

# ASX Announcement

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## COMMONWEALTH BANK OF AUSTRALIA FINANCIAL REPORTING AND 2017 FULL YEAR PROFIT ANNOUNCEMENT TEMPLATE

**WEDNESDAY, 2 AUGUST 2017:** The Commonwealth Bank of Australia (“the Group”) is scheduled to announce its annual results on 9 August 2017. A results briefing will be hosted by the Chief Executive Officer, Ian Narev, and Chief Financial Officer, Rob Jesudason, at 11.00am (Australian Eastern Standard Time) on 9 August 2017. This briefing will be available via webcast on the Commonwealth Bank Shareholder Centre ([www.commbank.com.au/shareholder](http://www.commbank.com.au/shareholder)) and Commonwealth Bank App.

In addition to the full year results release, an Excel template populated with the current period financial results and comparatives will be published on the website.

In line with the Group’s commitment to continuous improvement in financial reporting practices, a number of enhancements have been made during the current year, which result in changes to comparative financial information.

This announcement provides:

- A summary of the enhancements made to financial reporting; and
- Updated financial comparative tables for the 2017 Full Year Profit Announcement.

In order to assist users in analysing the Group’s financial information, the financial comparative template for the 2017 full year results is also now available in user-friendly Excel format on the website at:

[www.commbank.com.au/about-us/shareholders/financial-information/results.html](http://www.commbank.com.au/about-us/shareholders/financial-information/results.html)

**ENDS**

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2 August 2017

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## 1. Financial Reporting Enhancements in the Prior Half

As previously reported on 2 February 2017, a number of enhancements were made to financial reporting in the prior half. Below is a summary of the enhancements previously disclosed in the Interim Release:

- **Re-segmentation and Allocations:**

Minor refinements have been made to the allocation of customer balances and associated revenue and expenses between business segments.

- **Changes to Recognition of Long-Term Incentives in CFS GAM:**

The Group has changed its accounting policy in relation to long-term incentives provided to certain employees in the Global Asset Management business, to align the accounting treatment with defined contribution plans under AASB 119 "Employee Benefits". The new accounting policy expenses the long-term incentives when granted, which better aligns the accounting with the economic substance of the arrangements.

The change has been applied retrospectively in accordance with AASB 108 and results in a one-off reduction to retained earnings (\$192 million decrease for the year ended 30 June 2016) and net assets (\$77 million decrease to total assets and \$115 million increase to total liabilities for the year ended 30 June 2016), and a reduction of \$5 million to cash net profit after tax for the year ended 30 June 2016.

- **Change to Calculation of Net Interest Margin (NIM):**

In calculating the Group's NIM, mortgage offset balances are now being deducted from average interest earning assets to reflect their non-interest earning nature, and to align with peers and industry practice. This results in changes to Group's NIM for current and prior periods.

- **Funds Under Administration (FUA):**

Minor enhancements have been made to the disclosure of FUA balances, increasing the Group average balance from \$143 billion to \$145 billion consistent with market practice.

Of the above financial reporting enhancements, only changes to the recognition of long-term incentives in CFS GAM impacts the Group's Cash net profit after tax (NPAT) with a reduction of \$5 million for the year ended 30 June 2016. The remaining financial reporting enhancements result in changes to the presentation of the Profit and Loss and the Balance Sheet of the Group and affected segments.

## 2. Financial Reporting Enhancements in the Current Period

- **Loans which were neither past due nor impaired (Appendix 10):**

Following enhancements to methodology in the current period, there was a change to the categorisation of credit exposures by credit grade for loans which were neither past due nor impaired. The reclassification between credit grade categories were less than 5% of the total balance. Comparative information was restated to conform to presentation in the current period.

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## 1. Impact of Prior Half Financial Reporting Enhancements on Prior Full Year

The impact of the changes made in the prior half on each segment's full year Cash NPAT for the comparative period are set out below:

### Segment Cash NPAT (impact by adjustment type)

	Full Year Ended 30 June 2016							
	Retail	Business	Institutional					
	Banking	and Private	Banking and	Wealth	New		IFS and	
	Services	Banking	Markets	Management	Zealand	Bankwest	Other	Group
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Cash NPAT - as published	4,436	1,567	1,164	617	877	763	26	9,450
Restatements:								
CFS GAM Long-Term Incentives	-	-	-	(5)	-	-	-	(5)
Re-segmentation and Allocations	104	(45)	26	-	4	15	(104)	-
<b>Cash NPAT - as restated</b>	<b>4,540</b>	<b>1,522</b>	<b>1,190</b>	<b>612</b>	<b>881</b>	<b>778</b>	<b>(78)</b>	<b>9,445</b>

