

**Determined** to be better than we've ever been.

**Ralph Norris**  
CHIEF EXECUTIVE OFFICER



# Media Presentation

For the half year ended 31 December 2009

10 February 2010

Commonwealth Bank of Australia ACN 123 123 124



**Determined** to be different

# Disclaimer

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation, 10 February 2010. 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.



# Agenda

- **Ralph Norris, CEO**
- Questions and Answers



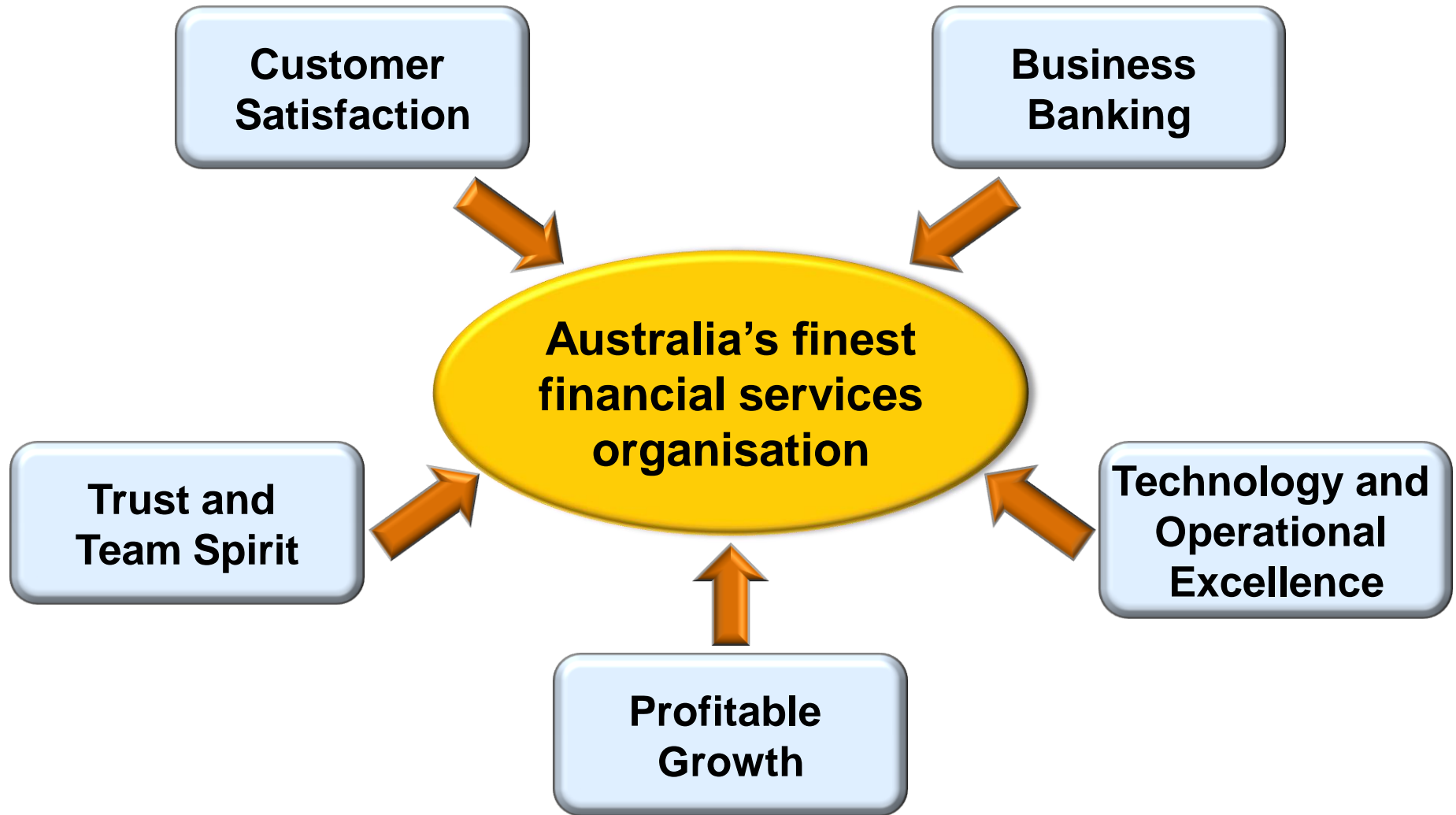
# Strong operating performance

- Strong financial performance
- Good momentum in all businesses
- Strategy driven result
- Prudent business settings maintained
- Well positioned for growth

