

Presentation of Half Year Results for 31 December 2005

Ralph Norris
Chief Executive Officer

Michael Cameron
Chief Financial Officer



15 February 2006

Disclaimer

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation, 15 February 2006. 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

- Half Year Results – Ralph Norris
 - Highlights
 - Outlook

- Half Year Results – Michael Cameron

- Questions

Other Key Information

Notes

Which new Bank

In launching Which new Bank (WnB) the Bank said that, subject to market conditions continuing over the three years of the program, it would target:

- Cash EPS growth exceeding 10% CAGR
- 4-6% CAGR productivity improvements
- Profitable market share growth across major product lines
- Increase in dividend per share each year

Cash NPAT after one off item

	Dec 05	Jun 05	Dec 04
Cash NPAT	2,061	1,759	1,733
Less: Profit on sale of Hong Kong	(145)	0	0
Cash NPAT (excl HK sale)	1,916	1,759	1,733

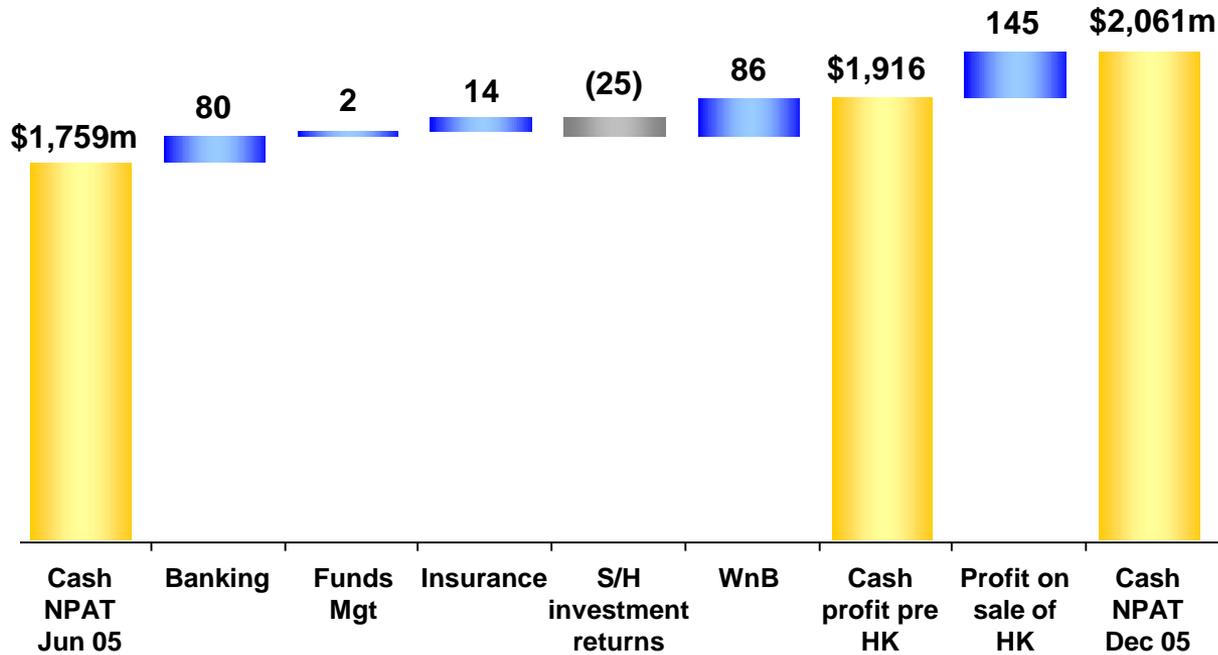
Some overall Bank indicators

	Dec 05	Jun 05	Dec 04	Jun 04	Dec 03
Number of branches	1,007	1,006	1,011	1,012	1,013
Weighted av. No. of shares (cash)	1,281m	1,273m	1,265m	1,255m	1,257m
Net tangible assets per share	8.99	8.54	7.98	12.22	11.61
Risk weighted assets (bil)	202,667	189,559	180,674	169,321	157,471

Highlights

	Dec 05	Dec 05 vs Jun 05	Dec 05 vs Dec 04
Cash NPAT	\$2,061m	↑ 17%	↑ 19%
Cash EPS (excl HK)	149.5cps	↑ 13%	↑ 13%
Dividend	94c	-	↑ 11%
Which new Bank benefits	\$506m	↑ 20%	↑ 68%

Good half year result

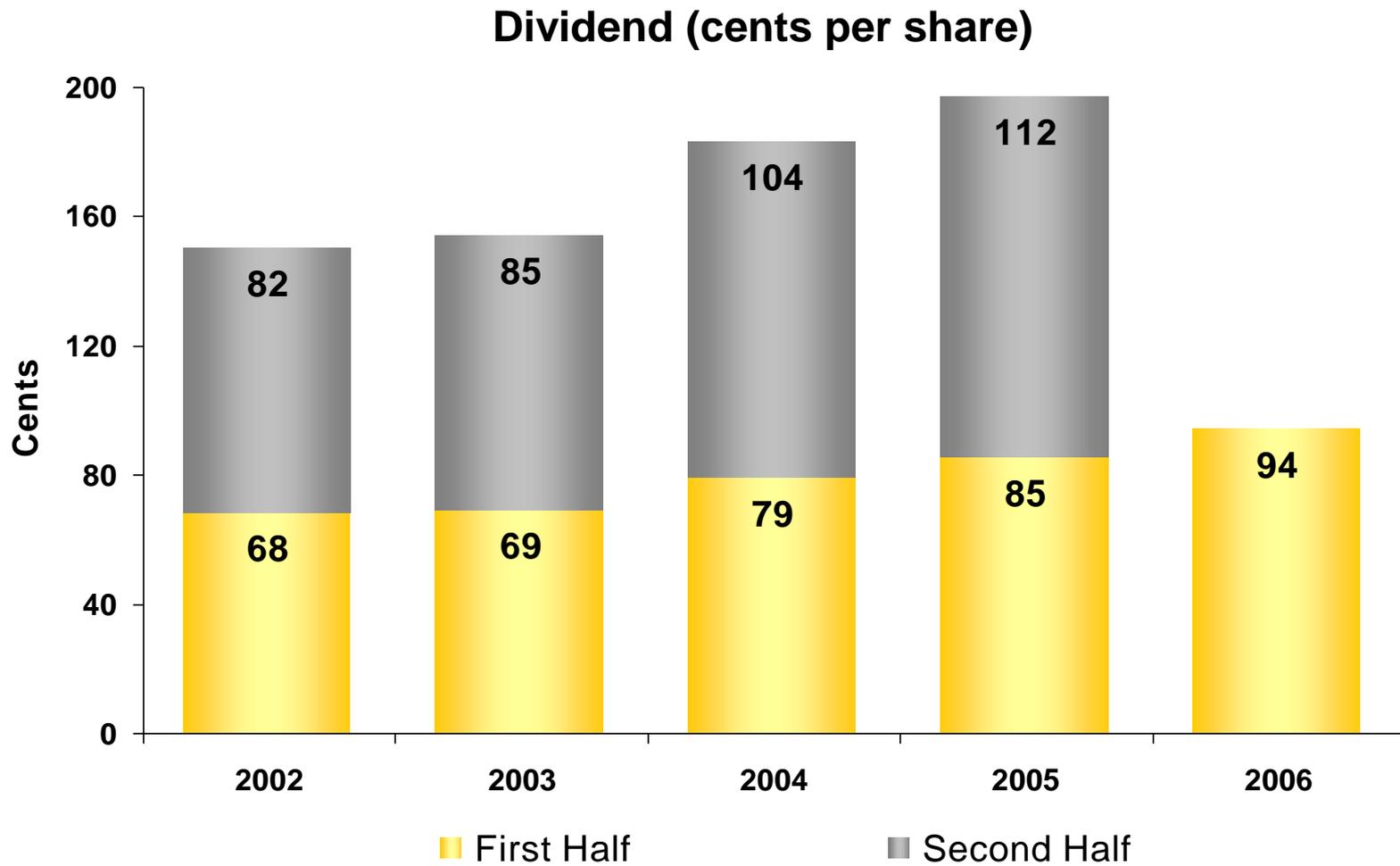


Scorecard	Dec 05
Volume Growth	✓
Interest Margin	✓
Non Int.Income	✓
Expenses	✓
Provisions	✓
Tax	✓
Cash EPS	✓✓

Cash EPS 132.7 $\xrightarrow{+13\%}$ Cash EPS 149.5



Highlights - dividend



Other Key Information

Notes

	Dec 05	Jun 05	Dec 04	Jun 04	Jun 03
Banking					
Home loans	18.9%	19.0%	18.9%	18.9%	19.2%
Credit cards	21.8%	22.8%	22.8%	22.7%	22.8%
Retail deposits	22.9%	23.0%	23.6%	23.6%	24.2%
Personal lending ⁽¹⁾	16.0%	16.7%	16.7%	15.0%	N/A
Business lending ⁽²⁾	13.0%	12.8%	13.1%	13.8%	N/A
Transaction services (commercial)	25.1%	24.8%	24.4%	24.4%	22.7%
Transaction services (corporate)	22.1%	22.1%	21.4%	20.9%	18.1%
Asset finance	16.1%	16.3%	16.5%	16.0%	15.1%
NZ lending (housing)	23.2%	23.0%	22.7%	22.2%	20.6%
NZ deposits	19.8%	19.5%	17.5%	17.5%	16.4%
Funds Management					
Aust retail administrator view ⁽³⁾	14.7%	14.6%	14.8%	14.2%	14.3%
NZ Managed investments	15.0%	15.2%	15.1%	N/A	N/A
Insurance					
Aus. Life insurance (total risk)	13.9%	13.8%	13.8%	14.8%	15.3%
NZ Life insurance	30.9%	30.7%	30.3%	27.5%	28.3%

(1) APRA personal lending published data began in March 2004

(2) APRA definition was restated in 2004

(3) Note: Under the Administrator view, badged or white-labelled products are attributed to the underlying administrator of the product. The alternative Marketer view attributes such business to the marketer of the product



Highlights - market position

		Dec 05	Jun 05
Home Loans	x	18.9%	19.0%
NZ Lending	✓	23.2%	23.0%
Credit Cards	x	21.8%	22.8%
Funds Mgt. – Aust. Retail	✓	14.7% ⁽¹⁾	14.6%
Transaction Services (corporate)	✓	22.1%	22.1%
Transaction Services (commercial)	✓	25.1%	24.8%
Personal Lending	x	16.0%	16.7%
NZ Deposits	✓	19.8%	19.5%
Equities Trading (CommSec)	✓	3.7%	3.6%
Retail Deposits	x	22.9%	23.0%
Business Lending	✓	13.0%	12.8%
Aust.Life Insurance (total risk)	✓	13.9%	13.8%

(1) September 05

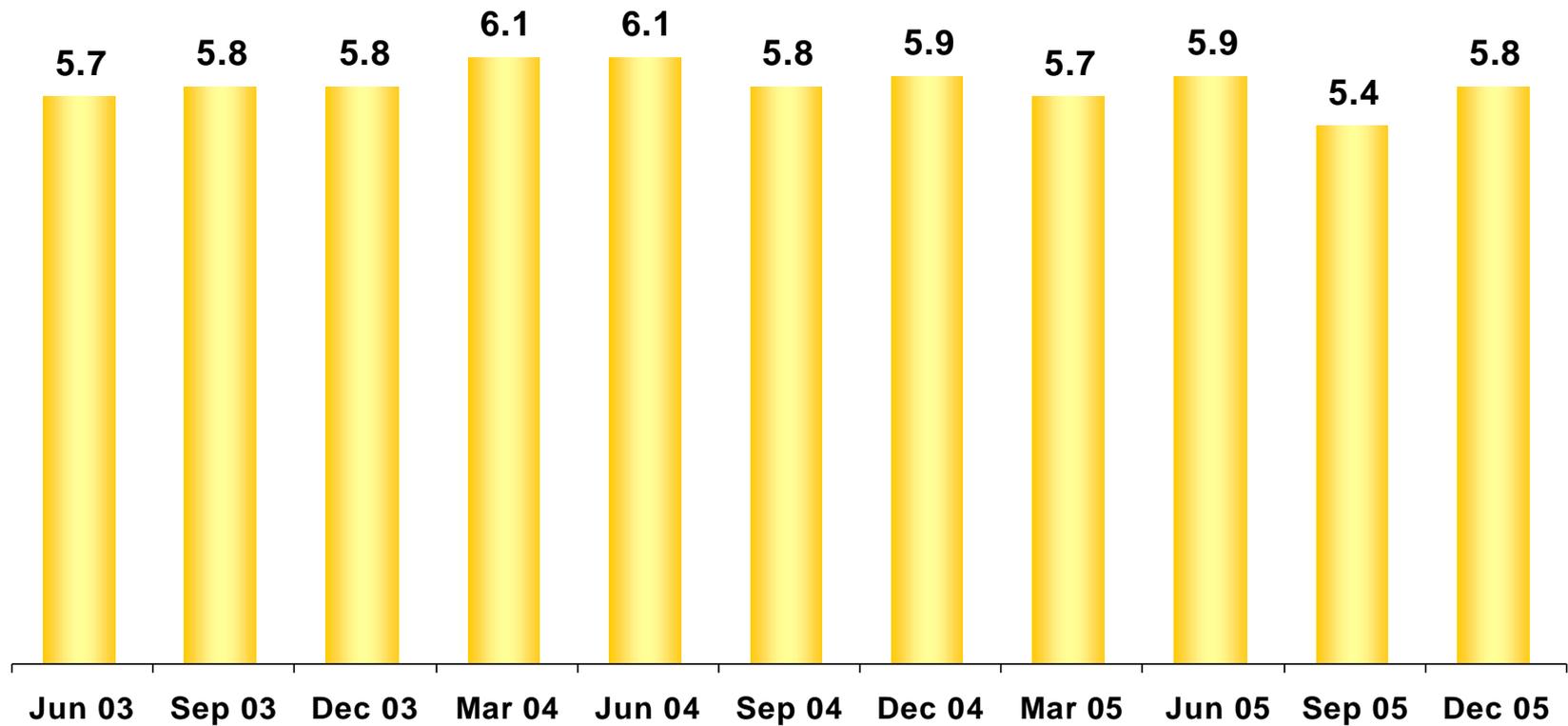


Which new Bank

- Financial targets are being exceeded
- CommSee deployment and technical training complete
- CommWay delivering faster processes
- Customer satisfaction not yet acceptable

Which new Bank

Strength of Relationship



Source: Research International



CEO Priorities

- Customer Service
 - Business Banking
 - Technology
 - Trust & Team Spirit
- ➔ Superior operating and financial results

2006 outlook

■ Global Economy

- Economic growth expected to remain solid
- Oil prices and rate of growth in China will influence domestic economy

■ Domestic Economy

- Business credit growth strong
- Consumer credit growth moderated, particularly housing
- Credit quality, employment and business confidence strong
- Financial services expected to remain highly competitive

■ Bank

- Exceed 12% CAGR in cash EPS from 2003 – 06
- 2006 EPS growth to equal or exceed the average of our peers



Michael Cameron

Half Year Results



Highlights - NPAT growth

	6 months			Dec 05 vs Jun 05	Dec 05 vs Dec 04
	Dec 05 \$M	Jun 05 \$M	Dec 04		
NPAT (statutory)	1,999	1,688	1,712	18%	17%
<i>Add back AIFRS non cash items</i>	62	71	21	(13%)	Large
NPAT (cash)	2,061	1,759	1,733	17%	19%
<i>Less profit on sale Hong Kong business</i>	(145)	0	0	-	-
NPAT (cash excluding HK)	1,916	1,759	1,733	9%	11%



Other Key Information

Notes

Contributions to profit	Dec 05	Jun 05	Dec 04
	\$M	\$M	\$M
Banking	1,589	1,509	1,404
Funds Management	183	181	170
Insurance	103	89	67
NPAT (underlying)	1,875	1,779	1,641
Shareholder invest. Returns (after tax)	41	66	111
Initiatives incl. WnB (after tax)	0	(86)	(19)
Profit on sale of HK business	145	0	0
NPAT (cash basis)	2,061	1,759	1,733
Defined benefit plan pension expense	(19)	(25)	(28)
Treasury share valuation	(43)	(46)	7
NPAT (statutory basis)	1,999	1,688	1,712
Pref. dividend paid ⁽¹⁾	80	70	61
Ordinary dividend declared	1,211	1,434	1,083

(1) Includes dividends paid on Perls, Perls II, Trust Preferred Securities and ASB Preference Shares.

Highlights - underlying profit by business

	Dec 05 \$M	Jun 05 \$M	Dec 04 \$M
Banking	1,589	1,509	1,404
Funds Management	183	181	170
Insurance	103	89	67
Total AIFRS	1,875	1,779	1,641
AIFRS Impact	45	23	23
Underlying AGAAP equivalent ⁽¹⁾	1,920	1,802	1,664

(1) 7% growth Dec 05 vs June 05
15% growth Dec 05 vs Dec 04

Other Key Information

Notes

Balance of capitalised software costs

\$million	Dec 05	Jun 05	Dec 04	Jun 04	Dec 03
Capitalised software	188	182	163	107	73

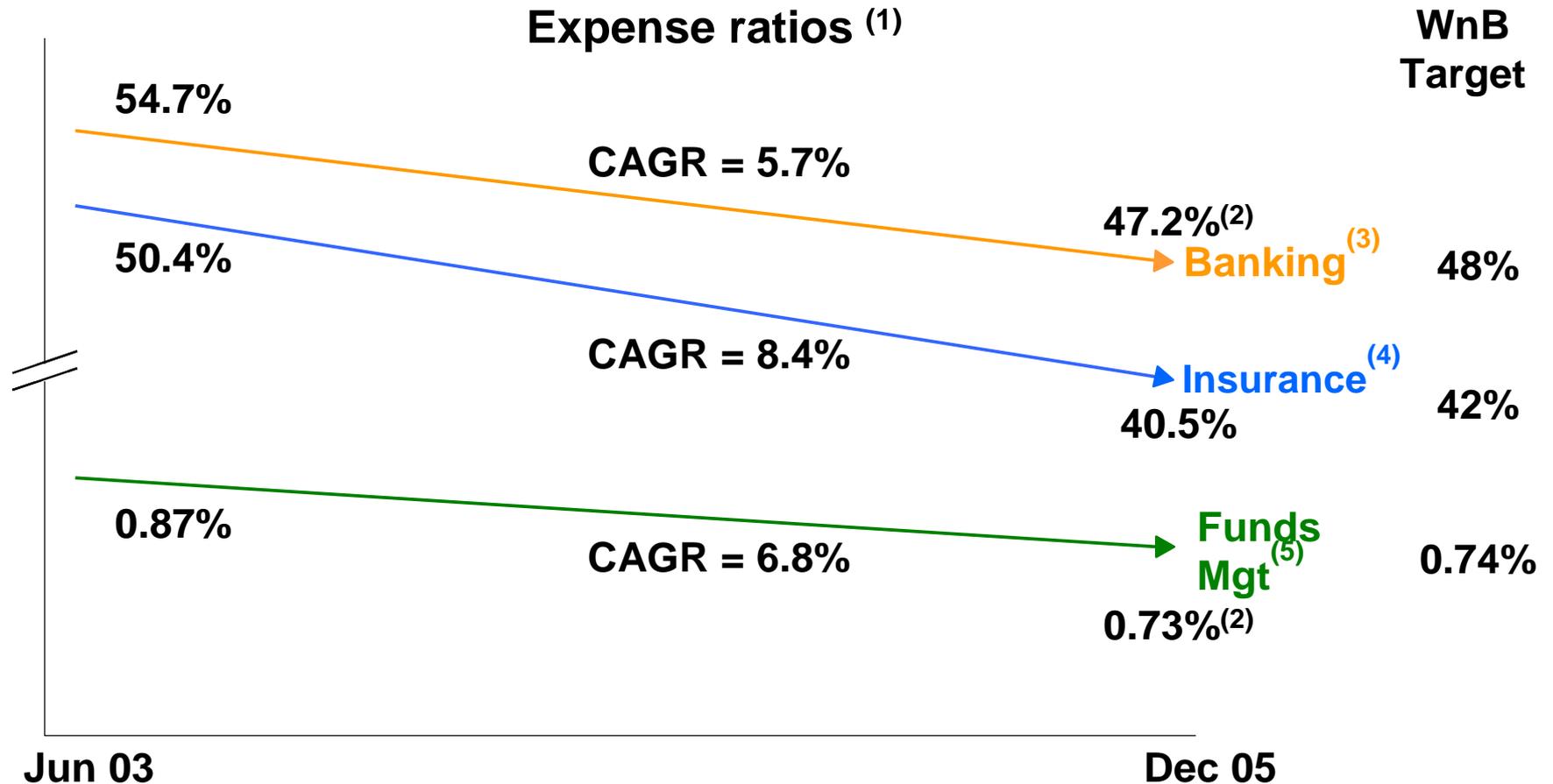
Expense ratios

	Dec 05	Jun 05	Dec 04	Jun 04	Dec 03
Banking					
Expense to income	48.1	50.7	50.5	56.4	62.1
Underlying Expense to Income	48.1	48.6	50.2	50.8	50.7
Funds Management					
Expense to Average FUA	0.70	0.71	0.73	0.75	0.85
Underlying Expense to Average FUA	0.70	0.67	0.71	0.73	0.80
Insurance					
Expense to average inforce premiums	40.5	46.6	44.9	49.3	46.2
Underlying Expense to Average Inforce Premiums	40.5	46.5	44.8	47.5	45.5