### Segment Cash NPAT (impact by P&L line item)

	Full Year Ended 30 June 2016							
	Retail	Business	Institutional					
	Banking	and Private	Banking and	Wealth	New		IFS and	
	Services	Banking	Markets	Management	Zealand	Bankwest	Other	Group
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Cash NPAT - as published	4,436	1,567	1,164	617	877	763	26	9,450
Restatements:								
Increase/(decrease) in Total operating income	150	(68)	40	-	6	19	(147)	-
(Increase)/decrease in Operating expenses	-	1	(1)	(5)	-	-	-	(5)
(Increase)/decrease in Loan impairment expense	(3)	3	-	-	-	-	-	-
Increase/(decrease) in Investment experience	-	-	-	(2)	-	-	2	-
(Increase)/decrease in Corporate tax expense	(43)	19	(13)	2	(2)	(4)	41	-
<b>Cash NPAT - as restated</b>	<b>4,540</b>	<b>1,522</b>	<b>1,190</b>	<b>612</b>	<b>881</b>	<b>778</b>	<b>(78)</b>	<b>9,445</b>

# ASX Announcement

## Segment Balance Sheet

	As at 30 June 2016							
	Retail Banking Services \$M	Business and Private Banking \$M	Institutional Banking and Markets \$M	Wealth Management \$M	New Zealand \$M	Bankwest \$M	IFS and Other \$M	Group \$M
Total Assets - as published	331,818	104,211	182,199	21,080	80,386	82,880	130,504	933,078
Increase/(decrease)	2,814	(2,759)	(947)	(77)	-	-	892	(77)
<b>Total Assets - as restated</b>	<b>334,632</b>	<b>101,452</b>	<b>181,252</b>	<b>21,003</b>	<b>80,386</b>	<b>82,880</b>	<b>131,396</b>	<b>933,001</b>
Total Liabilities - as published	237,765	76,690	154,769	26,119	73,831	51,100	252,048	872,322
Increase/(decrease)	759	(509)	(250)	115	-	-	-	115
<b>Total Liabilities - as restated</b>	<b>238,524</b>	<b>76,181</b>	<b>154,519</b>	<b>26,234</b>	<b>73,831</b>	<b>51,100</b>	<b>252,048</b>	<b>872,437</b>

## Segment Cost to Income Ratios

	Full Year Ended 30 June 2016							
	Retail Banking Services %	Business and Private Banking %	Institutional Banking and Markets %	Wealth Management %	New Zealand (In NZD) %	Bankwest %	IFS and Other %	Group %
Operating expenses to total operating income - as published	32.6	38.1	37.9	70.0	40.0	41.7	n/a	42.4
Operating expenses to total operating income - as restated	32.1	38.8	37.4	70.2	39.9	41.2	n/a	42.4

# ASX Announcement

## Impact of changes to Recognition of Long-Term Incentives in CFS GAM

### Group Performance Summary

	Full Year Ended	
	As	As
	Restated	Published
	30 Jun 16	30 Jun 16
	\$M	\$M
Net interest income	16,935	16,935
Other banking income	4,860	4,860
<b>Total banking income</b>	<b>21,795</b>	<b>21,795</b>
Funds management income	2,016	2,016
Insurance income	795	795
<b>Total operating income</b>	<b>24,606</b>	<b>24,606</b>
Investment experience	141	141
<b>Total income</b>	<b>24,747</b>	<b>24,747</b>
Operating expenses	(10,434)	(10,429)
Loan impairment expense	(1,256)	(1,256)
<b>Net profit before tax</b>	<b>13,057</b>	<b>13,062</b>
Corporate tax expense	(3,592)	(3,592)
Non controlling interests	(20)	(20)
<b>Net profit after tax ("cash basis")</b>	<b>9,445</b>	<b>9,450</b>
Hedging and IFRS volatility	(199)	(200)
Other non-cash items	(23)	(23)
<b>Net profit after tax ("statutory basis")</b>	<b>9,223</b>	<b>9,227</b>

