MEDIA PRESENTATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

Ian Narev
Chief Executive Officer

Commonwealth Bank
Disclaimer

The material that follows is a presentation of general background information about the Group’s activities current at the date of the presentation, 11 February 2015. 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.

Cash Profit

The Management Discussion and Analysis discloses the net profit after tax on both a statutory and cash basis. The statutory basis is prepared and reviewed in accordance with the Corporations Act 2001 and the Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS). The cash basis is used by management to present a clear view of the Group’s underlying operating results, excluding items that introduce volatility and/or one-off distortions of the Group’s current period performance. These items, such as hedging and IFRS volatility, are calculated consistently with the prior comparative period and prior half disclosures and do not discriminate between positive and negative adjustments. A list of items excluded from statutory profit is provided in the reconciliation of the Net profit after tax (“cash basis”) on page 3 of the Profit Announcement (PA) and described in greater detail on page 15 of the PA and can be accessed at our website: http://www.commbank.com.au/about-us/shareholders/financial-information/results/
To excel at securing and enhancing the financial wellbeing of people, businesses and communities

<table>
<thead>
<tr>
<th>Our Vision</th>
<th>Our Values</th>
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</thead>
<tbody>
<tr>
<td><strong>Our Vision</strong></td>
<td><strong>Integrity</strong>&lt;br&gt;Have the courage to do and say what’s right</td>
</tr>
<tr>
<td><strong>Our Values</strong></td>
<td><strong>Collaboration</strong>&lt;br&gt;Listen and work as one inclusive team</td>
</tr>
<tr>
<td></td>
<td><strong>Excellence</strong>&lt;br&gt;Do your best</td>
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<tr>
<td></td>
<td><strong>Accountability</strong>&lt;br&gt;Take ownership and follow up</td>
</tr>
<tr>
<td></td>
<td><strong>Service</strong>&lt;br&gt;Help others</td>
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</tbody>
</table>
Our strategy

Customer Focus

Capabilities

- People
- Productivity
- Technology
- Strength

Growth Opportunities

- "One CommBank"
- Continued growth in business and institutional banking
- Disciplined capability-led growth outside Australia

TSR Outperformance
## Continuing growth

<table>
<thead>
<tr>
<th></th>
<th>Dec 14</th>
<th>Dec 14 vs Dec 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Profit ($m)</td>
<td>4,535</td>
<td>8%</td>
</tr>
<tr>
<td>Cash NPAT ($m)</td>
<td>4,623</td>
<td>8%</td>
</tr>
<tr>
<td>ROE – Cash (%)</td>
<td>18.6</td>
<td>(10) bpts</td>
</tr>
<tr>
<td>Cash Earnings per Share ($)</td>
<td>2.84</td>
<td>8%</td>
</tr>
<tr>
<td>Dividend per Share ($)</td>
<td>1.98</td>
<td>8%</td>
</tr>
</tbody>
</table>
**Broad contributor to Australian wellbeing**

Operating Income 1H15

**Expenses**
Including ~5,000 SME partners and suppliers

**Salaries**
Employing ~42,000 people in Australia, ~52,500 globally

**Loan impairment**
Cost of lending across the economy

**Tax expense**
Australia’s 3rd largest tax payer, equivalent to 4% of all company tax revenue

**Dividends**
Returned to ~800,000 shareholders and Super funds

**Retained for capital and growth**
Over $70 billion in new lending in 1H15

- $3.0bn
- $2.9bn
- $1.7bn
- $1.6bn
- $0.4bn
- $2.0bn
All divisions contributing

Cash NPAT 1H15

- Income: ↑ 7%
- Costs: ↑ 2%
- C:I: ↓ 160 bpts to 34.5%

+12%

1,992

$m

- Income: ↑ 6%
- Business loans: ↑ 5%
- Costs: ↑ 5%

- Income: ↑ 6%
- Business loans: ↑ 5%
- Costs: ↑ 5%

- Transaction Deposits: ↑ 16%
- C:I: ↓ 120 bpts to 43.5%
- NIM: lower (home loans)