Income	Banking	FM
Reported	4,700	715
AIFRS	69	20
AGAAP	4,769	735

Expenses	Banking	FM
Reported	2,260	459
AIFRS	(10)	18
AGAAP	2,250	477

Highlights - productivity



(1) On a cash basis

(2) AGAAP equivalent basis

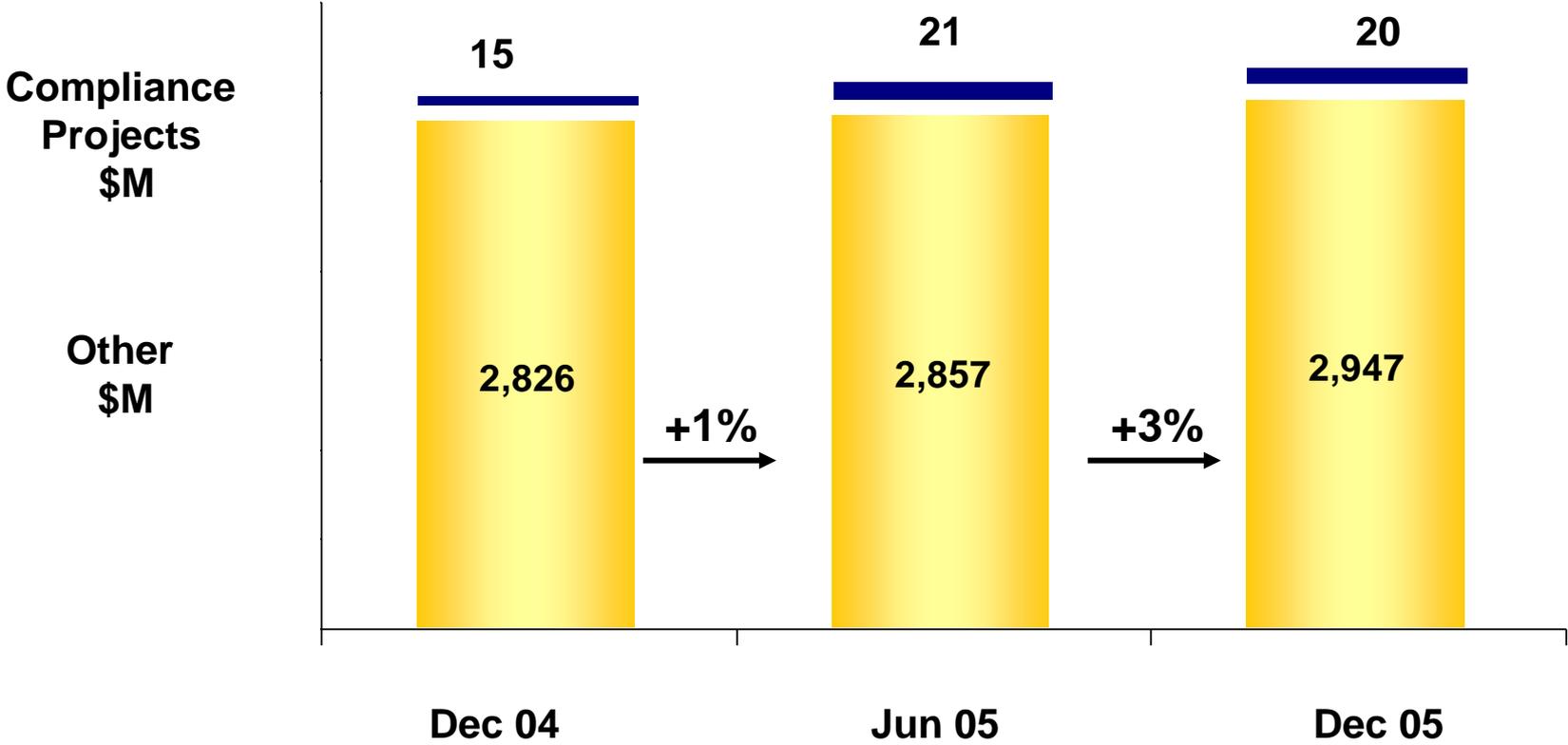
(3) Expense to income

(4) Expense to average inforce premiums

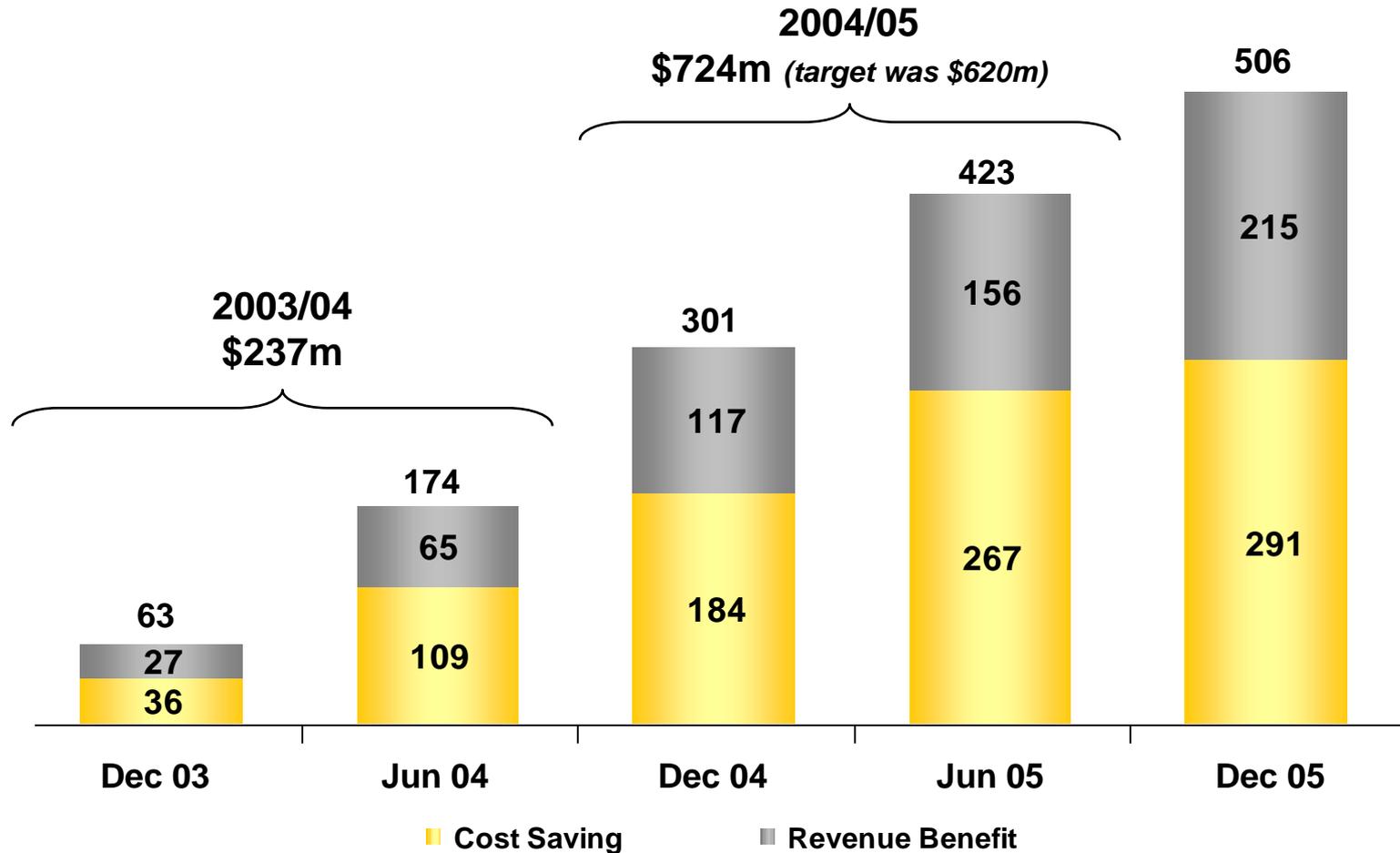
(5) Expense to average funds under administration



Operating expenses by half year



Which new Bank – Benefits



Which new Bank - Expenditure

P&L Impact	Dec 05 \$M
Investment spend for the period (gross)	148
Less provision utilised	(28)
Less investment capitalised	<u>(35)</u>
Net WnB expense	85
Less normal project spend	<u>(85)</u>
Incremental WnB expense	<u>0</u>

Segment Results : Banking

Other Key Information

Notes

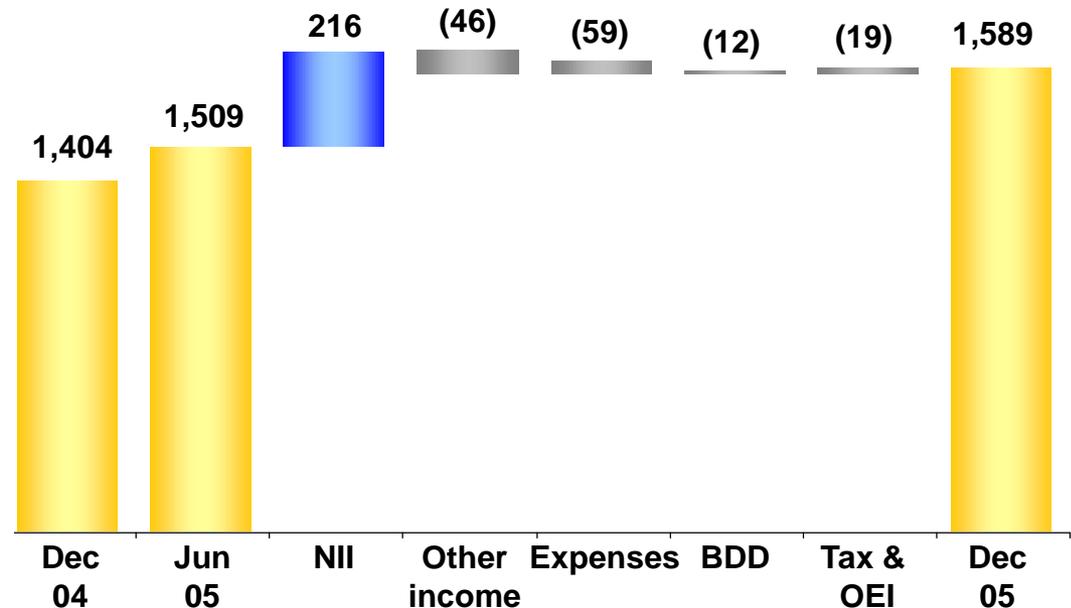
	Dec 05	Jun 05	Dec 04
Av interest earning assets (\$m) ⁽¹⁾	267,169	250,357	239,150
Net int income (excl securitisation (\$m))	3,247	3,028	2,928
Net interest Margin (AIFRS) (bp)	2.41%	2.44%	2.43%
% of operating Income	Dec 05	Jun 05	Dec 04
Net interest income	57%	55%	56%
Other banking income	24%	27%	26%
Funds Mgt. income	12%	11%	11%
Insurance income	7%	7%	7%
Total	100%	100%	100%

(1) Has been adjusted to remove effect of securitisation

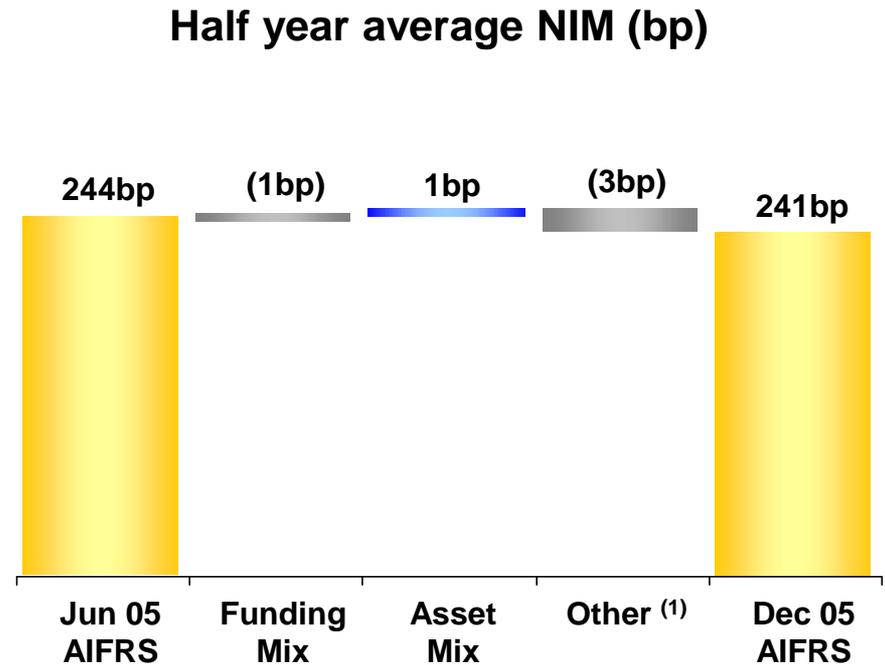
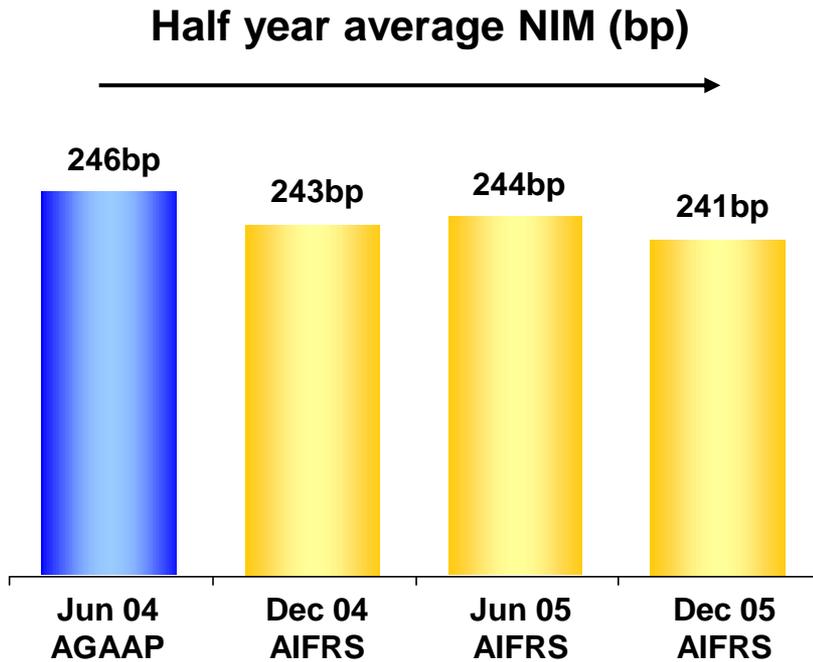
Banking - underlying profit

- 13% underlying profit growth on pcp
- Margin maintained in competitive market
- Strong growth in net interest income
- Cost to income ratio continues to improve

Underlying profit up 5% since June 05



Banking – margins maintained



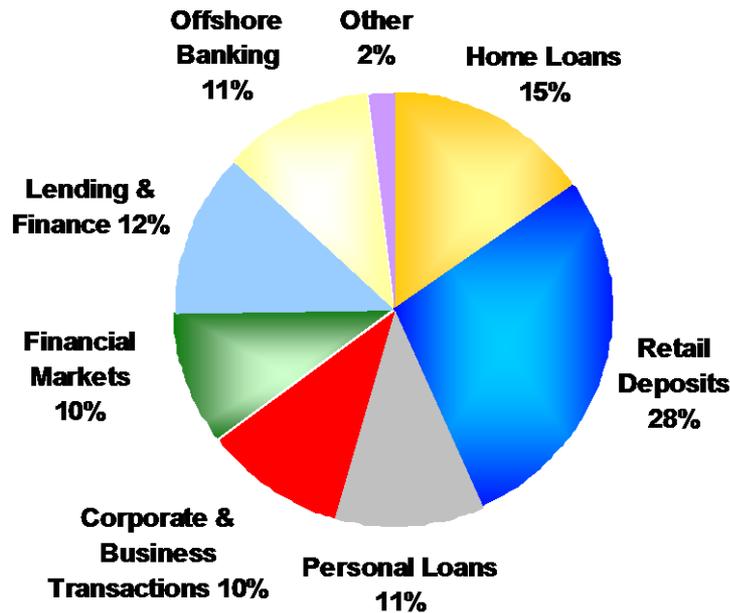
⁽¹⁾ includes negative 2bps impact from increase in liquid assets and net negative 1bp for pricing



Notes

Product Category	Inclusions
Home Loans	Investment/owner occupied home loans and secured lines of credit
Retail Deposits	Retail savings accounts, transaction accounts, cash management accounts and other personal investment accounts
Personal Loans	Personal loans and credit cards
Corporate and Business Transactions	Business transaction services and merchant acquiring
Financial Markets	Financial market and wholesale operations, equities broking (including CommSec) and structured products, capital markets services (including IPOs and placements) and margin lending
Lending & Finance	Asset finance, structured finance and general lending
Offshore Banking	ASB retail, as well as business entities and significant entities in China, Indonesia, Fiji and others)
Other	Group funding, balance sheet management, asset liability management and liquidity operations

Banking - Revenue by product



	Dec 05	Dec 05 vs Jun 05	Dec 05 vs Dec 04
Home Loans	701	14%	21%
Retail Deposits	1,325	4%	6%
Personal Loans	537	5%	14%
Corporate & Business Transactions	486	4%	1%
Financial Markets	454	15%	8%
Lending & Finance	561	(10%)	(3%)
Other	109	(38%)	(10%)
Offshore Banking	527	13%	15%
Total Banking Income	4,700	4%	8%

The current half has been affected by AIFRS

Other Banking income – key components

	Dec 05 \$M	Jun 05 \$M	Dec 04 \$M	Dec 05 vs Jun 05	Dec 05 vs Dec 04
Commissions & Fees	815	768	777	6%	5%
Lending Fees	389	384	349	1%	11%
Trading Income	244	221	219	10%	11%
Other	37	89	38	(58%)	(3%)
Total AGAAP	1,485	1,462	1,383	2%	7%
Hedging derivatives	(69)	-	-	-	-
Total AIFRS	1,416	1,462	1,383	(3%)	2%

