



## COMMONWEALTH BANK OF AUSTRALIA PROFIT ANNOUNCEMENT FOR YEAR ENDED 30 JUNE 2009

**Sydney 5 August 2009:** The Commonwealth Bank of Australia (the Group) is scheduled to release its results for the year ended 30 June 2009 on Wednesday 12 August 2009.

As part of its ongoing commitment to improved disclosure and increased transparency the Group will be providing additional segmental disclosures for its banking business. In particular, the business formerly described as “Premium Business Services” has been split into two separate businesses - “Business and Private Banking” and “Institutional Banking and Markets”. Segmental reporting in the Profit Announcement (and in supporting materials) will be realigned to be consistent with this new business structure.

To assist investors understanding these changes the Group has restated existing financial statements for the full year to 30 June 2008 and for the 6 months to 31 December 2008 so that they are consistent with the new segments which will be released on 12 August.

The 2009 financials will include Bankwest results for the period since ownership (19 December 2008). Profit and loss comparatives of Bankwest will not be reported.

In order to preserve the transparency, where practical, the Management Discussion and Analysis will represent Bankwest’s impact on the Group’s profit and loss statement separately. In this way a direct comparison of the year to year and half to half performance of the Group result, excluding Bankwest, can be more clearly evidenced.

Copies of these historical figures, tabulated in a manner which is consistent with the Profit Announcement are attached to the release.

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For more information contact:

Warwick Bryan  
Investor Relations  
Commonwealth Bank  
0406 316 725

# Highlights

	Full Year Ended			Half Year Ended			Full Year
	30/06/09	30/06/08	Jun 09 vs Jun 08 %	30/06/09	31/12/08	Jun 09 vs Dec 08 %	Ended Incl. Bankwest 30/06/09
	\$M	\$M		\$M	\$M		\$M
<b>Group Performance Summary</b>							
Net interest income		7,907			4,543		
Other banking income		3,312			2,036		
<b>Total banking income</b>		11,219			6,579		
Funds management income		2,307			1,005		
Insurance income		832			432		
<b>Total operating income</b>		14,358			8,016		
Investment experience		(17)			(183)		
<b>Total income</b>		14,341			7,833		
Operating expenses		7,021			3,551		
Impairment expense		930			1,607		
<b>Net profit before income tax</b>		6,390			2,675		
Corporate tax expense		1,626			646		
Minority interests		31			16		
<b>Net profit after tax excluding Bankwest ("cash basis")</b>		4,733			2,013		
Bankwest net profit after tax ("cash basis")		-			-		
<b>Net profit after tax ("cash basis")</b>		4,733			2,013		
Hedging and AIFRS volatility		(42)			(8)		
Gain on acquisition of controlled entities		-			547		
Other non-cash items		100			21		
<b>Net profit after tax ("statutory basis")</b>		4,791			2,573		
<b>Represented by:</b>							
Retail Banking Services		1,911			1,119		
Business and Private Banking		721			373		
Institutional Banking and Markets		771			(168)		
Wealth Management		737			175		
International Financial Services		581			278		
Other		12			236		
<b>Net profit after tax excluding Bankwest ("cash basis")</b>		4,733			2,013		
Investment experience - after tax		13			132		
<b>Net profit after tax excluding Bankwest ("underlying basis")</b>		4,746			2,145		
Bankwest net profit after tax		-			-		
<b>Net profit after tax ("underlying basis")</b>		4,746			2,145		

