

Wealth Management Update



Determined to be different

28 May 2008

Commonwealth Bank of Australia ACN 123 123 124

Disclaimer

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation, 28 May 2008. 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.

Wealth Management Strategy and Priorities



Grahame Petersen

Group Executive
Wealth Management



Super popular.



Determined to be different

Agenda

- **Strategy and Priorities** Grahame Petersen

- **Colonial First State Global Asset Management** Warwick Negus

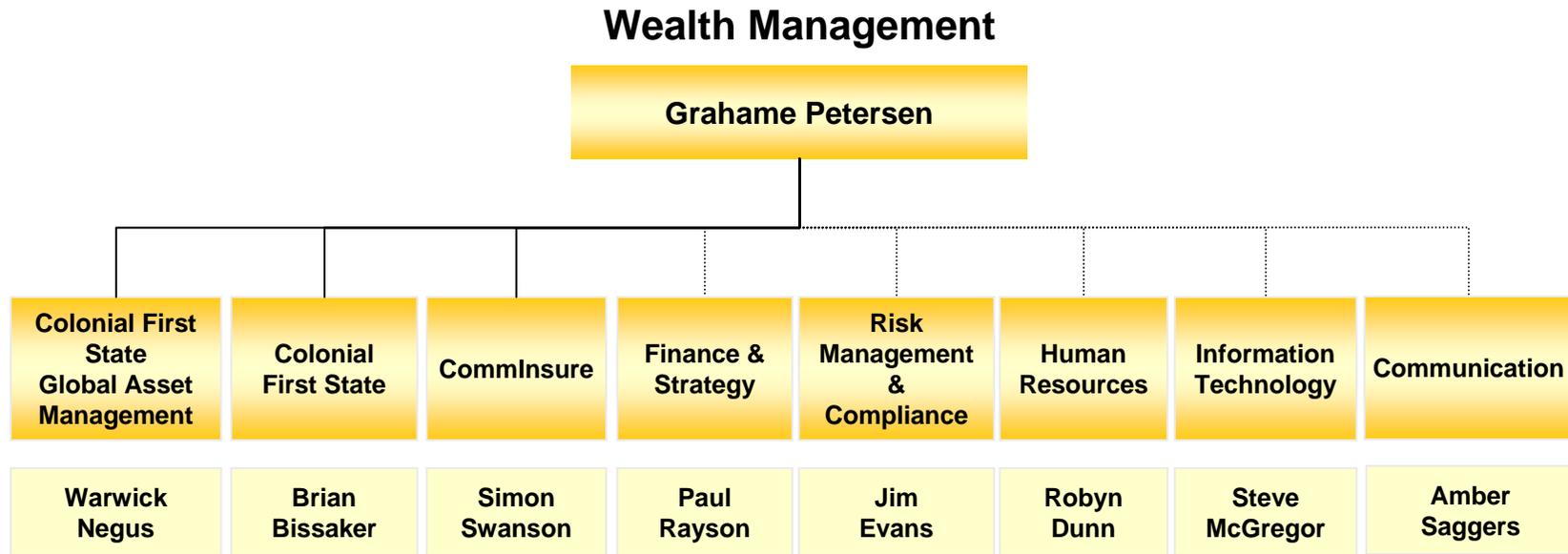
- **Colonial First State** Brian Bissaker

- **Commlnsure** Simon Swanson

- **Summary** Grahame Petersen

- **Panel Questions**

Organisational Structure



Business Overview



- #1 in Assets Under Management
- #2 in Direct Property
- Total \$156b Funds Under Management
- 940 people across Australia, UK, US, Asia and NZ



- #1 in Retail Managed Funds
- #5 in Advice (CFP and Financial Wisdom)
- Total Retail Funds Under Administration of \$77b
- 2,130 people in Australia



- #1 in Life Insurance
- #5 in General Insurance (Home & Contents)
- \$1,156m Inforce Premium
- 1,415 people in Australia

Group Aspirations

Group Vision

To be Australia’s finest financial services organisation through excelling in customer service

Group Strategic Priorities

Customer Service	Business Banking	Technology & Operational Excellence	Trust & Team Spirit	Profitable Growth
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Group Aspirations

Our customers receive excellent service from an admired organisation	We are widely regarded as the Business Banking partner of choice	Our people and customers are supported by best practice technology and processes	Our service is provided by a highly engaged and collaborative team	Our growth will strengthen our leading shares across chosen segments and products
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Our Aspirations

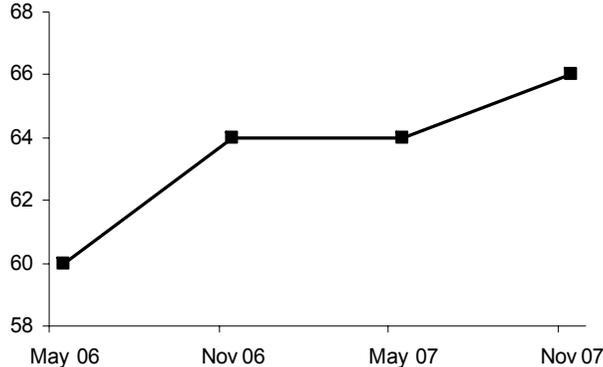


Aspiration	To Deliver Superior Investment Performance	To Be #1 in Packaging, Distribution and Advice	To Secure the Future of Every Australian
Objective	To exceed benchmarks, peers investment performance and our clients expectations over the long term	To deliver investors and advisers great value, superior service and relevant choice	To provide straightforward insurance solutions to customers and intermediaries through best practice underwriting and claims management
Goal	All key funds to exceed benchmark on a rolling 3 year performance basis	To rank first for net flows in the retail market	To rank first for Inforce Premiums in Life Insurance and leverage the Bank to grow General Insurance

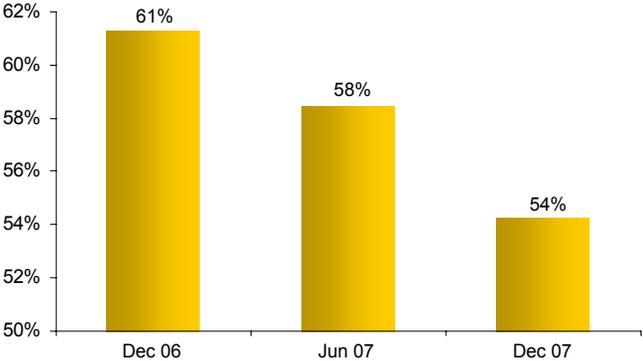
Performance Measurement

Notes

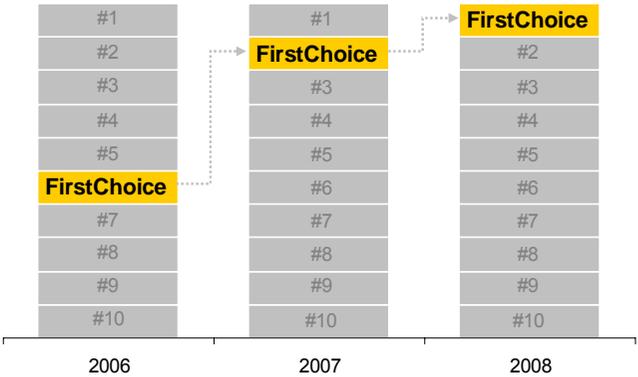
Culture Survey (CARES)



