

Media Presentation

FOR THE FULL YEAR ENDED 30 JUNE 2014

CommonwealthBank



IAN NAREV
CHIEF EXECUTIVE OFFICER

Disclaimer

The material that follows is a presentation of general background information about the Group's activities current at the date of the presentation, 13 August 2014. 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 basis' and a 'cash basis'. The statutory basis is prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS). The cash basis is management's preferred measure of the Group's financial performance, as the non-cash items tend to be non-recurring in nature or are not considered representative of the Group's ongoing financial performance. The impact of these items, such as hedging and IFRS volatility, is treated consistently with prior period 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/>

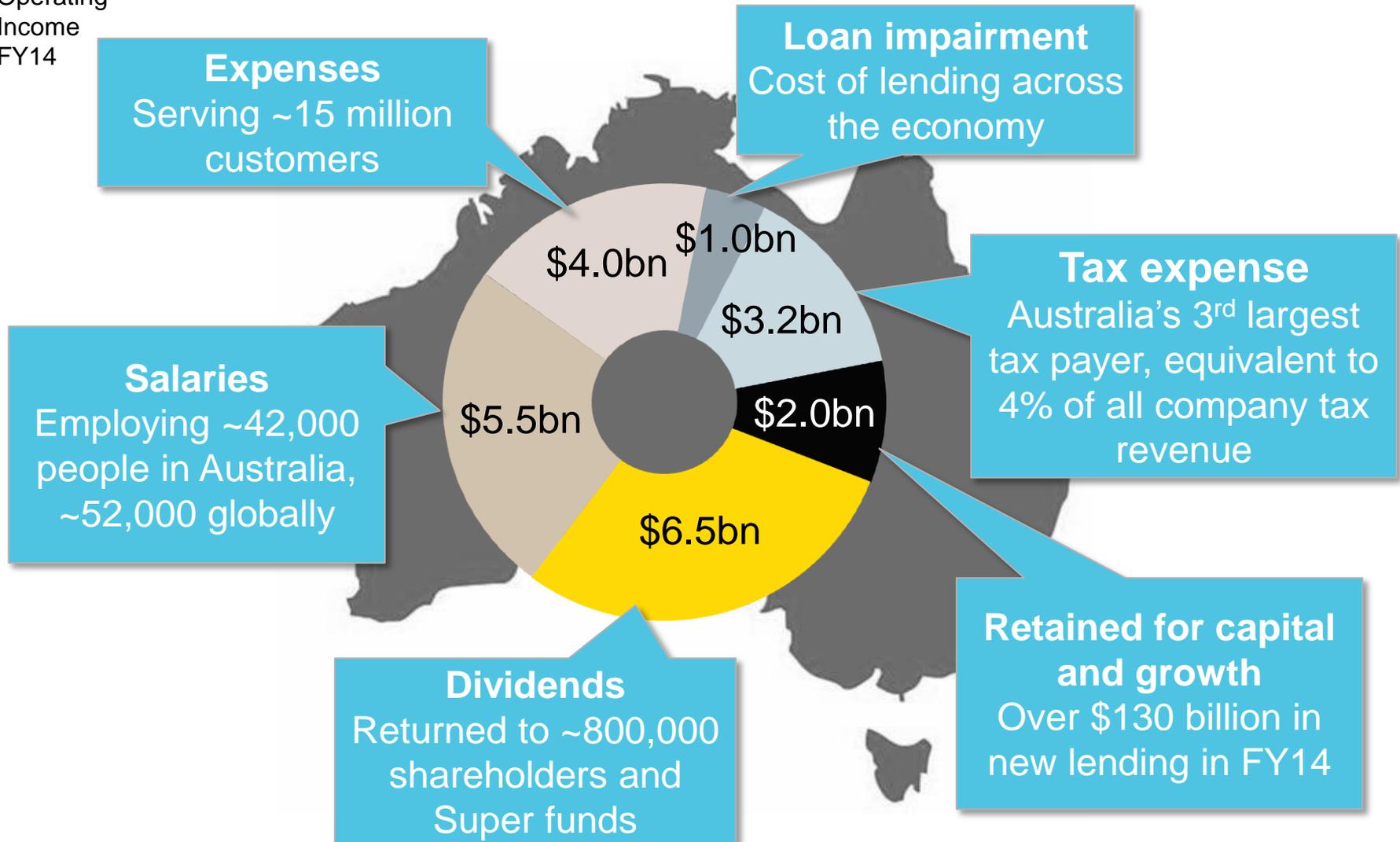
Overview

- ◆ Consistent strategic focus driving growth:
 - Engaged people committed to customer service
 - Productivity driving service, efficiency and reinvestment
 - Leading technology creating innovative solutions
 - Strength – being there for our customers
- ◆ Continuing NPAT, ROE, EPS and DPS growth with all divisions contributing
- ◆ Significant upside remains in the strategy



