Disclaimer

The material that follows is a presentation of general background information about the Group’s activities current at the date of the presentation, 10 February 2016. 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.

Our Values

- Integrity
- Accountability
- Collaboration
- Excellence
- Service
<table>
<thead>
<tr>
<th>Additional information</th>
<th><strong>Snapshot 1H16</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial</strong></td>
<td><strong>Operating Performance</strong></td>
</tr>
<tr>
<td>Cash earnings ($m)</td>
<td>4,804</td>
</tr>
<tr>
<td>ROE (Cash)</td>
<td>17.2% (140) bpts</td>
</tr>
<tr>
<td>Cash EPS ($)</td>
<td>2.84</td>
</tr>
<tr>
<td>DPS ($)</td>
<td>1.98</td>
</tr>
<tr>
<td>Cost-to-Income</td>
<td>42.2%</td>
</tr>
<tr>
<td>NIM (%)</td>
<td>2.06</td>
</tr>
<tr>
<td>NIM (%) ex Treasury &amp; Markets</td>
<td>2.04</td>
</tr>
<tr>
<td><strong>Balance Sheet</strong></td>
<td><strong>Capital &amp; Funding</strong></td>
</tr>
<tr>
<td>Total assets ($bn)</td>
<td>903</td>
</tr>
<tr>
<td>Total liabilities ($bn)</td>
<td>843</td>
</tr>
<tr>
<td>FUA ($bn) – average</td>
<td>143</td>
</tr>
<tr>
<td>RWA ($bn)</td>
<td>393</td>
</tr>
<tr>
<td>Provisions to Credit RWAs (%)</td>
<td>1.11% (14) bpts</td>
</tr>
<tr>
<td><strong>Capital &amp; Funding</strong></td>
<td><strong>Operating Performance</strong></td>
</tr>
<tr>
<td>Capital – CET1 (Int)</td>
<td>14.3%</td>
</tr>
<tr>
<td>Capital – CET1 (APRA)</td>
<td>10.2%</td>
</tr>
<tr>
<td>LT wholesale funding WAM (yrs)</td>
<td>3.9</td>
</tr>
<tr>
<td>Deposit funding (%)</td>
<td>64%</td>
</tr>
<tr>
<td>Liquidity Coverage Ratio (%)</td>
<td>123%</td>
</tr>
<tr>
<td>Leverage Ratio (APRA) (%)</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

1. All movements on prior comparative period unless stated otherwise
2. Movement on prior half
3. Operating Performance is Total Operating Income less Operating Expense
4. Analysis aligns with the APRA study entitled “International capital comparison study” (13 July 2015)
5. The Group commenced disclosure of its leverage ratio at 30 September 2015, thus no comparatives have been presented
## Cash NPAT up 4%

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
<th>Dec 15 vs Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Profit ($m)</td>
<td>4,618</td>
<td>2%</td>
</tr>
<tr>
<td>Cash NPAT ($m)</td>
<td>4,804</td>
<td>4%</td>
</tr>
<tr>
<td>ROE – Cash (%)</td>
<td>17.2%</td>
<td>(140) bpts</td>
</tr>
<tr>
<td>Cash Earnings per Share ($)</td>
<td>2.84</td>
<td>1%</td>
</tr>
<tr>
<td>Dividend per Share ($)</td>
<td>1.98</td>
<td>-</td>
</tr>
</tbody>
</table>
## Business Unit Summary

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>% of Group NPAT</th>
<th>Operating Income</th>
<th>Costs</th>
<th>Operating Performance</th>
<th>LIE</th>
<th>Cash NPAT</th>
<th>Cost-to-Income Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>RBS</td>
<td>45%</td>
<td>7%</td>
<td>4%</td>
<td>8%</td>
<td>14%</td>
<td>8%</td>
<td>33%</td>
</tr>
<tr>
<td>BPB</td>
<td>17%</td>
<td>5%</td>
<td>4%</td>
<td>5%</td>
<td>13%</td>
<td>5%</td>
<td>38%</td>
</tr>
<tr>
<td>IB&amp;M</td>
<td>13%</td>
<td>1%</td>
<td>12%</td>
<td>(5%)</td>
<td>44%</td>
<td>(6%)</td>
<td>37%</td>
</tr>
<tr>
<td>IB&amp;M² ex CVA / FVA</td>
<td>13%</td>
<td>8%</td>
<td>12%</td>
<td>5%</td>
<td>44%</td>
<td>4%</td>
<td>36%</td>
</tr>
<tr>
<td>Wealth</td>
<td>8%</td>
<td>9%</td>
<td>6%</td>
<td>13%</td>
<td>n/a</td>
<td>7%</td>
<td>64%</td>
</tr>
<tr>
<td>NZ³</td>
<td>9%</td>
<td>6%</td>
<td>4%</td>
<td>7%</td>
<td>11%</td>
<td>4%</td>
<td>39%</td>
</tr>
<tr>
<td>BWA⁴</td>
<td>8%</td>
<td>0%</td>
<td>(2%)</td>
<td>1%</td>
<td>(38%)</td>
<td>(1%)</td>
<td>42%</td>
</tr>
<tr>
<td>IFS</td>
<td>0%</td>
<td>21%</td>
<td>64%</td>
<td>(45%)</td>
<td>large</td>
<td>(80%)</td>
<td>82%</td>
</tr>
</tbody>
</table>

1. Excludes Corporate Centre and Other
2. % of Group NPAT calculated based of Group result excluding CVA / FVA
3. NZ result in NZD except for “% of Group NPAT”, which is in AUD
4. BWA LIE represents a reduction in loan impairment benefit
### Cash NPAT 1H16

<table>
<thead>
<tr>
<th>Division</th>
<th>Income</th>
<th>C:I</th>
<th>Deposits</th>
<th>Subdued lending growth</th>
<th>Income (ex CVA/FVA)</th>
<th>Lending (avg)</th>
<th>Loan impairment</th>
<th>Avg FUA</th>
<th>CommIns. inc.</th>
<th>Transaction Deposits</th>
<th>Home loans</th>
<th>Business/Rural</th>
<th>Loan impairment</th>
</tr>
</thead>
<tbody>
<tr>
<td>RBS</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>BPB</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>IB&amp;M</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>WM</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>BWA</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>NZ</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

1. All movements on prior comparative period except where noted
2. NZ result in AUD, performance metrics in NZD. Home loan and Business/Rural growth, source RBNZ 12 months to Dec 15.
MFI Share

Overall 34.1%

MFI Share by Age

Opportunity Gap

Customer lifecycle (age)

Refer notes slide at back of this presentation for source information
### Continued focus on the customer

<table>
<thead>
<tr>
<th>Customer Satisfaction</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>#1</td>
</tr>
<tr>
<td>Business</td>
<td>= #1</td>
</tr>
<tr>
<td>Wealth</td>
<td>#2</td>
</tr>
<tr>
<td>IFS</td>
<td>#1</td>
</tr>
<tr>
<td>Internet</td>
<td>#1</td>
</tr>
</tbody>
</table>

Refer notes slide at back of this presentation for source information
Customer focus - more needs met

Retail Customer Satisfaction

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

- Dec 07: 68%
- Dec 15: 83.9%

Customer Needs Met

(#)

- Dec 08: 3.11
- Dec 15: Refer notes slide at back of this presentation for source information
## Market Share

<table>
<thead>
<tr>
<th>Additional information</th>
<th>Dec 15</th>
<th>Jun 15</th>
<th>Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home loans</td>
<td>25.1</td>
<td>25.3</td>
<td>25.4</td>
</tr>
<tr>
<td>Credit cards – RBA²</td>
<td>24.4</td>
<td>24.3</td>
<td>25.1</td>
</tr>
<tr>
<td>Other household lending³</td>
<td>16.6</td>
<td>16.3</td>
<td>16.6</td>
</tr>
<tr>
<td>Household deposits⁴</td>
<td>29.3</td>
<td>29.5</td>
<td>29.1</td>
</tr>
<tr>
<td>Business lending – RBA</td>
<td>17.0</td>
<td>17.1</td>
<td>17.1</td>
</tr>
<tr>
<td>Business lending - APRA</td>
<td>18.6</td>
<td>18.8</td>
<td>18.5</td>
</tr>
<tr>
<td>Business deposits – APRA</td>
<td>20.1</td>
<td>20.2</td>
<td>20.5</td>
</tr>
<tr>
<td>Asset finance</td>
<td>13.1</td>
<td>13.2</td>
<td>13.4</td>
</tr>
<tr>
<td>Equities trading</td>
<td>5.6</td>
<td>6.0</td>
<td>5.7</td>
</tr>
<tr>
<td>Australian Retail – administrator view⁵</td>
<td>16.0</td>
<td>16.0</td>
<td>16.1</td>
</tr>
<tr>
<td>FirstChoice Platform⁵</td>
<td>11.3</td>
<td>11.3</td>
<td>11.4</td>
</tr>
<tr>
<td>Australia life insurance (total risk)⁵</td>
<td>11.8</td>
<td>12.1</td>
<td>11.9</td>
</tr>
<tr>
<td>Australia life insurance (individual risk)⁵</td>
<td>11.3</td>
<td>11.6</td>
<td>11.9</td>
</tr>
<tr>
<td>NZ home loans</td>
<td>21.8</td>
<td>21.7</td>
<td>21.7</td>
</tr>
<tr>
<td>NZ retail deposits</td>
<td>20.9</td>
<td>21.4</td>
<td>20.6</td>
</tr>
<tr>
<td>NZ business lending</td>
<td>13.0</td>
<td>11.6</td>
<td>11.5</td>
</tr>
<tr>
<td>NZ retail FUA⁶</td>
<td>16.2</td>
<td>16.2</td>
<td>16.5</td>
</tr>
<tr>
<td>NZ annual inforce premiums</td>
<td>28.8</td>
<td>28.8</td>
<td>29.0</td>
</tr>
</tbody>
</table>

1 Prior periods have been restated in line with market updates.  2 As at 30 November 2015.  3 Other household lending market share includes personal loans, margin loans and other forms of lending to individuals.  4 Comparatives have not been restated to include the impact of new market entrants in the current period.  5 As at 30 September 2015.  6 As at 30 June 2015, the last reported result available.
**Ongoing volume growth**

**Continued strong growth in Transaction Accounts**

**Balance Growth**

12 months to Dec 15

- **Household Deposits**: 9.3%
- **Home Lending**: 7.7% (6.5%)
- **Business Lending\(^2\) ex Bankwest**: 6.3% (6.8%)
- **ASB (Home Lending)**: 7.7% (7.8%)
- **ASB (Business & Rural)**: 7.4% (12.0%)

**A balanced volume/margin outcome**

**Growth in line with system**

**Good growth in target sectors**

**Reflects long term investment in frontline**

2. Domestic Lending balance growth (BPB & IB&M). Source RBA.
Deposits vs Peers

Dec 15

$bn

<table>
<thead>
<tr>
<th></th>
<th>CBA</th>
<th>Peer 3</th>
<th>Peer 2</th>
<th>Peer 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household deposits</td>
<td>225</td>
<td>180</td>
<td>112</td>
<td>105</td>
</tr>
<tr>
<td>Other deposits</td>
<td>202</td>
<td>184</td>
<td>295</td>
<td>245</td>
</tr>
</tbody>
</table>

Source: APRA. Total deposits (excluding CD's). CBA includes Bankwest.

Source: Pillar 3 Regulatory Disclosure, 30 Sep 2015

3 Peer comparisons are calculated from disclosures assuming there are not material balances in the “notice period deposits that have been called” and the “fully insured non-operational deposits” categories

Treatment of Deposits in LCR calculation

As at 30 September 2015 ($bn)

- CBA overweight more stable deposits

30 day Net Cash Outflow assumptions

- Retail / SME Stable: 5%
- Retail / SME Less stable: 10%
- Retail / SME High runoff: 25%
- All Operational accounts: 25%
- Corp/Gov Non Operational: 40%
- FI Non Operational: 100%
## Transaction Banking

### Group Transaction Balances

<table>
<thead>
<tr>
<th></th>
<th>1H14</th>
<th>1H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>$m</td>
<td>71,039</td>
<td>80,758</td>
<td>97,327</td>
</tr>
</tbody>
</table>

**+21%**

### RBS New Transaction Accounts

<table>
<thead>
<tr>
<th></th>
<th>1H14</th>
<th>1H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>#</td>
<td>404k</td>
<td>470k</td>
<td>515k</td>
</tr>
</tbody>
</table>

**+27%**

### Strong growth across divisions

<table>
<thead>
<tr>
<th></th>
<th>1H16 v 1H15</th>
</tr>
</thead>
<tbody>
<tr>
<td>RBS</td>
<td>34%</td>
</tr>
<tr>
<td>BPB</td>
<td>21%</td>
</tr>
<tr>
<td>IB&amp;M¹</td>
<td>5%</td>
</tr>
<tr>
<td>BWA</td>
<td>29%</td>
</tr>
<tr>
<td>NZ</td>
<td>14%</td>
</tr>
</tbody>
</table>

**Group +21%**

1. Excludes Cash Management Pooling Facilities (CMPF)
2. Number of new accounts. Includes offset accounts. Personal transaction accounts in RBS.

### Highlights

- Fast, simple processes in real time
- Growing digital - 15% of new accounts
- Real time funds transfer from other banks
- Continuous product innovation:
  - Cardless Cash, Tap & Pay, Intelligent Deposit Machines, Real Time Alerts, Foreign Current Accounts, Digital wallet
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
Continuous Innovation

2010 – 2015

Everyday settlement, Online origination, MyWealth, Pi & Leo, Touch ID, Portfolio View, Small Business app, Daily IQ, PayTag, Tap&Pay, VC in branches, Apps for smart watches and tablets, PEXA property settlement, Cardless cash, Cancel and Replace & Temp Lock, Lock & Limit, Albert, Innovation Lab

1H16

• Innovating in Wealth, ASB & IFS
• Expanding the digital wallet
• New property app
• Exploring new opportunities: Blockchain, Quantum, Cyber Security etc.

Real time banking (Core)
Continuous Innovation

**Wealth**

- **Portfolio View - SMSF**
  - Complete view of investment portfolio - shares, cash, property
  - Latest insights at the customer’s fingertips

**ASB**

- **Clever Kash – cashless interactive moneybox**
  - 37% increase in Mobile app users \(^1\)
  - Mobile app 1\(^{st}\) in customer satisfaction \(^2\)

**TYME**

- **Rapid cycle testing of digital strategy solutions**
  - R&D + partnerships + banking licence
  - Kiosk developed for low cost physical presence

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1. 12 months to December 2015
2. Customer Retail Market Monitor, Camorra Research, December 2015
Exploring new opportunities

Supporting Australia’s growing digital economy

- Quantum
  - Supporting Australian researchers in developing the world’s first silicon-based quantum computer

- Blockchain
  - Driving collaboration and innovation through the R3 partnership and the CBA-sponsored workshops

- Cyber Security
  - Partnership with UNSW in a centre of expertise boosting Australia’s reserve of security engineering professionals
Productivity

Case Study

Retail Collections & Customer Solutions

Continuous improvement culture, process simplification and elimination of non-value tasks, supported by robust measurement systems

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hand-offs</td>
<td>541</td>
<td>639</td>
<td>582</td>
<td>589</td>
<td>595</td>
<td>681</td>
</tr>
<tr>
<td>2nd Half Hand-offs</td>
<td>638</td>
<td>639</td>
<td>655</td>
<td>593</td>
<td>651</td>
<td></td>
</tr>
<tr>
<td>Turnaround times</td>
<td>1,179</td>
<td>1,286</td>
<td>1,237</td>
<td>1,182</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2nd Half Turnaround times</td>
<td>647</td>
<td>639</td>
<td>655</td>
<td>593</td>
<td>651</td>
<td></td>
</tr>
<tr>
<td>Cost to Collect</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2nd Half Cost to Collect</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Engagement*</td>
<td>1,179</td>
<td>1,286</td>
<td>1,237</td>
<td>1,182</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2nd Half Employee Engagement*</td>
<td>638</td>
<td>639</td>
<td>655</td>
<td>593</td>
<td>651</td>
<td></td>
</tr>
<tr>
<td>% of total</td>
<td>63%</td>
<td>60%</td>
<td>52%</td>
<td>24%</td>
<td>28%</td>
<td>36%</td>
</tr>
<tr>
<td>Other Risk &amp; Compliance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. All movements since inception of productivity programme (3-5 yrs)

* 2% above Global Best in Class (Kenexa)
Strength to support our customers

Capital
Basel III
Common Equity Tier 1

Deposit Funding
% of Total Funding

Wholesale Funding
Portfolio Tenor (years)

Liquidity
$bn

Internationally comparable

14.3%

10.2%

63%

64%

3.9

3.9

136

74

140

LCR
116%
123%

CLF

HQLA
1
2
3
4
5

Analysis aligns with the APRA study entitled “International capital comparison study” (13 July 2015)
Weighted Average Maturity of long term wholesale debt. Includes all deals with first call or residual maturity of 12 months or greater.
Liquids are reported net of applicable regulatory haircuts. Dec 14 adjusted to align with final reporting with APRA.
The Exchange Settlement Account (ESA) balance is netted down by the Reserve Bank of Australia open-repo of internal RMBS.
Qualifying HQLA includes cash, Govt and Semi Govt securities. Also includes $5.6bn of RBNZ eligible securities.
RESULTS PRESENTATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

DAVID CRAIG
CHIEF FINANCIAL OFFICER
<table>
<thead>
<tr>
<th>Additional information</th>
<th></th>
<th>Non-cash items</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$m</td>
<td>Dec 15</td>
</tr>
<tr>
<td>Cash NPAT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4,804</td>
</tr>
<tr>
<td>Non-cash items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hedging and IFRS volatility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Unrealised accounting gains and losses arising from the application of “AASB 139 Financial Instruments: Recognition and Measurement”</td>
<td>(151)</td>
<td>(42)</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Bankwest non-cash items</td>
<td></td>
<td>(26)</td>
</tr>
<tr>
<td>- Treasury shares valuation adjustment</td>
<td></td>
<td>(9)</td>
</tr>
<tr>
<td>Total non-cash items</td>
<td></td>
<td>(186)</td>
</tr>
<tr>
<td>Statutory NPAT</td>
<td></td>
<td>4,618</td>
</tr>
<tr>
<td></td>
<td>Dec 15</td>
<td>Dec 14</td>
</tr>
<tr>
<td>------------------------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>Operating income</td>
<td>12,362</td>
<td>11,647</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(5,216)</td>
<td>(4,914)</td>
</tr>
<tr>
<td>Operating performance</td>
<td>7,146</td>
<td>6,733</td>
</tr>
<tr>
<td>Investment experience</td>
<td>58</td>
<td>80</td>
</tr>
<tr>
<td>Loan impairment expense</td>
<td>(564)</td>
<td>(440)</td>
</tr>
<tr>
<td>Tax and non-controlling interests</td>
<td>(1,836)</td>
<td>(1,750)</td>
</tr>
<tr>
<td>Cash NPAT</td>
<td>4,804</td>
<td>4,623</td>
</tr>
<tr>
<td>Statutory NPAT</td>
<td>4,618</td>
<td>4,535</td>
</tr>
</tbody>
</table>
### Other Banking Income

<table>
<thead>
<tr>
<th>Category</th>
<th>1H14</th>
<th>1H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>2,245</td>
<td>2,386</td>
<td>2,479</td>
</tr>
<tr>
<td>Trading</td>
<td>519</td>
<td>529</td>
<td>496</td>
</tr>
<tr>
<td>Lending fees</td>
<td>537</td>
<td>528</td>
<td>562</td>
</tr>
<tr>
<td>Commissions</td>
<td>1,081</td>
<td>1,127</td>
<td>1,159</td>
</tr>
</tbody>
</table>

### Trading Income

<table>
<thead>
<tr>
<th>Year</th>
<th>Trading</th>
<th>Sales</th>
<th>CVA / FVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H14</td>
<td>519</td>
<td>293</td>
<td>(67)</td>
</tr>
<tr>
<td>1H15</td>
<td>529</td>
<td>320</td>
<td></td>
</tr>
<tr>
<td>1H16</td>
<td>496</td>
<td>357</td>
<td></td>
</tr>
</tbody>
</table>
Operating Income up 6%

$\text{m}$

+6%
+5% before FX

<table>
<thead>
<tr>
<th></th>
<th>1H15</th>
<th>1H16</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average FUA</td>
<td>1,386</td>
<td>1,519</td>
<td>+7%</td>
</tr>
<tr>
<td>Insurance income</td>
<td>7,875</td>
<td>8,364</td>
<td>+17%</td>
</tr>
</tbody>
</table>

