

# Media Presentation

FOR THE FULL YEAR ENDED 30 JUNE 2012



**Ian Narev**  
Chief Executive Officer

# Notes

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## Disclaimer

The material that follows is a presentation of general background information about the Group's activities current at the date of the presentation, 15 August 2012. 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.

## Cash Profit

The Management Discussion and Analysis discloses the net profit after tax on both a 'Statutory basis' and a 'Cash basis'. The Statutory basis is prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS). The Cash basis is used by management to present a clear view of the Group's underlying operating results, excluding a number of items that introduce volatility and/ or one off distortions of the Group's current period performance. These items, such as hedging and IFRS volatility, are calculated consistently year on year and do not discriminate between positive and negative adjustments. A list of items excluded from statutory profit is provided in the reconciliation of the Net profit after tax ("Cash basis") on page 3 of the Profit Announcement (PA) and described in greater detail on page 11 of the PA and can be accessed at our website <http://www.commbank.com.au/about-us/shareholders/financial-information/results/>

# Continuing momentum

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	<b>Jun 12</b>	<b>VS Jun 11</b>
Statutory Profit (\$m)	<b>7,090</b>	<b>11%</b>
Cash NPAT (\$m)	<b>7,113</b>	<b>4%</b>
ROE – Cash (%)	<b>18.6%</b>	<b>(90) bpts</b>
Cash Earnings per Share (\$)	<b>4.49</b>	<b>2%</b>
Dividend per Share (\$)	<b>3.34</b>	<b>4%</b>