	Dec 09
Cash NPAT	\$2,943m
ROE	18.5%
Tier 1 Capital	9.1%
Cash EPS (cents)	191.7
Interim Dividend (cents)	120.0



# A clear, focussed strategy



# Transformational change - scorecard

	June 2006	December 2009	Progress
<b>Customer Satisfaction</b>			
Retail <sup>1</sup>	64.9%	73.8%	✓
Business <sup>2</sup>	56.5%	67.5%	✓
FirstChoice <sup>3</sup>	Ranked 6 <sup>th</sup>	Ranked 1 <sup>st</sup>	✓
Share of Ombudsman Complaints	29.8%	16.6%	✓
<b>Market Shares</b> <sup>5</sup>			
Home Lending	18.7%	26.0%	✓
Business Lending	12.1%	18.8%	✓
Household Deposits	29.3%	31.3%	✓
Business Deposits	11.9%	21.7%	✓
Products per Customer <sup>4</sup>	2.17	2.48	✓
<b>System Reliability</b> – Sev. 1 incidents	66 pa	5 ytd	✓
<b>Processing times</b> – New Home Loans <sup>6</sup>	14 days	5 days	✓
<b>Employee Engagement</b> – Percentile	69 <sup>th</sup>	80 <sup>th</sup>	✓
<b>Total Shareholder Return</b> – Ranking <sup>7</sup>		Number 1 (1, 2, 3, 4, 5 yrs)	✓

1, 2, 3, 4 – Refer note slide at back of this presentation for source information

5 Source RBA/APRA. June 2006 market shares do not include Bankwest

6 Time period relates to that component of the home loan process that is under the direct control of the Group's mortgage processing area. Comparative period relates to Oct 07

7 Major banks



# Areas of strategic focus – near term

- Continued drive to be Number 1 in customer satisfaction
- Core Banking Modernisation;
  - On schedule - early phases very encouraging
  - All customer information migrated, 3 live trials underway
  - Quantum improvements in customer service and efficiency
- Further leverage of diversified business mix;
  - Strong domestic retail banking franchise
  - Business banking upside
  - Wealth management growth
  - Profitable growth opportunities



# Regulatory Reform

- Australian financial system very resilient
  - Avoided worst of Global Financial Crisis
  - Well capitalised, provisioned and high liquidity
  - No government bail outs required
  - Funding cost pressures from offshore
- Any regulatory changes need to recognise uniqueness of Australia
  - Strong, well capitalised, banking sector
  - Effective regulatory frameworks
- Regulatory reform can have significant cost for Australian economy
- Australian government and regulators response has been balanced and realistic





# Outlook

- Global outlook has improved
- Sustainable economic recovery under way in Australia
  - Increased credit growth
  - Continued funding cost pressure
- Impairments expected to decline gradually
- Some global downside risks still exist
- Group retains conservative financial settings



# A strong operating result

- |                             |   |                            |
|-----------------------------|---|----------------------------|
| ■ Clear, focussed strategy  | ➔ | Delivering results         |
| ■ Good momentum             | ➔ | Some headwinds             |
| ■ Strong growth             | ➔ | Income up 10%              |
| ■ Careful cost management   | ➔ | Costs up 1% this half      |
| ■ Strong balance sheet      | ➔ | Tier 1 Capital over 9%     |
| ■ Conservative provisioning | ➔ | \$1.4bn management overlay |
| ■ Delivering high ROE       | ➔ | 18.5%                      |



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