**Funds & Insurance** +10%

<table>
<thead>
<tr>
<th>Component</th>
<th>1H15</th>
<th>1H16</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average FUA</td>
<td>1,386</td>
<td>1,519</td>
<td>+7%</td>
</tr>
<tr>
<td>Insurance income</td>
<td>7,875</td>
<td>8,364</td>
<td>+17%</td>
</tr>
</tbody>
</table>

**Other Banking Income** +4%

<table>
<thead>
<tr>
<th>Component</th>
<th>1H15</th>
<th>1H16</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FVA / CVA</td>
<td>2,386</td>
<td>2,479</td>
<td>+9%</td>
</tr>
<tr>
<td>Trading (ex FVA/CVA)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OBI (ex Trading)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest Income</td>
<td>7,875</td>
<td>8,364</td>
<td>+9%</td>
</tr>
</tbody>
</table>

**Net Interest Income** +6%

<table>
<thead>
<tr>
<th>Component</th>
<th>1H15</th>
<th>1H16</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td></td>
<td></td>
<td>+9%</td>
</tr>
<tr>
<td>Margin</td>
<td></td>
<td></td>
<td>-5bpts</td>
</tr>
</tbody>
</table>

Funds & Insurance:
- Average FUA: $1,519m (7% increase)
- Insurance income: $8,364m (17% increase)

Other Banking Income:
- FVA / CVA: $2,479m (9% increase)
- Trading (ex FVA/CVA):
- OBI (ex Trading):

Net Interest Income:
- Volume: $8,364m (9% increase)
- Margin: $8,364m - $7,875m = $489m (5 basis points decrease)
12 Month Movement
bpts

Group NIM

1H15 211
Funding costs 1 1H16 206
Group NIM ↓ 5bps ex Treasury & Markets

1H15 209
Basis risk (1)

1H16 204
Capital & Other (5)
Group NIM flat

6 Month Movement

<table>
<thead>
<tr>
<th>2H15</th>
<th>Asset Pricing</th>
<th>Portfolio mix</th>
<th>Capital &amp; NZ</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>206</td>
<td>1</td>
<td>(2)</td>
<td>206</td>
</tr>
<tr>
<td></td>
<td>204</td>
<td>1</td>
<td>204</td>
<td></td>
</tr>
</tbody>
</table>

Group NIM (Six Months)

<table>
<thead>
<tr>
<th>1H14</th>
<th>2H14</th>
<th>1H15</th>
<th>2H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>210</td>
<td>210</td>
<td>209</td>
<td>204</td>
<td>204</td>
</tr>
</tbody>
</table>

12 month NIM

ex Treasury & Markets
**Continuing to Invest**

### Gross Investment Spend

<table>
<thead>
<tr>
<th>1st Half</th>
<th>2nd Half</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>1,179</td>
</tr>
<tr>
<td>FY12</td>
<td>1,286</td>
</tr>
<tr>
<td>FY13</td>
<td>1,237</td>
</tr>
<tr>
<td>FY14</td>
<td>1,182</td>
</tr>
<tr>
<td>FY15</td>
<td>1,246</td>
</tr>
<tr>
<td>1H16</td>
<td>638</td>
</tr>
<tr>
<td>1H14</td>
<td>541</td>
</tr>
<tr>
<td>1H15</td>
<td>582</td>
</tr>
<tr>
<td>1H16</td>
<td>655</td>
</tr>
<tr>
<td>1H14</td>
<td>589</td>
</tr>
<tr>
<td>1H15</td>
<td>593</td>
</tr>
<tr>
<td>1H16</td>
<td>651</td>
</tr>
<tr>
<td>1H14</td>
<td>681</td>
</tr>
</tbody>
</table>

### Investment Spend

- **1H14**
  - Branches & Other: 13%
  - Risk & Compliance: 24%
  - Productivity & Growth: 63%
  - Total: 100%

- **1H15**
  - Branches & Other: 12%
  - Risk & Compliance: 28%
  - Productivity & Growth: 60%
  - Total: 100%

- **1H16**
  - Branches & Other: 12%
  - Risk & Compliance: 36%
  - Productivity & Growth: 52%
  - Total: 100%

**Additional information**
Underlying expenses up 3.8%

$m

Underlying
+ 3.8%

+ 6.1%

1H15  Staff  Amortisation  Other  1H16  Investment  FX  1H16
4,914  95  34  60  5,103  44  69  5,216
Credit quality

**Commercial Portfolio Quality**

<table>
<thead>
<tr>
<th>% of book rated investment grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>67.5</td>
</tr>
</tbody>
</table>

**TCE ($bn)**

- Jun 13: [Diagram showing TCE ($bn) for various periods]
- Dec 13: [Diagram showing TCE ($bn) for various periods]
- Jun 14: [Diagram showing TCE ($bn) for various periods]
- Dec 14: [Diagram showing TCE ($bn) for various periods]
- Jun 15: [Diagram showing TCE ($bn) for various periods]
- Dec 15: [Diagram showing TCE ($bn) for various periods]

**Home Loan Arrears**

90+ days

- Bankwest
- RBS
- ASB

**LIE to Gross Loans**

**Consumer (bpts)**

<table>
<thead>
<tr>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>19</td>
<td>17</td>
<td>18</td>
<td>18</td>
<td>16</td>
</tr>
</tbody>
</table>

**Corporate (bpts)**

<table>
<thead>
<tr>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>43</td>
<td>24</td>
<td>23</td>
<td>13</td>
<td>11</td>
<td>19</td>
</tr>
</tbody>
</table>

TCE (Total Committed Exposure) = balance for uncommitted facilities or greater of limit or balance for committed facilities. Calculated before collateralisation. Includes Bank and Sovereign exposures. CBA grades in S&P equivalents. LIE (Loan Impairment Expense) Basis points calculated as a percentage of average Gross Loans and Acceptances (GLA). Consumer represents Retail Banking Services, ASB Retail, Bankwest Retail and IFS Retail. Home Loan Arrears exclude Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan (RBS only) and Residential Mortgage Group (RBS only) loans. Corporate represents Institutional Banking and Markets, Business and Private Banking. ASB Business, Bankwest Business, IFS Business and other corporate related expense. Statutory Corporate LIE for FY13 26 bpts and FY14 11 bpts.
Sound credit quality

Loan Impairment Expense
CBA Group (bpts)

Consumer Arrears
90 Days+

Troublesome and Impaired Assets
$bn

LIE (Loan Impairment Expense): Basis points calculated as a percentage of average Gross Loans and Acceptances (GLA). FY09 includes Bankwest on a pro-forma basis and is based on impairment expense for the year. Statutory Loan Impairment Expense for FY10 48 bpts, FY13 21 bpts and FY14 16 bpts. Consumer Home Loan Arrears exclude Reverse Mortgage, Commonwealth Portfolio Loan (RBS only) and Residential Mortgage Group (RBS only) loans.
Charts based on financial year data (CBA: 31 December and 30 June, Peers: 31 March and 30 September). Provisions do not include General Reserve for Credit Losses, equity reserves or other similar adjustments. All ratios subsequent to 1 January 2013 are based on Basel III credit RWA, all ratios prior to this date are based on Basel II/Basel 2.5 credit RWA.
Strong provisioning

**Individual Provisions**

$m$

- Dec 14: 1,116
- Jun 15: 887
- Dec 15: 909

**Collective Provisions**

$m$

- Dec 14: 2,763
- Jun 15: 2,762
- Dec 15: 2,801

**Categories:**

- **Overlay:**
  - Dec 14: 790
  - Jun 15: 755
  - Dec 15: 774

- **Bankwest:**
  - Dec 14: 306
  - Jun 15: 264
  - Dec 15: 232

- **Consumer:**
  - Dec 14: 942
  - Jun 15: 981
  - Dec 15: 983

- **Commercial:**
  - Dec 14: 725
  - Jun 15: 762
  - Dec 15: 812
### Retail Banking Services

<table>
<thead>
<tr>
<th></th>
<th>1H16</th>
<th>1H16 vs 1H15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home loans</td>
<td>2,081</td>
<td>8%</td>
</tr>
<tr>
<td>Consumer finance</td>
<td>1,278</td>
<td>6%</td>
</tr>
<tr>
<td>Retail deposits</td>
<td>1,498</td>
<td>7%</td>
</tr>
<tr>
<td>Distribution</td>
<td>223</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>80</td>
<td>(9%)</td>
</tr>
<tr>
<td><strong>Total banking income</strong></td>
<td>5,160</td>
<td>7%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(1,694)</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Operating performance</strong></td>
<td>3,466</td>
<td>8%</td>
</tr>
<tr>
<td>Loan impairment expense</td>
<td>(305)</td>
<td>14%</td>
</tr>
<tr>
<td>Tax</td>
<td>(946)</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Cash net profit after tax</strong></td>
<td>2,215</td>
<td>8%</td>
</tr>
</tbody>
</table>

### Home Loan Market Share

- **CBA**: 25.1%
- **Peer 1**: 23.2%
- **Peer 2**: 14.9%
- **Peer 3**: 14.8%

Source: RBA/APRA. CBA includes Bankwest
Retail Banking Services

1H16 vs 1H15

Segment Income

<table>
<thead>
<tr>
<th></th>
<th>1H07</th>
<th>1H14</th>
<th>2H14</th>
<th>1H15</th>
<th>2H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home loans</td>
<td>270</td>
<td>261</td>
<td>266</td>
<td>266</td>
<td>261</td>
<td>269</td>
</tr>
<tr>
<td>Consumer finance</td>
<td>261</td>
<td>266</td>
<td>266</td>
<td>261</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail deposits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Operating Performance

<table>
<thead>
<tr>
<th></th>
<th>1H07</th>
<th>1H14</th>
<th>2H14</th>
<th>1H15</th>
<th>2H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cost-to-Income Ratio

<table>
<thead>
<tr>
<th></th>
<th>Dec 13</th>
<th>Dec 14</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Banking Services</td>
<td>35.4%</td>
<td>33.6%</td>
<td>32.8%</td>
</tr>
</tbody>
</table>

RBS Margin

<table>
<thead>
<tr>
<th></th>
<th>1H07</th>
<th>1H14</th>
<th>2H14</th>
<th>1H15</th>
<th>2H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home loans</td>
<td>270</td>
<td>261</td>
<td>266</td>
<td>266</td>
<td>261</td>
<td>269</td>
</tr>
<tr>
<td>Consumer finance</td>
<td>261</td>
<td>266</td>
<td>266</td>
<td>261</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail deposits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Retail Deposit Mix

<table>
<thead>
<tr>
<th></th>
<th>Dec 14</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transactions</td>
<td>213</td>
<td>230</td>
</tr>
<tr>
<td>Online¹</td>
<td>29</td>
<td>39</td>
</tr>
<tr>
<td>Savings &amp; Investments</td>
<td>127</td>
<td>127</td>
</tr>
</tbody>
</table>

1 Online includes NetBank Saver, Goal Saver and Business Online Saver
## Business & Private Banking

<table>
<thead>
<tr>
<th>Segment</th>
<th>1H16</th>
<th>1H16 vs 1H15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Financial Services</td>
<td>709</td>
<td>7%</td>
</tr>
<tr>
<td>Regional and Agribusiness</td>
<td>322</td>
<td>(1%)</td>
</tr>
<tr>
<td>Local Business Banking</td>
<td>569</td>
<td>4%</td>
</tr>
<tr>
<td>Private Bank</td>
<td>181</td>
<td>10%</td>
</tr>
<tr>
<td>CommSec</td>
<td>180</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total banking income</strong></td>
<td>1,961</td>
<td>5%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(742)</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Operating performance</strong></td>
<td>1,219</td>
<td>5%</td>
</tr>
<tr>
<td>Loan impairment expense</td>
<td>(71)</td>
<td>13%</td>
</tr>
<tr>
<td>Tax</td>
<td>(345)</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Cash net profit after tax</strong></td>
<td>803</td>
<td>5%</td>
</tr>
</tbody>
</table>

## Institutional Banking & Markets

<table>
<thead>
<tr>
<th>Segment</th>
<th>1H16</th>
<th>1H16 vs 1H15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Banking</td>
<td>1,127</td>
<td>5%</td>
</tr>
<tr>
<td>Markets</td>
<td>311</td>
<td>(13%)</td>
</tr>
<tr>
<td><strong>Total banking income</strong></td>
<td>1,438</td>
<td>1%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(534)</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Operating performance</strong></td>
<td>904</td>
<td>(5%)</td>
</tr>
<tr>
<td>Loan impairment expense</td>
<td>(140)</td>
<td>44%</td>
</tr>
<tr>
<td>Tax</td>
<td>(156)</td>
<td>(25%)</td>
</tr>
<tr>
<td><strong>Cash net profit after tax</strong></td>
<td>608</td>
<td>(6%)</td>
</tr>
</tbody>
</table>
Australian Business Lending Growth
12 months to Dec 15

Spot balance growth twelve months to December 15. Source RBA. IB&M represents Core Domestic Lending balance growth and excludes Cash Management Pooling Facilities (CMPF). CMPF included in total growth rate shown.

Combined Institutional Banking and Markets and Business and Private Banking

IB&M -1H16 vs 1H15
Segment Income
Operating Performance

IB&M –1H16 vs 1H15
Segment Income
Operating Performance

NIM²
bpts

Dec 14
210
Dec 15
197
Jun 15
204

System
6.3%
BPB
5.0%
IB&M
11.4%

IB&M
6.8%
## Wealth Management

<table>
<thead>
<tr>
<th>$m</th>
<th>1H16</th>
<th>1H16 vs 1H15</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFSGAM</td>
<td>437</td>
<td>9%</td>
</tr>
<tr>
<td>Colonial First State (CFS)(^1)</td>
<td>467</td>
<td>4%</td>
</tr>
<tr>
<td>CommInsure (CI)</td>
<td>390</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total operating income</strong></td>
<td>1,294</td>
<td>9%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(832)</td>
<td>6%</td>
</tr>
<tr>
<td>Tax</td>
<td>(131)</td>
<td>24%</td>
</tr>
<tr>
<td><strong>Underlying profit after tax</strong></td>
<td>331</td>
<td>10%</td>
</tr>
<tr>
<td>Investment experience</td>
<td>41</td>
<td>(13%)</td>
</tr>
<tr>
<td><strong>Cash net profit after tax</strong></td>
<td>372</td>
<td>7%</td>
</tr>
</tbody>
</table>

---

## Insurance Inforce

<table>
<thead>
<tr>
<th>$m</th>
<th>Dec 14</th>
<th>Life Insurance</th>
<th>General Insurance</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,381</td>
<td>67</td>
<td>24</td>
<td>2,472</td>
<td></td>
</tr>
</tbody>
</table>

## AUM \(^2\)

<table>
<thead>
<tr>
<th>$bn</th>
<th>Dec 14</th>
<th>Net flows</th>
<th>Markets &amp; other</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>191.6</td>
<td>(5.6)</td>
<td>9.2</td>
<td>195.2</td>
<td></td>
</tr>
</tbody>
</table>

---

1. Colonial First State incorporates the results of all Wealth Management Financial Planning businesses
2. AUM include Realindex Investments and exclude the Group’s interest in the First State Cinda Fund Management Company Limited
Wealth Management

1H16 vs 1H15
Segment Income¹
CFSGAM: 9%
CFS: 4%
CI: 15%
Operating Performance
Income¹
CFSGAM: 9%
CFS: 6%
CI: 10%
Costs²
Income¹: 6%
Costs²: 10%
Operating performance³

FUA
$bn
Dec 14: 128.1
Net flows: 1.7
Markets & other: 4.1
Dec 15: 133.9

General Insurance Claims
Net Event Claims $
2H13: 79%
1H14: 89%
2H14: 84%
1H15: 85%
2H15: 90%
1H16: 85%

CFSGAM Funds Performance
3 year rolling average of percentage of funds outperforming benchmark returns
2H13: 79%
1H14: 89%
2H14: 84%
1H15: 85%
2H15: 90%
1H16: 85%

¹ Total operating income
² Operating expenses
³ Underlying profit after tax
**Funding Composition**

- Customer Deposits: 64%
- ST Wholesale Funding: 17%
- LT Wholesale Funding ≥ 12 months: 9%
- Covered Bonds: 4%
- LT Wholesale Funding < 12 months: 3%
- RMBS: 2%
- Hybrids: 1%

**Average Long Term Funding Costs**

Margin to BBSW (bps)

**Issuance**

- Dec 13: $38bn
- Jun 14: $31bn
- Dec 14: $16bn

- Securityitisation
- Long Term Wholesale
- Covered Bond

**Indicative Funding Cost Curves**

Margin to BBSW (bps)

1. Includes central bank deposits; due to other financial institutions (including collateral received).
2. Includes restructure of swaps and reclassification of deals between short and long term funding.
Funding and Liquidity

### Funding

<table>
<thead>
<tr>
<th>Source of funds</th>
<th>Use of funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>Lending</td>
</tr>
<tr>
<td>(1)</td>
<td>(1)</td>
</tr>
<tr>
<td>IFRS &amp; FX on ST &amp; LT Debt</td>
<td>Other Assets</td>
</tr>
<tr>
<td>Net short term funding</td>
<td></td>
</tr>
<tr>
<td>Customer deposits</td>
<td></td>
</tr>
<tr>
<td>New long term funding</td>
<td></td>
</tr>
<tr>
<td>Long term maturities</td>
<td></td>
</tr>
</tbody>
</table>

#### 6 Months to Dec 15

- **Funding**: 7 (Equity) + 2 (IFRS & FX on ST & LT Debt) = 9
- **Use of funds**: 22 (Net short term funding) - 16 (Equity) = 6

- **64% Deposit Funded**

### Liquidity

<table>
<thead>
<tr>
<th>LCR</th>
<th>116%</th>
<th>120%</th>
<th>123%</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLF</td>
<td>136</td>
<td>132</td>
<td>140</td>
</tr>
<tr>
<td>HQLA</td>
<td>66</td>
<td>66</td>
<td>74</td>
</tr>
</tbody>
</table>

#### Source of funds

- **Dec 14**: 136
- **Jun 15**: 132
- **Dec 15**: 140

#### Use of funds

- **Dec 14**: 70
- **Jun 15**: 66
- **Dec 15**: 66

1. Includes restructure of swaps and reclassification of deals between short and long term funding
2. Liquids are reported net of applicable regulatory haircuts. Dec 14 adjusted to align with final reporting with APRA.
3. The Exchange Settlement Account (ESA) balance is netted down by the Reserve Bank of Australia open-repo of internal RMBS.
Dividend per Share

Additional information

<table>
<thead>
<tr>
<th>Year</th>
<th>Interim</th>
<th>Final</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY08</td>
<td>113.153</td>
<td></td>
</tr>
<tr>
<td>FY09</td>
<td>113.115</td>
<td></td>
</tr>
<tr>
<td>FY10</td>
<td>120.170</td>
<td></td>
</tr>
<tr>
<td>FY11</td>
<td>132.188</td>
<td></td>
</tr>
<tr>
<td>FY12</td>
<td>137.197</td>
<td></td>
</tr>
<tr>
<td>FY13</td>
<td>164.200</td>
<td></td>
</tr>
<tr>
<td>FY14</td>
<td>183.218</td>
<td></td>
</tr>
<tr>
<td>FY15</td>
<td>198.222</td>
<td></td>
</tr>
<tr>
<td>FY16</td>
<td>198.000</td>
<td></td>
</tr>
</tbody>
</table>

Payout ratio (cash)

- **FY08**: 63%
- **FY09**: 84%
- **FY10**: 63%
- **FY11**: 84%
- **FY12**: 84%
- **FY13**: 90%
- **FY14**: 81%
- **FY15**: 70%
- **FY16**: 71%

**Note:**
- The payout ratio (cash) is calculated as the ratio of cash dividends paid to shareholders over the net income available for dividends.
- The dividend per share includes both interim and final dividends.
- The data represents the dividend paid in cents per share for each fiscal year from FY08 to FY16.
Interim Dividend

cents per share

Cash NPAT Payout Ratio

1H08 1H09 1H10 1H11 1H12 1H13 1H14 1H15 1H16

113 113 120 132 137 164 183 198 198

63% 84% 63% 62% 62% 71% 70% 70% 71%
Entitlement offer (Aug-15) raised $5.1bn or 131 bpts

From July 2016 - increases average risk weight for the Group’s mortgage portfolio from ~16% to ~25%

Mortgage risk weight change has no impact on the Group’s internationally comparable ratio. Capital raising strengthened the Group’s position within the Global top quartile

10.2%

(100)

9.2%

8.0%

14.3%

CET1 (APRA) Reported Dec 15

Higher mortgage risk weight

CET1 (APRA) Pro-forma Dec 15

APRA Min 2016

CET1 (Int'l) Reported Dec 15

From July 2016 - increases average risk weight for the Group’s mortgage portfolio from ~16% to ~25%

Mortgage risk weight change has no impact on the Group’s internationally comparable ratio. Capital raising strengthened the Group’s position within the Global top quartile

Entitlement offer (Aug-15) raised $5.1bn or 131 bpts
Strong Capital Position

CET1

Dec 14 APRA  9.2%  Jun 15 APRA  9.1%
Share Issue  131  Jun 15 Final Dividend (Net of DRP)  (77)
Cash NPAT  122  Underlying Credit RWA  (28)
Other  (38)  Dec 15 APRA  10.2%  APRA Min 2016  8.0%
Dec 15 Int'l  14.3%

1 Excludes impact of FX and change in regulatory treatments.
2 Primarily relates to growth in IRRBB RWA and the impact of Credit RWA regulatory treatments.
3 Analysis aligns with the APRA study entitled “International capital comparison study” (13 July 2015).
International Peer Basel III CET1

Peer bank top quartile 12.7%\(^1\)

G-SIBs in dark grey

Source: Morgan Stanley and CBA. Based on last reported CET1 ratios up to 4 February 2016 assuming Basel III capital reforms fully implemented.