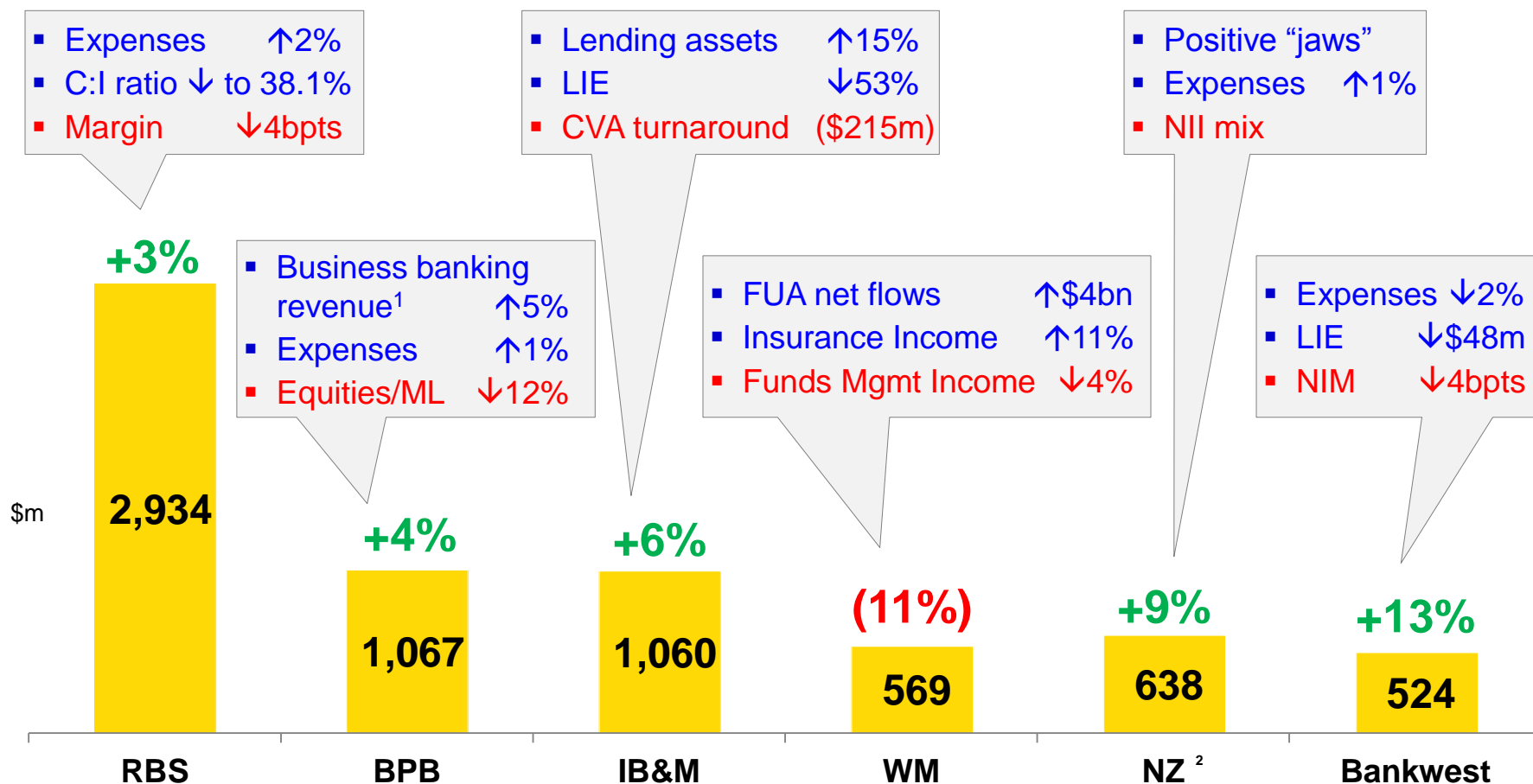
# Summary

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- ◆ A predictable result
- ◆ Revenue consistent with the environment
  - Subdued Retail
  - Relative strength in Commercial
  - Focus on volume/margin trade-off
  - Ongoing weakness in markets related businesses
- ◆ Strong cost discipline
- ◆ Credit quality a strength
- ◆ Maintenance of strong balance sheet settings
- ◆ Focus on the long term ROE & TSR

