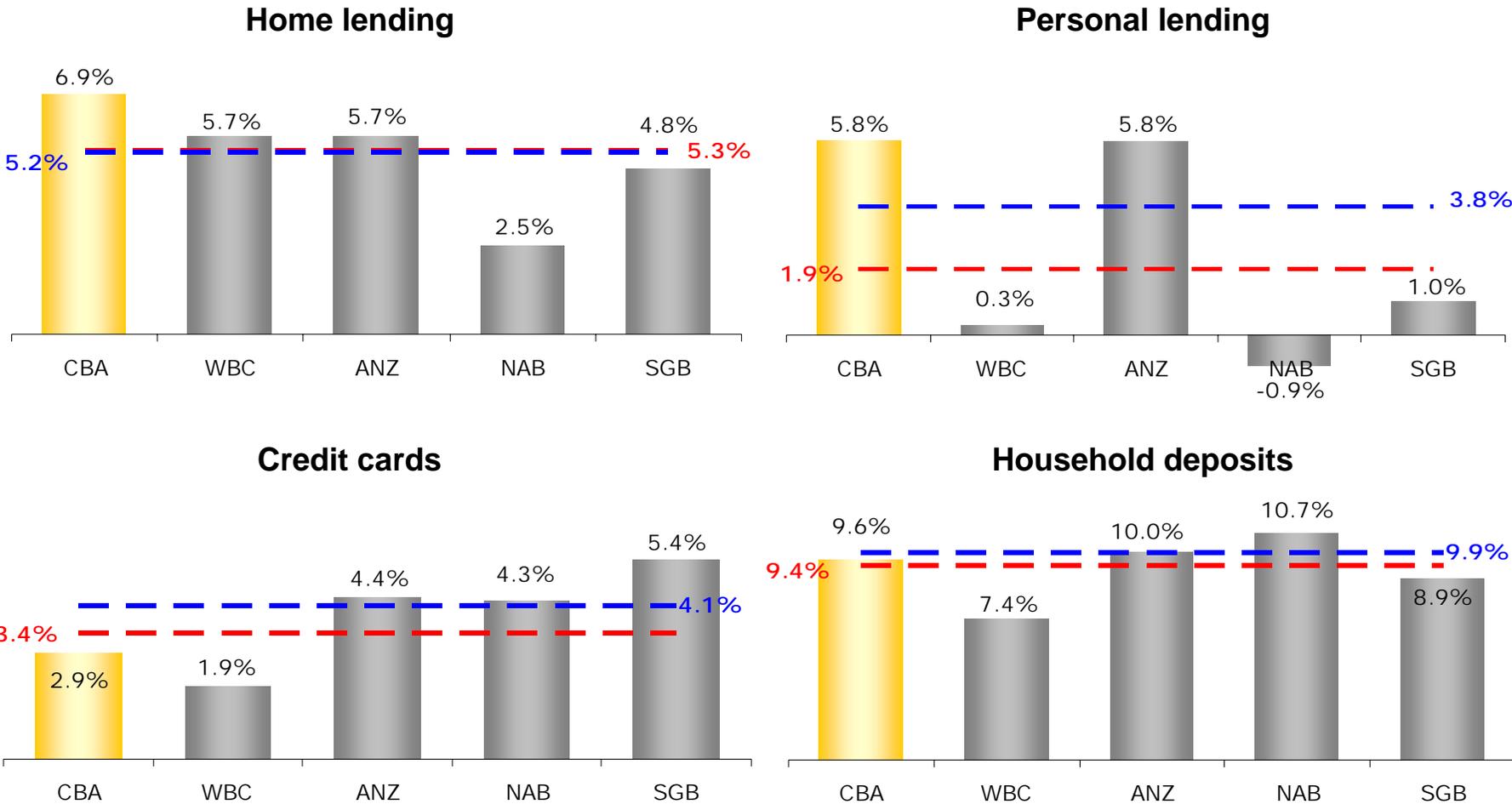
Expenses

6 months

	Dec 07 \$m	Jun 07 \$m	Dec 06 \$m	Dec 07 vs Jun 07	Dec 07 vs Dec 06
Staff expenses	1,780	1,642	1,587	8%	12%
Occupancy and equipment	373	353	335	6%	11%
IT Services	416	456	427	(9%)	(3%)
Postage and stationery	108	104	109	4%	(1%)
Fees and commissions (largely volume related)	390	375	316	4%	23%
Advertising, marketing etc	160	178	148	(10%)	8%
Other	151	175	222	(14%)	(32%)
Total operating expenses	3,378	3,283	3,144	3%	7%



CBA growth vs market (6 months to Dec 07)



Source: APRA, RBA

--- Market --- Top 5

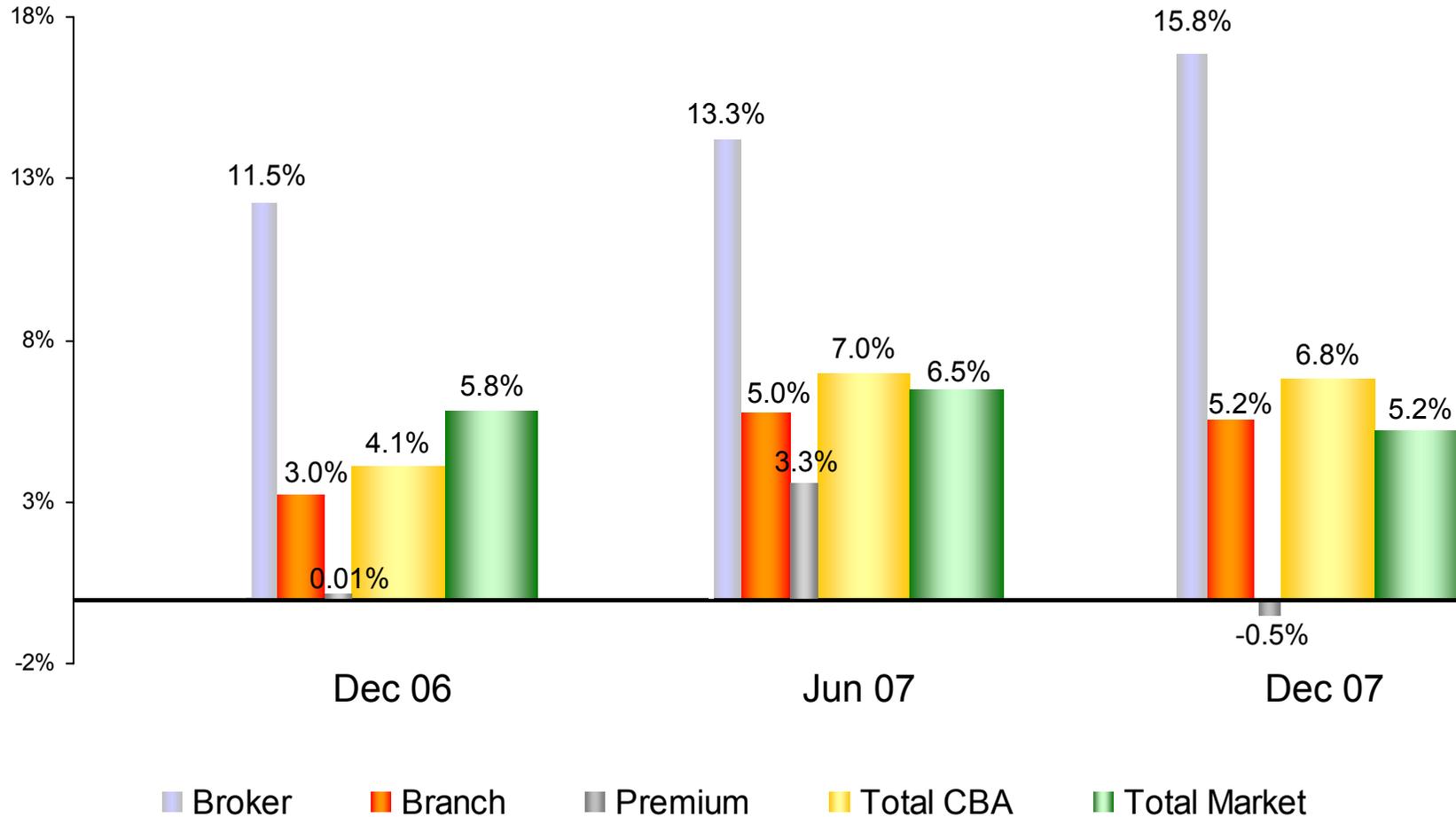


Home loans (domestic)

	Dec 07	Jun 07	Dec 06
Domestic growth profile (\$bn)			
Loan funded	32.3	27.1	25.1
Reduction	21.3	16.5	19.1
Net growth	11.1	10.6	6.0
Total Home lending assets (\$bn)			
Australian home lending assets (\$bn)	172.5	161.4	150.8
Securitisation (\$bn)	(13.2)	(15.6)	(10.8)
Net (Australia)	159.3	145.8	140.0
Asia Pacific home lending assets (\$bn)	30.6	28.9	25.9
Totals (adjusted for rounding)	189.9	174.7	165.9
Home Lending statistics (domestic balances gross of securitisation)			
Balances mix (%) :			
Owner occupied	55%	55%	55%
Investment home loans	34%	34%	35%
Line of credit	11%	11%	10%
Variable	65%	66%	66%
Fixed	32%	29%	27%
Honeymoon	3%	4%	7%
Originations (% of loans funded) :			
3rd Party	39%	35%	33%
Proprietary	61%	65%	67%
Broker originated loans as % of Aust. Book	30%	28%	26%

