



COMMBANK RETAIL BONDS OFFER SUCCESSFULLY COMPLETED

Sydney –23 December 2010:

Commonwealth Bank of Australia (the “Bank”) today announced the completion of the offer (the “Offer”) for the inaugural series of CommBank Retail Bonds (“Bonds”).

The Bank successfully raised \$570 million from the Offer.

The Bank previously allocated approximately \$500 million of Bonds to Syndicate Brokers in the Bookbuild conducted on 25 November 2010 and raised an additional \$70 million from the Securityholder and Customer Offer.

In aggregate, 5,700,000 Bonds will be issued to successful applicants on 24 December 2010 at an application price of \$100 per Bond.

David Craig, Chief Financial Officer said “We are pleased to have completed our first series of CommBank Retail Bonds and thank everyone that has participated in the Offer. This transaction has given investors an opportunity to diversify their investment portfolio and demonstrates our commitment to developing the Australian retail corporate bond market.”

Allocation Policy

Securityholder and Customer Offer – All valid applications received from applicants under the Securityholder and Customer Offer have been accepted in full.

General Offer – No applications received have been accepted. Applicants will receive a refund of the total amount applied for.

Broker Firm Offer – Allocations to Syndicate Brokers were determined pursuant to the Bookbuild conducted on 25 November 2010. Applicants allocated Bonds under the Broker Firm Offer should confirm their allocation with their Syndicate Broker.

Deferred Settlement Trading of CommBank Retail Bonds

CommBank Retail Bonds are expected to commence trading on a deferred settlement trading basis at 12pm (Sydney time) on Friday, 24 December 2010 under the ASX code of “CBAHA”. Deferred settlement trading will continue until despatch of CHESSE allotment advices and issuer-sponsored holding statements, which set out the number of Bonds issued to each successful applicant, expected to occur on Thursday, 30 December 2010.

Commonwealth Bank

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Trading on a normal settlement basis is expected to commence on Friday, 31 December 2010.

All applicants are responsible for determining and confirming the number of Bonds allocated to them before selling any Bonds to avoid the risk of selling Bonds they do not own. Applicants who sell Bonds before receiving their CHES allotment advice or issuer-sponsored holding statement confirming their allocation do so at their own risk.

Interest Rate

The Interest Rate on Bonds is calculated each quarter as the sum of the Bank Bill Rate plus a Margin of 1.05% per annum. The Bank Bill Rate is set on the first Business Day of each Interest Period and is based on an average of rates at which major Australian financial institutions lend short-term cash to each other over a 90 day period.

The Interest Rate for the first Interest Period (beginning on 24 December 2010 and ending on 14 April 2011) will be the higher of 6.00% per annum and the rate calculated above. This rate will be announced to the ASX on 24 December 2010.

Further Information

For further information regarding CommBank Retail Bonds, allocations or other enquiries, please call the CommBank Retail Bonds Information Line on 1800 022 440 (Monday to Friday 8.00am – 7.30pm, Sydney time).

Commonwealth Bank of Australia is the Sole Arranger and Bookrunner for the Offer. Citigroup Global Markets Australia Pty Limited, Commonwealth Securities Limited, Evans and Partners Pty Ltd and RBS Equity Capital Markets (Australia) Limited acted as Joint Lead Managers to the Offer. FIIG Securities Limited, Ord Minnett Limited and Patersons Securities Limited acted as Co-Managers to the Offer.

The CommBank Retail Bonds Offer was made under an Offer Document dated 18 November 2010. The issuer of CommBank Retail Bonds is Commonwealth Bank of Australia ABN 48 123 123 124.

For additional information, please contact:

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This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933).