



Dear Shareholder

**Commonwealth Bank Dividend Reinvestment Plan
Participation by UK Shareholders**

I am pleased to advise that at the June 2006 Commonwealth Bank (**the Bank**) Board meeting, directors approved the extension of the Bank's dividend reinvestment plan (**DRP**) to include shareholders with UK registered addresses. UK resident shareholders will be entitled to participate in the **DRP** as from the Bank's next interim dividend to be announced in February 2007.

Participation in the Bank's **DRP** allows you to apply your dividend payments towards the issue of ordinary shares in the Bank. The Bank's **DRP** is administered in accordance with the **DRP** Rules, which are published in the Dividends page of the Shareholder Centre of the Bank's website www.commbank.com.au. If you wish to receive a paper copy of the **DRP** Rules, please forward your request to Link Market Services at the postal or email address set out above.

Please find enclosed a Dividend Reinvestment Plan (**DRP**) Application Form that will enable you to participate in the **DRP**.

If you wish to participate, we ask that you complete this form and return it to the Bank's share registry in the enclosed envelope. Please note that you must complete and return this form even if you have previously given us instructions in relation to participation in the **DRP**.

If you have any questions, please email Link Market Services at registrars@linkmarketservices.com.au.

Dividend Payment via Direct Credit

If you decide not to participate in the Bank's **DRP** and you are receiving dividends by cheque, may we ask you to consider receiving future dividends by direct credit.

Dividend payments via direct credit to your bank or other financial institution account are faster and more efficient than payment by cheque. Payments are credited to your nominated account as cleared funds and are available for immediate use on the date of payment. Direct credit also eliminates the risk of cheques becoming lost or stolen.

Please complete and return the attached Request for Direct Credit of Payments form if you wish to choose this option in future.

Alternatively, you can submit your preferences and account details online via the Share Registry Services page on our website www.commbank.com.au/shareholder¹.

Yours sincerely

John Hatton
Company Secretary

¹For your security, online transactions are only available to shareholders meeting specific security criteria. If you are unable to update your details online, please use the forms provided.