# Cash NPAT drivers

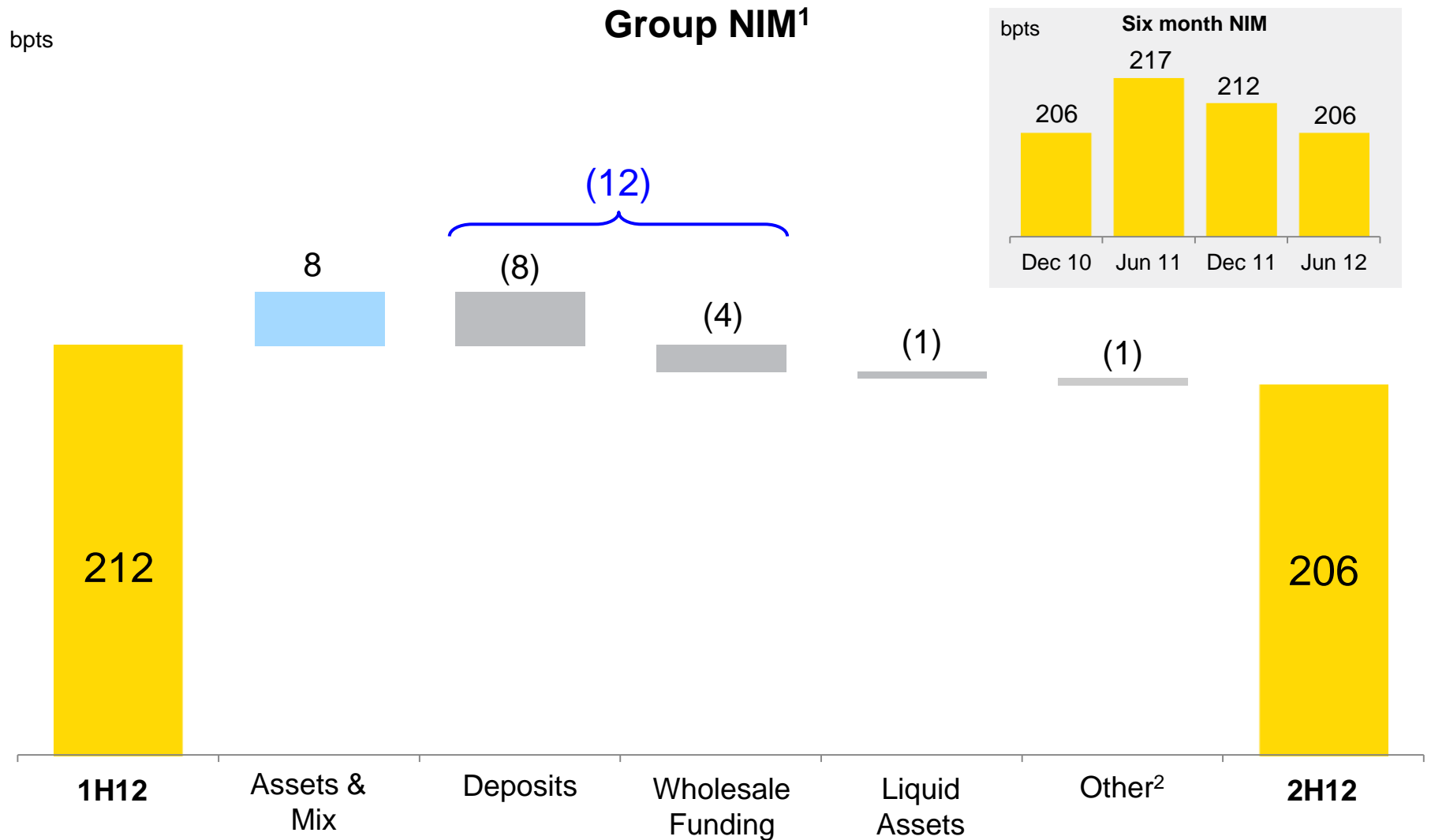
FY12



1 Business and Private Banking excluding Private Bank and Equities & Margin Lending.

2 NZ result in NZD.

# Higher funding costs impacting Group NIM

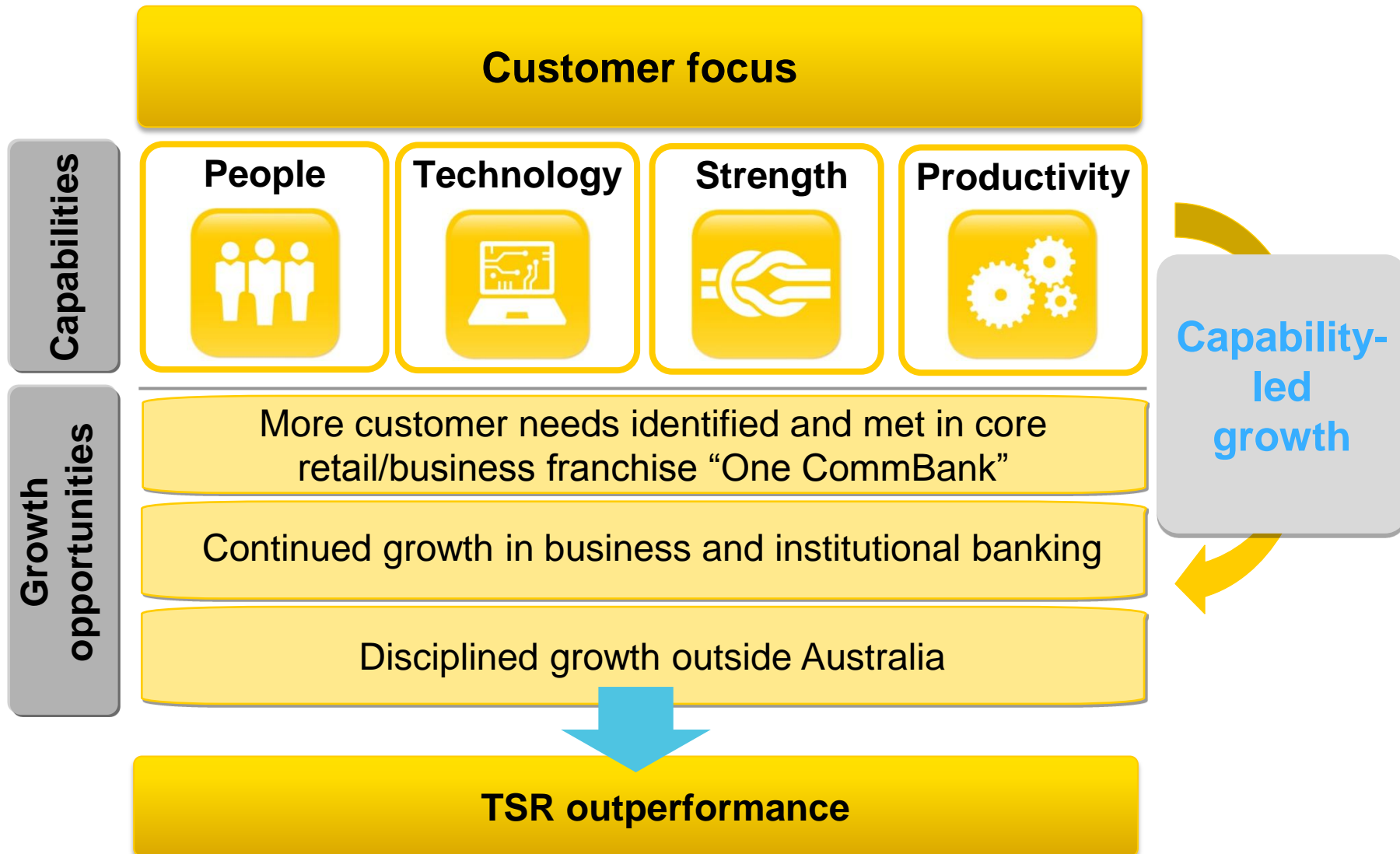


1 Comparative NIM information has been restated for the inclusion of bills income, net securitised interest income and the reversal of the IFRS reclass of net swap costs to conform to presentation in the current period.