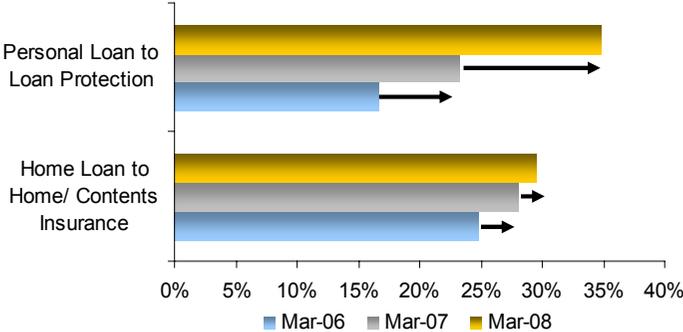
Cost to Income Ratio (Half Year Ended)



Overall Adviser Satisfaction Ranking¹



Improvement in Insurance Cross Sell



1. Source: Wealth Insights, 2006 - 2008 Service Level Survey Master Trusts/Wraps



Strategic Priorities

Attract, grow and retain talent

- Career development programs
- Aligned incentives

Get the basics right

- Leverage economies of scale
- Legacy product and system migration

Provide excellent customer service

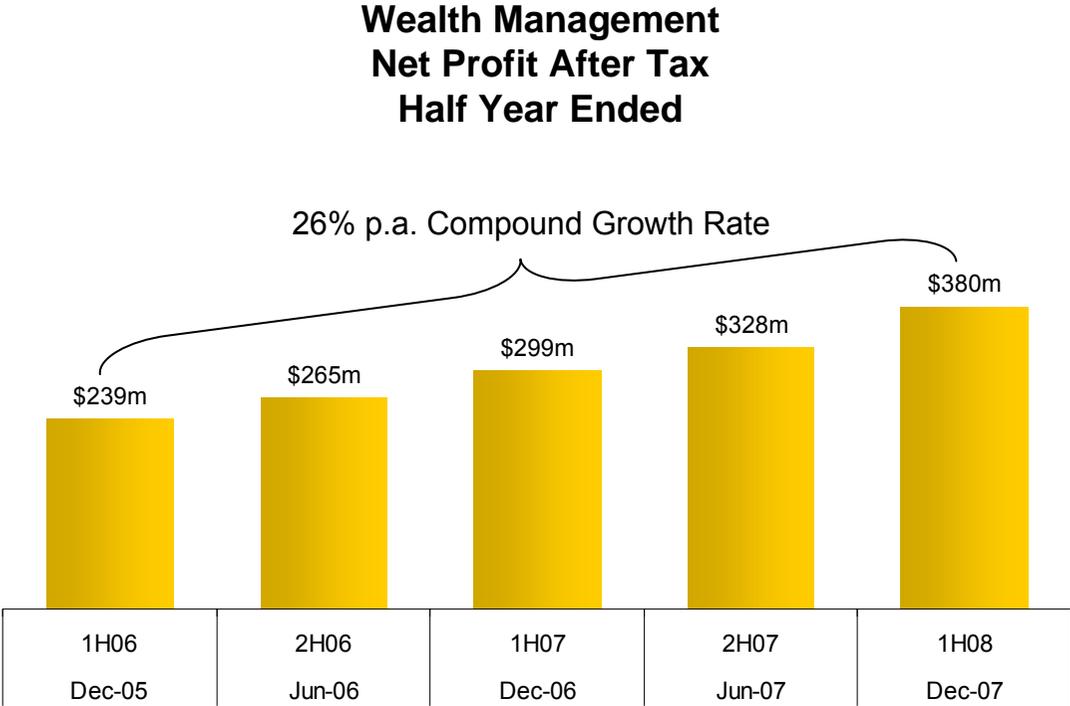
- Sales and service excellence
- Easier to do business with

Drive sustainable profitable growth

- Product and service innovation
- Continuing to invest for growth

Strong Growth Profile

- Market leading positions in high growth industry segments
- Contribution to CBA growth
- Strong profit growth profile



Outlook

- Market volatility expected to continue
- Industry remains very attractive
- CBA Wealth Management is well positioned for growth
 - High quality people
 - Industry leading customer service
 - Well capitalised parent
 - Strong distribution footprint
 - Diversified business

CFS Global Asset Management Update



Warwick Negus

Chief Executive Officer
Colonial First State Global Asset Management



Super popular.



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Notes

	North America	UK & Europe	Middle East	Japan	Asia ex Japan & China	Australia & New Zealand	Total	China JV
Funds Under Management								
Dec-06	2,013	14,472	2,164	4,337	8,588	96,739	128,313	1,335
Dec-07	1,954	17,024	4,445	5,785	14,053	121,099	164,360	2,644
<i>Growth</i>	-3%	18%	105%	33%	64%	25%	28%	98%
Mar-08	1,943	17,187	4,561	5,311	11,536	115,720	156,257	1,679
Staff								
Dec-06	-	170	-	-	101	589	860	43
Dec-07	4	192	-	-	109	635	940	68
<i>Growth</i>	-	13%	-	-	8%	8%	9%	58%

All FUM numbers are AUD \$m.
 People numbers exclude CFSPM staff in centres and China JV.
 Global FUM Total excludes China JV and assets warehoused on CBA Balance Sheet.



A Global Business

Globally: \$156b FUM, 940 people



28% FUM raised from offshore clients, 45% people located offshore, 36% revenue generated offshore

Growth and Innovation

- New funds launched
- AWG sell down
- Acquisition of Electricity North West in the UK
- First State Cinda Fund Management
- First State Media in top 10 music publishers world wide

New Funds Launched

Funds launched in Australia

- Alpha Plus
- Equity Income
- Global Listed Infrastructure Securities

Funds launched across Asia, US & EU

- China Focus
- World ex-US Equities
- Global Listed Infrastructure Securities
- Asia Pac Leaders
- Asian Bond Fund

Funds Under Management

Notes

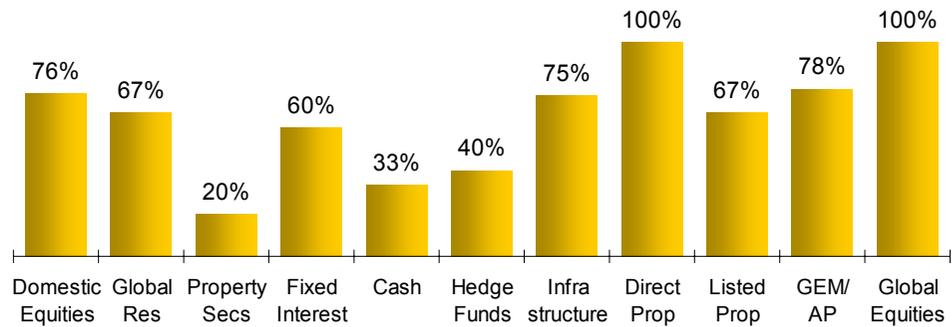
Funds Under Management (FUM)	As At						Mar-08 vs Mar 08 Dec 07 %
	Dec-05	Jun-06	Dec-06	Jun-07	Dec-07	CAGR	
	\$m	\$m	\$m	\$m	\$m	%	
Australian Equities	26,487	27,915	30,987	32,831	31,173	8.5	25,878 (17.0)
Global Equities	6,409	7,700	7,794	8,721	9,664	22.8	8,991 (7.0)
GEM Asia Pac	17,061	20,060	23,200	24,958	31,233	35.3	28,750 (7.9)
Property Securities	4,917	5,356	6,640	7,883	6,830	17.9	5,918 (13.4)
Listed Property	8,800	9,065	9,823	11,171	12,418	18.8	12,816 3.2
Wholesale Property	6,151	6,032	5,145	5,411	6,152	0.0	6,257 1.7
Cash	16,454	15,675	15,698	17,233	36,522	49.0	37,353 2.3
Fixed Interest	18,253	17,897	18,472	20,260	20,143	5.1	19,868 (1.4)
Credit Funds	8,185	7,446	7,682	7,914	7,987	(1.2)	7,816 (2.1)
Infrastructure	1,139	1,088	1,162	1,236	1,588	18.1	1,916 20.7
Other	1,590	1,593	1,840	2,067	650	(36.1)	694 6.9
Total FUM	115,447	119,828	128,443	139,685	164,359	19.3	156,257 (4.9)
Warehoused Assets			1,256	1,166	1,376	-	1,376 0.0
Cinda JV			1,335	2,201	2,644	-	1,679 (36.5)