Indicates key changes

# ASX Announcement

## Consolidated Balance Sheet

	<b>As Restated 30 Jun 16 \$M</b>	<b>As Published 30 Jun 16 \$M</b>
<b>Assets</b>		
Cash and liquid assets	23,372	23,372
Receivables due from other financial institutions	11,591	11,591
Assets at fair value through Income Statement:		
Trading	34,067	34,067
Insurance	13,547	13,547
Other	1,480	1,480
Derivative assets	46,567	46,567
Available-for-sale investments	80,898	80,898
Loans, bills discounted and other receivables	695,398	695,398
Bank acceptances of customers	1,431	1,431
Property, plant and equipment	3,940	3,940
Investment in associates and joint ventures	2,776	2,776
Intangible assets	10,384	10,384
Deferred tax assets	389	345
Other assets	7,161	7,282
<b>Total assets</b>	<b>933,001</b>	<b>933,078</b>
<b>Liabilities</b>		
Deposits and other public borrowings	588,045	588,045
Payables due to other financial institutions	28,771	28,771
Liabilities at fair value through Income Statement	10,292	10,292
Derivative liabilities	39,921	39,921
Bank acceptances	1,431	1,431
Current tax liabilities	1,022	1,022
Deferred tax liabilities	340	340
Other provisions	1,656	1,656
Insurance policy liabilities	12,636	12,636
Debt issues	161,284	161,284
Managed funds units on issue	1,606	1,606
Bills payable and other liabilities	9,889	9,774
	856,893	856,778
Loan capital	15,544	15,544
<b>Total liabilities</b>	<b>872,437</b>	<b>872,322</b>
<b>Net assets</b>	<b>60,564</b>	<b>60,756</b>
<b>Shareholders' Equity</b>		
Share capital:		
Ordinary share capital	33,845	33,845
Reserves	2,734	2,734
Retained profits	23,435	23,627
<b>Shareholders' Equity attributable to Equity holders of the Bank</b>	<b>60,014</b>	<b>60,206</b>
Non-controlling interests	550	550
<b>Total Shareholders' Equity</b>	<b>60,564</b>	<b>60,756</b>

Indicates key changes

# ASX Announcement

## Change to Calculation of Net Interest Margin (NIM)

### Net Interest Income and Net Interest Margin

	Full Year Ended	
	As	As
	Restated	Published
	30 Jun 16	30 Jun 16
	\$M	\$M
<b>Net interest income - "cash basis"</b>	16,935	16,935
<b>Average interest earning assets</b>		
Home loans	409,669	436,530
Consumer finance	23,722	23,722
Business and corporate loans	211,356	211,356
<b>Total average lending interest earning assets</b>	<b>644,747</b>	<b>671,608</b>
Non-lending interest earning assets	145,849	145,849
<b>Total average interest earning assets</b>	<b>790,596</b>	<b>817,457</b>
Net interest margin (%)	2.14	2.07
Net interest margin excluding Treasury and Markets (%)	2.13	2.06

Indicates key changes

# ASX Announcement

## Average Balance Sheet and Related Interest

	As Restated			As Published		
	Full Year Ended 30 Jun 16			Full Year Ended 30 Jun 16		
	Avg Bal	Interest	Yield	Avg Bal	Interest	Yield
	\$M	\$M	%	\$M	\$M	%
<b>Interest Earning Assets</b>						
Home loans	409,669	19,283	4.71	436,530	19,283	4.42
Consumer finance	23,722	2,922	12.32	23,722	2,922	12.32
Business and corporate loans	211,356	8,761	4.15	211,356	8,761	4.15
<b>Loans, bills discounted and other receivables</b>	644,747	30,966	4.80	671,608	30,966	4.61
Cash and other liquid assets	44,092	428	0.97	44,092	428	0.97
Assets at fair value through Income Statement (excluding life insurance)	22,444	576	2.57	22,444	576	2.57
Available-for-sale investments	79,313	1,847	2.33	79,313	1,847	2.33
<b>Non-lending interest earning assets</b>	145,849	2,851	1.95	145,849	2,851	1.95
Total interest earning assets	790,596	33,817	4.28	817,457	33,817	4.14
Non-interest earning assets	125,724			98,913		
<b>Total average assets</b>	916,320			916,370		

	As Restated			As Published		
	Full Year Ended 30 Jun 16			Full Year Ended 30 Jun 16		
	Avg Bal	Interest	Yield	Avg Bal	Interest	Yield
	\$M	\$M	%	\$M	\$M	%
<b>Interest Bearing Liabilities</b>						
Transaction deposits	74,258	606	0.82	88,528	606	0.68
Savings deposits	177,200	3,394	1.92	189,791	3,394	1.79
Investment deposits	196,024	5,421	2.77	196,024	5,421	2.77
Certificates of deposit and other	66,470	2,264	3.41	66,470	2,264	3.41
<b>Total interest bearing deposits</b>	513,952	11,685	2.27	540,813	11,685	2.16
Payables due to other financial institutions	37,031	277	0.75	37,031	277	0.75
Liabilities at fair value through Income Statement	6,865	211	3.07	6,865	211	3.07
Debt issues	162,017	4,125	2.55	162,017	4,125	2.55
Loan capital	13,889	584	4.20	13,889	584	4.20
<b>Total interest bearing liabilities</b>	733,754	16,882	2.30	760,615	16,882	2.22
Non-interest bearing liabilities	124,887			97,890		
<b>Total average liabilities</b>	858,641			858,505		