Peer group comprises listed commercial banks with total assets in excess of A$800 billion and which have disclosed fully implemented Basel III ratios or provided sufficient disclosure for a Morgan Stanley estimate.

1 Calculated top quartile of above peer group
2 Domestic peer figures as at 30 September 2015, WBC reported pro-forma at 30 September 2015
3 Deduction for accrued expected future dividends added back for comparability
### Summary

#### A volume driven income result

1H16 vs 1H15

<table>
<thead>
<tr>
<th>Component</th>
<th>1H13</th>
<th>1H14</th>
<th>1H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Income</td>
<td>$582</td>
<td>$589</td>
<td>$595</td>
<td>$681</td>
</tr>
</tbody>
</table>

- F&I: +10%  
- NII: +6%  
- OBI: +4%  
- Volume: +9%

#### Good operating performance

(Income less operating expense, $m)

1H16 vs 1H15

<table>
<thead>
<tr>
<th>Component</th>
<th>1H14</th>
<th>1H15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>RBS</td>
<td>3,466</td>
<td>$1,219</td>
<td>$968</td>
</tr>
<tr>
<td>BPB</td>
<td>$3,466</td>
<td>$1,219</td>
<td>$968</td>
</tr>
<tr>
<td>IB&amp;M</td>
<td>$3,466</td>
<td>$1,219</td>
<td>$968</td>
</tr>
<tr>
<td>WM</td>
<td>$3,466</td>
<td>$1,219</td>
<td>$968</td>
</tr>
<tr>
<td>NZ</td>
<td>$3,466</td>
<td>$1,219</td>
<td>$968</td>
</tr>
<tr>
<td>BW</td>
<td>$3,466</td>
<td>$1,219</td>
<td>$968</td>
</tr>
</tbody>
</table>

- FUA: +8%  
- +5%  
- +13%  
- +7%  
- +1%

#### Continuing to invest

$m

<table>
<thead>
<tr>
<th>Year</th>
<th>CET1</th>
<th>Deposit Funding</th>
<th>Wholesale Funding</th>
<th>LCR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 14</td>
<td>9.2%</td>
<td>63%</td>
<td>3.9</td>
<td>116%</td>
</tr>
<tr>
<td>Dec 15</td>
<td>10.2%</td>
<td>64%</td>
<td>3.9</td>
<td>123%</td>
</tr>
</tbody>
</table>

1. IB&M ex CVA/FVA
2. In NZD
RESULTS PRESENTATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

IAN NAREV
CHIEF EXECUTIVE OFFICER
Supporting jobs and growth

- $6 billion in salaries and wages to 41,000 Australians and 51,000 people overall

- $4 billion to 6,000 SME partners and suppliers

- Over $3 billion in tax, representing more than 4.5% of Australia's total corporate tax

- $5.5 billion in dividends to Australian shareholders, including more than 800,000 households, either directly or through Australian super funds

Annual figures as at 31 December 2015
## Economic Indicators

### World

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP</td>
<td>4.2</td>
<td>3.4</td>
<td>3.3</td>
<td>3.4</td>
<td>3.1</td>
<td>3.1</td>
<td>3.3</td>
</tr>
</tbody>
</table>

### Australia

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Growth % – Total</td>
<td>2.6</td>
<td>4.4</td>
<td>3.1</td>
<td>5.0</td>
<td>6.0</td>
<td>5½-6½</td>
<td>4¾-6¾</td>
</tr>
<tr>
<td>Credit Growth % – Housing</td>
<td>6.1</td>
<td>5.0</td>
<td>4.6</td>
<td>6.4</td>
<td>7.3</td>
<td>6-7</td>
<td>5-7</td>
</tr>
<tr>
<td>Credit Growth % – Business</td>
<td>-2.3</td>
<td>4.4</td>
<td>1.2</td>
<td>3.4</td>
<td>4.5</td>
<td>5½-6½</td>
<td>5-7</td>
</tr>
<tr>
<td>Credit Growth % – Other Personal</td>
<td>0.6</td>
<td>-1.2</td>
<td>0.2</td>
<td>0.6</td>
<td>0.8</td>
<td>0-1</td>
<td>½-2½</td>
</tr>
<tr>
<td>GDP %</td>
<td>2.4</td>
<td>3.6</td>
<td>2.4</td>
<td>2.5</td>
<td>2.2</td>
<td>2.5</td>
<td>3.1</td>
</tr>
<tr>
<td>CPI %</td>
<td>3.1</td>
<td>2.3</td>
<td>2.3</td>
<td>2.7</td>
<td>1.7</td>
<td>1.5</td>
<td>2.2</td>
</tr>
<tr>
<td>Unemployment rate %</td>
<td>5.0</td>
<td>5.2</td>
<td>5.4</td>
<td>5.8</td>
<td>6.2</td>
<td>5.9</td>
<td>5.6</td>
</tr>
<tr>
<td>Cash Rate %</td>
<td>4¾</td>
<td>3½</td>
<td>2¾</td>
<td>2½</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

### New Zealand

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Growth % – Total</td>
<td>1.5</td>
<td>3.2</td>
<td>4.0</td>
<td>4.2</td>
<td>6.4</td>
<td>5½-7½</td>
<td>3½-5½</td>
</tr>
<tr>
<td>Credit Growth % – Housing</td>
<td>1.2</td>
<td>1.8</td>
<td>5.0</td>
<td>5.3</td>
<td>5.6</td>
<td>6-8</td>
<td>3-5</td>
</tr>
<tr>
<td>Credit Growth % – Business</td>
<td>1.2</td>
<td>3.9</td>
<td>1.9</td>
<td>3.1</td>
<td>6.2</td>
<td>5-7</td>
<td>5-7</td>
</tr>
<tr>
<td>Credit Growth % – Agriculture</td>
<td>-0.8</td>
<td>3.0</td>
<td>4.4</td>
<td>3.7</td>
<td>7.6</td>
<td>5-7</td>
<td>4-6</td>
</tr>
<tr>
<td>GDP %</td>
<td>1.1</td>
<td>2.8</td>
<td>2.3</td>
<td>3.0</td>
<td>3.3</td>
<td>2.2</td>
<td>2.9</td>
</tr>
<tr>
<td>CPI %</td>
<td>3.8</td>
<td>2.2</td>
<td>0.8</td>
<td>1.5</td>
<td>0.6</td>
<td>0.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Unemployment rate %</td>
<td>6.6</td>
<td>6.6</td>
<td>6.7</td>
<td>6.0</td>
<td>5.8</td>
<td>5.8</td>
<td>6.0</td>
</tr>
<tr>
<td>Overnight Cash Rate %</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>3.25</td>
<td>3.25</td>
<td>2.25</td>
<td>2.00</td>
</tr>
</tbody>
</table>
Steady transition, driven by sound monetary policy and lower AUD

Global volatility warrants caution, but overreaction also a threat

Long term policy needed for on-going transition: tax, infrastructure, spending

Financial services a prevailing strength – must be forward looking post FSI

Continuation of long-term strategy for CBA
**Result quality**

**Group NIM**

Cash basis %

- **CBA**
- **Peers**

<table>
<thead>
<tr>
<th>Sep 12</th>
<th>Mar 13</th>
<th>Sep 13</th>
<th>Mar 14</th>
<th>Sep 14</th>
<th>Mar 15</th>
<th>Sep 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.4</td>
<td>2.3</td>
<td>2.2</td>
<td>2.1</td>
<td>2.0</td>
<td>1.9</td>
<td>1.8</td>
</tr>
</tbody>
</table>

**Capitalised Software**

$m$

<table>
<thead>
<tr>
<th>Peer 3</th>
<th>CBA</th>
<th>Peer 2</th>
<th>Peer 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,654</td>
<td>2,183</td>
<td>2,605</td>
<td>2,893</td>
</tr>
</tbody>
</table>

**ROE**

1. CBA is half to December 2015. Peers are half to September 2015. ROE for Peer 3 does not include the impact of its capital raising (completed post September 2015).

- **CBA**
- **Peer 3**
- **Peer 1**
- **Peer 2**

17.2%  15.9%  13.3%  10.0%

**Pre-Capital raising**

**Capital**

APRA CET1

<table>
<thead>
<tr>
<th>CBA</th>
<th>Peer 2</th>
<th>Peer 1</th>
<th>Peer 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.2%</td>
<td>10.2%</td>
<td>9.6%</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

1  CBA ROE for 1H16

---

1  CBA is half to December 2015. Peers are half to September 2015. ROE for Peer 3 does not include the impact of its capital raising (completed post September 2015).

2  Reported CBA is at December 2015. Peers as at September 2015.

3  CBA as at December 2015. Peers 1, 2 and 3 as at September 2015.
Summary

- Operating momentum across all businesses from ongoing customer focus

- Continuing commitment to invest – adapting a strong franchise for the future

- Circumspect about global volatility. Long-term strategies and policies needed for continuing economic transition in Australia
RESULTS PRESENTATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

SUPPLEMENTARY SLIDES

Overview, Customers & People 65
Technology & Innovation 80
Strength – Capital, Funding & Risk 100
Business Performance 130
Economic Indicators 147
## CBA Overview

### People, Customers & Delivery

<table>
<thead>
<tr>
<th></th>
<th>Australia</th>
<th>NZ</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>13.0m</td>
<td>2.2m</td>
<td>0.5m</td>
<td>15.7m</td>
</tr>
<tr>
<td>Staff</td>
<td>41,400</td>
<td>5,700</td>
<td>4,600</td>
<td>51,700</td>
</tr>
<tr>
<td>Branches</td>
<td>1,148</td>
<td>134</td>
<td>147</td>
<td>1,429</td>
</tr>
<tr>
<td>ATMs</td>
<td>4,393</td>
<td>460</td>
<td>174</td>
<td>5,027</td>
</tr>
</tbody>
</table>

### Customer Satisfaction

<table>
<thead>
<tr>
<th></th>
<th>Retail</th>
<th>Business</th>
<th>Internet Banking</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#1</td>
<td>= #1</td>
<td>#1</td>
</tr>
</tbody>
</table>

### Market Shares

<table>
<thead>
<tr>
<th>Main Financial Institution (MFI)</th>
<th>34.1%</th>
<th>#1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Lending\(^1)</td>
<td>25.1%</td>
<td>#1</td>
</tr>
<tr>
<td>Household Deposits\(^2)</td>
<td>29.3%</td>
<td>#1</td>
</tr>
<tr>
<td>FirstChoice Platform\(^3)</td>
<td>11.3%</td>
<td>#1</td>
</tr>
</tbody>
</table>

### Strength

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Capitalisation\(^4)</td>
<td>$131bn</td>
<td>#1</td>
</tr>
<tr>
<td>Capital (CET1)</td>
<td>10.2%</td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>$903bn</td>
<td></td>
</tr>
<tr>
<td>Credit Ratings\(^5)</td>
<td>AA-/Aa2/AA-</td>
<td></td>
</tr>
</tbody>
</table>

---

Refer notes slide at back of this presentation for source information

1 Source: RBA
2 Source: APRA
3 Source: Plan for Life Sep-15
4 Sourced from Bloomberg 8 February 2016
5 S&P, Moody’s, Fitch
Broad contributor to Australian wellbeing

Operating Income 1H16

Expenses
Including ~6,000 SME partners and suppliers

Salaries
Employing ~41,400 people in Australia, ~51,700 globally

Loan impairment
Cost of lending across the economy

Tax expense
Australia’s largest tax payer

Dividends
Returned to over 800,000 shareholders and super funds

Retained for capital and growth
Over $103 billion in new lending in 1H16

Operating Income 1H16

- $3.1bn
- $2.1bn
- $1.8bn
- $1.4bn
- $0.6bn
- $3.4bn
- $2.1bn
- $0.6bn
- $3.4bn
Creating jobs and opportunities

- Employing over 1 in 11 people working in the Australian financial services sector
- Paid $2.5bn in wages to Australian households in 1H16

- Providing direct employment to ~41,400 people in Australia, ~51,700 people globally
- Paid over $2bn to ~6,000 suppliers in 1H16 – supporting employment across the economy
Our People

Employee Engagement Index Score

- **FY12**: 80%
- **FY13**: 80%
- **FY14**: 81%
- **FY15**: 81%

Women in Executive Manager and above roles

- **FY10**: 26%
- **FY11**: 28%
- **FY12**: 31%
- **FY13**: 30%
- **FY14**: 33%
- **FY15**: 35%
- **1H16**: 34%

Lost Time Injury Frequency Rate

- **FY10**: 2.7
- **FY11**: 2.4
- **FY12**: 2.8
- **FY13**: 1.9
- **FY14**: 1.5
- **FY15**: 1.5
- **1H16**: 1.3

Employee Turnover – Voluntary

- **FY10**: 12.7%
- **FY11**: 12.7%
- **FY12**: 12.9%
- **FY13**: 10.2%
- **FY14**: 10.2%
- **FY15**: 10.0%
- **1H16**: 10.1%

Our Stakeholders

Customer Product Holdings

- Home Loans: 1.8m (Australia), 2.2m (Offshore)
- Credit Cards: 4.2m (Australia), 5.1m (Offshore)
- Retail Savings and Transactions: 3.3m (Australia), 11.0m (Offshore)
- Insurance: 4.7m (Australia)
- Personal Loans: 865k (Australia)
- Business Relationships: 646k (Australia)
- Funds Management: 1.7m (Australia)
- CommSec: >300k
- Shareholders: ~800k
- Employees: 51,700

1 Customers who hold at least one product in each of the major product categories shown. Totals not mutually exclusive – includes cross product holdings. Figures are approximates only and may include some level of duplication across customer segments. CommSec total includes active accounts only. Figures may reflect restatements consistent with current period reporting.
## Delivering consistent returns

### Cash ROE

<table>
<thead>
<tr>
<th>Year</th>
<th>ROE</th>
</tr>
</thead>
<tbody>
<tr>
<td>H11</td>
<td>19.2%</td>
</tr>
<tr>
<td>H12</td>
<td>19.2%</td>
</tr>
<tr>
<td>H13</td>
<td>17.9%</td>
</tr>
<tr>
<td>H14</td>
<td>18.7%</td>
</tr>
<tr>
<td>H15</td>
<td>18.6%</td>
</tr>
<tr>
<td>H16</td>
<td>17.2%</td>
</tr>
</tbody>
</table>

### CBA Ranking

<table>
<thead>
<tr>
<th>Metric</th>
<th>H11</th>
<th>H12</th>
<th>H13</th>
<th>H14</th>
<th>H15</th>
<th>H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Cap (ASX)</td>
<td>1st</td>
<td>1st</td>
<td>1st</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend declared</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes Paid</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on Equity</td>
<td></td>
<td></td>
<td></td>
<td>29th</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>80th</td>
<td></td>
</tr>
</tbody>
</table>

### Return on Assets

- **1H11**: 1.0%
- **1H12**: 1.1%
- **1H13**: 1.7%
- **1H14**: 18.7%
- **1H15**: 18.6%
- **1H16**: 17.2%

---

1 Most recent annual results data amongst ASX 100 companies. Sourced from Bloomberg 8 February 2016.
## Investing in Australia

<table>
<thead>
<tr>
<th>$2m</th>
<th>55,056</th>
<th>65</th>
</tr>
</thead>
<tbody>
<tr>
<td>In grants to 228 youth focused organisations</td>
<td>Visitors to the Spirit of Anzac Centenary Experience</td>
<td>Cricket clubs sponsored</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>88,248</th>
<th>$470k</th>
<th>184</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calls to our Indigenous customer assistance line</td>
<td>Raised for the Clown Doctors</td>
<td>Australians recognised as ‘Australians of the Day’</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>258,679</th>
<th>21</th>
<th>115</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students received Start Smart education</td>
<td>CareerTracker Indigenous interns</td>
<td>Community organisations provided with volunteers</td>
</tr>
</tbody>
</table>
Corporate Responsibility

Our vision is to excel at securing and enhancing the financial wellbeing of people, businesses and communities. In November 2015, we have launched a set of practical guidelines to clarify what our vision and values mean for our people on a day-to-day basis. Our corporate responsibility efforts help us deliver on our vision with a focus on how we do business and our role in society.

GLOBAL100
The most sustainable bank in the world
Announced at the World Economic Forum, the G100 is the global index of the world’s most sustainable corporations. Ranked 4th overall in 2016, the Group has been recognised as the most sustainable company in Australia and the most sustainable bank in the world.

Dow Jones Sustainability Indices
A leading sustainability-driven company
The DJSI World is the first global index to track the financial performance of the leading sustainability-driven companies worldwide. In 2015, the Group is once again included in the Dow Jones Sustainability World Index (DJSI).

FTSE4Good
Strong environmental, social and governance practices
The Group continues to be listed on the FTSE4Good. The FTSE4Good Index Series comprises companies demonstrating strong Environmental, Social and Governance (ESG) practices.

Member of

CDP
DRIVING SUSTAINABLE ECONOMIES
Leader in climate disclosure
The Group is included in the CDP ASX 200 Climate Disclosure Leadership Index in 2015 for the seventh consecutive year.
During 1H16 the Group (supported by Ernst & Young) undertook a detailed assessment of the carbon emissions arising from our business lending. The detailed diagnostics and resulting insights provide us with a robust quantitative basis to identify and act on key opportunities to reduce the carbon emissions arising from our business lending portfolio.

CBA Group Business Lending Emissions Intensity (EI) of Expenditure

<table>
<thead>
<tr>
<th>Sector</th>
<th>EI of Expenditure (kgCO₂e/AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity, Gas &amp; Water</td>
<td>2.0</td>
</tr>
<tr>
<td>Agriculture</td>
<td>1.8</td>
</tr>
<tr>
<td>Transport &amp; Storage</td>
<td>1.9</td>
</tr>
<tr>
<td>Mining</td>
<td>0.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0.3</td>
</tr>
<tr>
<td>Personal &amp; Other</td>
<td>0.2</td>
</tr>
<tr>
<td>Construction</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td>Education</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td>Property &amp; Business</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td>Culture &amp; Recreation</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Communication</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Health &amp; Community</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Accomm &amp; Hospitality</td>
<td>&lt;0.05</td>
</tr>
</tbody>
</table>

Weighted portfolio average EI of expenditure includes a double count of electricity scope 1 emissions across all sectors. Sector classification defined by ANZSIC main business activity.

CBA Group Business Lending Emissions Profile

- Agriculture (incl. Forestry & Fishing): 29%
- Electricity, Gas & Water: 17%
- Manufacturing: 17%
- Mining: 9%
- Transport & Storage: 11%
- Other: 13%
- Construction: 1%
- Property & Business: 3%

Corporate Responsibility

The way we do business

TRANSPARENT AND BALANCED DECISIONS

- Released Wealth Management Responsible Investing framework integrating ESG considerations across our Wealth Management investment processes.
- Released financed carbon emissions report assessing the carbon emissions intensity of our business lending portfolio.
- Released ‘Our Approach To Tax’ document in the public domain.

