

Retail Banking Services

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Determined to be different

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Commonwealth Bank of Australia ACN 123 123 124

Strategic Priorities for Retail Banking Services



Customer Satisfaction

#1 in Customer Satisfaction of the 'big four' banks and St George



Profitable Market Share Growth

#1 Market Share and growing in key lines



Efficiency

Operational excellence improvements to drive reduced cost to income



Cross Sell

Highest number of needs met per customer of the 'big four' banks and St George



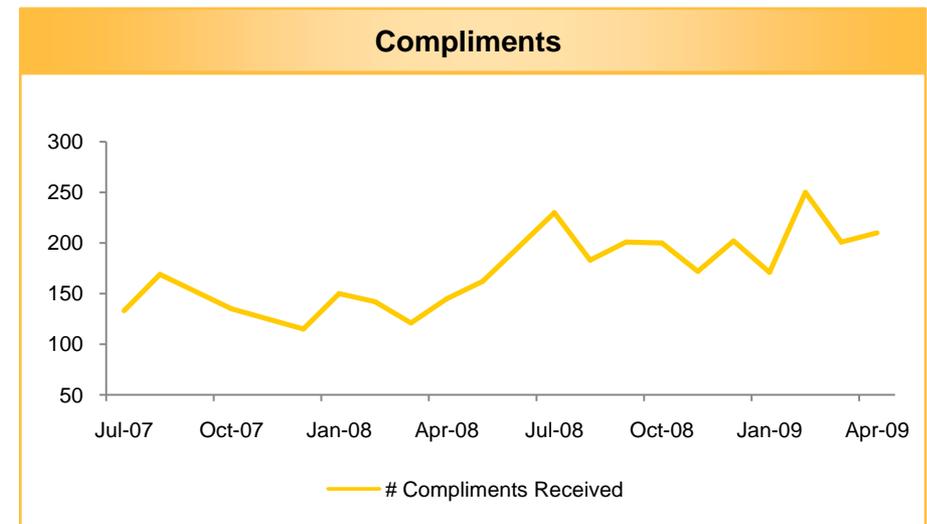
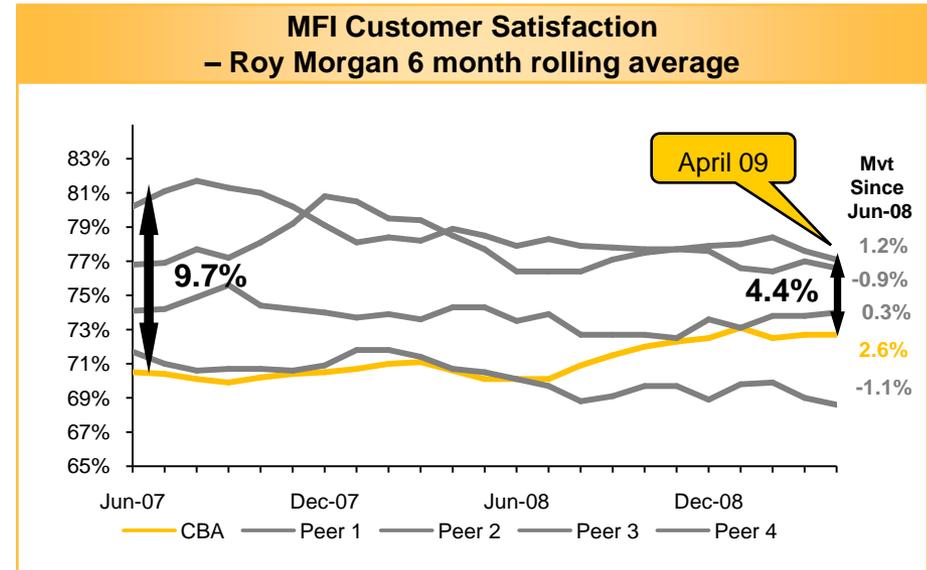
People Engagement

