



FIRST STATE EXPANDS INTO CHINA

Sydney, 13 June 2003: First State Investments, a wholly owned subsidiary of the Commonwealth Bank of Australia, today announced that its China funds management venture has lodged an application with the Chinese Regulators (Chinese Securities Regulation Commission) seeking a licence to establish a domestic funds management business.

First State has agreed to form a joint venture with Chinese companies Hantang Securities Company, China Southern Airlines Group Company and Nanjing YPC Refining and Chemical Company to develop a leading Chinese funds management company that will overlay the best of international practice with the culture and context of Chinese business practices.

Stuart Grimshaw, Commonwealth Bank Group Executive, Investment and Insurance Services said, "We are pleased to have the opportunity to work with our joint venture partners who are all highly regarded Chinese companies well known for the quality of their business practices.

"It is the intention that the new company will be known as FSI Hantang Fund Management Company Limited and will operate nationally with initial offices in Shanghai, Shenzhen and Beijing. Expansion into other major Chinese cities is planned as the company develops." continued Mr. Grimshaw.

"Our aim is to develop services that will focus on investor needs (both retail and institutional), be transparent in their objectives and provide timely information to investors about their investments," he added.

Colonial First State Fund Management, Australia's largest fund manager, is wholly owned by the Commonwealth Bank of Australia.

This joint venture, if approved, provides an additional presence to the Bank's existing life insurance joint venture with China Life CMG in Shanghai.

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