SUSTAINABLE SUPPLY CHAIN

- Released Human Rights Position Statement formalising our commitments to respect human rights across all operations, including our supply chain practices.
- Published Supplier Code of Conduct in the Sustainability Report 2015.

RESPECT AND FAIRNESS

- Awarded Employer of Choice for Gender Equality from the Workplace Gender Equality Agency.
- Announced new 40 per cent target for women in Executive Manager and above positions by 2020.
- Placed 21 Indigenous interns across the business in line with our CareerTrackers commitment.

ENVIRONMENTAL EFFICIENCY

- Updated Group Environment Policy acknowledging international efforts to limit global warming to two degrees.
- First Australian Bank to be awarded a 5 Star Green Star rating for our current branch design.
- Commonwealth Bank Place is the first Australian office awarded a 6 Star Green Star rating across all four aspects: design, construction, interior fit-out and operation performance.
<table>
<thead>
<tr>
<th>INNOVATIVE PRODUCTS AND SERVICES</th>
<th>SKILLS FOR THE FUTURE</th>
<th>COMMUNITY CONTRIBUTION</th>
<th>ADVOCACY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expanded digital wallet giving our customers more convenient access to finances.</td>
<td>Start Smart financial literacy program on track to reach 500,000 bookings for FY16.</td>
<td>Supported 115 community organisations across Australia with CommBank volunteers.</td>
<td>Partnered with the Australian National Committee for UN Women to accelerate gender equality and female empowerment.</td>
</tr>
<tr>
<td>Committed $10 million to support Australian researchers to build the world’s first silicon-based quantum computer in Sydney.</td>
<td>Committed $1.6m investment to develop a centre of expertise for cyber security education with UNSW.</td>
<td>Worked with Blackcard to develop a Group-wide Cultural Capability Framework to build strong relationships with Aboriginal and Torres Strait Islander people, businesses and communities.</td>
<td>Supporter of the 2015 Social Ventures Australia Education Dialogue.</td>
</tr>
<tr>
<td>Announced as Corporate partner for the Sydney International Blockchain conference which brings together regulators, policy makers, technologists and media.</td>
<td>Recognised 15 teachers via the CommBank Teaching Awards who are developing the financial literacy skills of their students.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Corporate Responsibility

Our role in society
# Sustainability Scorecard

<table>
<thead>
<tr>
<th>Customer satisfaction</th>
<th>Units</th>
<th>1H16</th>
<th>FY15</th>
<th>FY14</th>
<th>FY13</th>
<th>FY12</th>
<th>FY11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roy Morgan MFI Retail Customer Satisfaction</td>
<td>% Rank</td>
<td>83.9</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>84.2</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>83.0</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
</tr>
<tr>
<td>DBM Business Financial Services Monitor</td>
<td>Avg. score Rank</td>
<td>7.4</td>
<td>=1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>7.5</td>
<td>=1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>7.4</td>
<td>=1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td>Wealth Insights Platform Service Level Survey</td>
<td>Avg. score Rank Annual</td>
<td>7.75</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>7.94</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>8.32</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

| People | | | | | | | | | | | |
|--------|-------|------|------|------|------|------|------|
| Employee Engagement Index Score | % Annual | 81 | 81 | 80 | 80 | n/a |
| Employee Turnover Voluntary | % | 10.1 | 10.0 | 10.2 | 10.2 | 12.9 | 12.7 |
| Women in Manager and above roles | % | 43.3 | 43.2 | 42.9 | 42.0 | 42.0 | 43.6 |
| Women in Executive Manager and above roles | % | 34.4 | 35.0 | 32.8 | 30.3 | 30.9 | 28.2 |
| Lost Time Injury Frequency Rate (LTIFR) | Rate | 1.3 | 1.5 | 1.5 | 1.9 | 2.8 | 2.4 |
| Absenteeism | Rate | 6.0 | 6.0 | 6.1 | 6.2 | 6.2 | 6.0 |

| Greenhouse Gas Emissions | | | | | | | | | | | |
|--------------------------|-------|------|------|------|------|------|------|
| Scope 1 emissions | tCO₂-e | 3,720 | 7,249 | 7,936 | 8,064 | 8,192 | 8,183 |
| Scope 2 emissions | tCO₂-e | 40,404 | 86,264 | 91,275 | 100,997 | 118,047 | 137,948 |
| Scope 3 emissions | tCO₂-e | 17,979 | 39,361 | 44,826 | 47,438 | 47,667 | 63,719 |

| Financial literacy programs | | | | | | | | | | | |
|-----------------------------|-------|------|------|------|------|------|------|
| School Banking students (active) | Number | 288,458 | 310,474 | 273,034 | 233,217 | 191,416 | 140,280 |
| Start Smart students (booked) | Number | 258,679 | 298,505 | 288,728 | 284,834 | 235,735 | 200,081 |

Customer needs met

By Age

<table>
<thead>
<tr>
<th>Age Band</th>
<th>Products per Customer</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 – 17</td>
<td>1.41</td>
</tr>
<tr>
<td>18 – 24</td>
<td>2.66</td>
</tr>
<tr>
<td>25 – 34</td>
<td>3.33</td>
</tr>
<tr>
<td>35 – 49</td>
<td>3.38</td>
</tr>
<tr>
<td>50 – 64</td>
<td>3.34</td>
</tr>
<tr>
<td>65+</td>
<td>2.49</td>
</tr>
<tr>
<td>Total 18+</td>
<td>3.11</td>
</tr>
</tbody>
</table>

Internet Banking

<table>
<thead>
<tr>
<th></th>
<th>Overall</th>
<th>Non-Internet Users</th>
<th>Mobile App Only Users</th>
<th>Website and Mobile App Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares of Product</td>
<td>3.11</td>
<td>2.25</td>
<td>3.15</td>
<td>4.17</td>
</tr>
</tbody>
</table>

Share of Product

<table>
<thead>
<tr>
<th>Products held at CBA</th>
<th>Products held anywhere</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.11</td>
<td>8.11</td>
</tr>
<tr>
<td>0.52</td>
<td>3.99</td>
</tr>
<tr>
<td>1.07</td>
<td>1.84</td>
</tr>
<tr>
<td>1.51</td>
<td>2.28</td>
</tr>
</tbody>
</table>

Wealth – Share of Product

<table>
<thead>
<tr>
<th>Products held at CBA</th>
<th>CBA</th>
<th>Peer 3</th>
<th>Peer 1</th>
<th>Peer 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares of Product</td>
<td>13.0%</td>
<td>11.2%</td>
<td>8.6%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Deposits</td>
<td>66.2%</td>
<td>58.2%</td>
<td>8.6%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Lending and Cards</td>
<td>58.2%</td>
<td>58.2%</td>
<td>8.6%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Wealth</td>
<td>13.0%</td>
<td>11.2%</td>
<td>8.6%</td>
<td>7.9%</td>
</tr>
</tbody>
</table>

Refer notes slide at back of this presentation for source information.
Business Customer Satisfaction

Refer notes slide at back of this presentation for source information.
Refer notes slide at back of this presentation for source information

CBA  Peers
<table>
<thead>
<tr>
<th>#1 Free financial app</th>
<th>#1 Social &amp; Facebook</th>
<th>#1 Online Banking (CANSTAR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 Customer Satisfaction (Internet Banking Services)</td>
<td>#1 Banking App (Money Magazine)</td>
<td>#1 Internet Business Bank (AB+F)</td>
</tr>
</tbody>
</table>

5.4m active online users
Refer notes slide at back of this presentation for source information

- CBA
- Peer 1
- Peer 2
- Peer 3
Accelerated change, more reliable systems

- High impact system incidents
- System changes per month

<table>
<thead>
<tr>
<th>Year</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>1H16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>400</td>
<td>338</td>
<td>314</td>
<td>1,514</td>
<td>153</td>
<td>150</td>
<td>93</td>
<td>67</td>
<td>44</td>
<td>41</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
<td>3,963</td>
</tr>
</tbody>
</table>

CommonwealthBank
World class technology & operations

Revitalised front-line
- Single view of customer across channels
- CommSee
- Revitalised Processes

State-of-the-art Core
- Legacy system replacement
- Real-time banking
- Straight-through processing
- Simplified architecture
- Resilient systems

Innovation Culture
- Innovation Lab
- Leading apps for phones, tablets and smart watches
- Pi, Albert, Leo, Emmy

The Digital Future
- Simple, personalised digital experiences
- Anywhere, anytime, any device
- Standardised, scalable, reliable & secure
- Customer insights through analytics
Distribution Transformation

Smaller, smarter branch design

In all branches\(^1\) - access to CBA specialists
\(~ 32,000\) calls in 1H16

Video Conferencing

Self Service

68 express branches – focus on self service

Tablets and software for branch concierges to enhance customer flow

Dedicated small business capability with 165 specialists

Express Branch

Over 597 Intelligent Deposit Machines allowing anytime cash and cheque deposits – 94% self service rate for deposits in express branches

---

1 Excludes Bankwest and a very small number of CBA Branches
Guiding customers through the home buying journey

- Estimated market prices and suburb insights
- Search tools, calculators, real time property listings
- Simplified conditional pre-approval with instant response

Note: Android version launched in October 2015, iOS version launched February 2016.
Innovating in Business

- Global first-to-market EFTPOS tablet
- Transforming the way merchants interact with their customers
- Market leading platform enabling merchants to easily access solutions for their businesses
- Now with 17,000+ devices in market across 15,000+ merchants
- Currently 19 apps available for merchants with 50+ apps in development
Innovating in Business

Asset Finance

- Industry leading online quote tool for car and equipment finance
- Instant customised quotes – request a call back or apply online, 24/7

Simple Business Overdraft

- Launch of new Simple Business Overdraft product
- Online application for an unsecured overdraft up to $50,000

August 2015

November 2015
# Growing Small Business

<table>
<thead>
<tr>
<th>Small Business Bank of the Year (Canstar)</th>
<th>Ranked =1st in DBM Micro business customer satisfaction</th>
<th>Dedicated small business banking capability in ~500 branches</th>
<th>Launch of Simple Business Overdraft - simple and easy application (up to $50k), approved in 30mins and funded the same day</th>
</tr>
</thead>
</table>

Delivered over 6k Albert merchant terminals, giving customers market leading payment technology

First bank to offer free, real-time 24/7 transaction account alerts, making cash-flow easy for customers

Building stronger customer relationships with a 38% uplift in financial health checks

Exclusive banking partnership with On-Deck a leading online small business lender
Innovating in Wealth Management

Enhanced experience for both customers and advisors

**Portfolio View**
SMSF

**CFS Retail Platforms**

**First Net Investor**

---

**September 2015**
Complete view of investment portfolio - shares, cash, property and more

**August 2015**
First to market – now offering annuities on platform

**June 2015**
Colonial First State superannuation and managed funds – now on mobile, tablet and online
Innovating in NZ

- Clever Kash – cashless interactive moneybox, helping children understand the value of money as we move towards a cashless society
- ASB’s mobile app users up 37% in last 12 months
- 1st in Mobile app satisfaction at 88%¹
- Launched re-designed and responsive website pages for Personal, Home & Business Loans and Accounts and Cards
- Number of digital releases doubled this year, delivering improvements to customers every 5.3 days

¹ Customer Retail Market Monitor, Camorra Research, December 2015
Growing the Digital Wallet

Self-serve options
- Browse and apply for a wider range of products from the CommBank app

Loyalty cards
- Store your loyalty cards in the CommBank app

Merchant offers
- Tailored merchant offers when shopping in select Westfield shopping centres

July 2015
- Browse and apply for a wider range of products from the CommBank app

July 2015
- Store your loyalty cards in the CommBank app

August 2015
- Tailored merchant offers when shopping in select Westfield shopping centres
Growing Mobile

Mobile % of Online logins
NetBank & App

Jun 12  Jun 13  Jun 14  Jun 15  Dec 15
43%  78%

Mobile % of Online Sales
RBS

Jun 14  Dec 14  Jun 15  Dec 15
24%  40%

---

1 RBS Products included: Savings & Transaction accounts (QNA), Credit Cards (exc. limit increases), Car & Home Insurance (Net new policies written), Essential Super (QNA), Personal Loans (Total fundings), Mortgage Lending, Consumer Credit Insurance, Personal Savings ($) and Personal Overdrafts (#)

---

92 Commonwealth Bank
Growing Mobile

**Cardless Cash**
Total number of transactions

- **Jun 14**: 0.1m
- **Dec 14**: 1.2m
- **Jun 15**: 2.7m
- **Dec 15**: 5.3m

**Tap & Pay**
Number of cards (quarterly figures)

- **Mar 15**: 90K
- **Jun 15**: 155K
- **Sep 15**: 245K
- **Dec 15**: 385K

**Pay Tag**
Number of Pay Tags in market

- **Jun 14**: 176K
- **Dec 14**: 256K
- **Jun 15**: 313K
- **Dec 15**: 361K

**CBA App**
Logons per week

- **Jun 14**: 10m
- **Dec 14**: 15m
- **Jun 15**: 18m
- **Dec 15**: 21m

**CBA App**
Transactions per week ($bn)

- **Jun 14**: 1.5
- **Dec 14**: 2.5
- **Jun 15**: 3.0
- **Dec 15**: 3.8

**Lock, Block & Limit**
Number of accounts enrolled

- **Jun 14**: 26K
- **Dec 14**: 215K
- **Jun 15**: 363K
- **Dec 15**: 465K

---

1 Debit launched March 2015, Credit launched Nov 2015
Growing Online

**Personal loans**

% of Sales Online

- **Jun 14**: 17%
- **Dec 14**: 19%
- **Jun 15**: 22%
- **Dec 15**: 24%

**Transaction accounts**

% of Sales Online

- **Jun 14**: 8%
- **Dec 14**: 10%
- **Jun 15**: 12%
- **Dec 15**: 15%

**Business transaction accounts**

% of Sales Online

- **Jun 14**: 2%
- **Dec 14**: 6%
- **Jun 15**: 7%

**Credit cards**

% of Sales Online

- **Jun 14**: 31%
- **Dec 14**: 33%
- **Jun 15**: 39%
- **Dec 15**: 46%

1. RBS 6 month rolling averages
2. QNA = Quality New Account – a new account which demonstrates certain types of transactional activity such as deposits, loan repayment deductions etc.
Self service acceleration

**Intelligent Deposit Machines (IDMs)**

% of deposits completed via IDM in branches that have had a machine for > 1 month

- Jun 12: 1%
- Dec 12: 5%
- Jun 13: 10%
- Dec 13: 20%
- Jun 14: 30%
- Dec 14: 40%
- Jun 15: 50%
- Dec 15: 60%

**Accounts with e-statements**

Transactions and Savings (% of total)

- Jun 12: 54%
- Dec 12: 59%
- Jun 13: 35%
- Dec 13: 37%
- Jun 14: 19%
- Dec 14: 37%

**Accounts with e-statements**

Credit Cards (% of total)

- Jun 12: 11%
- Dec 12: 19%
- Jun 13: 35%
- Dec 13: 37%
- Jun 14: 19%
- Dec 14: 37%

---

1 The Intelligent Deposit Machine rate has been aligned with other migration measures
### Transaction volumes

#### Branch
(deposits & withdrawals)

- **2003:** 130
- **2004:** 130
- **2005:** 130
- **2006:** 130
- **2007:** 130
- **2008:** 130
- **2009:** 130
- **2010:** 130
- **2011:** 130
- **2012:** 130
- **2013:** 130
- **2014:** 130
- **2015:** 130
- **1H16:** 62

#### ATM
(all transactions\(^1\))

- **2003:** 325
- **2004:** 325
- **2005:** 325
- **2006:** 325
- **2007:** 325
- **2008:** 325
- **2009:** 325
- **2010:** 325
- **2011:** 325
- **2012:** 325
- **2013:** 325
- **2014:** 325
- **2015:** 325
- **1H16:** 268

#### Point of Sale\(^2\)
(all transactions, including credit cards)

- **2003:** 700
- **2004:** 700
- **2005:** 700
- **2006:** 700
- **2007:** 700
- **2008:** 700
- **2009:** 700
- **2010:** 700
- **2011:** 700
- **2012:** 700
- **2013:** 700
- **2014:** 700
- **2015:** 700
- **1H16:** 1,715

#### Internet\(^3\)
(transactions of value)

- **2003:** 40
- **2004:** 40
- **2005:** 40
- **2006:** 40
- **2007:** 40
- **2008:** 40
- **2009:** 40
- **2010:** 40
- **2011:** 40
- **2012:** 40
- **2013:** 40
- **2014:** 40
- **2015:** 40
- **1H16:** 595

---

All figures are approximates

1. All cardholder transactions at Australian-located CBA ATMs
2. Calendar years to 2006; financial years thereafter. Includes EFTPOS Payments Australia Ltd (EPAL), MasterCard and Visa volumes only.
3. Calendar years to 2007; financial years thereafter. Includes BPAY.

~78% of online logins via mobile device
Transaction volumes

Number %
Percentage of total transactions by number

<table>
<thead>
<tr>
<th>Method</th>
<th>Dec 14</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td>64%</td>
<td>65%</td>
</tr>
<tr>
<td>Point of sale</td>
<td>23%</td>
<td>21%</td>
</tr>
<tr>
<td>ATM</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Branch</td>
<td>2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Value %
Percentage of total transactions by $ value

<table>
<thead>
<tr>
<th>Method</th>
<th>Dec 14</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td>50%</td>
<td>52%</td>
</tr>
<tr>
<td>Point of sale</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>ATM</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Branch</td>
<td>34%</td>
<td>36%</td>
</tr>
</tbody>
</table>

$ Transaction for ATM incorporates (for both CBA & OFI’s processed through CBA ATMs) withdrawals, deposits and transfers
Recognises world-class, lean organisations and operational excellence

Undertake a complete assessment of an organisation’s culture and how well it drives world-class results and whether an organisation is fundamentally improving for the long-term

Shingo Institute

Shingo Principles

- Create Value for Customers
- Focus on Process
- Respect Every Individual
- Embrace Scientific Thinking
CBA awarded Shingo Silver Medallion

The Shingo Institute Silver Medallion awarded to CBA’s Retail Bank Collections & Customer Solutions Team

The Silver Medallion

- Highest Shingo Award ever for a Financial Services Institution globally
- Highest Shingo Award ever, across all industries, in Australia

Retail Collections & Customer Solutions

- 75% reduction in “time-to-yes” for contract variation requests
- 90% reduction in non-value added hand-offs
- 60% reduction in turnaround times in asset management
- 86% employee engagement index - 2% above Global Best in Class¹
- 94% of employees proud to work for our organisation (up from 85%)
- 20% reduction in overall cost to collect

¹ Kenexa
## RBS Home Loan Portfolio

<table>
<thead>
<tr>
<th>Portfolio¹</th>
<th>Dec 14</th>
<th>Jun 15</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Balances - Spot ($bn)</td>
<td>310</td>
<td>321</td>
<td>331</td>
</tr>
<tr>
<td>Total Balances - Average ($bn)</td>
<td>306</td>
<td>311</td>
<td>326</td>
</tr>
<tr>
<td>Total Accounts (m)</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>Variable Rate (%)</td>
<td>81</td>
<td>84</td>
<td>84</td>
</tr>
<tr>
<td>Owner Occupied (%)</td>
<td>58</td>
<td>58</td>
<td>59</td>
</tr>
<tr>
<td>Investment (%)</td>
<td>36</td>
<td>36</td>
<td>35</td>
</tr>
<tr>
<td>Line of Credit (%)</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Proprietary (%)</td>
<td>62</td>
<td>61</td>
<td>60</td>
</tr>
<tr>
<td>Broker (%)</td>
<td>38</td>
<td>39</td>
<td>40</td>
</tr>
<tr>
<td>Interest Only (%)²</td>
<td>36</td>
<td>38</td>
<td>38</td>
</tr>
<tr>
<td>Lenders’ Mortgage Insurance (%)²</td>
<td>24</td>
<td>24</td>
<td>23</td>
</tr>
<tr>
<td>Low Deposit Premium (%)²</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Mortgagee In Possession (%)</td>
<td>0.04</td>
<td>0.04</td>
<td>0.04</td>
</tr>
<tr>
<td>Portfolio Dynamic LVR (%)³</td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td>Customers in Advance (%)⁴</td>
<td>76</td>
<td>76</td>
<td>76</td>
</tr>
<tr>
<td>Payments in Advance incl. offset (#)⁵</td>
<td>26</td>
<td>28</td>
<td>31</td>
</tr>
<tr>
<td>Payments in Advance exc. offset (#)⁵</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>New Business¹</th>
<th>Dec 14</th>
<th>Jun 15</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Funding ($bn)</td>
<td>40</td>
<td>80</td>
<td>44</td>
</tr>
<tr>
<td>Average Funding Size ($'000)</td>
<td>267</td>
<td>274</td>
<td>304</td>
</tr>
<tr>
<td>Serviceability Buffer (%)⁶</td>
<td>1.5</td>
<td>2.25</td>
<td>2.25</td>
</tr>
<tr>
<td>Variable Rate (%)</td>
<td>83</td>
<td>87</td>
<td>90</td>
</tr>
<tr>
<td>Owner Occupied (%)</td>
<td>60</td>
<td>59</td>
<td>65</td>
</tr>
<tr>
<td>Investment (%)</td>
<td>36</td>
<td>37</td>
<td>32</td>
</tr>
<tr>
<td>Line of Credit (%)</td>
<td>4</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Proprietary (%)</td>
<td>60</td>
<td>59</td>
<td>55</td>
</tr>
<tr>
<td>Broker (%)</td>
<td>40</td>
<td>41</td>
<td>45</td>
</tr>
<tr>
<td>Interest Only (%)²</td>
<td>38</td>
<td>39</td>
<td>38</td>
</tr>
<tr>
<td>Lenders’ Mortgage Insurance (%)²</td>
<td>19</td>
<td>19</td>
<td>15</td>
</tr>
<tr>
<td>Low Deposit Premium (%)²</td>
<td>8</td>
<td>7</td>
<td>6</td>
</tr>
</tbody>
</table>

