For your everyday banking including paying bills using Pay Network. Our automated service is available from 7am to 11pm (Sydney time), 365 days a year. From overseas call +61 13 2221.

For a password and demonstration of the automated service, call our telephone staff between 8am and 8pm, Monday to Friday. Available from 8am to 10pm, 365 days a year.

13 15 19 Commonwealth Securities Limited
Easy, low cost access to the stock market
By phone or Internet at www.comsec.com.au

1800 240 889
Telephone Typewriter Service
A special telephone banking service for our hearing and speech impaired customers. The service covers all the services available on 13 2221.
Available from 8am to 8pm, Monday to Friday.

1800 011 217 To report a lost or stolen card after hours or at weekends.

13 1998 Business Line
For a full range of business banking solutions.
Available from 8am to 8pm, Monday to Friday.

13 2423 Commonwealth Insurance Limited
For all your home insurance needs or visit www.commbank.com.au/insurance

13 2540 Commonwealth Insurance Limited
For home insurance claims assistance 24 hours a day, 365 days a year.
Available from 8am to 8pm (Sydney time), Monday to Friday. Unit prices are available 24 hours a day, 365 days a year.

For enquiries on retirement and superannuation products, life insurance or managed investments. Available from 8am to 8pm (Sydney time), Monday to Friday. Unit prices are available 24 hours a day, 365 days a year.

Internet Banking
You can apply for a home loan or credit card on the internet by visiting our website at www.commbank.com.au available 24 hours a day, 365 days a year.
Do your everyday banking on our internet banking service NetBank at www.commbank.com.au/netbank available 24 hours a day, 365 days a year.
To apply for access to NetBank, call Freecall 1800 022 955 between 8am and 8pm (Sydney time), Monday to Friday.

Designed and Produced by Armstrong Miller+McLaren. Photography by Bob and Mike Armstrong.
The Bank’s success in building the business, in generating profits and in positioning for the new millennium, allows us to meet the lifetime financial needs of customers, provides fair, safe, challenging and rewarding employment for staff, and rewards all shareholders through dividends and capital growth.

Our staff enable our customers to make their financial and lifestyle goals happen.

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Review of operations

“1999 leads us into the new millennium with a new approach to banking”

Profits

$1,422 million after tax and before abnormal items, up 14% on 1997/98, and up 30% on 1997/98 after abnormal items. The result reflects:

- Increased lending volumes across all products;
- Strong growth in financial services business;
- A one off profit on the sale of infrastructure assets;
- Continued cost containment and productivity gains;
- Increased coverage for impaired assets; and
- A strong performance by ASB Bank in New Zealand.

Earnings per Share

153.4 cents before abnormal items, up 14% on 1997/98.

Assets

$138.1 billion, up 6% on 1997/98. The Group showed strong growth in...

\[ 	ext{Earnings per share} \]

\[ 	ext{Assets} \]

\[ 	ext{Net Profit $m} \]

\[ 	ext{before abnormal items} \]

\[ 	ext{after abnormal items} \]

\[ 	ext{after tax but before abnormal items} \]

\[ 	ext{after tax and abnormal items} \]
Dividends
The Bank continues to maintain its record of strong payout ratios with a 1998/99 dividend payout ratio of 75%. A final dividend of 66 cents per share, fully franked, brought the total dividend for 1998/99 to 115 cents, up 11 cents on the prior year.

Capital Management
As part of its capital management program, the Bank also conducted a successful off market share buy-back in March 1999. The Bank bought back 2.9% of its ordinary shares for $650 million. This brings the total of share buy-backs to $2.3 billion since 1996.

Return on Equity
20.54% before abnormal items, up from 18.48% in 1997/98.

Year 2000 Compliance
The Bank’s Year 2000 compliance programme is progressing to plan.

Goods and Services Tax
The Goods and Services Tax (GST) legislation was enacted on 8 July 1999, and will apply from 1 July 2000. The Bank has commenced a program to implement GST. With the exception of the areas of the Bank involved in general insurance and leasing services, the GST will not directly impact the Bank’s services until 1 July 2000.

Shareholders
Combining dividends and the appreciation in the value of the Bank’s shares, total shareholder return for the year was 34.3% compared with 25.3% in 1998. The dividend yield based on 30 June 1999 share price of $24.05 and calculated on the 1998/99 dividends of 49 cents and 66 cents was 4.78%.
Over the last five years, the Bank has produced an annual return to shareholders in the top quartile of all banks within the Banks and Finance index. Going forward, the aim is to retain this position.

<table>
<thead>
<tr>
<th>CREDIT RATINGS</th>
<th>SHORT</th>
<th>LONG</th>
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</thead>
<tbody>
<tr>
<td>Standard &amp; Poor’s Corporation</td>
<td>A-1+</td>
<td>AA-</td>
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<tr>
<td>Moody’s Investors Service, Inc.</td>
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<tr>
<td>Fitch IBCA</td>
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<tr>
<td>Moody’s Bank Financial Strength Rating</td>
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<td></td>
</tr>
<tr>
<td>Fitch IBCA Individual Rating</td>
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<td>A/B</td>
</tr>
</tbody>
</table>

Invitation to the Annual General Meeting
The Annual General Meeting of the Commonwealth Bank will be held at the Exhibition Centre, Darling Harbour, Sydney, on Thursday 28 October 1999 at 11.00 a.m. A notice of meeting is enclosed for shareholders.