2 Includes Treasury, New Zealand and other unallocated items.



# Our strategy

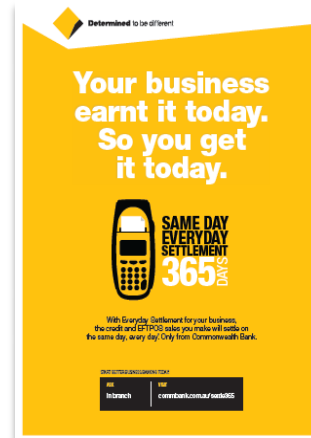


# Technology

## Core Banking

- ◆ Deposits completed
- ◆ Lending well advanced
- ◆ 12 million+ customers migrated
- ◆ Real-time banking 24/7
- ◆ Focus on benefits realisation

## Leveraging real time



## Product innovation



## Driving efficiency

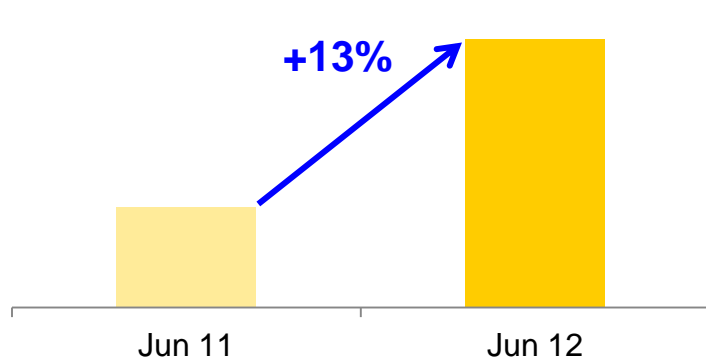
- ◆ Process elimination
- ◆ Straight-through processing
- ◆ Immediate problem resolution
- ◆ Instant account opening
- ◆ Increased customer self-service
- ◆ Product rationalisation