Engaged and motivated people to drive success



Customer Satisfaction

- Main Financial Institution Customer Satisfaction has reached 10 year highs during the year
 - Recording the highest improvement among major banks, up 2.6% from June 2008
 - Closing the gap to #1 peer, from 9.7% in June 07 to 4.4% in April 09
- Compliments up 51% on Mar 08 quarter and 9% up on previous quarter
- Enhancements to home lending customer experience:
 - 2008 'Lender of the Year' awarded by MFAA
 - Lenders accreditation program underway
- Continued rollout of new branch layout and service focus including concierges in branch
- Fee removal from over 4,000 CBA and non-CBA ATMs
- Over 1.5 million customers signed up to Online Statements
- 11 of the Bank's personal products recognised by Canstar Cannex
- NetBank recognition, including:
 - Ranked #1 based in Hitwise
 - Money Banking Website of the Year 2008
 - CANSTAR CANNEX Innovation Excellence
 - IAAI – innovation award winner



1. Source: Roy Morgan Research Customer Satisfaction. Aust MFI Population 14+, % "Very" or "Fairly Satisfied". Six month rolling average.



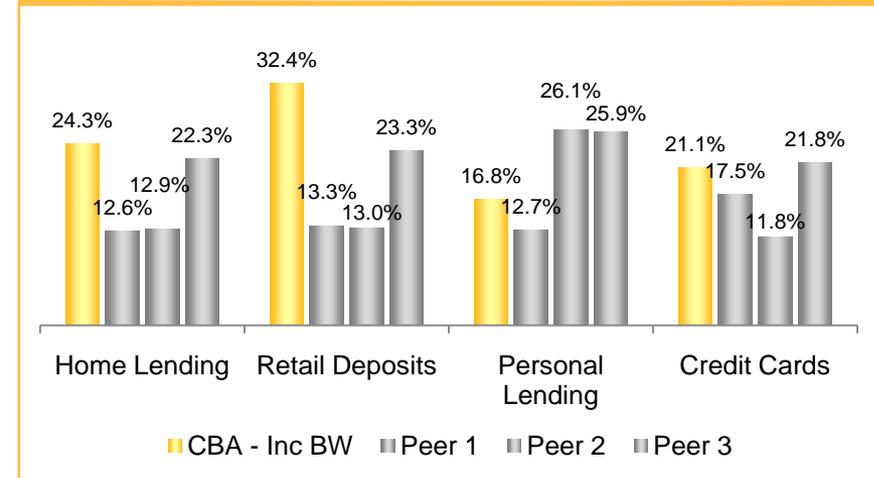
Profitable Market Share Growth

- Volume growth continued to be very strong
 - 24 months of consecutive market share gains for Home Loans
 - Continued solid growth in Household Deposits assisted by a flight to quality
- Sensibly clawing back margins in Home Loans while balancing customer and shareholder interests
- Intense competition and cash rate environment putting pressure on deposit margins
- Record levels of personal account openings across all channels (up 10% on previous quarter and 33% on Mar-08 quarter), sustained by new product offerings e.g. Debit MasterCard
- Organic growth in fast growing markets
 - Home Lending – First Home Buyers
 - Foreign Exchange
 - Debit MasterCard

Market Share – CBA

	Mar-09	Dec-08	Mar-08	Mvt since Mar-08
Home Lending*	21.17%	20.22%	19.21%	1.96%
Retail Deposits*	29.16%	29.05%	28.69%	0.47%
Personal Lending**	14.68%	14.15%	16.23%	1.55%
Credit Cards***	18.41%	18.25%	18.45%	0.04%

Market Share – Peer Comparison



*Includes WBC & BOQ reclass.

