

---

# March 2005 Roadshow

## US & UK

David Murray  
Chief Executive Officer

## Asia

Michael Cameron  
Chief Financial Officer

10-17 March 2005



# Disclaimer

---

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation, 10 March 2005. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

# Agenda

---

- Half Year Results
  - Highlights
  - Segment Results
  - Financial Update on Which new Bank
  
- Progress of Which new Bank & Outlook

# Other Key Information

# Notes

## Which new Bank

In launching Which new Bank (WnB) the Bank said that, subject to market conditions continuing over the three years of the program, it would target:

- Cash EPS growth exceeding 10% CAGR
- 4-6% CAGR productivity improvements
- Profitable market share growth across major product lines
- Increase in dividend per share each year

## Some overall Bank indicators

	<b>Dec 04</b>	<b>Jun 04</b>	<b>Dec 03</b>	<b>Jun 03</b>
Number of branches	1,011	1,012	1,013	1,014
Weighted av. No. of shares (basic)	1,269m	1,255m	1,257m	1,254m
Net tangible assets per share	12.72	12.22	11.61	11.41
Risk weighted assets	180,673	169,321	157,471	146,808



# Highlights

---

- Underlying profit up 12% from Dec 03
- Cash EPS growth of 40% from Dec 03
- Dividend increase to 85c (79c in Dec 03)
- Productivity improvements in all segments
- Market position successfully maintained
- Which new Bank delivering

## Other Key Information

## Notes

	Dec 04	Jun 04	Dec 03
<b>Contributions to profit</b>			
Banking	1,427	1,381	1,294
Funds Management	170	148	126
Insurance	67	62	67
<b>NPAT (underlying)</b>	<b>1,664</b>	<b>1,591</b>	<b>1,487</b>
Shareholder invest. Returns (after tax)	111	53	99
Initiatives incl. WnB (after tax)	-19	-189	-346
<b>NPAT (cash basis)</b>	<b>1,756</b>	<b>1,455</b>	<b>1,240</b>
Appraisal value uplift	265	36	165
Goodwill amortisation	-162	-162	-162
<b>NPAT (statutory basis)</b>	<b>1,859</b>	<b>1,329</b>	<b>1,243</b>
Pref. dividend paid	61	62	39
Ordinary dividend declared	1,083	1,315	996

---



---



---



---



---



---



---



---



---



---



---



---



---



---



---



---



# Highlights - 12% underlying profit growth

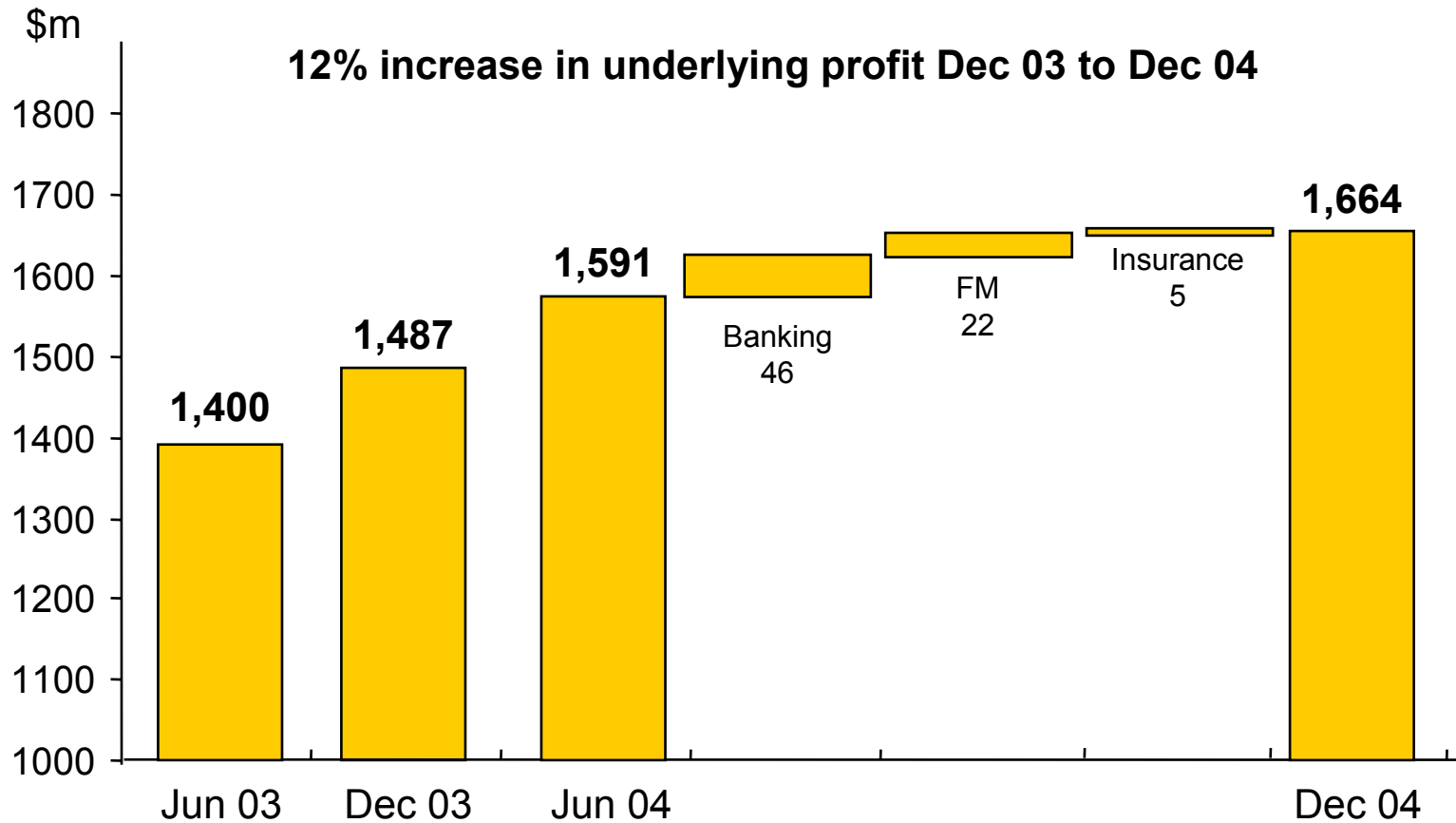
	Dec 04	Jun 04	Dec 03	Dec 04 v. Dec 03
<b>NPAT (statutory)</b>	<b>1,859</b>	<b>1,329</b>	<b>1,243</b>	<b>50%</b>
<i>add-back goodwill</i>	162	162	162	
<i>less appraisal value movement</i>	-265	-36	-165	
<b>NPAT (cash)</b>	<b>1,756</b>	<b>1,455</b>	<b>1,240</b>	<b>42%</b>
<i>add WnB expenses (after tax)</i>	19	189	346	
<i>less shareholder investment returns (after tax)</i>	-111	-53	-99	
<b>NPAT (underlying)</b>	<b>1,664</b>	<b>1,591</b>	<b>1,487</b>	<b>12%</b>





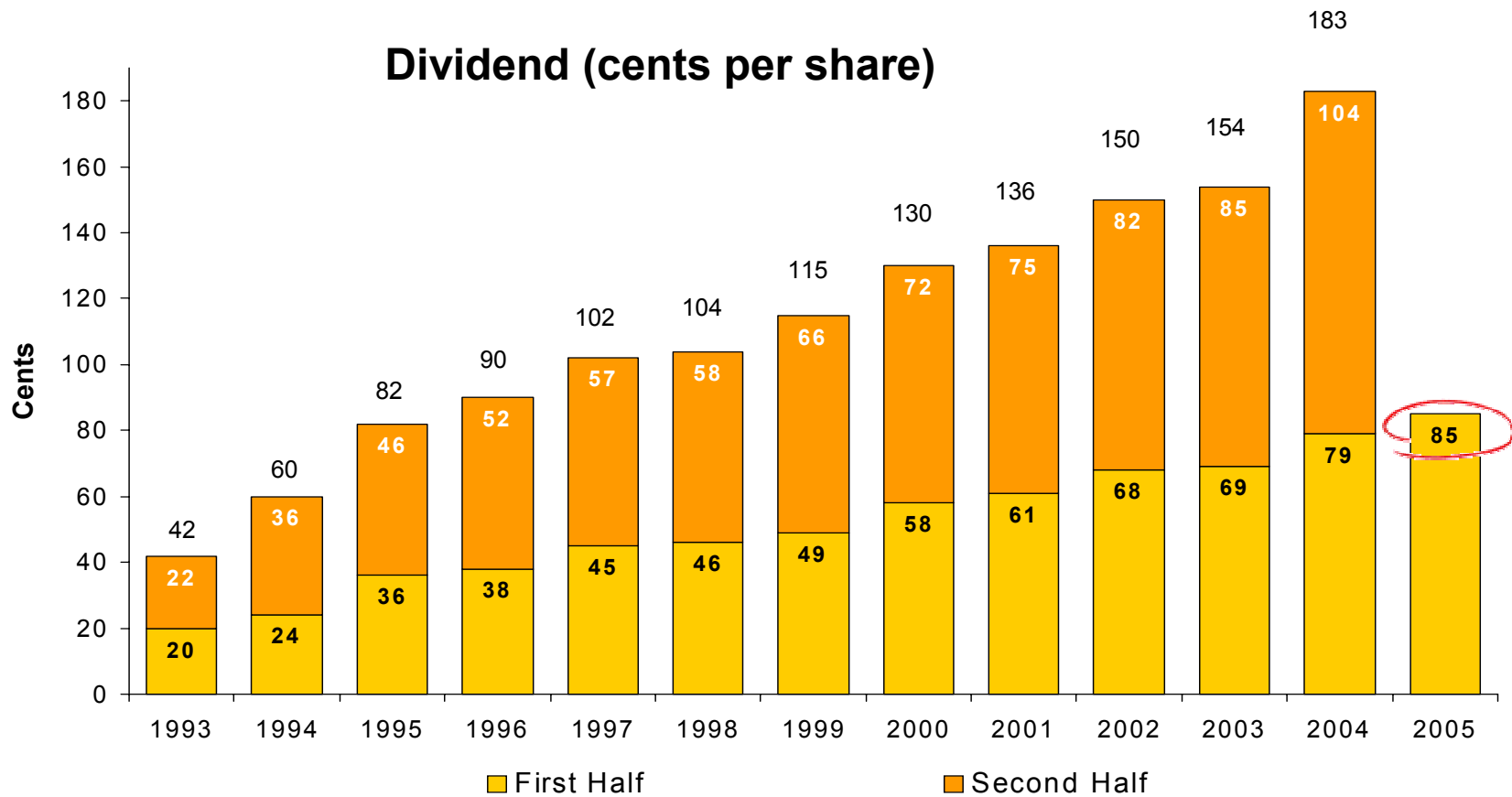


# Highlights - underlying profit growth





# Highlights - increased dividend



# Other Key Information

# Notes

	Dec 04	Jun 04	Dec 03
DPS - fully franked (cents)	85	104	79
Dividend cover - cash (times)	1.6	1.1	1.2
Dividend cover - underlying (times)	1.5	1.2	1.5
<b>EPS (cents)</b>			
Statutory - basic	141.6	101.1	95.8
Statutory - fully diluted	141.6	101.0	95.7
Cash basis - basic	133.5	111.1	95.5
Cash basis - fully diluted	133.5	111.1	95.5
<b>Dividend payout ratio (%)</b>			
Cash basis	63.9	94.4	82.9
Excluding WnB costs	63.2	83.1	64.4
Weighted av. Number of shares - basic	1269	1255	1257
Weighted av. Number of shares - fully diluted	1270	1256	1258
ROE - cash (%)	16.0	13.5	11.9
ROE - underlying (%)	15.1	14.8	14.4

---



---



---



---



---



---



---



---



---



---



---



---



---



---



---



---

# Highlights - shareholder returns

---

- Interim dividend per share has grown 6c to 85c
- Cash EPS is 133.5c, a 40% increase on last December and a 20% increase on the June 2004 half
- ROE has grown to 16%, significantly above last December's figure of 11.9%



## Other Key Information

- Progressing to achieve 4-6% CAGR (cash basis) productivity improvements

### Balance of capitalised software costs (after amortisation)

\$million	Dec 04	Jun 04	Dec 03
Capitalised software	163	107	73

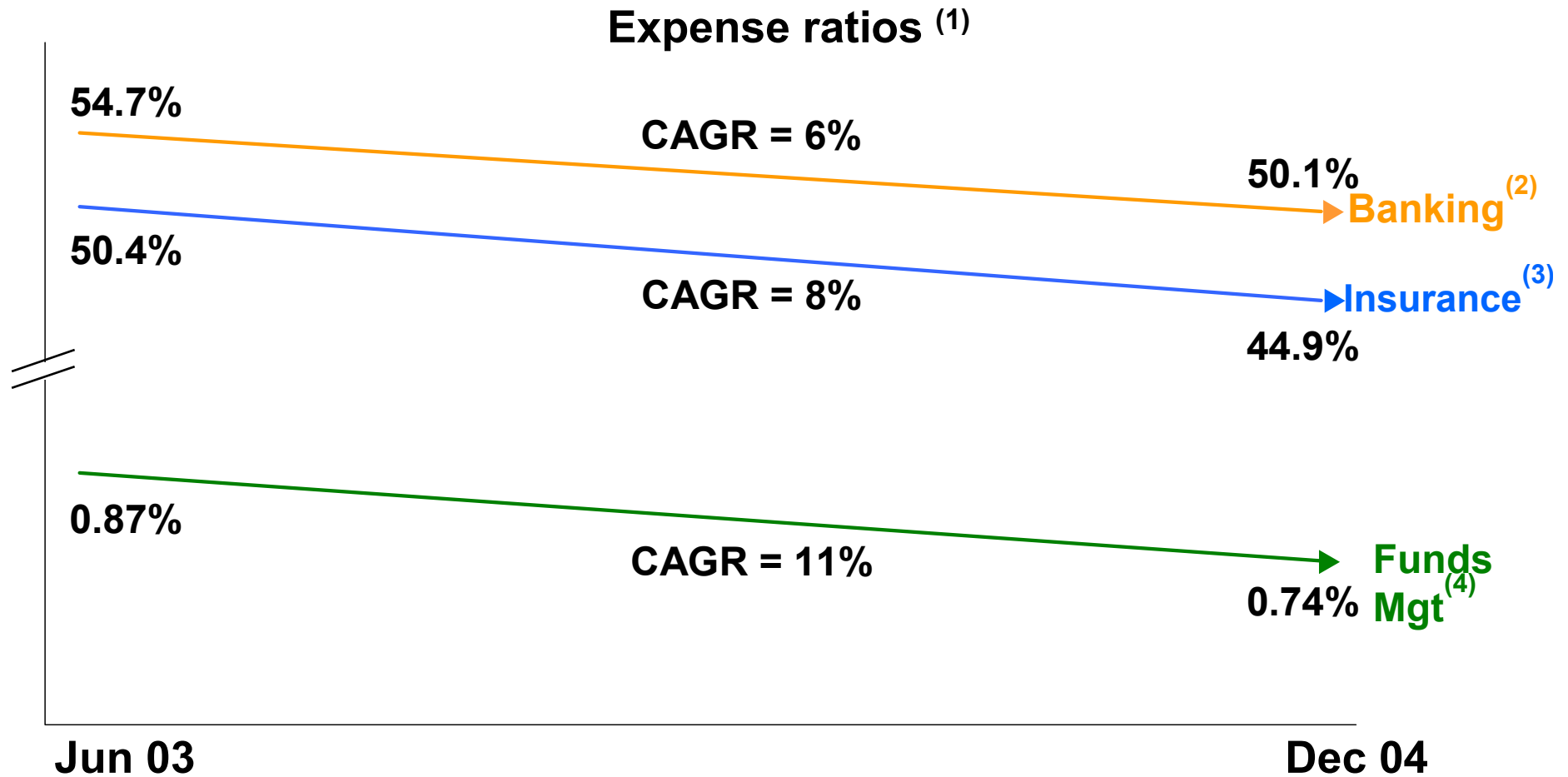
### Expense ratios

	Dec 04	Jun 04	Dec 03	Jun 03
<b>Banking</b>				
Expense to income	50.1	56.4	62.1	54.9
Underlying Expense to Income	49.7	50.8	50.7	51.9
<b>Funds Management</b>				
Expense to Average FUA	0.74	0.75	0.85	0.92
Underlying Expense to Average FUA	0.72	0.73	0.80	0.84
<b>Insurance</b>				
Expense to average inforce premiums	44.9	49.3	46.2	47.7
Underlying Expense to Average Inforce Premiums	44.8	47.5	45.5	47.7

Note: One-Off compliance costs of \$15m include SOX, Basel II and IFRS.

