

**Commonwealth** Bank

**Michael Ullmer**  
**Commonwealth Group Merger Update**  
**1 June 2001**  
**[www.commbank.com.au](http://www.commbank.com.au)**

# Disclaimer

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation, 1 June 2001. 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.



# Speaker's Notes

- **Speaker's notes for this presentation are attached below each slide.**
- **To access them, you may need to save the slides in PowerPoint and view/print in "notes view."**



# Overview

- ⇒ **Financial Performance**
- ⇒ **Branch Amalgamation**
- ⇒ **Product Conversion**
- ⇒ **Business Continuity**



# Financial Performance



# Synergies

	Projections \$m
<b>Cost</b>	<b>280 - 300</b>
<b>Revenue</b>	<b>70</b>
<b>Funding</b>	<b>20</b>
<b>TOTAL</b>	<b>370 - 390</b>



# Integration Related Staff Movements

	Business Case Jan-00	Merger Jun-00	Apr-01	Movement Jan to Apr
<b>Total Staff</b>	<b>40,018</b>	<b>39,575</b>	<b>37,117</b>	<b>(2,901)</b>
<b>Total Integration Mvt</b>	<b>(269)</b>	<b>(2,082)</b>		<b>(2,351)</b>
<b>Retrenchments</b>	<b>(129)</b>	<b>(987)</b>		<b>(1,116)</b>
<b>Other Net Change</b>	<b>(113)</b>	<b>(683)</b>		<b>(796)</b>
<b>EDS Migration &amp; Technology Net Exits</b>	<b>(27)</b>	<b>(412)</b>		<b>(439)</b>
				<b>(2,351)</b>



# Retrenchment Costs and Estimated Staff Synergies

## Commonwealth Group\*

	<b>Total \$m</b>
<b>One-off Retrenchment Costs</b>	<b>80</b>
<b>Annualised Synergies</b>	<b>140</b>
<b>FY2000-2001 Staff Synergies (estimate)</b>	<b>83</b>