Fund Performance and Diversification

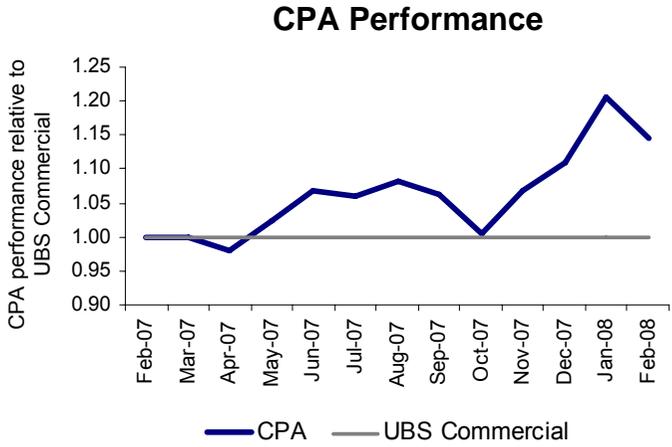
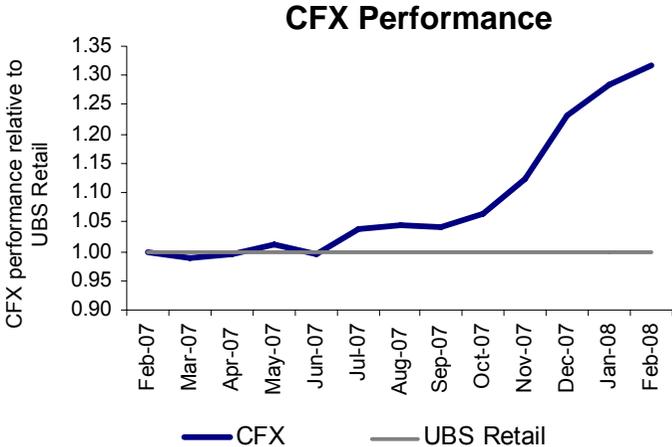
- Solid investment performance with 67% of funds outperforming on a three year basis
- Diversification remains a competitive advantage in volatile markets
 - Regional diversification
 - Total return strategies

Number of Funds in each Asset Class Outperforming Benchmark (3 years) as at March 08

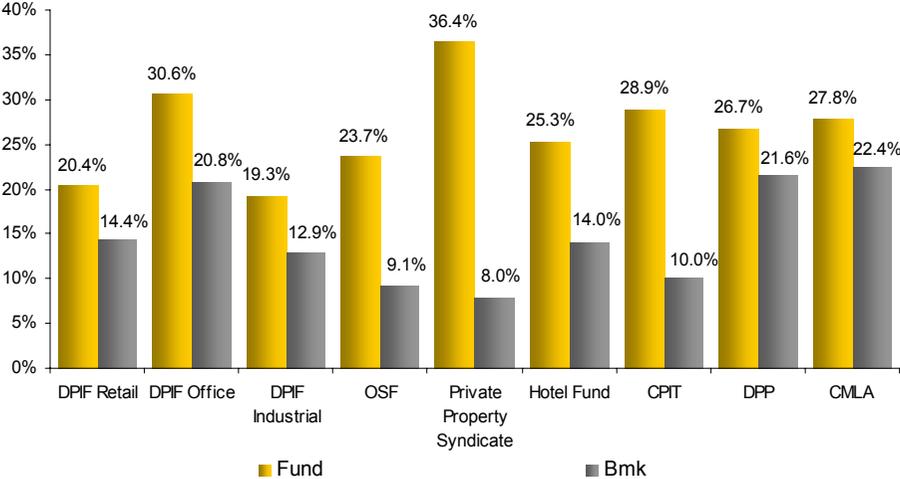


Property Fund Out Performance

Notes



**Unlisted Performance vs Benchmark
12 months to December 2007**



- Strong capital management
- Conservatively geared
- Well balanced maturity profile
- Highly competitive weighted average cost of funding
- Funds are well hedged



Well Positioned Property Portfolio

- 4 of the 5 top performing unlisted property funds
- Conservative gearing
- Chadstone reaches \$1b in annual sales
- Sandalwood will be one of the largest retail property managers in Asia
- Strong pipeline of development opportunities

Myer Melbourne



Chatswood Chase



Chadstone



Financial Performance

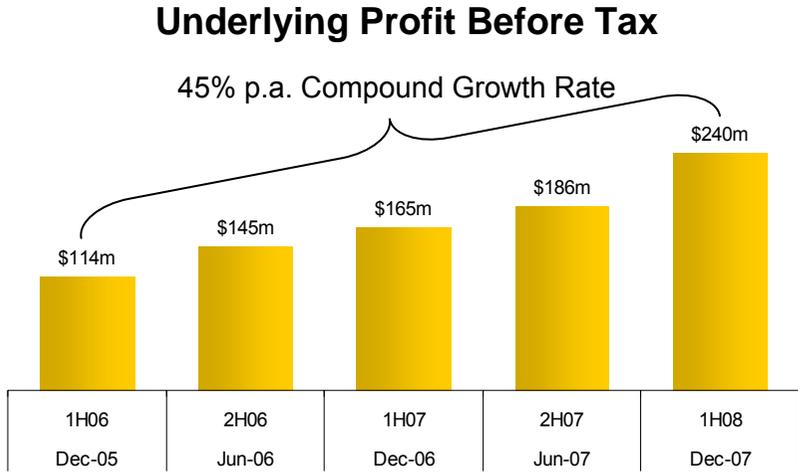
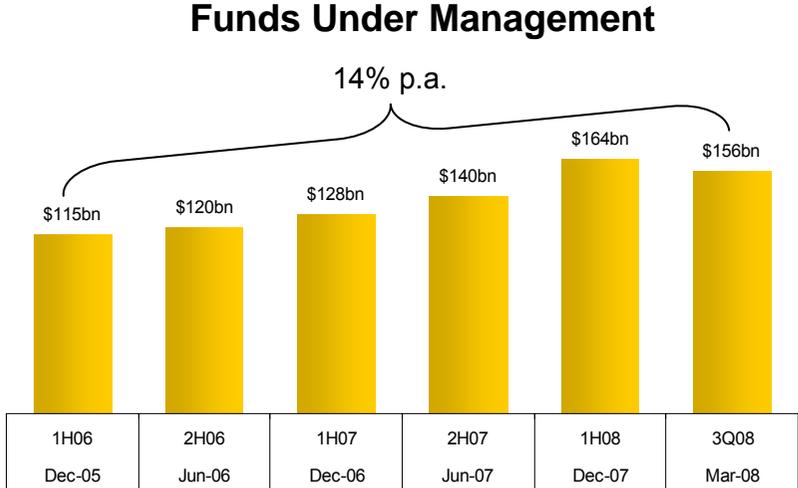
Notes