Indicates key changes



# ASX Announcement

## Funds Under Administration (FUA) changes

### Group FUA

	<b>As Restated</b>	<b>As Published</b>
	<b>30 Jun 16</b>	<b>30 Jun 16</b>
<b>Key Performance Indicators</b>	<b>\$M</b>	<b>\$M</b>
Funds Under Administration (FUA) - average (\$M)	144,913	143,312

### Wealth Management FUA

	<b>As Restated</b>	<b>As Published</b>
	<b>30 Jun 16</b>	<b>30 Jun 16</b>
<b>Funds Under Administration (FUA)</b>	<b>\$M</b>	<b>\$M</b>
FirstChoice	75,694	75,694
Custom Solutions	22,890	22,890
CFS Non-Platform	15,054	15,054
CommInsure Investments	12,272	12,272
Other	9,891	8,338
<b>Total</b>	<b>135,801</b>	<b>134,248</b>

Indicates key changes

# ASX Announcement

## 2. Impact of Current Period Financial Reporting Enhancements on Prior Full Year

### Loans which were neither past due nor impaired

	As Restated				
	As at 30 June 2016				
	Home Loans \$M	Other Personal \$M	Asset Financing \$M	Other Commercial Industrial \$M	Total \$M
<b>Loans which were neither past due nor impaired</b>					
Investment Grade	290,404	4,454	307	100,510	395,675
Pass Grade	142,180	15,628	7,128	103,950	268,886
Weak	10,189	3,669	198	3,262	17,318
<b>Total loans which were neither past due nor impaired</b>	<b>442,773</b>	<b>23,751</b>	<b>7,633</b>	<b>207,722</b>	<b>681,879</b>
<b>Loans which were past due but not impaired</b>					
Past due 1 - 29 days	7,494	830	93	1,044	9,461
Past due 30 - 59 days	1,942	229	47	194	2,412
Past due 60 - 89 days	946	139	24	116	1,225
Past due 90 - 179 days	1,065	16	1	183	1,265
Past due 180 days or more	834	11	2	231	1,078
<b>Total loans past due but not impaired</b>	<b>12,281</b>	<b>1,225</b>	<b>167</b>	<b>1,768</b>	<b>15,441</b>

	As Published				
	As at 30 June 2016				
	Home Loans \$M	Other Personal \$M	Asset Financing \$M	Other Commercial Industrial \$M	Total \$M
<b>Loans which were neither past due nor impaired</b>					
Investment Grade	290,404	4,454	768	131,535	427,161
Pass Grade	142,180	15,628	7,468	73,852	239,128
Weak	10,189	3,669	257	1,475	15,590
<b>Total loans which were neither past due nor impaired</b>	<b>442,773</b>	<b>23,751</b>	<b>8,493</b>	<b>206,862</b>	<b>681,879</b>
<b>Loans which were past due but not impaired</b>					
Past due 1 - 29 days	7,494	830	93	1,044	9,461
Past due 30 - 59 days	1,942	229	47	194	2,412
Past due 60 - 89 days	946	139	24	116	1,225
Past due 90 - 179 days	1,065	16	1	183	1,265
Past due 180 days or more	834	11	2	231	1,078
<b>Total loans past due but not impaired</b>	<b>12,281</b>	<b>1,225</b>	<b>167</b>	<b>1,768</b>	<b>15,441</b>

Indicates key changes

# ASX Announcement

## Updated Financial Comparative Tables for the 2017 Full Year Profit Announcement

	Full Year Ended	
	("cash basis")	
	30 Jun 17	30 Jun 16
	\$M	\$M
Net interest income	-	16,935
Other banking income	-	4,860
<b>Total banking income</b>	-	21,795
Funds management income	-	2,016
Insurance income	-	795
<b>Total operating income</b>	-	24,606
Investment experience	-	141
<b>Total income</b>	-	24,747
Operating expenses	-	(10,434)
Loan impairment expense	-	(1,256)
<b>Net profit before tax</b>	-	13,057
Corporate tax expense	-	(3,592)
Non controlling interests	-	(20)
<b>Net profit after tax ("cash basis")</b>	-	9,445
Hedging and IFRS volatility	-	(199)
Other non-cash items	-	(23)
<b>Net profit after tax ("statutory basis")</b>	-	9,223
<b>Represented by:</b>		
Retail Banking Services	-	4,540
Business and Private Banking	-	1,522
Institutional Banking and Markets	-	1,190
Wealth Management	-	612
New Zealand	-	881
Bankwest	-	778
IFS and Other	-	(78)
Net profit after tax ("cash basis")	-	9,445
Investment experience - after tax	-	(100)
<b>Net profit after tax ("underlying basis")</b>	-	9,345