\* As at 30 April 2001

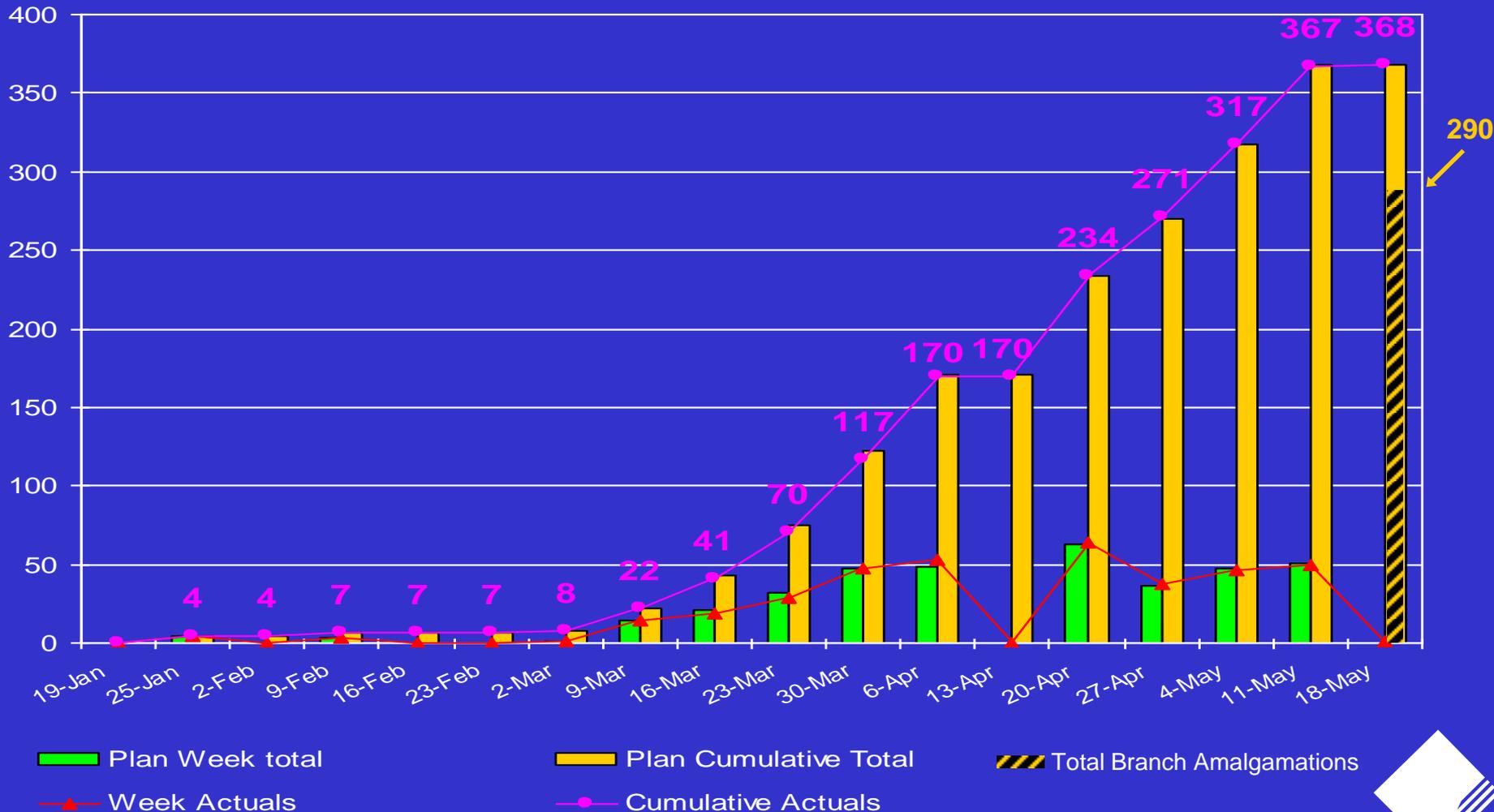


# Branch Amalgamations



# Branch Amalgamations and Rebadges

Branches



# Product Conversion



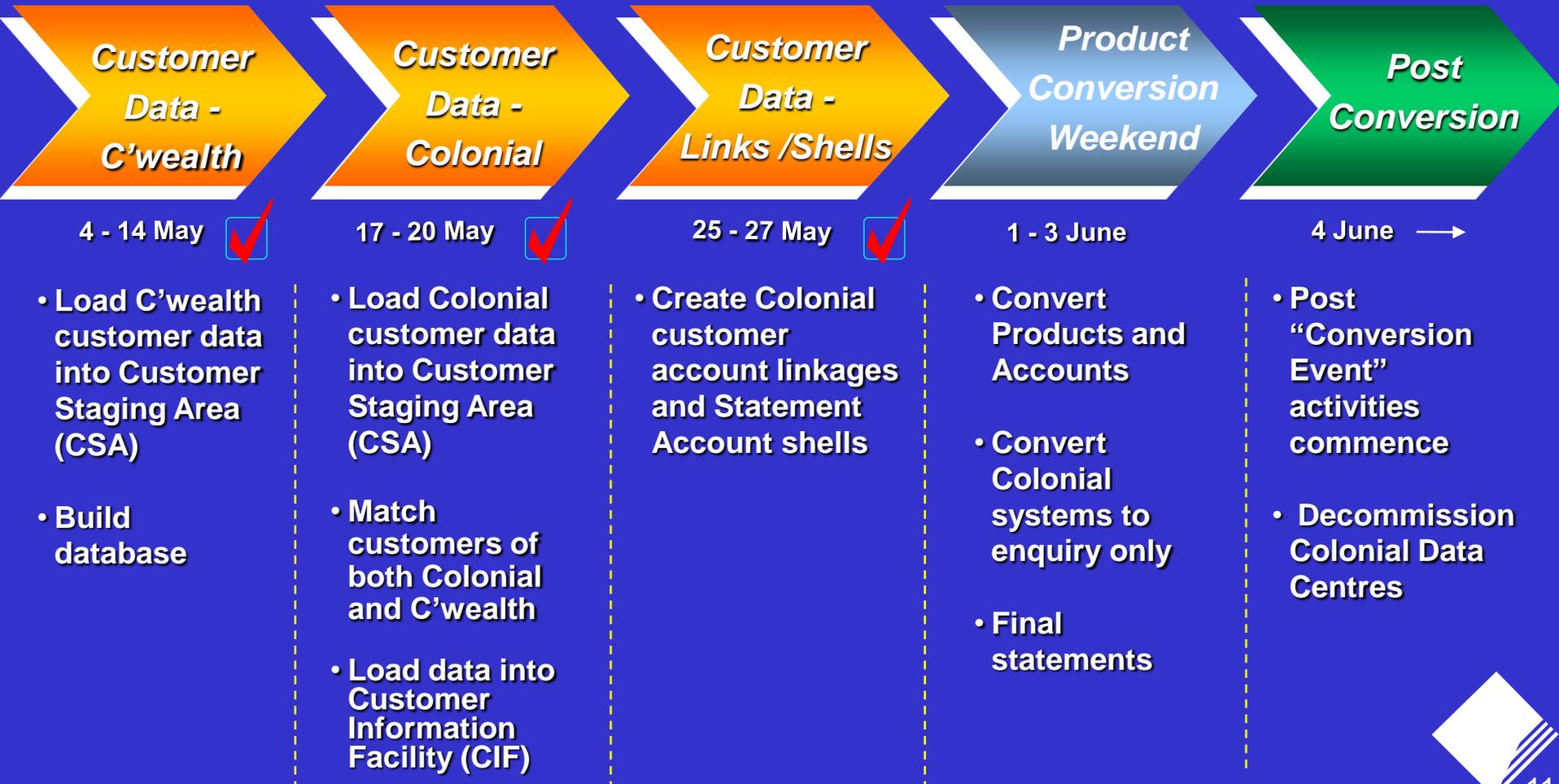
# Colonial Retail Bank Systems Integration - Conversion Timeline

4 May - 4 June →

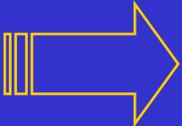
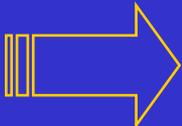
Before conversion weekend