	Half Year Ended					Dec 07 vs Dec 06
	Dec 05	Jun 06	Dec 06	Jun 07	Dec 07	
	\$m	\$m	\$m	\$m	\$m	%
CFS Global Asset Management						
Net Operating Income	227	274	305	356	431	41.3%
Operating Expense	113	129	140	170	191	36.4%
Underlying Profit before Tax	114	145	165	186	240	45.5%
Income Tax	22	29	48	61	68	41.7%
Underlying Profit after Tax	92	116	117	125	172	47.0%
Shareholder Investment Returns after Tax	6	13	5	10	(4)	(lge)
Net Profit after Tax	98	129	122	135	168	37.7%



Financial Performance

- Strong FUM growth driven by investment returns and institutional flows
- FUM growth of 14% p.a.
- Strong profit growth driven by FUM growth and diversification of revenue streams



Key Messages

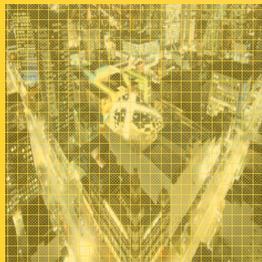
- Our diversified position provides a source of strength
- Investing our own capital to develop new product
- Continue to push our core capabilities into new markets
- Our challenge is to continue to build global distribution

Colonial First State Update



Brian Bissaker

Chief Executive Officer
Colonial First State

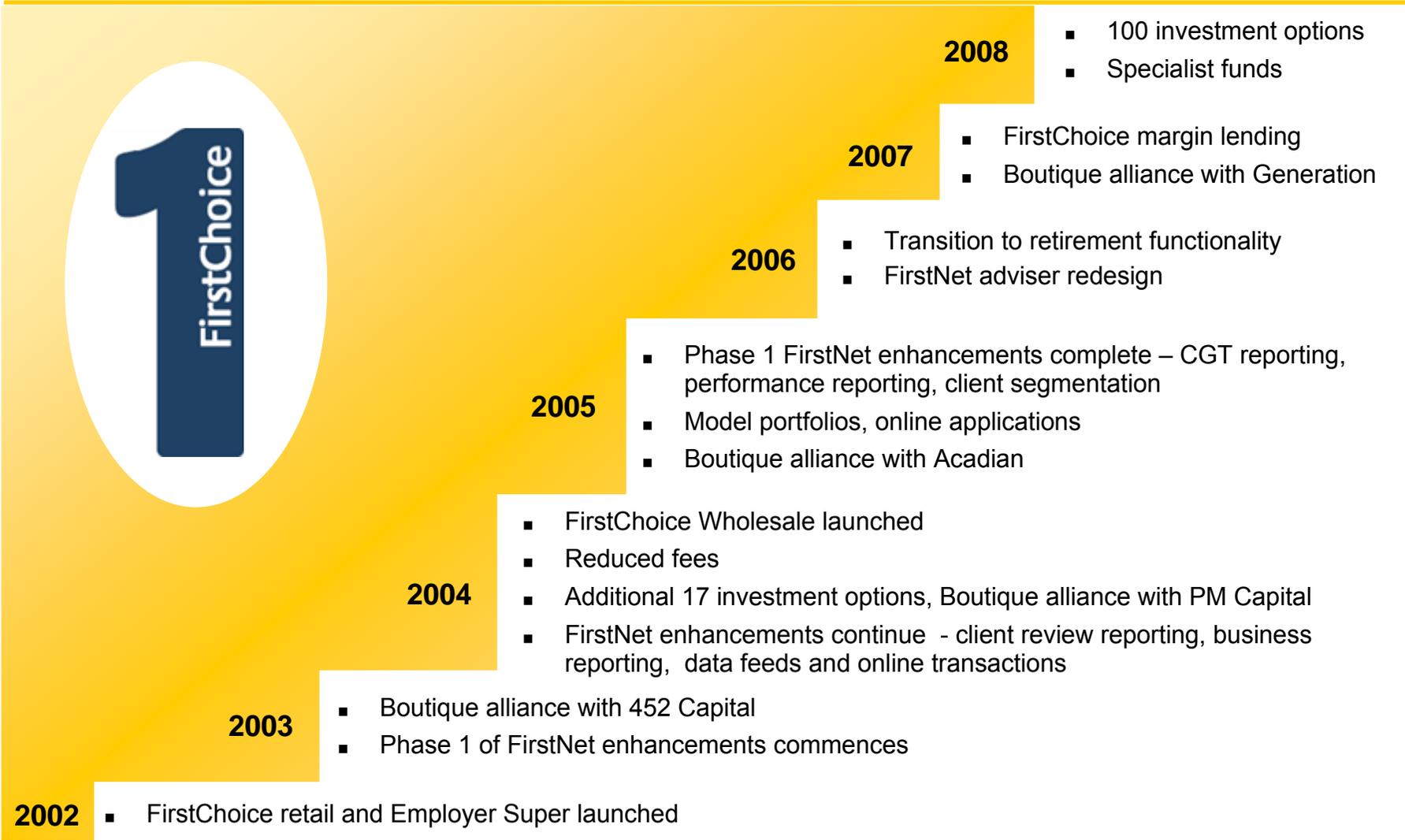


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Colonial First State Strategy



FirstChoice Innovation



Strategic Priorities

Platform Development

- Continue to innovate platforms
- Grow boutique alliances

Advice Quality

- Improve quality of advice and productivity of advisers
- Enhance service support for IFAs

Improved Cross-Sell

- Increase in targeted referrals
- Increase in cross-sell to banking customer base

Continuous Process Improvement

- Improve scalability of business
- Deliver service improvements and cost efficiencies

Achievements

Awards:

FirstChoice – Winner, 2008 Wealth Insights Mastertrust Service Level Survey

2007 John West Platform Awards - Super Star Award (large FUM and above industry average growth)

Smart Investor magazine, winner 2007 retail platform of the year - non super (FirstChoice Wholesale)

Smart Investor magazine, winner 2007 retail superfund of the year (FirstChoice Personal Super - Growth Option)

Investment Trends 2007 Platform Report Awards:

- Avanteos, Winner – overall functionality (for the second year running)
- Avanteos, Winner - product offerings, adviser decision support and adviser platform access capabilities
- FirstChoice, Winner - best navigation and user interface (for the second year running)
- FirstChoice – Winner, adviser reporting functionality & best new functionality award (integrated margin lending functionality)

Investment Trends 2007 Planner Technology Report, FirstChoice rated by advisers as:

- Best platform available
- Highest average satisfaction

CBA/ CFS ranked top brand in the superannuation industry by Roy Morgan

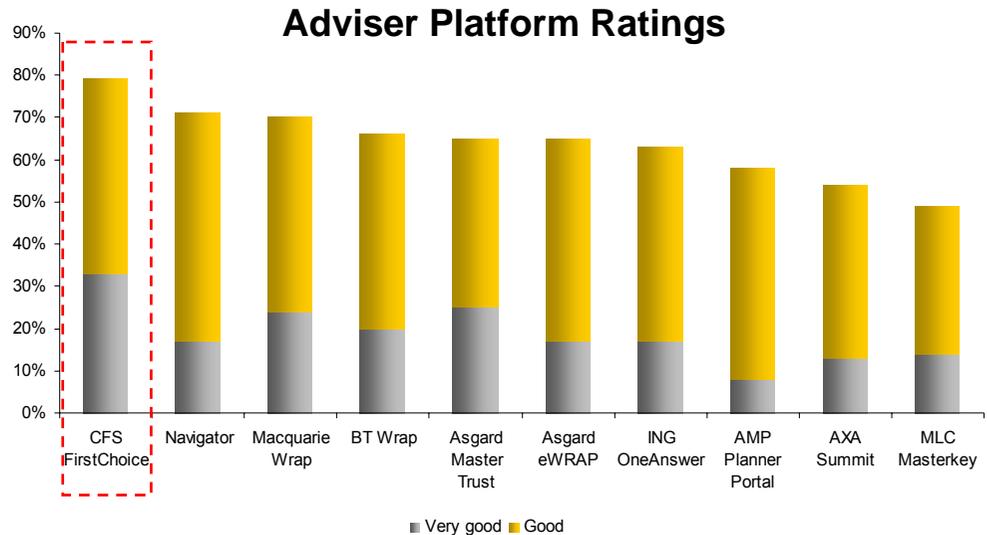
FirstChoice ranked first in Investment Trends 2007 Planner Technology Report for the following:

- Value for money
- Adviser remuneration
- Client review tools
- Client reporting tools
- Turnaround time on applications and redemptions
- Ease of transferring data to planning software
- Online functionality for clients
- Portfolio management tools
- Availability of external data feeds
- Marketing materials
- Overall usefulness
- Timeliness of tax reports

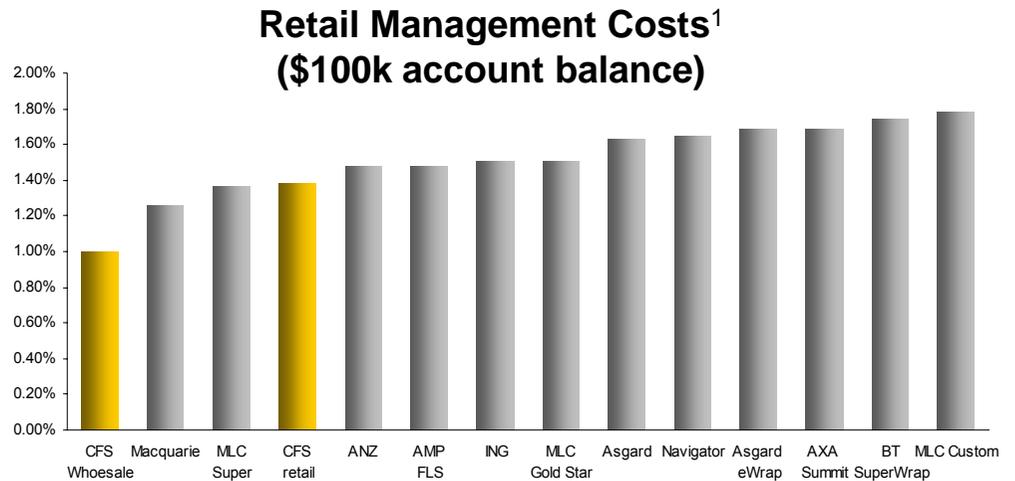
Source: Investment Trends Pty Ltd, November 2007 Planner Technology Report. Ranking based on advisers' weighted average satisfaction with attribute.

Platforms - Key Achievements

- Over 50% of IFA's use FirstChoice
- FirstChoice ranked first for service by Wealth Insights
- FirstChoice ranked first for overall adviser satisfaction by Investment Trends
- Avanteos ranked first for overall platform functionality by Investment Trends
- Lowest management fees of top 14 retail mastertrusts
- Boutique strategy
 - Growth to \$11b of FUA
 - 4 alliances



Source: Investment Trends Pty Ltd, Nov 2007 Planner Technology Report

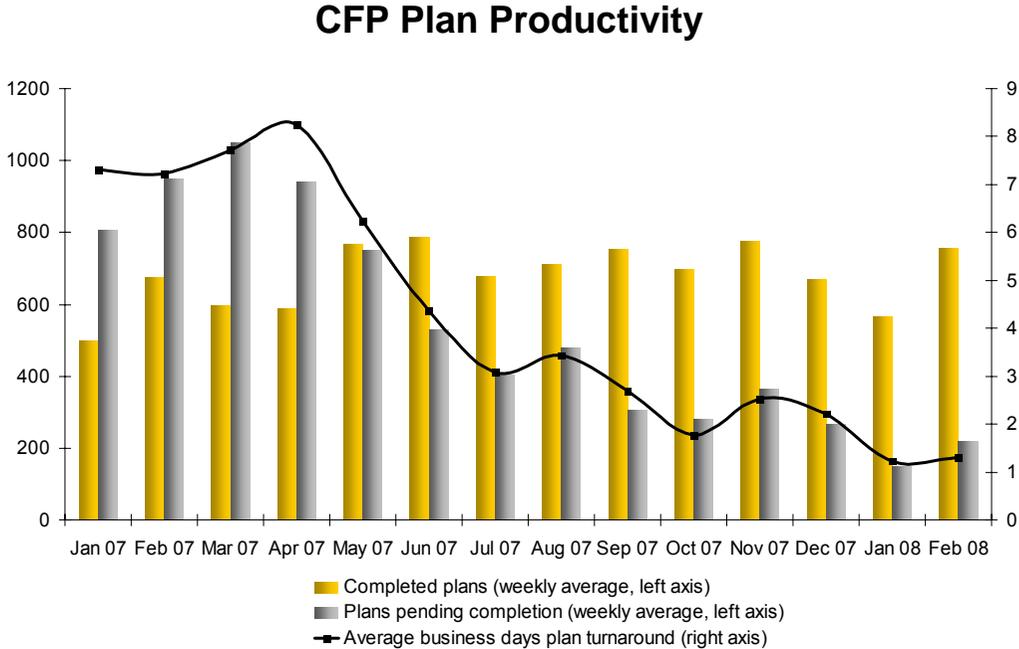


Source: (1) Chant West Superannuation Industry Fee Comparison report, 2008.

36 Management costs exclude adviser commissions. Comparisons based on multi-manager growth option (61 - 80 % growth assets).

Advice - Key Achievements

- Commonwealth Financial Planning (CFP) FUA reached \$25b
- Improvements in adviser productivity
 - Increased by 15% for FUA
 - Increased by 42% for Risk advice
 - Paraplanning productivity
- Group cross sell strategy
 - Focus on volume and quality referrals to advisers