## Notes

# Highlights - productivity improvements



(1) On a cash basis

(2) Expense to income

(3) Expense to average inforce premiums

(4) Expense to average funds under administration



# Other Key Information

# Notes

	Dec 04	Jun 04	Dec 03
<b>Banking</b>			
Home loans	19.6%	19.3%	19.3%
Retail deposits	23.4%	23.6%	24.1%
Business lending	13.5%	13.8%	13.7%
Credit cards (Nov)	23.2%	22.7%	22.7%
Transaction services (commercial)	24.4%	24.4%	22.7%
Asset finance	15.9%	16.0%	15.5%
NZ lending	22.7%	22.2%	21.6%
NZ deposits	18.7%	17.5%	17.2%
<b>Funds Management</b>			
Aust retail administrator view <sup>(1)</sup>	14.7%	14.4%	14.5%
NZ Managed investments	13.3%	13.2%	12.8%
<b>Insurance</b>			
Aus. Life insurance	14.6%	14.8%	15.1%
NZ Life insurance	27.4%	27.5%	28.1%

<sup>(1)</sup> Note: Under the Administrator view, badged or white-labelled products are attributed to the underlying administrator of the product. The alternative Marketer view attributes such business to the marketer of the product



# Highlights - market position maintained

---

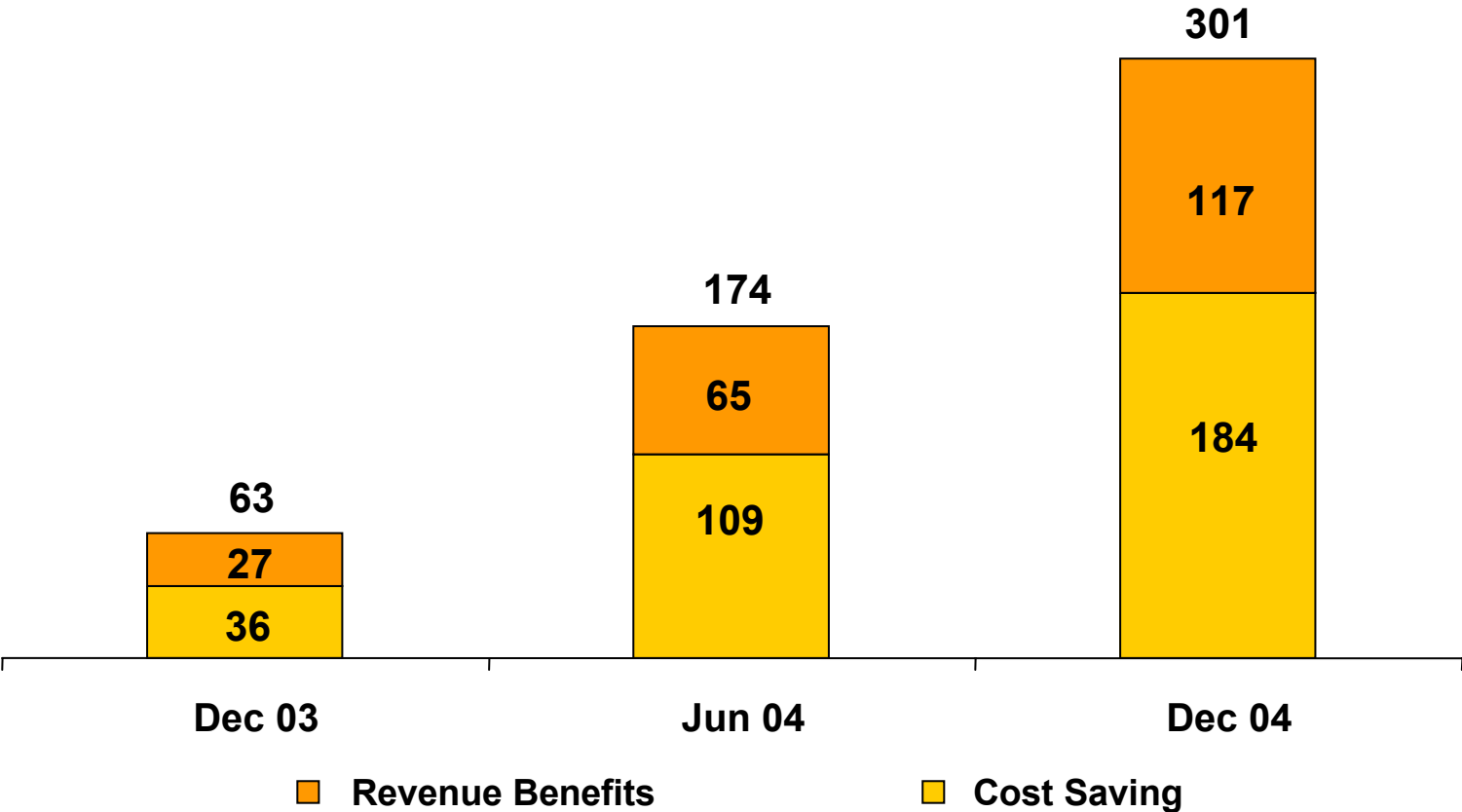
	<b>Dec 04</b>	<b>Jun 04</b>
Home Loans	19.6%	19.3%
Business lending	13.5%	13.8%
Credit Cards (Nov)	23.2%	22.7%
Retail Deposits	23.4%	23.6%
Funds Mgt. – Aust. Retail	14.7%	14.4%
Aust. Life Insurance	14.6%	14.8%
NZ lending	22.7%	22.2%
NZ deposits	18.7%	17.5%





# Which new Bank - Benefits

Actual benefits (\$m)





# Which new Bank - Expenditure

---

P&L Impact	Actual Dec 04
Investment spend for the period (gross)	255
Less provision utilised	(57)
Less investment capitalised	<u>(70)</u>
<b>Gross WnB expense</b>	128
Less normal project spend	<u>(100)</u>
<b>Incremental WnB expense before tax</b>	28
Less tax	<u>(9)</u>
<b>Incremental WnB expense after tax</b>	<u>19</u>



---

# Segment Results: Banking

## Other Key Information

	Dec 04	Jun 04
Av. interest earning assets (\$m)	238,402	224,160
Net interest Income (\$m)	2,933	2,739
Net interest Margin (%)	2.44%	2.46%

% of Banking income	Dec 04	Jun 04	Dec 03
Net interest income	68%	65%	66%
Other income	32%	35%	34%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### One-off differences in other income

(\$m)	Dec 04	Jun 04	Change
Banking other income	1,412	1,471	-4%
Profit on sale of Fleetlease	-	-43	
Profit on sale of BoQ shares	-	-28	
Adjusted banking other income	1,412	1,400	1%
Adjust for trading income	-219	-230	
<b>Total</b>	<b>1,193</b>	<b>1,170</b>	<b>2%</b>

### Upfront and trailing commissions

The Bank expenses all commissions paid against lending fee income (other banking income) on an upfront basis. All trailing commissions are charged against net interest income over the life of the loan.

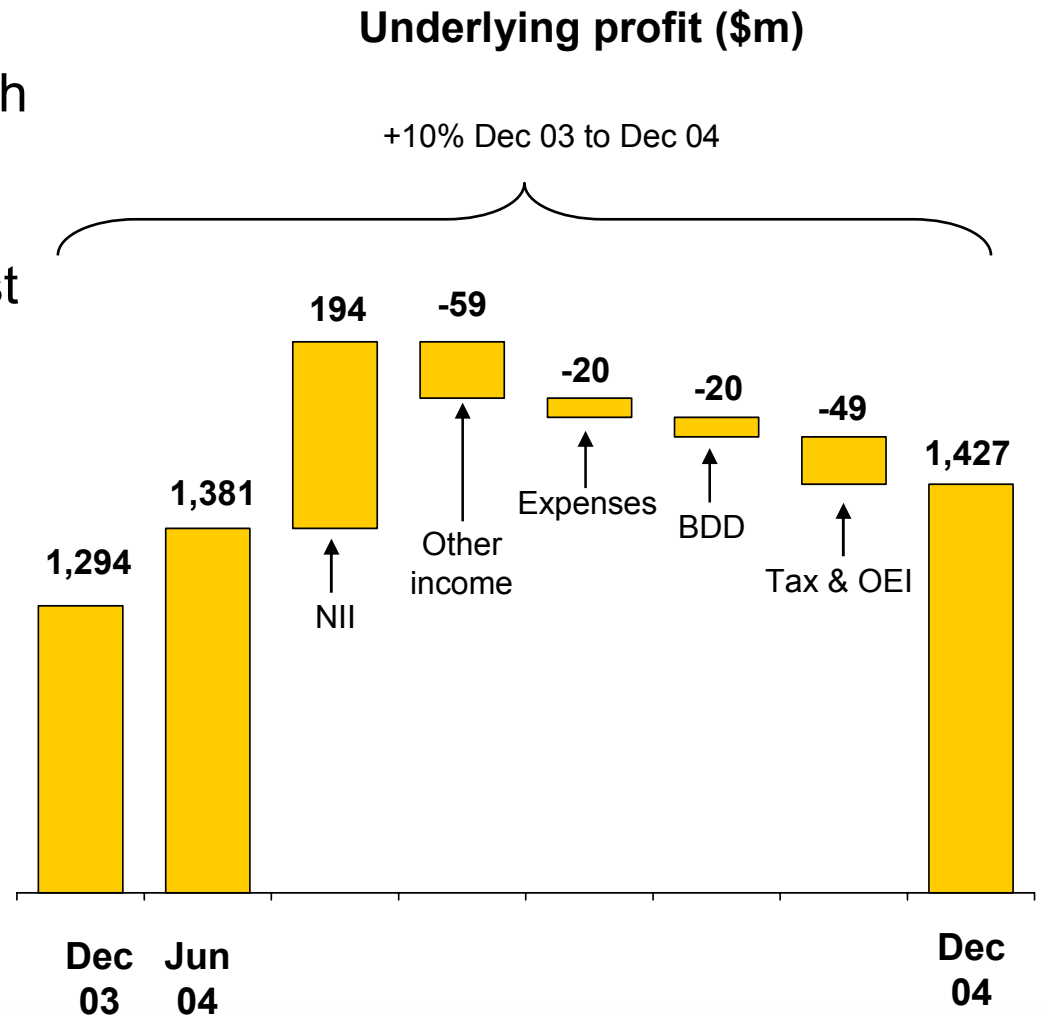
## Notes





# Banking - underlying profit result

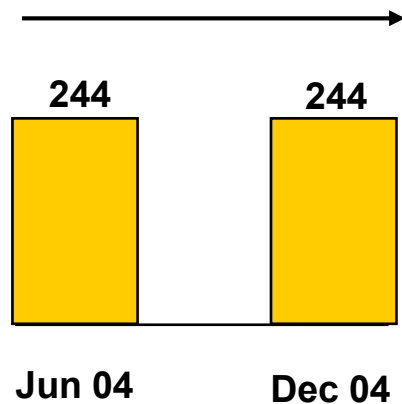
- 10% underlying profit growth
- Strong growth in net interest income
- Lower trading and lending fee income
- Good cost control





# Banking – Margins stable

Monthly average NIM (bp)



Half year average NIM (bp)



## Other Key Information

## Notes

	Dec 04	Jun 04	Dec 03	Dec 04 v. Jun 04	Dec 04 v. Dec 03
<b>Domestic growth profile (\$bn)</b>					
Loan Funded	22.5	20.4	23.1	10%	-3%
Reductions	13.2	11.0	15.5	21%	-15%
<b>Net Growth</b>	<b>9.2</b>	<b>9.4</b>	<b>7.6</b>	<b>-2%</b>	<b>22%</b>

### Total home lending

Australian Lending assets (\$bn)	<b>121.7</b>	<b>112.4</b>	<b>103.0</b>	<b>8%</b>	<b>18%</b>
Securitisation (\$bn)	-6.4	-7.6	-5.3	-16%	21%
<b>Net (Australia)</b>	<b>115.3</b>	<b>104.8</b>	<b>97.7</b>	<b>10%</b>	<b>18%</b>
Asia Pacific lending assets (\$bn)	18.9	17.0	14.5	12%	31%
<b>Totals (adjusted for rounding)</b>	<b>134.3</b>	<b>121.9</b>	<b>112.2</b>	<b>10%</b>	<b>20%</b>