- Income: ↑ 6%
- Avg Lending: ↑ 10%
- Loan impairment: ↑ 17 bpts

- Income: ↑ 6%
- Avg FUA: ↑ 11%
- Insurance inc.: ↓ 2%

- Lending: ↑ 5%
- NIM: ↑ (ASB)
- ASB OBI: ↓ 5%

- Funds income: ↑ 7%

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- Avg Lending: ↑ 10%
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- ASB OBI: ↓ 5%
Continuing volume growth

### Household Deposits
**Balance Growth**
- System: 9.1%
- CBA: 10.3%

### Home Lending
**Balance Growth**
- System: 6.8%
- CBA: 6.4%

**Underweight in higher growth segments – broker and investment lending**

### Credit Cards
**Balance Growth**
- System: 1.8%
- CBA: 3.6%

**Existing customers represent ~90% of new RBS accounts**

### New Transaction Accts
**+16%**
- RBS: +16%
- System: 404k
- CBA: 470k

### Business Lending
**Balance Growth**
- System: 4.8%
- BPB: 5.5%
- IB&M: 3.6%

### ASB
**Business & Rural Balance Growth**
- System: 4.9%
- ASB: 11.6%

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1. Spot balance growth twelve months to Dec 14. Source RBA/APRA/RBNZ. CBA includes BWA except Business Lending. Business Lending is RBA.
2. Includes offset accounts
3. IB&M represents Core Domestic Lending balance growth and excludes Cash Management Pooling Facilities (CMPF)
Continued focus on the customer

Retail Customer Satisfaction

Area | CBA
--- | ---
Business - Micro | =1<sup>st</sup>
Business - Small | =1<sup>st</sup>
Business - Medium | =1<sup>st</sup>
Business - Large | 1<sup>st</sup>
Wealth | 1<sup>st</sup>
IFS | 1<sup>st</sup>
Internet Banking | 1<sup>st</sup>

% Satisfied ('Very Satisfied' or 'Fairly Satisfied')

1, 5, 6, 7, 9 Refer notes slide at back of this presentation for source information
MFI share

MFI share

<table>
<thead>
<tr>
<th>%</th>
<th>Dec 13</th>
<th>Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBA</td>
<td>32.7</td>
<td>34.0</td>
</tr>
<tr>
<td>Peer 1</td>
<td>13.4</td>
<td>13.3</td>
</tr>
<tr>
<td>Peer 2</td>
<td>11.3</td>
<td>11.4</td>
</tr>
<tr>
<td>Peer 3</td>
<td>20.0</td>
<td>20.0</td>
</tr>
</tbody>
</table>

CBA MFI share by age

Overall 34.0%

MFI Share

Customer lifecycle (age)

Refer notes page at back of presentation for source information
Open Advice Review Program

Reports program outcomes publicly

Provides support for customers

Reviews individual cases if required

Investigates any concerns of fraud

Provides expert advice

Independent Expert

Independent Customer Advocates

Independent Review Panel

Independent Forensic Expert

Consultant Expert Advisor

Hon Ian Callinan AC
Chairman

Hon Geoffrey Davies AO
Deputy Chairman

Hon Julie Dodds-Streton QC
Panelist

Fiona Guthrie
Consultant
Expert Advisor

McGrathNicol

Maurice Blackburn Lawyers

Slater Gordon Lawyers

PROMONTORY
# Productivity improving service and efficiency

<table>
<thead>
<tr>
<th>Improving service</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal loans funded same day</td>
<td>27%</td>
</tr>
<tr>
<td>Asset Finance – Credit approval time</td>
<td>67%</td>
</tr>
<tr>
<td>Home insurance claims – turnaround time</td>
<td>39%</td>
</tr>
<tr>
<td>Transaction Banking – client on-boarding time</td>
<td>30%</td>
</tr>
<tr>
<td>Bankwest – Business Account documents required</td>
<td>58%</td>
</tr>
<tr>
<td>Regional and Agribusiness – client facing activities</td>
<td>38%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Driving efficiency</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost-to-Income (%)</td>
<td></td>
</tr>
<tr>
<td>1H13</td>
<td>43.8%</td>
</tr>
<tr>
<td>1H14</td>
<td>42.9%</td>
</tr>
<tr>
<td>1H15</td>
<td>42.2%</td>
</tr>
</tbody>
</table>