## Highlights continued

Key Performance Indicators - Group	Full Year Ended			Half Year Ended		
	30/06/09	30/06/08	Jun 09 vs	30/06/09	31/12/08	Jun 09 vs
			Jun 08 %			Dec 08 %
<b>Group</b>						
Underlying profit after tax (\$M)		4,746			2,145	
Net interest margin (%)		2.02			2.04	
Average interest earnings assets (\$M)		385,667			436,722	
Average interest bearing liabilities (\$M)		362,249			410,880	
Funds management income to average FUA (%)		1.19			1.11	
FUA - average (\$M)		194,156			179,371	
Insurance income to average inforce premiums (%)		55.1			50.2	
Average inforce premiums (\$M)		1,511			1,708	
Operating expense to operating income (%)		48.9			44.3	
Effective corporate tax rate (%)		25.4			24.1	
<b>Retail Banking Services</b>						
Cash net profit after tax (\$M)		1,911			1,119	
Operating expense to total banking income (%)		46.1			42.4	
<b>Business and Private Banking</b>						
Cash net profit after tax (\$M)		721			373	
Operating expense to total banking income (%)		50.5			49.1	
<b>Institutional Banking and Markets</b>						
Cash net profit after tax (\$M)		771			(168)	
Operating expense to total banking income (%)		34.1			26.9	
<b>Wealth Management</b>						
Underlying profit after tax (\$M)		789			328	
FUA - average (\$M)		186,696			173,001	
Average inforce premiums (\$M)		1,136			1,314	
Funds management income to average FUA (%)		1.20			1.11	
Insurance income to average inforce premiums (%)		49.0			46.3	
Operating expense to net operating income (%)		52.7			56.3	
<b>International Financial Services</b>						
Underlying profit after tax (\$M)		555			269	
FUA - average (\$M)		7,460			6,370	
Average inforce premiums (\$M)		375			394	
Funds management income to average FUA (%)		0.64			0.81	
Insurance income to average inforce premiums (%)		67.2			59.9	
Operating expense to total operating income (%)		51.9			53.8	
<b>Bankwest</b>						
Cash net profit after tax (\$M)		-			-	
Operating expense to total banking income (%)		-			-	
<b>Capital Adequacy - (Basel II)</b>						
Tier One (%)		8.17			8.75	
Total (%)		11.58			11.39	

Key Performance Indicators - Ex Bankwest	Full Year Ended			Half Year Ended		
	30/06/09	30/06/08	Jun 09 vs	30/06/09	31/12/08	Jun 09 vs
			Jun 08 %			Dec 08 %
Underlying profit after tax (\$M)		4,746			2,145	
Net interest margin (%)		2.02			2.04	
Average interest earning assets (\$M)		385,667			436,722	
Average interest bearing liabilities (\$M)		362,249			410,880	
Operating expense to total operating income (%)		48.9			44.3	

# Group Performance Analysis

	As at				
	30/06/09	31/12/08	30/06/08	Jun 09 vs Dec 08 %	Jun 09 vs Jun 08 %
	\$M	\$M	\$M		
<b>Total Group Assets &amp; Liabilities</b>					
<b>Interest earning assets</b>					
Home loans including securitisation		265,694	215,743		
Less: securitisation		(14,769)	(11,676)		
Home loans excluding securitisation		250,925	204,067		
Personal		19,303	20,265		
Business and corporate		164,901	126,987		
<b>Loans, bills discounted and other receivables</b>		435,129	351,319		
Provisions for loan impairment		(3,578)	(1,713)		
Net loans, bills discounted and other receivables		431,551	349,606		
Non-lending interest earning assets		74,391	49,385		
<b>Total interest earning assets</b>		509,520	400,704		
Other assets		109,241	86,868		
<b>Total assets</b>		618,761	487,572		
<b>Interest bearing liabilities</b>					
Transaction deposits		66,685	59,917		
Saving deposits		71,611	53,420		
Investment deposits		136,085	98,745		
Other demand deposits		66,358	44,014		
<b>Total interest bearing deposits</b>		340,739	256,096		
Deposits not bearing interest		9,445	7,610		
<b>Deposits and other public borrowings</b>		350,184	263,706		
Debt Issues		86,676	73,785		
Other interest bearing liabilities		51,859	44,756		
<b>Total interest bearing liabilities</b>		479,274	374,637		
Securitisation debt issues		15,723	12,032		
Non-interest bearing liabilities		93,777	74,766		
<b>Total liabilities</b>		588,774	461,435		
<b>Provisions for impairment losses</b>					
Collective provision		2,474	1,466		
Individually assessed provisions		1,134	279		
<b>Total provisions for impairment losses</b>		3,608	1,745		
Less off balance sheet provisions		30	32		
<b>Total provisions for loan impairment</b>		3,578	1,713		

# Business and Private Banking

Full Year Ended 30 June 2009							
Corporate Financial Services	Regional & Agri-business	Local Business Banking	Private Bank	Equities & Margin Lending	Other	Total	
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Net interest income							
Other banking income							
<b>Total banking income</b>							
Operating expenses							
Impairment expense							
Net profit before tax							
Corporate tax expense							
<b>Cash net profit after tax</b>							