### Home Lending statistics (domestic balances gross of securitisation)

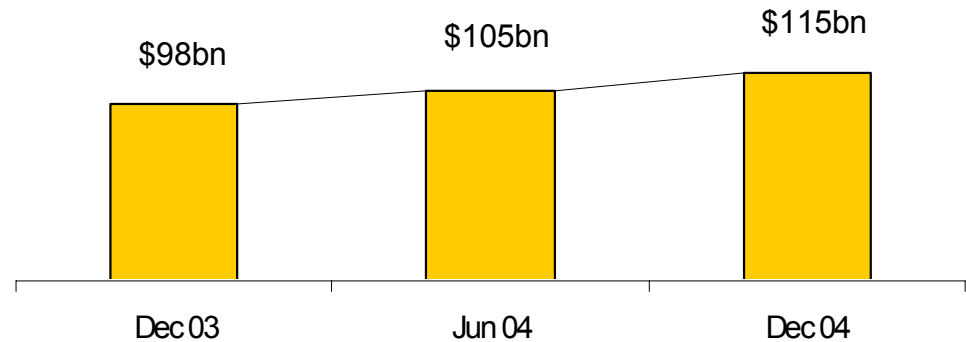
<b>Balances Mix (%) :</b>	Dec 04	Jun 04	Dec 03
Owner Occupied	56%	57%	58%
Investment Home Loans	35%	35%	34%
Line Of Credit	9%	8%	8%
Variable	65%	63%	60%
Fixed	20%	20%	21%
Honeymoon	15%	17%	19%
<b>Originations (%) :</b>			
3rd Party	32%	28%	24%
Proprietary	68%	72%	76%
Broker originated loans as % of Aust. Book	19%	16%	13%



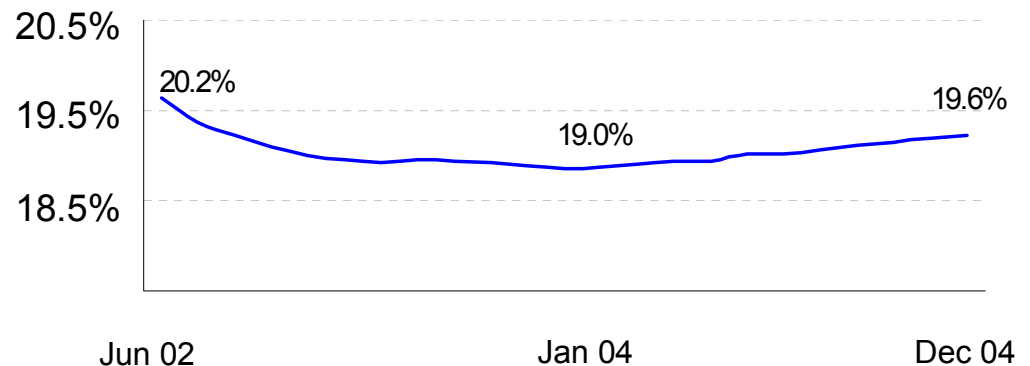
# Banking – Domestic home lending

- CBA balances up 10% in the half
- New fundings up 10% on June half
- Retention improvements sustained
- 11 consecutive monthly share increases
- Stable margins since June 04

CBA Balances (Spot)\*



Market Share (Balances)



\* Net of securitisation

## Other Key Information

## Notes

### Household Deposits- Balance Growth Jun 04 to Dec 04

	Dec-04 (\$bn)	Jun-04 (\$bn)	Mvt (%)
CBA (unadjusted)	75.6	73.3	
MISA reclassification*	0.0	0.8	
<b>CBA (adjusted)</b>	<b>75.6</b>	<b>72.6</b>	<b>4.2%</b>
WBC	35.5	34.2	3.8%
ANZ	25.8	24.7	4.8%
NAB	33.3	31.9	4.3%
SGB	26.5	25.8	2.5%
<b>Subtotal*</b>	<b>196.7</b>	<b>189.1</b>	<b>4.0%</b>
<b>Total ADI Market*</b>	<b>249.4</b>	<b>236.4</b>	<b>5.5%</b>

Source : APRA - Household Deposits; \* Adjusted for MISA reclassification September 2004

### Total Australian Deposits

	Dec 04	Jun 04	Mvt. %
Total deposits (\$bn)	140.8	139.2	1.1%
Certificates of deposits and other <sup>(1)</sup>	-21.4	-24.1	-11.2%
<b>Sub total deposits (ex CD's and other)</b>	<b>119.4</b>	<b>115.1</b>	<b>3.7%</b>
of which Household deposits (as per APRA)	75.6	72.6	4.2%

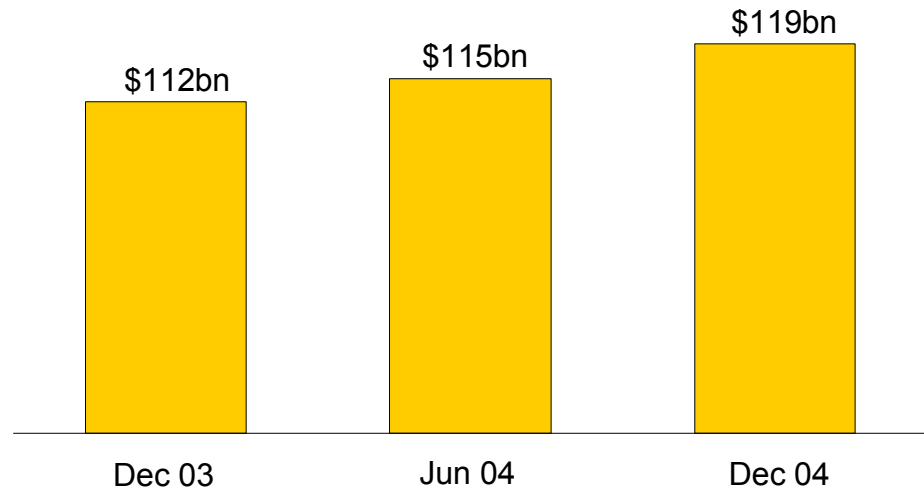
<sup>(1)</sup> Other includes securities sold under agreement to repurchase and short sales



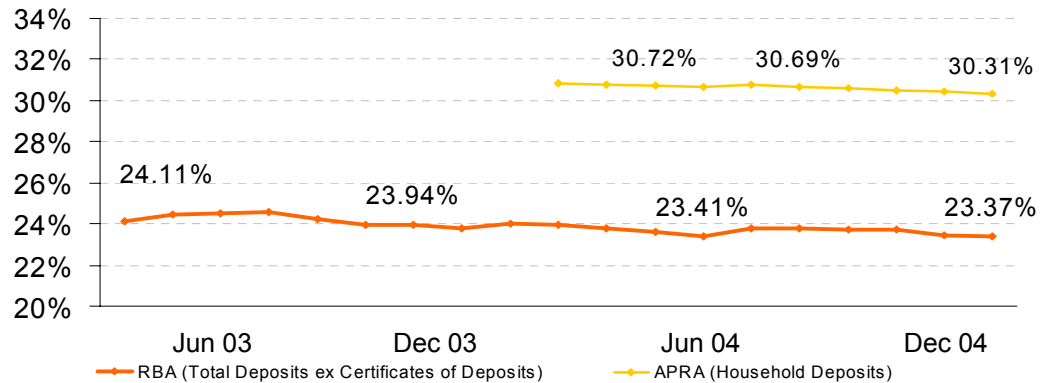
# Banking - retail deposits

- Household balances grew by 4.2% since June 2004
- Growth in line with average of major bank competitors
- Margins maintained

Changes to balances



Market Share



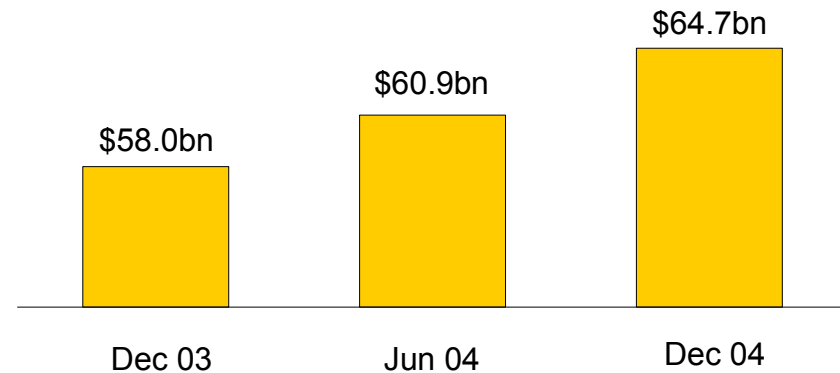




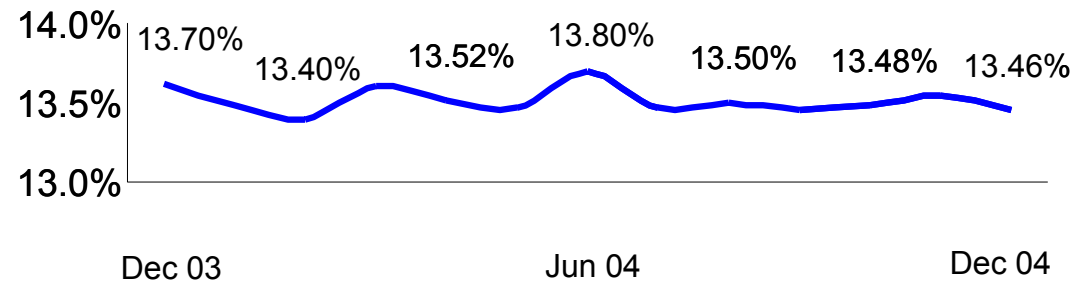
# Banking – Business lending is competitive

## CBA Business, Corporate and Institutional Lending Balances

- Increasingly competitive market
- Balances increased by 6% since June
- Stable margins
- Credit quality of the book is strong



## CBA Business Lending Market Share <sup>(1)</sup>



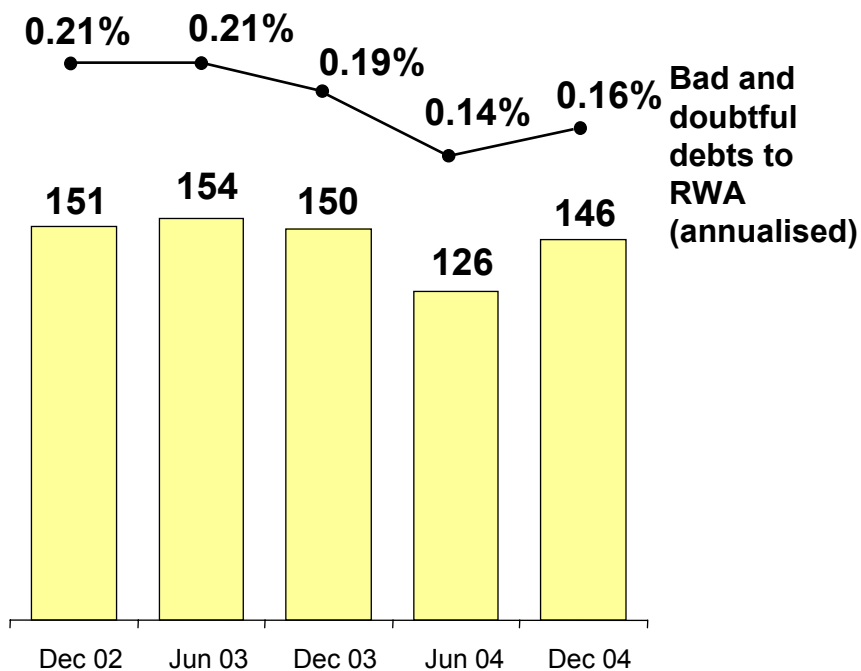
(1) Source: RBA



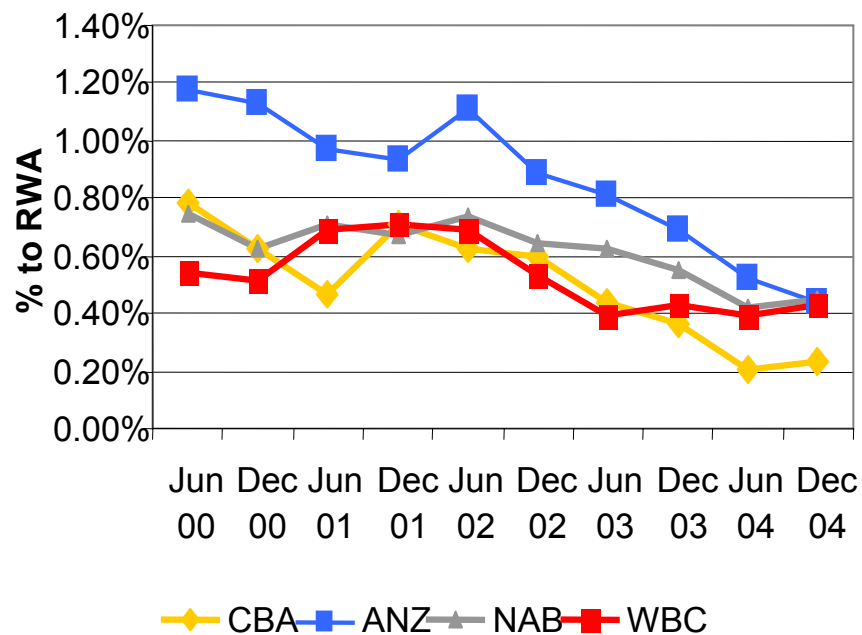


# Banking – bad and doubtful debts

Bad and doubtful debts expense (in \$m)