Strong contributor to Australian economy

Operating
Income
FY14



Creating jobs and opportunities

Providing direct employment to ~42,000 people in Australia, ~52,000 people globally

Accounting for 1 in 10 people working in the Australian financial services sector



Paid \$4bn in wages to Australian households in FY14

Paid \$4bn to ~6,000 suppliers in FY14 – supporting employment across the economy

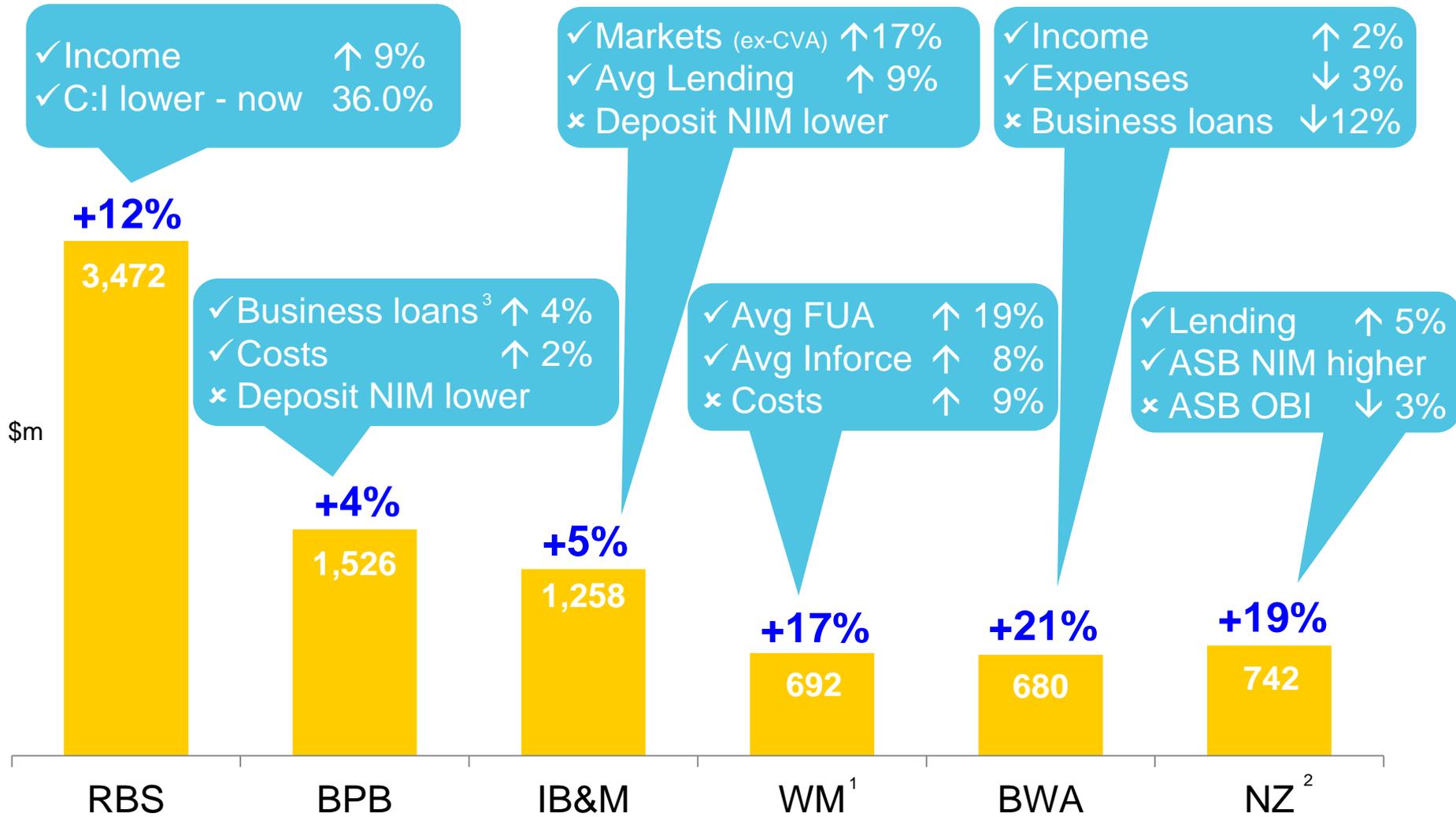
Continuing growth

	Jun 14	Jun 14 vs Jun 13
Statutory Profit (\$m)	8,631	13%
Cash NPAT (\$m)	8,680	12%
ROE – Cash (%)	18.7	50 bpts
Cash Earnings per Share (\$)	5.36	11%
Dividend per Share (\$)	4.01	10%