1. All portfolio and new business metrics are based on balances and fundings respectively, unless stated otherwise. All new business metrics are based on 12 months to June and 6 months to December.
2. Excludes Line of Credit (Viridian LOC).
3. LVR defined as current balance/current valuation; results restated based on enhanced methodology using up-to-date data.
4. Any payment ahead of monthly minimum repayment. Includes offset facilities.
5. Average number of payments ahead of scheduled repayments.
6. Serviceability test based on the higher of the customer rate plus a 2.25% interest rate buffer or a minimum floor rate.
# Australian Home Loan Portfolio

## Portfolio

<table>
<thead>
<tr>
<th>Metric</th>
<th>Dec 14</th>
<th>Jun 15</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Balances - Spot ($bn)</td>
<td>370</td>
<td>383</td>
<td>393</td>
</tr>
<tr>
<td>Total Balances - Average ($bn)</td>
<td>365</td>
<td>371</td>
<td>388</td>
</tr>
<tr>
<td>Total Accounts (m)</td>
<td>1.7</td>
<td>1.7</td>
<td>1.7</td>
</tr>
<tr>
<td>Variable Rate (%)</td>
<td>82</td>
<td>85</td>
<td>85</td>
</tr>
<tr>
<td>Owner Occupied (%)</td>
<td>60</td>
<td>60</td>
<td>62</td>
</tr>
<tr>
<td>Investment (%)</td>
<td>34</td>
<td>35</td>
<td>33</td>
</tr>
<tr>
<td>Line of Credit (%)</td>
<td>6</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Proprietary (%)</td>
<td>57</td>
<td>57</td>
<td>56</td>
</tr>
<tr>
<td>Broker (%)</td>
<td>43</td>
<td>43</td>
<td>44</td>
</tr>
<tr>
<td>Interest Only (%)</td>
<td>36</td>
<td>37</td>
<td>38</td>
</tr>
<tr>
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<td>27</td>
<td>26</td>
<td>25</td>
</tr>
<tr>
<td>Mortgagee In Possession (%)</td>
<td>0.04</td>
<td>0.04</td>
<td>0.04</td>
</tr>
<tr>
<td>Portfolio Dynamic LVR (%)</td>
<td>50</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Customers in Advance (%)</td>
<td>78</td>
<td>77</td>
<td>78</td>
</tr>
<tr>
<td>Payments in Advance incl offset (#)</td>
<td>25</td>
<td>27</td>
<td>29</td>
</tr>
<tr>
<td>Payments in Advance ex offset (RBS)</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
</tbody>
</table>

## New Business

<table>
<thead>
<tr>
<th>Metric</th>
<th>Dec 14</th>
<th>Jun 15</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Funding ($bn)</td>
<td>46</td>
<td>94</td>
<td>50</td>
</tr>
<tr>
<td>Average Funding Size ($’000)</td>
<td>269</td>
<td>274</td>
<td>302</td>
</tr>
<tr>
<td>Serviceability Buffer (%) (RBS)</td>
<td>1.5</td>
<td>2.25</td>
<td>2.25</td>
</tr>
<tr>
<td>Variable Rate (%)</td>
<td>84</td>
<td>87</td>
<td>90</td>
</tr>
<tr>
<td>Owner Occupied (%)</td>
<td>61</td>
<td>60</td>
<td>66</td>
</tr>
<tr>
<td>Investment (%)</td>
<td>36</td>
<td>37</td>
<td>31</td>
</tr>
<tr>
<td>Line of Credit (%)</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Proprietary (%)</td>
<td>57</td>
<td>55</td>
<td>52</td>
</tr>
<tr>
<td>Broker (%)</td>
<td>43</td>
<td>45</td>
<td>48</td>
</tr>
<tr>
<td>Interest Only (%)</td>
<td>39</td>
<td>41</td>
<td>39</td>
</tr>
<tr>
<td>Lenders’ Mortgage Insurance (%)</td>
<td>22</td>
<td>21</td>
<td>16</td>
</tr>
</tbody>
</table>

---

1. CBA and Bankwest, except where noted. All portfolio and new business metrics are based on balances and fundings respectively, unless stated otherwise. All new business metrics are based on 12 months to June and 6 months to December.
2. Excludes Line of Credit (Viridian LOC/Equity Line).
3. LVR defined as current balance/current valuation. RBS results restated based on enhanced methodology using up-to-date data, Bankwest excludes guarantor securities.
4. Any payment ahead of monthly minimum repayment. Includes offset facilities.
5. Average number of payments ahead of scheduled repayments.
6. Serviceability test based on the higher of the customer rate plus a 2.25% interest rate buffer or a minimum floor rate. Dec 14 and Jun 15 RBS only.
## Australian Home Loan Portfolio

### Strong Portfolio Quality

1. Portfolio losses continue to be low (1H16: 2.4bps)  
2. 78% of customers paying in advance by 29 months on average, including offset facilities  
3. Mortgage offset balances up 22% in 1H16 to $27 billion  
4. Regular stress testing undertaken to identify areas of sensitivity  
5. Portfolio dynamic LVR of 50% (RBS: 48%, Bankwest: 55%)  
6. Limited “low doc” lending (0.1% of approvals and <1% of the portfolio)  
7. Investment loan growth <10%. Investment loan arrears below portfolio average

### Servicing Criteria

1. RBS – Higher of customer rate plus 2.25% or minimum floor rate of 7.25% pa  
2. BW – Higher of customer go-to rate plus 2.25% or 7.60% benchmark rate. Minimum floor rate is 7.35% pa  
3. 80% cap on less certain income sources (e.g. rent, bonuses etc.)  
4. Maximum LVR of 95% for all loans  
5. Lenders’ Mortgage Insurance (LMI) required for higher LVR loans  
6. Limits on investor income allowances e.g. RBS restrict the use of negative gearing where LVR>90%  
7. Buffer applied to existing mortgage repayments  
8. Interest only loans assessed on principal and interest basis

---

1. CBA and Bankwest, except where noted.  
2. Defined as any payment ahead of monthly minimum repayment; includes offset facilities.  
3. LVR defined as current balance/current valuation.  
4. CBA Only. Documentation is required, including Business Activity Statements.  
5. For Bankwest, maximum LVR excludes any capitalised mortgage insurance.
Australian Home Loans

Balance Growth

<table>
<thead>
<tr>
<th>$bn</th>
<th>Jun 15</th>
<th>New Fundings</th>
<th>Redraw &amp; Interest</th>
<th>Repayments &amp; Other</th>
<th>External Refinance</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>383</td>
<td></td>
<td>50</td>
<td>15</td>
<td>(47)</td>
<td>(8)</td>
<td>393</td>
</tr>
</tbody>
</table>

State Profile

1H16 Balance Growth

<table>
<thead>
<tr>
<th>State Profile</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW/ACT</td>
<td>4.3%</td>
</tr>
<tr>
<td>SA/NT</td>
<td>1.4%</td>
</tr>
<tr>
<td>QLD</td>
<td>1.9%</td>
</tr>
<tr>
<td>VIC/TAS</td>
<td>3.2%</td>
</tr>
<tr>
<td>WA</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

Arrears

90+ days

<table>
<thead>
<tr>
<th>90+ days</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Arrears by State

90+ days

Includes CBA and Bankwest. State Profile and Arrears exclude Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loans (RBS only) and Residential Mortgage Group (RBS only) loans.
Australian Investment Home Loans

**Overview**

- Modest balance growth <10%
- Arrears lower than overall portfolio
- Strong borrower profile – skewed to higher income bands
- Credit policy restrictions e.g. LVR caps reduced
- Differential pricing for investment lending

**Relatively low arrears**

Arrears (90+ days)

- Owner Occupied
- Portfolio
- Investment Loan

**Strong borrower profile**

Applicant Gross Income Band Fundings (6 Months to Dec 15)

<table>
<thead>
<tr>
<th>Applicant Gross Income Band</th>
<th>0%</th>
<th>5%</th>
<th>10%</th>
<th>15%</th>
<th>20%</th>
<th>25%</th>
<th>30%</th>
<th>35%</th>
<th>40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>0k to 75k</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75k to 100k</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>100k to 125k</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>125k to 150k</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>150k to 200k</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>200k to 500k</td>
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<td></td>
<td></td>
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<tr>
<td>&gt; 500k</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Includes CBA and Bankwest except where noted. Income Bands and Arrears: excludes Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan (RBS only) and Residential Mortgage Group (RBS only) loans. Fundings based on dollars.
RBS Home Loan Growth Profile

Home Loan Balances

<table>
<thead>
<tr>
<th></th>
<th>$bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun 15 (New fundings)</td>
<td>321</td>
</tr>
<tr>
<td>Jun 15 (Redraw &amp; interest)</td>
<td>44</td>
</tr>
<tr>
<td>Jun 15 (Repayments / Other)</td>
<td>14</td>
</tr>
<tr>
<td>Jun 15 (External refinance)</td>
<td>(42)</td>
</tr>
<tr>
<td>Dec 15</td>
<td>331</td>
</tr>
</tbody>
</table>

Broker Share of Fundings

<table>
<thead>
<tr>
<th></th>
<th>Dec 13</th>
<th>Mar 14</th>
<th>Jun 14</th>
<th>Sep 14</th>
<th>Dec 14</th>
<th>Mar 15</th>
<th>Jun 15</th>
<th>Sep 15</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market</td>
<td>47%</td>
<td>50%</td>
<td>51%</td>
<td>52%</td>
<td>53%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CBA</td>
<td>38%</td>
<td>39%</td>
<td>39%</td>
<td>44%</td>
<td>44%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Home Loan Dynamic LVR

<table>
<thead>
<tr>
<th></th>
<th>Average Dynamic LVR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 14</td>
<td>48%</td>
</tr>
<tr>
<td>Jun 15</td>
<td>48%</td>
</tr>
<tr>
<td>Dec 15</td>
<td>48%</td>
</tr>
</tbody>
</table>

Home Loan Arrears by Vintage

<table>
<thead>
<tr>
<th>Vintage</th>
<th>Months on Book</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY07-09</td>
<td>90+ days</td>
</tr>
</tbody>
</table>

1. % of home loan fundings ($’s). Market represents quarterly MFAA data up to Sep 15. 2 Dynamic LVR is current balance / current valuation; results restated based on enhanced methodology using up-to-date data. 3. Vintage Arrears includes: Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan and Residential Mortgage Group loans.
Arrears not consistently measured/defined across the industry. CBA definition is conservative as it includes Hardship accounts. Home Loans exclude Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan and Residential Mortgage Group loans.
Group Consumer Arrears

Consumer Portfolios

90+ days

Credit Cards

Personal Loans

Home Loans

90+ days

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

0.0%

1.0%

2.0%

Jun 13
Dec 13
Jun 14
Dec 14
Jun 15
Dec 15

Consumer represents Retail Banking Services, ASB Retail and Bankwest Retail. Credit Card arrears not measured/defined consistently across the industry. CBA definition is conservative as it includes Hardship accounts. Personal Loans includes unsecured and secured loans. ASB write-off Credit Card and Personal Loans typically around 90 days past due if no agreed repayment plan. Home Loans exclude Line of Credit, Reverse Mortgage, Commonwealth Portfolio Loan (RBS only) and Residential Mortgage Group (RBS only) loans.
Australian Home Loans – Stress Test

**Assumptions and Outcomes**

<table>
<thead>
<tr>
<th>Assumptions (%)</th>
<th>Base</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Rate</td>
<td>2.0</td>
<td>1.0</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Unemployment</td>
<td>6.1</td>
<td>7.5</td>
<td>9.5</td>
<td>11.0</td>
</tr>
<tr>
<td>Hours under-employed</td>
<td>10.7</td>
<td>13.1</td>
<td>16.1</td>
<td>18.4</td>
</tr>
<tr>
<td>Cumulative reduction in house prices</td>
<td>n/a</td>
<td>10.0</td>
<td>23.0</td>
<td>31.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Outcomes ($m)</th>
<th>Total</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stressed Losses</td>
<td>3,745</td>
<td>580</td>
<td>1,252</td>
<td>1,913</td>
</tr>
<tr>
<td>Insured Losses</td>
<td>1,383</td>
<td>220</td>
<td>467</td>
<td>696</td>
</tr>
<tr>
<td>Net Losses</td>
<td>2,362</td>
<td>360</td>
<td>785</td>
<td>1,217</td>
</tr>
<tr>
<td>Net Losses (bpts)</td>
<td>52.3</td>
<td>8.0</td>
<td>17.2</td>
<td>27.1</td>
</tr>
<tr>
<td>PD %</td>
<td>n/a</td>
<td>1.4</td>
<td>2.0</td>
<td>2.5</td>
</tr>
</tbody>
</table>

**Summary**

- Stress Test outcomes have been updated for a revised stress scenario (-$0.1bn) and addition of Bankwest home loans (+$0.5bn)
- Refreshed “stress test” scenario represents a severe but plausible commodities-led recession
- Total net losses after LMI recoveries over 3 years of $2.4bn remain largely unchanged

One of multiple regular stress tests undertaken. Hours under-employed measured as a proportion of total labour force hours available for work. Results based on June 2015 data. House prices and PDs (Probabilities of Default) are stressed at regional level. Net losses (bpts) calculated as net losses in year divided by average exposure. Assumes a LMI claim payout ratio of 70% in each of the 3 years.
# Regulatory Exposure Mix

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Regulatory Credit Exposure Mix</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CBA</td>
</tr>
<tr>
<td>Residential Mortgages</td>
<td>55%</td>
</tr>
<tr>
<td>Corporate, SME, Specialised Lending</td>
<td>27%</td>
</tr>
<tr>
<td>Bank</td>
<td>5%</td>
</tr>
<tr>
<td>Sovereign</td>
<td>9%</td>
</tr>
<tr>
<td>Qualifying Revolving</td>
<td>3%</td>
</tr>
<tr>
<td>Other Retail</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total Advanced</strong></td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Pillar 3 disclosures for CBA as at December 2015 and Peers as at September 2015. Excludes Standardised (including Other Assets), CVA and Securitisation, which represents 7% of CBA, 9% of Peer 1, 20% of Peer 2 and 5% of Peer 3 before exclusion.
Credit Exposures by Industry

Jun 15

- Consumer: 54.2%
- Agriculture: 1.8%
- Mining: 1.9%
- Manufacturing: 1.7%
- Energy: 0.9%
- Construction: 0.9%
- Retail & Wholesale: 2.3%
- Transport: 1.5%
- Banks: 8.6%
- Finance – other: 4.6%
- Business Services: 1.2%
- Property: 6.3%
- Sovereign: 8.4%
- Health & Community: 0.6%
- Culture & Recreation: 0.8%
- Other: 4.3%
- Total: 100%

Dec 15

- Consumer: 54.0%
- Agriculture: 1.8%
- Mining: 1.8%
- Manufacturing: 1.8%
- Energy: 1.1%
- Construction: 0.8%
- Retail & Wholesale: 2.3%
- Transport: 1.5%
- Banks: 7.8%
- Finance – other: 5.1%
- Business Services: 1.3%
- Property: 6.4%
- Sovereign: 8.7%
- Health & Community: 0.7%
- Culture & Recreation: 0.7%
- Other: 4.2%
- Total: 100%

Australia: 76.6%
New Zealand: 8.5%
Europe: 5.6%
Other International: 9.3%

Australia: 75.4%
New Zealand: 8.8%
Europe: 6.4%
Other International: 9.4%

TCE (Total Committed Exposure) basis = balance for uncommitted facilities and the greater of limit or balance for committed facilities. Calculated before collateralisation. Includes ASB and Bankwest and excludes settlement exposures.
### Sector Exposures

#### Commercial Exposures by Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>AAA to AA-</th>
<th>A+ to A</th>
<th>BBB+ to BBB-</th>
<th>Other</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banks</td>
<td>30.9</td>
<td>38.5</td>
<td>9.7</td>
<td>2.2</td>
<td>81.3</td>
</tr>
<tr>
<td>Finance Other</td>
<td>22.9</td>
<td>17.4</td>
<td>9.8</td>
<td>3.0</td>
<td>53.1</td>
</tr>
<tr>
<td>Property</td>
<td>1.6</td>
<td>6.0</td>
<td>13.5</td>
<td>44.8</td>
<td>65.9</td>
</tr>
<tr>
<td>Sovereign</td>
<td>82.7</td>
<td>6.7</td>
<td>0.5</td>
<td>0.4</td>
<td>90.3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1.5</td>
<td>3.8</td>
<td>6.1</td>
<td>7.1</td>
<td>18.5</td>
</tr>
<tr>
<td>Trade</td>
<td>1.0</td>
<td>1.7</td>
<td>6.9</td>
<td>14.6</td>
<td>24.2</td>
</tr>
<tr>
<td>Agriculture</td>
<td>-</td>
<td>0.3</td>
<td>1.7</td>
<td>16.5</td>
<td>18.5</td>
</tr>
<tr>
<td>Energy</td>
<td>0.2</td>
<td>1.7</td>
<td>8.7</td>
<td>0.8</td>
<td>11.4</td>
</tr>
<tr>
<td>Transport</td>
<td>0.3</td>
<td>2.1</td>
<td>8.7</td>
<td>4.8</td>
<td>15.9</td>
</tr>
<tr>
<td>Mining</td>
<td>2.0</td>
<td>4.9</td>
<td>7.0</td>
<td>5.0</td>
<td>18.9</td>
</tr>
<tr>
<td>All other (ex Consumer)</td>
<td>1.5</td>
<td>6.1</td>
<td>21.8</td>
<td>43.0</td>
<td>72.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>144.6</strong></td>
<td><strong>89.2</strong></td>
<td><strong>94.4</strong></td>
<td><strong>142.2</strong></td>
<td><strong>470.4</strong></td>
</tr>
</tbody>
</table>

#### Top 20 Commercial Exposures

- **A-**
- **AA-**
- **BBB+**
- **BBB**
- **AA**
- **A**
- **A+**
- **BBB-**
- **BBB+**
- **AA-**
- **A-**
- **AA-**
- **A-**
- **BBB**
- **A-**
- **BBB**
- **A-**
- **BBB**
- **A-**
- **BBB**

**TCE (Total Committed Exposure) basis =** balance for uncommitted facilities and the greater of limit or balance for committed facilities. Calculated before collateralisation. Includes ASB and Bankwest and excludes settlement exposures. CBA grades in S&P equivalents.
Overview
- Exposure of $65.9bn (6.4% of Group TCE) diversified across sectors/geography/counterparties
- Less than 0.3% of total exposures impaired; less than 3% of sub-investment grade exposures unsecured
- Portfolio remains well provisioned
- Portfolio highly weighted to NSW (59%);
  - Sydney CBD Office – lowest vacancy rate nationally – 2016 supply increase primarily committed
  - Sydney Residential – supply is demand driven, with vacancy rates below national average
- Other Markets (Office):
  - Melbourne CBD vacancy rate stable at ~10%, with high levels of tenant take-up expected to see vacancy rates fall to ~8% by end 2016
  - Perth and Brisbane CBD’s impacted by resource sector weakness – vacancy rates expected to peak in 2016
- Residential apartments:
  - National vacancy rate ~ 2.6% - below long term avg (3%)
  - Melbourne vacancy rate expected to rise off a low base but buoyed by depth of occupier market and strong population growth
  - Perth vacancy has risen to ~ 4.1%, impacted by restructuring in the resource sector