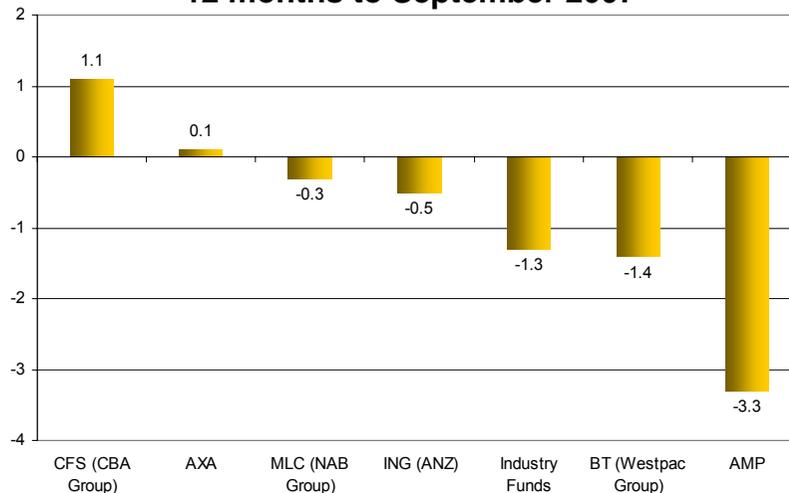
Roy Morgan Super Choice Report

Market Share

Investors – Brand Strength

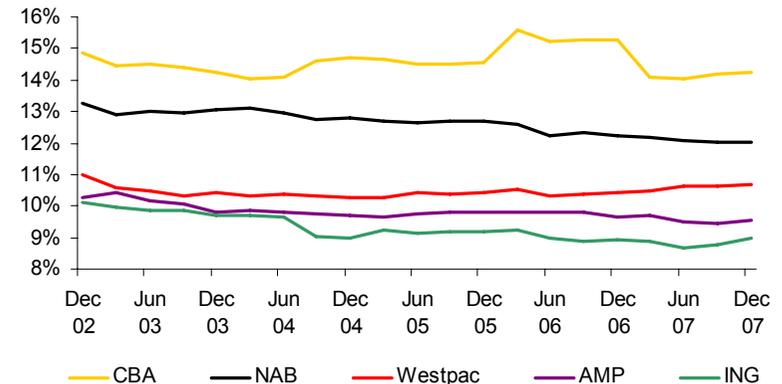
	CBA / CFS	AXA	NAB / MLC	AMP	ING (inc ANZ)	Industry Funds	Westpac/ BT
Overall ranking	1	2	3	5	5	6	7
Average ranking	1.9	3.1	3.3	4.7	4.7	5.0	5.4
% Customer Penetration of Australians 14+ with Superannuation	3	7	4	2	5	1	6
Average Value of Superannuation (\$000's) Per Customer	2	1	3	5	4	7	6
Average Personal Income(\$000's)	3	2	1	6	5	7	4
% of Customers with \$100,000 or more in Superannuation	1	2	3	4	6	7	5
% of Customers satisfied with the Financial Performance of Superannuation	1	7	5	6	3	2	4
Net Customer Acquisition through Switching in last 12 months	1	2	4	6	5	4	7
% of Super Products Sold through Financial Planners	2	1	3	4	5	7	6

Net % share of switched products, 12 months to September 2007

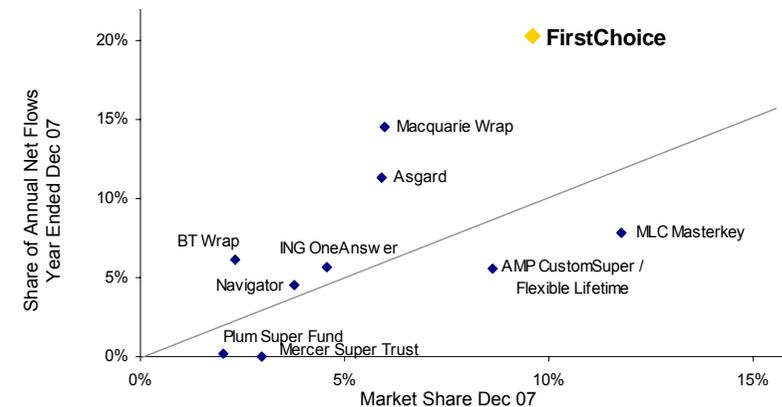


Source : Superannuation Choice Report, January 2008, Quarterly Report, Issue 9; Roy Morgan Research. Survey conducted in the 12 months to Sept 2007 amongst 31,824 Australians 14+ with superannuation and measured against 7 criteria.

Retail Market Share (administrator view)



Platform Market Share vs Share of Net Flows (marketer view)



Source: Plan For Life – Administrator View, ex cash and ex GSJBWere transaction. CFS internal data

Wealth Management

Administrator View: represents the funds and flows which each Group receives through both its own marketed products as well as those of its badged products.
 Marketer View: represents the funds and flows directly marketed by each group

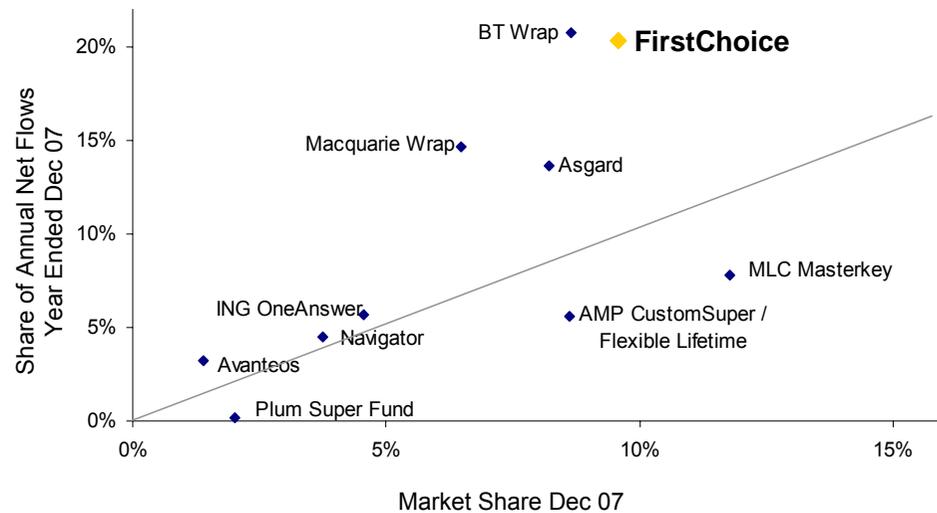


Determined to be different

Market Share

- CBA/CFS ranked first for retail market share at 14%
- FirstChoice captures 20% of net flows
- FirstChoice ranked second for net flows on the “administrator view” and first on the “marketer view”
- CBA/CFS ranked top brand in the superannuation industry by Roy Morgan²

Platform Market Share vs Share of Net Flows (administrator view)¹



Source: (1) Plan For Life – Administrator View, ex cash and ex GSJBWere transaction. CFS internal data
 (2): Roy Morgan Research - when measured against the top five Retail Funds and Industry Funds (as a group)

Financial Performance

Notes

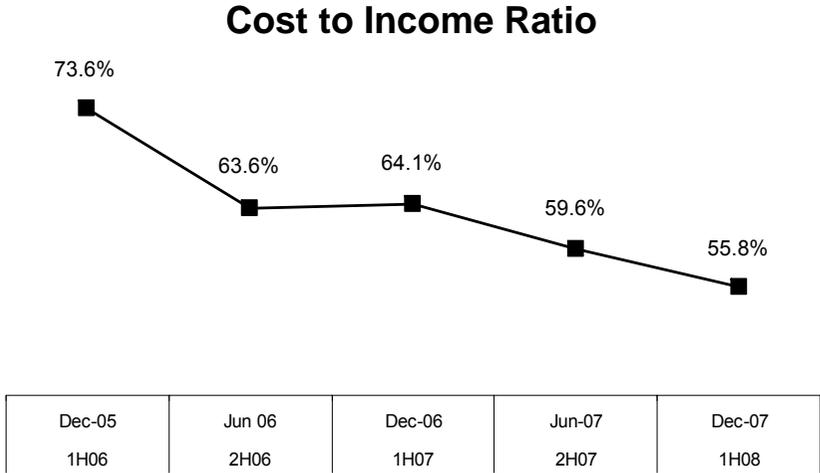
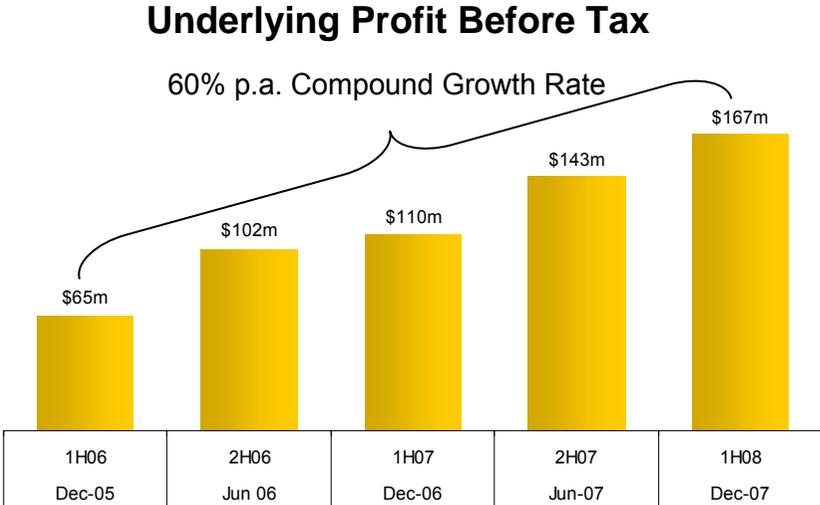
	Half Year Ended					Dec-07
	Dec-05	Jun 06	Dec-06	Jun-07	Dec-07	v Dec-06
Colonial First State	\$m	\$m	\$m	\$m	\$m	%
Net Operating Income	246	280	306	354	378	23.5%
Operating Expense	181	178	196	211	211	7.7%
Underlying Profit before Tax	65	102	110	143	167	51.8%
Income Tax	19	29	36	42	50	38.9%
Underlying Profit after Tax	46	73	74	101	117	58.1%
Shareholder Investment Returns after Tax	7	(14)	(19)	(14)	6	lge
Net Profit after Tax	53	59	55	87	123	lge