All divisions contributing

Cash NPAT FY14

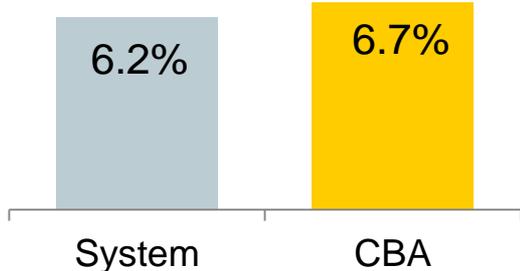


1 Excluding Property
 2 NZ result in AUD, performance metrics in NZD
 3 Source: RBA

Volume growth continues¹

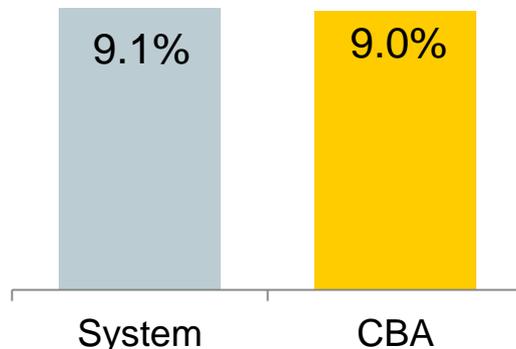
Home Lending

Balance Growth



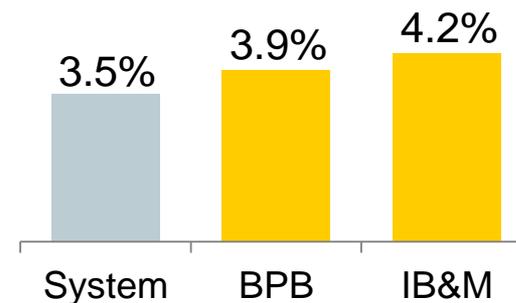
Household Deposits

Balance Growth



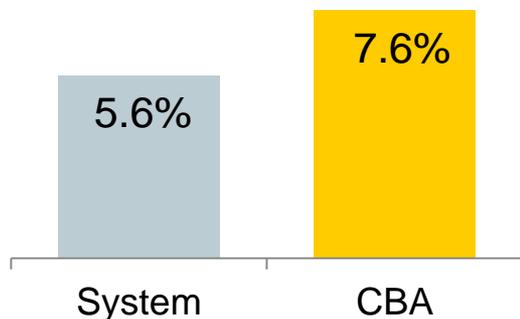
Business Lending

Balance Growth



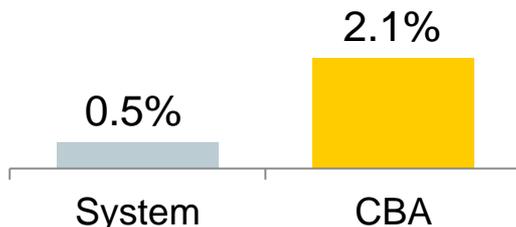
Business Deposits

Balance Growth



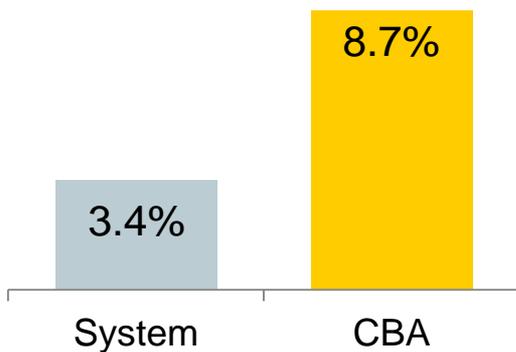
Credit Cards

Balance Growth



ASB

Business & Rural Balance Growth



¹ Spot balance growth 12 months to Jun 14. Source RBA/APRA/RBNZ. CBA includes BWA except RBA Business Lending. Business Lending is RBA. Business Deposits is APRA NFC. Home lending growth based on adjusted Jun 13 position reflecting product migrations in the period.