Other Key Information

Notes

	Dec 05	Jun 05	Dec 04	Dec 05 v Jun 05	Dec 05 v Dec 04
Domestic growth profile (\$bn)					
Loan Funded	21.3	20.9	22.5	2%	(5%)
Reduction	15.2	12.6	13.0	21%	17%
Net Growth	6.1	8.3	9.5		
Total home lending					
Australian Home Lending assets (\$bn)	136.0	129.9	121.7	5%	12%
Securitisation (\$bn)	(9.1)	(10.8)	(6.4)	(16%)	(43%)
Net (Australia)	126.9	119.1	115.3	7%	10%
Asia Pacific Home lending assets (\$bn)	23.3	20.8	18.9	12%	23%
Totals (adjusted for rounding)	150.2	139.9	134.3	7%	12%

Home Lending Statistics (domestic balances gross of securitisation)

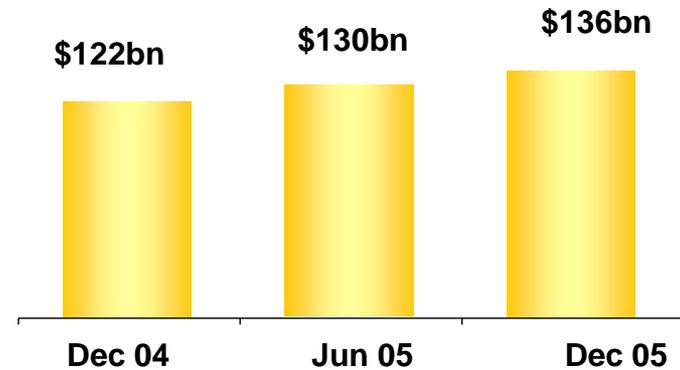
Balances Mix (%) :	Dec 05	Jun 05	Dec 04
Owner occupied	55%	55%	56%
Investment Home Loans	35%	35%	35%
Line of Credit	10%	10%	9%
Variable	68%	67%	65%
Fixed	22%	21%	20%
Honeymoon	10%	12%	15%
Originations (% of loans funded) :			
3 rd Party	32%	29%	32%
Proprietary	68%	71%	68%
Broker originated loans as % of Aust. Book	22%	21%	19%



Banking - Home Lending (domestic)

- Orderly market slow down
- CBA balance growth:
 - +12% vs Dec 04
 - +5% vs Jun 05
- Market share steady at 18.9%
- Margin remains stable

Spot Balances (including securitisation)

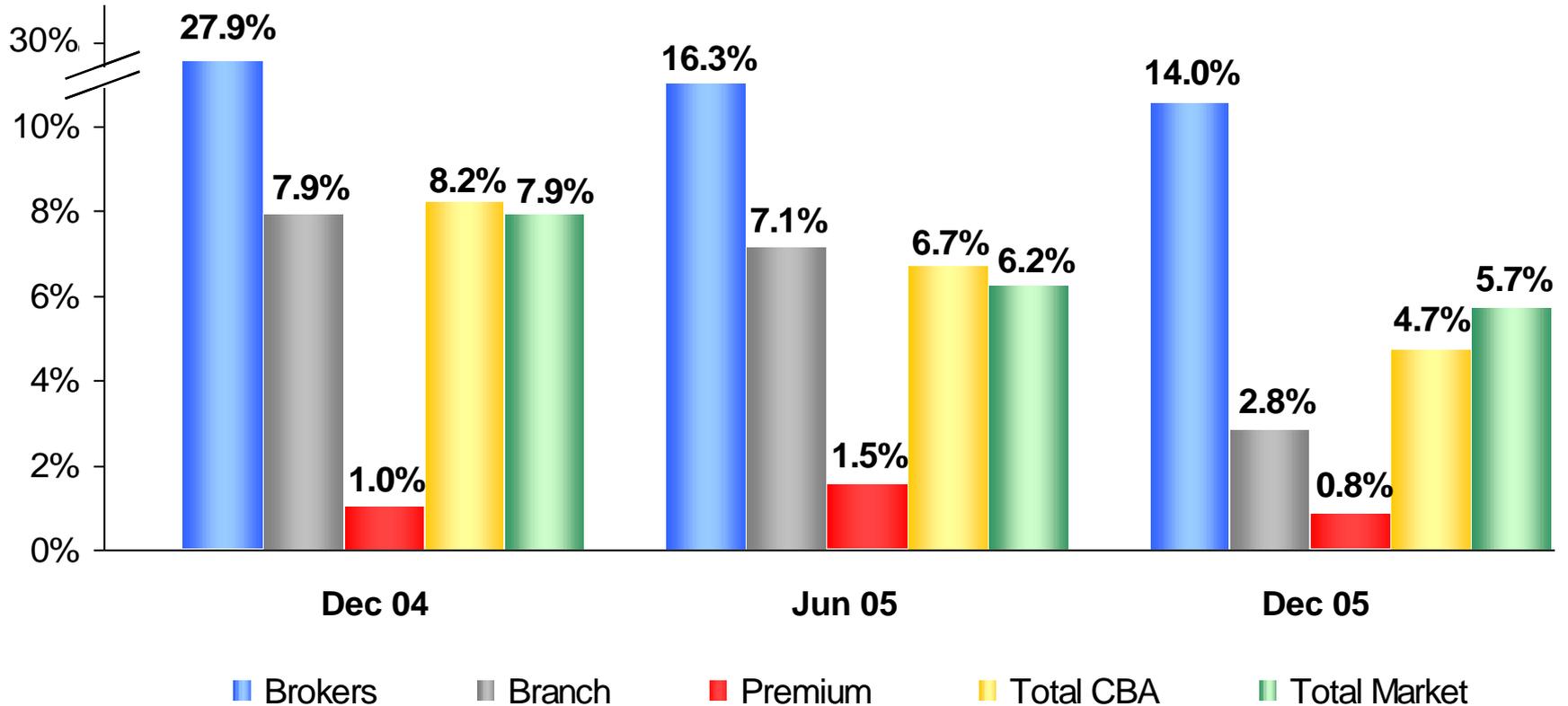


Market Share



Home Loan Growth by Channel

(Balances sourced from each channel as a % of total CBA housing growth)



Other Key Information

Notes

Household Deposits (APRA) - Balance Growth

	Dec 05 (\$bn)	Jun 05 (\$bn)	Dec 04 (\$bn)	Dec 05 v Jun 05	Dec 05 v Dec 04
CBA	80.5	76.5	75.6	5.1%	6.5%
WBC	38.7	36.6	35.5	5.8%	8.9%
ANZ	28.7	26.8	25.8	7.1%	11.0%
NAB	36.7	34.1	33.3	7.4%	10.2%
SGB	28.1	26.5	26.5	5.9%	6.2%
Subtotal	212.6	200.5	196.7	6.0%	8.1%
Total ADI Market	272.1	256.5	249.4	6.1%	9.1%

Source : APRA - Household Deposits

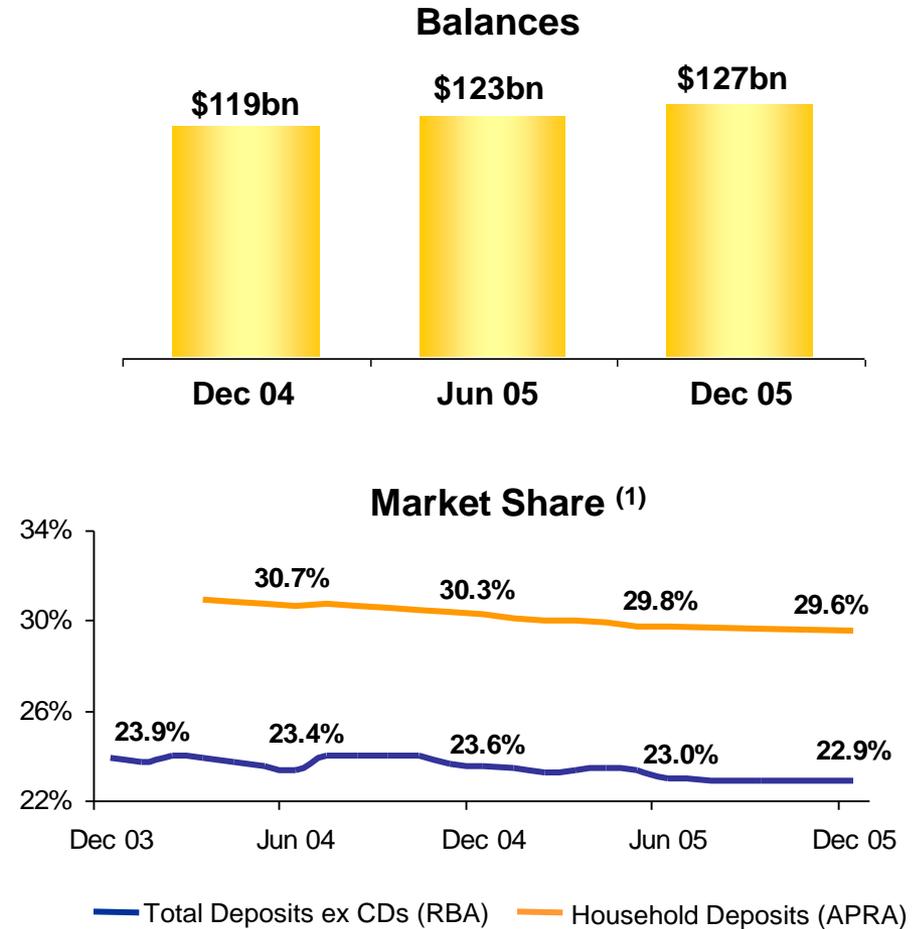
Total Australia Deposits and Public Borrowings

	Dec 05 (\$bn)	Jun 05 (\$bn)	Dec 04 (\$bn)	Dec 05 v Jun 05	Dec 05 v Dec 04
Transaction	31.2	30.5	29.4	2.4%	6.3%
Savings	36.3	34.2	33.6	6.1%	8.0%
Investment	53.3	52.3	50.6	1.9%	5.3%
Deposit not bearing Interest	6.2	5.8	5.9	6.1%	5.0%
Sub Total	127.0	122.8	119.4	3.4%	6.3%
Certificates of Deposits & Other ⁽¹⁾	18.4	18.2	21.4	1%	(13.7%)
Total Deposits (incl CDs & Other)	145.4	141.0	140.8	3.1%	3.3%
of which Household Deposits (as per APRA)	80.5	76.5	75.6	5.2%	6.5%

(1) Other includes securities sold under agreements to repurchase and short sales

Banking - Deposits (domestic)

- Market remains competitive
- Total deposits (ex CDs) up 3%
- Strong inflows into Netbank Saver & Streamline
- Over 50% of Netbank inflows are new to the Bank
- Market share stabilising

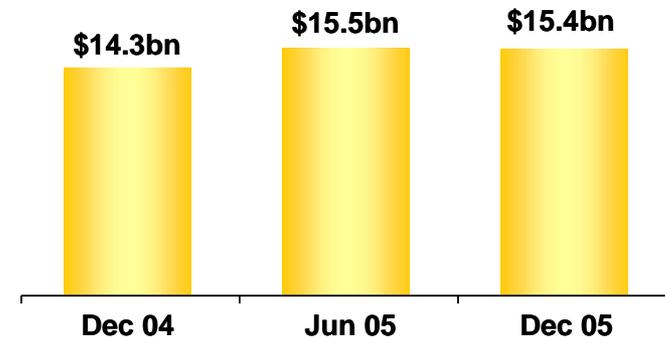


(1) APRA published data series only begins in March 2004 for Household Deposits

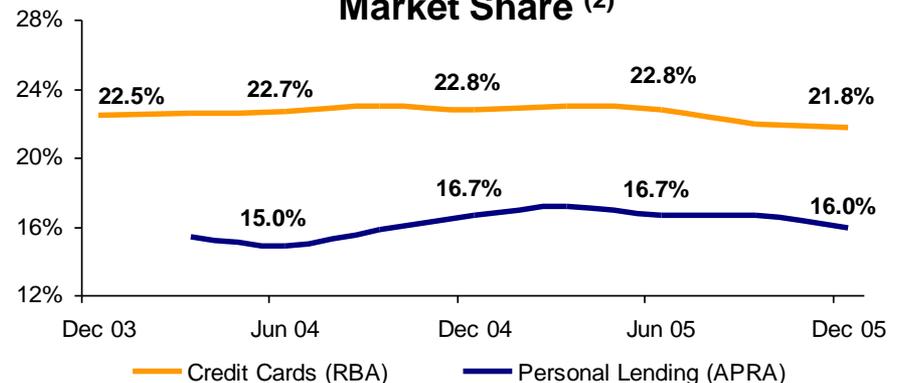
Banking – Personal Lending (domestic)

- CBA Balance growth
 - +7% vs Dec 04
 - -1% vs Jun 05
- Personal Lending market share and balance growth affected by DEET buy-back
- Credit card market share loss to low rate cards
- Margin lending strong, particularly in CommSec
- Personal loans bad debts increased as a proportion

Personal Lending Balances (1)



Market Share (2)



(1) Includes credit cards, personal loans and margin lending

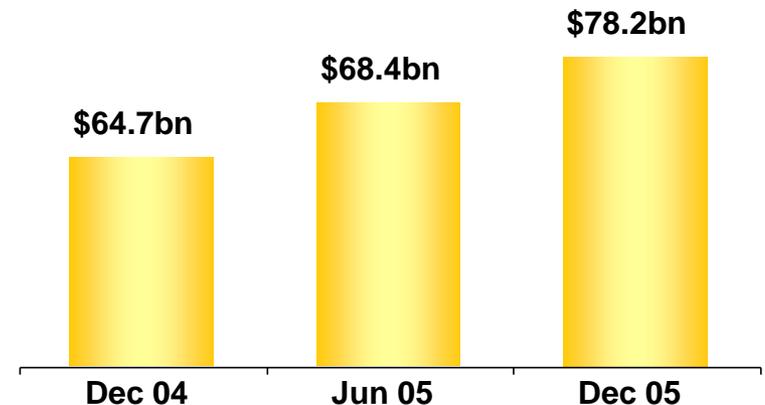
(2) APRA published data series only begins in March 2004 for Personal Lending



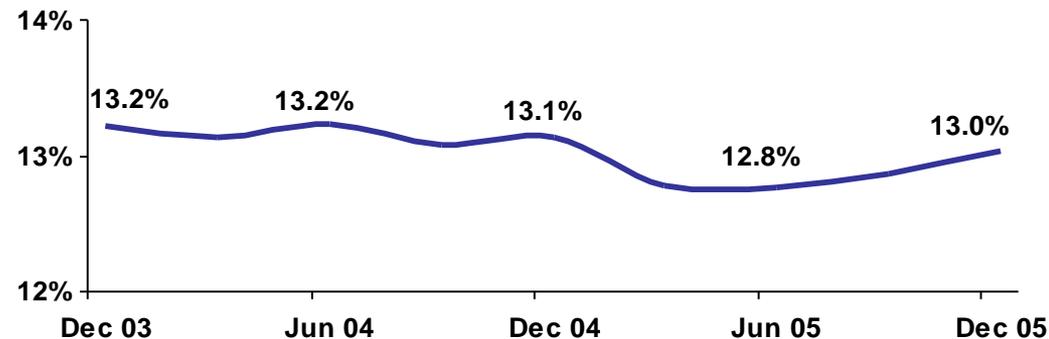
Banking – Business Lending

- Buoyant and competitive market
- Above market growth in balance
 - +21% vs Dec 04
 - +14% vs Jun 05
- Expanding capabilities to broker channels
- Credit quality of book remains strong

CBA Business, Corporate and Institutional Lending Balances ⁽¹⁾



CBA Business Lending Market Share ⁽²⁾



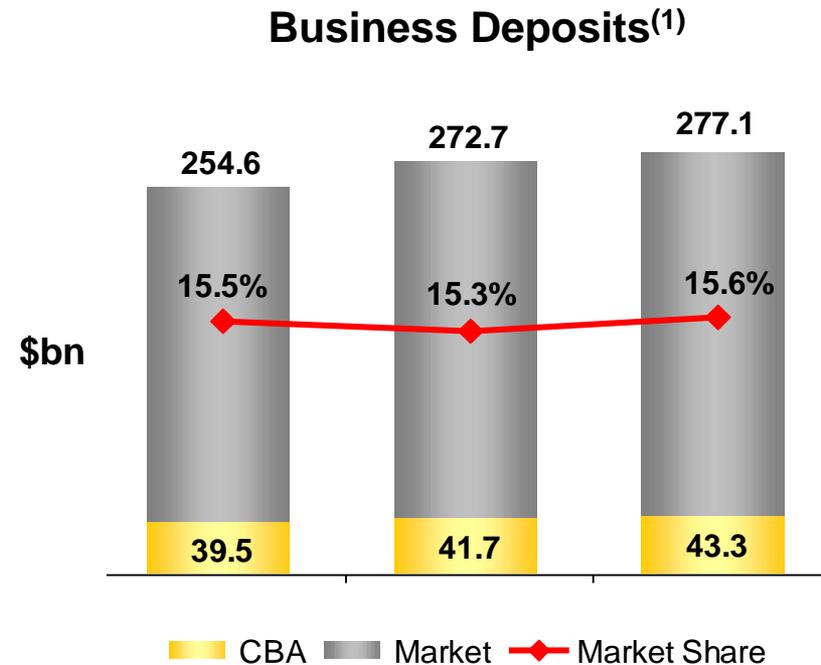
⁽¹⁾ Interest earning lending assets + bank acceptances of customers

⁽²⁾ Source: RBA



Banking – Business Deposits

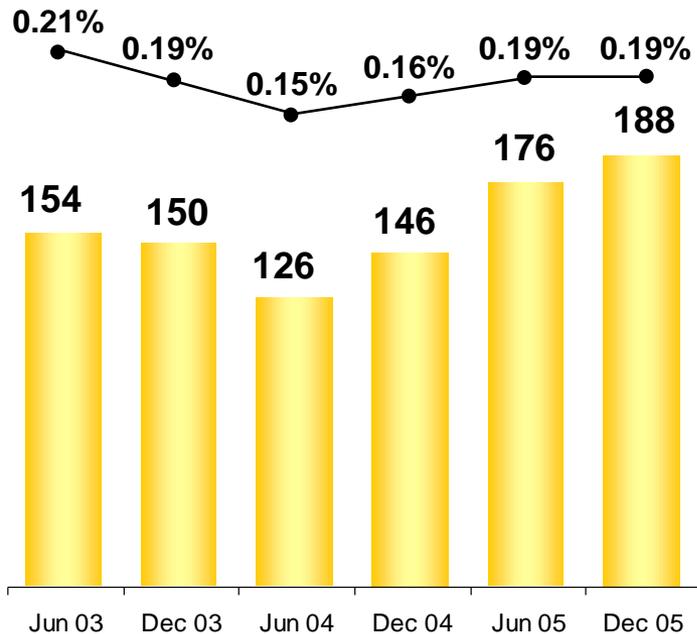
- Business deposits growth of 4% over last 6 months versus market growth of 2%
- Quoted term deposit book performing well



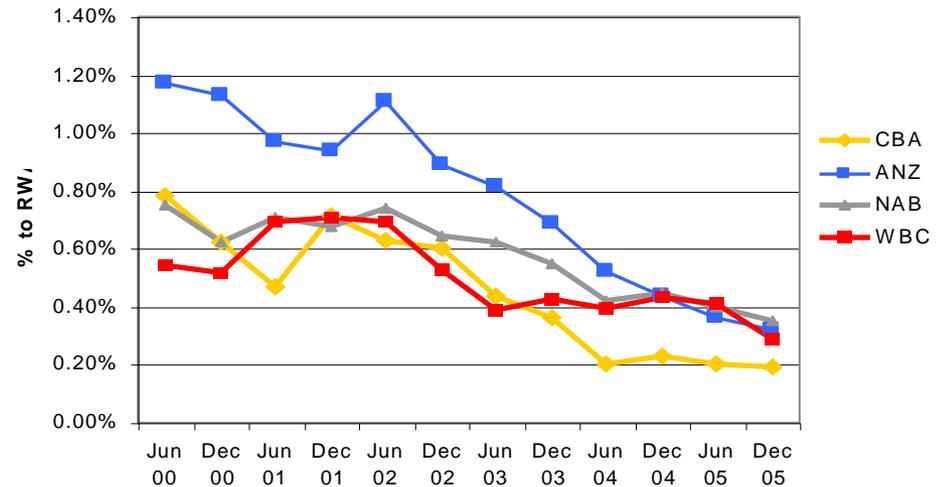
⁽¹⁾ Financial and Non financial corporations deposits – Source APRA