# Productivity – some examples

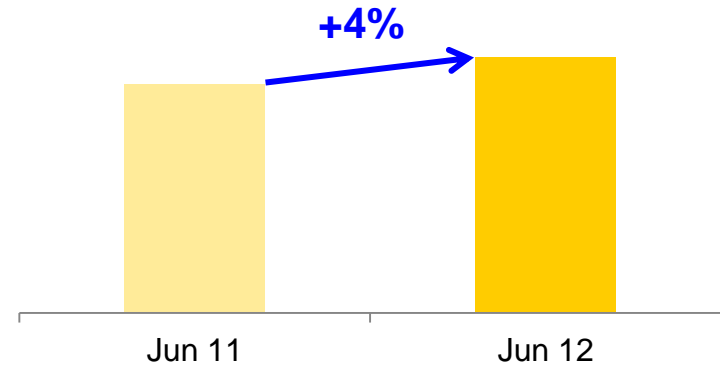
## Retail branch sales

Sales and converted referrals per CSS per week<sup>1</sup>



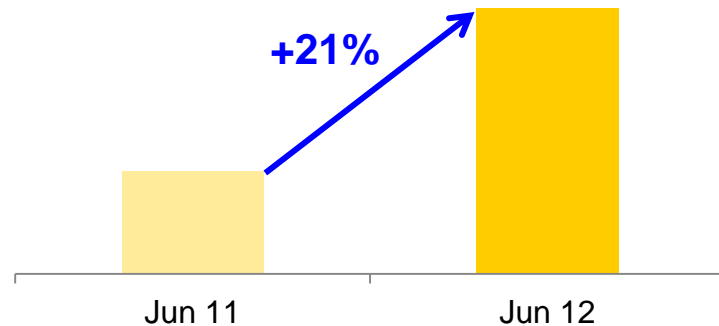
## Retail customer service

Transactions per CSR per week<sup>2</sup>



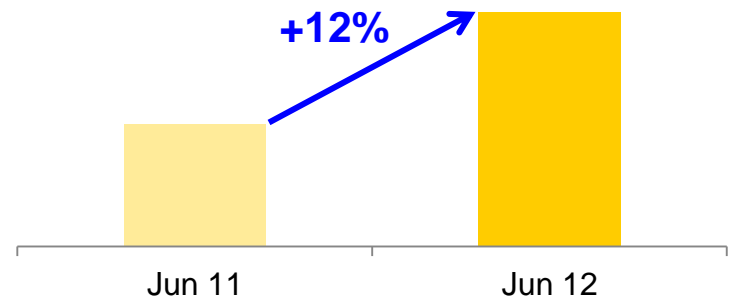
## Local Business Banking call centres

Time spent on customer related activities per day<sup>3</sup>



## Bankwest home loan processing

Home loan applications per operations FTE<sup>4</sup>



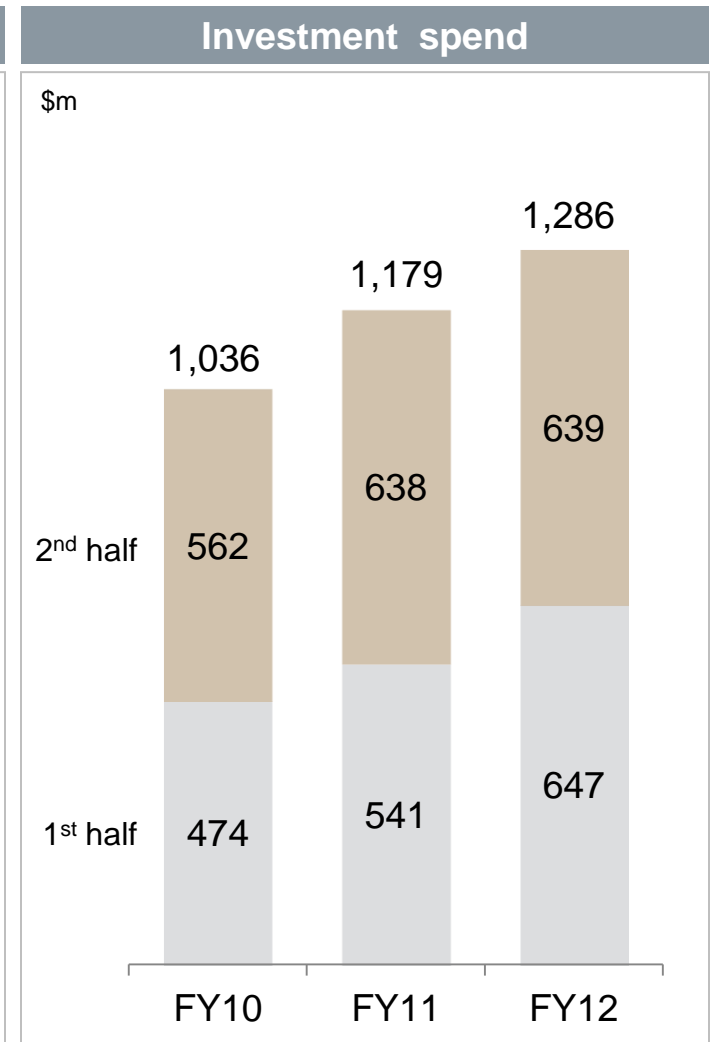
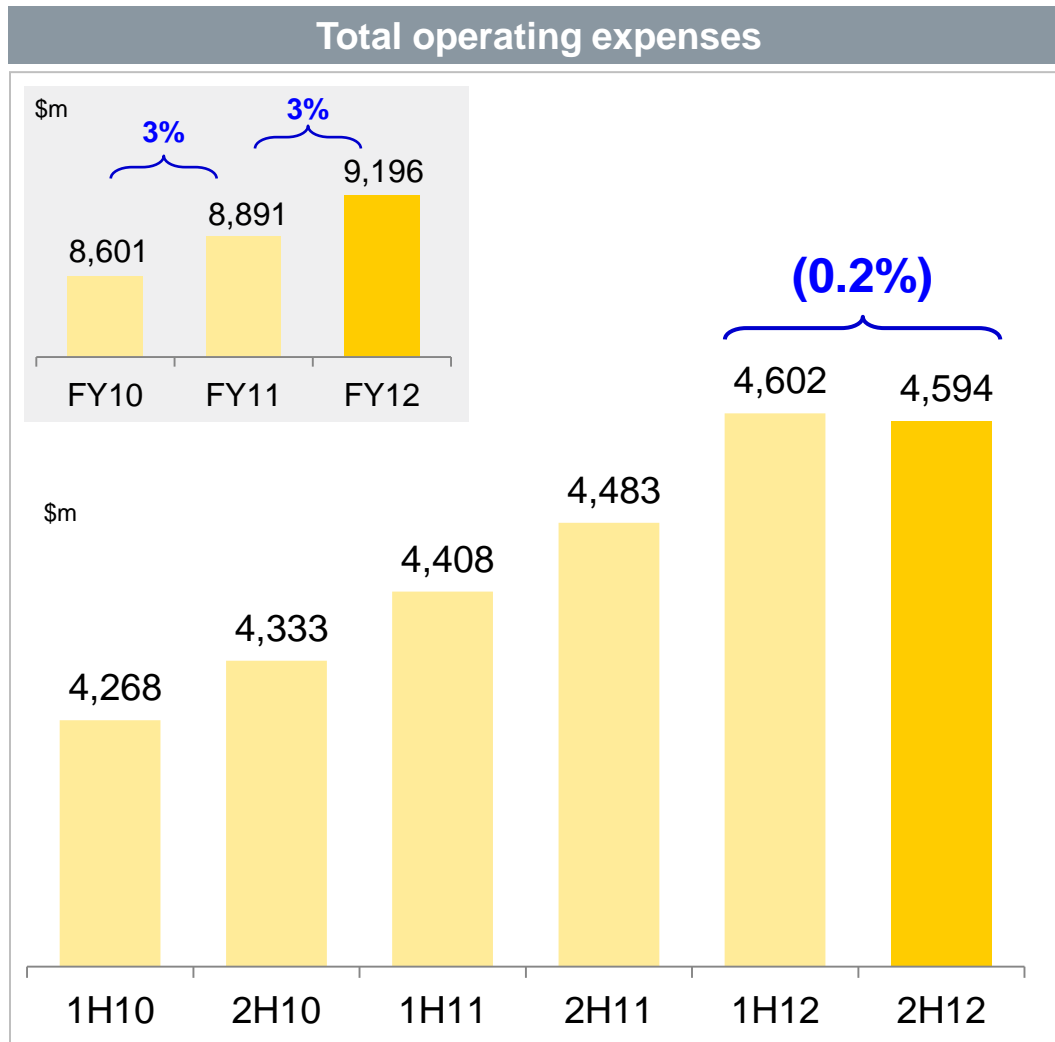
1 Average number of sales and converted referrals completed per week in branch by Customer Service Specialists & Savings Specialists.