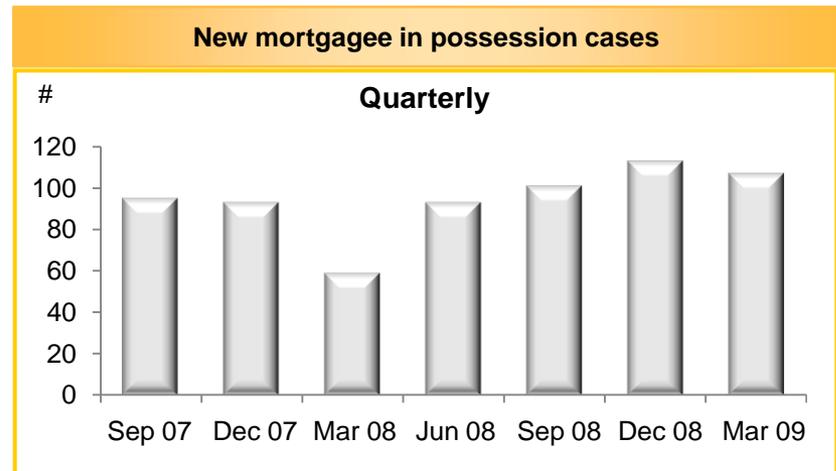
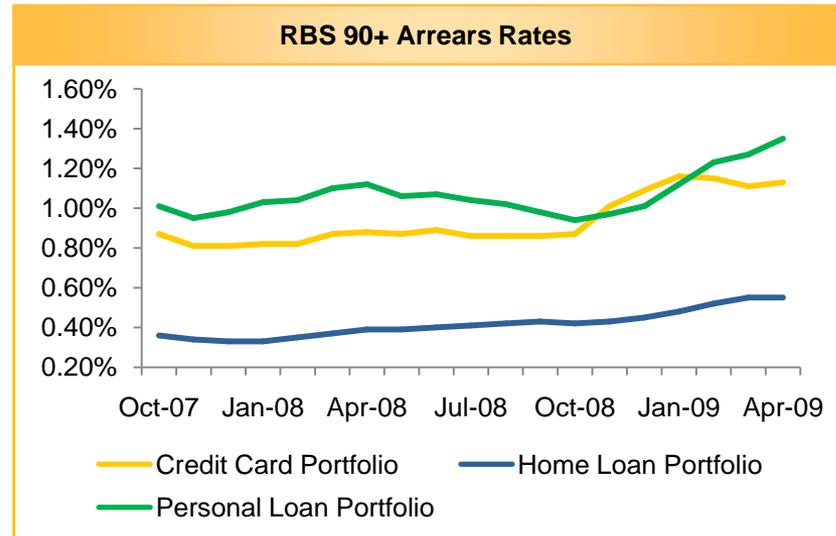
**Personal lending includes margin lending.

***Credit Card share is one month in arrears.



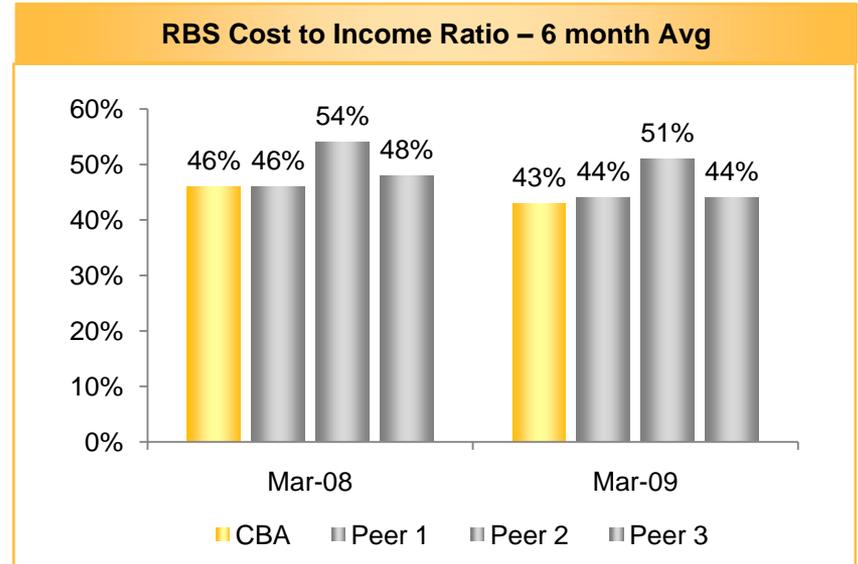
Credit Quality

- Bad and doubtful debts are higher than last year
- 90+ arrears rates
 - The increase in Credit Card arrears declined over the quarter in response to increased collections activity
 - Home lending arrears stabilised following an increase off a low base
 - Personal lending arrears increased over the quarter
- Tighter credit policy
 - Maximum LVR of 90% except for the best risk CBA customers
 - Minimum genuine savings of 5% where LVR >85%
 - FHOG does not qualify as genuine savings
 - Tightened credit policy and increased scorecard cut offs for personal loans and credit cards portfolios