Consistent strategy

People and Culture

Engaged people committed to customer service

Productivity

Improved efficiency enabling better service and reinvestment

Technology

Leading technology, innovative solutions

Strength

Supporting our customers - strong balance sheet, capital and funding

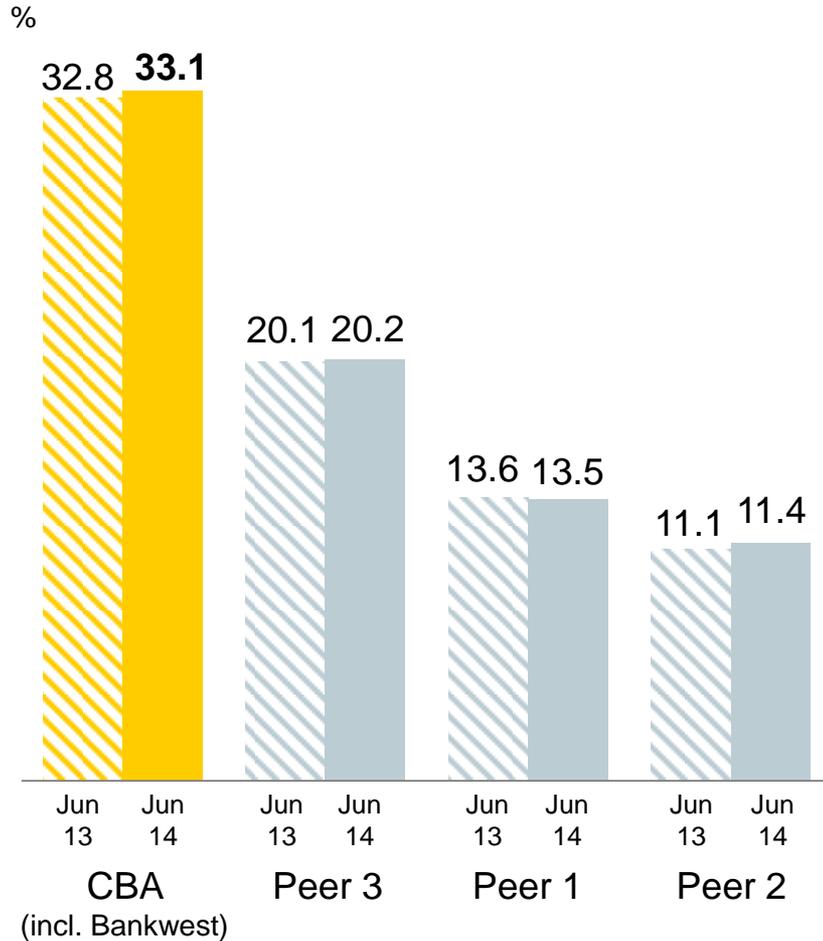
Long term focus on customers

Area	Measure	CBA Rank
Retail	Roy Morgan Research ¹	1 st
Business	DBM ⁴	=1 st
Wealth	Wealth Insights ⁶	1 st
IFS (PT Bank Commonwealth)	MRI – Foreign Banks ⁷	1 st