2 Average number of transactions completed per week in branch by Customer Service Representatives.

3 Average time Local Business Banking associates are available to complete core customer related activities per day.

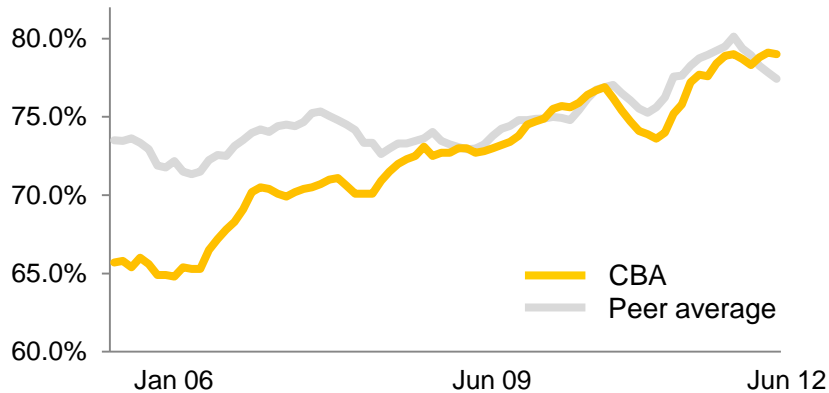
4 Home loan applications processed per annum per Bankwest operations FTE.

