

October 11, 2018

**Commonwealth Bank of Australia**

**Recent Developments**

*The information set forth below is not complete and should be read in conjunction with the information contained on the “US Investors – Supplemental Information” page of the U.S. covered bonds investor website of the Commonwealth Bank of Australia (the “Group”) at <https://www.commbank.com.au/about-us/investors/us-investors/supplemental-information.html> (the “U.S. Investor Website”). This “Recent Developments” release supplements and, to the extent inconsistent with any information previously included on the U.S. Investor Website, including the 2018 U.S. Annual Disclosure Document (as defined below), amends and supersedes such information.*

*This “Recent Developments” release contains certain forward-looking statements which involve known and unknown risks and uncertainties. Such forward-looking statements, including economic forecasts and assumptions and business and financial projections, involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. See “Special Note Regarding Forward-Looking Statements” in the Group’s U.S. Annual Disclosure Document for the year ended June 30, 2018 included on the U.S. Investor Website (the “2018 U.S. Annual Disclosure Document”).*

*References to “\$” are to Australian Dollars.*

**Defense of Superannuation Class Action**

On October 10, 2018, Commonwealth Bank of Australia (“CBA”) acknowledged that class action proceedings were filed by Slater and Gordon in the Federal Court of Australia against Colonial First State Investments Limited (“CFSIL”) and CBA.

The central allegation is that the lead applicant and group members in the class action received lower interest rates from cash deposited by CFSIL with CBA than they should have. Slater and Gordon have stated in a media release dated October 10, 2018 that the claim “could exceed \$100 million”.

CFSIL and CBA will vigorously defend the proceedings. For more information concerning the risks to the Group from litigation proceedings, please see “Risk Factors—Substantial legal liability or regulatory action against the Group may adversely affect the Group’s business, financial condition, operations, prospects and reputation” in the Group’s 2018 U.S. Annual Disclosure Document.