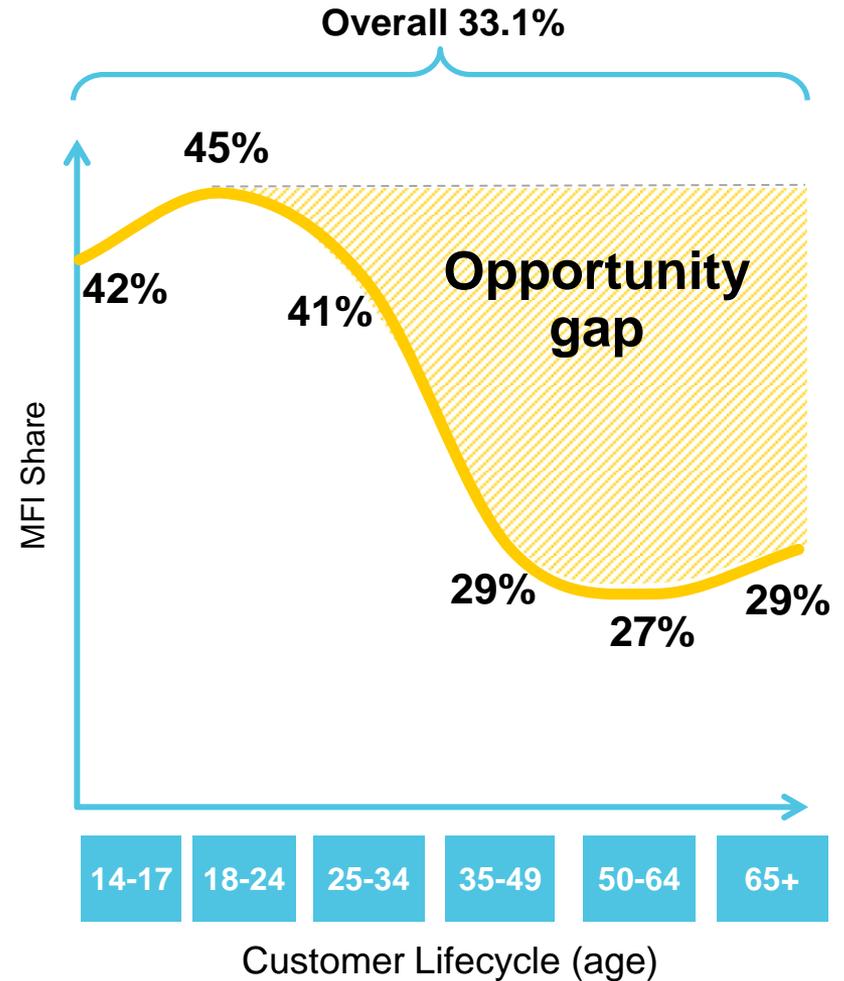


Further significant upside

MFI share³



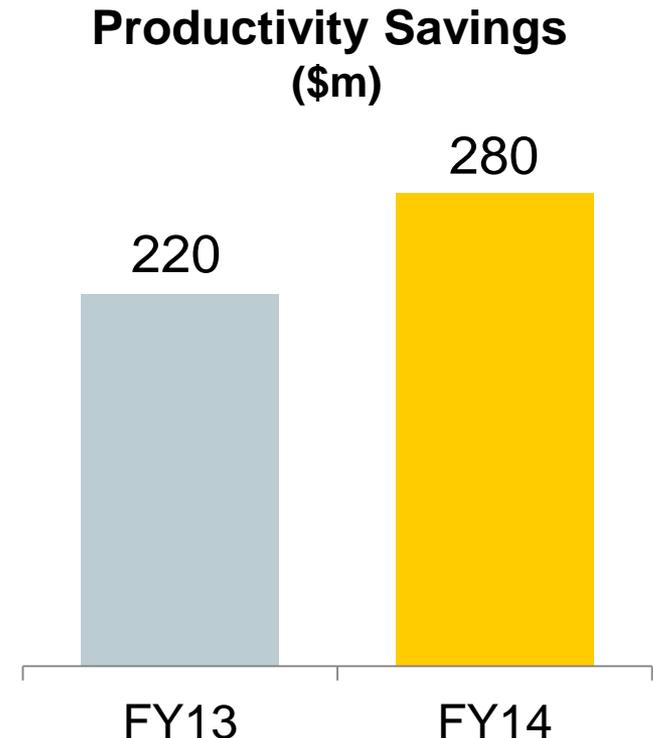
CBA MFI share by age³



Productivity culture

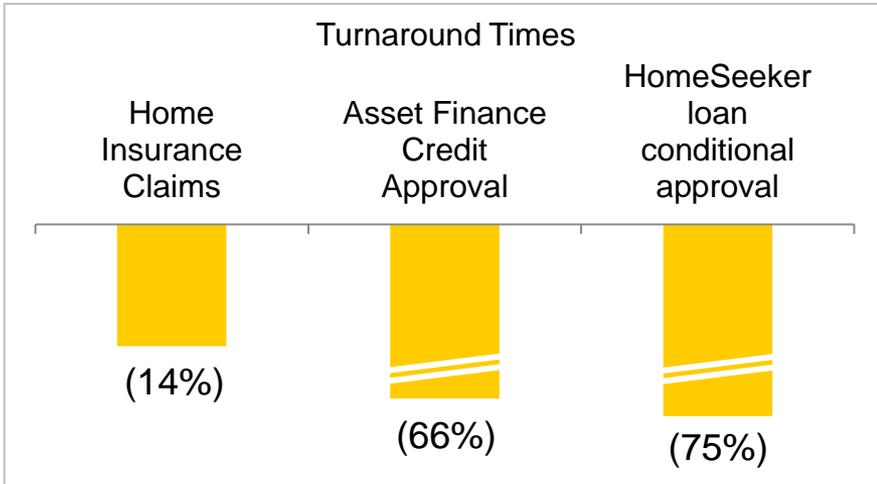
Local efficiency rather than offshoring

Capability	<ul style="list-style-type: none">94% of staff trained in productivity habits
Qualifications	<ul style="list-style-type: none">Certification of key staff in Lean and Six Sigma
Team Focus	<ul style="list-style-type: none">Visual Management Boards bringing process improvement to life
Continuous Improvement	<ul style="list-style-type: none">A Group-wide focus