Group Exposure

<table>
<thead>
<tr>
<th></th>
<th>Jun 15</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Group TCE</td>
<td>6.3</td>
<td>6.4</td>
</tr>
<tr>
<td>% of Portfolio rated investment grade</td>
<td>34</td>
<td>33</td>
</tr>
<tr>
<td>% of Portfolio impaired</td>
<td></td>
<td>0.28</td>
</tr>
</tbody>
</table>

Group Sector Profile

- Retail: 21%
- Office: 15%
- Residential: 18%
- REIT: 21%
- Industrial: 9%
- Other: 16%
Mining, Oil and Gas

Overview

- Exposure of $18.9bn (1.8% of Group TCE)
- Sound portfolio that continues to perform acceptably notwithstanding recent deterioration in commodity prices:
  - 74% investment grade
  - Diversified by commodity/customer/region
  - Focus on quality sponsors, with low cost operating models
  - Mining services exposure modest (4% of Mining)
- Conservative debt-sizing metrics, commodity price decks and technical due diligence used to assess projects
- Oil and Gas sub-sector (63% of total):
  - 79% investment grade
  - 30% relates to LNG – typically supported by strong sponsors with significant equity contribution
- Market conditions expected to remain challenging in near term – industry responding via cost management actions; reduced discretionary capex

Group Exposure

<table>
<thead>
<tr>
<th>% of Group TCE</th>
<th>% of Portfolio rated investment grade</th>
<th>% of Portfolio impaired</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.9</td>
<td>79</td>
<td>0.8</td>
</tr>
<tr>
<td>1.8</td>
<td>74</td>
<td>1.9</td>
</tr>
</tbody>
</table>

Mining, Oil and Gas by Sector

- Oil & Gas Extraction: 63%
- Black Coal Mining: 4%
- Gold Ore Mining: 8%
- Iron Ore Mining: 10%
- Metals Mining: 9%
- Mining Services: 4%
- Other Mining: 2%
- Oil & Gas Extraction: 63%

TCE (Total Committed Exposure) basis. TCE = balance for uncommitted facilities and the greater of limit or balance for committed facilities. Calculated before collateralisation. Includes ASB and Bankwest.
Capital ($m) assigned to interest rate risk in banking book per APS117. Bpts (basis points) of APRA CET1 ratio.
Liquidity Coverage Ratio

- LCR 123% at 31 Dec 2015
- HQLA increased 12% while Net Cash Outflows increased 3%

<table>
<thead>
<tr>
<th>Liquidity Coverage Ratio ($bn)</th>
<th>Dec 15</th>
<th>Jun 15</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Quality Liquid Assets</td>
<td>74</td>
<td>66</td>
<td>12%</td>
</tr>
<tr>
<td>Committed Liquidity Facility</td>
<td>66</td>
<td>66</td>
<td>-</td>
</tr>
<tr>
<td>Total LCR liquid assets</td>
<td>140</td>
<td>132</td>
<td>6%</td>
</tr>
</tbody>
</table>

Net Cash Outflows due to:

- Customer deposits: 67 (Dec 14), 66 (Jun 15), 2%
- Wholesale funding: 25 (Dec 14), 31 (Jun 15), (18%)
- Other: 21 (Dec 14), 14 (Jun 15), 50%

Net Cash Outflows: 113 (Dec 14), 110 (Jun 15), 3%

LCR: 123% (Dec 14), 120% (Jun 15), 300 bpts

LCR Qualifying Liquid Assets

<table>
<thead>
<tr>
<th>$bn</th>
<th>Dec 14</th>
<th>Jun 15</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>HQLA</td>
<td>43</td>
<td>41</td>
<td>43</td>
</tr>
<tr>
<td>Committed</td>
<td>27</td>
<td>25</td>
<td>23</td>
</tr>
<tr>
<td>Total LCR</td>
<td>136</td>
<td>132</td>
<td>140</td>
</tr>
</tbody>
</table>

1 Liquids are reported net of applicable regulatory haircuts. Dec 14 adjusted from Pro-forma to align with final reporting with APRA.
Funding - Portfolio

Term Wholesale Funding by Currency

- Dec 15
- Jun 15
- Jun 14
- Jun 13

- AUD
- USD
- EUR
- Other

Wholesale Funding by Product

- Vanilla MTN: 25%
- Commercial Paper: 16%
- Certificate of Deposit: 14%
- FI Deposits²: 13%
- Covered Bonds: 10%
- Securitisation: 5%
- Debt Capital: 5%
- Structured MTN: 5%
- Other: 7%

Term Wholesale Funding profile – issuance and maturity

- Issuance
- Maturity

Weighted average maturity 3.9 years

1 Includes loan capital
2 Includes Interbank, Central Bank and Gross collateral received deposits
Funded Assets

$bn

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
<th>Jun 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transactions</td>
<td>97</td>
<td>89</td>
</tr>
<tr>
<td>Savings</td>
<td>190</td>
<td>176</td>
</tr>
<tr>
<td>Investments</td>
<td>196</td>
<td>195</td>
</tr>
<tr>
<td>Other</td>
<td>17</td>
<td>18</td>
</tr>
<tr>
<td>Total customer deposits</td>
<td>500</td>
<td>478</td>
</tr>
<tr>
<td>Wholesale funding</td>
<td>282</td>
<td>280</td>
</tr>
<tr>
<td>Total funding</td>
<td>782</td>
<td>758</td>
</tr>
<tr>
<td>Equity</td>
<td>60</td>
<td>53</td>
</tr>
<tr>
<td>Total funded assets</td>
<td>842</td>
<td>811</td>
</tr>
</tbody>
</table>

Customer %: 64% (Dec 15) 63% (Jun 15)

---

1. Maturity based on original issuance date
2. Comparatives have been restated to conform to presentation in the current period
The APRA Basel III capital requirements are more conservative than those of the Basel Committee on Banking Supervision (BCBS), leading to lower reported capital ratios. In July 2015, APRA published a study that compared the major banks’ capital ratios against a set of international peers\(^1\)

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity investments</td>
<td>Balances below prescribed threshold are risk weighted, compared to a 100% CET1 deduction under APRA’s requirements.</td>
</tr>
<tr>
<td>Capitalised expenses</td>
<td>Balances are risk weighted, compared to a 100% CET1 deduction under APRA’s requirements.</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>Balances below prescribed threshold are risk weighted, compared to a 100% CET1 deduction under APRA’s requirements.</td>
</tr>
<tr>
<td>IRRBB</td>
<td>APRA requires capital to be held for Interest Rate Risk in the Banking Book (IRRBB). The BCBS does not have any capital requirement.</td>
</tr>
<tr>
<td>Residential mortgages</td>
<td>Loss Given Default (LGD) of 15%, compared to the 20% LGD floor under APRA’s requirements.</td>
</tr>
<tr>
<td>Other retail standardised exposures</td>
<td>Risk-weighting of 75%, rather than 100% under APRA’s requirements.</td>
</tr>
<tr>
<td>Corporate exposures</td>
<td>Unsecured non-retail exposures: LGD of 45%, compared to the 60% or higher LGD under APRA’s requirements.</td>
</tr>
<tr>
<td>Specialised lending</td>
<td>Non-retail undrawn commitments: Credit conversion factor of 75%, compared to 100% under APRA’s requirements.</td>
</tr>
<tr>
<td>Currency conversion threshold</td>
<td>Use of IRB probabilities of default (PD) and LGDs for income producing real estate and project finance exposures, reduced by application of a scaling factor of 1.06. APRA applies higher risk weights under a supervisory slotting approach, but does not require the application of the scaling factor.</td>
</tr>
</tbody>
</table>

---

1. APRA study entitled “International capital comparison study” (13 July 2015)
The following table provides details on the differences, as at 31 December 2015, between the APRA Basel III capital requirements and internationally comparable capital ratios\(^1\).

<table>
<thead>
<tr>
<th>CET1 Basel III (APRA)</th>
<th>10.2%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity investments</td>
<td>0.9%</td>
</tr>
<tr>
<td>Capitalised expenses</td>
<td>0.1%</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>0.2%</td>
</tr>
<tr>
<td>IRRBB</td>
<td>0.5%</td>
</tr>
<tr>
<td>Residential mortgages</td>
<td>0.7%</td>
</tr>
<tr>
<td>Other retail standardised exposures</td>
<td>0.1%</td>
</tr>
<tr>
<td>Unsecured non-retail exposures</td>
<td>0.6%</td>
</tr>
<tr>
<td>Non-retail undrawn commitments</td>
<td>0.4%</td>
</tr>
<tr>
<td>Specialised lending</td>
<td>0.5%</td>
</tr>
<tr>
<td>Currency conversion threshold</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>Total adjustments</strong></td>
<td><strong>4.1%</strong></td>
</tr>
</tbody>
</table>

| CET1 Basel III (Internationally Comparable) | 14.3% |

\(^1\) Analysis aligns with the APRA study entitled “International capital comparison study” (13 July 2015)
In July 2015, APRA published a study that compared the major banks’ capital ratios against a set of international peers.

CBA’s internationally comparable ratios align with the APRA Study.

CBA’s internationally comparable CET1, Tier 1 and Total Capital ratios are in the top quartile of international peers.

CBA raised ~$5bn in CET1 in the December 2015 half year.

---

1 Figure 2, APRA, Information paper “International capital comparison study”, 13 July 2015; Table A.3, Basel Committee on Banking Supervision, “Basel III Monitoring Report”, March 2015

2 Assumes Basel III requirements have been fully implemented and that any transitional rules are no longer applicable
Colonial Group Debt

- Capital benefit from Colonial Group phased out as existing debt matures
- First tranche matured in April 2015 ($350m). Remaining debt to mature across FY17 and FY18
- Timing of APRA Level 3 capital reforms not known, but not expected to be material for the Group

Colonial Group debt maturity profile (transitional relief)

Impact on CET1

<table>
<thead>
<tr>
<th></th>
<th>1H16</th>
<th>2H16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>0.0</td>
<td>0.0</td>
<td>0.30</td>
<td>0.15</td>
</tr>
<tr>
<td>$ value</td>
<td>-</td>
<td>-</td>
<td>$1,200m</td>
<td>$665m</td>
</tr>
</tbody>
</table>

1 CET1 (APRA) impact based on Dec 15 RWA. Future growth in RWAs is expected to reduce the impact.
In December 2013, APRA announced that the Australian major banks are domestic systemically-important banks (D-SIBs)

From 1 January 2016, D-SIBs are required to hold 1% additional capital in the form of CET1 (called the D-SIB buffer)

D-SIB buffer forms part of the capital conservation buffer (CCB) – from 1 January 2016, if a bank’s CET1 ratio falls within the capital conservation buffer, then it will only be able to use a certain percentage of its earnings to make discretionary payments such as dividends, hybrid Tier 1 distributions and bonuses

<table>
<thead>
<tr>
<th>CET1 ratio</th>
<th>Value</th>
<th>% of earnings able to be used for discretionary payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above top of CCB</td>
<td>PCR + 3.5%, and above</td>
<td>100%</td>
</tr>
<tr>
<td>Fourth quartile of CCB</td>
<td>Less than PCR + 3.5%</td>
<td>60%</td>
</tr>
<tr>
<td>Third quartile of CCB</td>
<td>Less than PCR + 2.625%</td>
<td>40%</td>
</tr>
<tr>
<td>Second quartile of CCB</td>
<td>Less than PCR + 1.75%</td>
<td>20%</td>
</tr>
<tr>
<td>First quartile of CCB</td>
<td>Less than PCR + 0.875%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Prudential capital ratio (4.5% minimum plus any additional amount required by APRA)

PCR

Above example assumes the total CCB (including the D-SIB buffer) is 3.5%
Replicating portfolio provides partial economic hedge for certain liabilities and assets that display imperfect correlation between the cash rate and the product interest rate.
UK and US Balance Sheet Comparison 1,2

**United Kingdom**

- **Assets**
  - Cash & equivalents: 8%
  - Home Loans: 17%
  - Other Lending: 43%
  - Other Fair Value Assets: 13%
  - Trading Securities: 12%
  - Other Assets: 7%

- **Liab + Equity**
  - Equity: 8%
  - Deposits: 57%
  - Long Term: 7%
  - Short Term: 12%
  - Other Liabilities: 11%
  - Trading Liabilities: 5%

**USA**

- **Assets**
  - Cash & equivalents: 12%
  - Home Loans: 13%
  - Other Lending: 39%
  - Other Fair Value Assets: 17%
  - Trading Securities: 9%
  - Other Assets: 10%

- **Liab + Equity**
  - Equity: 12%
  - Deposits: 57%
  - Long Term: 10%
  - Short Term: 11%
  - Other Liabilities: 7%
  - Trading Liabilities: 3%

---

1 Based on statutory balance sheets.
2 Balance sheets do not include derivative assets and liabilities.
3 Wholesale funding.

Based on analysis of Citigroup, JP Morgan, Bank of America and Wells Fargo as at 30 September 2015.
Average of four banks.

Based on analysis of Lloyds, RBS, HSBC and Barclays as at 30 June 2015.
Average of four banks.
Commonwealth Bank

CBA balance sheet as at 31 December 2015.
Balance sheet does not include derivative assets and liabilities.
Based on statutory balance sheet.

Balance Sheet Comparisons

**Assets – CBA has a safe, conservative asset profile:**
- 51% of balance sheet is home loans, which are stable/long term.
- Trading securities and other fair value assets comprise just 14% of CBA balance sheet compared to 25% and 26% for UK and US banks respectively.
- CBA’s balance sheet is less volatile due to a lower proportion of fair value assets.

<table>
<thead>
<tr>
<th></th>
<th>Amortised cost</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBA</td>
<td>82%</td>
<td>18%</td>
</tr>
<tr>
<td>UK</td>
<td>45%</td>
<td>55%</td>
</tr>
<tr>
<td>US</td>
<td>55%</td>
<td>45%</td>
</tr>
</tbody>
</table>

*CBA has a safe, secure funding profile:*
- Higher deposit base than US and UK banks (62% including 32% of stable household deposits).
- CBA wholesale funding profile has a longer duration than UK banks. This means CBA has lower dependence on wholesale funding markets in any given period compared to UK banks.

*Includes grossed up derivatives.*
## Regulatory Expected Loss

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
<th>Jun 15</th>
<th>Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory Expected Loss (EL)</td>
<td>4,214</td>
<td>4,083</td>
<td>4,281</td>
</tr>
<tr>
<td>Eligible Provisions (EP)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collective Provisions(^1)</td>
<td>2,656</td>
<td>2,599</td>
<td>2,613</td>
</tr>
<tr>
<td>Specific Provisions(^1,2)</td>
<td>1,649</td>
<td>1,656</td>
<td>1,956</td>
</tr>
<tr>
<td>General Reserve for Credit Losses adjustment</td>
<td>386</td>
<td>346</td>
<td>321</td>
</tr>
<tr>
<td>less ineligible provisions(^3)</td>
<td>(592)</td>
<td>(593)</td>
<td>(711)</td>
</tr>
<tr>
<td>Total Eligible Provisions</td>
<td>4,099</td>
<td>4,008</td>
<td>4,179</td>
</tr>
<tr>
<td>Regulatory EL in Excess of EP</td>
<td>115</td>
<td>75</td>
<td>102</td>
</tr>
<tr>
<td>Common Equity Tier 1 Adjustment (^4)</td>
<td>245</td>
<td>134</td>
<td>102</td>
</tr>
</tbody>
</table>

1. Includes transfer from collective provision to specific provisions in accordance with APS 220 requirements (Dec 15: $145m, Jun 15: $163m, Dec 14: $150m)
2. Specific provisions at Dec 15 includes $595m partial write offs (Jun 15: $606m, Dec 14: $690m)
3. Includes provisions for assets under standardised portfolio
4. Expected loss and eligible provisions are assessed separately for defaulted and non-defaulted exposures. At Dec 15, there was an excess of eligible provisions compared to expected loss for defaulted exposures of $130m (Jun 15: $59m), which is not available to reduce the shortfall for non-defaulted exposures in the CET1 calculation.
Leverage Ratio

CBA Leverage Ratio well above prescribed Basel Committee minimum

Leverage ratio introduced to constrain the build-up of leverage in the banking system.

Scheduled to be introduced as a minimum requirement from 1 January 2018.

\[
\text{Leverage ratio} = \frac{\text{Tier 1 Capital}}{\text{Exposures}}
\]

Basel Committee minimum 3%

Reconciliation ($m) – APRA basis

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 Capital</td>
<td>47,972</td>
</tr>
<tr>
<td>Total Exposures</td>
<td>952,969</td>
</tr>
<tr>
<td>Leverage Ratio (APRA)</td>
<td>5.0%</td>
</tr>
<tr>
<td>Group Total Assets</td>
<td>903,075</td>
</tr>
<tr>
<td>Less non consolidated subsidiaries</td>
<td>(14,863)</td>
</tr>
<tr>
<td>Less net derivative adjustment</td>
<td>(1,954)</td>
</tr>
<tr>
<td>Add securities financing transactions</td>
<td>1,195</td>
</tr>
<tr>
<td>Less asset amounts deducted from Tier 1</td>
<td>(17,540)</td>
</tr>
<tr>
<td>Add off balance sheet credit exposures</td>
<td>83,056</td>
</tr>
<tr>
<td>Total Exposures</td>
<td>952,969</td>
</tr>
</tbody>
</table>
# Regulatory Change

<table>
<thead>
<tr>
<th>APRA</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage ratio</td>
<td>First disclosed</td>
<td></td>
<td></td>
<td>Implementation</td>
<td></td>
</tr>
<tr>
<td>CCB + D-SIB</td>
<td></td>
<td>Implementation 1 Jan 2016 – CCB CET1 2.5% + D-SIB CET1 1.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Counter Cyclical Capital Buffer</td>
<td></td>
<td>Implementation 1 Jan 2016 – CCYB CET1 0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LCR</td>
<td>Implementation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Level 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Response to FSI</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital floors</td>
<td>Consultation</td>
<td>Expected to be finalised 2016</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standardised Credit Risk</td>
<td>Consultation</td>
<td>Expected to be finalised 2016</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standardised Operational Risk</td>
<td>Consultation</td>
<td>Expected to be finalised 2016</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Risk</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRRBB</td>
<td>Consultation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NSFR</td>
<td>Consultation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>Consultation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>TLAC (FSB)</td>
<td>APRA to consult</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
RWA & Capital Usage

**Total Risk Weighted Assets**

<table>
<thead>
<tr>
<th></th>
<th>Jun 15</th>
<th>Credit Risk</th>
<th>Traded Market Risk</th>
<th>IRRBB</th>
<th>Operational Risk</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$368.7</td>
<td>15.8</td>
<td>1.1</td>
<td>6.7</td>
<td>0.4</td>
<td>392.7</td>
</tr>
<tr>
<td>CET1 impact bpts</td>
<td></td>
<td>(43)</td>
<td>(3)</td>
<td>(18)</td>
<td>(1)</td>
<td>(65)</td>
</tr>
</tbody>
</table>

**Credit Risk Weighted Assets**

<table>
<thead>
<tr>
<th></th>
<th>Jun 15</th>
<th>Volume</th>
<th>Quality</th>
<th>Data</th>
<th>Underlying Credit RWA</th>
<th>Reg Treatments</th>
<th>FX</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$319.2</td>
<td>9.7</td>
<td>0.6</td>
<td>0.1</td>
<td>329.6</td>
<td>2.9</td>
<td>2.5</td>
<td>335.0</td>
</tr>
<tr>
<td>CET1 impact bpts</td>
<td></td>
<td>(27)</td>
<td>(1)</td>
<td>-</td>
<td>(28)</td>
<td>(8)</td>
<td>(7)</td>
<td>(43)</td>
</tr>
</tbody>
</table>

**Capital Usage – CET1 (APRA)**

<table>
<thead>
<tr>
<th></th>
<th>Jun 15</th>
<th>Jun 15 Final Dividend (net of DRP)</th>
<th>Cash NPAT</th>
<th>Underlying Credit RWA</th>
<th>Reg Treatment - RWA</th>
<th>Credit RWA - FX</th>
<th>FCTR</th>
<th>IRRBB RWA</th>
<th>Market &amp; Op RWA</th>
<th>Other</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Issue</td>
<td>131</td>
<td></td>
<td>122</td>
<td>(28)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10.2%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Basis points contribution to change in APRA CET1 ratio. CRE (Credit Risk Estimates) refers to the Group’s estimates of regulatory long-run PD, downturn LGD and EAD.
## RBS – 6 Month Periods