Home loan balance growth by channel

Home Loan Growth by Channel



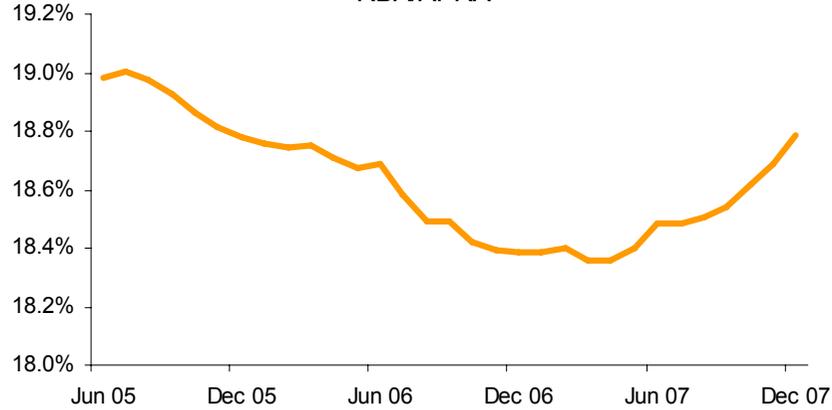
Note : Width of channel columns reflects relative proportion of total CBA balances



Market Share Trends

Home Loans

RBA/APRA



Household Deposits

APRA



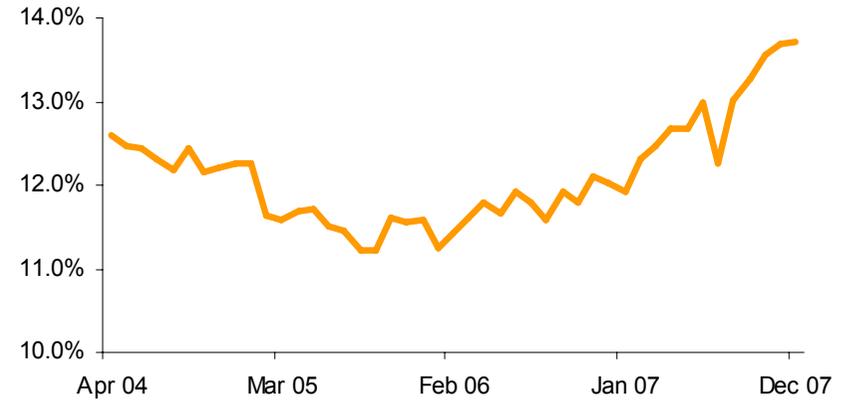
Business Lending

Loans to Non-Financial Corporations (APRA)



Business Deposits

Deposits Non-Financial Corporations (APRA)



Sustainability

Environment

- Greenhouse emissions ↓ 17% since 2001
- Targeting lower paper and water usage
- Launch of Generation Sustainability Fund
- UN Principles for Responsible Investment
- Online statements

+

Social

- Culture of Trust and Team Spirit
- Diversity – women 64% of workforce
- Flexibility – 21% part-time/job-share
- Work/Life balance

+

Governance

- Focus on business ethics
- High standard of corporate governance
- Responsible lending and business practices

