

29 July 2003 Strategy Briefing - Presentation by David Murray, Chief Executive Officer

Title Slide: Strategy Briefing

Welcome and thank you for attending today.

Now lets take a look at the agenda for today.

Slide 2: Disclaimer

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation 29 July 2003. 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.

Slide 3: Speaker's Notes

Speaker's notes for these presentations are attached below each slide.

To access them, you may need to save the slides in PowerPoint and view/print in "notes view."

Slide 4: Agenda for today's briefing

In May last year we gave you a strategy briefing on the restructure.

In May this year we updated you on banking, pointing out our intention to make a substantial cultural change and the importance of this change to all parts of the Bank, including wealth management through our mutually reinforcing brands Commonwealth Bank and Colonial First State.

The purpose of today is to provide you with an update of the:

Investment & Insurance Services division, headed by Stuart Grimshaw
Group's capital position with Marten Touw our Group Treasurer
International Financial Services division, headed by Garry Mackrell

After Garry's presentation I'll then return with some short closing remarks.

The briefing will conclude just after eleven.

Slide 5: Wealth Management

By way of introduction to the briefing I'd like to make a few remarks about our overall position in wealth management.

Stuart Grimshaw will focus on how we are going about it.

At our half year results presentation we showed you this appraisal value chart. We have added significant value to the wealth management businesses since the acquisition of Colonial in June 2000.

Slide 6: Value of Colonial merger

Cost of acquisition	9.1
Pre merger market capitalisation	5.9
Market premium	3.2
Value of banking synergies @ P/E x13.5	3.9
Value of banking synergies @ P/E x16	4.7
Colonial increment in appraisal value	1.2

Amounts in \$ billion

Slide 7: Service Excellence

Service excellence means we will meet three basic needs - know me, deliver what I want, deliver it reliably.

Value is maximised by bundling services for clients from a full range of financial services.

Engagement means our people having the empowerment, motivation and skill to deliver.

Simple processes means zero waste, scale advantage, speed, accuracy and no bureaucracy.

Wealth management services are critical to our own service excellence vision... and our customers already recognise our place in this market.

Slide 8: Success factors in wealth management

Wealth management is a great business for banks.

Emerging trend is banks are in wealth management.

The majority of wealth managers in Europe are bank owned.

Of top 15 North American wealth managers, 9 are bank owned.

These are the success factors...

Slide 9: CBA's superior position in wealth management

Now, we have a broad range of products that we can effectively bundle in a single sale or over time in the relationship.

Giving our customers access not only to our own products but also to those of third parties.

With complementary distribution networks we have been able to widen and deepen our footprint and third party distribution relationships.

The CFS brand is very strong and the CBA brand is highly recognised as not just a banking but also a wealth management brand.

CBA clients also know and respect the CFS brand within the Commonwealth stable for what it achieves for them.

An end to end value chain presence provides pricing flexibility in a changing environment.

We are working across business units to maximise our bundling and distribution capability.

Slide 10: Title Slide

Marten Touw - Capital

Our capital position and our obligations

Capital needs in the context of economic risk

Impact of proposed changes in the regulatory environment and international accounting standards

You would have seen our announcement yesterday about a possible USD tier one hybrid security issue.

Garry Mackrell - IFS

ASB's successful business model and our plans to replicate it elsewhere

Hong Kong re-positioning

Hand over to Stuart

Stuart joined the Group in January 2002 as Group Executive, Financial & Risk Management

IIS since March this year

Prior was CEO, Great Britain for NAB

Extensive international and domestic financial services experience

Also here today are members of Stuart's team, Peter Beck, Executive General Manager, CommInsure and John Pearce, CEO of Colonial First State Investments.

Thank you and over to Stuart.

