

May 12, 2008

Recent Developments

Subsequent to the release on February 13, 2008 of its Profit Announcement for the half-year ended December 31, 2008 (the "Profit Announcement"), the Commonwealth Bank of Australia (the "Bank") has made public the information set forth below. The information set forth below is not complete and should be read in conjunction with the Profit Announcement, the Bank's Annual Report (U.S. Version) for the fiscal year ended June 30, 2007 (the "Annual Report") and the other information contained on the "Supplementary business and financial disclosure" page of the Bank's website at <http://www.commbank.com.au/usinvestors>.

Core Banking Modernization

On April 28, 2008, the Bank announced that it is to undertake a comprehensive program to modernize its existing banking legacy systems with a customer centric platform intended to enhance the way that the Bank provides services to its customers and the way it does business. The Bank has selected SAP for banking solutions based on SAP's technology platform, NetWeaver. It has also appointed Accenture to support the implementation of the program. The forecast cost is expected to be approximately A\$580 million over the next four years.

Discontinuation of Share Purchases under Dividend Reinvestment Plan

On March 10, 2008, the Bank announced that in light of the continuing volatility in global markets, it has decided to discontinue the share purchase to neutralize its Dividend Reinvestment Plan. This will have the impact of increasing capital by approximately A\$400 million enabling the Bank to continue to support its customers and consider opportunities that may arise.

Funds Management Information

On April 23, 2008, the Bank released the attached information relating to its funds under management and funds under administration as at March 31, 2008.

Commonwealth Bank

Funds Under Management / Administration

Funds Under Management (FUM) ⁽¹⁾	As At				Mar-08 vs Dec-07 %
	31/03/2008 \$M	31/12/2007 \$M	30/09/2007 \$M	30/06/2007 \$M	
Australian Equities	24,565	29,618	31,286	31,199	(17.1)
Global Equities	37,824	40,945	38,684	33,684	(7.6)
Cash & Fixed Interest	66,862	66,694	47,429	48,952	0.3
Property & Alternative Investments	27,006	27,102	27,571	25,850	(0.4)
Total	156,257	164,359	144,970	139,685	(4.9)

Funds Under Administration (FUA)	As At				Mar-08 vs Dec-07 %
	31/03/2008 \$M	31/12/2007 \$M	30/09/2007 \$M	30/06/2007 \$M	
FirstChoice	39,144	42,814	42,348	39,545	(8.6)
Avanteos	6,123	6,278	6,129	5,875	(2.5)
Cash Management	2,834	2,947	3,046	3,130	(3.8)
Legacy Products ⁽²⁾	28,505	32,133	33,789	34,061	(11.3)
Retail Products (Plan for Life) ⁽³⁾	76,606	84,172	85,312	82,611	(9.0)
Other Retail ⁽⁴⁾	1,351	1,340	1,265	1,577	0.8
Australian Retail	77,957	85,512	86,577	84,188	(8.8)
Wholesale	53,403	54,746	34,608	34,469	(2.5)
Property	19,236	18,551	17,870	14,843	3.7
Other ⁽⁵⁾	3,454	3,528	3,611	3,635	(2.1)
Domestically Sourced	154,050	162,337	142,666	137,135	(5.1)
Internationally Sourced	34,999	37,497	36,338	31,675	(6.7)
Total Wealth Management	189,049	199,834	179,004	168,810	(5.4)
IFS New Zealand	6,960	7,868	7,710	8,261	(11.5)
Total CBA Group	196,009	207,702	186,714	177,071	(5.6)

Netflows	Quarter Ending		
	Mar-08 \$M	Dec-07 \$M	Sep-07 \$M
FirstChoice	426	1,626	1,896
Avanteos	524	254	248
Cash Management	(171)	(138)	(57)
Legacy Products ⁽²⁾	(769)	(1,036)	(1,181)
Retail Products (Plan for Life) ⁽³⁾	10	706	906
Other Retail ⁽⁴⁾	(36)	68	(71)
Australian Retail	(26)	774	835
Wholesale	396	20,280	(704)
Property	314	60	823
Other ⁽⁵⁾	(39)	5	(111)
Domestically Sourced	645	21,119	843
Internationally Sourced	1,507	615	2,593
Total Wealth Management	2,152	21,734	3,436
IFS New Zealand	(458)	464	(482)
Total CBA Group	1,694	22,198	2,954

(1) FUM & FUA does not include the Groups interest in the China Cinda JV, AWG PLC or ENW Limited (previously UUE Limited).

(2) Includes stand alone and legacy products.

(3) This is an estimate of the Retail Funds that align to Plan for Life market share releases.

(4) Includes listed equity trusts and regular premium plans. These retail products are not reported in market share data.

(5) Includes life company assets sourced from retail investors but not attributable to a funds management products.

Funds Under Management ("FUM") at 31 March 2008 totalled \$156 bn down 4.9% for the quarter.

Funds Under Administration ("FUA") at 31 March 2008 was \$196 bn, down 5.6% for the quarter.

Short Term Cash mandates in Wholesale which were reported in Wholesale net flows during the December 2007 quarter remain in FUA & FUM as at 31 March 2008.