# ASX Announcement

Key Performance Indicators	Full Year Ended	
	30 Jun 17	30 Jun 16
<b>Group</b>		
Statutory net profit after tax (\$M)	-	9,223
Cash net profit after tax (\$M)	-	9,445
Net interest margin (%)	-	2.14
Net interest margin excluding Treasury and Markets (%)	-	2.13
Average interest earning assets (\$M)	-	790,596
Average interest bearing liabilities (\$M)	-	733,754
Funds Under Administration (FUA) - average (\$M)	-	144,913
Assets Under Management (AUM) - average (\$M)	-	202,000
Average inforce premiums (\$M)	-	3,401
Operating expenses to total operating income (%)	-	42.4
Effective corporate tax rate ("cash basis") (%)	-	27.5
<b>Retail Banking Services</b>		
Cash net profit after tax (\$M)	-	4,540
Operating expenses to total banking income (%)	-	32.1
<b>Business and Private Banking</b>		
Cash net profit after tax (\$M)	-	1,522
Operating expenses to total banking income (%)	-	38.8
<b>Institutional Banking and Markets</b>		
Cash net profit after tax (\$M)	-	1,190
Operating expenses to total banking income (%)	-	37.4
<b>Wealth Management</b>		
Cash net profit after tax (\$M)	-	612
FUA - average (\$M)	-	134,233
AUM - average (\$M)	-	197,569
Average inforce premiums (\$M)	-	2,474
Operating expenses to total operating income (%)	-	70.2
<b>New Zealand</b>		
Cash net profit after tax (\$M)	-	881
FUA - average (\$M)	-	10,680
AUM - average (\$M)	-	4,431
Average inforce premiums (\$M)	-	672
Operating expenses to total operating income (%) <sup>(1)</sup>	-	39.9
<b>Bankwest</b>		
Cash net profit after tax (\$M)	-	778
Operating expenses to total banking income (%)	-	41.2
<b>Capital (Basel III)</b>		
Common Equity Tier 1 (Internationally Comparable) (%)	-	14.4
Common Equity Tier 1 (APRA) (%)	-	10.6
<b>Leverage Ratio (Basel III)</b>		
Leverage Ratio (Internationally Comparable) (%)	-	5.6
Leverage Ratio (APRA) (%)	-	5.0

(1) Key financial metrics are calculated in New Zealand Dollar terms.

# ASX Announcement

Shareholder Summary	Full Year Ended	
	30 Jun 17	30 Jun 16
Dividends per share - fully franked (cents)	-	420
Dividend cover - "cash basis" (times)	-	1.3
Earnings Per Share (EPS) (cents)		
Statutory basis - basic	-	542.3
Cash basis - basic	-	554.8
Dividend payout ratio (%)		
Statutory basis	-	78.4
Cash basis	-	76.5
Weighted average no. of shares ("statutory basis") - basic (M)	-	1,692
Weighted average no. of shares ("cash basis") - basic (M)	-	1,693
Return on equity - "statutory basis" (%)	-	16.2
Return on equity - "cash basis" (%)	-	16.5

# ASX Announcement

## Average Balance Sheet and Related Interest

	Full Year Ended 30 Jun 17			Full Year Ended 30 Jun 16		
	Avg Bal \$M	Interest \$M	Yield %	Avg Bal \$M	Interest \$M	Yield %
<b>Interest Earning Assets</b>						
Home loans	-	-	-	409,669	19,283	4.71
Consumer finance	-	-	-	23,722	2,922	12.32
Business and corporate loans	-	-	-	211,356	8,761	4.15
<b>Loans, bills discounted and other receivables</b>	-	-	-	644,747	30,966	4.80
Cash and other liquid assets	-	-	-	44,092	428	0.97
Assets at fair value through Income Statement (excluding life insurance)	-	-	-	22,444	576	2.57
Available-for-sale investments	-	-	-	79,313	1,847	2.33
<b>Non-lending interest earning assets</b>	-	-	-	145,849	2,851	1.95
Total interest earning assets	-	-	-	790,596	33,817	4.28
Non-interest earning assets	-	-	-	125,724		
<b>Total average assets</b>	-	-	-	916,320		

	Full Year Ended 30 Jun 17			Full Year Ended 30 Jun 16		
	Avg Bal \$M	Interest \$M	Yield %	Avg Bal \$M	Interest \$M	Yield %
<b>Interest Bearing Liabilities</b>						
Transaction deposits	-	-	-	74,258	606	0.82
Savings deposits	-	-	-	177,200	3,394	1.92
Investment deposits	-	-	-	196,024	5,421	2.77
Certificates of deposit and other	-	-	-	66,470	2,264	3.41
<b>Total interest bearing deposits</b>	-	-	-	513,952	11,685	2.27
Payables due to other financial institutions	-	-	-	37,031	277	0.75
Liabilities at fair value through Income Statement	-	-	-	6,865	211	3.07
Debt issues	-	-	-	162,017	4,125	2.55
Loan capital	-	-	-	13,889	584	4.20
<b>Total interest bearing liabilities</b>	-	-	-	733,754	16,882	2.30
Non-interest bearing liabilities	-	-	-	124,887		
<b>Total average liabilities</b>	-	-	-	858,641		

