

21 December 2006

Dear Shareholder



**BEWARE OF UNSOLICITED OFFERS TO PURCHASE YOUR  
COMMONWEALTH BANK SHARES**

I am writing to inform you about a below-value offer to buy your Commonwealth Bank Shares that you may have received from Direct Share Purchasing Corporation Pty Ltd (DSPC) dated 17 December 2006. Mr David Tweed, the principal behind DSPC requested inspection of the Commonwealth Bank's register recently and made a copy of part of the Bank's register.

Under the Corporations Act, the Bank is required to keep a register of its shareholders, and this register must contain certain information about individual shareholders. Specifically, this information held on the register relates to shareholder name, address, number of shares held, and the date on which the shareholder's name was entered in the register. The Bank's share register is a public document and the Corporations Act gives rights to persons to inspect and obtain a copy of the register.

The "Offer to Buy" from DSPC at a price of A\$35.00 for one Commonwealth Bank share is significantly less than the Bank's share price, which on 15 December was A\$48.08. If you owned 1,000 shares and sold them at A\$35.00 to Mr Tweed's company, you would receive approximately A\$13,850.00 less than a sale at yesterday's closing price of A\$48.85. Shareholders should be aware that the Bank's share price is published in most daily newspapers and is available from the Shareholder Centre section of the Bank's website. Shares are easy to sell through a range of stockbrokers, if you wish to sell your shares at any time.

The Bank is concerned that you may unknowingly accept this offer of selling your Commonwealth Bank shares at a price substantially under their market value. The appearance of the offer document has an "official" look, but we would stress that the offer has no association whatsoever with the Commonwealth Bank.

If you wish to sell your shares, we recommend that you consult your financial adviser or contact your broker before taking any action. If you do not have a regular adviser or broker, talk to someone in your family or among your friends who know about shares. If you need a broker, please contact the Australian Stock Exchange's Customer Service Centre on 131 279. If you have any questions, please telephone the Bank's Share Registrar, Link Market Services Limited on 1800 022 440, or if you want to talk to the Bank's stockbroker, CommSec, please call 131 519.

Yours sincerely

Ralph Norris  
Chief Executive Officer