Funds under Administration	12 Months to 31 December 2007				3 Months to March 2008	
	Opening Balance Dec-06 \$m	Net flows \$m	Investment Income & Other \$m	Closing Balance Dec-07 \$m	Net flows \$m	Closing Balance Mar-08 \$m
FirstChoice	31,588	9,742	1,484	42,814	426	39,144
Avanteos	11,189	(5,555)	644	6,278	524	6,123
Cash management	3,453	(599)	93	2,947	(171)	2,834
Legacy products	34,976	(4,992)	1,985	31,969	(769)	28,505
Retail Products	81,206	(1,404)	4,206	84,008	10	76,606
Other retail	1,242	209	53	1,504	(36)	1,351
Australian retail	82,448	(1,195)	4,259	85,512	(26)	77,957
Wholesale	32,892	21,357	497	54,746	396	53,403
Property	13,538	782	4,231	18,551	314	19,236
Other	3,697	(361)	192	3,528	(39)	3,454
Domestically sourced	132,575	20,583	9,179	162,337	645	154,050
Internationally sourced	28,169	3,534	5,794	37,497	1,507	34,999
Total Wealth Management	160,744	24,117	14,973	199,834	2,152	189,049

Financial Performance

- Retail FUA growth of 8% p.a.

- 60% profit growth driven by:
 - Success of FirstChoice
 - Strong cost control
 - Growth of advice business
 - Favourable market conditions



- Reduced cost to income ratio

Key Messages

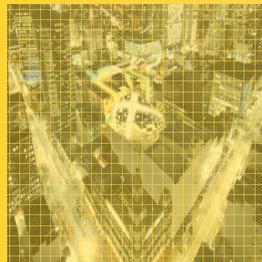
- Strong market share position, #1
- Platform businesses rated #1 by advisers
- Brand rated #1 in superannuation market
- Strong profit growth with good cost control
- Continuing to invest for long term growth

CommInsure Update



Simon Swanson

Managing Director
CommInsure



Determined to be different

Strategic Priorities

Balance Risk with Reward

- Manage risk to achieve optimal business outcomes
- Enhance risk management and compliance framework

Operations Scalable

- Build an efficient, effective and scalable manufacturing capability
- Simplify and automate processes

Customer Centric Approach

- Partnership with distribution intermediaries
- Understand and respond to the needs of end customers

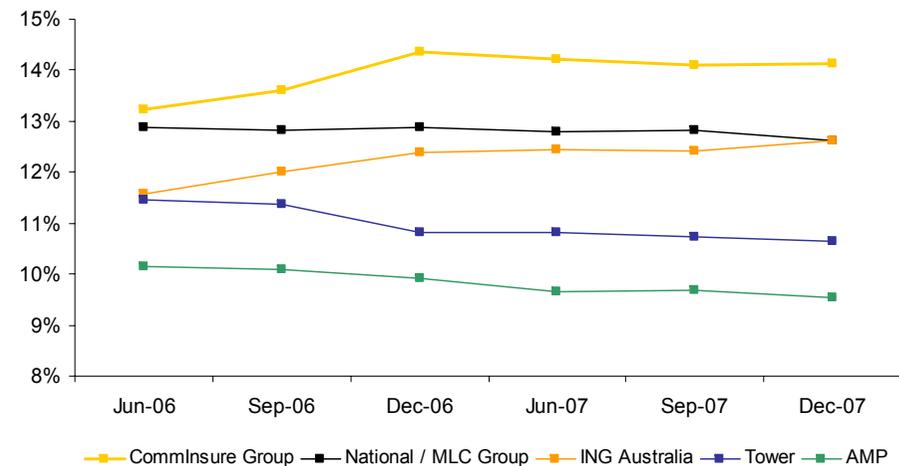
Growth and Defence

- Maximise potential of existing channels
- Position to leverage channels of the future

Key Achievements

- Life Insurance Company of the Year
 - Plan For Life / AFA
 - Australia and New Zealand Institute of Insurance & Finance
- Sales continue to grow
- Launch of motor vehicle underwriting
- Successful system migrations
- Launch of the “Good to Great” program

Total Risk Inforce Premium Market Share



Inforce Premiums

Notes

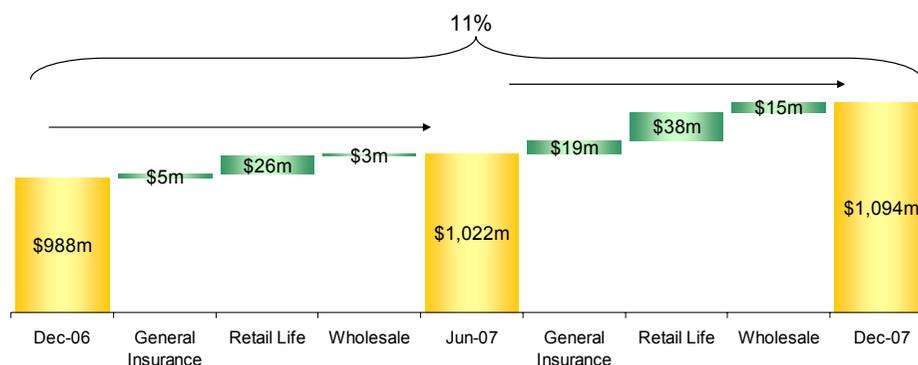
Annual Inforce Premiums

	Dec-05 1H06	Jun-06 2H06	Dec-06 1H07	Jun-07 2H07	Dec-07 1H08	1H08 v 2H07	Mar-08 Q308
	\$m	\$m	\$m	\$m	\$m	%	\$m
General Insurance	162	169	179	184	203	10.3%	230
Retail Life	467	486	504	530	568	7.2%	585
Wholesale Life	202	199	305	308	323	4.9%	341
Total	831	854	988	1,022	1,094	7.0%	1,156

Sales / New Business

	Dec-05 1H06	Jun-06 2H06	Dec-06 1H07	Jun-07 2H07	Dec-07 1H08	1H08 v 2H07
	\$m	\$m	\$m	\$m	\$m	%
General Insurance	21	20	30	26	39	50.0%
Retail Life	57	58	59	69	74	7.2%
Wholesale Life	29	17	123	53	31	-41.5%
Total	107	95	212	148	143	-3.4%

