

COMMONWEALTH BANK TO PROVIDE \$1 BILLION FUNDING FOR THE MITCHAM TO FRANKSTON PROJECT

Sydney, October 14: The Commonwealth Bank today announced it was part of the ConnectEast Consortium which was awarded the Concession to finance, design, construct and operate the Mitcham-Frankston Project (MFP) in Melbourne.

The Commonwealth Bank, through CommSec, is acting as Joint Lead Manager and Joint Underwriter to the \$1.12 billion Initial Public Offering (IPO), which forms part of the funding of the MFP. Along with its partners ABN AMRO, Rothschild and Macquarie, CommSec has fully underwritten the IPO. In addition the Bank is a Joint Mandated Lead Arranger and Underwriter to senior project finance debt.

The institutional tranche of the ConnectEast IPO has already been completed and oversubscribed.

Michael Katz, Group Executive, Premium Business Services for the Bank said, "We are delighted to be part of such an exciting project that will provide significant economic and social benefits to the people of Melbourne and further enhance the city's transport network."

"The Commonwealth Bank, as Joint Lead Manager, has been involved in the institutional placement and will be placing securities through its retail franchise of more than 1.1 million customers, of which around 330,000 are Victorians.

"This transaction highlights the Commonwealth Bank's ability to support its clients with an integrated offering across the complete capital equation. It further demonstrates the evolution of financial markets' appetite for infrastructure and underlines the importance of marrying sector expertise with distribution.

"This is a model that we aim to further replicate on future transactions, leveraging specialist infrastructure skills built up within the Commonwealth Bank over 15 years with the growing market penetration of CommSec. We believe this will provide additional access to product for our customers moving forward," said Mr Katz.

CommSec Market Comment

Greenfield toll roads have proven attractive investments as growth assets with defensive characteristics and potential for re-rating as construction risk falls and traffic ramps up. This has been observed in other Australian greenfield toll road projects.

Commonwealth Bank Profile – a track record of achievement in infrastructure financing

The Commonwealth Bank was one of the first major financiers to use its considerable balance sheet and expertise to invest in private infrastructure projects, including equity participation in Australia's first two toll roads in 1989. The Bank is one of the largest providers of debt finance in Australia, having arranged and structured in excess of \$7.5 billion in infrastructure and project financing and \$1 billion in subordinated debt in Australia. The Commonwealth Bank team prides itself on its sharp thinking and its ability to anticipate clients' needs and structure solutions to meet those specific needs.

Media Release Media Release



The Bank's expertise is focused on optimising the client's capital structure, balance sheet and related financial flows through its diverse capabilities in project finance, syndication, equity underwriting, financial markets products, structured finance and mezzanine finance. The Bank delivers value to clients through its depth of industry specialisation and knowledge in the transport infrastructure sector.

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