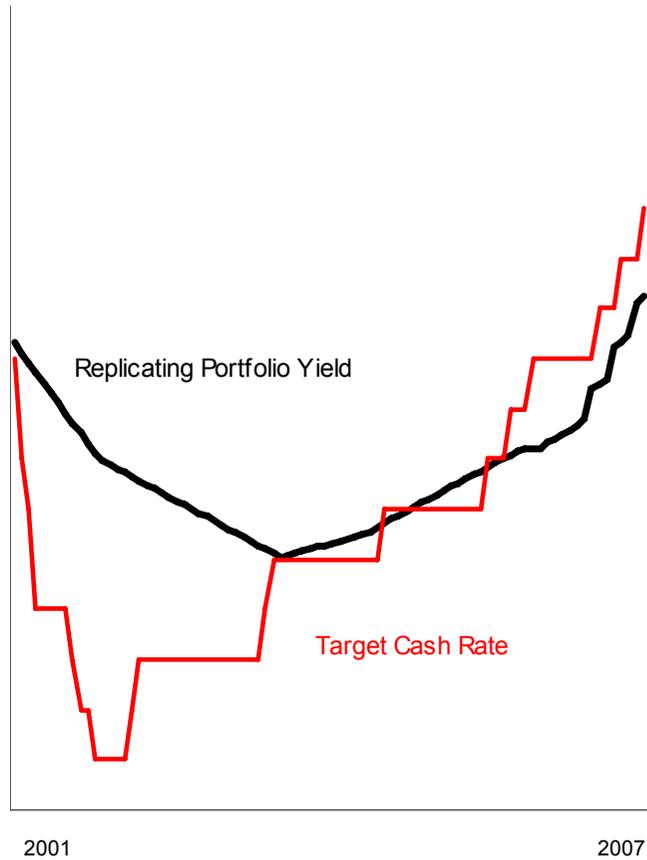


**Long Term
Shareholder
Value**

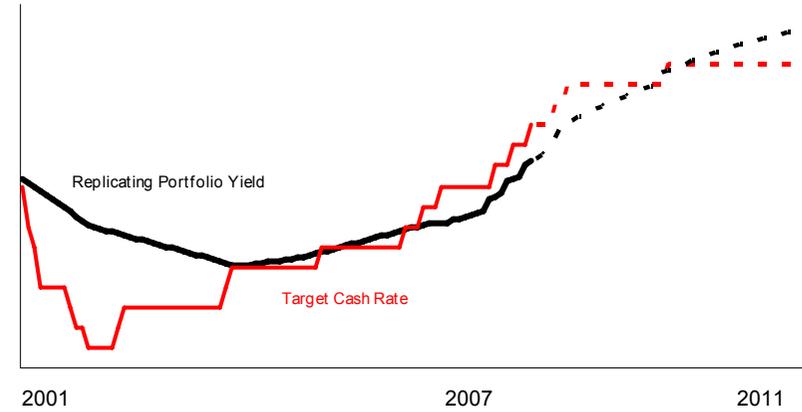


Replicating Portfolio

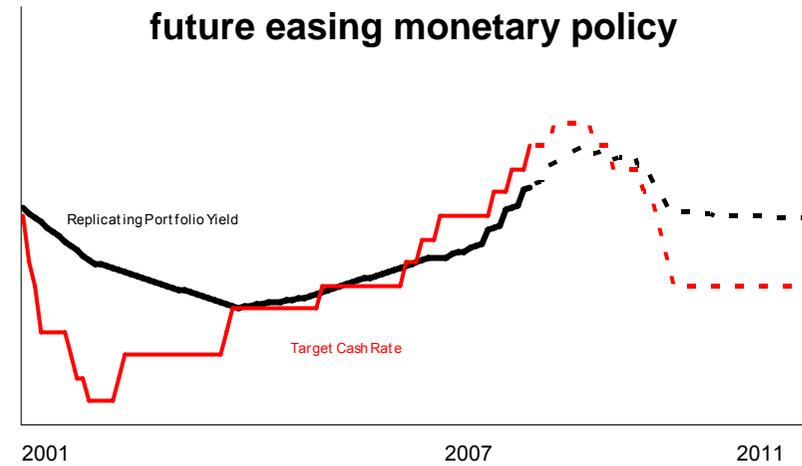
Current Portfolio Yield



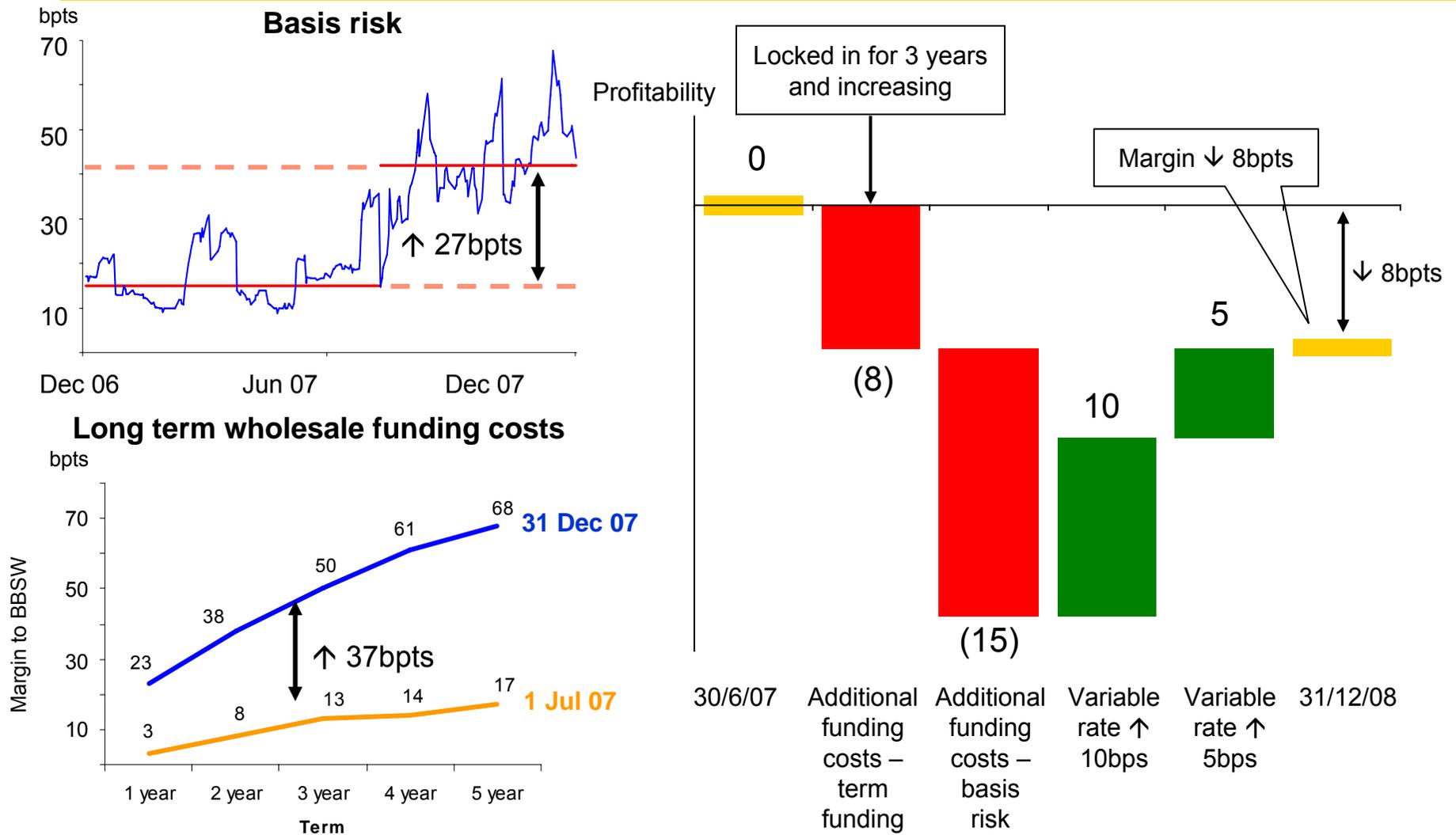
Scenario future tightening monetary policy



Scenario future easing monetary policy



Variable Home Loan Margin – impact of market volatility*



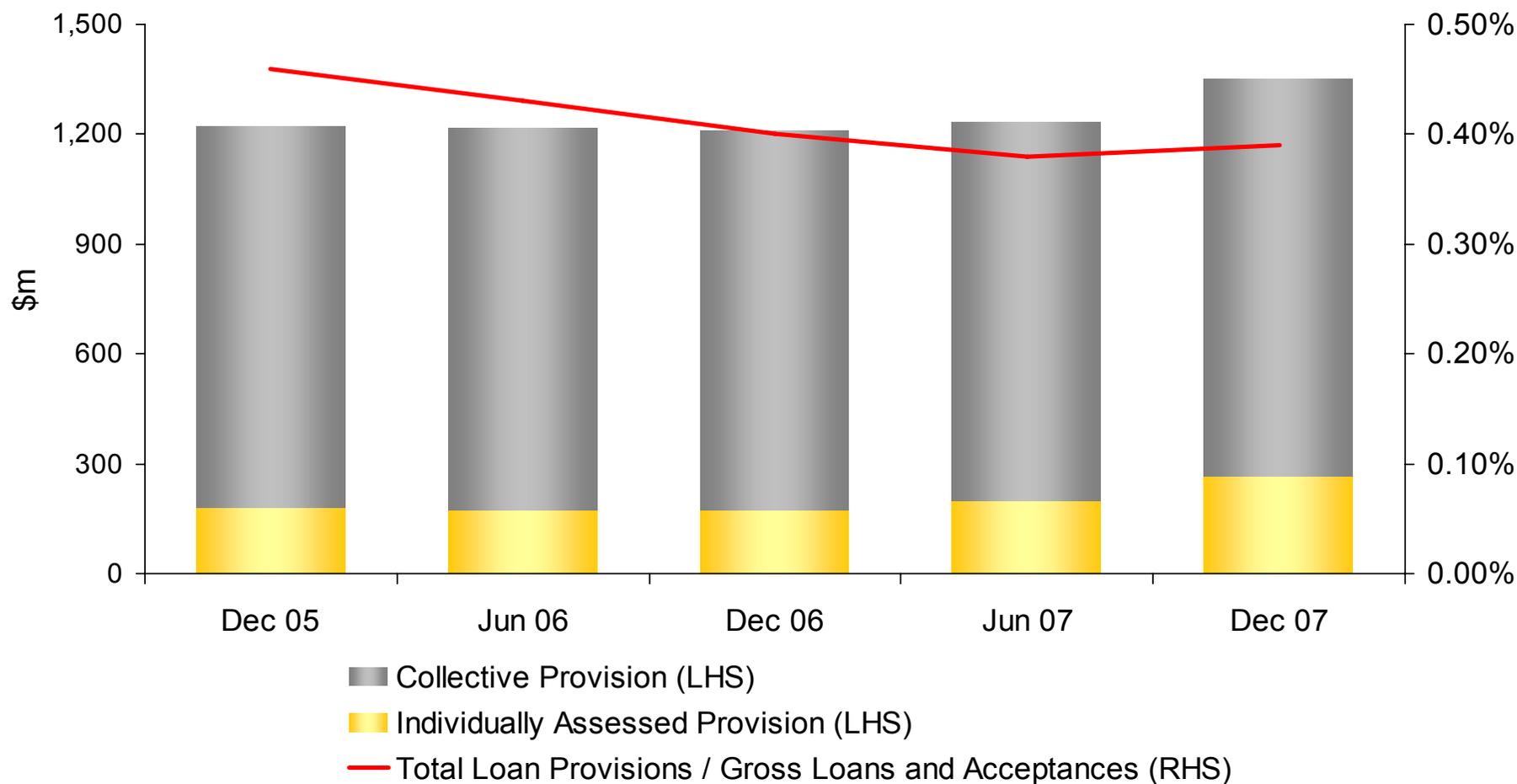
* Net of retail deposits

Credit Quality

Summary

	Dec 07	Jun 07	Dec 06
Risk Weighted Assets (RWA)	\$272,609m	\$245,347m	\$234,569m
Gross Loans and Acceptances (GLA)	\$347,682m	\$321,653m	\$299,085m
Charge for Loan Impairment Expense (LIE) - 6 mths	\$333m	\$239m	\$195m
LIE to RWA (annualised)	0.26%	0.20%	0.17%
LIE to GLA (annualised)	0.20%	0.16%	0.13%
Gross impaired assets	\$562m	\$421m	\$338m
Individually assessed provisions	\$268m	\$199m	\$171m
Collective provisions	\$1,084m	\$1,034m	\$1,040m
Collective provisions to RWA	0.40%	0.42%	0.44%
Collective provisions to GLA	0.31%	0.32%	0.35%
Credit Risk Statistics			
<i>Commercial portfolio</i>			
Top 20 commercial exposures (as % of total committed exposure)	2.9%	2.6%	2.5%
% of all commercial exposures that are investment grade or better	67%	67%	67%
% of non-investment grade exposure covered by security	82%	82%	82%
<i>Consumer portfolio</i>			
Consumer exposure as % of total committed exposure	46.9%	45.9%	47.4%

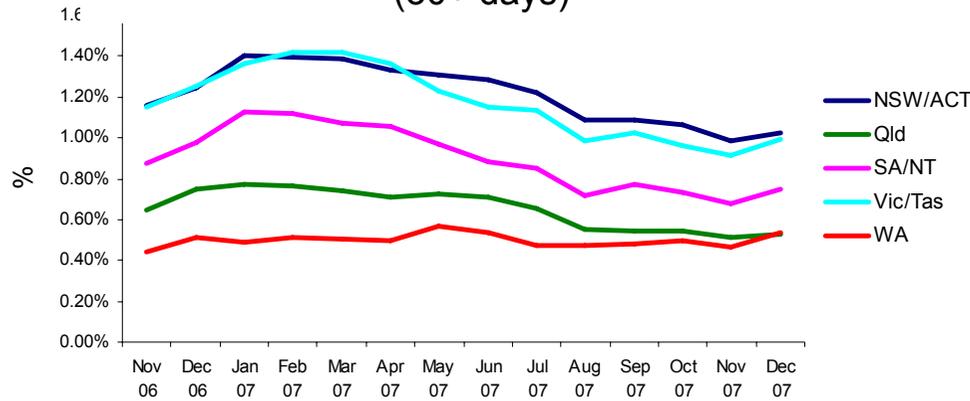
The Bank remains well provisioned



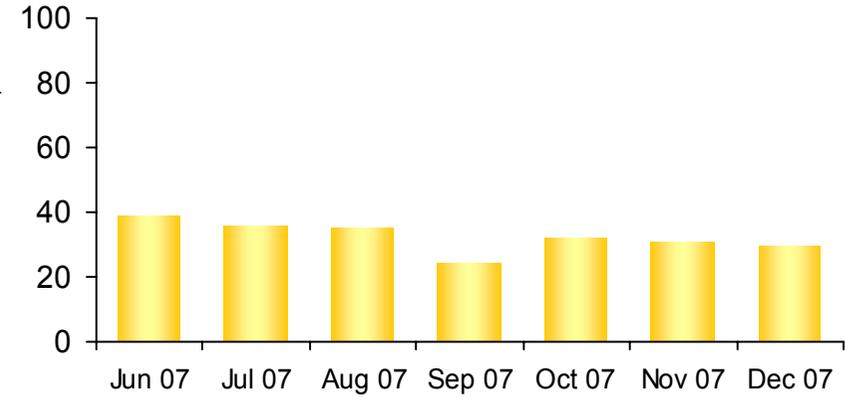
*The General Reserve for Credit Loss within shareholders equity that was retained for prudential reporting purposes has been transferred to retained earnings
Loan Impairment provisions have been recalculated under AIFRS from 1 July 2005*