# Productivity led flat costs - continuing investment

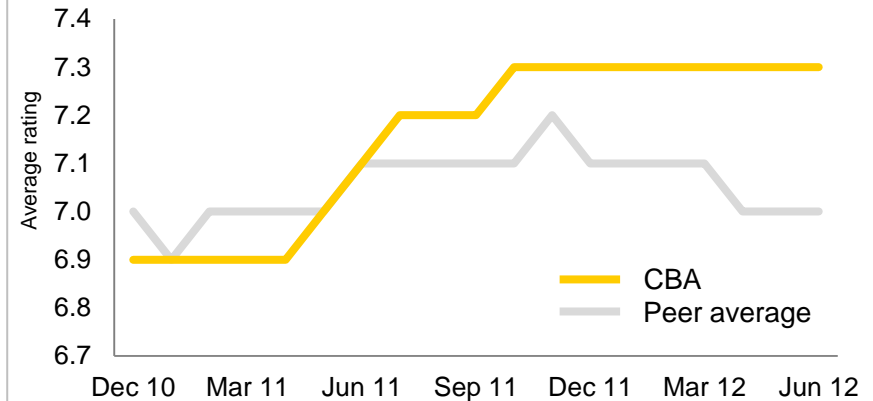


# A vibrant customer-focused culture and people

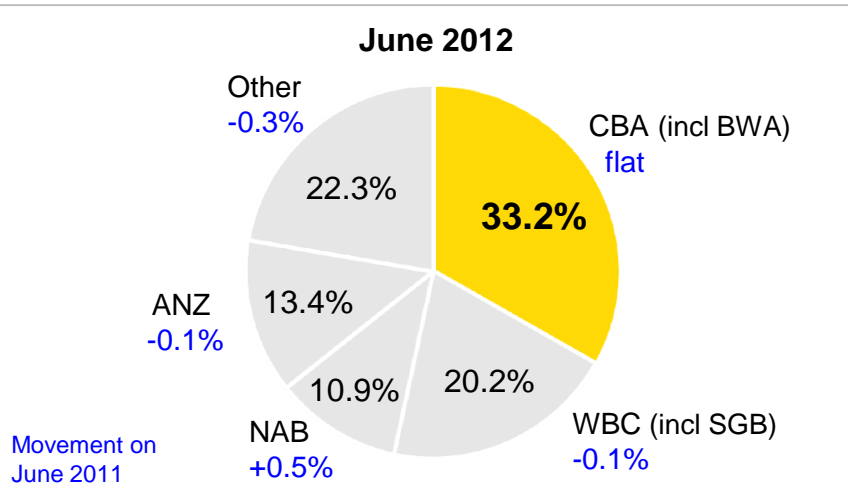
## Retail customer satisfaction<sup>1</sup>



## Business customer satisfaction<sup>2</sup>

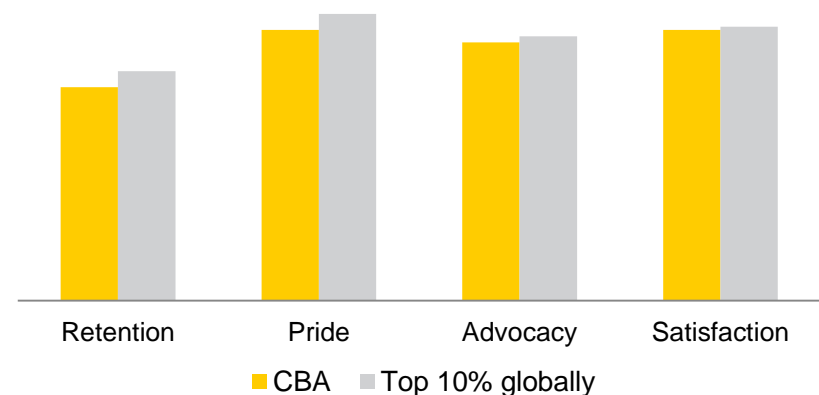


## MFI customer numbers<sup>4</sup>



## People Engagement<sup>5</sup>

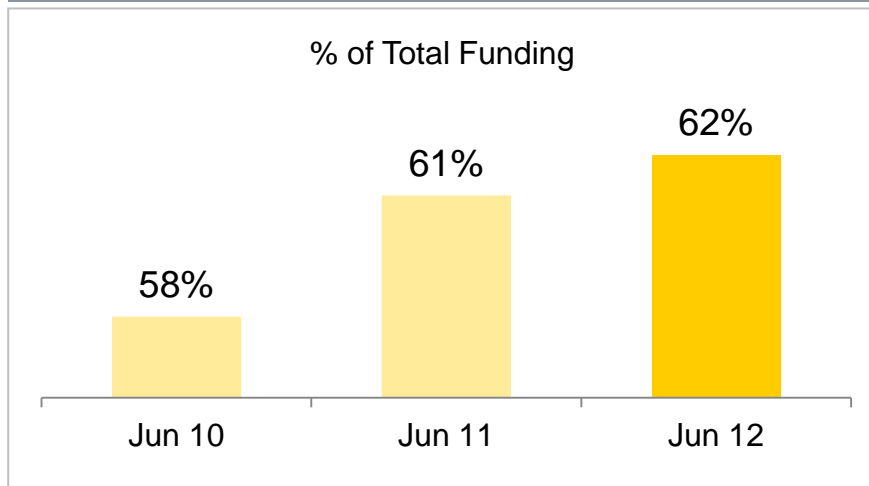
### CBA people engagement v Top 10% globally<sup>5</sup>