Efficiency

- Cost to income ratio stable over the year with a YTD sales productivity per FTE improvement of 6%
- 6 months to Mar-09 average ratio lowest of all major peers
- Major enhancements to NetBank in Mar-09 quarter
 - NetBank Mobile:
 - Access to balances check and transaction history
 - Transfer money between their accounts and 3rd parties
 - Pay a bill via BPAY
 - View future transactions
 - Check on the status of applications
 - Find the nearest Commonwealth Bank branch or ATM
 - NetBank Online:
 - Straight through origination for key 'simple' products for existing customers
 - Self service eg increase/decrease home loan repayments online; activate cards, turn off paper statements
 - Universal inbox
- Core Banking Modernisation on track



Cross Sell

Sales:

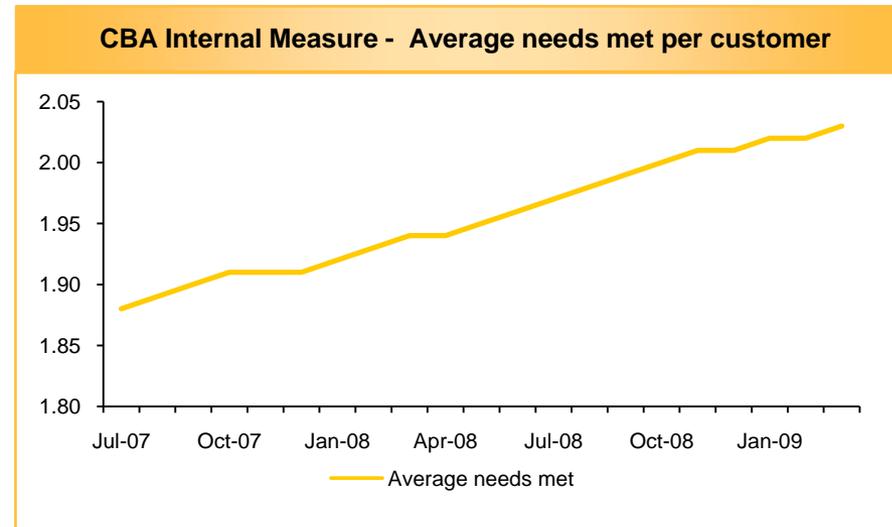
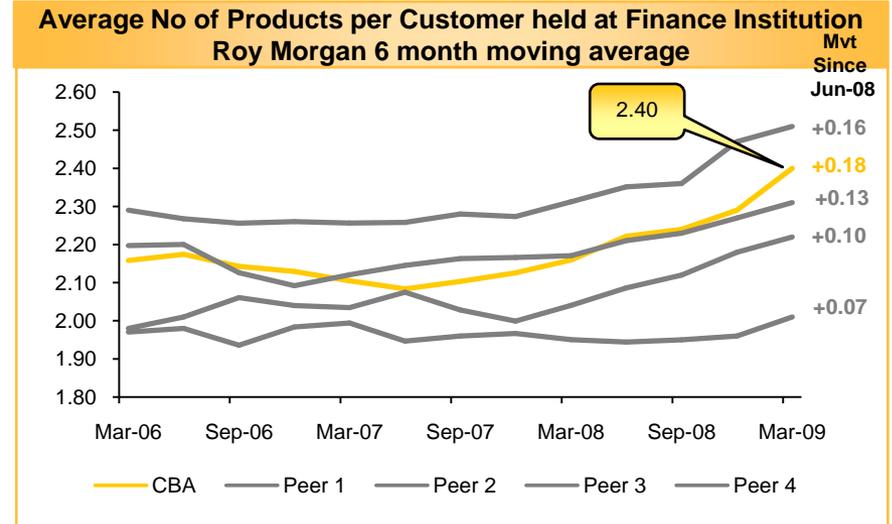
- Network sales per FTE per day up 29% on Dec-08
- Record home loan sales in Mar-09 quarter with fundings increasing 7% on Dec-08 quarter and 5% for the full year to Mar-09.
- CBA has captured 21% of the FHOB new fundings during the Mar-09 quarter, an increase of 7% compared to prior quarter and 10% on prior comparative period

Banking and Finance Products per customer:

- Number of products per customer up 5% on Dec-08 quarter¹

Referrals:

- Referrals to Retail Bank rising by 44% from PBS and 15% from Wealth Management from Mar 08 to Mar 09.