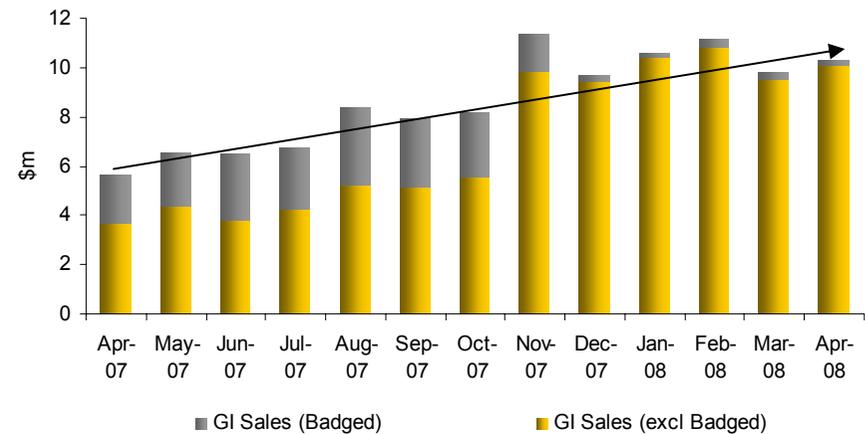
Annual Inforce Premiums



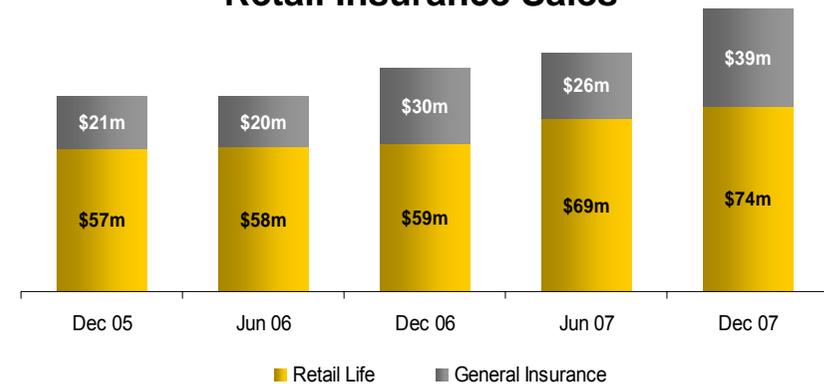
CommInsure Sales

- Home and motor insurance sales increased 30% since Dec 06
- Retail Life Insurance sales increased 25% over the year to Dec 07 reflecting:
 - Bancassurance progress
 - Product enhancements
 - Preferred provider for a number of dealer groups
- Good retention of Wholesale Life clients
- Improved cross sell ratio of loan protection from 25% to 35%

New Business Sales



Retail Insurance Sales



Financial Performance

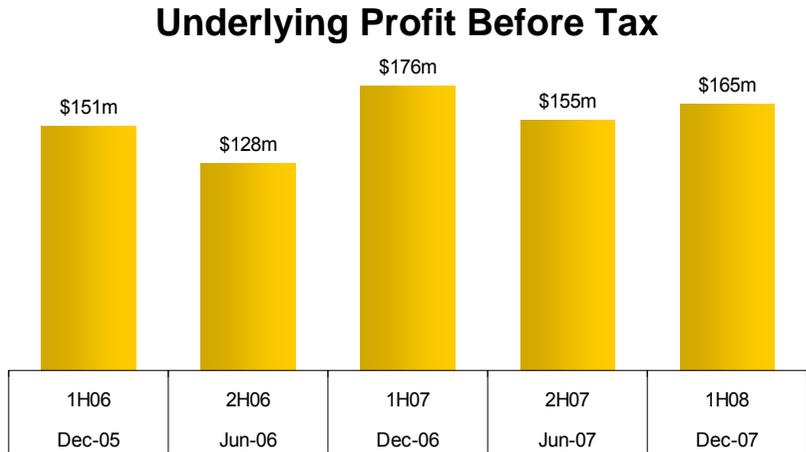
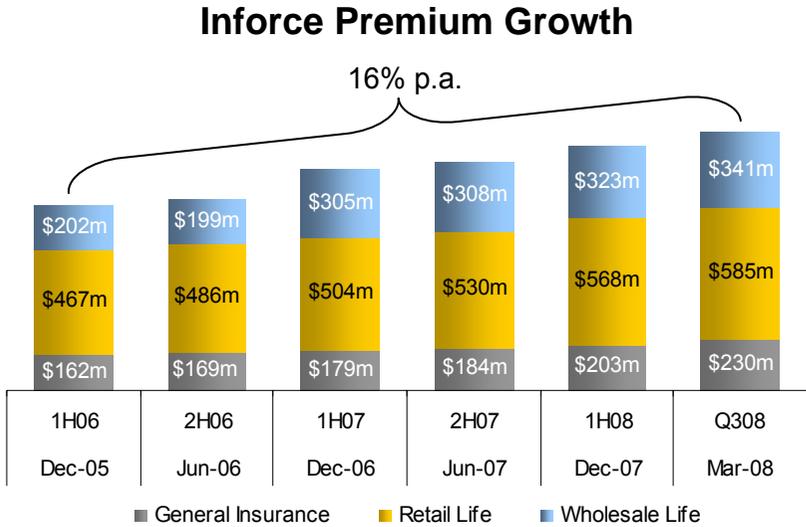
Notes

	Half Year Ended					Dec-07 vs Dec-06 %
	Dec-05 \$m	Jun-06 \$m	Dec-06 \$m	Jun-07 \$m	Dec-07 \$m	
Commlnsure						
Net Operating Income	276	290	320	327	321	0.3%
Operating Expense	125	162	144	172	156	8.3%
Underlying Profit before Tax	151	128	176	155	165	(6.3%)
Income Tax	42	36	47	49	49	4.3%
Underlying Profit after Tax	109	92	129	106	116	(10.1%)
Shareholder Investment Returns after Tax	38	28	65	38	32	(lge)
Net Profit after Tax	147	120	194	144	148	(lge)

Sources of Profit from Insurance Activities	Half Year Ended					Dec 07 vs Dec 06 %
	Dec-05 \$m	Jun-06 \$m	Dec-06 \$m	Jun-07 \$m	Dec-07 \$m	
The Margin on Services profit from ordinary activities after income tax is represented by:						
Planned profit margins	36	47	51	59	62	21.6%
Experience variations	7	15	7	30	(10)	(lge)
General insurance operating margins	13	8	10	3	(11)	(lge)
Operating margins	56	69	68	92	41	(40%)
After tax Shareholder investment returns	35	21	47	27	17	(64%)
Net profit after income tax	91	90	115	119	58	(50%)

Financial Performance

- 16% p.a. inforce premium growth
- Consistent outperformance in inforce premiums offset by a return to more normal claims levels
- Consistent premium growth in General Insurance
- Investing in strong risk management platforms



Key Messages

- Consistent inforce premium growth driven by:
 - Strong sales momentum
 - Improvements in retention
- Driving scalable operations
- Investing in broad distribution capabilities
- A good business transforming into a great business

Wealth Management Summary



Grahame Petersen

Group Executive
Wealth Management



Super popular.



Determined to be different

Summary

- Three market leading businesses with strong growth profiles
- Award winning customer satisfaction
- Scale and strong brands across the value chain
- Well diversified business to withstand market volatility
- Continuing to invest for growth
- Focussed on leveraging the Group strengths

Panel Questions



Wealth Management Update



Determined to be different

28 May 2008

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