Banking – bad and doubtful debts

Bad debt expense to RWA (annualised)



Gross impaired assets to RWA



Peer bank comparative data as at 31 March and 30 September each year



Other Key Information

Notes

For the half ending

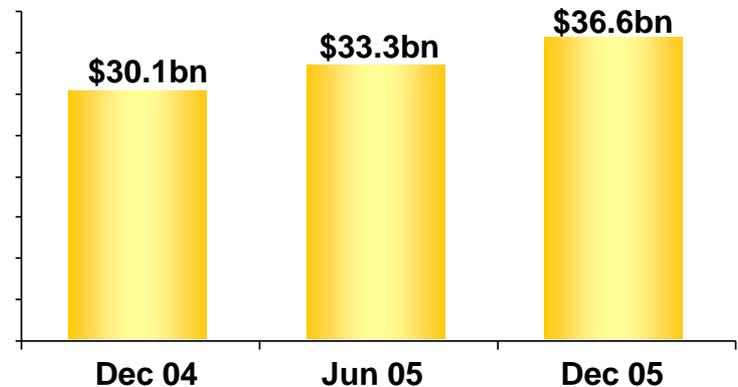
ASB: New Zealand NZ\$M

	Dec 05	Jun 05	Dec 04	Dec 05 v Jun 05	Dec 05 v Dec 04
Net interest income	392	395	381	(1.0%)	2.9%
Other income	175	137	131	27.7%	33.6%
Total operating income	567	532	512	6.6%	11.1%
Operating expenses	(243)	(234)	(236)	3.8%	3.0%
Charge for doubtful debts	(10)	(8)	(8)	25.0%	25.0%
Net profit before taxation	314	290	268	8.3%	17.2%
Income tax	(97)	(93)	(86)	4.3%	12.8%
Net profit after tax ("Cash basis")	217	197	182	10.2%	19.2%
New Zealand Dollar Exchange Rate (spot)	1.07	1.09	1.10		
New Zealand Dollar Exchange Rate (avg)	1.08	1.08	1.13		

Banking – New Zealand (ASB)

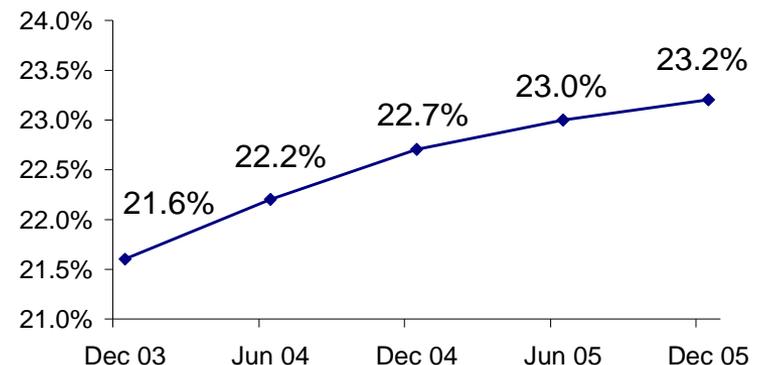
- Market remained competitive
- Cash profit up
 - +19% vs Dec 04
 - +9% vs Jun 05
- Lending balance up 10%
- Deposits grew 5%
- NZ “Bank of the Year”

Operational Lending* Balances
(Spot – in NZD)



* Operational lending = excludes treasury & structured finance

NZ Housing Lending Market Share



Segment Results: Funds Management

Other Key Information

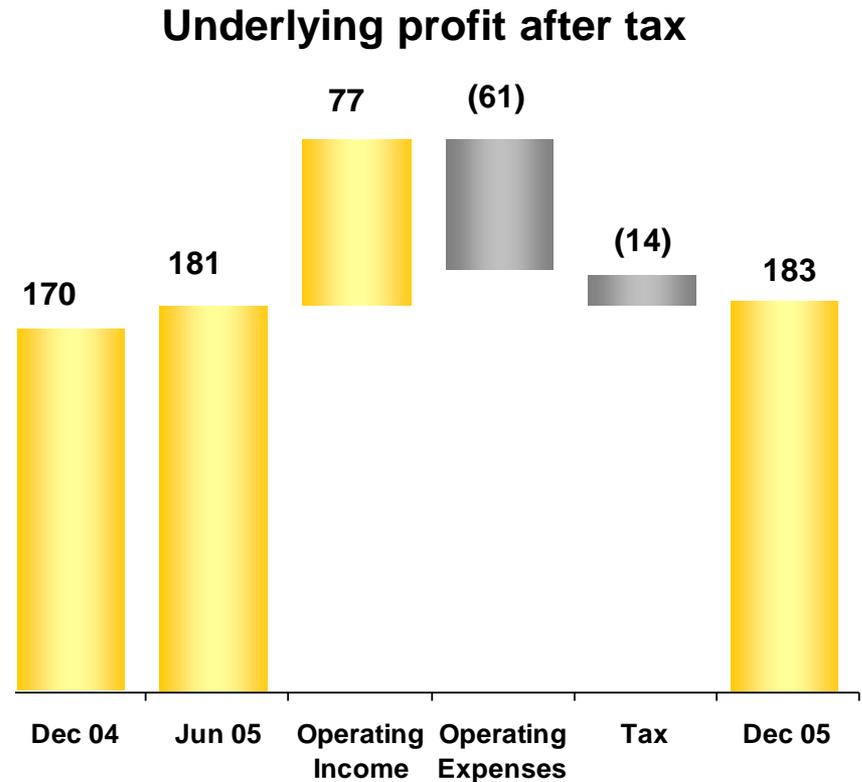
Notes

	Dec 05	Jun 05	Dec 04
FUA			
Av. FUA (\$bn)	130	121	112
Spot. FUA (\$bn)	137	123	117
Margins			
Operating income/ av. FUA	1.10	1.08	1.09
Net income/ av. FUA	0.95	0.93	0.97
Expenses			
Operating expenses/ av.FUA	0.70	0.71	0.73
Market shares			
Platforms (latest is Sep 05)*	11.2%	10.8%	10.4%
Retail funds (Sep 05)	14.7%	14.6%	14.8%
Breakdown of funds invested			
Local equities	22.7%	22.9%	23.9%
International equities	22.4%	19.2%	18.1%
Listed direct and property	17.5%	17.9%	17.5%
Fixed interest and cash	36.4%	39.0%	39.5%
Other	1.0%	1.0%	1.1%
Total	100%	100%	100%

* New series to reflect changes to products classified as platforms/masterfunds

Funds Management

- Underlying profit before tax up
 - +22% vs Dec 04
 - +7% vs Jun 05
- After tax profit affected by loss of transitional tax relief
- Funds under administration grew 11% to \$137bn
- Positive net fund flow and improving performance
- Volume and one-off expenses impacted costs



Other Key Information

Notes

Total net flows

	Dec 05	Jun 05	Dec 04
	\$M	\$M	\$M
FirstChoice & Avanteos	3,936	2,970	3,142
Cash Mgt.	(255)	(458)	(6)
Other retail	(2,316)	(1,965)	(1,493)
Wholesale	1,189	(640)	(1,869)
Property	(366)	79	(44)
International	583	294	984
Other ⁽¹⁾	(76)	(674)	136
Total	2,695	(394)	850

⁽¹⁾ Includes Life company assets sourced from retail investors but not attributable to a funds management product (eg premiums from risk products). These amounts do not appear in retail market share data.

Retail flows and sales

	(3 mths)	(6 mths)	(6 mths)
	Sep 05	Jun 05	Dec 04
Retail Net Flows ⁽²⁾			
CBA (\$m)	658.76	783.04	1,215.35
Market (\$m)	6,682.44	8,978.89	10,034.84
CBA ranking	4	6	3

Retail Sales ⁽³⁾

% total retail sales sourced from CBA

Network	48%	51%	48%
---------	-----	-----	-----

% total retail sales managed by CBA	54%	58%	66%
-------------------------------------	-----	-----	-----

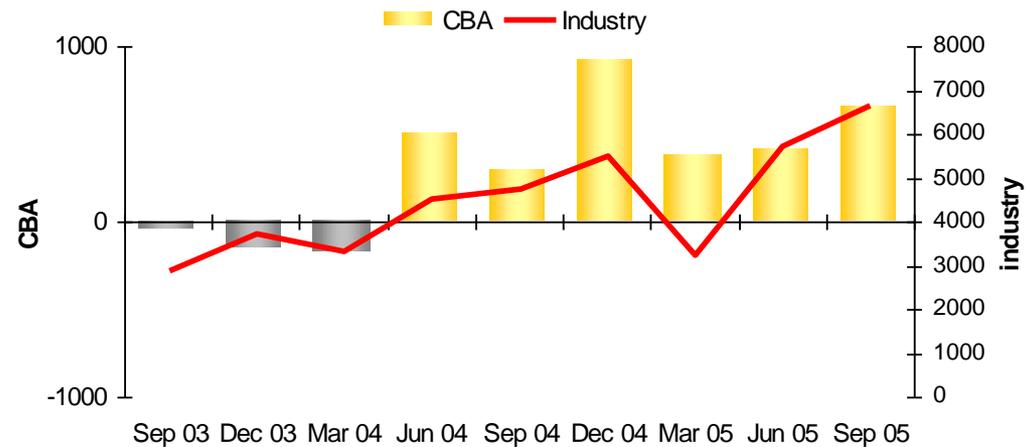
⁽²⁾ Net flows (sales less withdrawals) for retail products. Source: Plan for Life

⁽³⁾ Excludes legacy products. Source: CBA

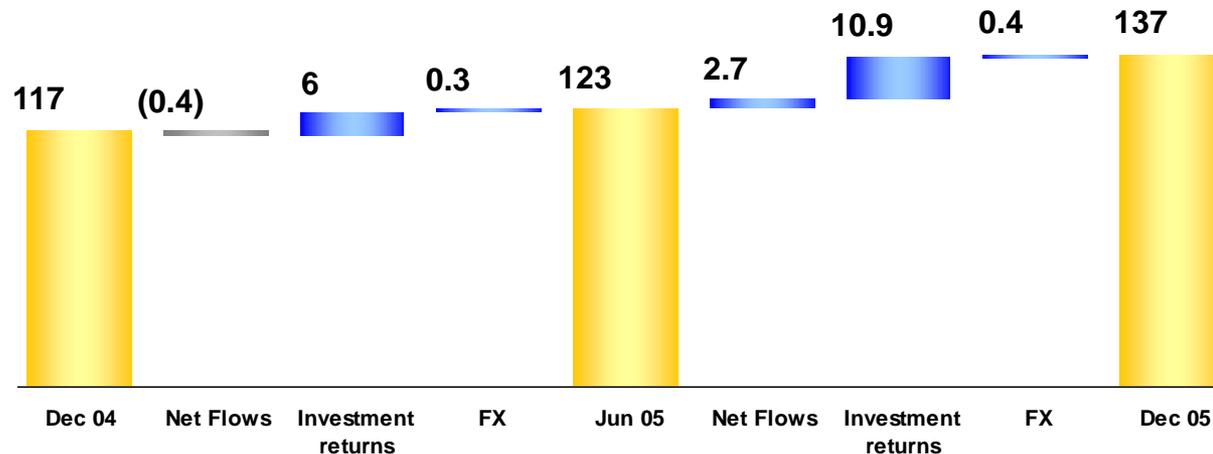
Funds Management – net funds flows

- First Choice continued to attract record retail flows and reaches \$20bn
- Turnaround of flows into wholesale funds
- Good International inflows
- Outflows from legacy products and low margin cash management

Retail net flows (\$m) (source Plan for Life)



Funds Under Administration (\$bn)



Investment Performance

December 2005	Gross performance and quartile ranking			
	1yr % pa	Quartile	3yr % pa	Quartile
Aust. Share – Core	27.1%	1	24.3%	1
Imputation	24.3%	2	22.1%	3
Property Securities	16.7%	1	19.8%	1
Global Resources	48.3%	1	30.0%	1
Diversified	16.6%	3	12.6%	4
Australian Bond	6.2%	2	5.9%	2
Global Equities	20.3%	2	5.4%	4

Source – Mercer, Morningstar

Segment Results: Insurance

Other Key Information

Notes

	6 months ended		
	Dec 05	Jun 05	Dec 04
Claims expense as % of net earned premium			
General	51%	72%	60%
Life	49%	47%	53%

	\$M	\$M	\$M
Sources of profit			
Planned profit margins	69	60	62
Experience variations	19	28	(1)
Other	2	(8)	-
General insurance operating margin	13	6	7
Operating margins	103	86	68
After tax Shareholder investment returns	36	63	92
After tax profit on sale of HK business	145		
NPAT (cash)	284	149	160

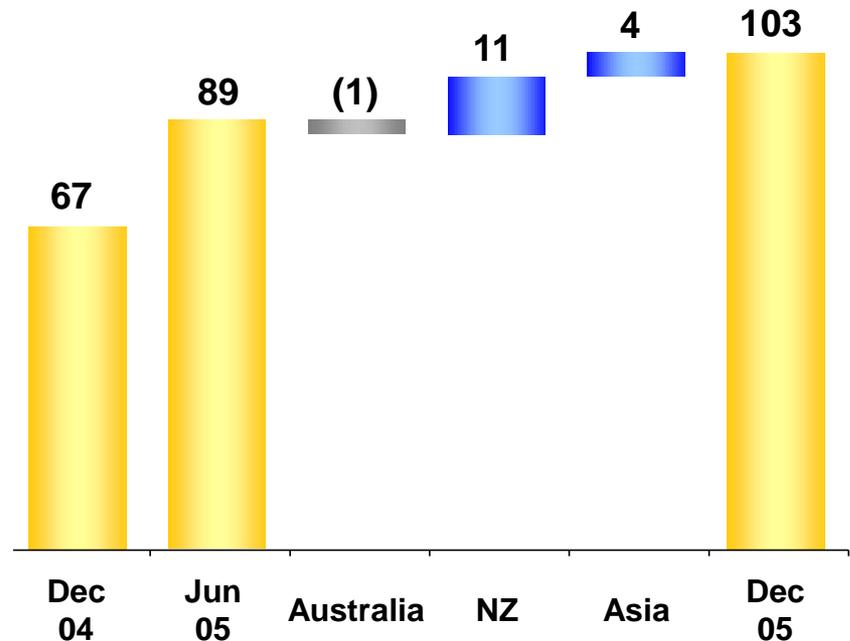
Breakdown of Shareholders' Funds

	Dec 05	Jun 05	Dec 04
Local equities	2%	5%	6%
International equities	2%	5%	6%
Property	18%	13%	13%
Other growth	0%	1%	1%
Growth	22%	24%	26%
Fixed interest	38%	37%	36%
Cash	40%	33%	32%
Other income	0%	6%	6%
Income	78%	76%	74%
Total	100%	100%	100%

Insurance Results - total

- Underlying profit :
 - +54% on Dec 04
 - +16% on Jun 05
- After adjusting for sale of HK, operating income up 8% on prior half
- Largest life insurer in Australia and New Zealand

Underlying profit up 16% since June 05



Capital Management

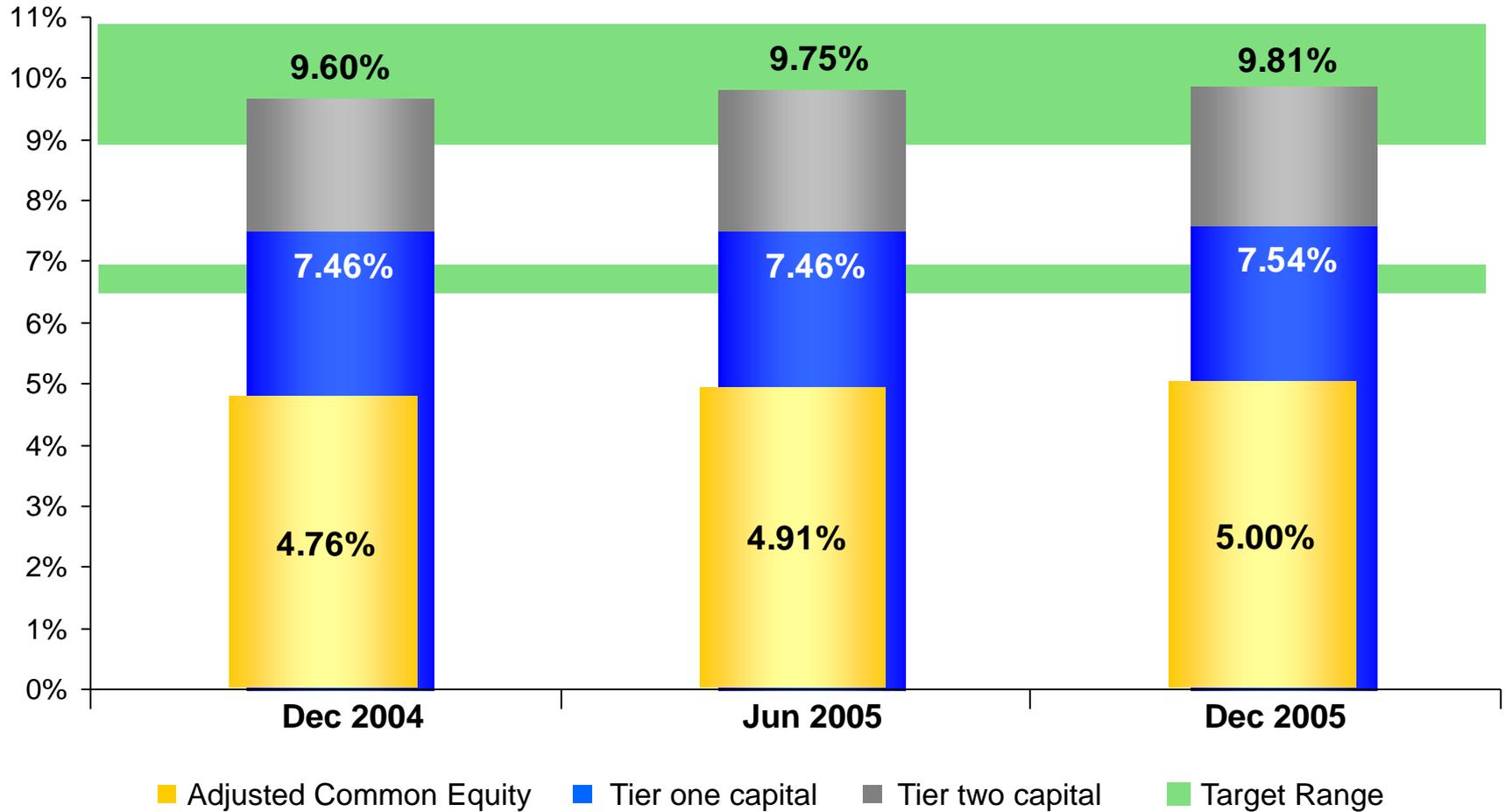
Other Key Information

Notes

Credit Ratings	Long Term	Short Term	Affirmed
Standard & Poors'	AA-	A-1 +	Jun 05
Moody's Investor Services	Aa3	P-1	Jun 05
Fitch Ratings	AA	F1+	Jun 05
	Dec 05	Jun 05	Dec 04
Adjusted Common Equity	\$M	\$M	\$M
Tier One Capital	15,292	14,141	13,487
Deduct:			
Eligible loan capital	(317)	(304)	(298)
Preference share capital	(687)	(687)	(687)
Other equity instruments	(1,573)	(1,573)	(1,573)
OEI	(523)	(520)	(518)
Investment in non-consolidated subsidiaries ⁽¹⁾	(1,918)	(1,721)	(1,776)
Other deductions	(130)	(28)	(27)
Other	-	-	-
	10,142	9,308	8,608
Risk Weighted Assets	202,667	189,559	180,673
Adjusted Common Equity Ratio	5.00%	4.91%	4.76%