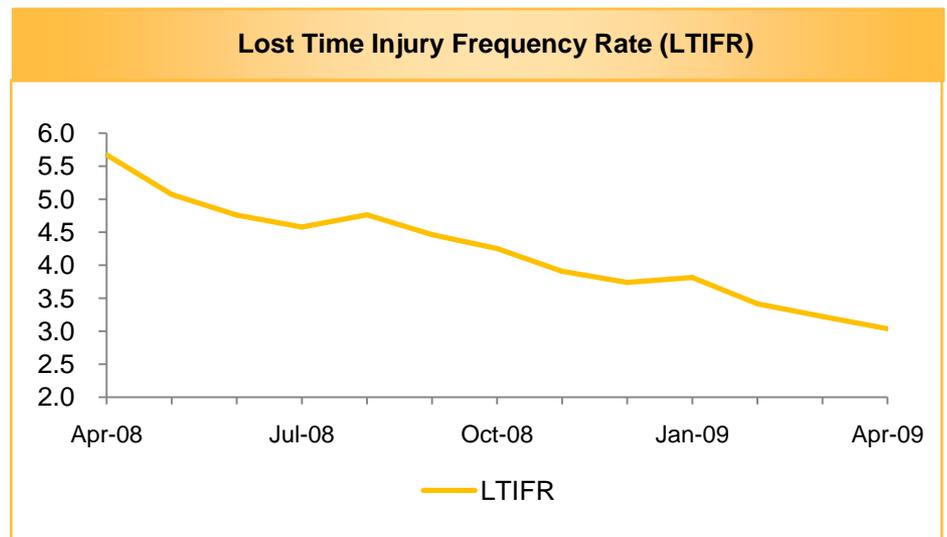
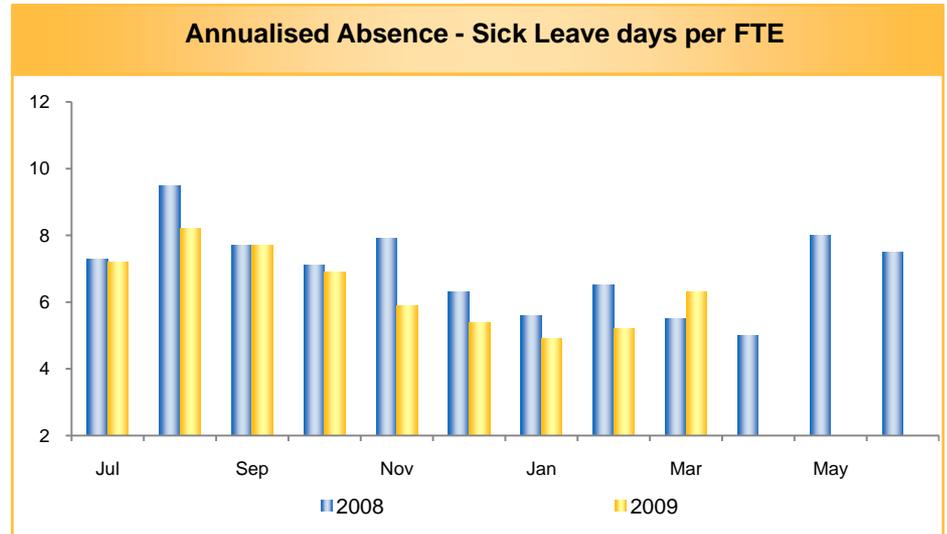


1. Source: Roy Morgan Research Australian Population 14+, Banking and Finance products per Banking and Finance customer. 6 month moving average.



People Engagement

- Workplace survey results (Gallup) continue to improve and perform in top quartile worldwide
- Further focus on improvement in people engagement through improvements made as part of the Get on Board, Stay on Board program including:
 - Recruitment Review;
 - First 12 Months – RBS BUILD Program;
 - Area Manager Development; and
 - Frontline Manager Development.
- Annualised absence down 0.8 days year to date (down from 7.9 days per FTE to 7.1 days).
- Lost time injury rate continues to decline with an average of 3.0 incidents recorded in Apr 09 down from 5.7 recorded at the same time last year.



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