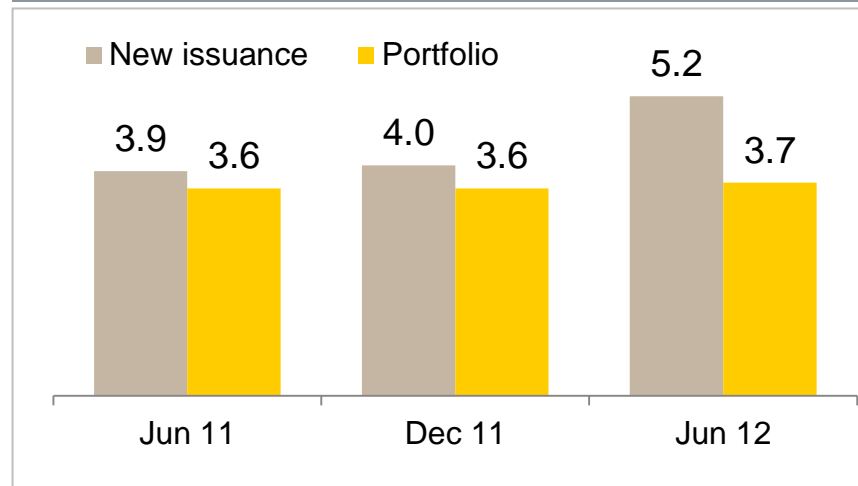
1,2,4 Refer note slide at back of this presentation for source information.  
 5 2012 People and Culture Survey (independent external benchmark).

# Strength

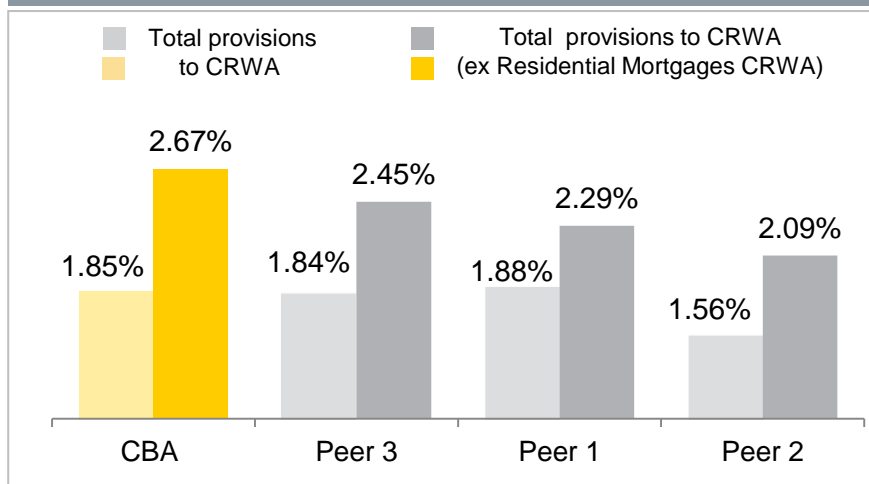
## Deposit funding



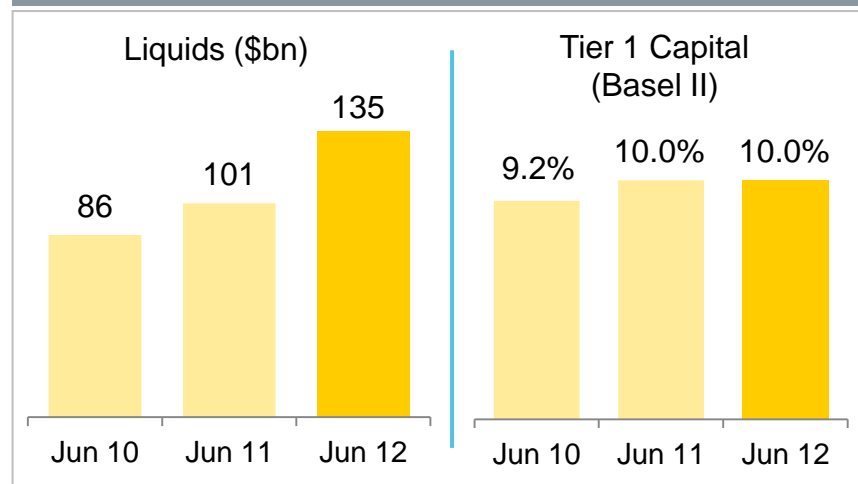
## Wholesale funding tenor (years)<sup>1</sup>



## Total provisions<sup>2</sup> to credit RWA



## Liquidity and capital



<sup>1</sup> Weighted Average Maturity of long term wholesale debt. Includes all deals with first call or contractual maturity of 12 months or greater.

<sup>2</sup> Provisions do not include General Reserve for Credit Losses equity reserves or other similar adjustments. CBA at 30 June 2012 & Peers at 31 March 2012.

# Outlook

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## ◆ Operating environment

- Australian economic fundamentals remain strong
- Continued global volatility
- Low credit growth
- Deposit cost pressures
- Evolution to new regulatory regimes

## ◆ Our approach

- Scenario based with conservative settings
- Long term focus without compromising momentum
- Productivity and technology driven cost management

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