Credit quality

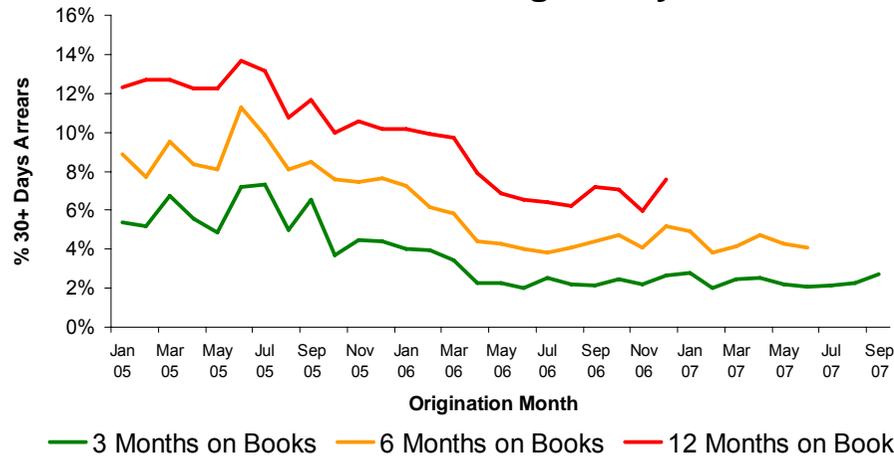
Home loan delinquencies by state (30+ days)



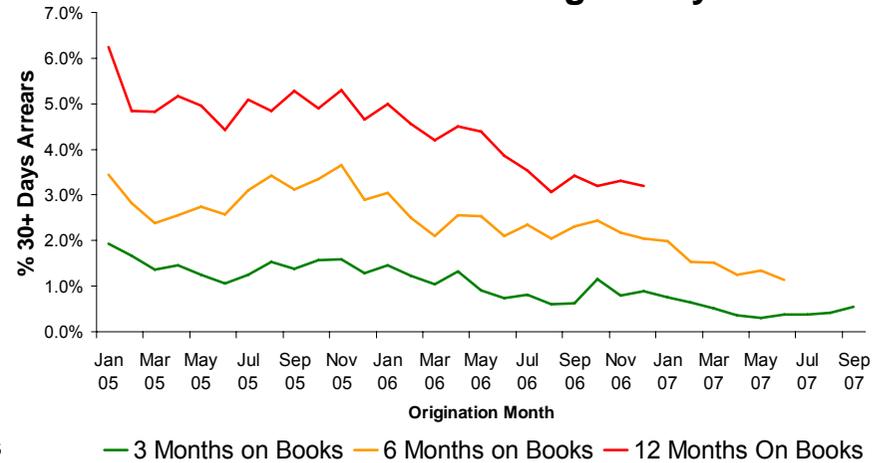
New mortgagee in possession cases



Credit card vintage analysis



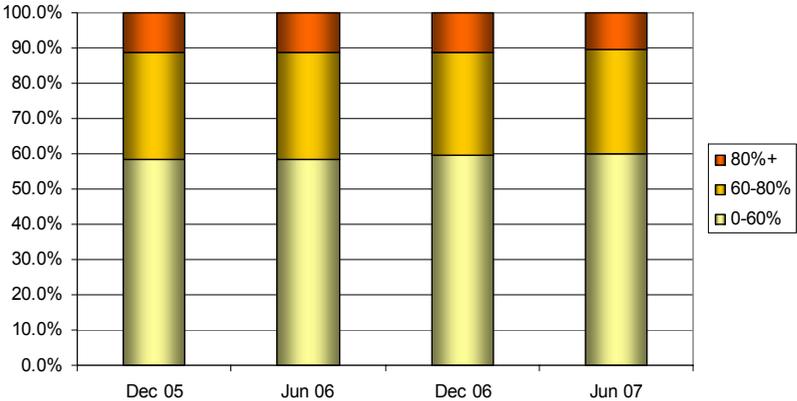
Personal loan vintage analysis



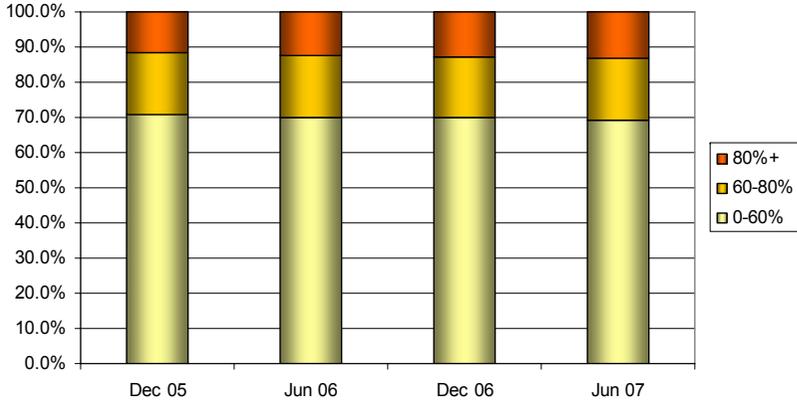
Home loans – LVR Profile

- Strong LVR profile
- % of loans at <60% LVR:
 - 60% if based on original security values
 - 70% if based on current market values as a result of a well diversified security position
- The majority of loans > 80% LVR are mortgage insured

Original LVR



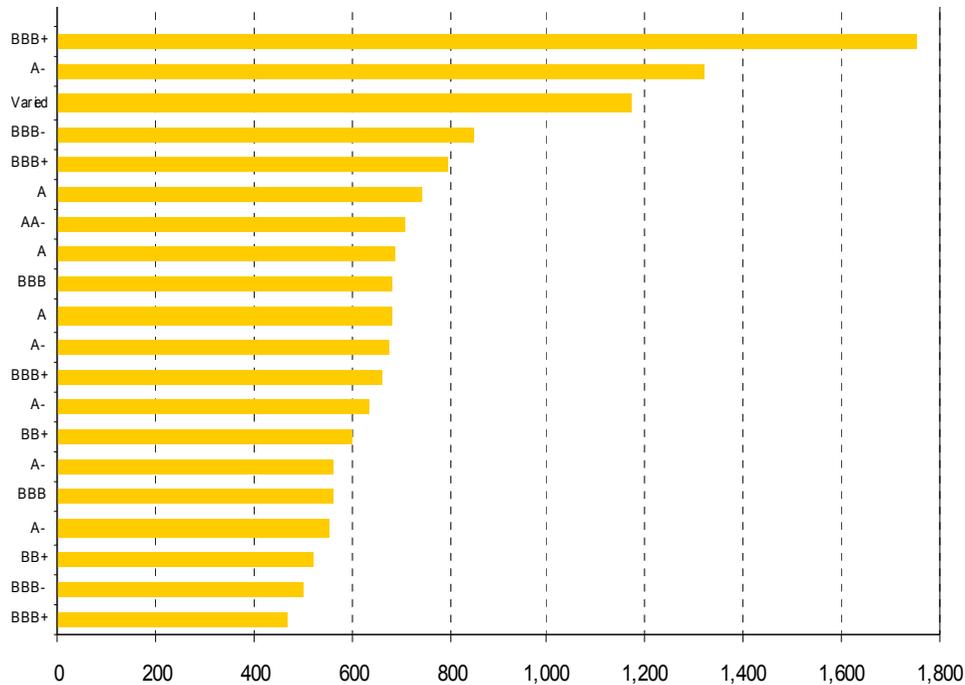
Current Market LVR



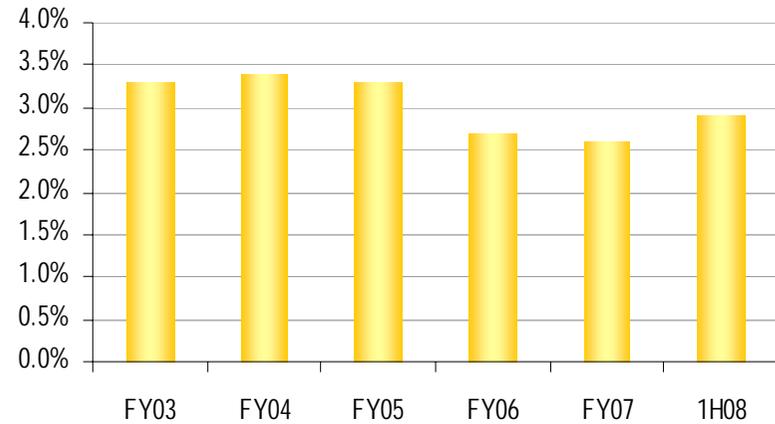
Australian Owner Occupied and Investment Housing only, excludes Lines of Credit
Market value marked against the APM database