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
<th>Jun 15</th>
<th>Dec 14</th>
<th>Dec 15 vs Jun 15</th>
<th>Dec 15 vs Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net interest income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home loans</td>
<td>1,971</td>
<td>1,752</td>
<td>1,809</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td>Consumer finance</td>
<td>997</td>
<td>954</td>
<td>925</td>
<td>5%</td>
<td>8%</td>
</tr>
<tr>
<td>Retail deposits</td>
<td>1,238</td>
<td>1,179</td>
<td>1,157</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>Other</td>
<td>30</td>
<td>32</td>
<td>40</td>
<td>(6%)</td>
<td>(25%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,236</td>
<td>3,917</td>
<td>3,931</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Other banking income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home loans</td>
<td>110</td>
<td>106</td>
<td>111</td>
<td>4%</td>
<td>(1%)</td>
</tr>
<tr>
<td>Consumer finance</td>
<td>281</td>
<td>266</td>
<td>279</td>
<td>6%</td>
<td>1%</td>
</tr>
<tr>
<td>Retail deposits</td>
<td>260</td>
<td>254</td>
<td>249</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Distribution</td>
<td>223</td>
<td>192</td>
<td>204</td>
<td>16%</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>50</td>
<td>45</td>
<td>48</td>
<td>11%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>924</td>
<td>863</td>
<td>891</td>
<td>7%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total banking income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home loans</td>
<td>2,081</td>
<td>1,858</td>
<td>1,920</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>Consumer finance</td>
<td>1,278</td>
<td>1,220</td>
<td>1,204</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Retail deposits</td>
<td>1,498</td>
<td>1,433</td>
<td>1,406</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>Distribution</td>
<td>223</td>
<td>192</td>
<td>204</td>
<td>16%</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>80</td>
<td>77</td>
<td>88</td>
<td>4%</td>
<td>(9%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,160</td>
<td>4,780</td>
<td>4,822</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(1,694)</td>
<td>(1,654)</td>
<td>(1,622)</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Loan impairment expense</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(305)</td>
<td>(358)</td>
<td>(268)</td>
<td>(15%)</td>
<td>14%</td>
</tr>
<tr>
<td><strong>Cash NPAT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,215</td>
<td>1,940</td>
<td>2,054</td>
<td>14%</td>
<td>8%</td>
</tr>
</tbody>
</table>
## Retail Banking Services

<table>
<thead>
<tr>
<th>$m</th>
<th>Dec 15</th>
<th>Dec 15 vs Jun 15</th>
<th>Dec 15 vs Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Home loans</strong></td>
<td>2,081</td>
<td>12%</td>
<td>• Higher lending margins, due to investor and variable rate pricing</td>
</tr>
<tr>
<td><strong>Consumer finance</strong></td>
<td>1,278</td>
<td>5%</td>
<td>• Increased credit card spend due to seasonal demand</td>
</tr>
<tr>
<td><strong>Retail Deposits</strong></td>
<td>1,498</td>
<td>5%</td>
<td>• Growth in transaction and savings account balances</td>
</tr>
<tr>
<td><strong>Distribution</strong></td>
<td>223</td>
<td>16%</td>
<td>• Seasonally higher growth in foreign exchange transactions</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>80</td>
<td>4%</td>
<td>• Higher merchant fee income</td>
</tr>
<tr>
<td><strong>Total banking income</strong></td>
<td>5,160</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(1,694)</td>
<td>2%</td>
<td>• Inflation related increases and seasonally higher loyalty expenses partly offset by productivity initiatives</td>
</tr>
<tr>
<td><strong>Loan impairment expense</strong></td>
<td>(305)</td>
<td>(15%)</td>
<td>• Seasonally lower arrears across all portfolios</td>
</tr>
<tr>
<td><strong>Cash NPAT</strong></td>
<td>2,215</td>
<td>14%</td>
<td></td>
</tr>
</tbody>
</table>
### BPB – 6 Month Periods

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
<th>Jun 15</th>
<th>Dec 14</th>
<th>Dec 15 vs Jun 15</th>
<th>Dec 15 vs Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net interest income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Financial Services</td>
<td>554</td>
<td>520</td>
<td>516</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Regional &amp; Agribusiness</td>
<td>279</td>
<td>274</td>
<td>281</td>
<td>2%</td>
<td>(1%)</td>
</tr>
<tr>
<td>Local Business Banking</td>
<td>478</td>
<td>457</td>
<td>459</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Private Bank</td>
<td>150</td>
<td>135</td>
<td>134</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>CommSec</td>
<td>77</td>
<td>73</td>
<td>76</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,538</td>
<td>1,459</td>
<td>1,466</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Other banking income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Financial Services</td>
<td>155</td>
<td>140</td>
<td>146</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>Regional &amp; Agribusiness</td>
<td>43</td>
<td>39</td>
<td>44</td>
<td>10%</td>
<td>(2%)</td>
</tr>
<tr>
<td>Local Business Banking</td>
<td>91</td>
<td>84</td>
<td>86</td>
<td>8%</td>
<td>6%</td>
</tr>
<tr>
<td>Private Bank</td>
<td>31</td>
<td>29</td>
<td>30</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>CommSec</td>
<td>103</td>
<td>100</td>
<td>95</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>423</td>
<td>392</td>
<td>401</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total banking income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Financial Services</td>
<td>709</td>
<td>660</td>
<td>662</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Regional &amp; Agribusiness</td>
<td>322</td>
<td>313</td>
<td>325</td>
<td>3%</td>
<td>(1%)</td>
</tr>
<tr>
<td>Local Business Banking</td>
<td>569</td>
<td>541</td>
<td>545</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Private Bank</td>
<td>181</td>
<td>164</td>
<td>164</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>CommSec</td>
<td>180</td>
<td>173</td>
<td>171</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,961</td>
<td>1,851</td>
<td>1,867</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(742)</td>
<td>(717)</td>
<td>(711)</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Loan impairment expense</strong></td>
<td>(71)</td>
<td>(89)</td>
<td>(63)</td>
<td>(20%)</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Cash NPAT</strong></td>
<td>803</td>
<td>731</td>
<td>764</td>
<td>10%</td>
<td>5%</td>
</tr>
</tbody>
</table>

1  Comparative information has been restated to conform with presentation in the current year
# Business and Private Banking

### Corporate Financial Services
- **Dec 15**: $709m, 7% growth
- **Dec 15 vs Jun 15**: Solid Commercial Lending and Deposit balance growth 7%
- **Dec 15 vs Dec 14**: Strong Deposit balance growth and solid Lending balance growth partly offset by decline in Global Markets

### Regional & Agribusiness
- **Dec 15**: $322m, 3% growth
- **Dec 15 vs Jun 15**: Higher Trade Finance and Home Lending margins
- **Dec 15 vs Dec 14**: Commercial Lending margin compression, Decline in Global Markets partly offset by solid Deposit balance growth

### Local Business Banking
- **Dec 15**: $569m, 5% growth
- **Dec 15 vs Jun 15**: Solid Lending and Deposit balance growth, Higher Home Lending margins
- **Dec 15 vs Dec 14**: Solid Lending and Deposit balance growth

### Private Bank
- **Dec 15**: $181m, 10% growth
- **Dec 15 vs Jun 15**: Solid Home Lending balance growth and higher margins
- **Dec 15 vs Dec 14**: Strong Deposit and Advisory growth, combined with higher Home Loan margins

### CommSec
- **Dec 15**: $180m, 4% growth
- **Dec 15 vs Jun 15**: Increased equities trading volumes partly offset by slight yield decline
- **Dec 15 vs Dec 14**: Increased equities trading volumes partly offset by slight yield decline

### Total banking income
- **Dec 15**: $1,961m, 6% growth
- **Dec 15 vs Jun 15**: Inflation-related salary increases, investment in frontline and key product development initiatives, partly offset by productivity initiatives
- **Dec 15 vs Dec 14**: Inflation-related salary increases, investment in frontline, key product development initiatives, partly offset by the benefit of productivity savings

### Operating expenses
- **Dec 15**: $(742)m, 3% decline
- **Dec 15 vs Jun 15**: Inflation-related salary increases, investment in frontline and key product development initiatives, partly offset by productivity initiatives
- **Dec 15 vs Dec 14**: Partly offset by the benefit of productivity savings

### Loan impairment expense
- **Dec 15**: $(71)m, (20%) decline
- **Dec 15 vs Jun 15**: An increase in write-backs and lower collective provisions
- **Dec 15 vs Dec 14**: An increase in client exposure partly offset by lower level of write-backs and lower individual provisions

### Cash NPAT
- **Dec 15**: $803m, 10% growth
- **Dec 15 vs Jun 15**:
- **Dec 15 vs Dec 14**: 5%
## IB&M – 6 Month Periods

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
<th>Jun 15</th>
<th>Dec 14</th>
<th>Dec 15 vs Jun 15</th>
<th>Dec 15 vs Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net interest income</strong></td>
<td></td>
<td></td>
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<tr>
<td>Institutional Banking</td>
<td>724</td>
<td>666</td>
<td>670</td>
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<td>8%</td>
</tr>
<tr>
<td>Markets</td>
<td>61</td>
<td>58</td>
<td>48</td>
<td>5%</td>
<td>27%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>785</td>
<td>724</td>
<td>718</td>
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<td>9%</td>
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<td><strong>Other banking income</strong></td>
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</tr>
<tr>
<td>Institutional Banking</td>
<td>403</td>
<td>432</td>
<td>404</td>
<td>(7%)</td>
<td>-</td>
</tr>
<tr>
<td>Markets</td>
<td>250</td>
<td>216</td>
<td>308</td>
<td>16%</td>
<td>(19%)</td>
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<tr>
<td><strong>Total</strong></td>
<td>653</td>
<td>648</td>
<td>712</td>
<td>1%</td>
<td>(8%)</td>
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<tr>
<td><strong>Total banking income</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Institutional Banking</td>
<td>1,127</td>
<td>1,098</td>
<td>1,074</td>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>Markets</td>
<td>311</td>
<td>274</td>
<td>356</td>
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<td>(13%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,438</td>
<td>1,372</td>
<td>1,430</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(534)</td>
<td>(495)</td>
<td>(475)</td>
<td>8%</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Loan impairment expense</strong></td>
<td>(140)</td>
<td>(70)</td>
<td>(97)</td>
<td>large</td>
<td>44%</td>
</tr>
<tr>
<td><strong>Cash NPAT</strong></td>
<td>608</td>
<td>636</td>
<td>649</td>
<td>(4%)</td>
<td>(6%)</td>
</tr>
<tr>
<td>Category</td>
<td>Dec 15</td>
<td>Dec 15 vs Jun 15</td>
<td>Dec 15 vs Dec 14</td>
<td></td>
<td></td>
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<tr>
<td>---------------------------</td>
<td>--------</td>
<td>------------------</td>
<td>------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Institutional Banking</strong></td>
<td>1,127</td>
<td>3%</td>
<td>5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Growth in average lending and leasing balances; partly offset by lower leasing and deposit margins</td>
<td>Increase in average lending and leasing balances; partly offset by lower margins</td>
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<td></td>
</tr>
<tr>
<td><strong>Markets</strong></td>
<td>311</td>
<td>14%</td>
<td>(13%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Positive sales and trading performance</td>
<td>Unfavourable derivative valuation adjustments</td>
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<tr>
<td><strong>Total banking income</strong></td>
<td>1,438</td>
<td>5%</td>
<td>1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investment in technology and people</td>
<td>Increased investment in technology and people</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(534)</td>
<td>8%</td>
<td>12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investment in technology and people</td>
<td>Increased investment in technology and people</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Loan impairment expense</strong></td>
<td>(140)</td>
<td>large</td>
<td>44%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increased collective provisions and lower level of write-backs; partly offset by higher recoveries</td>
<td>Higher individual provisions</td>
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<tr>
<td><strong>Cash NPAT</strong></td>
<td>608</td>
<td>(4%)</td>
<td>(6%)</td>
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### WM – 6 Month Periods

<table>
<thead>
<tr>
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<th>Jun 15</th>
<th>Dec 14</th>
<th>Dec 15 vs Jun 15</th>
<th>Dec 15 vs Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total operating income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFSGAM</td>
<td>437</td>
<td>445</td>
<td>402</td>
<td>(2%)</td>
<td>9%</td>
</tr>
<tr>
<td>CFS(^1)</td>
<td>467</td>
<td>415</td>
<td>451</td>
<td>13%</td>
<td>4%</td>
</tr>
<tr>
<td>CI</td>
<td>390</td>
<td>298</td>
<td>338</td>
<td>31%</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,294</td>
<td>1,158</td>
<td>1,191</td>
<td>12%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFSGAM</td>
<td>(291)</td>
<td>(269)</td>
<td>(257)</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>CFS(^1)</td>
<td>(307)</td>
<td>(440)</td>
<td>(295)</td>
<td>(30%)</td>
<td>4%</td>
</tr>
<tr>
<td>CI</td>
<td>(162)</td>
<td>(157)</td>
<td>(162)</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>Other</td>
<td>(72)</td>
<td>(77)</td>
<td>(69)</td>
<td>(6%)</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(832)</td>
<td>(943)</td>
<td>(783)</td>
<td>(12%)</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Underlying profit after tax</strong></td>
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<td></td>
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</tr>
<tr>
<td>CFSGAM</td>
<td>118</td>
<td>146</td>
<td>114</td>
<td>(19%)</td>
<td>4%</td>
</tr>
<tr>
<td>CFS(^1)</td>
<td>109</td>
<td>(16)</td>
<td>108</td>
<td>Large</td>
<td>1%</td>
</tr>
<tr>
<td>CI</td>
<td>161</td>
<td>102</td>
<td>124</td>
<td>58%</td>
<td>30%</td>
</tr>
<tr>
<td>Other</td>
<td>(57)</td>
<td>(59)</td>
<td>(44)</td>
<td>(3%)</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>331</td>
<td>173</td>
<td>302</td>
<td>91%</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Cash Net profit after tax</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFSGAM</td>
<td>120</td>
<td>174</td>
<td>113</td>
<td>(31%)</td>
<td>6%</td>
</tr>
<tr>
<td>CFS(^1)</td>
<td>115</td>
<td>(17)</td>
<td>111</td>
<td>Large</td>
<td>4%</td>
</tr>
<tr>
<td>CI</td>
<td>191</td>
<td>153</td>
<td>163</td>
<td>25%</td>
<td>17%</td>
</tr>
<tr>
<td>Other</td>
<td>(54)</td>
<td>(6)</td>
<td>(38)</td>
<td>Large</td>
<td>42%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>372</td>
<td>304</td>
<td>349</td>
<td>22%</td>
<td>7%</td>
</tr>
</tbody>
</table>

\(^1\) Colonial First State incorporates the results of all Wealth Management financial planning businesses
# Wealth Management

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
<th>Dec 15 vs Jun 15</th>
<th>Dec 15 vs Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CFSGAM</strong></td>
<td>437</td>
<td>(2%)</td>
<td>▪ Average AUM ↓2% (spot ↓3%), weaker global investment markets, offset by investment outperformance and benefit of a lower AUD</td>
</tr>
<tr>
<td><strong>CFS¹</strong></td>
<td>467</td>
<td>13%</td>
<td>▪ Average FUA flat growth (spot ↑2%), no additional provisioning for customer remediation, positive net flows, offset by lower investment market returns</td>
</tr>
<tr>
<td><strong>CI</strong></td>
<td>390</td>
<td>31%</td>
<td>▪ Average Annual inforce premiums ↑2% (spot flat growth), lower weather event claims, repricing benefits, improved lapses offset by legacy investments run-off</td>
</tr>
<tr>
<td><strong>Total operating income</strong></td>
<td>1,294</td>
<td>12%</td>
<td>▪ Non-recurring costs of customer remediation, benefit of productivity initiatives, offset by the impact of a lower AUD and higher salary related costs</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(832)</td>
<td>(12%)</td>
<td>▪ Non-recurring costs of customer remediation, benefit of productivity initiatives, offset by the impact of a lower AUD and higher salary related costs</td>
</tr>
<tr>
<td><strong>Cash NPAT</strong></td>
<td>372</td>
<td>22%</td>
<td>▪ Non-recurring costs of customer remediation, benefit of productivity initiatives, offset by the impact of a lower AUD and higher salary related costs</td>
</tr>
</tbody>
</table>

1 Colonial First State incorporates the results of all Wealth Management financial planning businesses
Australia and New Zealand
AUM $109.9 billion

UK, Europe and Middle East
AUM $58.8 billion

Asia (incl. Japan)
AUM $20.7 billion

North America
AUM $5.8 billion

1 Assets under management indicated above includes Realindex Investments which is a wholly owned investment management subsidiary of the Colonial First State group of companies
2 USA assets managed through CFSAMAL (Australia based non-domiciled), FSII (UK based non-domiciled), FSI Singapore (Singaporean based non-domiciled), USA SEC Registered Investment Advisers
Open Advice Review

Program

Promontory Financial Group

Maurice Blackburn
Shine Lawyers
Slater & Gordon

Hon Ian Callinan AC
Chairman

Hon Geoffrey Davies AO
Deputy Chairman

Hon Julie Dodds-Streton QC
Panellist

McGrathNichol

Fiona Guthrie

Independent Expert
Reports program outcomes publicly

Independent Customer Advocates
Provides support for customers

Independent Review Panel
Reviews individual cases if required

Independent Forensic Expert

Consultant Expert Advisor
Provides expert advice

Progress

- Offer to review advice provided to all Financial Wisdom and Commonwealth Financial Planning customers between September 2003 and July 2012
- Opened 3 July 2014. Expressions of interest closed 3 July 2015, customers have 12 months to register
- 350,000 letters sent to current CFP customers
- Over 500 people working to deliver the program
- As at 31 December 2015:
  - over 8,000 customers have requested to have their advice reviewed
  - 1,937 assessments completed
  - compensation offered in 171 cases totalling $2.9 million
- On track to deliver majority of assessments by end of 2016
- Promontory Financial Group’s fifth progress report to be delivered in May 2016
## NZ – 6 Month Periods

<table>
<thead>
<tr>
<th>NZ$m</th>
<th>Dec 15</th>
<th>Jun 15</th>
<th>Dec 14</th>
<th>Dec 15 vs Jun 15</th>
<th>Dec 15 vs Dec 14</th>
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<tbody>
<tr>
<td><strong>Net interest income</strong></td>
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<tr>
<td>ASB</td>
<td>844</td>
<td>820</td>
<td>823</td>
<td>3%</td>
<td>3%</td>
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<tr>
<td>Other</td>
<td>(16)</td>
<td>(5)</td>
<td>4</td>
<td>Large</td>
<td>Large</td>
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<td><strong>Other banking income</strong></td>
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</tr>
<tr>
<td>ASB</td>
<td>228</td>
<td>191</td>
<td>186</td>
<td>19%</td>
<td>23%</td>
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<tr>
<td>Other</td>
<td>(18)</td>
<td>(17)</td>
<td>(16)</td>
<td>6%</td>
<td>13%</td>
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<tr>
<td>ASB</td>
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<td>1,011</td>
<td>1,009</td>
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<td>6%</td>
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<tr>
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<td>(22)</td>
<td>(12)</td>
<td>55%</td>
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<td>43</td>
<td>39</td>
<td>38</td>
<td>10%</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Insurance income</strong></td>
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<td>140</td>
<td>131</td>
<td>119</td>
<td>7%</td>
<td>18%</td>
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<tr>
<td><strong>Total operating income</strong></td>
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<td>1,221</td>
<td>1,159</td>
<td>1,154</td>
<td>5%</td>
<td>6%</td>
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<td>(480)</td>
<td>(468)</td>
<td>(461)</td>
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<td>4%</td>
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<td><strong>Loan impairment expense</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(41)</td>
<td>(52)</td>
<td>(37)</td>
<td>(21%)</td>
<td>11%</td>
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<tr>
<td><strong>Investment experience after tax</strong></td>
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<td></td>
<td>4</td>
<td>2</td>
<td>5</td>
<td>Large</td>
<td>(20%)</td>
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<td><strong>Corporate tax expense</strong></td>
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</tr>
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<td></td>
<td>(189)</td>
<td>(158)</td>
<td>(167)</td>
<td>20%</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Cash NPAT</strong></td>
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</tr>
<tr>
<td></td>
<td>515</td>
<td>483</td>
<td>494</td>
<td>7%</td>
<td>4%</td>
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<tr>
<td>NZ$m</td>
<td>Dec 15</td>
<td>Dec 15 vs Jun 15</td>
<td>Dec 15 vs Dec 14</td>
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<td>------</td>
<td>--------</td>
<td>-----------------</td>
<td>------------------</td>
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<tr>
<td>ASB Operating Income</td>
<td>1,114</td>
<td>6%</td>
<td>7%</td>
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<tr>
<td></td>
<td></td>
<td>▪ Lending ↑ 5% and retail deposits ↑ 4% (spot)</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>▪ Higher other banking income</td>
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<td></td>
<td></td>
<td>▪ Inflation related salary increases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Continued investment in frontline capability and technology</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASB Operating Expenses</td>
<td>(414)</td>
<td>2%</td>
<td>4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Inflation related salary increases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Continued investment in frontline capability and technology</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASB Impairment Expense</td>
<td>(41)</td>
<td>(21%)</td>
<td>11%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Lower home loan arrears and higher business lending write-backs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Higher rural lending provisioning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Increase in rural provisioning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Lower home loan arrears</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sovereign Cash NPAT</td>
<td>54</td>
<td>(18%)</td>
<td>(5%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Lower investment returns and higher lapse rates</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Higher tax expense following a change in tax legislation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Lower investment returns and higher lapse rates</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Inforce premiums ↑ 4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash NPAT</td>
<td>515</td>
<td>7%</td>
<td>4%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Bankwest – 6 Month Periods