⁽¹⁾ Net of intangible component deducted from Tier One capital

Capital ratios



Other Key Information

Notes

Surplus capital in Life Companies

	Dec 05 \$M	Jun 05 \$M	Dec 04 \$M
Australia			
Statutory Funds	251	102	138
Shareholder Funds	62	168	144
Sub-Total	313	270	282
NZ	51	47	54
Other IFS	58	132	121
Other (including CFS)	(245)	131	123
General Insurance	30	23	15
Sub-Total	(106)	333	313
TOTAL	208	603	595

The reduction in surplus capital in Life and FM companies over the last 6 months reflects:

- Sale of CMG Asia
- IFRS changes
- Gandel acquisition

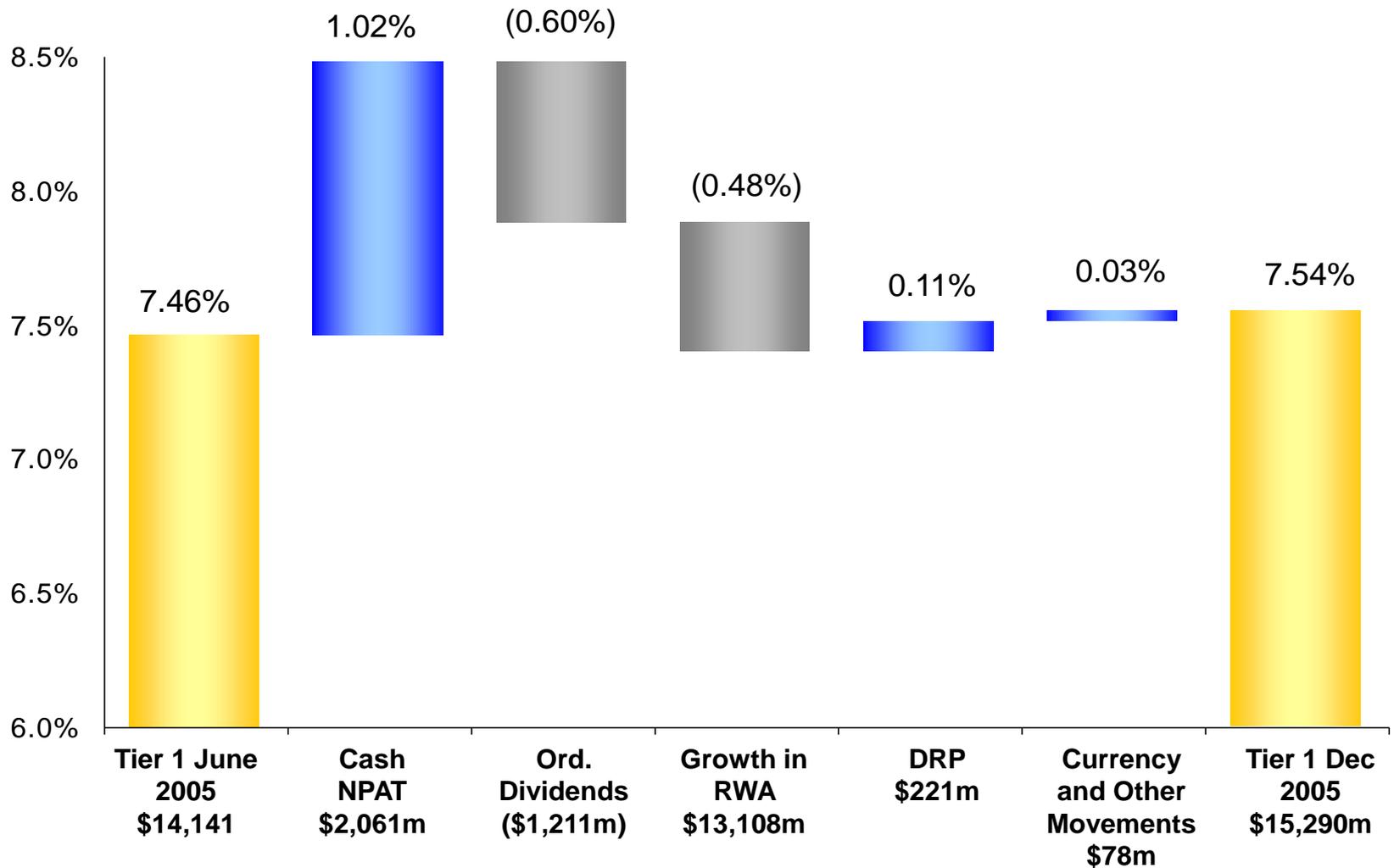
The surplus capital position is prior to funding the Gandel acquisition

Note : "Other" mainly represents capital within the funds management business

Dec 05	Jun 05	Dec 04
1,851	2,292	2,240



Generation and use of Tier 1 capital



Capital Management update

- Sale of CMG-Asia
- On market buyback
- Hybrid considerations
- Introduction of new APRA prudential standards expected 1 July 2006:
 - EMVONA deducted from Tier 1 capital (decreases Tier 1 by approx 57bp)
 - Potential Tier 1 deduction for capitalised software expenses (decreases Tier 1 by approx 10bp)
 - APRA is yet to finalise regulatory requirements for loan impairment provisioning, however net impact is expected to be minimal



Compliance projects

- Implementation for IFRS, Sarbanes Oxley and Basel II is on target
- Dec 2005 half project spend was \$20m (Dec 04:\$15m), with \$30-40m projected for full year (Full Year 05:\$36m)
- Unit pricing systems and process improvements cost \$11m for the half, expected full year cost of around \$35m



AIFRS

Major AIFRS Impacts

	Half Year Ended				
	31 Dec 05 \$M	30 Jun 05 \$M	31 Dec 04 \$M	Dec 05 vs Jun 05	Dec 05 vs Dec 04
Net profit After Tax ("underlying basis") (AIFRS)	1,875	1,779	1,641	5%	14%
AIFRS Impact	45	23	23		
Net profit After Tax ("underlying basis") (AGAAP equivalent)	1,920	1,802	1,664	7%	15%
Net profit ex HK sale After Tax ("cash basis") (AIFRS)	1,916	1,759	1,733	9%	11%
AIFRS Impact	45	23	23		
Net profit ex HK sale After Tax ("cash basis") (AGAAP equivalent)	1,961	1,782	1,756	10%	12%
Net Profit After Tax ("statutory basis") (AIFRS)	1,999	1,688	1,712	18%	17%
AIFRS Impact	107	94	44		
Net Profit After Tax ("statutory basis") (AGAAP equivalent)	2,106	1,782	1,756	18%	20%

Major AIFRS Impacts

	Half Year Ended		
	31 Dec 05	30 Jun 05	31 Dec 04
	\$M	\$M	\$M
Net Interest Income			
Reclassification of Securitisation OBI ⁽¹⁾	37	40	31
Income Deferral - Banking ⁽²⁾	8	(5)	(6)
Hybrid Instruments ⁽³⁾	(57)	-	-
Hedging & Derivatives ⁽⁴⁾	55	-	-
Other Banking Income			
Reclassification of Securitisation to NIE ⁽¹⁾	(37)	(41)	(29)
Income Deferral - Banking ⁽²⁾	(6)	-	-
Hedging & Derivatives ⁽⁴⁾	(69)	-	-
Total Banking Income			
Total Impacts	(69)	(6)	(4)
Funds Mangement Income			
Income Deferral - Funds Management ⁽⁵⁾	(20)	(8)	(6)
Insurance Income			
Income Deferral & DAC - Insurance ⁽⁶⁾	8		

Major AIFRS Impacts

	Half Year Ended		
	31 Dec 05 \$M	30 Jun 05 \$M	31 Dec 04 \$M
Operating Expenses - comparable business			
Volume Expense Deferral - Funds Mangement ⁽⁵⁾	(18)	(8)	(6)
Share-Based Compensation & Other - Banking ⁽⁶⁾	10	17	19
Bad and Doubtful Debts Expense			
Movement in General Reserve for Credit Losses ⁽⁷⁾	(35)	-	-
Total AIFRS Impact on Net Profit Before Tax ("cash basis")	(38)	(23)	(23)
Total AIFRS Impact on Net Profit After Tax ("cash basis") ⁽⁸⁾	(45)	(23)	(23)
Non-Cash Items:			
Defined benefit superannuation plan expense	(19)	(25)	(28)
Treasury share valuation adjustment	(43)	(46)	7

Highlights

	Dec 05	Dec 05 vs Jun 05	Dec 05 vs Dec 04
Cash NPAT	\$2,061m	↑ 17%	↑ 19%
Cash EPS (excl HK)	149.5cps	↑ 13%	↑ 13%
Dividend	94c	-	↑ 11%
Which new Bank benefits	\$506m	↑ 20%	↑ 68%



Presentation of Half Year Results for 31 December 2005

Ralph Norris
Chief Executive Officer

Michael Cameron
Chief Financial Officer

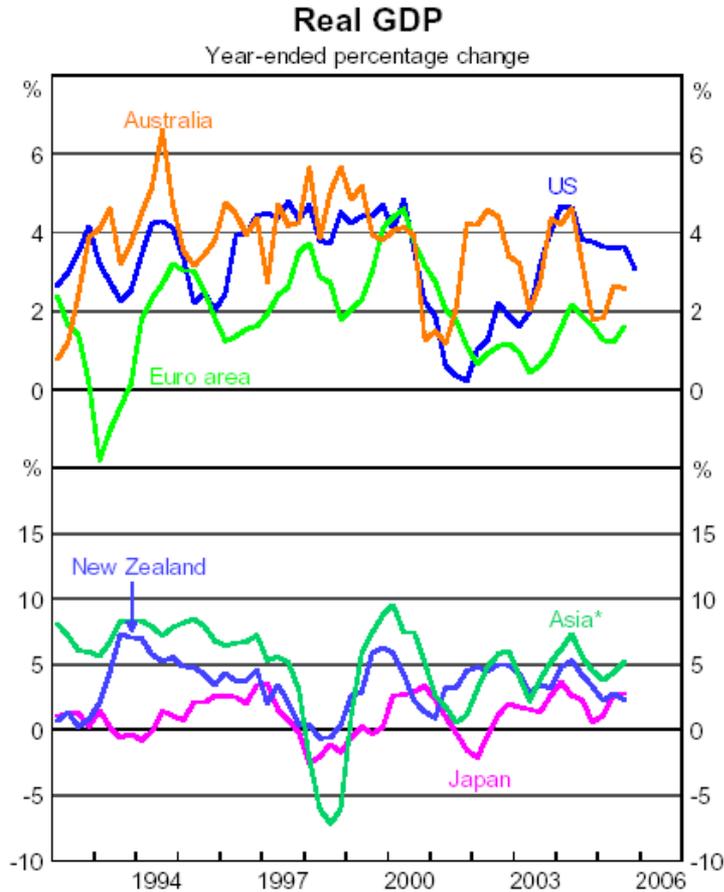


15 February 2006

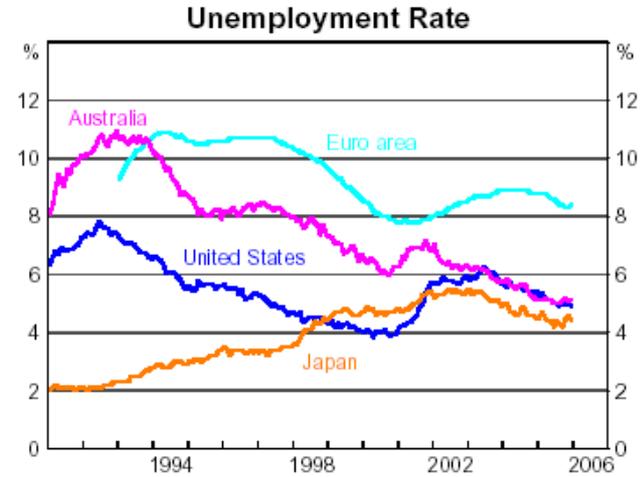
Supplementary materials

Economy

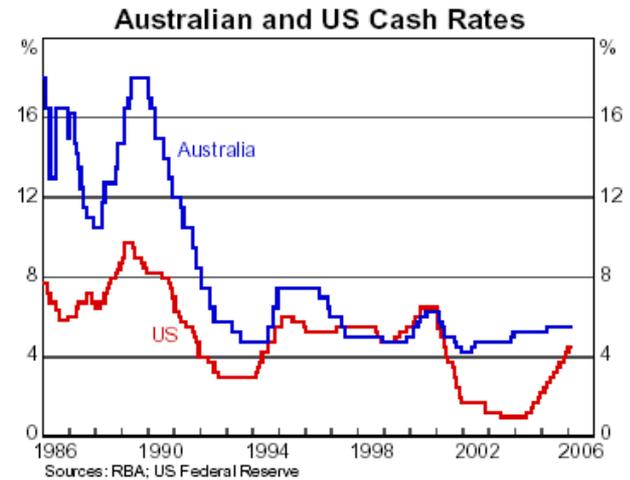
GDP, unemployment and cash rates



* Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan and Thailand
Sources: ABS; CEIC; Thomson Financial



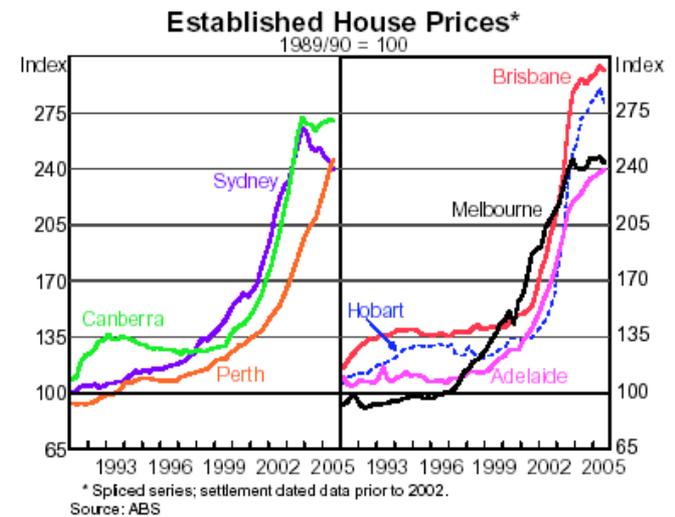
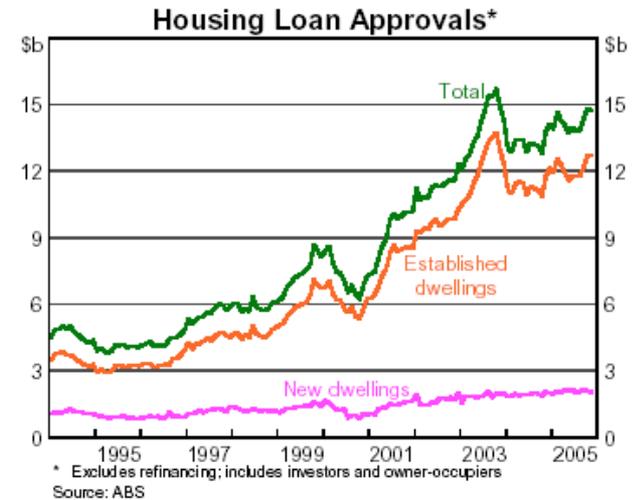
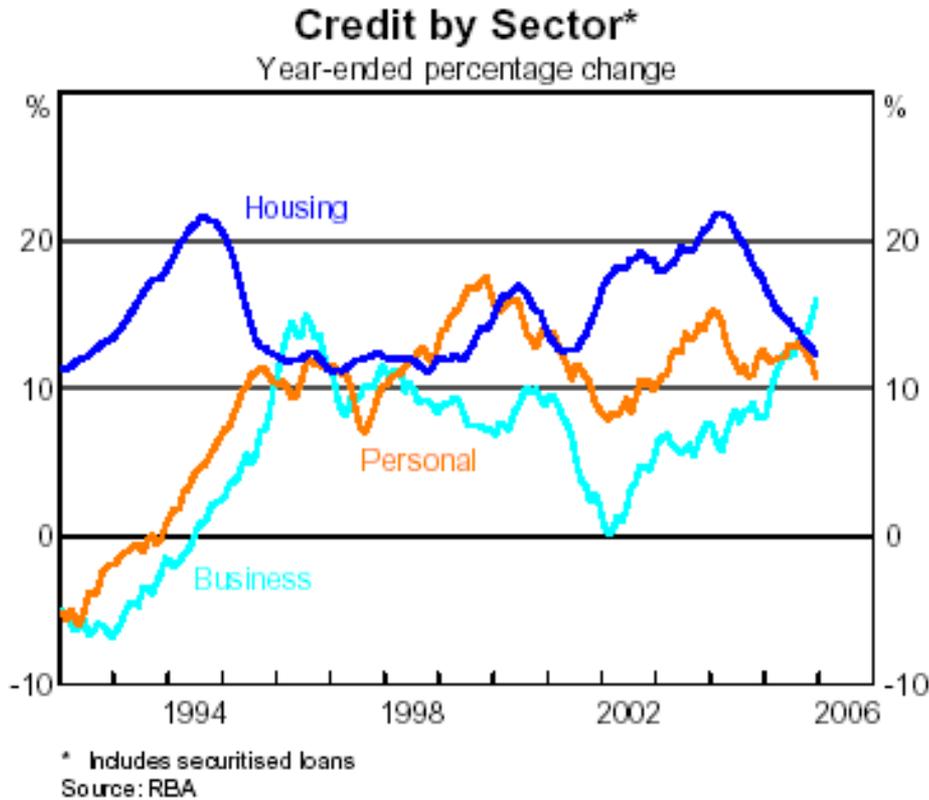
Sources: ABS; Thomson Financial