Full Year Ended 30 June 2008							
Corporate Financial Services	Regional & Agri-business	Local Business Banking	Private Bank	Equities & Margin Lending	Other	Total	
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Net interest income	481	174	285	89	158	64	1,251
Other banking income	375	105	249	93	259	53	1,134
<b>Total banking income</b>	<b>856</b>	<b>279</b>	<b>534</b>	<b>182</b>	<b>417</b>	<b>117</b>	<b>2,385</b>
Operating expenses							1,205
Impairment expense							167
Net profit before tax							1,013
Corporate tax expense							292
<b>Cash net profit after tax</b>							<b>721</b>

Half Year Ended 30 June 2009							
Corporate Financial Services	Regional & Agri-business	Local Business Banking	Private Bank	Equities & Margin Lending	Other	Total	
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Net interest income							
Other banking income							
<b>Total banking income</b>							
Operating expenses							
Impairment expense							
Net profit before tax							
Corporate tax expense							
<b>Cash net profit after tax</b>							

Major Balance Sheet Items	As at				
	30/06/09	31/12/08	30/06/08	Jun 09 vs Dec 08 %	Jun 09 vs Jun 08 %
	\$M	\$M	\$M		
Interest earning lending assets (excluding margin loans)		53,663	50,115		
Bank acceptances of customers		11,594	13,513		
Non-lending interest earning assets		1,150	115		
Margin loans		5,192	7,815		
Other assets		416	2,047		
<b>Total assets</b>		<b>72,015</b>	<b>73,605</b>		
Transaction deposits		39,217	39,763		
Savings deposits		4,369	3,088		
Investment deposits		31,292	26,215		
Certificates of deposits and other		114	84		
Due to other financial institutions		443	935		
Other non-interest bearing liabilities		17,413	19,592		
<b>Total liabilities</b>		<b>92,848</b>	<b>89,677</b>		

# Institutional Banking and Markets

	Full Year Ended 30 June 2009		
	Institutional	Global	Total
	Banking	Markets	
	\$M	\$M	\$M
Net interest income			
Other banking income			
<b>Total banking income</b>			
Operating expenses			
Impairment expense			
Net profit before tax			
Corporate tax expense			
<b>Cash net profit after tax</b>			

	Full Year Ended 30 June 2008		
	Institutional	Global	Total
	Banking	Markets	
	\$M	\$M	\$M
Net interest income	846	151	997
Other banking income	330	425	755
<b>Total banking income</b>	<b>1,176</b>	<b>576</b>	<b>1,752</b>
Operating expenses			598
Impairment expense			259
Net profit before tax			895
Corporate tax expense			124
<b>Cash net profit after tax</b>			<b>771</b>

	Half Year Ended 30 June 2009		
	Institutional	Global	Total
	Banking	Markets	
	\$M	\$M	\$M
Net interest income			
Other banking income			
<b>Total banking income</b>			
Operating expenses			
Impairment expense			
Net profit before tax			
Corporate tax expense			
<b>Cash net profit after tax</b>			

Major Balance Sheet Items	As at				
	30/06/09	31/12/08	30/06/08	Jun 09 vs Dec 08 %	Jun 09 vs Jun 08 %
	\$M	\$M	\$M		
Interest earning lending assets		73,942	63,612		
Bank acceptances of customers		3,138	4,765		
Non-lending interest earning assets		27,524	18,695		
Other assets		23,428	10,582		
<b>Total assets</b>		<b>128,032</b>	<b>97,654</b>		
Certificate and other deposits		10,702	6,567		
Investment deposits		6,841	3,513		
Due to other financial institutions		15,169	15,724		
Liabilities at fair value through the Income Statement		2,416	1,914		
Debt issues		24,437	25,438		
Loan Capital		720	581		
Other non-interest bearing liabilities		45,489	22,824		
<b>Total liabilities</b>		<b>105,774</b>	<b>76,561</b>		

# Bankwest

Half Year Ended  
30/06/09  
\$M

Net interest income	
Other banking income	
<b>Total banking income</b>	
Operating expenses	
Impairment expense	
Corporate tax expense	
<b>Underlying profit after tax</b>	