# ASX Announcement

## Retail Banking Services

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
Net interest income	-	8,717
Other banking income	-	1,794
<b>Total banking income</b>	-	10,511
Operating expenses	-	(3,373)
Loan impairment expense	-	(663)
Net profit before tax	-	6,475
Corporate tax expense	-	(1,935)
<b>Cash net profit after tax</b>	-	4,540
<b>Income analysis</b>		
<b>Net interest income</b>		
Home loans	-	3,949
Consumer finance	-	2,031
Retail deposits	-	2,659
Other	-	78
<b>Total net interest income</b>	-	8,717
<b>Other banking income</b>		
Home loans	-	221
Consumer finance	-	507
Retail deposits	-	511
Distribution	-	422
Other	-	133
<b>Total other banking income</b>	-	1,794
<b>Total banking income</b>	-	10,511

# ASX Announcement

## Retail Banking Services (continued)

	As at	
	30 Jun 17	30 Jun 16
	\$M	\$M
<b>Balance Sheet</b>		
Home loans	-	313,682
Consumer finance	-	17,228
Other interest earning assets	-	2,870
<b>Total interest earning assets</b>	-	<b>333,780</b>
Other assets	-	852
<b>Total assets</b>	-	<b>334,632</b>
Transaction deposits	-	18,084
Savings deposits	-	118,913
Investment deposits and other	-	73,111
<b>Total interest bearing deposits</b>	-	<b>210,108</b>
Non-interest bearing transaction deposits	-	25,338
Other non-interest bearing liabilities	-	3,078
<b>Total liabilities</b>	-	<b>238,524</b>

	Full Year Ended	
	30 Jun 17	30 Jun 16
<b>Key Financial Metrics</b>		
<b>Performance indicators</b>		
Return on assets (%)	-	1.4
Impairment expense annualised as a % of average GLAAs (%)	-	0.21
Operating expenses to total banking income (%)	-	32.1
<b>Other asset/liability information</b>		
Average interest earning assets (\$M) <sup>(1)</sup>	-	300,815
Average interest bearing liabilities (\$M) <sup>(1)</sup>	-	196,770

(1) Net of average mortgage offset balances.



# ASX Announcement

## Business and Private Banking

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
Net interest income	-	3,001
Other banking income	-	839
<b>Total banking income</b>	-	<b>3,840</b>
Operating expenses	-	(1,488)
Loan impairment expense	-	(176)
Net profit before tax	-	2,176
Corporate tax expense	-	(654)
<b>Cash net profit after tax</b>	-	<b>1,522</b>
<b>Income analysis</b>		
<b>Net interest income</b>		
Corporate Financial Services	-	1,107
Business Banking SME	-	899
Regional and Agribusiness	-	544
Private Bank	-	303
CommSec	-	148
<b>Total net interest income</b>	-	<b>3,001</b>
<b>Other banking income</b>		
Corporate Financial Services	-	305
Business Banking SME	-	172
Regional and Agribusiness	-	91
Private Bank	-	61
CommSec	-	210
<b>Total other banking income</b>	-	<b>839</b>
<b>Total banking income</b>	-	<b>3,840</b>
<b>Income by product:</b>		
Business products	-	2,243
Retail products	-	1,061
Equities and Margin Lending	-	329
Markets	-	138
Other	-	69
<b>Total banking income</b>	-	<b>3,840</b>

# ASX Announcement

## Business and Private Banking (continued)

	As at	
	30 Jun 17	30 Jun 16
	\$M	\$M
<b>Balance Sheet</b>		
Home loans	-	31,987
Consumer finance	-	630
Business loans	-	65,446
Margin loans	-	2,697
<b>Total interest earning assets</b>	-	100,760
Non-lending interest earning assets	-	238
Other assets	-	454
<b>Total assets</b>	-	101,452
Transaction deposits	-	12,024
Savings deposits	-	30,812
Investment deposits and other	-	25,773
<b>Total interest bearing deposits</b>	-	68,609
Non-interest bearing transaction deposits	-	6,738
Other non-interest bearing liabilities	-	834
<b>Total liabilities</b>	-	76,181

	Full Year Ended	
	30 Jun 17	30 Jun 16
<b>Key Financial Metrics</b>		
<b>Performance indicators</b>		
Return on assets (%)	-	1.5
Impairment expense annualised as a % of average GLAAs (%)	-	0.18
Operating expenses to total banking income (%)	-	38.8
<b>Other asset/liability information</b>		
Average interest earning assets (\$M) <sup>(1)</sup>	-	94,187
Average interest bearing liabilities (\$M) <sup>(1)</sup>	-	64,270

(1) Net of average mortgage offset balances.