Sources: RBA; US Federal Reserve



Credit growth

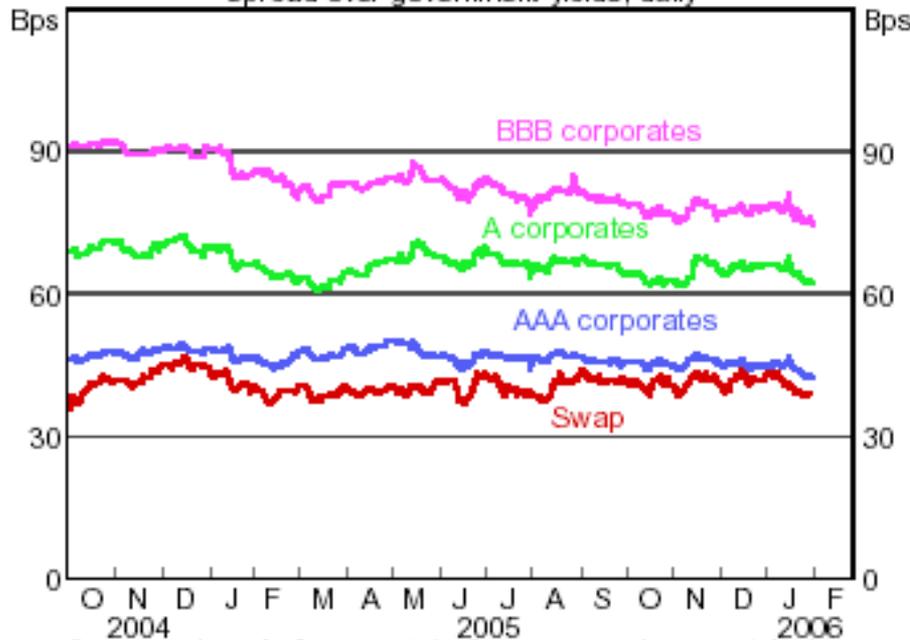


Spreads

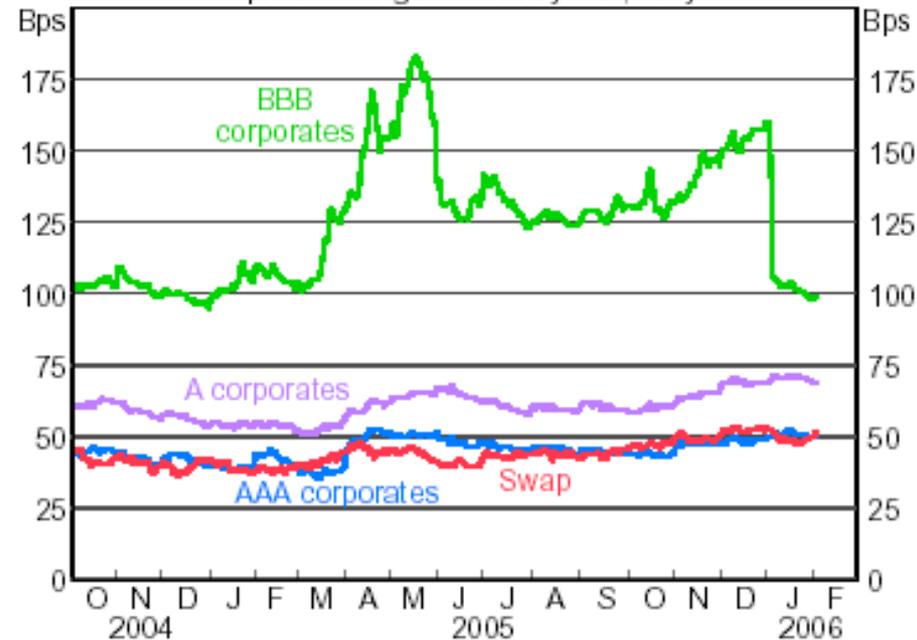
Aus. BBB Corporates
~ 35bp over swaps

US BBB Corporates
~ 50bp over swaps

Australian Corporate Bond Spreads
Spread over government yields, daily



US Corporate Bond Spreads (3-5 years)
Spread over government yields, daily



Swap spreads are for 3-years maturity. Corporate spreads are a weighted average of bonds with remaining maturities of 1 to 5 years.
Sources: Bloomberg; RBA; UBS AG, Australia Branch

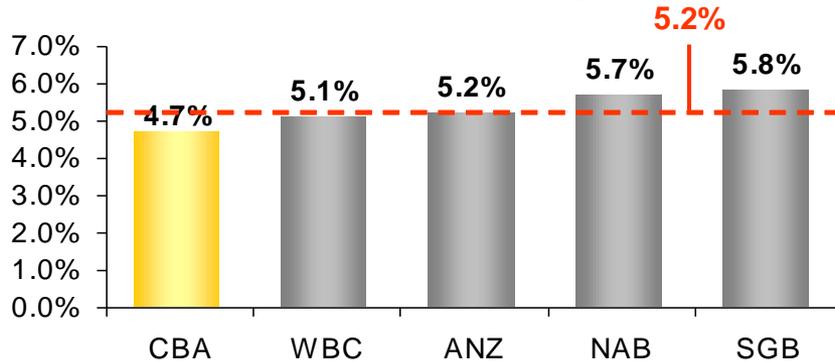
Source: Bloomberg



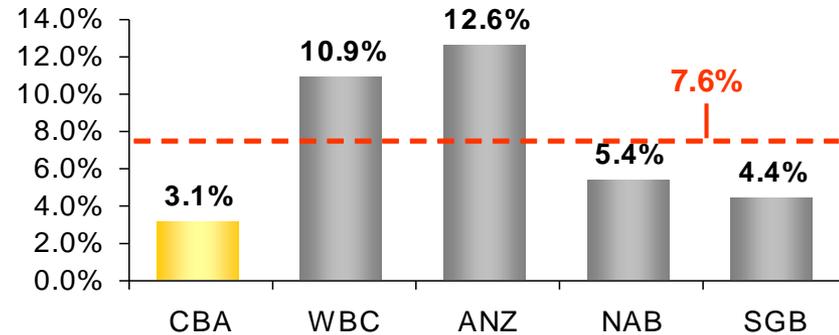
Banking

Summary - CBA Growth vs Market

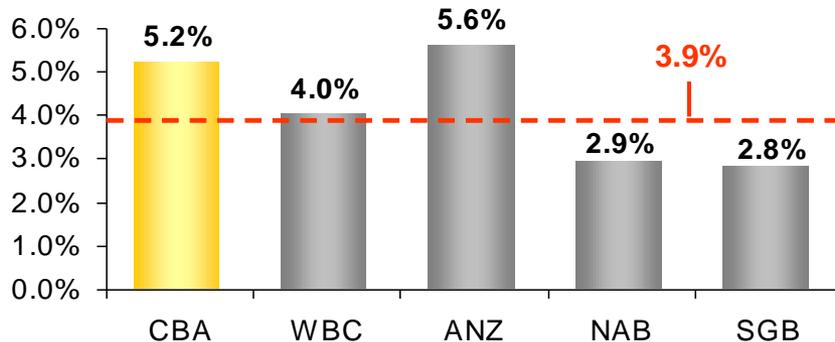
Home Lending



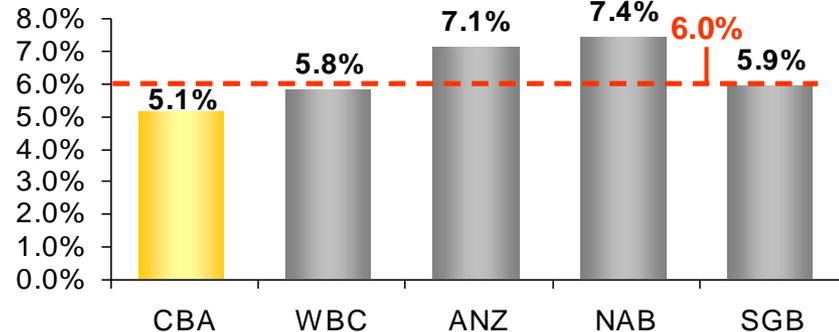
Credit Cards



Personal Lending (ex DEET)



Household Deposits



Source: APRA - Growth in balances June 2005 to December 2005

--- aggregate of Majors and SGB



Loan Growth

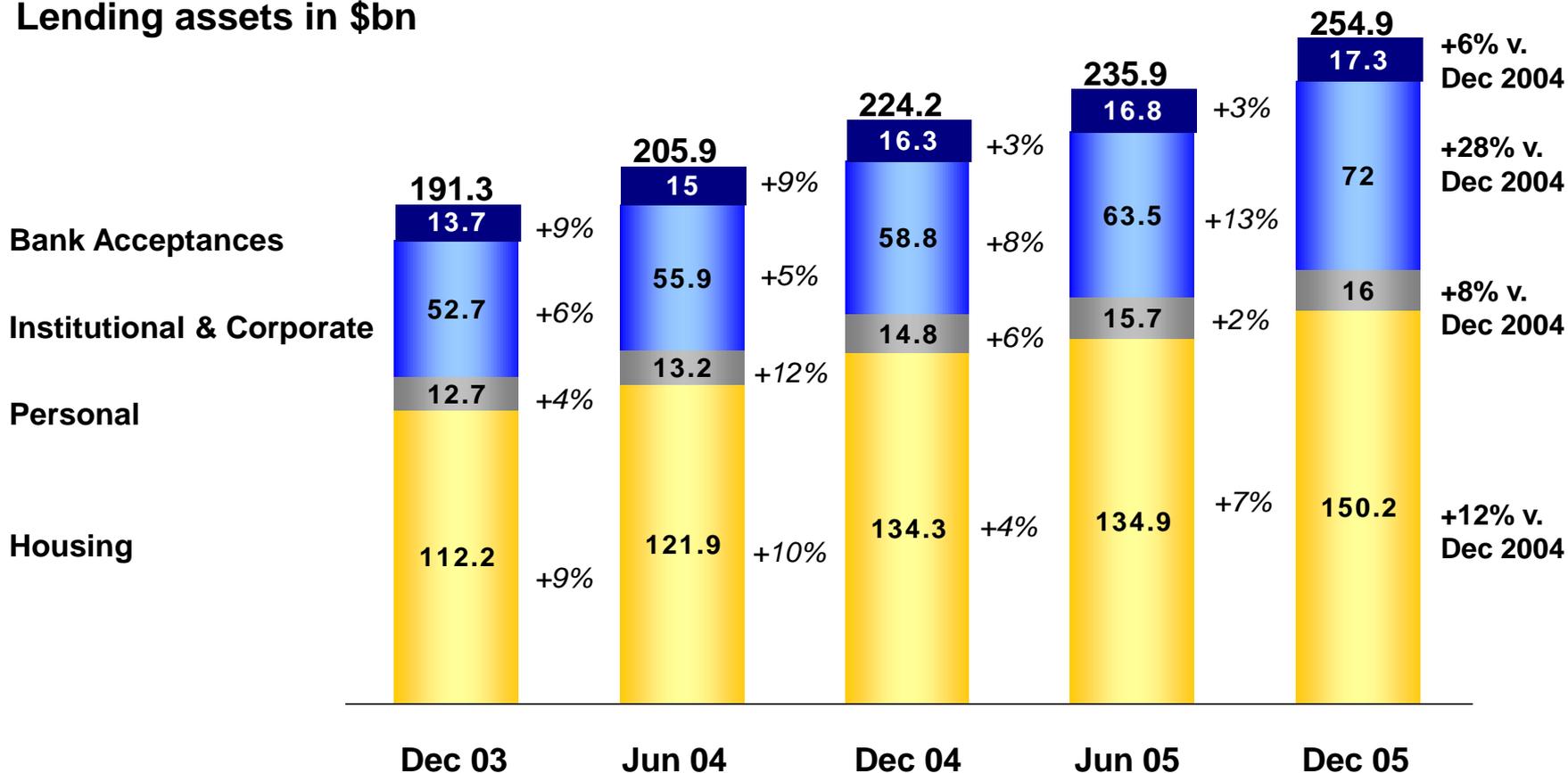
\$bn	Dec 05 \$bn	Jun 05 \$bn	Dec 04 \$bn	Dec 05 vs Jun 05	Dec 05 vs Dec 04
Retail Lending					
Home Lending (incl securitisation)	136.0	129.9	121.7	5%	12%
Home Lending (excl securitisation)	126.9	119.1	115.3	7%	10%
Personal Loans	10.5	10.7	10.3	(2%)	2%
Business, Corporate & Institutional					
Interest earning lending assets	60.9	51.6	48.4	18%	26%
Bank acceptances of customers	17.3	16.8	16.3	3%	6%
Cash and other liquid assets	12.2	11.4	10.9	7%	12%
Trading	14.1	12.3	13.0	14%	8%
Available for sale investments / Investment securities	9.0	10.3	11.1	(12%)	(18%)
Margin loans	4.7	4.3	3.8	8%	21%
Other assets	15.7	19.8	21.1	(21%)	(26%)



Banking

8% growth in lending assets over the period*

Lending assets in \$bn



Deposit Growth

\$bn	Dec 05 \$bn	Jun 05 \$bn	Dec 04 \$bn	Dec 05 vs Jun 05	Dec 05 vs Dec 04
Australian Deposits					
Transaction Deposits	31.2	30.5	29.4	2%	6%
Savings Deposits	36.3	34.2	33.6	6%	8%
Investment Deposits	54.0	52.3	50.6	3%	7%
Deposits not bearing interest	6.2	5.8	5.9	6%	5%
Certificates of Deposits	18.3	18.3	21.4	-	(14%)
Debt Issues	69.9	63.8	53.0	9%	32%
Loan Capital	9.1	6.3	5.8	45%	57%
Other Liabilities	48.6	46.0	48.3	6%	1%

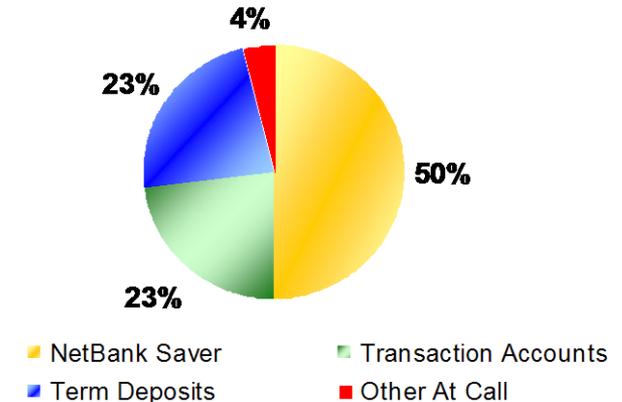
Deposits cannibalisation is being well managed

- Strong growth across-the-board:
 - Streamline → 23%
 - Term Deposits → 23%
 - NetBank Saver → 50%

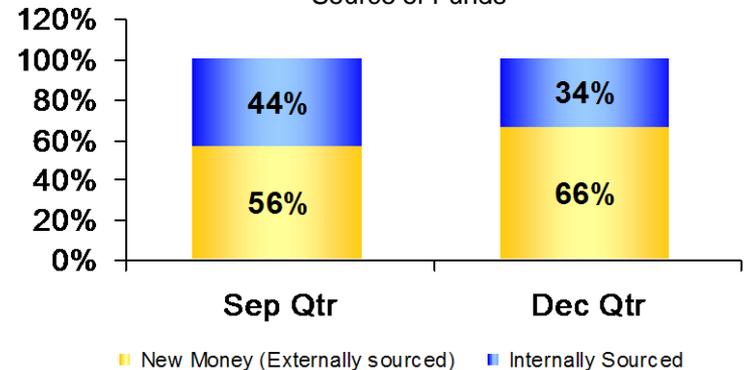
- NetBank Saver:
 - Focus on attracting new money whilst minimising internal switching
 - Internal switching low and decreasing
 - Most internal switching from cash management accounts

- Renewed growth in transaction accounts helping to minimise margin decline

Retail Deposits
Contribution to Growth - Six months to Dec 05



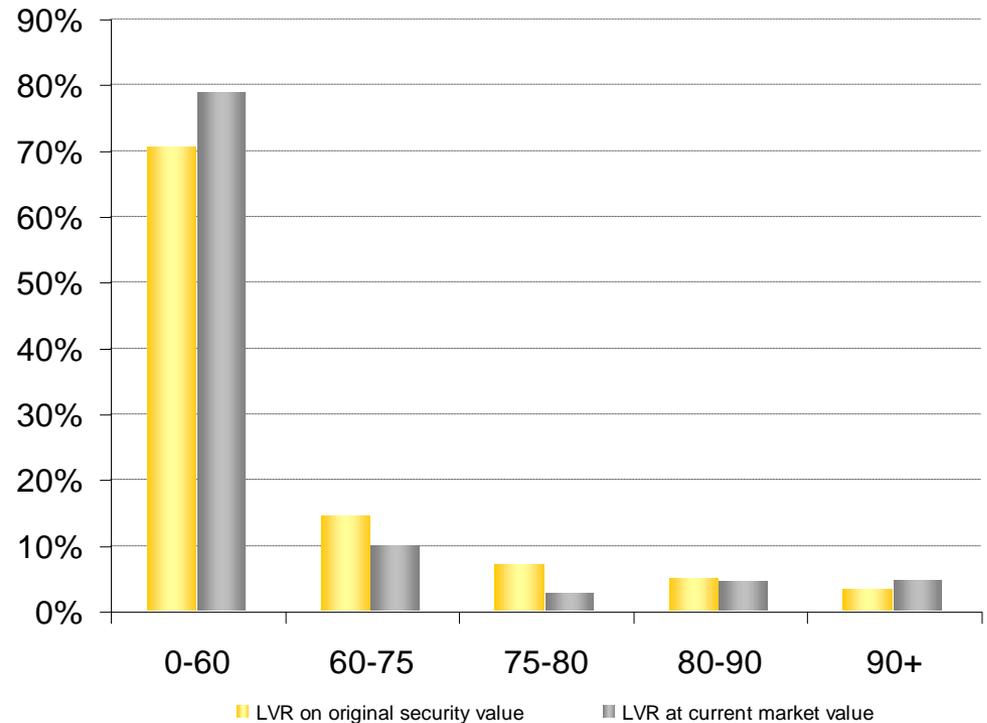
NetBank Saver
Source of Funds



Home Loans – LVR Profile

- Strong LVR profile
- % of loans at <60% LVR:
 - 70% if based on original security value
 - 79% if based on current market values

LVR Profile



Australian Owner Occupied and Investment Housing only, excludes Lines of Credit
Number of loans as at 31 Dec 05 and market value as at 30 Sept 05
Market value marked against the APM or Residex database



Home Loans – Low-Docs

Low Doc as Proportion of Portfolio

Low-doc	\$m	% of portfolio
Total Portfolio	\$1.2b	<1%
New business per month	<\$50M	1%

- Approx 0.9% of total portfolio
- Self employed applicants only – min. 2 years in same industry
- Restrictions on certain high risk postcodes (LVRs 60%-80% only)
- Loans above 60% LVR are mortgage insured with a maximum 80% LVR allowed
- Going forward loans below 60% LVR will be pool mortgage insured (bank paid premium).
- Maximum loan amounts apply based on LVR
- Loans offered at SVR, Viridian, Fixed rates, Economiser and Packages.
- Separate collections processes
- Various stress-testing undertaken - risk characteristics in line with reported industry standards.
- Early-dated arrears higher than average, but default rates similar.



Banking – Well positioned in Bond Markets

Current Insto League Table rankings

PUBLIC DOMESTIC NON-GOVERNMENT BOND LEAGUE TABLE
(INCLUDING SELF-LED DEALS) 1 Jan 2005 - 31 December 2005

Rank	Bookrunner	A\$m	Deals
1	Commonwealth Bank of Australia	7,446	35
2	National Australia Bank	7,309	26
3	RBC Capital Markets	6,323	39
4	ANZ Investment Bank	5,720	18
5	Citigroup	4,650	15
6	TD Securities	4,485	30
7	Deutsche Bank	3,925	17
8	UBS	3,700	14
9	ABN AMRO	2,863	15
10	Goldman Sachs JB Were	1,325	3
11	St George	1,000	1
	Other	2,226	11
	Total	55,263	171

Criteria: A\$100 million minimum, 1-year minimum.
Pricing must be disclosed.
All increases eligible.
Bookrunners are given equal allocation.

Source: Insto Magazine - Public Domestic Non-Govt. Bond League Table (including self-led issues)

Past Insto League Table rankings



2004

A\$6.989 billion raised



2003

A\$3.132 billion raised



2002

A\$2.318 billion raised



Notable PBS Transactions in 2005



中電亞洲
CLP Power Asia

Syndicated Acquisition and Refinance Facility
A\$2,450m

Joint Lead Manager & Joint Underwriter

July 2005



möbius
financial services

Securitisation of Non-Conforming Mortgages
A\$550m

Lead Manager and Co-Arranger

October 2005



SparkInfrastructure

Syndicated Term Facility
A\$475m

Joint Lead Arranger, Underwriter and Bookrunner

December 2005



AGL

Syndicated Term & Revolving Facilities
A\$2.4b

Joint Arranger & Joint Bookrunner

February 2006



THE GOOD GUYS
DISCOUNT WAREHOUSES

Primary Transaction Banker

September 2005



Lincraft

Primary Transaction Banker

March 2005



NRMA

Primary transaction Banker

August 2005



GRAYS
online.com.au

Primary Transaction Banker

November 2005



i'm lovin' it

- Banker to 240 restaurants (60% of all McDonalds bank with CBA)
- Tailored packages with debt, risk management and transactional solutions, with total exposure of \$340m

Commercial & Professional

- Through needs analysis, the RM identified new business and wealth solutions for an existing personal client.
- Provided \$3million debt for equipment and premises, \$2million for a new home loan, personal insurance and superannuation



CHARVEL
HEREFORDS
BRED FOR THE NEEDS OF THE PRACTICAL CATTLEMAN

- Won a Westpac client with financing for two Qld cattle properties.
- Provided \$53m Agri Line of Credit plus transactional and interest rate risk management



CHANDLER
MACLEOD

Chandler MacLeod

- Assisted with client's acquisition of Falstaff.
- Refinanced \$28m of receivables finance from ANZ, new leasing of \$2.5m, and \$2.5m in contingent liabilities.