Gross impaired assets to RWA





---

# Segment Results: Funds Management

## Other Key Information

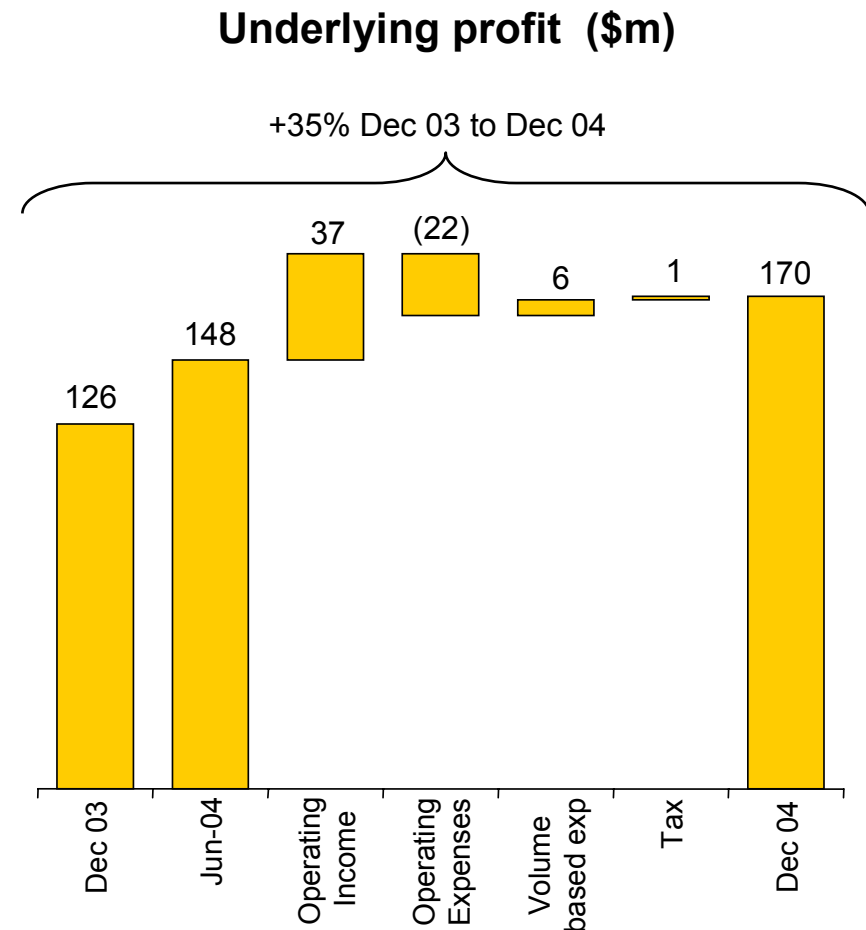
## Notes

	Dec 04	Jun 04	Dec 03
<b>FUA</b>			
Av. FUA (\$bn)	112	107	104
Spot. FUA (\$bn)	117	110	106
<b>Margins</b>			
Operating earnings/ av. FUA	1.1	1.09	1.13
Net earnings/ av. FUA	0.96	0.92	0.97
<b>Expenses</b>			
Operating expenses/ av.FUA	0.74	0.75	0.85
<b>Market shares</b>			
Platforms (Sep 04 only)	12.4%	11.1%	10.9%
Retail funds	14.7%	14.4%	14.5%
<b>Breakdown of retail funds invested</b>			
Local equities	23.9%	23.6%	24.6%
International equities	18.1%	18.4%	18.3%
Listed direct and property	17.5%	16.8%	16.3%
Fixed interest and cash	39.5%	40.1%	39.9%
Other	1.0%	1.1%	0.9%
<b>Total</b>	<b>100%</b>	<b>100.0%</b>	<b>100.0%</b>



# Funds Management – result

- Operating income growth of 6%
- Positive trends in funds flow
- Positive trends in performance
- Margins maintained
- Market shares have increased



# Other Key Information

# Notes

## Total net flows

	Dec 04	Jun 04	Dec 03
FirstChoice & Avanteos	3142	2220	1841
Cash Mgt.	-6	-360	-392
Other retail <sup>(1)</sup>	-1357	-2095	-1832
Wholesale	-1869	-127	-1004
Property	-44	16	-72
International	984	86	2565
<b>Total</b>	<b>850</b>	<b>-260</b>	<b>1106</b>

<sup>(1)</sup> Includes Life company assets sourced from retail investors but not attributable to a funds management product (eg premiums from risk products). These amounts do not appear in retail market share data.

## Retail flows and sales

	(Sep qtr only)	(6 mths)	(6 mths)
<b>Retail Net Flows<sup>(2)</sup></b>			
CBA (\$m)	371.97	315.51	-193.54
market (\$m)	4462.3	7641.84	6452.03
CBA ranking	6	8	76
<b>Retail Sales<sup>(3)</sup></b>			
% total retail sales sourced from CBA Network	48%	45%	43%
% total retail sales managed by CBA	66%	70%	70%

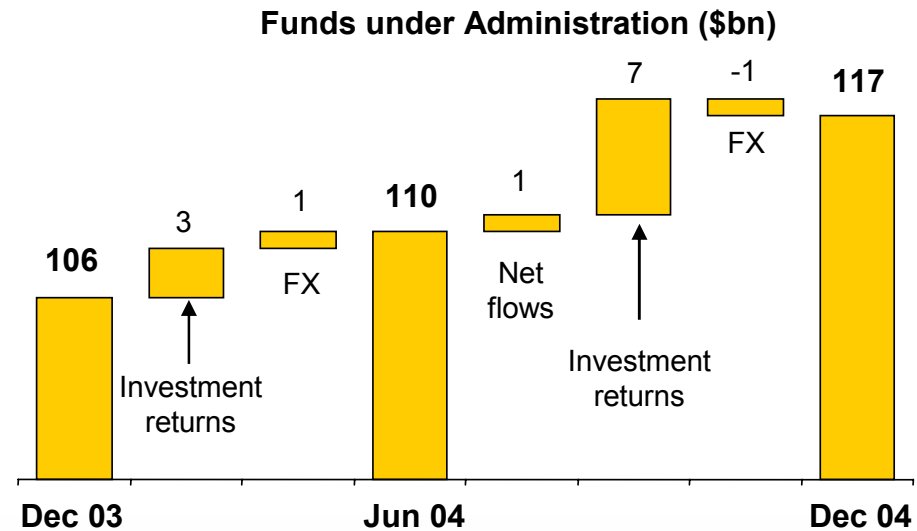
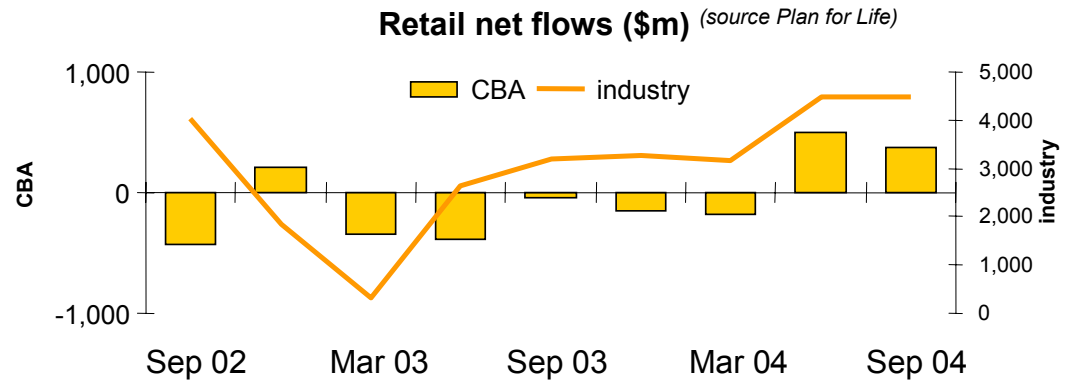
<sup>(2)</sup> Net flows (sales less withdrawals) for retail products. Source: Plan for Life

<sup>(3)</sup> Excludes legacy products. Source: CBA



# Funds Management – Positive net flows

- Strong investment returns
- Highest retail industry net flows for 2 years.
- Record net flows into FirstChoice following product enhancements
- Retail market share at 14.7%

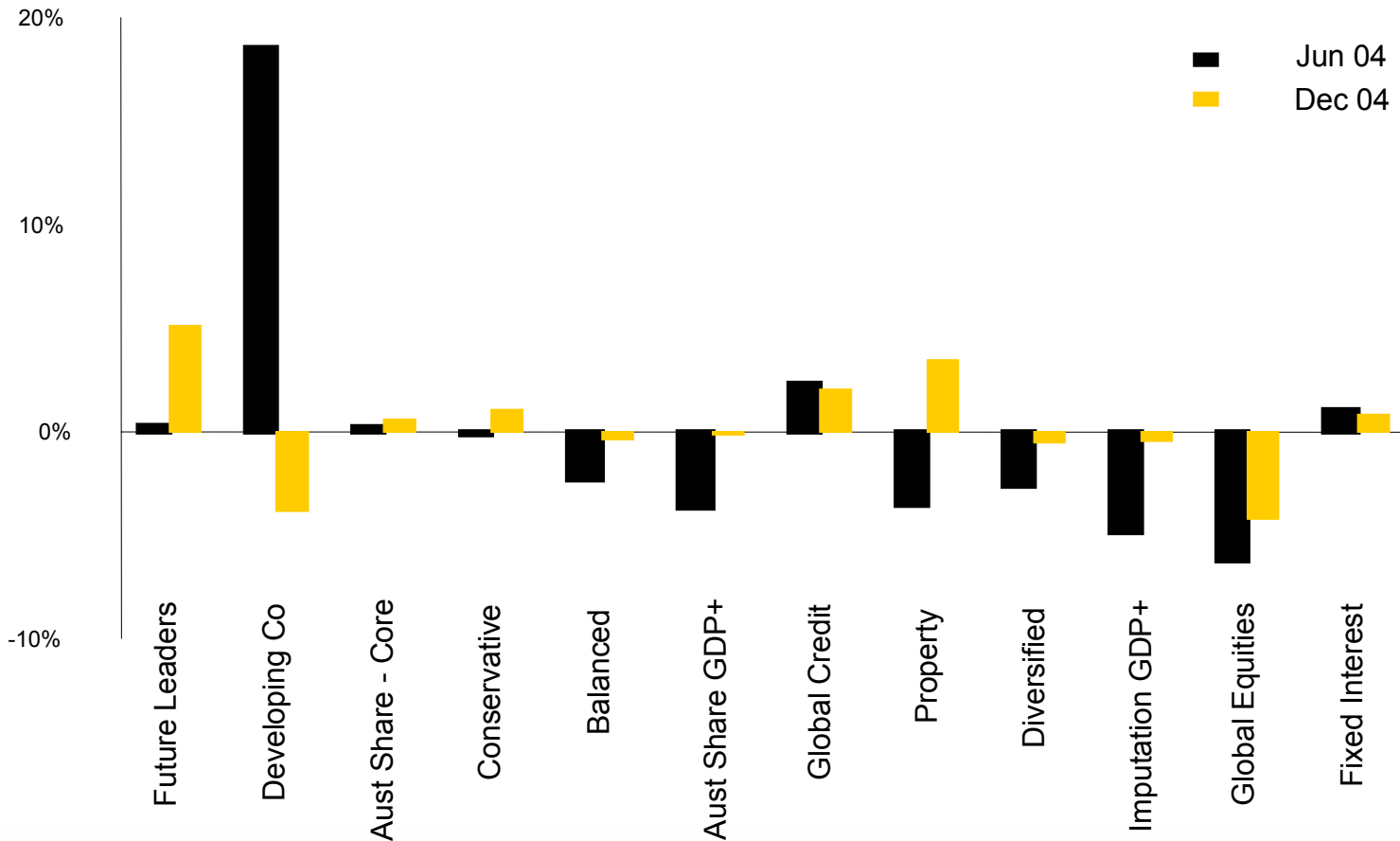




# Fund performance trend is improving

## CFS Investments : Improving trends

June vs Dec 12 month excess return over benchmark (smallest to largest funds)





---

# Segment Results: Insurance

# Other Key Information

	6 months ended		
	Dec 04	Jun 04	Dec 03
<b>Claims expense as % of net earned premium</b>			
General	60%	43%	78%
Life	53%	49%	53%
<b>Sources of profit</b>			
Planned profit margins	62	55	52
Experience variations	-1	-11	11
Other	-	-10	2
<b>General insurance operating margin</b>	<b>7</b>	<b>20</b>	<b>-1</b>
Operating margins	68	54	64
After tax Shareholder investment returns	92	44	89
<b>NPAT (cash)</b>	<b>160</b>	<b>98</b>	<b>153</b>

## Breakdown of Shareholders' Funds

	Dec 04	Jun 04	Dec 03
Local equities	6%	7%	10%
International equities	6%	5%	5%
Property	13%	14%	11%
Other growth	1%	1%	4%
Growth	26%	27%	30%
Fixed interest	36%	44%	40%
Cash	32%	23%	27%
Other income	6%	6%	3%
Income	74%	73%	70%
Total	100%	100%	100%

# Notes

---



---



---



---



---



---



---



---



---



---



---



---



---



---



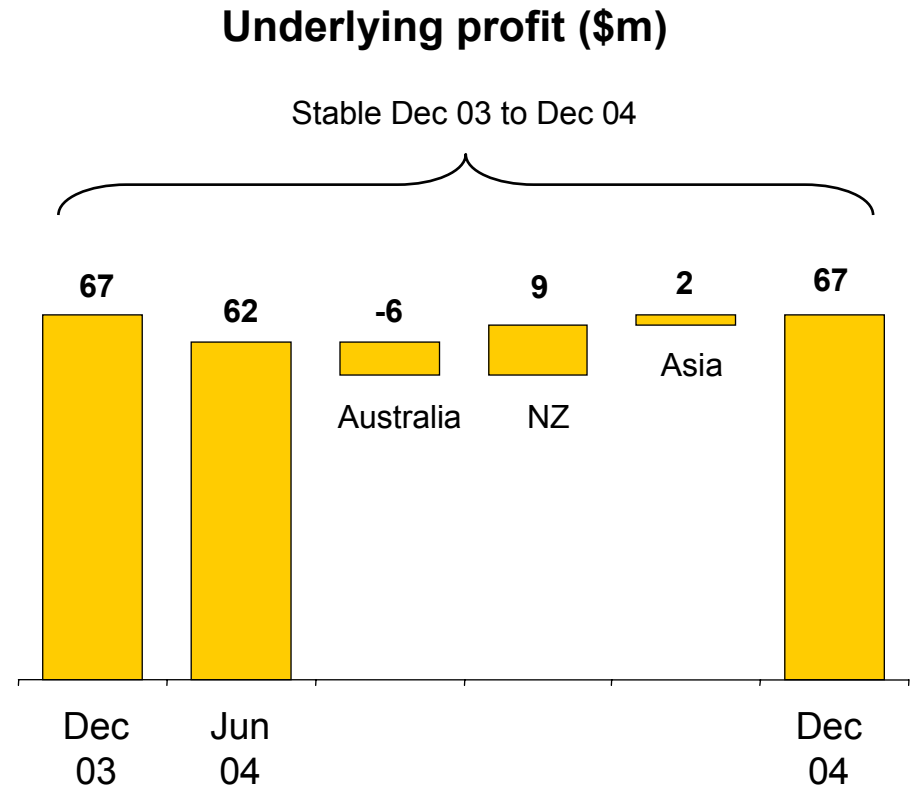
---



---

# Insurance – Australian sales up 22%

- Improved insurance experience
- Insurance operating margins increased 26% since June 04
- General insurance premium income impacted by storm related claims