# ASX Announcement

## Institutional Banking and Markets

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
Net interest income	-	1,617
Other banking income	-	1,276
<b>Total banking income</b>	-	2,893
Operating expenses	-	(1,082)
Loan impairment expense	-	(252)
Net profit before tax	-	1,559
Corporate tax expense	-	(369)
<b>Cash net profit after tax</b>	-	1,190
<b>Income analysis</b>		
<b>Net interest income</b>		
Institutional Banking	-	1,441
Markets	-	176
<b>Total net interest income</b>	-	1,617
<b>Other banking income</b>		
Institutional Banking	-	747
Markets	-	529
<b>Total other banking income</b>	-	1,276
<b>Total banking income</b>	-	2,893
<b>Income by product</b>		
Institutional products	-	1,836
Asset leasing	-	287
Markets	-	776
Other	-	65
<b>Total banking income excluding derivative valuation adjustments</b>	-	2,964
Derivative valuation adjustments	-	(71)
<b>Total banking income</b>	-	2,893

# ASX Announcement

## Institutional Banking and Markets (continued)

	As at	
	30 Jun 17	30 Jun 16
	\$M	\$M
<b>Balance Sheet</b>		
Interest earning lending assets	-	112,432
Non-lending interest earning assets	-	27,594
Other assets	-	41,226
<b>Total assets</b>	-	181,252
Transaction deposits	-	41,382
Savings deposits	-	6,350
Investment deposits	-	39,371
Certificates of deposit and other	-	14,435
<b>Total interest bearing deposits</b>	-	101,538
Due to other financial institutions	-	15,610
Debt issues and other	-	9,064
Non-interest bearing liabilities	-	28,307
<b>Total liabilities</b>	-	154,519
<b>Key Financial Metrics</b>		
	30 Jun 17	30 Jun 16
<b>Performance indicators</b>		
Return on assets (%)	-	0.7
Impairment expense annualised as a % of average GLAAs (%)	-	0.23
Operating expenses to total banking income (%)	-	37.4
<b>Other asset/liability information</b>		
Average interest earning assets (\$M)	-	136,845
Average interest bearing liabilities (\$M)	-	120,209

# ASX Announcement

## Wealth Management

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
Funds management income	-	1,891
Insurance income	-	502
Total operating income	-	2,393
Operating expenses	-	(1,681)
Net profit before tax	-	712
Corporate tax expense	-	(183)
Underlying profit after tax	-	529
Investment experience after tax	-	83
<b>Cash net profit after tax</b>	-	<b>612</b>
<b>Represented by:</b>		
CFS Global Asset Management	-	224
Colonial First State	-	230
CommInsure	-	274
Other	-	(116)
<b>Cash net profit after tax</b>	-	<b>612</b>

	Full Year Ended	
	30 Jun 17	30 Jun 16
<b>Key Financial Metrics</b>		
<b>Performance indicators</b>		
Operating expenses to total operating income (%)	-	70.2
FUA - average (\$M)	-	134,233
FUA - spot (\$M)	-	135,801
AUM - average (\$M)	-	197,569
AUM - spot (\$M)	-	199,735
Annual Inforce Premiums - average (\$M)	-	2,474
Annual Inforce Premiums - spot (\$M)	-	2,508

	Full Year Ended							
	CFS		Colonial		CommInsure		Other	
	Global Asset Management		First State					
	Jun 17	Jun 16	Jun 17	Jun 16	Jun 17	Jun 16	Jun 17	Jun 16
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Funds management income	-	842	-	929	-	120	-	-
Insurance income	-	-	-	-	-	502	-	-
<b>Total operating income</b>	-	<b>842</b>	-	<b>929</b>	-	<b>622</b>	-	-
Operating expenses	-	(572)	-	(609)	-	(339)	-	(161)
Net profit before tax	-	270	-	320	-	283	-	(161)
Corporate tax (expense)/benefit	-	(49)	-	(99)	-	(80)	-	45
Underlying profit after tax	-	221	-	221	-	203	-	(116)
Investment experience after tax	-	3	-	9	-	71	-	-
<b>Cash net profit after tax</b>	-	<b>224</b>	-	<b>230</b>	-	<b>274</b>	-	<b>(116)</b>