Major Balance Sheet Items	As at		
	30/06/09 \$M	31/12/08 \$M	Jun 09 vs Dec 08 %
Home lending		33,685	
Other lending assets		25,009	
Assets at fair value through income statement		5,776	
Other assets		1,726	
<b>Total assets</b>		66,196	
Transaction deposits		4,136	
Savings deposits		9,649	
Investment deposits		20,256	
Certificates of deposits and other		16,342	
Debt issues		5,221	
Due to other financial institutions		4,587	
Other liabilities		2,324	
<b>Total liabilities</b>		62,515	

# Appendices

## 8. Loans, Bills Discounted and Other Receivables

	30/06/09	31/12/08	30/06/08
	\$M	\$M	\$M
<b>Australia</b>			
Overdrafts		17,596	20,047
Housing loans (including securitisation)		234,170	186,926
Credit card outstandings		8,875	7,555
Lease financing		4,641	4,239
Bills discounted		10,079	5,868
Term loans		110,832	83,431
Other lending		1,736	1,076
Other securities		492	13
<b>Total Australia</b>		<b>388,421</b>	<b>309,155</b>
<b>Overseas</b>			
Overdrafts		1,345	716
Housing loans		31,524	28,817
Credit card outstandings		628	538
Lease financing		607	563
Term loans		28,845	23,916
Redeemable preference share financing		744	1,194
Other lending		22	25
Other securities		-	300
<b>Total Overseas</b>		<b>63,715</b>	<b>56,069</b>
<b>Gross loans, bills discounted and other receivables</b>		<b>452,136</b>	<b>365,224</b>
<b>Less:</b>			
Provisions for Loan Impairment:			
Collective provision		(2,444)	(1,434)
Individually assessed provisions		(1,134)	(279)
Unearned income:			
Term loans		(1,082)	(1,047)
Lease financing		(1,156)	(1,182)
		<b>(5,816)</b>	<b>(3,942)</b>
<b>Net loans, bills discounted and other receivables</b>		<b>446,320</b>	<b>361,282</b>



## 11. Financial Reporting by Segments

	Full Year Ended 30 June 2008							
<b>Business Segment Information</b>	Retail Banking Services	Business and Private Banking	Institutional Banking and Markets	International Wealth Management	International Financial Services	Bankwest	Other	Total
<b>Income Statement</b>	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Interest income	14,549	3,219	5,975	-	4,061	-	1,430	<b>29,234</b>
Insurance premium and related revenue	-	-	-	994	379	-	-	<b>1,373</b>
Other income	1,339	863	1,027	2,763	458	-	(3)	<b>6,447</b>
<b>Total revenue</b>	<b>15,888</b>	<b>4,082</b>	<b>7,002</b>	<b>3,757</b>	<b>4,898</b>	<b>-</b>	<b>1,427</b>	<b>37,054</b>
Equity accounted earnings	-	-	-	60	32	-	-	<b>92</b>
Revenue from external customers	15,810	4,374	6,822	3,747	4,796	-	1,413	<b>36,962</b>
Revenue from other operating segments	78	(292)	780	(50)	70	-	(586)	<b>-</b>
Interest expense	5,306	2,980	3,765	-	3,092	-	6,184	<b>21,327</b>
Segment result before income tax	2,687	974	909	991	767	-	(73)	<b>6,255</b>
Income tax expense	(805)	(280)	(128)	(194)	(177)	-	151	<b>(1,433)</b>
Segment result after income tax	1,882	694	781	797	590	-	78	<b>4,822</b>
Minority interests	-	-	-	-	(2)	-	(29)	<b>(31)</b>
<b>Segment result after income tax and minority interests</b>	<b>1,882</b>	<b>694</b>	<b>781</b>	<b>797</b>	<b>588</b>	<b>-</b>	<b>49</b>	<b>4,791</b>
Less: Non-cash Items	(29)	(27)	10	60	7	-	37	<b>58</b>
<b>Net profit after tax ("cash basis")</b>	<b>1,911</b>	<b>721</b>	<b>771</b>	<b>737</b>	<b>581</b>	<b>-</b>	<b>12</b>	<b>4,733</b>
<b>Additional items</b>								
Intangible asset amortisation	19	49	4	-	12	-	19	<b>103</b>
Impairment expense	331	167	259	-	43	-	130	<b>930</b>
Depreciation	10	27	18	4	39	-	127	<b>225</b>
Defined benefit superannuation plan expense	-	-	-	-	-	-	(14)	<b>(14)</b>
Investment and restructuring	41	22	-	-	14	-	300	<b>377</b>
Other	28	10	4	10	6	-	32	<b>90</b>
<b>Balance Sheet</b>								
Total assets	199,106	73,605	97,654	23,892	51,634	-	41,681	<b>487,572</b>
Acquisition of property, plant & equipment, intangibles and other non-current assets	15	420	127	8	71	-	321	<b>962</b>
Investments in associates	-	15	2	724	165	-	-	<b>906</b>
Total liabilities	122,349	89,677	76,561	20,609	42,750	-	109,489	<b>461,435</b>