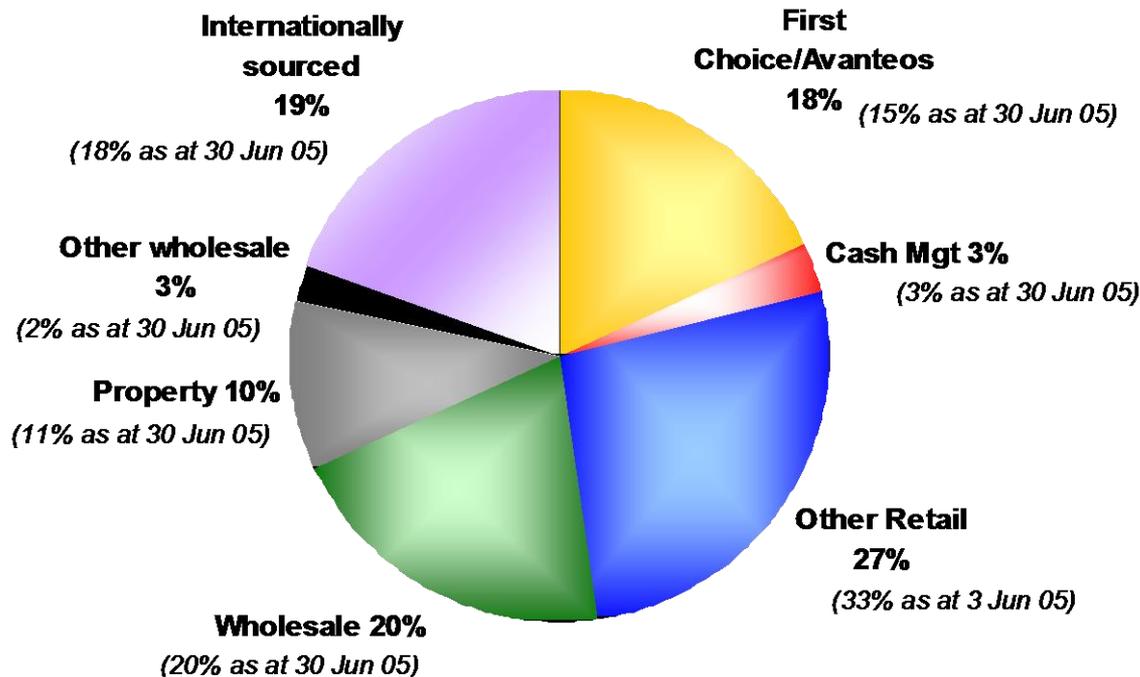


Funds Management

Well diversified product mix – platforms rapidly growing share

Funds Under Administration 31 Dec 2005

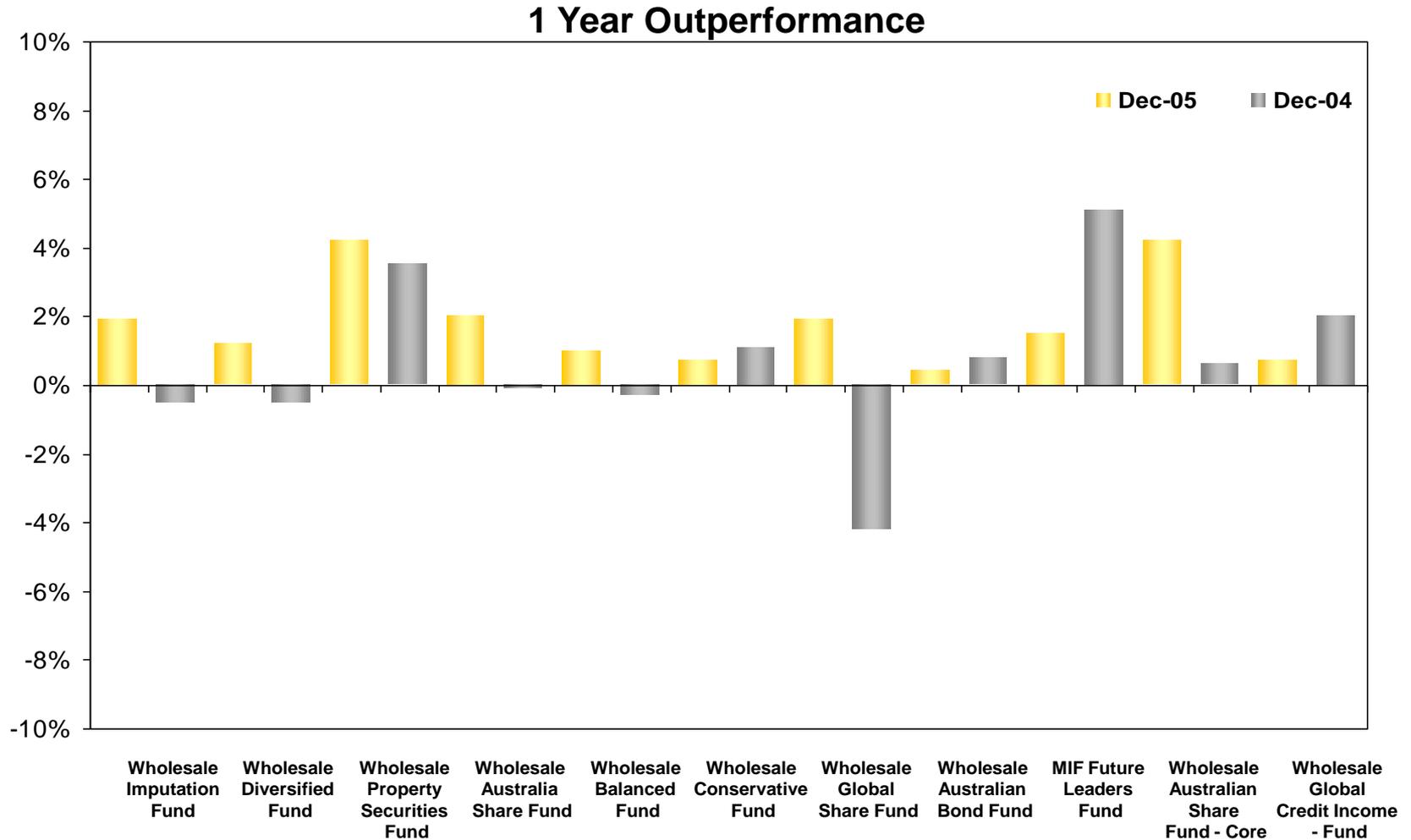
Total FUA = \$137 billion (\$123bn as at 30 Dec 04)



Source – Internal Analysis



Fund excess returns over benchmark



Insurance

Funds Management & Insurance Investment Mandate Structure

The Bank has \$1.5bn of shareholders funds across its insurance and funds management business, which is invested in:

	Australia	New Zealand	Asia	Total
Local equities	3%	1%	0%	2%
International equities	0%	7%	15%	2%
Property	24%	1%	8%	18%
Other Growth	0%	0%	0%	0%
Growth:	27%	9%	23%	22%
Fixed Interest	32%	52%	55%	38%
Cash	41%	39%	22%	40%
Other Income	0%	0%	0%	0%
Income:	77%	91%	77%	78%
Total	100%	100%	100%	100%



Capital Management

Preference share information

Preference share dividends paid

	31/12/2005	30/06/2005	31/12/2005	30/06/2004	31/12/2003	31/12/2003	Franked/ Inputed
PERLS	20	19	20	20	18	18	F
PERLS II	17	17	17	15			F
Trust Preferred Securities	21	22	20	23	17		
ASB Capital prefs	5	5	4	4	4	4	I
ASB Capital No.2 prefs	9	7					I
CBA Capital	8						
	80	70	61	62	39	22	

Preference shares - breakdown

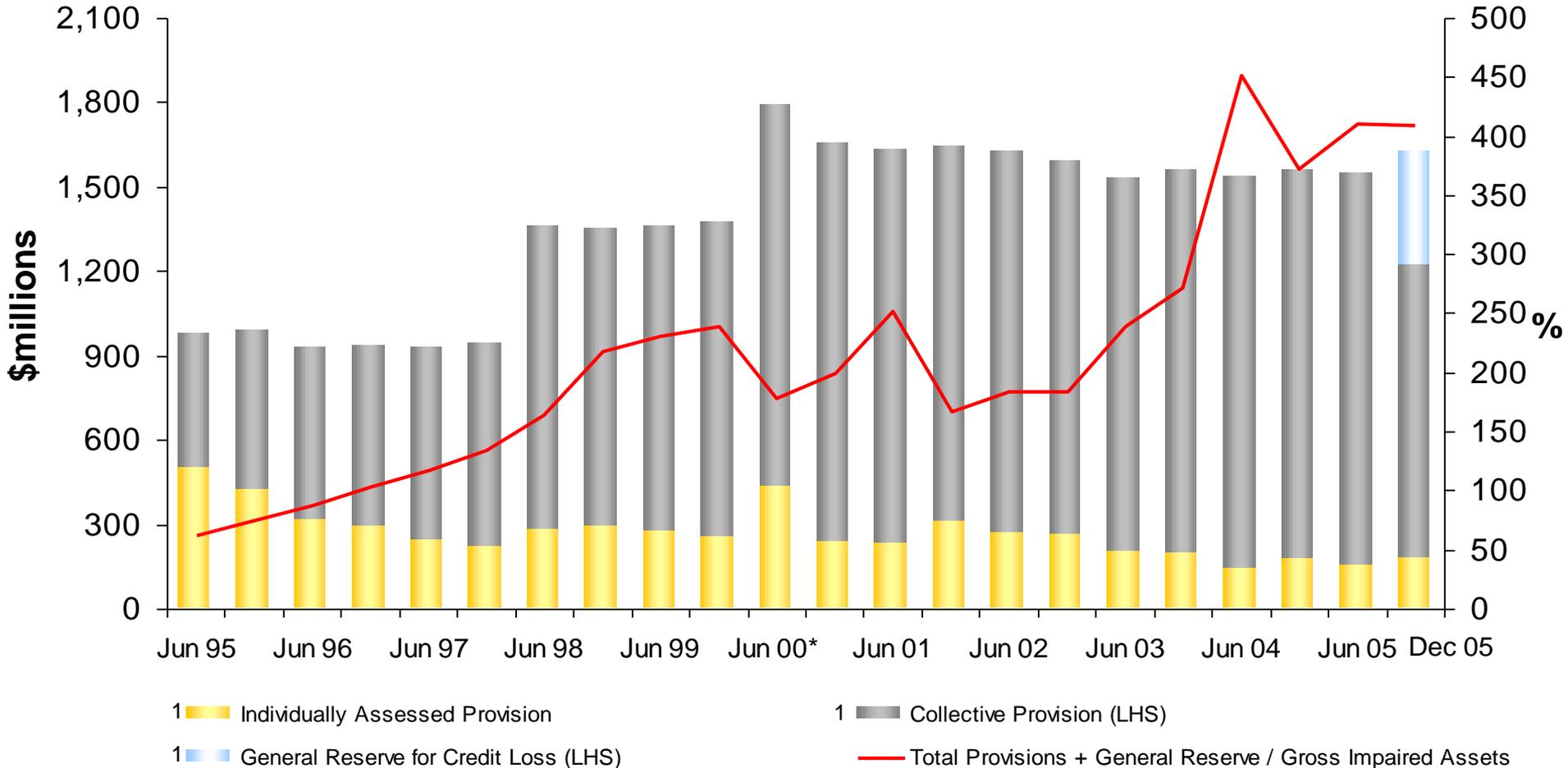
	Issue Date	Currency	Amount (\$M)	Carrying Value (AUD)*	Maturity	Balance Sheet Classification
PERLS	06-Apr-01	AUD	\$700	\$687	Perpetual	Tier 1 Loan Capital
PERLS II	06-Jan-04	AUD	\$750	\$741	Perpetual	Tier 1 Loan Capital
Trust Preferred Securities	06-Aug-03	USD	\$550	\$832	12 years	Tier 1 Loan Capital
ASB Capital prefs	10-Dec-02	NZD	\$200	\$182	Perpetual	Outside equity interests
ASB Capital No.2 prefs	22-Dec-04	NZD	\$350	\$323	Perpetual	Outside equity interests
CBA Capital	18-May-05	NZD	\$350	\$327	10 years	Tier 2 Loan Capital

* Net of issuance costs



Credit Risk Management

The Bank remains well provisioned

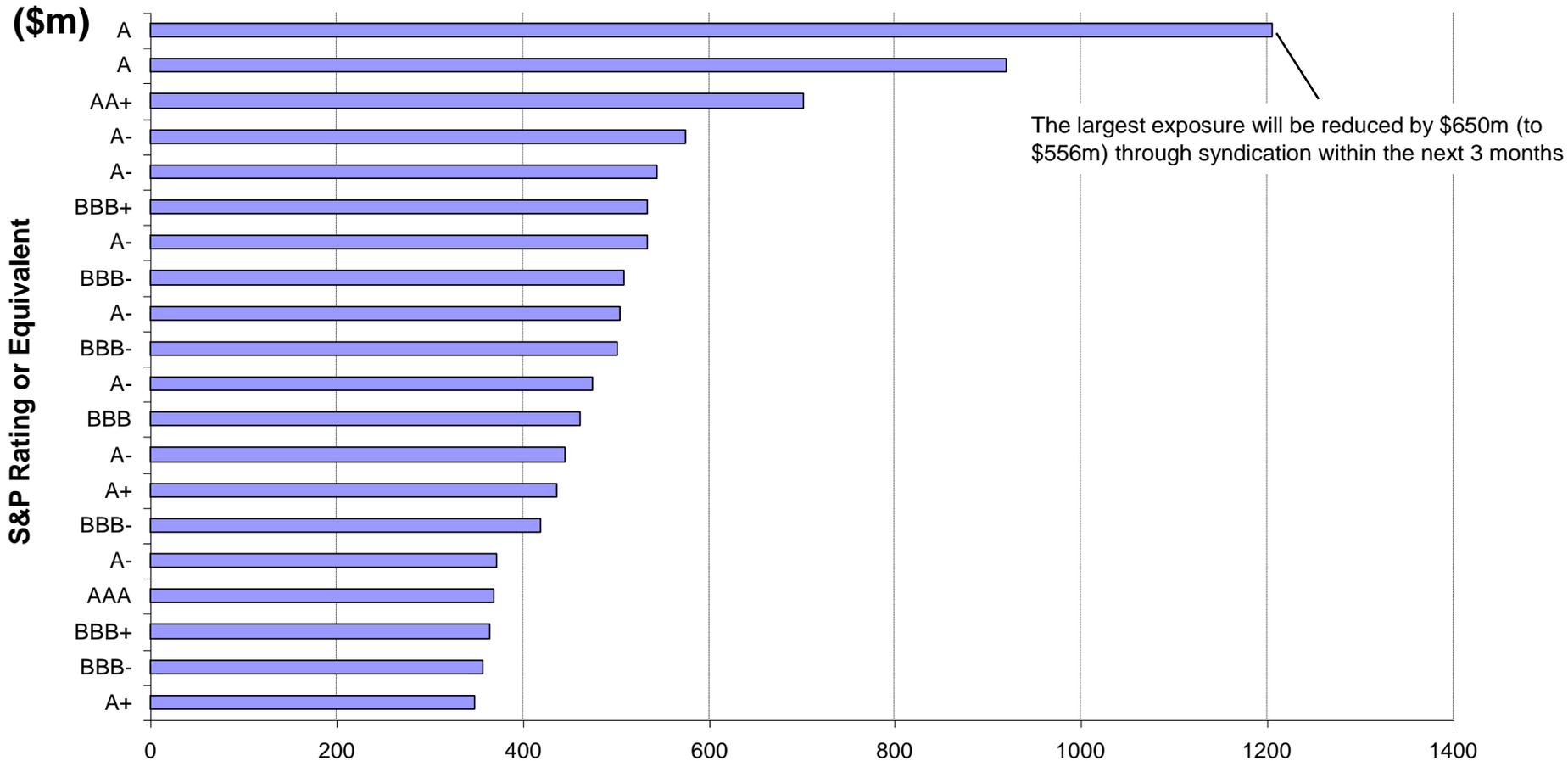


* Colonial acquisition

¹ Loan Impairment provisions have been recalculated under AIFRS from 1 July 2005



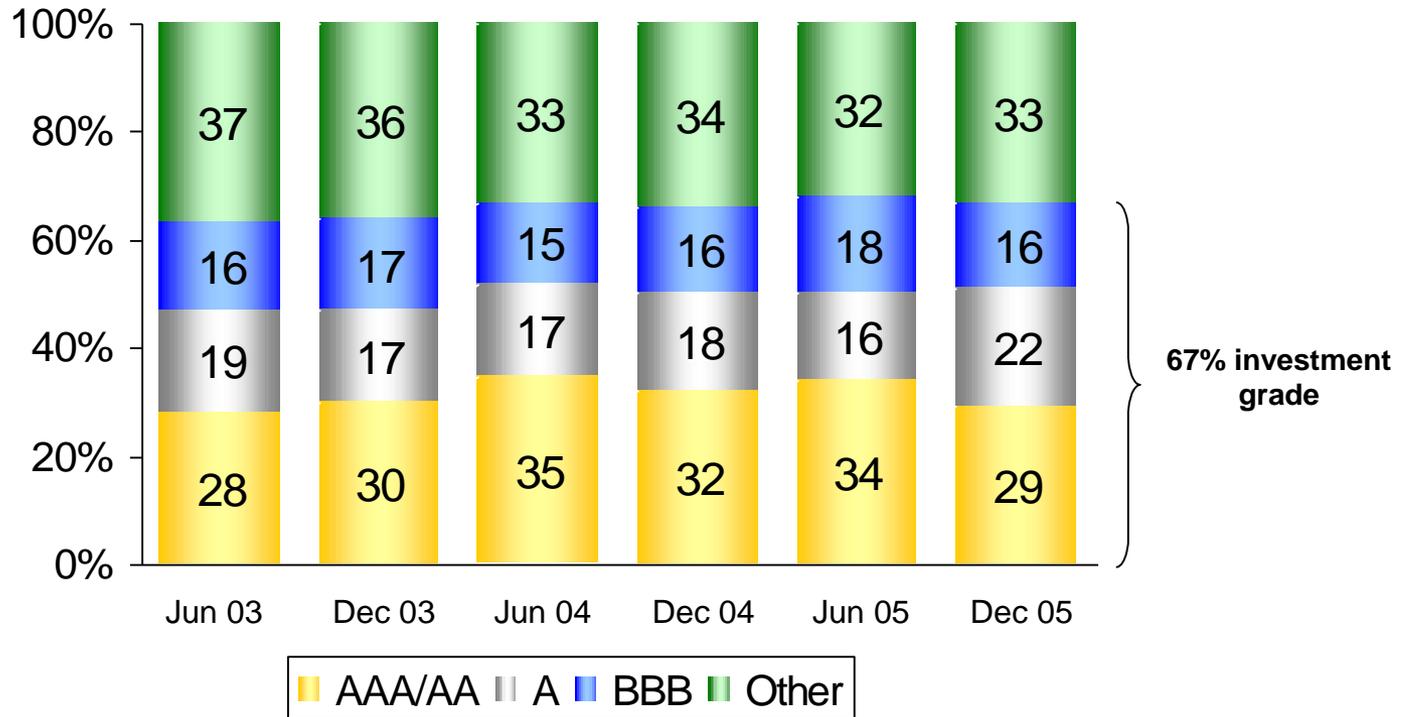
Banking - Top 20 commercial exposures



Top 20 exposures – excludes finance and government – comprise 2.7% of committed exposures (3.3% as at Jun 05, 3% as at Dec 04)