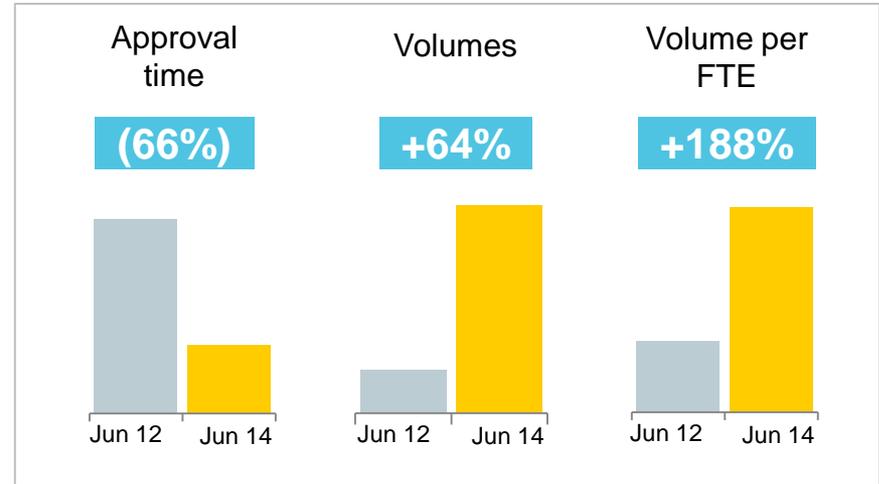


Service, efficiency, reinvestment

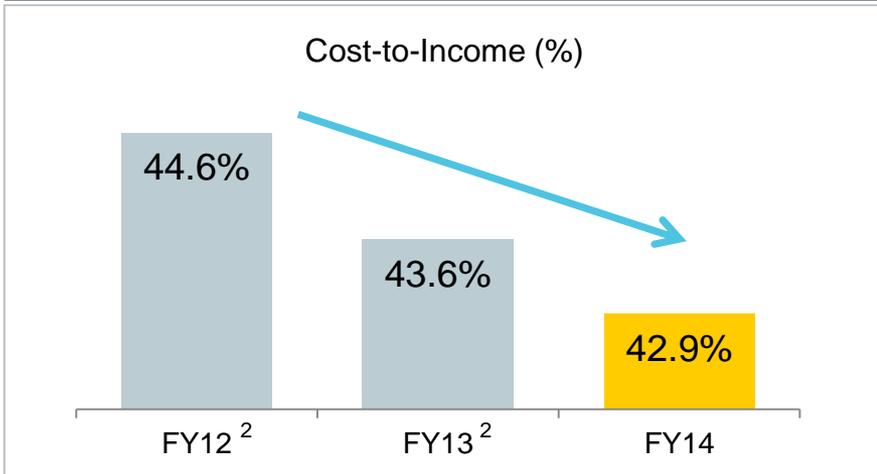
Service Improvements - Examples ¹



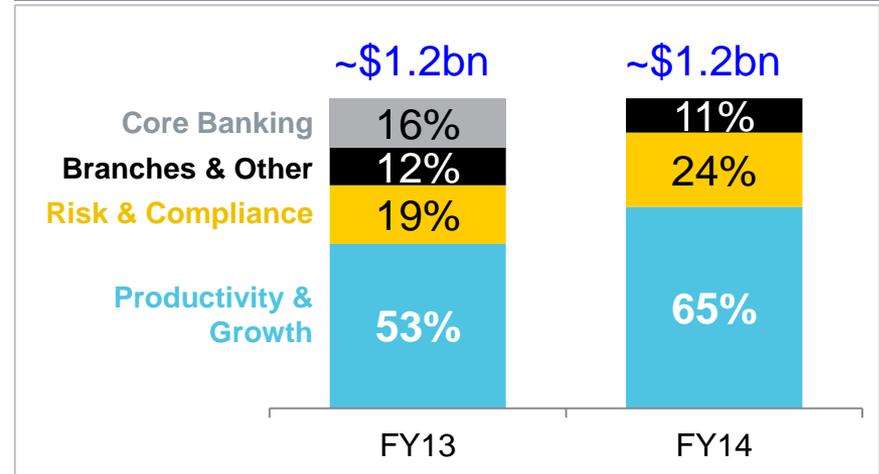
Case Study – Asset Finance



Efficiency

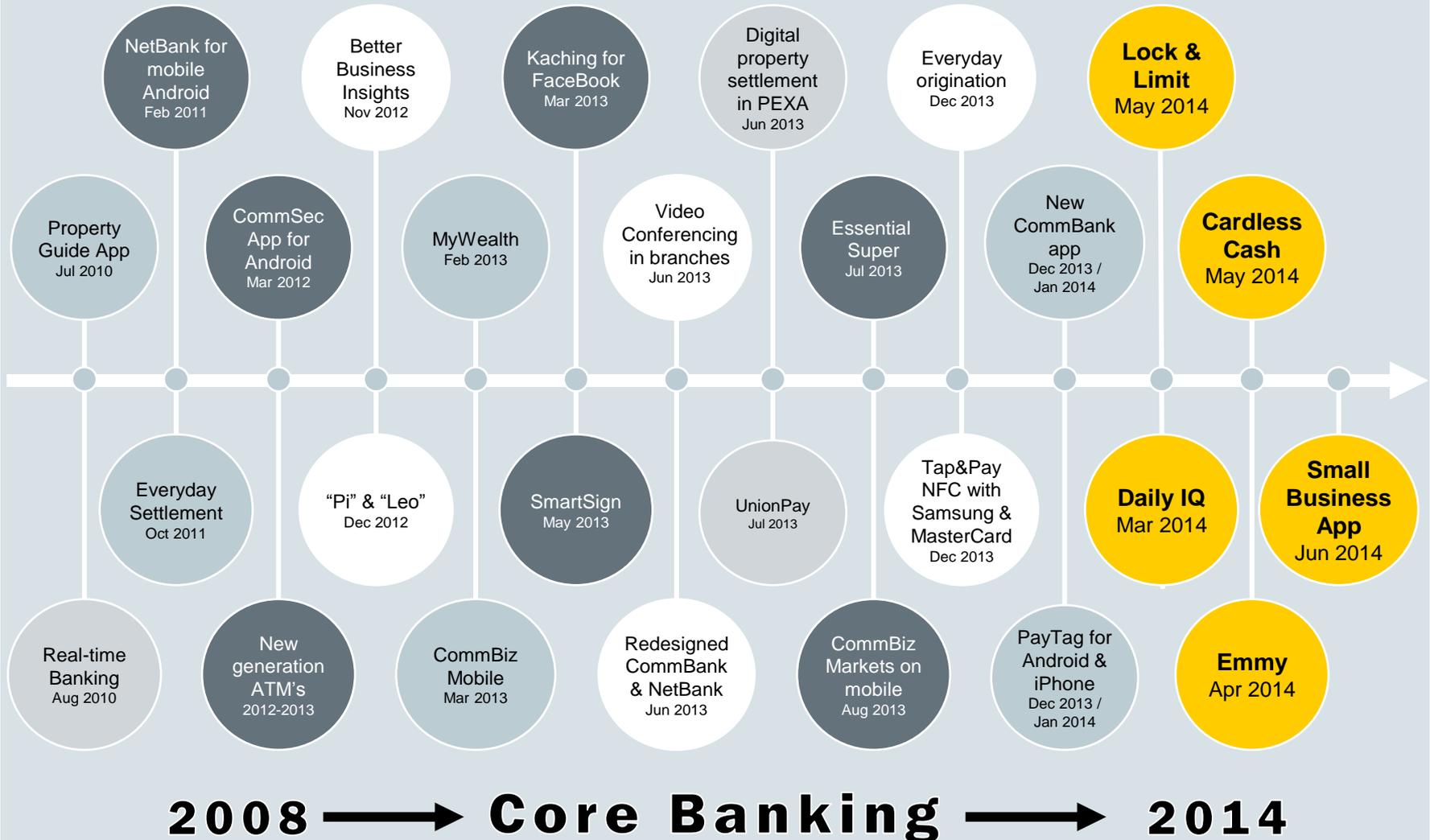


Investment Spend



¹ Refer notes page at back of presentation for definition of productivity metrics and timeframes for improvements
² Comparative information has been restated to conform to presentation in the current year

Leading technology, innovative solutions



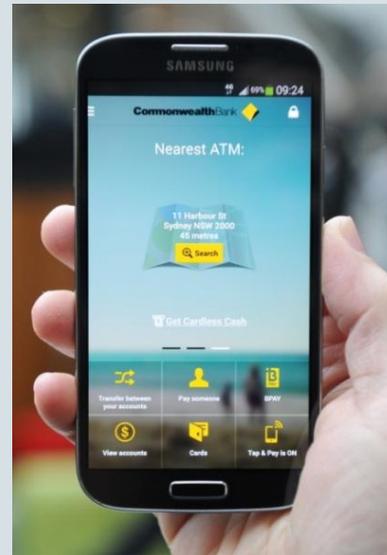