1 Refer notes page at back of presentation for definition of productivity metrics. Movements shown are since inception of respective productivity initiatives.
Leading technology

Digital property settlement

- CBA first bank to perform property purchase settlement on PEXA platform
- Digitising settlement processes for improved customer experience
- Easier, simpler and faster, with less errors and greater certainty

Online & electronic origination

- e-docs for new home loan customers – 75% take-up where offered
- 10% of personal transaction accounts now opened through digital channels
- New business deposits opened online in real time < 10 mins
- Double digit growth in motor insurance sales online
Leading technology

CommBank app

- #1 free financial app\(^1\)
- #1 in customer satisfaction\(^2\)
- ~3 million unique users
- 15 million log-ons per week
- $2.5bn in transactions per week

Temporary lock

- Temporarily lock/unlock credit cards
  - Oct 14
- >50k enabled in first 2 months
- Significant reduction in replacement card issuance

Cancel and replace

- Instantly cancel and replace a lost, stolen or damaged card
  - Oct 14
- 18k requests since launch

\(^1\) Refer notes slide at back of this presentation for source information
Albert, CBA’s revolutionary new EFTPOS tablet, helped the McGrath Foundation raise more than $100,000 during the January Pink Test in Sydney.

As well as accepting card payments, Albert also issued tax receipts for high value donations using a custom-built app.
TYME machine for ultra low cost KYC in large retail stores

- In-built smartphone with locked apps
- Modular design allowing fingerprint or other biometric sensors

- Provides under-serviced customers access to regulated bank accounts
- Paperless, real time, ultra-low cost
- “Know Your Customer” (KYC), payments and core banking technology
### Strength to support our customers

#### Deposit Funding

<table>
<thead>
<tr>
<th>% of Total Funding</th>
<th>Dec 12</th>
<th>Dec 13</th>
<th>Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>63%</td>
<td>63%</td>
<td>63%</td>
<td></td>
</tr>
</tbody>
</table>

#### Wholesale Funding Tenor

<table>
<thead>
<tr>
<th>Years</th>
<th>Dec 12</th>
<th>Dec 13</th>
<th>Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.7</td>
<td>3.8</td>
<td>3.9</td>
<td></td>
</tr>
</tbody>
</table>

#### Liquids

<table>
<thead>
<tr>
<th>Liquids ($bn)</th>
<th>Dec 12</th>
<th>Dec 13</th>
<th>Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>128</td>
<td>137</td>
<td>151</td>
<td></td>
</tr>
</tbody>
</table>

#### Capital

<table>
<thead>
<tr>
<th>Basel III Common Equity Tier 1</th>
<th>Dec 12 APRA</th>
<th>Dec 13 APRA</th>
<th>Dec 14 APRA</th>
<th>Dec 14 Int'l</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.1%</td>
<td>8.5%</td>
<td>9.2%</td>
<td></td>
<td>13.3%</td>
</tr>
</tbody>
</table>

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1. Weighted Average Maturity of long term wholesale debt. Includes all deals with first call or residual maturity of 12 months or greater.
2. Liquids are reported net of applicable regulatory haircuts.
3. The Group has revised its international measure of CET1 at 31 December 2014 with the methodology consistent with that detailed in the August 2014 PwC Australia report commissioned by the ABA. The key changes in methodology include differences in calculating RWA for residential mortgages, specialised lending and corporate exposures.
We have reached our commitment to provide financial education to ‘One Million Kids’

$50m committed for financial education for next three years

More than 250,000 students are active in our school banking program

~$3m raised in *We’re for the Bush* Drought Appeal

**Our Indigenous Customer Assistance Line** supports more than 100 remote communities and receives more than 3,500 calls each week

$10m committed to supporting the Centenary of ANZAC
On-going focus on long-term strategy to strengthen the franchise in an increasingly competitive environment

Some signs of positive transition in Australian economy: reality ahead of sentiment

But clear, long term policy needed to build confidence so as to sustain and accelerate the transition: job creation, infrastructure, foreign investment, trade, business competitiveness