Banking - Quality of commercial risk-rated exposures

Quality of commercial risk-rated exposures:
 There is security over 84% of the non-investment grade exposure



Excludes finance, insurance and government, individually rated counterparties

Banking

Arrears in consumer book remain low

Consumer loans past due 90 days or more

	31/12/2005	30/06/2005	31/12/2004	30/06/2004
	\$m	\$m	\$m	\$m
Home lending	154	183	176	168
Other Loans	119	119	94	78
Total	273	302	270	246

Home lending portfolio quality

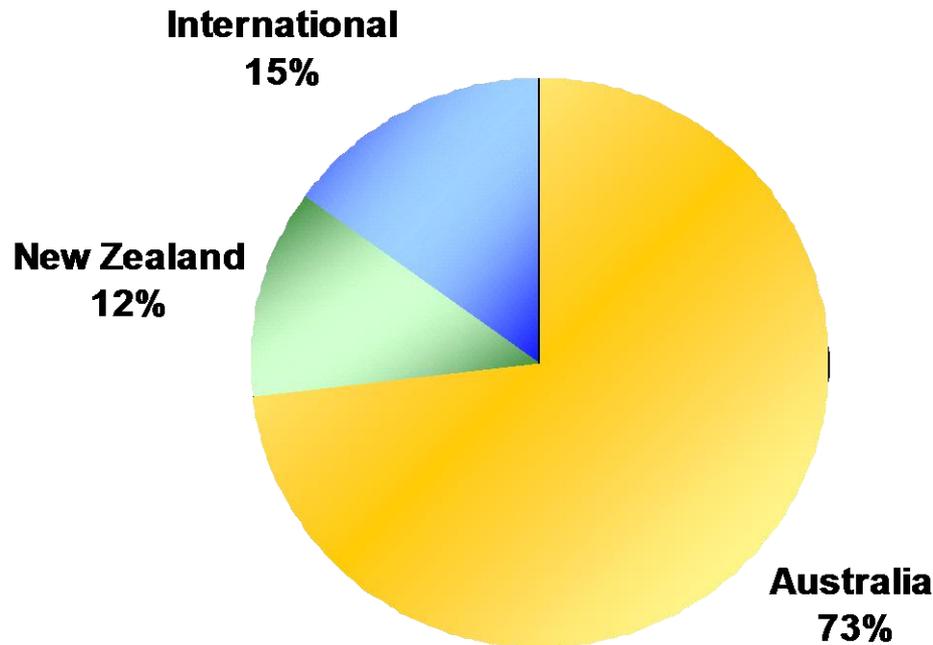
	31/12/2005	30/06/2005	31/12/2004	30/06/2004
	\$m	\$m	\$m	\$m
Housing Loans accruing but past due 90 days or more	154	183	176	168
Home lending Balances	150,215	139,859	134,258	121,850
Arrears rate %	0.10%	0.13%	0.13%	0.14%



Banking - Total geographic exposure* (commercial + consumer)

Total exposure : \$398bn

{ Home loans = \$150bn
Other Balance Sheet loans = \$115bn
Other exposure = \$133bn



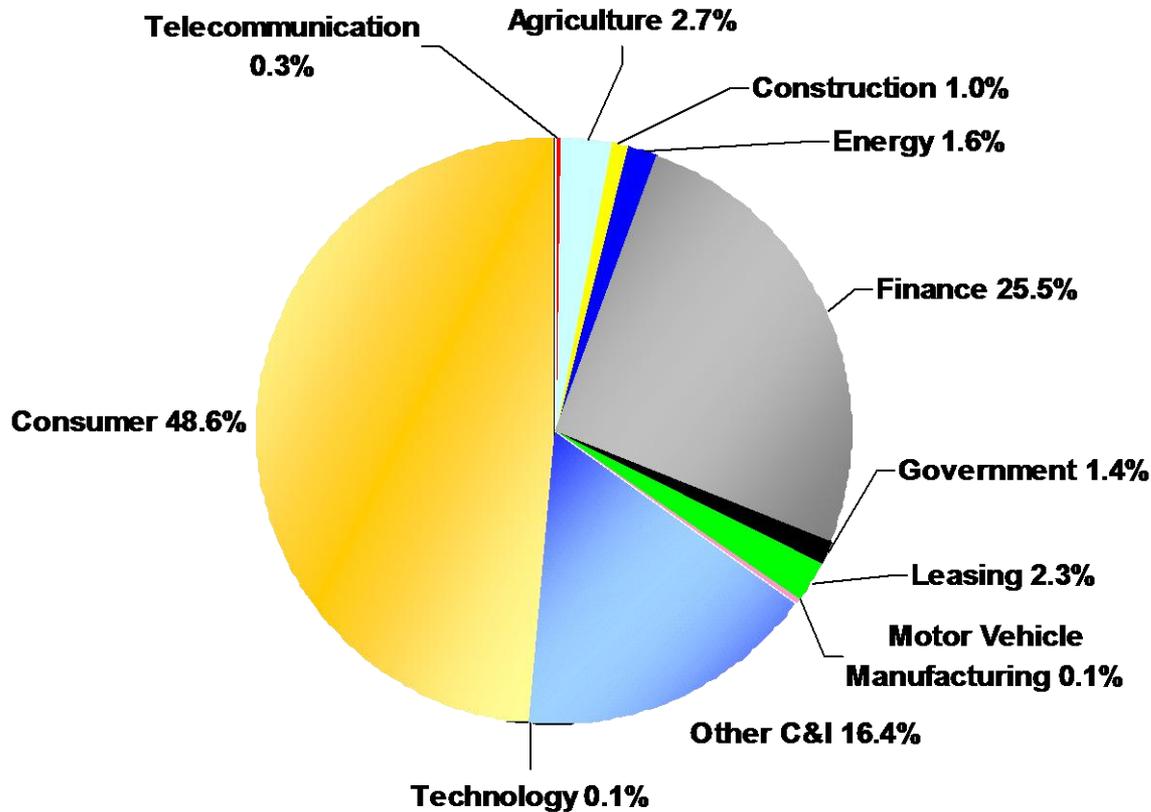
At 30 Jun 05
Total exposure = \$382bn
Home loans = \$140bn
Other loans = \$98bn
Other exposure = \$144bn

International = 13%
New Zealand = 12%
Australia = 75%

*Total exposure = balance for uncommitted, greater of limit or balance for committed

Banking - Total outstandings* (commercial + consumer)

Total Outstandings
\$324.7 bn*



At 30 Jun 05

Total outstandings = \$314.7bn

Consumer = 51.1%

Telecoms = 0.3%

Agriculture = 2.7%

Construction = 0.9%

Energy = 1.4%

Finance = 23.2%

Government = 2.1%

Leasing = 2.8%

Motor vehicle
manufacturing = 0.1%

Other commercial
& industrial = 15.3%

Technology = 0.1%

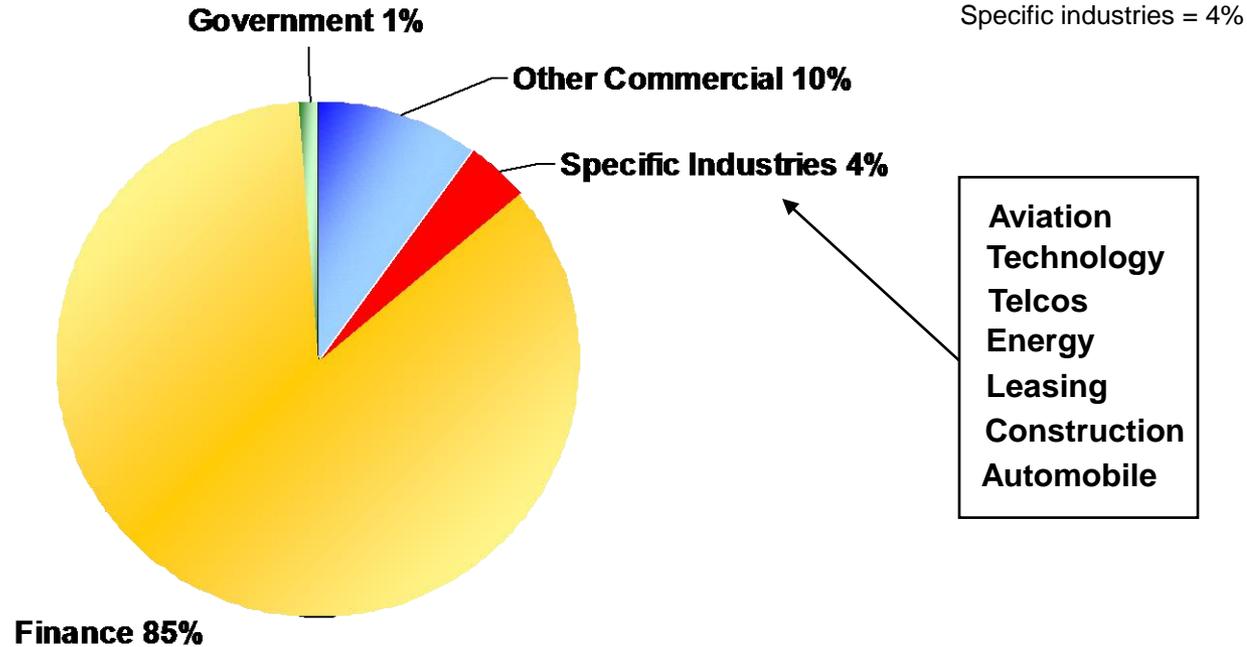
* Represents balances actually outstanding
(on and off balance sheet).



Banking – International commercial exposures*

International exposure by Industry

Total exposure : \$61bn



Total non-finance off-shore outstandings = \$9bn of which over 80% are investment grade.

*Total exposure = balance for uncommitted, greater of limit or balance for committed. Excludes ASB



Banking

Credit Exposure - Agriculture Sector

Total exposure: \$10,285m

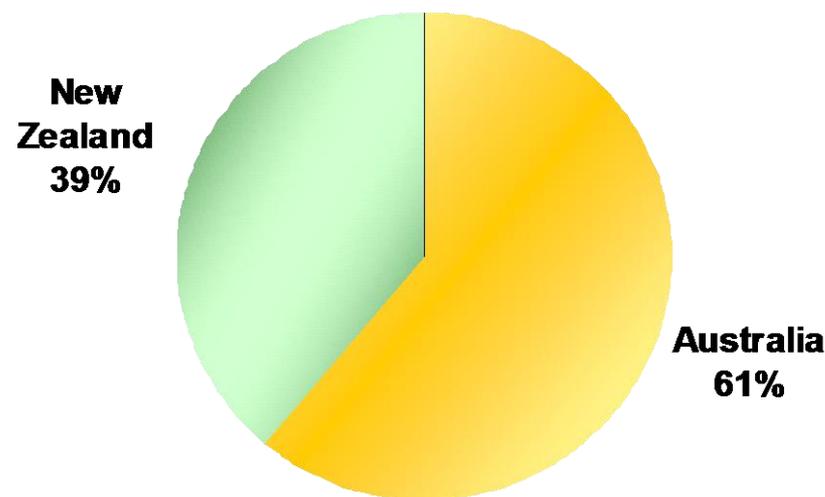
At 30 Jun 05

Total exposure = \$9,928m

Australia = 64%

New Zealand = 36%

	31 Dec 05	30 Jun 05
Rating	\$m	\$m
AAA to A-	372	297
BBB+ to BBB-	1,405	1,374
BB to BB-	3,094	3,030
< BB-	5,414	5,227
TOTAL	10,285	9,928



**Total exposure = balance for uncommitted, greater of limit or balance for committed.*

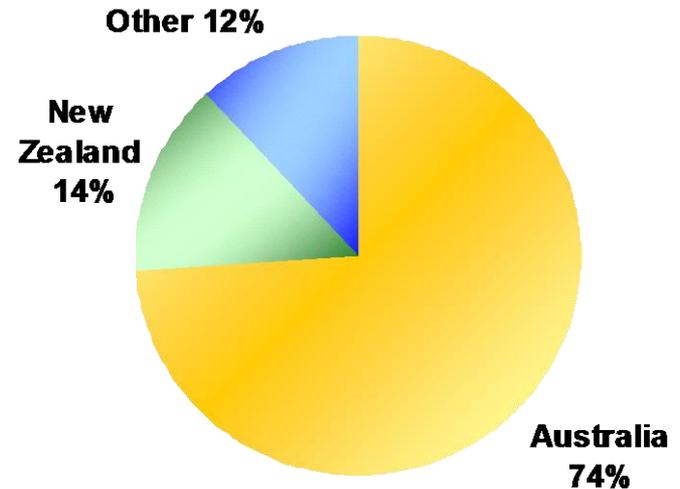
Banking

Credit Exposure - Aviation Sector

Total exposure: \$2,430m

At 30 Jun 05
 Total exposure = \$2,240m
 Australia = 83%
 New Zealand = 7%
 Other = 10%

	31 Dec 05	30 Jun 05
Rating	\$m	\$m
AAA to A-	757	654
BBB+ to BBB-	1,438	1,317
BB to BB-	151	185
< BB-	84	84
TOTAL	2,430	2,240



*Total exposure = balance for uncommitted, greater of limit or balance for committed.

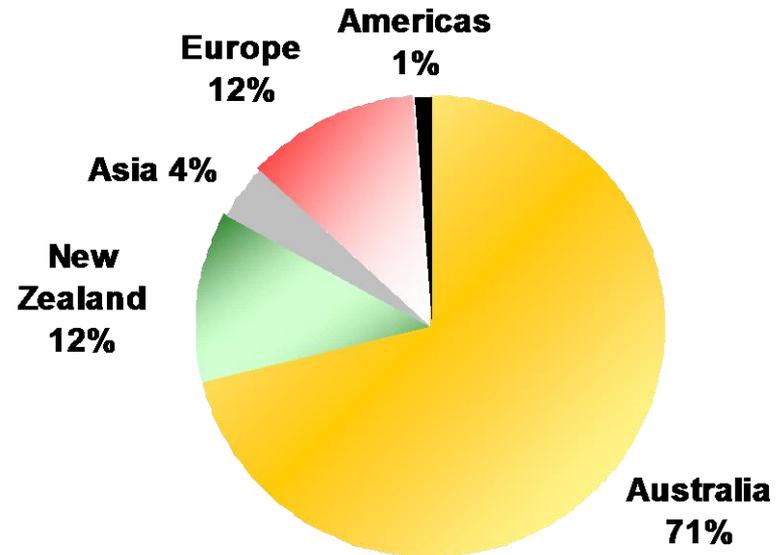
Banking

Credit Exposure - Energy Sector

Total exposure: \$7,462m

At 30 Jun 05
 Total exposure = \$5,875m
 Australia = 68.7%
 New Zealand = 15.0%
 Asia = 5.4%
 Europe = 10.7%
 Americas = 0.2%

	31 Dec 05	30 Jun 05
Rating	\$m	\$m
AAA to A-	2,661	1,265
BBB+ to BBB-	4,062	3,838
BB to BB-	464	385
< BB-	275	387
TOTAL	7,462	5,875



*Total exposure = balance for uncommitted, greater of limit or balance for committed.

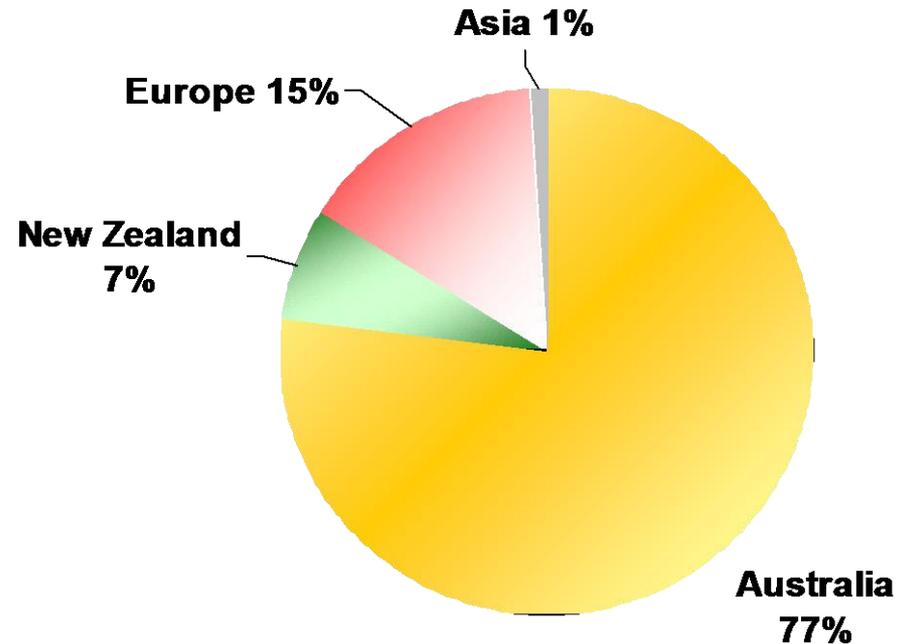
Banking

Credit Exposure - Telcos Sector

Total exposure: \$1,138m

At 30 Jun 05
 Total exposure = \$1,170m
 Australia = 70%
 New Zealand = 12%
 Europe = 18%

	31 Dec 05	30 Jun 05
Rating	\$m	\$m
AAA to A-	869	596
BBB+ to BBB-	23	574
BB to BB-	141	0
< BB-	105	0
TOTAL	1,138	1,170



*Total exposure = balance for uncommitted, greater of limit or balance for committed.



Awards Received

PBS

- **2005 Insto League Tables**
 - No. 1 Lead Arranger and Syndicator in Project Finance in Australia & New Zealand
- **Finance Asia Magazine 2005 Awards**
 - Best Local Bond House in Australia
- **CFO Magazine – Best Business Bank Awards 2005**
 - Project Finance Deal of the Year
- **East & Partners Survey 2005**
 - No. 1 Transaction Bank for the Institutional market

Awards Received

Wealth Management

- **Personal Investor Magazine Awards**
 - Fund Manager of the Year
 - Term Life Product of the Year
 - Trauma Product of the Year
- **Money Magazine – Best of the Best**
 - Best Income Protection Insurance
 - Winner Best Australian Shares Super Funds – CFS FirstChoice Personal Super Geared Shared Fund
- **Aus & NZ Institute of Insurance and Finance Awards (July 2005)**
 - Life Insurance Company of the Year (Commlnsure)

Awards Received

RBS

- **Money Magazine – 2005/06**
 - Gold Winner of “Best of the Best Reverse Mortgage Award – Equity Unlock”
 - Gold Winner of “Best of the Best Premium Banking Package” – Award for Wealth Package
 - Gold Winner “Cheapest Home Loan” – Homepath – 2005 & 2006
 - Bronze Winner “best reverse Mortgage” - 2006
- **Personal Investor Magazine - 2005**
 - SVR Home Loan of the Year – Homepath – 2005
 - Fixed rate Home Loan of the Year – Joint Winner – Homepath
- **Cannex Ratings – 2005**
 - VLOC – Superior Value (5 star rating (best))
 - 2yr & 5yr Fixed – Exceptional Value (4 star)

Awards Received

ASB

- **University of Auckland Customer Satisfaction Survey**
 - New Zealand's no.1 major bank for the 7th consecutive year
- **UK Banker Magazine**
 - '2005 Bank of the Year' in New Zealand for the 4th consecutive year
- **Business Finance Monitor**
 - Ranked no. 1 in overall performance by a business bank
- **TUANZ Innovations Awards**
 - '2005 Financial Services Award' for continued innovation with its FastNet Classic online banking service
- **CRM Contact Centre Awards**
 - '2005 Online (Web/Email) Award'

Presentation of Half Year Results for 31 December 2005

Ralph Norris
Chief Executive Officer

Michael Cameron
Chief Financial Officer



15 February 2006