# Other Key Information

# Notes

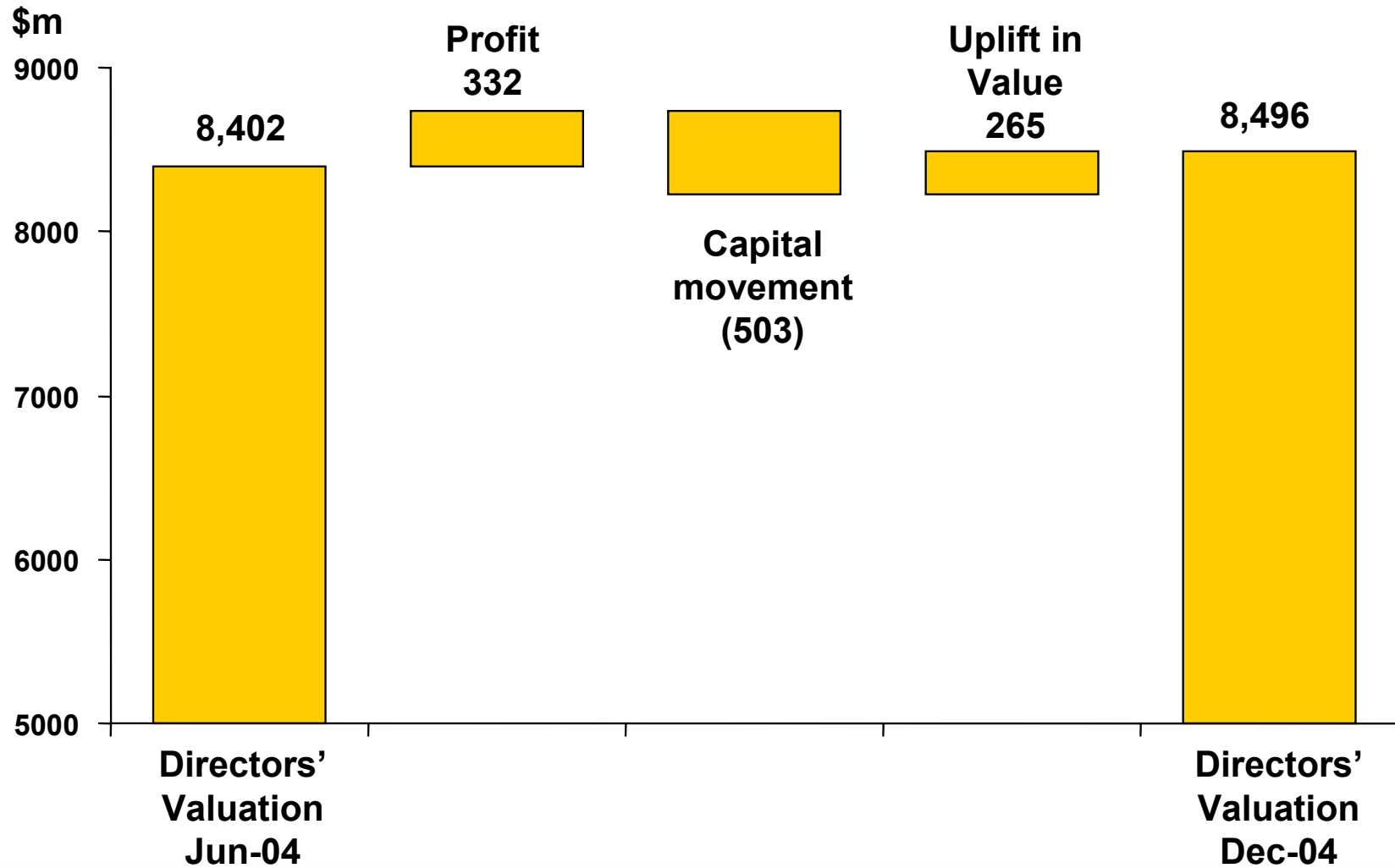
	FM	Life insurance			Total
		Australia	NZ	Asia	
<i>Carrying value</i>					
NTA	504	952	437	567	2,460
Value in force business	1,948	425	311	-	2,684
<b>Embedded value</b>	<b>2,452</b>	<b>1,377</b>	<b>748</b>	<b>567</b>	<b>5,144</b>
Value of future new business	2,796	237	296	23	3,352
<b>Carrying value</b>	<b>5,248</b>	<b>1,614</b>	<b>1,044</b>	<b>590</b>	<b>8,496</b>
Increase/(decrease) in carrying value	109	-47	66	-34	94
<i>Analysis of movement since 30 June 2004</i>					
Profits	179	80	36	37	332
Capital movements	-78	92	-18	-	-4
Dividends paid	-82	-351	-	-	-433
Acquisitions/disposals	-30	-	-	-	-30
FX movements	-	-	4	-70	-66
<b>Change in Shareholders NTA</b>	<b>-11</b>	<b>-179</b>	<b>22</b>	<b>-33</b>	<b>-201</b>
Acquired excess	30	-	-	-	30
Appraisal value uplift/(reduction)	90	132	44	-1	265
<b>Increase/(decrease) to 31 Dec 04</b>	<b>109</b>	<b>-47</b>	<b>66</b>	<b>-34</b>	<b>94</b>

## Shareholders' Funds

	Dec 04	Jun 04	Dec 03
Balance of Shareholders' Funds (\$bn)	2.5	2.7	2.9



# Value of Insurance and Fund Management Business increased \$265m





---

# Capital Management

## Other Key Information

## Notes

<b>Credit Ratings</b>	<b>Long Term</b>	<b>Short Term</b>	<b>Affirmed</b>
Standard & Poors'	AA-	A-1 +	Dec-04
Moody's Investor Services	Aa3	P-1	Dec-04
Fitch Ratings	AA	F1+	Dec-04
	<b>31/12/2004</b>	<b>30/06/2004</b>	<b>31/12/2003</b>
<b>Adjusted Common Equity</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>
Tier One Capital	13,487	12,588	11,438
Deduct:			
Eligible loan capital	(298)	(338)	(311)
Preference share capital	(687)	(687)	(687)
Other equity instruments	(1,573)	(1,573)	(832)
OEI <sup>1</sup>	(518)	(190)	(181)
Investment in non-consolidated subsidiaries <sup>2</sup>	(1,776)	(1,886)	(2,075)
Other deductions	(27)	(5)	-
Other	-	139	(86)
	<b>8,608</b>	<b>8,048</b>	<b>7,266</b>
<b>Risk Weighted Assets</b>	<b>180,673</b>	<b>169,321</b>	<b>157,471</b>
<b>Adjusted Common Equity Ratio</b>	<b>4.76%</b>	<b>4.75%</b>	<b>4.61%</b>

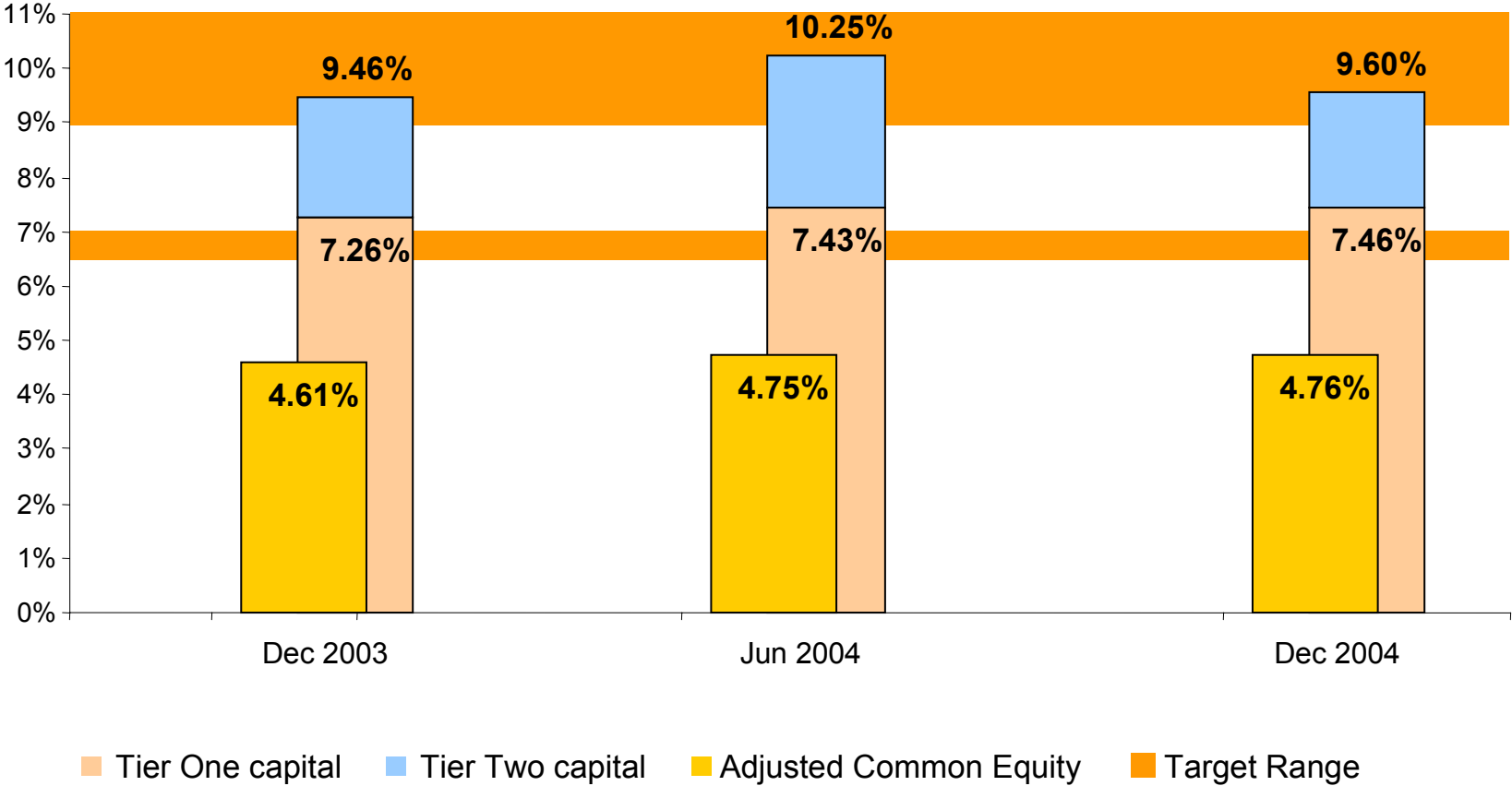
<sup>1</sup> Net of OEI component deducted from Tier One capital

<sup>2</sup> Net of intangible component deducted from Tier One capital

Total Capital reduced at December following the redemption of a large number of Lower Tier Two notes and bonds and the stronger AUD.



# Capital ratios



## Other Key Information

## Notes

### ■ Surplus capital in Life Companies (\$m)

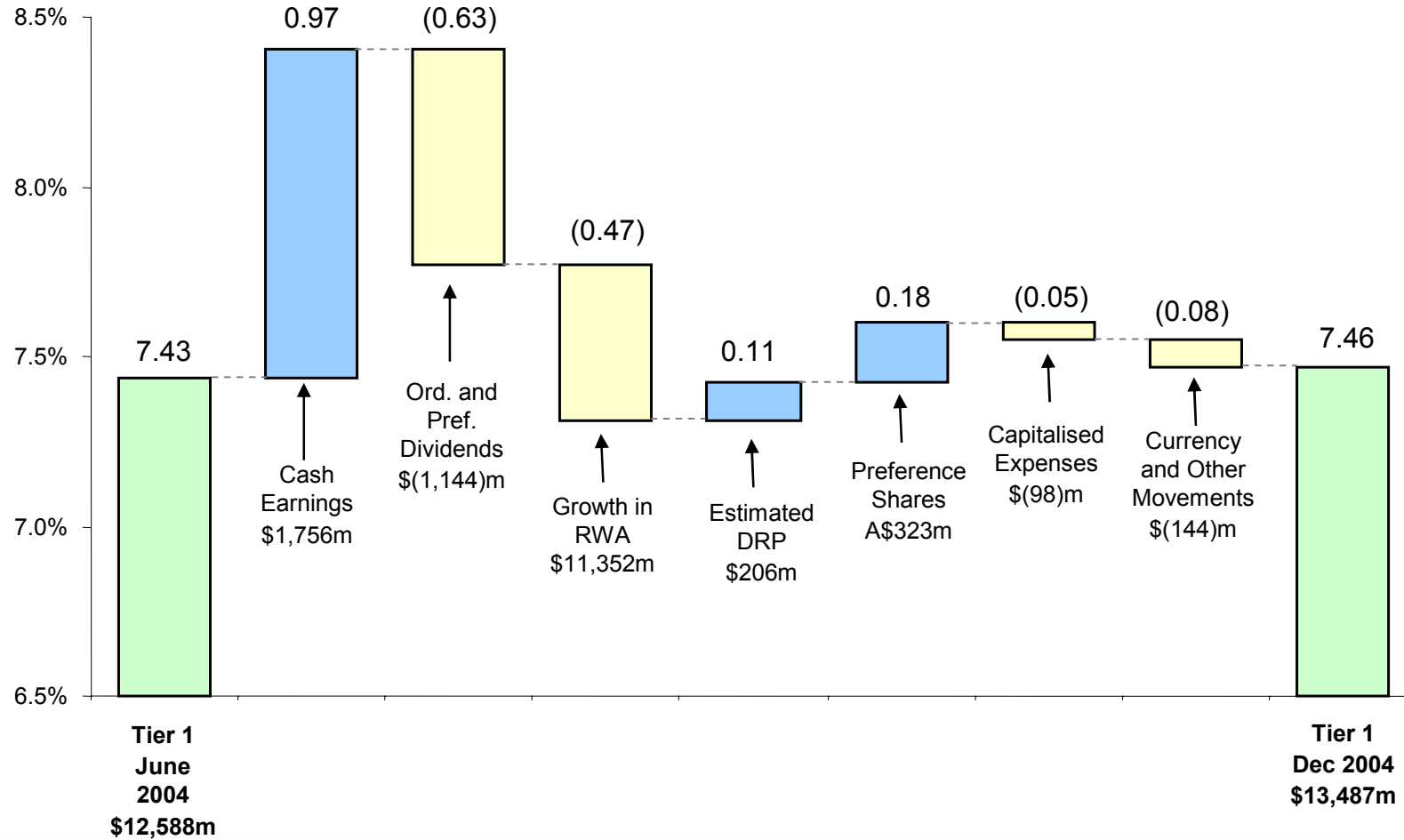
	31/12/2004	30/06/2004	31/12/2003
<b>Australia</b>			
Statutory Funds	138	337	381
Shareholder Funds	144	162	189
<b>Sub-Total</b>	<b>282</b>	<b>499</b>	<b>570</b>
NZ	54	65	81
Asia	121	76	115
Other	123	70	124
<b>TOTAL</b>	<b>580</b>	<b>710</b>	<b>890</b>

Note: "Other" mainly represents capital within the funds management business.

The reduction in surplus capital in Life & FM Businesses over the last year reflects the payment of dividends in excess of profits.