Top 20 Commercial Exposures – Dec 07

S&P's Rating Equivalent



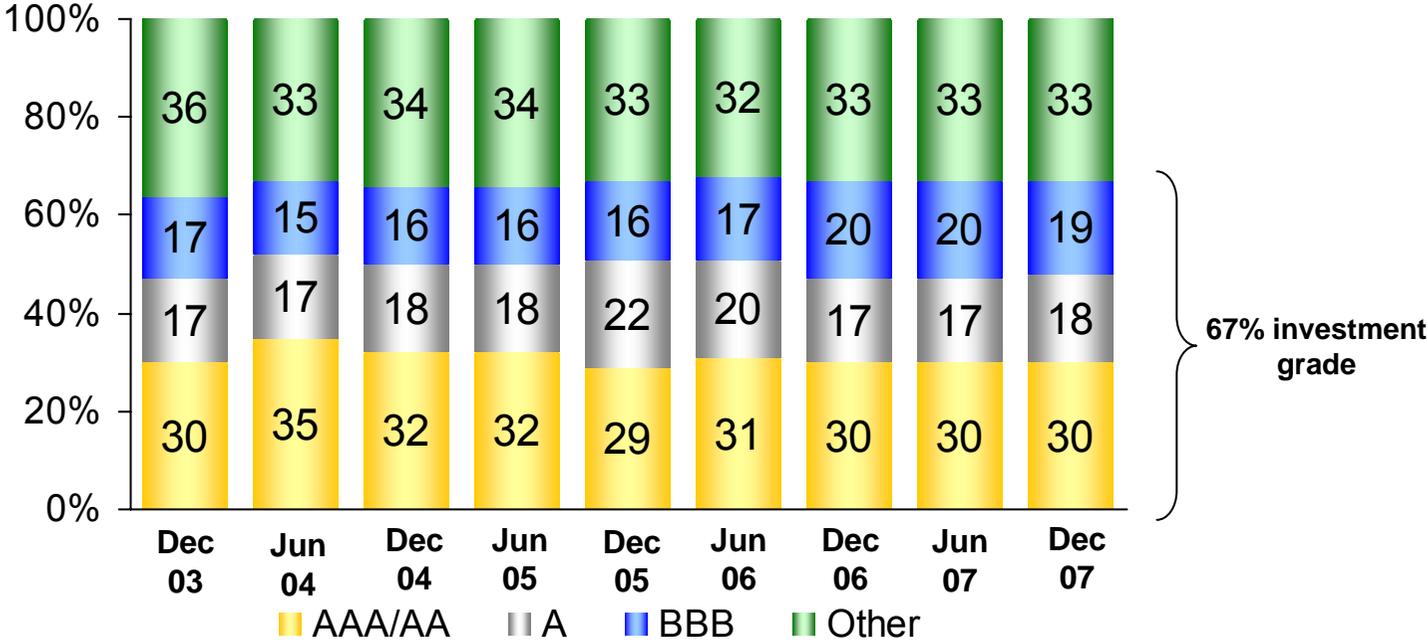
Top 20 as % of Total Committed Exposures



\$m

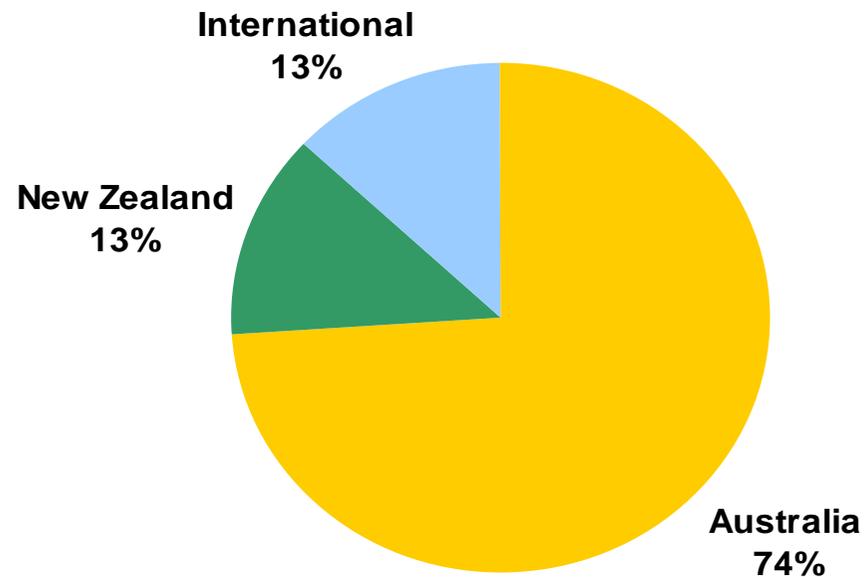
Quality of commercial risk-rated exposures

Quality of commercial risk-rated exposures:
 There is security over 82% of the non-investment grade exposure