<table>
<thead>
<tr>
<th></th>
<th>Dec 15</th>
<th>Jun 15</th>
<th>Dec 14</th>
<th>Dec 15 vs Jun 15</th>
<th>Dec 15 vs Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net interest income</strong></td>
<td>833</td>
<td>823</td>
<td>835</td>
<td>1%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Other banking income</strong></td>
<td>107</td>
<td>107</td>
<td>109</td>
<td>-</td>
<td>(2%)</td>
</tr>
<tr>
<td><strong>Total banking income</strong></td>
<td>940</td>
<td>930</td>
<td>944</td>
<td>1%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(390)</td>
<td>(389)</td>
<td>(398)</td>
<td>-</td>
<td>(2%)</td>
</tr>
<tr>
<td><strong>Loan impairment benefit (expense)</strong></td>
<td>16</td>
<td>24</td>
<td>26</td>
<td>(33%)</td>
<td>(38%)</td>
</tr>
<tr>
<td><strong>Net profit before tax</strong></td>
<td>566</td>
<td>565</td>
<td>572</td>
<td>-</td>
<td>(1%)</td>
</tr>
<tr>
<td><strong>Corporate tax expense</strong></td>
<td>(170)</td>
<td>(170)</td>
<td>(172)</td>
<td>-</td>
<td>(1%)</td>
</tr>
<tr>
<td><strong>Cash NPAT</strong></td>
<td>396</td>
<td>395</td>
<td>400</td>
<td>-</td>
<td>(1%)</td>
</tr>
<tr>
<td></td>
<td>Dec 15</td>
<td>Dec 15 vs Jun 15</td>
<td>Dec 15 vs Dec 14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------</td>
<td>--------</td>
<td>---------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total banking income</td>
<td>940</td>
<td>▪ Modest growth across key products reflecting challenging market conditions</td>
<td>▪ Balance growth across key product lines</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Lower Business Lending and cash rate impacted Deposit margins</td>
<td>▪ Lower net interest margin due to competitive market conditions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(390)</td>
<td>▪ Disciplined cost management offsetting targeted business investment</td>
<td>▪ Focus on productivity and disciplined cost management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan impairment benefit</td>
<td>16</td>
<td>▪ Continued, albeit slower, run-off of troublesome and impaired portfolio</td>
<td>▪ Continued run-off of troublesome and impaired portfolio and an improvement in overall credit quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(expense)</td>
<td>(33%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash NPAT</td>
<td>396</td>
<td></td>
<td>(1%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CBA in Asia and South Africa

**China**
- Bank of Hangzhou (20%): 171 branches
- Qiliu Bank (20%): 113 branches
- County Banking
  - Henan: 7 banks and 7 branches (5 banks and 6 branches @ 80% and 2 banks and 1 branch @ 100% holding)
  - Hebei: 8 banks (5 banks @ 80% and 3 banks @ 100% shareholding).
- CBA Beijing, Shanghai and Hong Kong branches
- BoCommLife JV (37.5%): operating in 10 provinces
- First State Investments Hong Kong and First State Cinda JV (46%)
- Colonial Mutual Group Beijing Rep Office

**Indonesia**
- PT Bank Commonwealth (99%): 91 branches and 144 ATMs
- PT Commonwealth Life (80%): 31 life offices
- First State Investments

**Vietnam**
- Vietnam International Bank (20%): 159 branches
- Hanoi Representative Office
- Ho Chi Minh City CBA branch; 30 ATMs

**Singapore**
- CBA branch,
- First State Investments

**South Africa**
- CBA SA

**Japan**
- Tokyo CBA branch,
- First State Investments

**India**
- Mumbai CBA branch
International Financial Services incorporates the Asian retail and business banking operations (Indonesia, China, Vietnam and India), investments in Chinese and Vietnamese banks, the joint venture Chinese life insurance business, the life insurance operations in Indonesia and a financial services technology business in South Africa.

Note: % growth reflects growth on prior period.
CVA / FVA

CVA/FVA ($67m) in 1H16 largely driven by movement in counterparty credit spreads

Drivers

1H16

FX Rates

Weaker AUD

Interest Rates

Falling AUD and USD interest rates

Commodity Prices

Commodity prices lower

New Trades (net of maturities)

Net trade population increase

EXPOSURE

Counterparty Credit Spreads

Impact minimal due to offsetting funding costs and benefits

CVA¹

($67m)

FVA²

1 CVA is the MTM valuation adjustment to reflect our exposure to uncollateralised counterparties in over the counter (OTC) derivatives

2 FVA is the expected funding cost over the life of the derivative
Australia remains well placed

Australia is now well into its 24th year of continuous economic growth. The lower Australian dollar is helping and Australian policy makers retain some firepower.

1 Source: Bloomberg  
2 Source: CEIC

<table>
<thead>
<tr>
<th>Australia</th>
<th>UK</th>
<th>US</th>
<th>Eurozone</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>-10</td>
<td>-6</td>
<td>-2</td>
<td>2</td>
<td>6</td>
</tr>
</tbody>
</table>

Mar 05  Mar 08  Mar 11  Mar 14

Jan 05  Jul 07  Jan 10  Jul 12  Jan 15

Jan 05  Jul 07  Jan 10  Jul 12  Jan 15
Chinese economic growth is slowing

The global economy has become increasingly dependent on China and the rest of emerging Asia to drive economic growth and commodity demand. Therefore, the slowdown in Chinese economy is a concern. We expect the Chinese economy to grow by 6½% in 2016, assisted by interest rate cuts, a lower currency and supportive fiscal policy.

China: GDP
(annual % change)

Share of Exports to China
(% of exports, rolling annual total)

1 Source: National Bureau of Statistics of China / CBA
2 Source: CEIC
Growth in China is shifting away from resource-intensive industries

China is transitioning from infrastructure/investment led growth to consumption/services led growth. This process means lower demand for resource-based goods. However, the transition also offers opportunities to Australia. Rising Chinese incomes will benefit the education, tourism and agricultural sectors in Australia. An aging population will help health and financial services.

**China GDP growth by industry**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Services</th>
<th>Agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 02</td>
<td>Jan 05</td>
<td>Jan 11</td>
</tr>
<tr>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>20%</td>
<td>20%</td>
<td>20%</td>
</tr>
</tbody>
</table>

**Short term overseas arrivals**

- **UK**
- **New Zealand**
- **Japan**
- **China**
- **India**

**Source:**
1. CEIC
2. ABS
The domestic growth transition continues

The transition from mining to non-mining led growth is proceeding. We are further through the mining capex downturn than most were expecting. Australia is currently 70% of the way through the anticipated decline in mining capex. At the same time, we are also nearly 60% of the way through the expected loss of mining construction-related jobs.

Growth drivers from mining peak¹
(cumulative contribution to GDP since end 2012)

- Other (non-mining)
- Rise in resource exports
- Downturn in mining capex

Progress on the transition²

- Drop in mining capex
- Mining-related job losses

¹ Source: ABS
² Source: ABS / CBA
A major residential construction boom is underway. Building houses is an effective generator of jobs and activity. But other parts of the transition have failed to fire. Businesses have been reluctant to invest and governments have cut capex.

But the transition is uneven

Source: ABS
Consumer spending has lifted & the lower currency is supporting service industries

Other parts of the transition are more encouraging. An improvement in the labour market is positive for consumer spending, despite the weakness in wages growth. The Australian dollar is declining and is an important driver of incomes in exporters and import-competing businesses.

**Employment & the consumer**

(annual % change)

**Some “surprises”**

(smoothed annual % change)

---

1 Source: ABS
There is an income threat because of the declines in commodity prices

Income weakness is a key source of risk to the economy in 2016. Falling commodity prices are driving the terms-of-trade lower. And a falling term-of-trade weighs on incomes. Real gross domestic income per capita has been falling for some time. A weak Chinese economy has weighed on commodity demand. But rising supply is the main drag on prices.

Per capita income\(^1\)

(Real net national disposable income \(\%\) per annum)

Income & the terms-of-trade

(Average \(\%\) change)

---

1 Source: ABS
The housing market is slowing

Population growth slowed as migration has eased. Therefore, the underlying demand for new dwellings has stepped down. Housing supply is now running ahead of housing demand satisfying some past backlog. Dwelling construction will still remain high in 2016 because of approvals for medium-high density dwellings. But the growth of new construction has slowed.

---

**Population growth**

(moving annual total '000)

**Housing demand & supply**

('000)

**Dwelling commencements**

('000)

---

1. Source: ABS
2. Source: ABS / CBA
Dwelling price growth varies widely by region. House and apartment price growth is now stabilising, rather than lifting. Higher dwelling prices and a nudge up in variable mortgage rates is reducing the incentive for owner-occupiers. And slower rental growth, higher borrowing costs and tighter lending standards are reducing the attractiveness for investors.
Household balance sheets remain strong

Volatility in global markets remains high, driven by concerns about US Federal Reserve interest rate rises and uncertainty over China’s growth story. But Australian businesses and households are well placed to deal with these global risks. Households have cut back their use of consumer debt (credit cards, margin loans). Housing debt is being repaid at a faster than usual rate. The savings ratio remains at the higher end of the range for the past 30 years.

Saving ratio¹

Cash holdings²

Source: ABS
Source: ABS / RBA
Households in better shape in net terms

Household net worth has improved despite an increase in debt, driven by a large increase in the value of residential assets. Financial assets have also been improving. Households would be vulnerable to a fall in asset values and/or a rise in interest rates.

**Household Wealth and Liabilities**

(\% of annual household disposable income)

Disposable income is after tax and before the deduction of interest payments. Source: ABS / RBA.
Factors that typically characterise a house price bubble are not evident in Australia

<table>
<thead>
<tr>
<th>Housing “Bubble” – typical characteristics</th>
<th>Current position in Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsustainable asset prices</td>
<td>Prices supported by underbuilding in previous years leading to pent-up demand for dwellings</td>
</tr>
<tr>
<td></td>
<td>Dwelling price growth is slowing across the nation</td>
</tr>
<tr>
<td></td>
<td>Strong lift in construction and decline in rental yields to dampen dwelling price growth</td>
</tr>
<tr>
<td>Speculative investment artificially inflates asset prices</td>
<td>Investor interest is a rational response to low interest rates, rising risk appetite and the pursuit of yield</td>
</tr>
<tr>
<td></td>
<td>Investor demand now easing</td>
</tr>
<tr>
<td>Strong volume growth driven by relaxed lending standards</td>
<td>Minimal “low doc” lending</td>
</tr>
<tr>
<td></td>
<td>Mortgage insurance for higher LVR loans</td>
</tr>
<tr>
<td></td>
<td>Full recourse lending</td>
</tr>
<tr>
<td></td>
<td>Lift in rates for investors as a macroprudential policy response</td>
</tr>
<tr>
<td>Interaction of high debt levels and interest rates</td>
<td>A high proportion of borrowers ahead of required repayment levels</td>
</tr>
<tr>
<td></td>
<td>Interest rate buffers built into loan serviceability tests at application</td>
</tr>
<tr>
<td></td>
<td>Housing credit growth remains at the bottom end of the range of the past three decades.</td>
</tr>
<tr>
<td>Domestic economic shock – trigger for price correction</td>
<td>Respectable Australian economic growth outcomes</td>
</tr>
<tr>
<td></td>
<td>Unemployment rate has risen but arrears rates are low</td>
</tr>
</tbody>
</table>
New Zealand

Dairy prices weakened over 2014 and 2015. A gradual recovery is expected over 2016, with the lagged impact of the lower NZD/USD further boosting local currency revenues. Meanwhile, tourism (2nd biggest foreign exchange earner) is going from strength to strength. Chinese visitor numbers have soared over the past few years.

Global dairy trade auction results\(^1\)

(USD/tonne)

<table>
<thead>
<tr>
<th>Month</th>
<th>Whole Milk Powder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul 08</td>
<td>1,000</td>
</tr>
<tr>
<td>Jul 09</td>
<td>2,000</td>
</tr>
<tr>
<td>Jul 10</td>
<td>3,000</td>
</tr>
<tr>
<td>Jul 11</td>
<td>4,000</td>
</tr>
<tr>
<td>Jul 12</td>
<td>5,000</td>
</tr>
<tr>
<td>Jul 13</td>
<td>6,000</td>
</tr>
<tr>
<td>Jul 14</td>
<td>7,000</td>
</tr>
<tr>
<td>Jul 15</td>
<td>8,000</td>
</tr>
</tbody>
</table>

NZ short term arrivals\(^2\)

(monthly, seasonally adjusted ‘000)

<table>
<thead>
<tr>
<th>Year</th>
<th>Lions tour</th>
</tr>
</thead>
<tbody>
<tr>
<td>05</td>
<td>160</td>
</tr>
<tr>
<td>06</td>
<td>180</td>
</tr>
<tr>
<td>07</td>
<td>200</td>
</tr>
<tr>
<td>08</td>
<td>220</td>
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<tr>
<td>09</td>
<td>240</td>
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<tr>
<td>10</td>
<td>260</td>
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<td>11</td>
<td>280</td>
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<tr>
<td>12</td>
<td>300</td>
</tr>
<tr>
<td>13</td>
<td>320</td>
</tr>
<tr>
<td>14</td>
<td>340</td>
</tr>
<tr>
<td>15</td>
<td>360</td>
</tr>
</tbody>
</table>

1 Source: GlobalDairyTrade
2 Source: Stats NZ
The inflation environment remains very subdued, even with the impact of the NZ dollar depreciation. The RBNZ has cut the Official Cash Rate from 3.5% to 2.5%. Risks are the RBNZ will eventually cut the OCR even further in 2016.

NZ CPI inflation

OCR forecasts

1 Source: Stats NZ / ASB
2 Source: ASB
Auckland-only investor lending restrictions and nationwide tax changes (including the requirement for all investors to have tax numbers to complete property transactions) are biting in the Auckland housing market. The relaxing of ex-Auckland lending restrictions is, in contrast, contributing to a degree of pick-up elsewhere, particularly in the centres close to Auckland. Still-strong migration inflows and low interest rates will continue to support the housing market and mortgage credit growth, though at a slower pace than in 2015.

**NZ household lending growth**

*(% annual change)*

**NZ median house price**

*(3 month moving average $’000)*

---

1  Source: RBNZ / ASB
2  Source: REINZ
Customer Metrics - Sources


2. Customer Needs Met / Products per Customer – Roy Morgan Research. Australian Population 18+ (14+ included for Internet Banking). Banking and Finance products per Banking and Finance customer at financial institution. 6 month rolling average to December 2015. CBA excludes Bankwest. Rank based on comparison to ANZ, NAB and Westpac. Wealth includes Superannuation, Insurance and Managed Investments. Share of product is calculated by dividing Products held at CBA by Products held anywhere. “Internet Banking” refers to CBA customers who conducted internet banking in the last 4 weeks. Note: Individual products may not add up to the overall totals due to rounding. (Slides 11 & 77)

3. Roy Morgan Research, Australians 14+, Proportion of Banking and Finance MFI Customers that nominated each bank as their Main Financial Institution (MFI Share), 12 month average to December 2015. Peers includes ANZ, NAB and Westpac (incl. St George Group). CBA includes Bankwest. “Internet Banking” refers to customers who conducted internet banking via app and website anywhere in the last 4 weeks. (Slides 8 & 65)

4. DBM Business Financial Services Monitor (December 2015), average satisfaction rating of business customers’ Main Financial Institution (MFI), across all Australian businesses, using an 11 pt scale where 0 is Extremely Dissatisfied and 10 is Extremely Satisfied, 6 month rolling average. (Slides 9, 65, 76 & 78)

5. DBM Business Financial Services Monitor. Micro businesses are defined as those with annual turnover up to $1 million, Small businesses are those with annual turnover of $1 million to less than $5 million, Medium businesses are those with annual turnover of $5 million to less than $50 million, and Large businesses are those with annual turnover of $50m to less than $500m. All charts use a 6 month rolling average. (Slide 79)

6. Wealth Insights overall satisfaction score - Ranking of Colonial First State (the platform provider) is calculated based on the weighted average (using Plan for Life FUA) of the overall satisfaction scores of FirstChoice and FirstWrap compared with the weighted average of other platform providers in the relevant peer set. The relevant peer set includes platforms belonging to Westpac, NAB, ANZ, AMP and Macquarie in the Wealth Insights survey. This measure is updated annually in April. (Slide 9 & 76)

7. PT Commonwealth Life won Contact Centre Service Excellence Awards 2015 conducted by Marketing Magazine and Service Excellence Magazine. This is the 10th consecutive year the team has been recognised with a Service Excellence rating. (Slide 9)

8. Proportion of Banking & Finance customers’ Wealth products captured by the financial institution. Roy Morgan Research. Australian Population 18+, 6 month average to December 2015. Calculated by dividing Wealth products held at institution by products held anywhere. Wealth Products includes Total Insurance (excl. Private Health), Managed Investments and Superannuation. CBA excludes Bankwest. (Slide 77)

9. Roy Morgan Research. Australian population 14+. Proportion of customers who conducted internet banking via website or app with their Main Financial Institution in the last 4 weeks, who are either “Very Satisfied” or “Fairly Satisfied” with the service provided by that institution. 6 month average to December 2015. Rank based on comparison to ANZ, NAB and Westpac. (Slides 9, 65 & 81)

10. Roy Morgan Research. Australian population 14+. Proportion of customers who conducted internet banking via website with their Main Financial Institution in the last 4 weeks, who are either “Very Satisfied” or “Fairly Satisfied” with the service provided by that institution. 6 month average to December 2015. Rank based on comparison to ANZ, NAB and Westpac. (Slide 81)

11. Roy Morgan Research. Australian population 14+. Proportion of customers who conducted internet banking via an app with their Main Financial Institution in the last 4 weeks, who are either “Very Satisfied” or “Fairly Satisfied” with the service provided by that institution. 6 month average to December 2015. Rank based on comparison to ANZ, NAB and Westpac. (Slide 81)
Technology - Sources

Sources for ‘Australia’s leading technology bank’ (slide 80)

1. Free financial app: CommBank app on iOS and Android in Australia. Sources are the Apple App Store and the Google Play Store.

2. Social and Facebook: CBA’s combined following across Facebook, Twitter, LinkedIn and Google+ is the largest of the main Australian banks. In addition, global independent website *The Financial Brand* rates the social media presence of banks and credit unions globally. For the second quarter of 2015, CBA is the #1 Australian bank on their list: [http://thefinancialbrand.com/52746/](http://thefinancialbrand.com/52746/)


4. Active online users: As of January 2015, the term ‘active’ refers to customers who have been active for the past month.

5. Customer satisfaction – internet banking services: Roy Morgan Research. Australian population 14+. Proportion of customers who conducted internet banking via an app with their Main Financial Institution in the last 4 weeks, who are either “Very Satisfied” or “Fairly Satisfied” with the service provided by that institution. Rank based on comparison to ANZ, NAB and Westpac. CBA held the number one position for the entire year of 2015.


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RESULTS PRESENTATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2015