Rate of innovation increasing for consumers

Lock & Limit (May 14)



- Block or limit transactions
- Real time, 24/7
- Via CommBank app
- 40,000 enrolments to date

Cardless Cash (May 14)



- Withdraw up to \$200 a day
- Via CommBank app
- Over 3,300 ATMs nationally
- 140k withdrawals to date

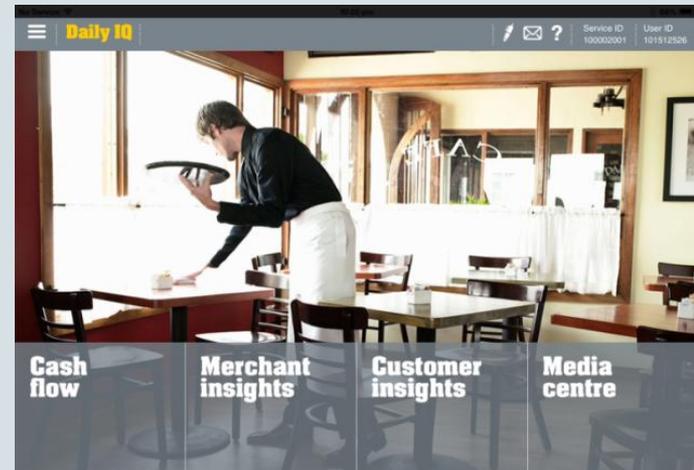
Rate of innovation increasing for businesses

Small Business App + Emmy (Apr 14)



- All-in-one small business payment solution
- On-the-spot payments, instant invoicing and more
- Turns smartphones into powerful payment tools

Daily IQ (Mar 14)