Total geographic exposure

Total exposure* : \$515.5bn

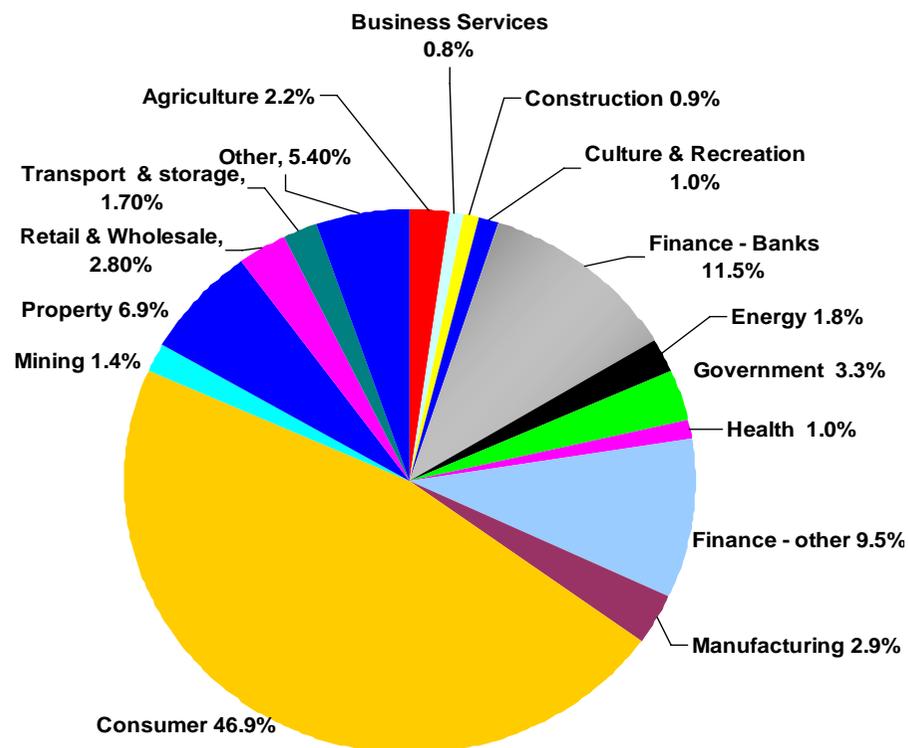


At 30 June 07
Total exposure = \$471.2bn

International = 14%
New Zealand = 13%
Australia = 73%

**Total exposure = balance for uncommitted facilities; greater of limit or balance for committed facilities*

Total industry exposure



At 30 June 07

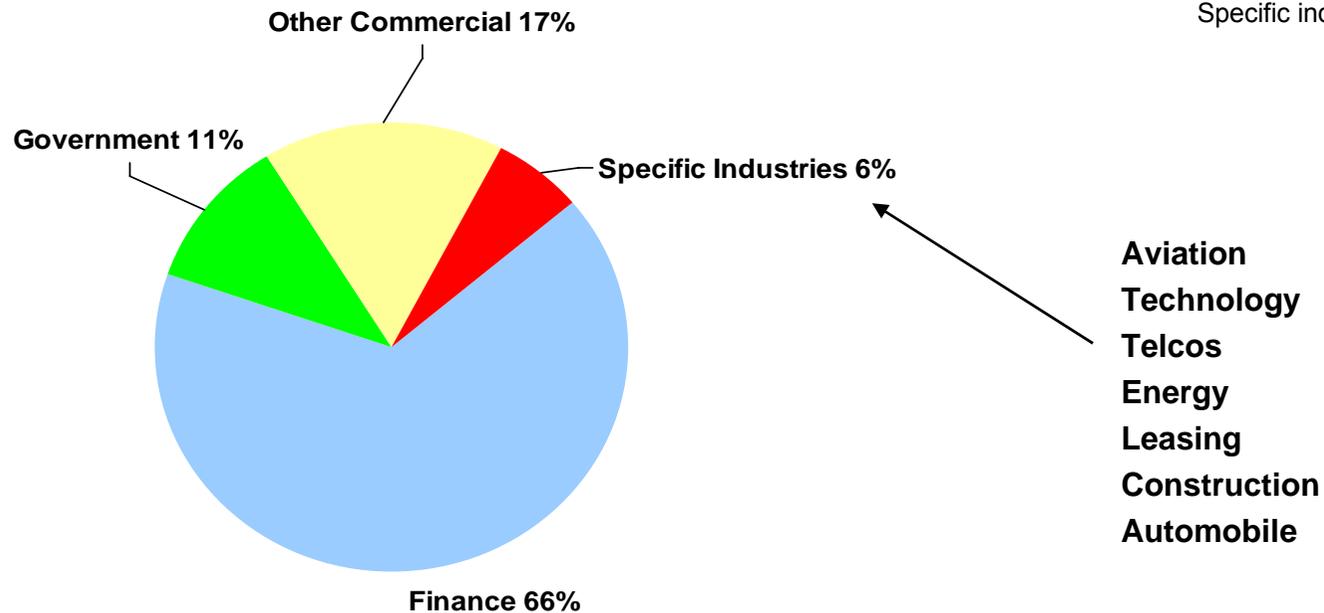
Consumer = 45.9%
 Agriculture = 2.3%
 Business Services = 0.8%
 Construction = 1.0%
 Culture and recreational services = 1.1%
 Energy = 1.4%
 Finance - Banks = 13.8%
 Finance - Other = 10.6%
 Government = 1.5%
 Health and community = 1.1%
 Manufacturing = 3.1%
 Mining = 1.2%
 Property = 6.0%
 Retail and Wholesale = 2.6%
 Transport and storage = 1.7%
 Other = 5.9%

**Total exposure = balance for uncommitted facilities; greater of limit or balance for committed facilities*

International commercial exposure

Total exposure* : \$68.0bn

At 30 June 07
Total exposure = \$65.7bn
Finance = 80%
Government = 2%
Other commercial = 13%
Specific industries = 5%



Total non-finance offshore outstandings = \$23.2bn of which over 87% are investment grade.

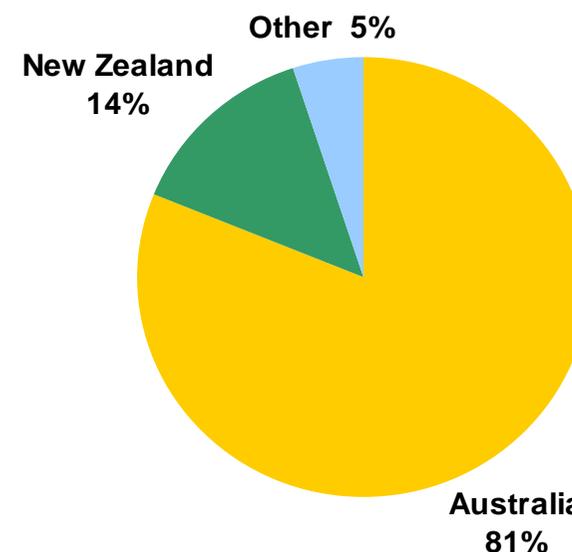
**Total exposure = balance for uncommitted facilities; greater of limit or balance for committed facilities. Excludes ASB*

Credit Exposure - Property Sector

Total exposure*: \$35.6bn

At 30 June 07
 Total exposure = \$27.8bn
 Australia = 80%
 New Zealand = 17%
 Other = 3%

Rating	Dec 07 \$bn	Jun 07 \$bn	Dec 06 \$bn
AAA to A-	5.7	3.3	3.2
BBB+ to BBB-	8.3	7.5	7.3
BB to BB-	11.8	8.6	8.2
< BB-	9.8	8.4	8.7
TOTAL	35.6	27.8	27.4



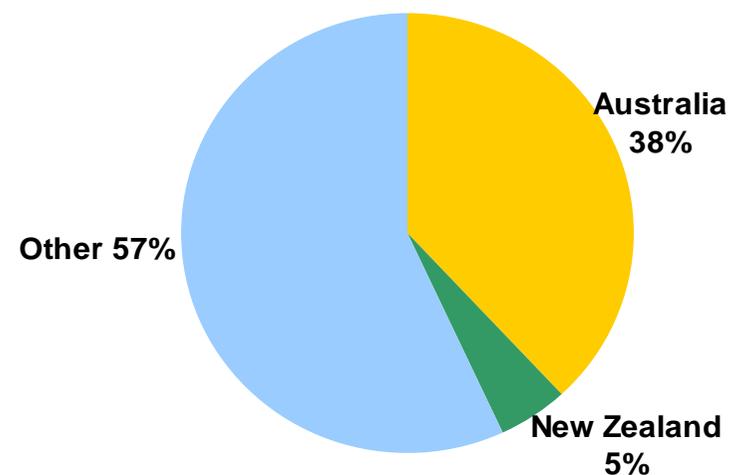
**Total exposure = balance for uncommitted facilities; greater of limit or balance for committed facilities*

Credit Exposure – Finance (Banks)

Total exposure*: \$59.2bn

At 30 Jun 07
 Total exposure = \$64.9bn
 Australia = 28%
 New Zealand = 8%
 Other = 64%

Rating	Dec 07 \$bn	Jun 07 \$bn	Dec 06 \$bn
AAA to A-	56.9	62.1	53.3
BBB+ to BBB-	1.9	2.4	1.3
BB to BB-	0.3	0.3	0.3
< BB-	0.1	0.1	0.5
TOTAL	59.2	64.9	55.4



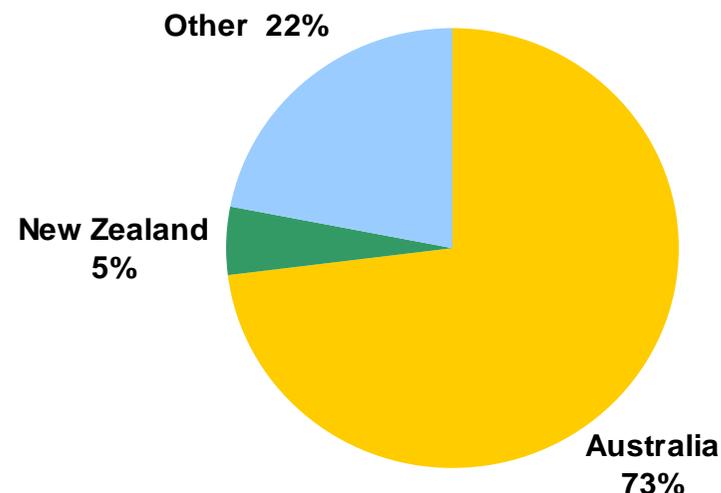
**Total exposure = balance for uncommitted facilities; greater of limit or balance for committed facilities*

Credit Exposure – Finance (Other)

Total exposure*: \$39.1bn

At 30 Jun 07
 Total exposure = \$39.4bn
 Australia = 72%
 New Zealand = 6%
 Other = 22%

Rating	Dec 07 \$bn	Jun 07 \$bn	Dec 06 \$bn
AAA to A-	31.2	32.4	28.0
BBB+ to BBB-	5.5	5.0	3.6
BB to BB-	2.1	1.6	1.6
< BB-	0.3	0.4	2.1
TOTAL	39.1	39.4	35.3



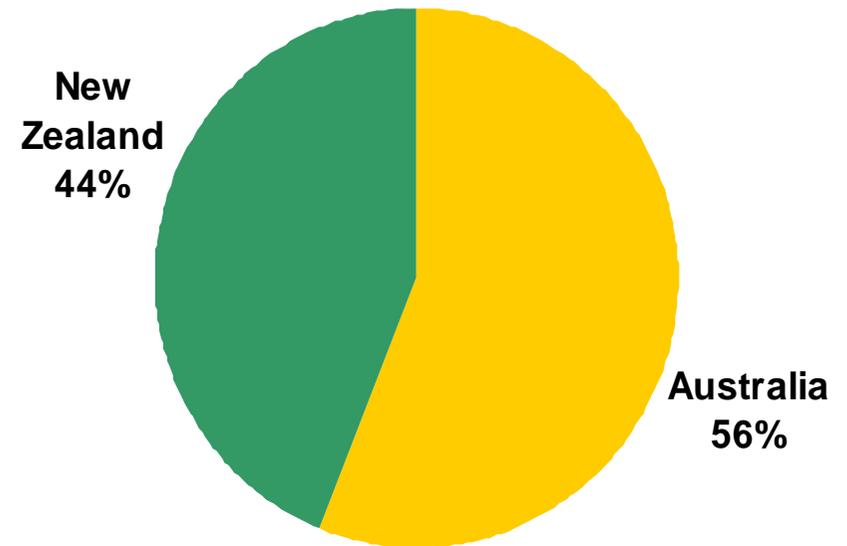
**Total exposure = balance for uncommitted facilities; greater of limit or balance for committed facilities*

Credit Exposure - Agriculture Sector

Total exposure*: \$11.5bn

At 30 Jun 07
 Total exposure = \$11.0bn
 Australia = 57%
 New Zealand = 43%

Rating	Dec 07 \$bn	Jun 07 \$bn	Dec 06 \$bn
AAA to A-	0.3	0.2	0.3
BBB+ to BBB-	2.0	1.8	1.7
BB to BB-	3.4	3.2	3.1
< BB-	5.8	5.8	5.4
TOTAL	11.5	11.0	10.5