# ASX Announcement

## New Zealand

	Full Year Ended	
	30 Jun 17	30 Jun 16
	A\$M	A\$M
Net interest income	-	1,581
Other banking income	-	288
Total banking income	-	1,869
Funds management income	-	80
Insurance income	-	242
Total operating income	-	2,191
Operating expenses	-	(889)
Loan impairment expense	-	(120)
Net profit before tax	-	1,182
Corporate tax expense	-	(311)
Underlying profit after tax	-	871
Investment experience after tax	-	10
<b>Cash net profit after tax</b>	-	<b>881</b>

	Full Year Ended	
	30 Jun 17	30 Jun 16
	NZ\$M	NZ\$M
Net interest income	-	1,719
Other banking income	-	346
Total banking income	-	2,065
Funds management income	-	87
Insurance income	-	264
Total operating income	-	2,416
Operating expenses	-	(964)
Loan impairment expense	-	(130)
Net profit before tax	-	1,322
Corporate tax expense	-	(349)
Underlying profit after tax	-	973
Investment experience after tax	-	11
<b>Cash net profit after tax</b>	-	<b>984</b>
<b>Represented by:</b>		
ASB	-	914
Sovereign	-	105
Other	-	(35)
<b>Cash net profit after tax</b>	-	<b>984</b>

Key Financial Metrics	Full Year Ended	
	30 Jun 17	30 Jun 16
Operating expenses to total operating income (%)	-	39.9
FUA - average (NZ\$M)	-	11,632
FUA - spot (NZ\$M)	-	12,063
AUM - average (NZ\$M)	-	4,825
AUM - spot (NZ\$M)	-	5,222

# ASX Announcement

## Bankwest

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
Net interest income	-	1,657
Other banking income	-	217
Total banking income	-	1,874
Operating expenses	-	(773)
Loan impairment (expense)/benefit	-	10
Net profit before tax	-	1,111
Corporate tax expense	-	(333)
<b>Cash net profit after tax</b>	-	<b>778</b>

	As at	
	30 Jun 17	30 Jun 16
	\$M	\$M
<b>Balance Sheet</b>		
Home loans	-	64,412
Other interest earning lending assets	-	18,184
Total interest earning assets	-	82,596
Other assets	-	284
<b>Total assets</b>	-	<b>82,880</b>
Transaction deposits	-	12,155
Savings deposits	-	10,569
Investment deposits	-	26,152
Certificates of deposit and other	-	37
Total interest bearing deposits	-	48,913
Other interest bearing liabilities	-	66
Non-interest bearing transaction deposits	-	1,565
Other non-interest bearing liabilities	-	556
<b>Total liabilities</b>	-	<b>51,100</b>

	Full Year Ended	
	30 Jun 17	30 Jun 16
<b>Key Financial Metrics</b>		
<b>Performance indicators</b>		
Return on assets (%)	-	0.9
Impairment expense annualised as a % of average GLAAs (%)	-	(0.01)
Operating expenses to total banking income (%)	-	41.2
<b>Other asset/liability information</b>		
Average interest earning assets (\$M) <sup>(1)</sup>	-	76,860
Average interest bearing liabilities (\$M) <sup>(1)</sup>	-	45,380

(1) Net of average mortgage offset balances.

# ASX Announcement

## IFS and Other

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
IFS	-	52
Corporate Centre	-	(316)
Eliminations/Unallocated	-	186
<b>Cash net profit/(loss) after tax</b>	<b>-</b>	<b>(78)</b>

## IFS

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
Net interest income	-	157
Other banking income	-	281
Total banking income	-	438
Insurance income	-	46
Total operating income	-	484
Operating expenses	-	(382)
Loan impairment expense	-	(66)
Net profit before tax	-	36
Corporate tax (expense)/benefit	-	(5)
Non-controlling interests	-	(4)
Underlying profit after tax	-	27
Investment experience after tax	-	25
<b>Cash net profit after tax</b>	<b>-</b>	<b>52</b>

## Corporate Centre

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
Net interest income	-	209
Other banking income	-	137
Total banking income	-	346
Operating expenses	-	(766)
Net loss before tax	-	(420)
Corporate tax benefit	-	104
<b>Cash net loss after tax</b>	<b>-</b>	<b>(316)</b>



# ASX Announcement

## IFS and Other (continued)

### Eliminations/Unallocated

	Full Year Ended	
	30 Jun 17	30 Jun 16
	\$M	\$M
Net interest income	-	(4)
Other banking income	-	28
Total banking income	-	24
Funds management income	-	45
Insurance income	-	5
Total operating income	-	74
Loan impairment benefit	-	11
Net profit before tax	-	85
Corporate tax benefit	-	135
Non-controlling interests	-	(16)
Underlying profit after tax	-	204
Investment experience after tax	-	(18)
<b>Cash net profit after tax</b>	-	<b>186</b>