# Generation and use of Tier 1 capital







# Compliance projects

---

- Implementation for IFRS, Sarbanes Oxley and Basel II is on target
- Investment for all three projects in total is \$30-\$40m per year (2005 and 2006), which included \$15m in this period
- IFRS will first impact the December 2005 half year result





# Highlights

---

- Underlying profit up 12% from Dec 03
- Cash EPS growth of 40% from Dec 03
- Dividend increase to 85c (79c in Dec 03)
- Productivity improvements in all segments
- Market position successfully maintained
- Which new Bank delivering



---

# *new* Which / Bank



# Customer service

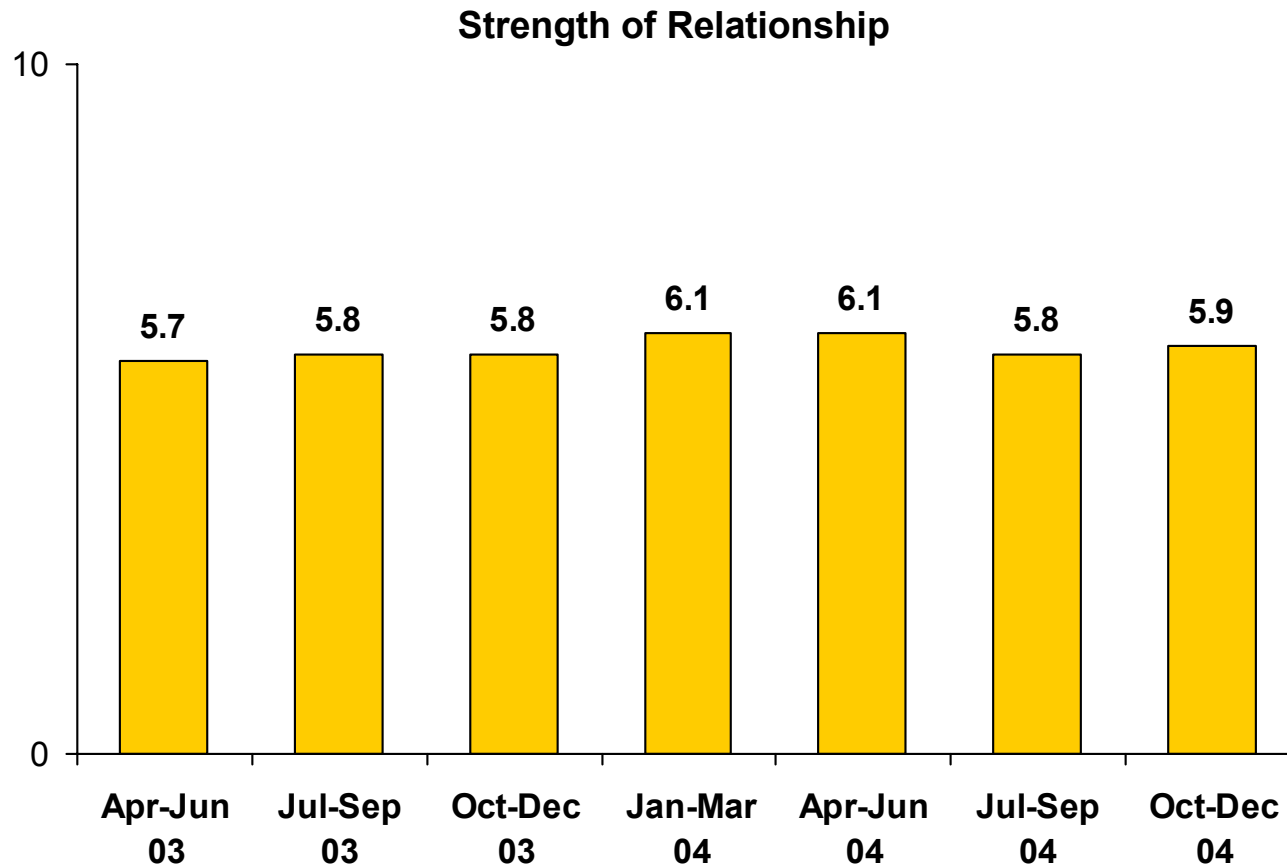
---

- 79% of branches serving customers within 2 mins
- 70% of all branch home loan application approvals provided on-the-spot
- Significantly lower complaint level following introduction of CommSee in Tasmania



# Customer service

---



Source: Research International



# Engaged people

---

	Nov 03*	Nov 04*
■ We put the customer first	36	74
■ Clear idea of where CBA is headed	63	72
■ Ideas and knowledge shared freely	38	53

\* % people who agree with statement

Source: CBA Cultural Survey

# Simple processes

---

## ■ Process simplification

- 24 'CommWay' initiatives completed
- 63% average improvement in turnaround times

## ■ Cost savings efficiencies

- Supplier panels renegotiated
- Support functions redesigned





# 2004/05 milestones

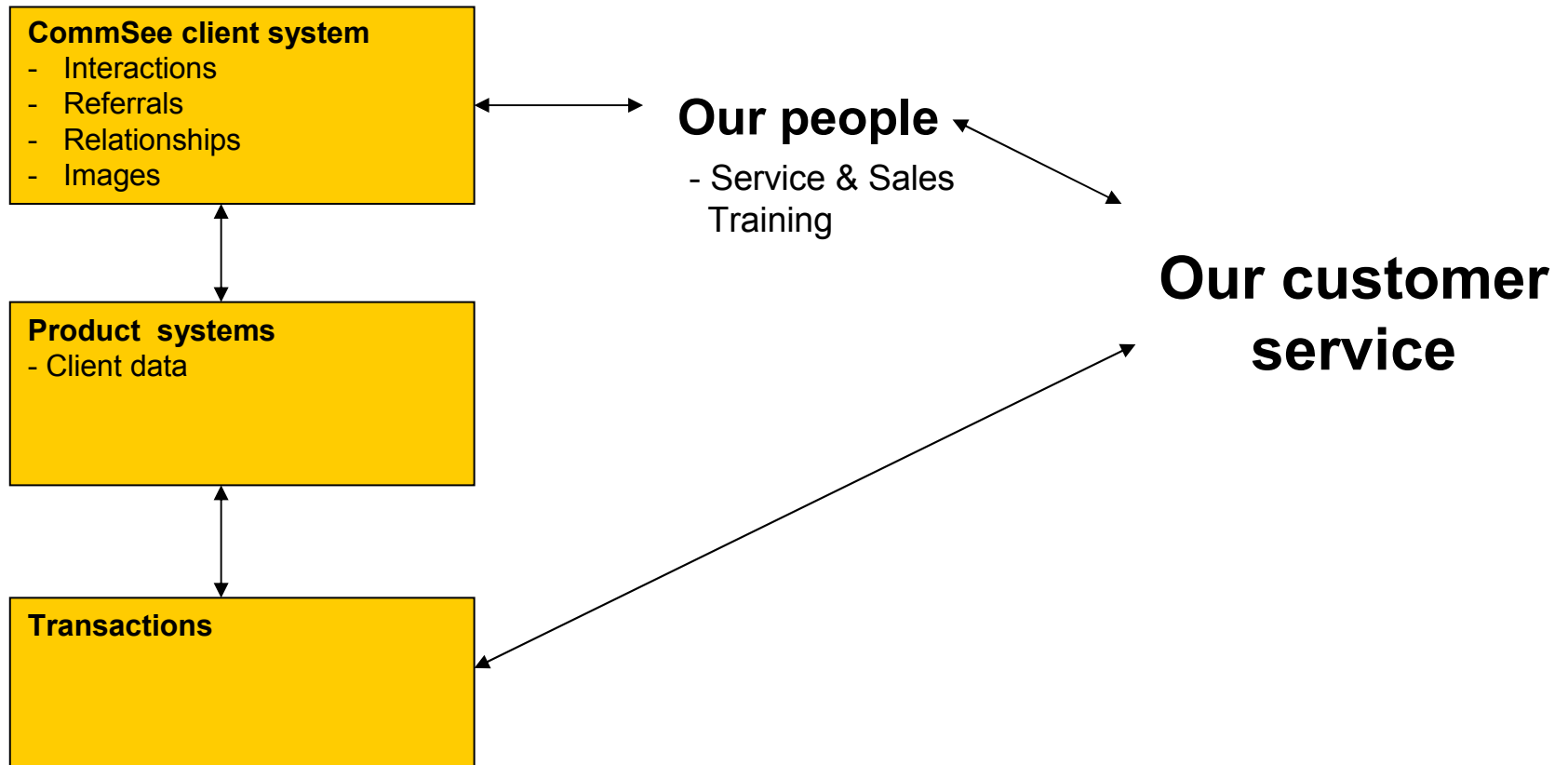
	Milestone	Percentage complete*	Target date
Customer	1. Service & Sales Management - remaining staff trained	60%	Jun 05
	2. Branch Refurbishment - refurbish 125	35%	Jun 05
	3. NetBank - new service implemented	90%	Mar 05
	4. CommSee - platform built and deployment commenced	95%	Apr 05
	5. CommSee - 40% customer-facing staff trained	10%	Jun 05
	6. Segment Model - pilot completed	30%	Jun 05
People	7. Performance Culture - performance management system implemented	100%	Dec 04
	8. Performance Culture - new learning curriculum available	30%	Jun 05
Process	9. CommWay - 40 process simplification initiatives completed	70%	Jun 05
	10. Support Function Redesign - implementation of 14 functions completed	65%	Jun 05
	11. Wealth management systems - reduced from 11 to 7	50%	Jun 05
	12. Procurement - 10 key categories renegotiated	70%	Jun 05
	13. IT Efficiency - run-rate savings of \$80m realised	60%	Jun 05



# CommSee service potential

---

## One integrated system



# Outlook

---

- Cash EPS growth full year 2005 25% to 30%
- CAGR\* cash EPS now estimated to exceed 12% over 2003 to 2006
- Confident of delivering other Which new Bank commitments:
  - 4-6% compound annual productivity improvement
  - Gain profitable market share growth across major product lines
  - Increase the dividend per share each year.

*\*Compound annual growth rate*



---

# March 2005 Roadshow

## US & UK

David Murray  
Chief Executive Officer

## Asia

Michael Cameron  
Chief Financial Officer

10-17 March 2005



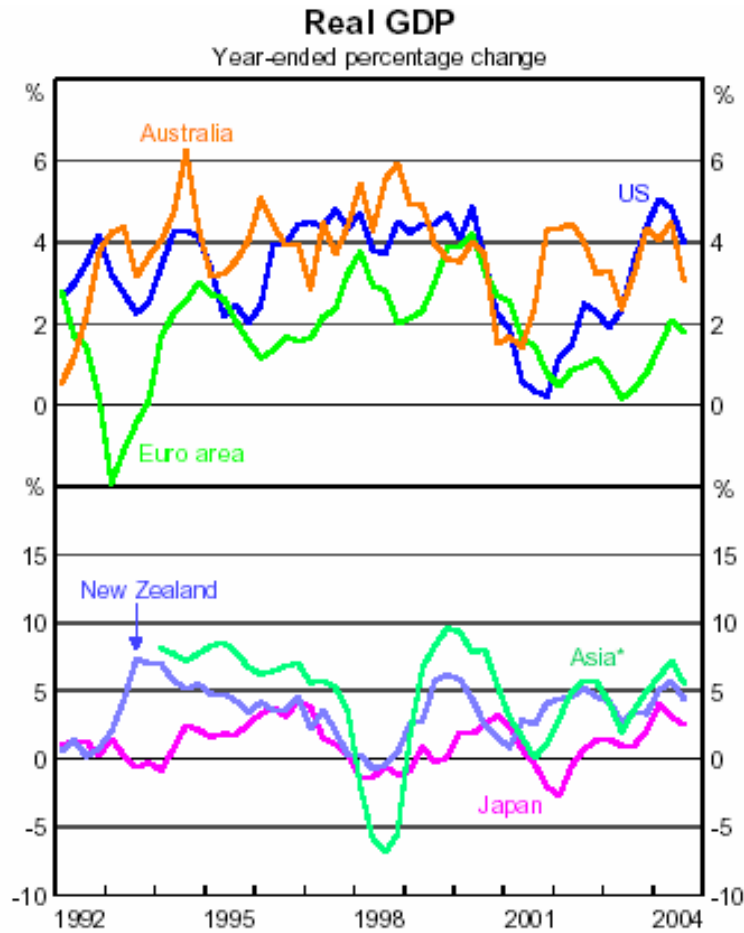
---

# Supplementary materials

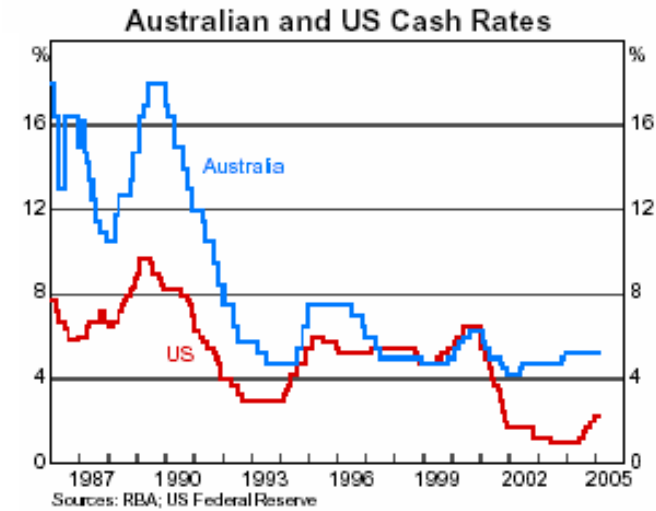
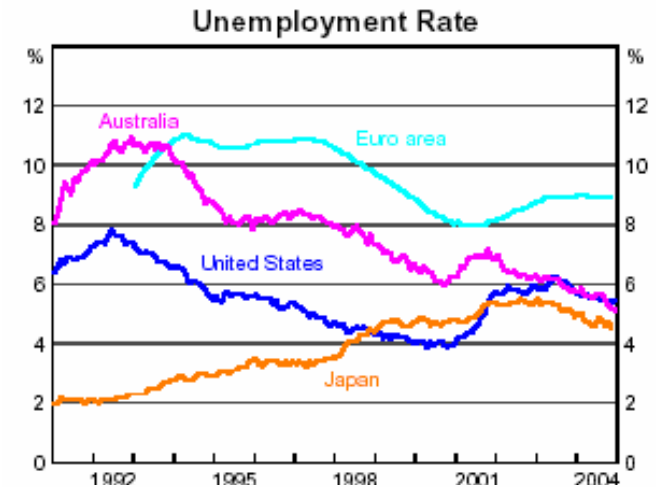
---