**Illustrates Australia and NZ component only of Agriculture sector.

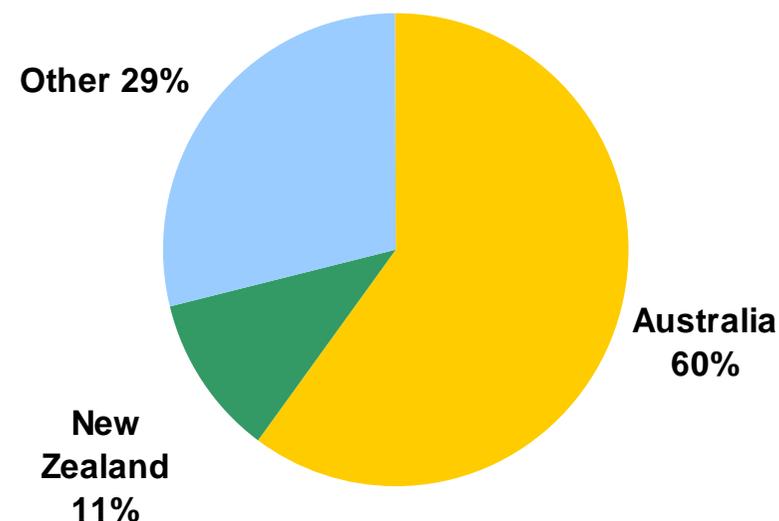
*Total exposure = balance for uncommitted facilities; greater of limit or balance for committed facilities

Credit Exposure - Energy Sector

Total exposure*: \$9.2bn

At 30 Jun 07
 Total exposure = \$6.8bn
 Australia = 66%
 New Zealand = 10%
 Other = 24%

Rating	Dec 07 \$bn	Jun 07 \$bn	Dec 06 \$bn
AAA to A-	1.8	0.8	1.1
BBB+ to BBB-	6.8	5.4	5.2
BB to BB-	0.5	0.5	0.5
< BB-	0.1	0.1	0.2
TOTAL	9.2	6.8	7.0



**Total exposure = balance for uncommitted facilities; greater of limit or balance for committed facilities*

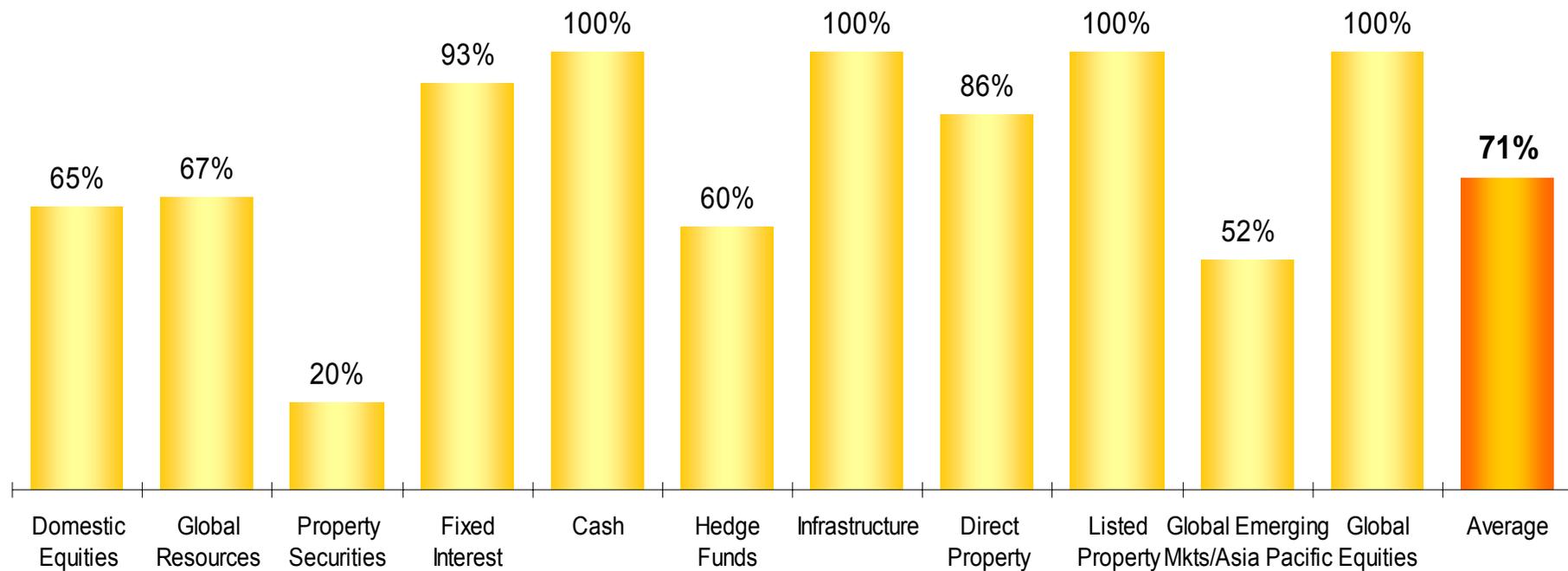
Funds Management and Insurance



Determined to be different

Wealth Management

Number of Funds in each Asset Class Out Performing Benchmark
(3 years)



Funds under Administration

Half Year to Dec 2007

Funds Under Administration	Opening balance \$m	Inflows \$m	Outflows \$m	Netflows \$m	Investment income and other ^e \$m	Closing balance \$m
FirstChoice	39,545	10,924	(7,402)	3,522	(253)	42,814
Cash management	3,130	1,016	(1,211)	(195)	12	2,947
Legacy products ^a	34,061	1,301	(3,539)	(2,238)	146	31,969
Retail products^b	76,736	13,241	(12,152)	1,089	(95)	77,730
Other retail ^c	1,577	155	(137)	18	(91)	1,504
Australian retail	78,313	13,396	(12,289)	1,107	(186)	79,234
Wholesale	34,469	27,270	(7,694)	19,576	701	54,746
Property	14,843	1,906	(1,023)	883	2,825	18,551
Avanteos	5,875	1,084	(582)	502	(99)	6,278
Other ^d	3,635	64	(170)	(106)	(1)	3,528
Domestically sourced	137,135	43,720	(21,758)	21,962	3,240	162,337
Internationally sourced	31,675	9,871	(6,662)	3,209	2,613	37,497
Total Wealth Management	168,810	53,591	(28,420)	25,171	5,853	199,834

^a Includes stand alone retail and legacy retail products

^b Retail products (excluding Avanteos) align to Plan for Life market releases

^c Includes listed equity trusts and regular premium plans. These retail products are not reported in market share data

^d Includes life company assets sourced from retail investors but not attributable to a funds management product (e.g. premiums from risk products). These amounts do not appear in retail market share data

^e Includes foreign exchange gains and losses from translation of internationally sourced business

