



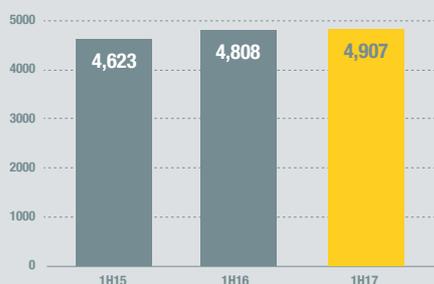
Letter to Shareholders

APRIL 2017

Half year result highlights

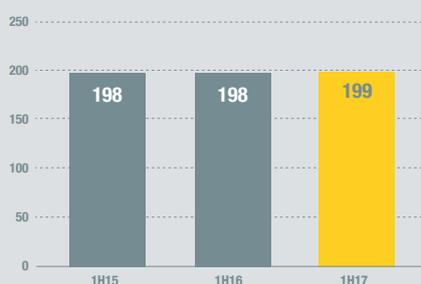
Continued profit growth

Cash NPAT (\$m)
Up 2%



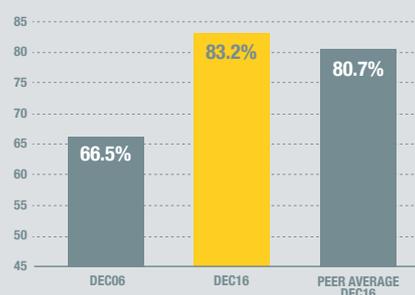
Consistent dividends

Interim dividend (cents per share)
Up 1 cent



More satisfied customers

Roy Morgan Research Retail Main Financial Institution Customer Satisfaction



Dear Shareholder

In February, your company reported cash net profit after tax (NPAT) of \$4,907 million for the half year ended 31 December 2016. The Board determined an interim dividend of \$1.99 per share. The interim dividend is fully franked and will be paid on 4 April 2017.

Your Board and management team are focused on long-term success, whilst also ensuring that along the way your bank remains strong, and that we provide consistent returns for our shareholders.

Over many years now, we have seen that investment in people and technology improves customer satisfaction, and that highly satisfied customers will want to have more of their needs met by the bank. As at December 2016, we have ranked number one among the major banks for retail customer satisfaction for 19 consecutive months, and we were also number one for internet banking and equal first for business customer satisfaction. So our balance sheet continued to grow, and overall revenue growth was strong in the context of market conditions. Our ongoing investment in productivity also kept expense growth to just over 1% on an underlying basis.

As a result, we were able to invest a further \$600 million in the future during this half, and strengthen our balance sheet, while still slightly increasing the dividend. Our investment priorities include enhancing our leadership position in digital banking, modernising our branches and building the skills of our people.

Your company employs more than 51,000 dedicated people who serve more than 16 million customers, buys products and services from more than 5,000 small businesses, and as Australia's largest taxpayer, will pay \$1.9 billion in tax for the six months to 31 December 2016.



We have also invested \$132 million in the community in the first half of the financial year. Hundreds of thousands of students are enrolled in School Banking and in our Start Smart financial literacy program; and as part of our \$50 million three-year commitment to education, this year we will provide improved access to research that will help teachers build their skills and achieve better education outcomes for Australian children.

A message from your Chairman

“ David Turner retired as Chairman in December and I would like to thank him for his contribution and dedication to the bank over many years.

I am honoured to have assumed the role of Chairman from January this year.

I look forward to working with my Board colleagues, Ian and the management team to ensure the Commonwealth Bank delivers for all our stakeholders. ”

Catherine Livingstone AO

For more details of the 2017 Half Year Result, visit commbank.com.au/shareholder

As innovation is key to Australia's long-term success, we are working with university partners, researchers and start-up businesses to develop technologies and skills that will support employment and growth in the future.

We also continue to focus on our commitment to earning and sustaining the trust of our customers and our community, including remediating customers when things go wrong, better supporting customers through hardship, and appointing a Customer Advocate to improve products and processes across the Group.

We recognise that our ability to continue to do well for all these stakeholders depends on the support that we get from you: the 800,000 Australian families who own the Commonwealth Bank directly, and the millions more who own us through their super funds.

Last financial year we returned 76.5% of the bank's cash profits - totalling \$7.2 billion - to shareholders as dividends, and this half will return a further \$3.4 billion. The remainder of your company's profits are reinvested for future growth, including maintaining our technology leadership.

We thank you for your on-going support.

Catherine Livingstone
Catherine Livingstone AO
 Chairman

Ian Narev
Ian Narev
 Chief Executive Officer



This year, virtual reality kits and a storybook promoting saving skills will be distributed to all registered Year 1 students who participate in CommBank's Start Smart program.

Financial wellbeing for people, businesses and communities



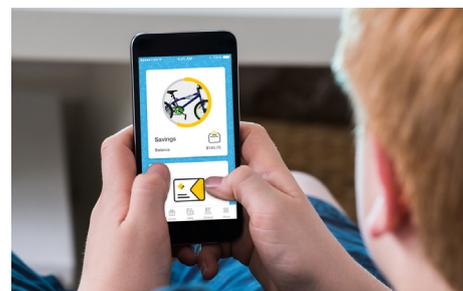
In the six months to December 2016, the bank provided 834,961 free in-branch Financial Health Checks to help customers identify whether they have the right accounts and if they are maximising their savings and minimising fees.

Innovative digital banking features – such as Camera Pay, Photo-a-bill and Better Bill Experience – also make it easier than ever for our 5.8 million active online users to control their finances.



Through platforms like DailyIQ and CommBiz we provide sophisticated data analytics that enable customers to better understand and drive their businesses.

Our Albert EFTPOS terminals support 39 apps that help businesses run more efficiently, and 70,000 devices are now in market. Dedicated in-branch specialist staff also had 42,000 needs-based conversations with our small business customers in the period.



Our new CommBank Youth app teaches children the value of money in an increasingly cashless and digital society. The app provides a secure and fun way for parents to help their children develop saving, earning and responsible spending skills.

The app leverages our leading position in digital banking and builds on our long-term commitment to financial education through programs like StartSmart and School Banking.

Key dates and contacts

Financial calendar

4 April	Interim dividend payment date
10 Aug	Full year results and final dividend announcement
16 Aug	Ex-dividend date for final dividend
17 Aug	Record Date for final dividend
29 Sep	Final dividend payment date

Dates may be altered by the Commonwealth Bank should circumstances require. Any changes will be advised to the Australian Securities Exchange.

Link Market Services

If you have questions about your shareholding, visit the Link Investor Centre or contact our share registrar at:

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