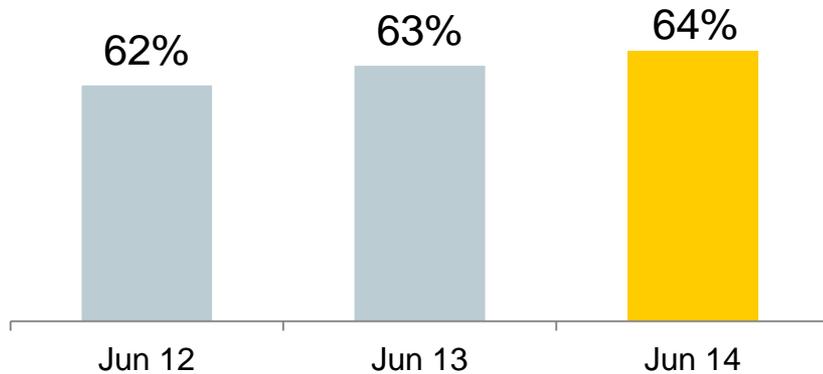


- iPad app for CommBiz customers
- Business insights, cash flow reporting, industry and market updates

Strength to support our customers

Deposit Funding

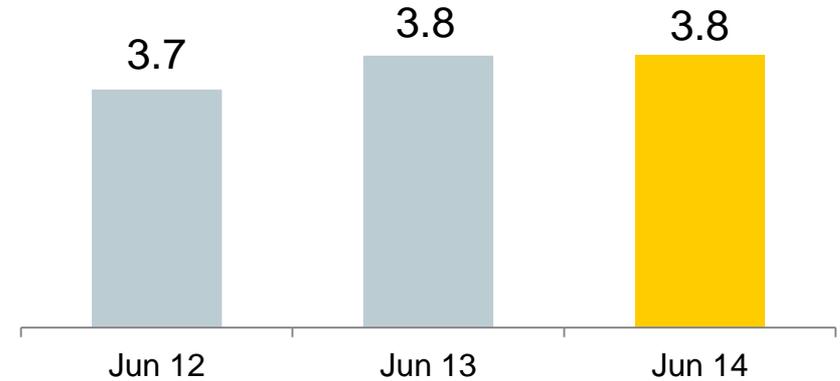
% of Total Funding



Wholesale Funding Tenor

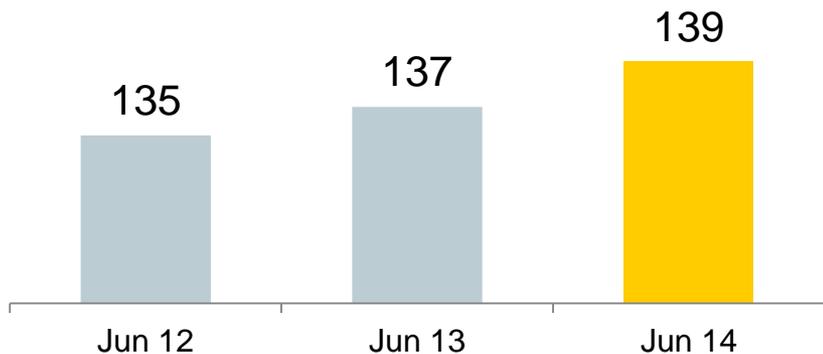
Years

Portfolio Tenor¹



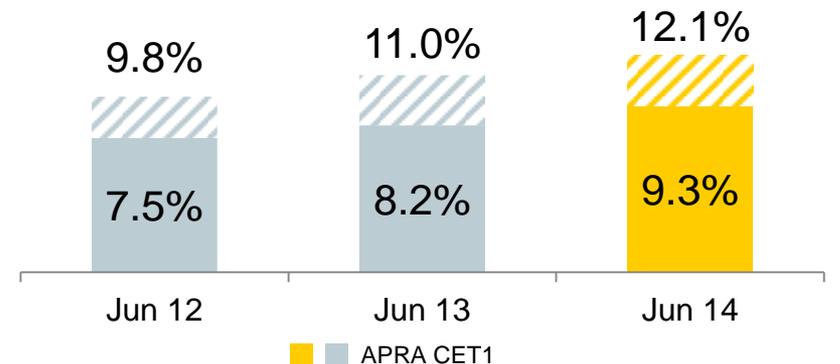
Liquids²

Liquids (\$bn)



Capital

Common Equity Tier 1
(Basel III International)³



¹ Weighted Average Maturity of long term wholesale debt. Includes all deals with first call or residual maturity of 12 months or greater.

² Liquids reported post applicable haircuts

³ Assumes Basel III Capital reforms have been fully implemented. The methodology is currently the subject of an industry-led review which may result in a higher ratio.

Outlook

- ◆ Domestically:
 - Strong foundations, but confidence remains fragile
 - Lower interest rates a positive for housing/construction, offsetting reduced investment in resource sector
 - Increased production from investments in resource sector
- ◆ Recent relative stability in global economy, but downside risks remain
- ◆ FY15:
 - Improvements in economy likely to be gradual – depending on ongoing stability
 - Coherent economic picture for Australia critical
 - We continue to take a long term view – building on priority capabilities

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