Weekend

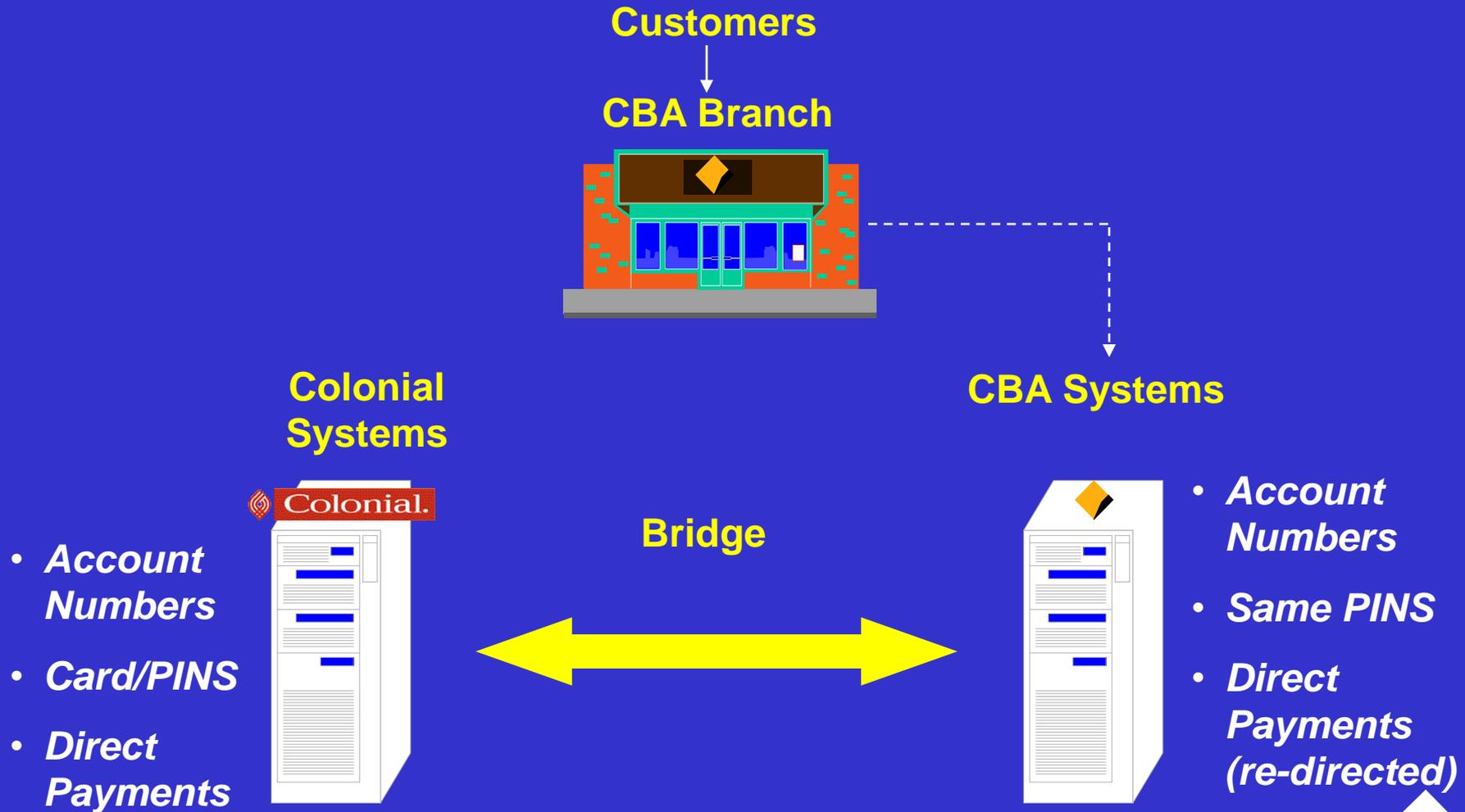
After weekend



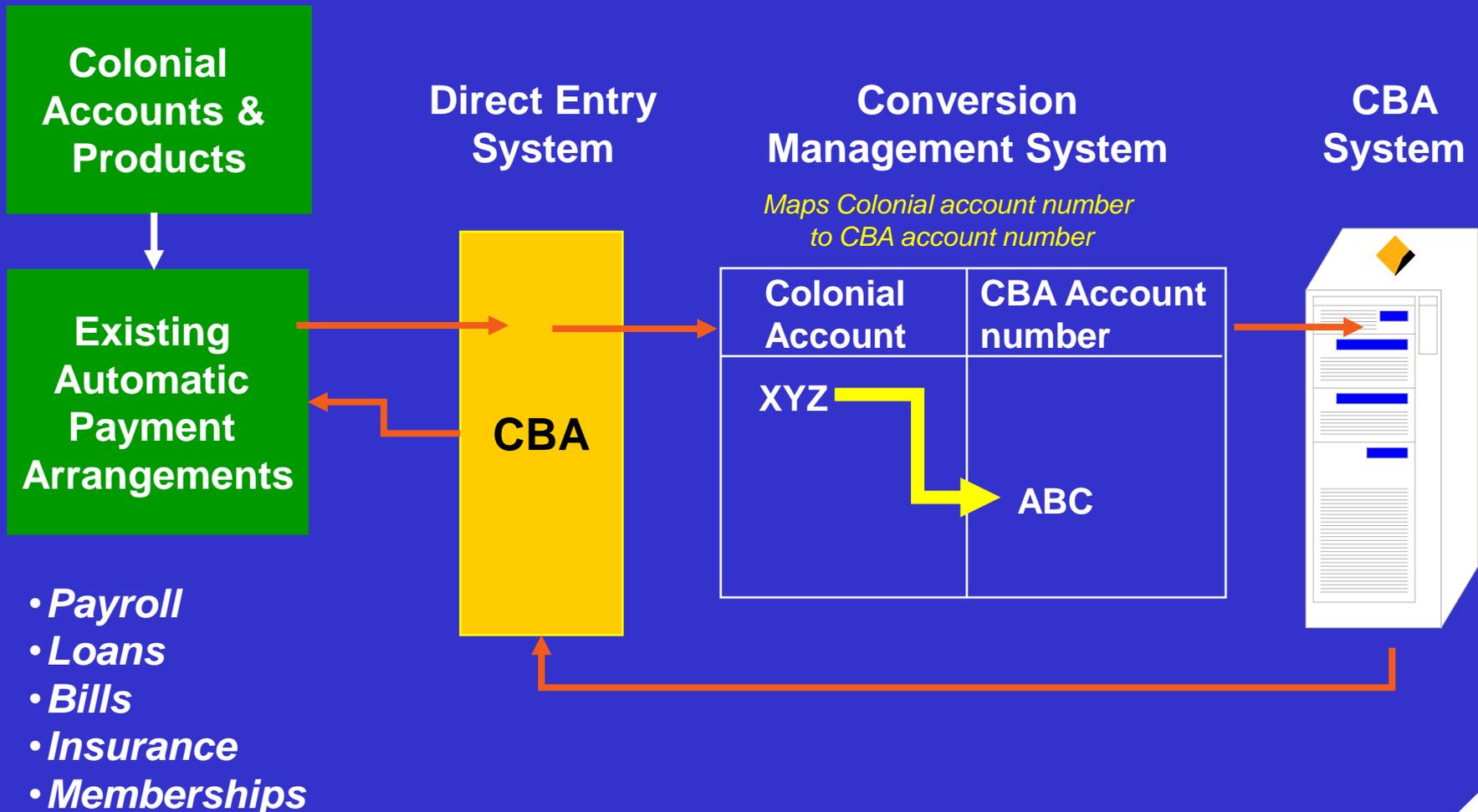
# Manual Workarounds

- **One-time**  **To facilitate conversion**
- **Ongoing**  **To accommodate product changes going forward**

# Transaction Bridge (Pre Conversion)



# CBA Systems (Post Conversion)



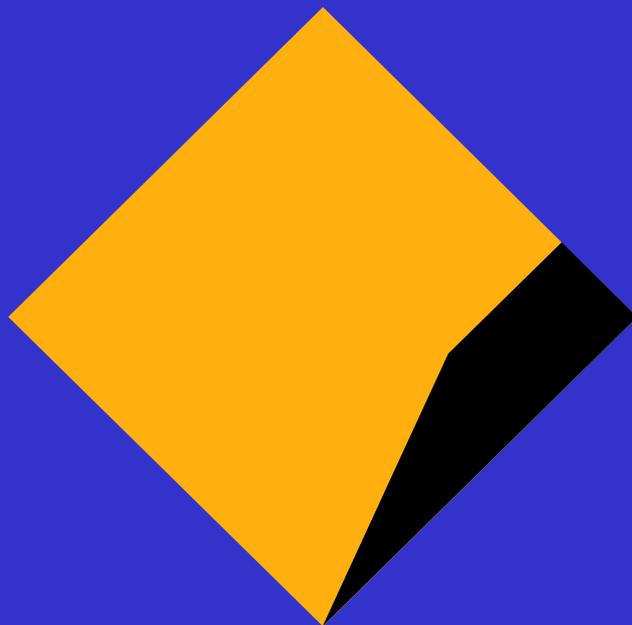
# Business Continuity



# Business Continuity

- **Customer retention in line with expectations**
- **Area manager incentive scheme now incorporates integration metrics**
- **No unplanned impact on agent network**





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