Capital Management



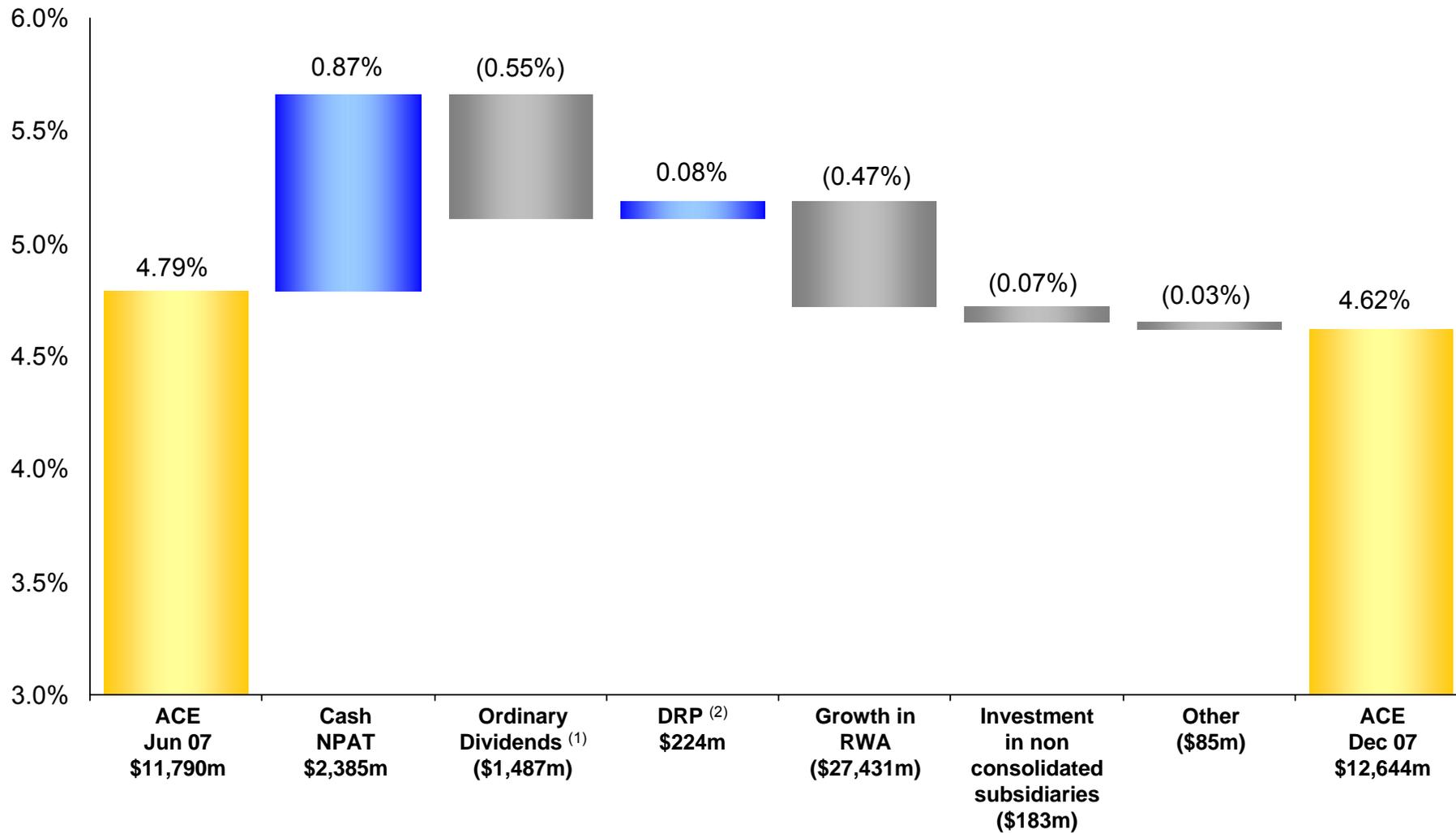
Determined to be different

ACE calculation

Credit Ratings	Long Term	Short Term	Affirmed/Upgraded
Standard & Poors'	AA	A-1 +	Dec 07
Moody's Investor Services	Aa1	P-1	Dec 07
Fitch Ratings	AA	F1+	Dec 07
	Dec 07	Jun 07	Dec 06
Adjusted Common Equity *	\$M	\$M	\$M
Tier One Capital	19,810	17,512	16,553
Add:			
Deferred Income Tax	27	37	39
Equity investments in other companies	870	700	820
Deduct:			
Innovative Tier One capital	(3,687)	(3,719)	(3,785)
Non-innovative Tier One capital	(1,443)	-	-
Minority interest (net of minority interest component deducted from Tier One capital)	(511)	(512)	(508)
Investment in non-consolidated subsidiaries (net of intangible component deducted from Tier One capital)	(592)	(409)	(283)
Other deductions	(189)	(178)	(166)
Impact upon adoption of AIFRS	(1,641)	(1,641)	(1,641)
Total Adjusted Common Equity	12,644	11,790	11,029
Risk Weighted Assets (S&P)	273,478	246,047	234,569
Adjusted Common Equity Ratio	4.62%	4.79%	4.70%

* Net of intangible component deducted from Tier One capital

Basel I ACE movement in half year ended Dec 07



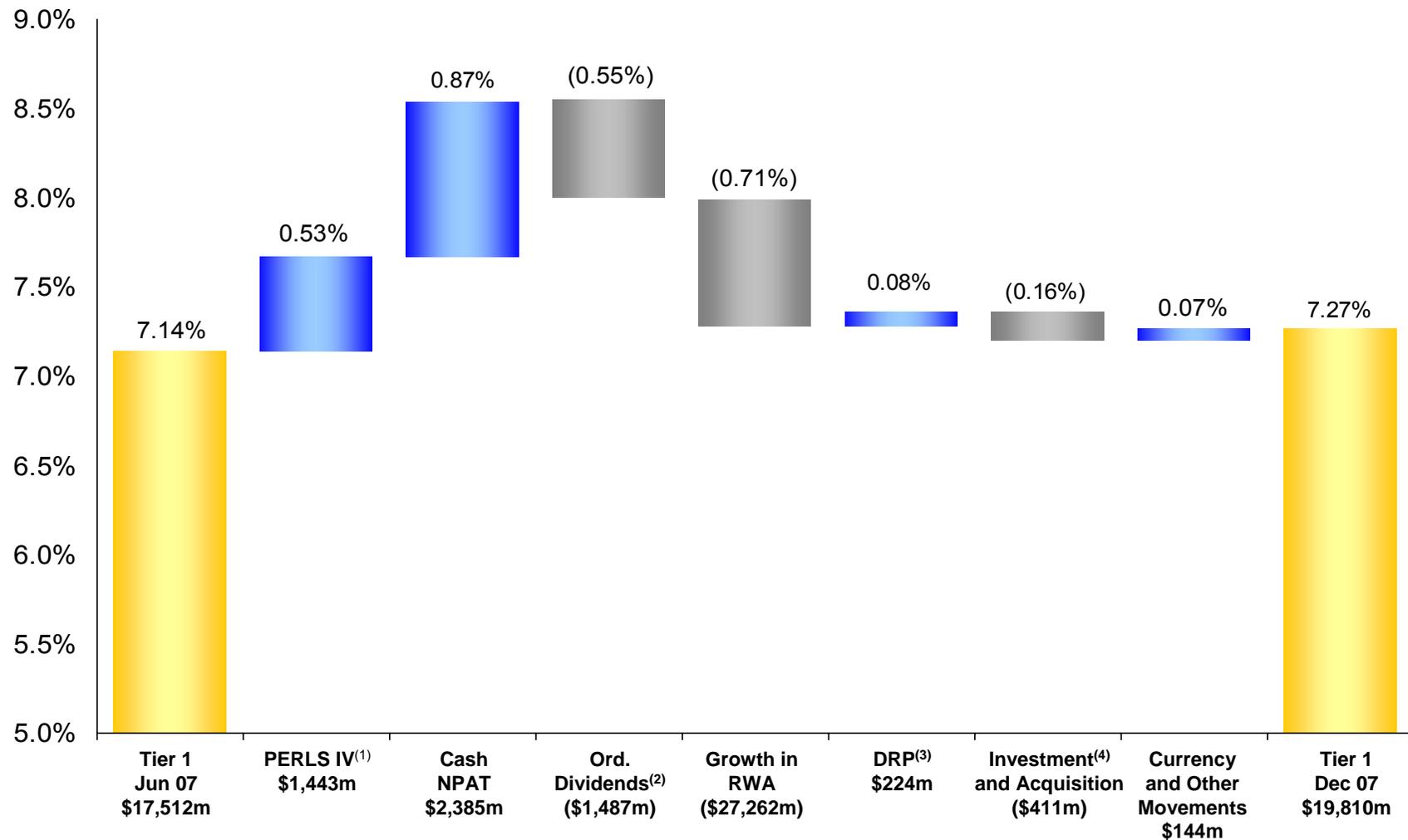
1. December 2007 interim dividend includes DRP satisfied by on market share buyback capped at a maximum of \$550 million
2. Additional DRP take up on June 2007 final dividend



Determined to be different.

Basel I

Tier 1 movement in half year Dec 07



1. PERLS IV issue completed in July 2007 (\$1,465m less issue costs)
2. December 2007 interim dividend includes DRP satisfied by on market share buyback capped at a maximum of \$550 million
3. Additional DRP take up on Jun 2007 final dividend
4. Net acquisitions of infrastructure assets (CFSGAM) and purchase of IWL Ltd



Hybrid instrument information

Hybrid dividends

	Dec 07	Jun 07	Dec 06	Jun 06	Franked/ Imputed
PERLS *	-	-	-	13	F
PERLS II	20	19	19	18	F
PERLS III	31	31	29	13	F
PERLS IV	23				
Trust Preferred Securities 2003	18	17	21	22	N/A
Trust Preferred Securities 2006	25	27	27	-	N/A
ASB Capital prefs	5	5	5	5	I
ASB Capital No.2 prefs	9	9	8	8	I
CBA Capital	9	9	8	8	F
	<u>140</u>	<u>117</u>	<u>117</u>	<u>87</u>	

* Redeemed 6 April 2006

Preference shares - breakdown

	Issue Date	Currency	Amount (\$M)	First call / Conversion from Issue Date	Balance Sheet Classification
Trust Preferred Securities 2003	06-Aug-03	USD	\$550	12 years	Tier 1 Loan Capital
PERLS II	06-Jan-04	AUD	\$750	5 years	Tier 1 Loan Capital
PERLS III	06-Apr-06	AUD	\$1,166	10 years	Tier 1 Loan Capital
PERLS IV	12-Jul-07	AUD	\$1,465	5 years	Tier 1 Loan Capital
Trust Preferred Securities 2006	15-Mar-06	USD	\$700	10 years	Other equity instruments
ASB Capital prefs	10-Dec-02	NZD	\$200	5 years	Outside equity interests
ASB Capital No.2 prefs	22-Dec-04	NZD	\$350	5 years	Outside equity interests
CBA Capital	18-May-05	NZD	\$350	10 years	Tier 2 Loan Capital

Results Presentation

For the half year ended 31 December 2007

Ralph Norris

CHIEF EXECUTIVE OFFICER

David Craig

CHIEF FINANCIAL OFFICER



Determined to be different.

13th February 2008

Commonwealth Bank of Australia ACN 123 123 124