

MEDIA RELEASE



COMMONWEALTH BANK SETTLES STORM FINANCIAL LITIGATION WITH ASIC

Sydney 14 September 2012: The Commonwealth Bank Group (Group) today announced that it had reached a resolution with the Australian Securities & Investments Commission (ASIC) in relation to Storm Financial.

The Group's agreement with ASIC, which was reached following constructive discussion that focussed on what was best for customers, will make available up to an additional \$136 million to many of the Group's customers who invested through Storm Financial, including those who participated in the Group's Resolution Scheme.

A significant portion of the additional funds has been set aside for customers who did not settle through the Resolution Scheme, including members of the class action brought against the Group. Payments to members of the class action may require further Court orders or directions.

The total of the payments already provided to customers, together with the additional funds to be made available through this agreement, will be in the vicinity of \$270 million. The Group will continue to provide additional support to its customers through hardship assistance, including reduced interest rates, negative equity write offs and debt and interest forgiveness.

In 2009 the Group committed to putting things right where it had done wrong. At the time, the Commonwealth Bank was the only bank to assist its customers who invested through Storm Financial with a fair, transparent and expeditious Resolution Scheme. When it implemented its Resolution Scheme, the Group also agreed with ASIC that any customer who participated would retain the right to benefit from any future agreement that the Group may reach with ASIC.

For those customers who participated and resolved their claims through the Group's Resolution Scheme, many will benefit from this agreement with ASIC and will receive additional funds.

David Cohen, Group General Counsel said, "We are pleased to have reached an agreement with ASIC on this matter as it is in the best interests of our customers to avoid lengthy and uncertain litigation."

"This result delivers certainty to our customers who might otherwise have faced further years of delay before any final litigation result would have been known," he added.

MEDIA RELEASE



Eligible customers will be contacted by the Group in the coming months regarding their individual circumstances and payments.

This agreement with ASIC has been reached without any admission of liability by the Group. Subject to the Federal Court dismissing the action, this brings to a conclusion the proceedings commenced against the Group by ASIC.

The Group will continue to defend the class action proceedings, which are before the Federal Court in Brisbane. These proceedings involve distinct factual and legal issues.

No further provisioning is required as a result of this agreement reached with ASIC.

ENDS

For more information contact:

Bryan Fitzgerald
Commonwealth Bank
Ph: (02) 9117 7047