

October 13, 2017

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 <http://www.commbank.com.au/about-us/shareholders/us-investors/supplemental-information.htm> (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 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, 2017 included on the U.S. Investor Website (the “U.S. Annual Disclosure Document”).

Shareholder class action commenced against CBA

On Monday, October 9, 2017, the Commonwealth Bank of Australia (“CBA”) was served with a class action proceeding filed in the Federal Court of Australia in Melbourne (the “Claim”). The Claim was filed by law firm Maurice Blackburn on behalf of shareholders who acquired an interest in CBA’s ordinary shares between July 1, 2015 and 1:00 p.m. (Australian Eastern Standard Time) on August 3, 2017 (the “Relevant Period”), and who suffered loss or damage as alleged in the Claim (the “Group Members”).

The Claim alleges that CBA, whose ordinary shares are publicly traded on the Australian Securities Exchange (“ASX”), breached its obligations under the Australian Corporations Act and ASX Listing Rules to disclose information concerning CBA that a reasonable person would expect to have a material effect on the price or value of CBA’s ordinary shares to the ASX (“Continuous Disclosure Obligation”). Specifically, the Claim alleges that CBA should have disclosed on and from July 1, 2015 certain of the matters that form the basis of the proceedings filed by the Australian Transaction Reports and Analysis Centre in the Federal Court of Australia on August 3, 2017 (the “AUSTRAC Proceedings”). Further details regarding the AUSTRAC Proceedings can be found in the U.S. Annual Disclosure Document – see “Risk Factors” and “Description of Business Environment – Legal Proceedings”. The Claim further alleges that during the Relevant Period CBA made misleading or deceptive public statements regarding compliance with its obligations under

applicable anti-money laundering laws and its Continuous Disclosure Obligation in violation of applicable Australian laws.

The Claim alleges this conduct caused CBA's ordinary shares to trade at prices higher than they would have otherwise traded during the Relevant Period and sets forth various bases for how any losses could be calculated. The Claim notes that the particulars of the alleged losses or damages of the Group Members are not currently known and cannot be known until after the determination of identified common issues at an initial trial.

CBA intends to vigorously defend the Claim.