# Economy

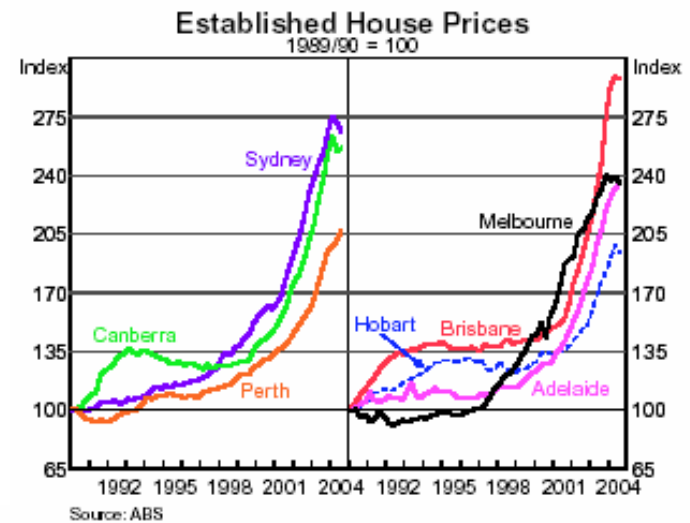
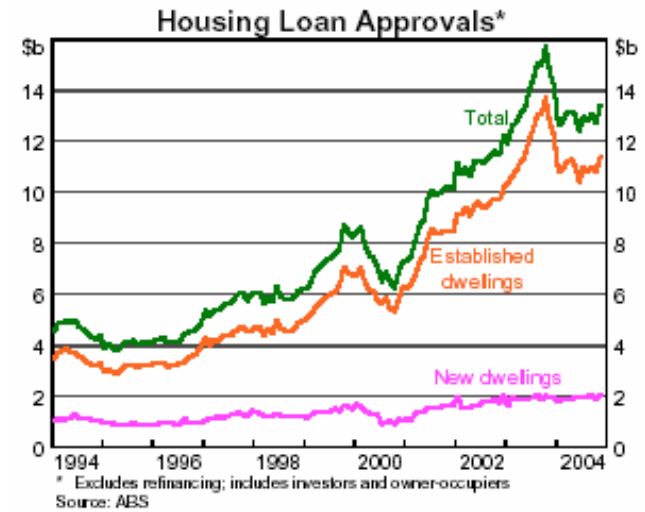
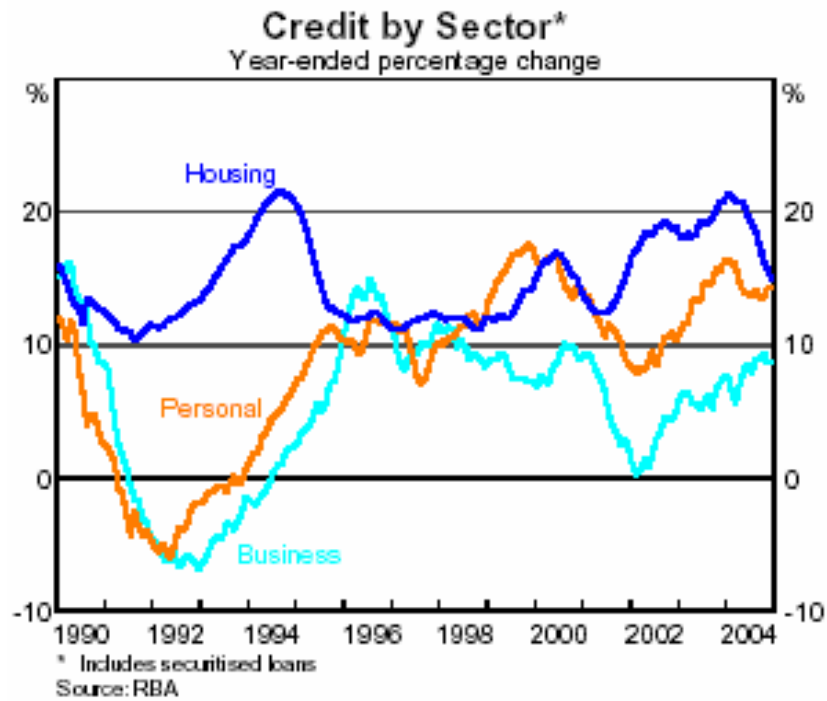
# GDP, unemployment and cash rates



\* Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan and Thailand  
Sources: ABS; CEC; Thomson Financial



# Credit growth



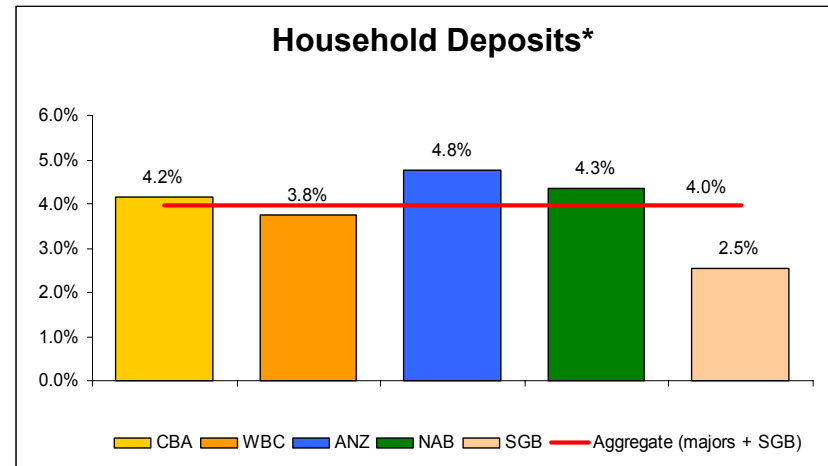
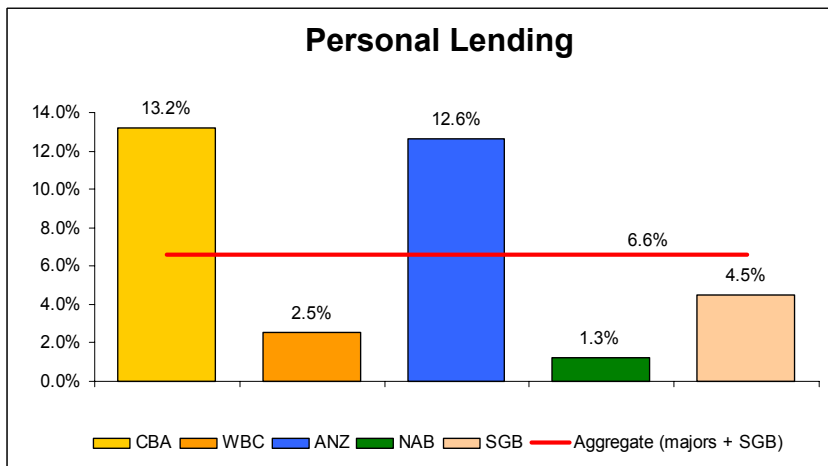
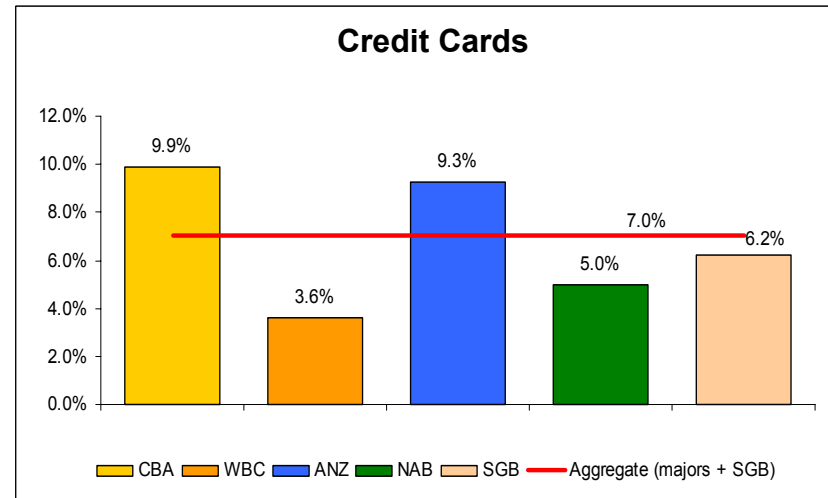
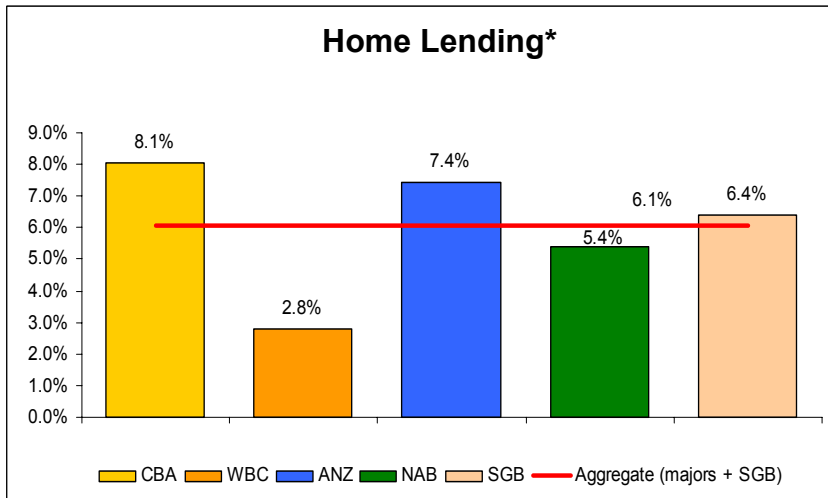


---

# Banking

# Strong growth in key retail markets

Source: APRA - Growth in balances June 2004 to December 2004

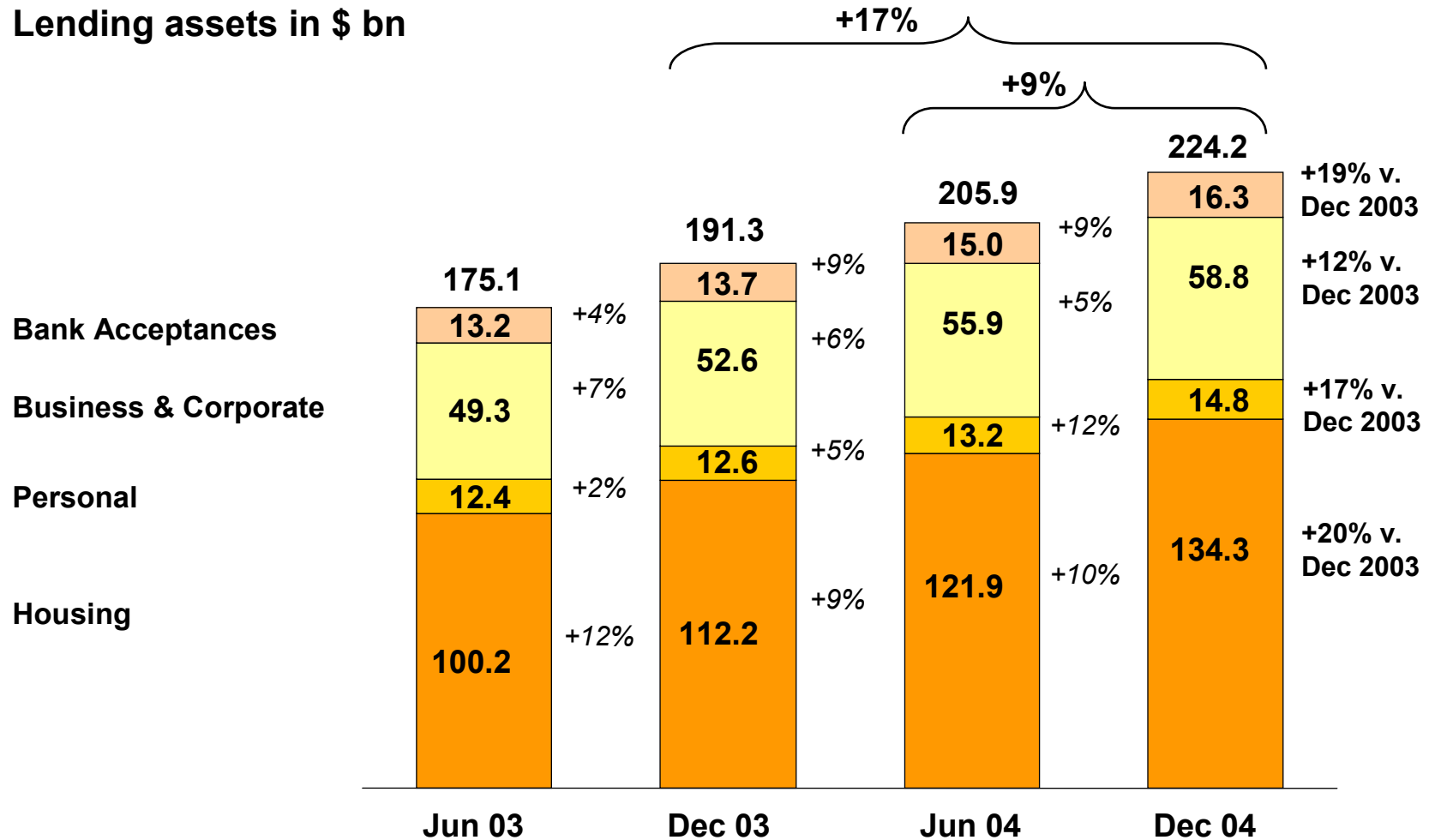


\* Adjusted for MISA reclassification September 2004

# Banking

## 17% growth in lending assets\*

Lending assets in \$ bn



\*Lending assets excludes securitised housing loan balances: \$6.4bn (Dec 04), \$7.6bn (Jun 04), \$5.3bn (Dec 03), \$6.5bn (Jun 03)