# Appendices

## 12. Integrated Risk Management (Excludes Insurance and Funds Management)

	30/06/09	31/12/08	30/06/08
<b>By Industry</b>	%	%	%
Agriculture, forestry and fishing		2.4	2.3
Banks		10.8	11.8
Business services		1.1	0.9
Construction		1.0	0.8
Culture and recreational services		0.8	0.9
Energy		1.7	1.8
Finance - Other		6.2	7.5
Health and community service		0.9	0.9
Manufacturing		3.1	2.9
Mining		1.3	1.2
Property		8.1	6.9
Retail trade and wholesale trade		2.8	2.7
Sovereign		4.0	5.3
Transport and storage		1.7	1.7
Other		5.5	5.5
Consumer		48.6	46.9
		100.0	100.0

	30/06/09	31/12/08	30/06/08
<b>By Region</b>	%	%	%
Australia		76.6	73.1
New Zealand		10.5	11.3
Europe		7.9	10.4
Americas		2.7	3.0
Asia		1.9	1.9
Other		0.4	0.3
		100.0	100.0

	30/06/09	31/12/08	30/06/08
<b>Commercial Portfolio Quality</b>	%	%	%
AAA/AA		27	36
A		18	18
BBB		19	17
Other		36	29
		100	100

## 12. Integrated Risk Management (continued)

	Average VaR Jun 2009	Average VaR Dec 2008	Average VaR Jun 2008
	\$M	\$M	\$M
<b>Traded Market Risk</b>			
<b>Risk Type</b>			
Interest rate risk		4.10	3.88
Exchange rate risk		2.00	1.34
Implied volatility risk		1.40	1.04
Equities risk		1.00	0.45
Commodities risk		0.80	0.92
Credit spread risk		3.10	4.65
Diversification benefit		(5.80)	(5.62)
<b>Total general market risk</b>		<b>6.60</b>	<b>6.66</b>
Undiversified risk		2.10	3.08
ASB Bank		1.30	1.11
Bankwest		0.20	-
<b>Total</b>		<b>10.20</b>	<b>10.85</b>

# Appendices

## 14. Capital Adequacy

	Group		
	Basel II 30/06/09	Basel II 31/12/08	Basel II 30/06/08
	\$M	\$M	\$M
<b>Regulatory Capital</b>			
<b>Tier One Capital</b>			
<b>Fundamental Tier One Capital</b>			
Ordinary Share Capital		20,365	15,727
Treasury shares		287	264
Ordinary Share Capital and Treasury Shares		20,652	15,991
Other Equity Instruments		939	939
Trust Preferred Securities 2006		(939)	(939)
<b>Reserves</b>		958	1,206
Cash flow hedge reserve		675	(341)
Employee compensation reserve		32	39
Asset revaluation reserve		(194)	(195)
Available-for-sale investments reserve		(72)	41
Foreign currency translation reserve related to non-consolidated subsidiaries		(32)	39
<b>Total Reserves</b>		1,367	789
Retained Earnings and Current Period Profits		7,206	7,747
Expected dividend		(1,662)	(2,029)
Estimated reinvestment under Dividend Reinvestment Plan		548	609
Discount on acquisition recognised on consolidation of Bankwest		(547)	-
Retained earnings AIFRS adjustment for non-consolidated subsidiaries		752	752
Other		(77)	(65)
Net Retained Earnings		6,220	7,014
<b>Minority Interest</b>		519	518
ASB Perpetual Preference Shares		(505)	(505)
Minority interests less ASB Perpetual Preference Shares		14	13
<b>Total Fundamental Tier One Capital</b>		<b>28,253</b>	<b>23,807</b>