

Commonwealth Bank

Commonwealth Bank of Australia
ACN 123 123 124

Secretariat

GPO Box 2719
Sydney NSW 1155

Telephone (02) 9378-3546
Facsimile (02) 9378-3317

J Hatton
Company Secretary

31 October 2008

The Manager
Company Announcements Platform
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000



Dear Sir

**Commonwealth Bank of Australia
Funds flow and Insurance Inforce Premiums
Quarter ended 30 September 2008**

Please find attached Commonwealth Bank's 2008 September quarter FUA / FUM release.

Funds Under Administration ("FUA") at 30 September 2008 was \$185 billion, down 3.5 percent for the quarter.

Retail net flows for the quarter were negative \$266 million, due to deteriorating investment markets and the long term run-off of legacy products. Pleasingly, First Choice and Avanteos achieved positive net flows during the quarter, albeit at lower levels than the seasonally strong June quarter.

Funds Under Management ("FUM") at 30 September 2008 totalled \$146 billion, down 4.6 percent for the quarter primarily due to market falls in Australian and global equities and the outflow of Short Term Cash mandates.

Wholesale funds experienced net outflows of \$3 billion during the quarter, primarily due to the outflow of Short Term Cash mandates.

The Life Insurance and General Insurance businesses in Wealth Management attracted strong new business volumes driving growth in Inforce Premiums of 5.2 percent for the quarter.

Yours faithfully

J D Hatton
Company Secretary

Commonwealth Bank of Australia

Funds Under Administration / Management and Inforce Premiums

	As At		
	30/09/2008	30/06/2008	Sep-08 vs Jun-08 %
Funds Under Administration (FUA) ⁽¹⁾	\$M	\$M	
FirstChoice	37,215	38,707	(3.9)
Avanteos	6,333	6,257	1.2
Cash Management	2,537	2,576	(1.5)
Legacy Products ⁽²⁾	25,789	27,500	(6.2)
Retail Products ⁽³⁾	71,874	75,040	(4.2)
Other Retail ⁽⁴⁾	1,389	1,366	1.7
Australian Retail	73,263	76,406	(4.1)
Wholesale	49,212	52,376	(6.0)
Property	20,455	20,210	1.2
Other ⁽⁵⁾	3,167	3,248	(2.5)
Domestically Sourced	146,097	152,240	(4.0)
Internationally Sourced	31,854	32,730	(2.7)
Total Wealth Management	177,951	184,970	(3.8)
IFS New Zealand	6,584	6,335	3.9
Total CBA Group	184,535	191,305	(3.5)

	Sep-08	Jun-08
	\$M	\$M
Quarterly Funds Netflows		
FirstChoice	327	979
Avanteos	320	260
Cash Management	(81)	(278)
Legacy Products ⁽²⁾	(792)	(668)
Retail Products ⁽³⁾	(226)	293
Other Retail ⁽⁴⁾	(40)	12
Australian Retail	(266)	305
Wholesale	(3,001)	(345)
Property	30	571
Other ⁽⁵⁾	78	37
Domestically Sourced	(3,159)	568
Internationally Sourced	(621)	723
Total Wealth Management	(3,780)	1,291
IFS New Zealand	56	(46)
Total CBA Group	(3,724)	1,245

	As At		
	30/09/2008	30/06/2008	Sep-08 vs Jun-08 %
Funds Under Management (FUM) ⁽¹⁾	\$M	\$M	
Australian Equities	20,549	23,502	(12.6)
Global Equities	32,736	35,589	(8.0)
Cash & Fixed Interest	65,459	66,729	(1.9)
Property & Alternative Investments	27,180	27,120	0.2
Total	145,924	152,940	(4.6)

	As At		
	30/09/2008	30/06/2008	Sep-08 vs Jun-08 %
Wealth Management Insurance Inforce Premiums ⁽⁶⁾	\$M	\$M	
General Insurance	299	279	7.2
Retail Life	628	605	3.8
Wholesale Life	388	366	6.0
Total Wealth Management	1,315	1,250	5.2

(1) FUM & FUA does not include the Groups interest in the China Cinda JV, AWG PLC or ENW Limited (previously UUE Limited).

(2) Includes stand alone and legacy products.

(3) This is an estimate of the Retail Funds that align to Plan for Life market share releases.

(4) Includes listed equity trusts and regular premium plans. These retail products are not reported in market share data.

(5) Includes life company assets sourced from retail investors but not attributable to a funds management product.

(6) Inforce premiums relates to risk business.