---

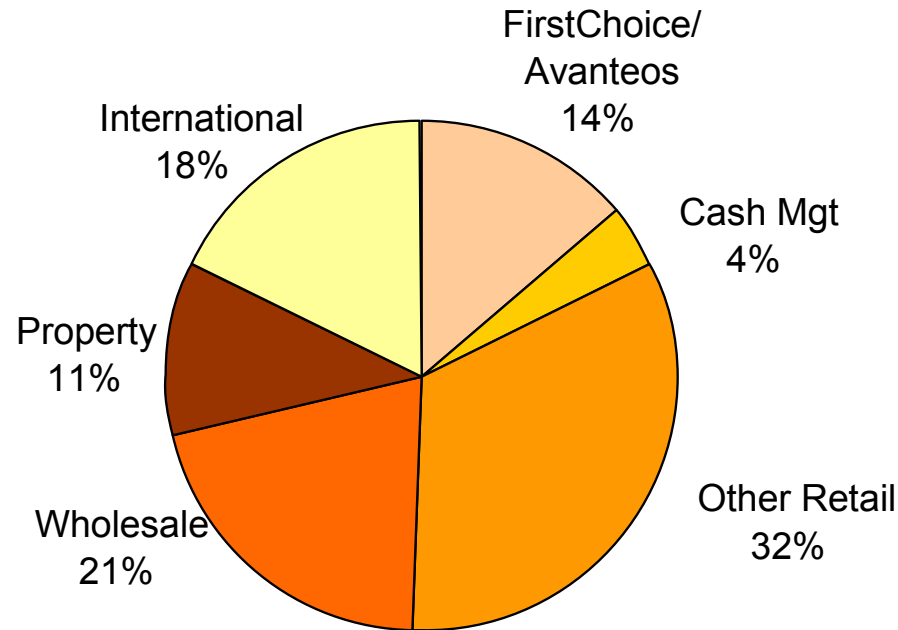
# Funds Management

# Well diversified product mix – platforms rapidly growing share

---

Funds Under Administration  
31 December 2004

Total FUA = \$117.4 billion



Source – Internal Analysis

---

# Insurance

# Funds Management & Insurance Investment Mandate Structure

The Bank has \$2.5bn of shareholders funds across its insurance and funds management business, which is invested in:

	Australia	New Zealand	Asia	Total
Local equities	8%	1%	5%	6%
International equities	4%	7%	10%	6%
Property	21%	4%	1%	13%
Other Growth	0%	3%	3%	1%
Growth:	33%	15%	19%	26%
Fixed Interest	24%	50%	56%	36%
Cash	43%	26%	8%	32%
Other Income	0%	9%	17%	6%
Income:	67%	85%	81%	74%
Total	100%	100%	100%	100%



---

# Capital Management



# Preference share information

## Preference share dividends paid

	31/12/2004	30/06/2004	31/12/2003	30/06/2003	Franked / Imputed
PERLS	20	20	18	18	F
PERLS II	17	15	-	-	F
Trust Preferred Securities	20	23	17	-	-
ASB Capital prefs	4	4	4	4	I
ASB Capital No.2 prefs	-	-	-	-	I
<b>TOTAL</b>	<b>61</b>	<b>62</b>	<b>39</b>	<b>22</b>	

## Preference shares - breakdown

	Issue Date	Currency	Amount (\$M)	Equivalent AUD *	Maturity	Balance Sheet Classification
PERLS	06-Apr-01	AUD	\$700	\$687	Perpetual	Preference share capital
PERLS II	06-Jan-04	AUD	\$750	\$741	Perpetual	Other equity instruments
Trust Preferred Securities	06-Aug-03	USD	\$550	\$832	12 years	Other equity instruments
ASB Capital prefs	10-Dec-02	NZD	\$200	\$182	Perpetual	Outside equity interests
ASB Capital No.2 prefs	22-Dec-04	NZD	\$350	\$323	Perpetual	Outside equity interests
<b>TOTAL</b>				<b>\$2,765</b>		

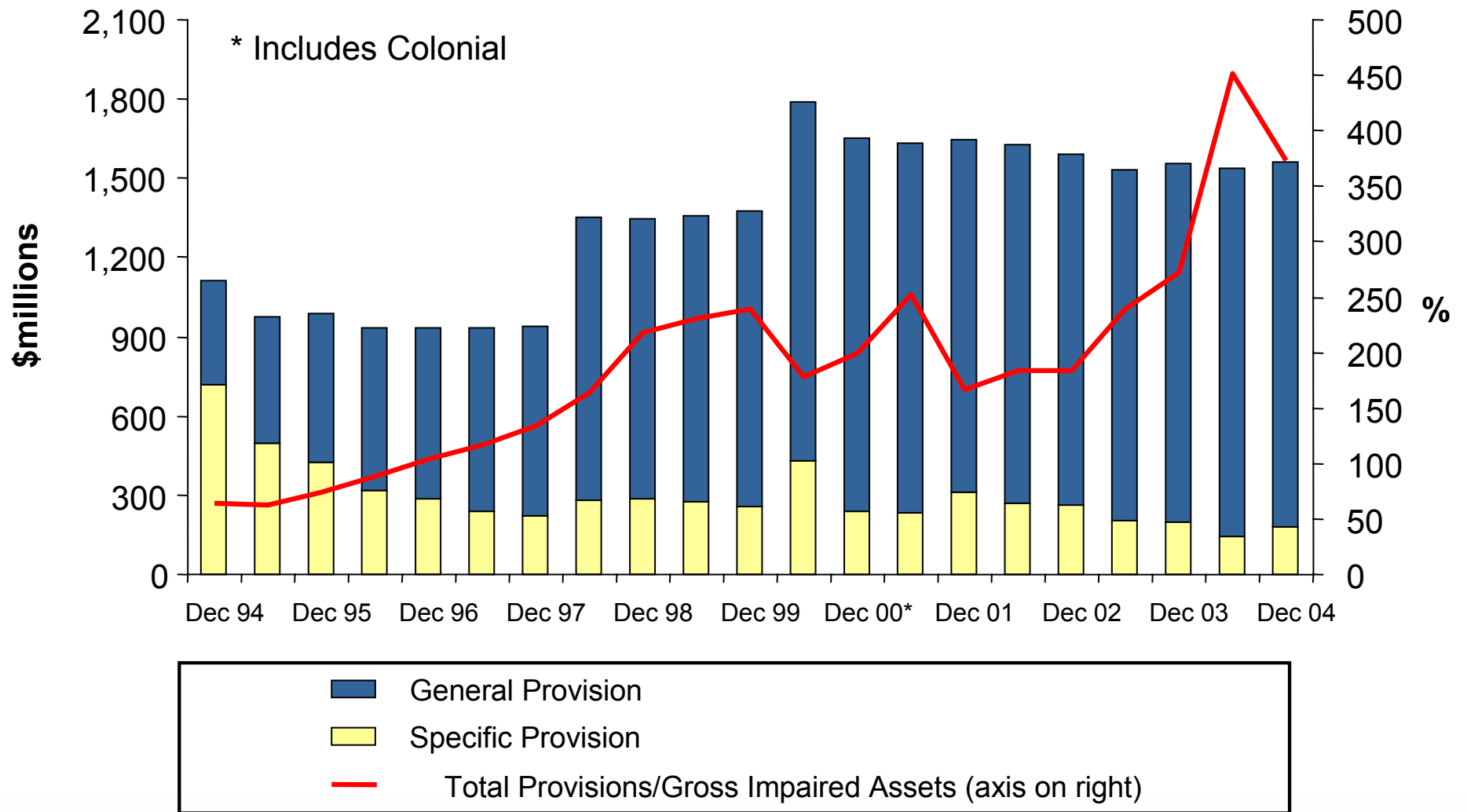
\* Net of issuance costs



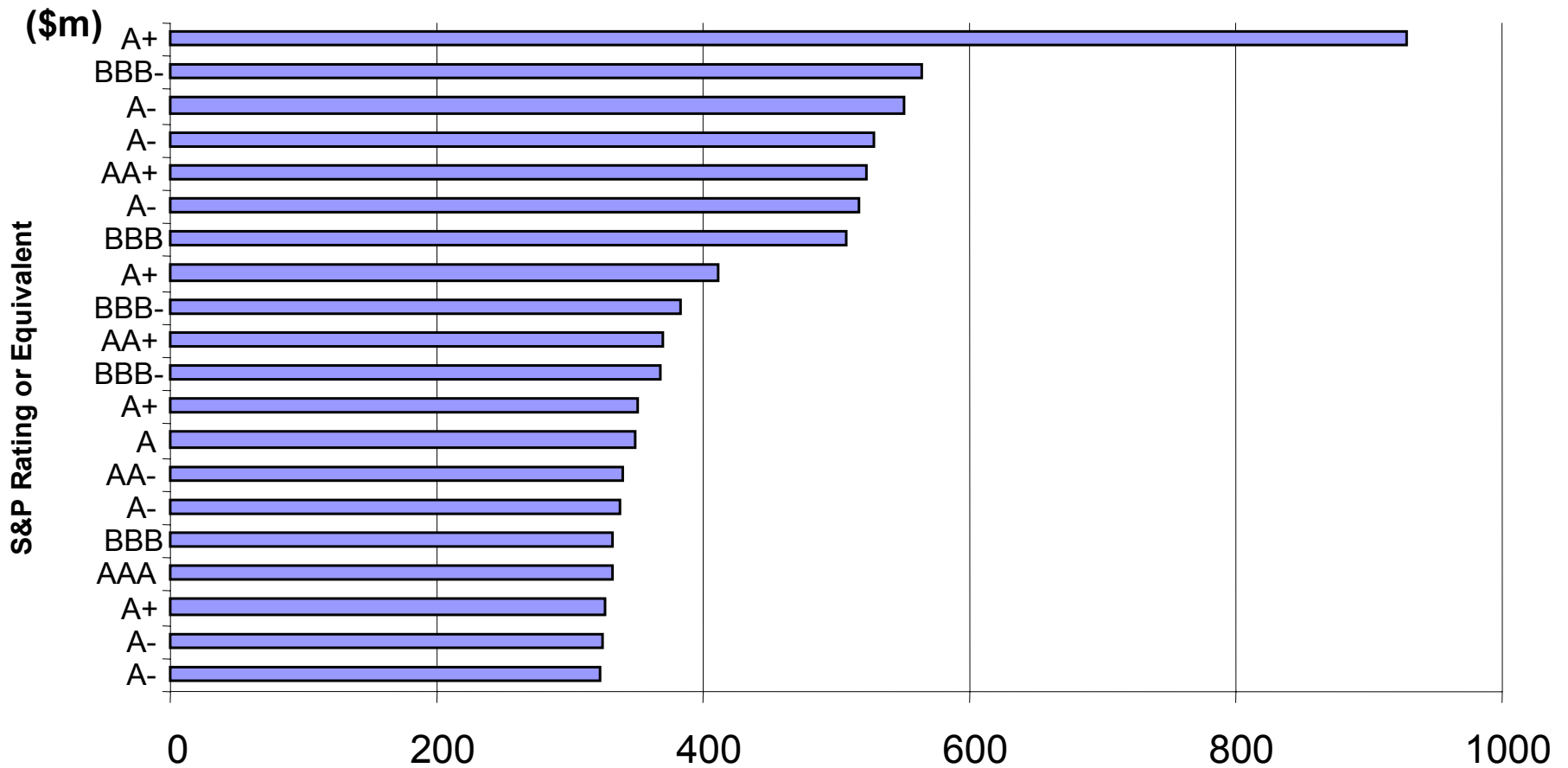
---

# Credit Risk Management

# The Bank remains well provisioned



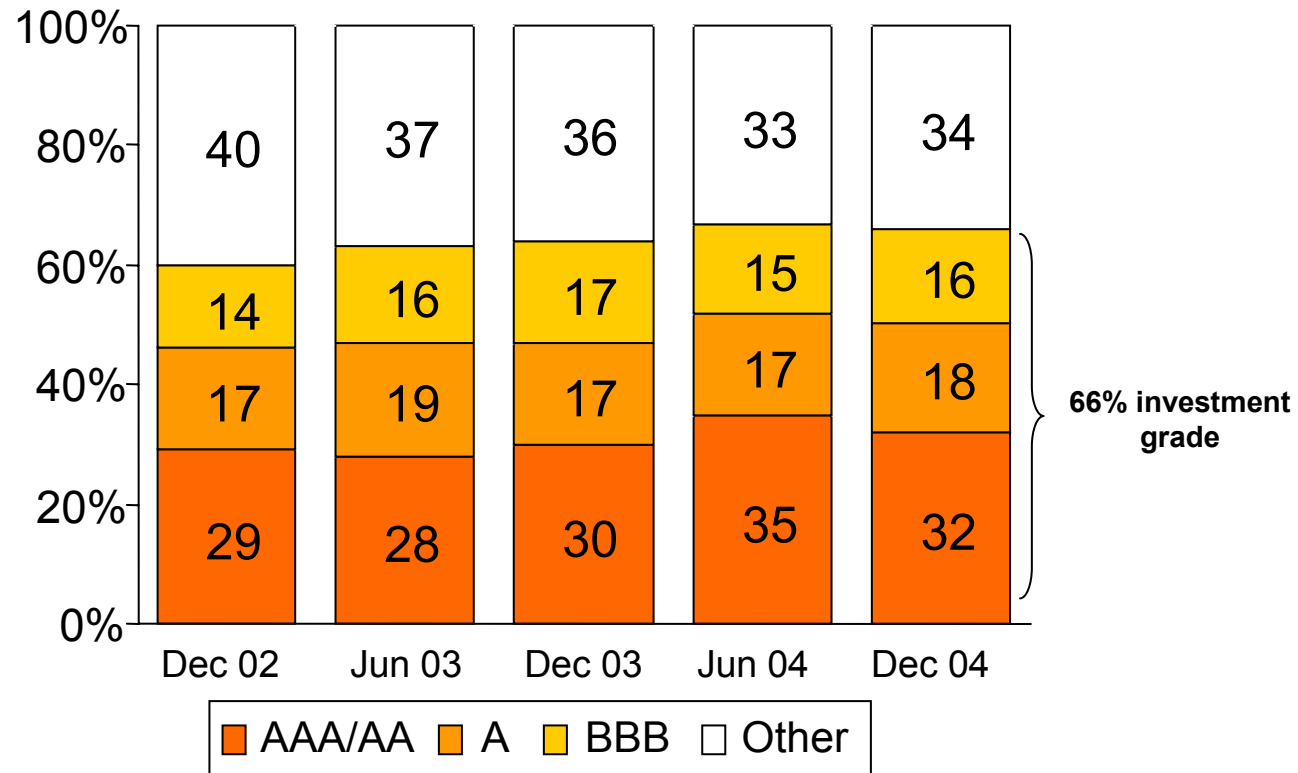
# Banking - Top 20 corporate commercial exposures



Top 20 exposures – excludes finance and government – comprise 3.0% of committed exposures (3.4% as at Jun 04, 3.5% as at Dec 03 )

# Banking - Quality of commercial risk-rated exposures

**Quality of commercial risk-rated exposures:**  
 There is security over 84% of the non-investment grade exposure



Includes finance, insurance and government, individually rated counterparties



# Banking

## Arrears in consumer book remain low

---

### Consumer arrears

	31/12/2004	30/06/2004	31/12/2003	30/06/2003
	\$m	\$m	\$m	\$m
Home lending	176	168	147	157
Other Loans	94	78	66	91
<b>Total</b>	<b>270</b>	<b>246</b>	<b>213</b>	<b>248</b>

### Home lending arrears rate (\$m)

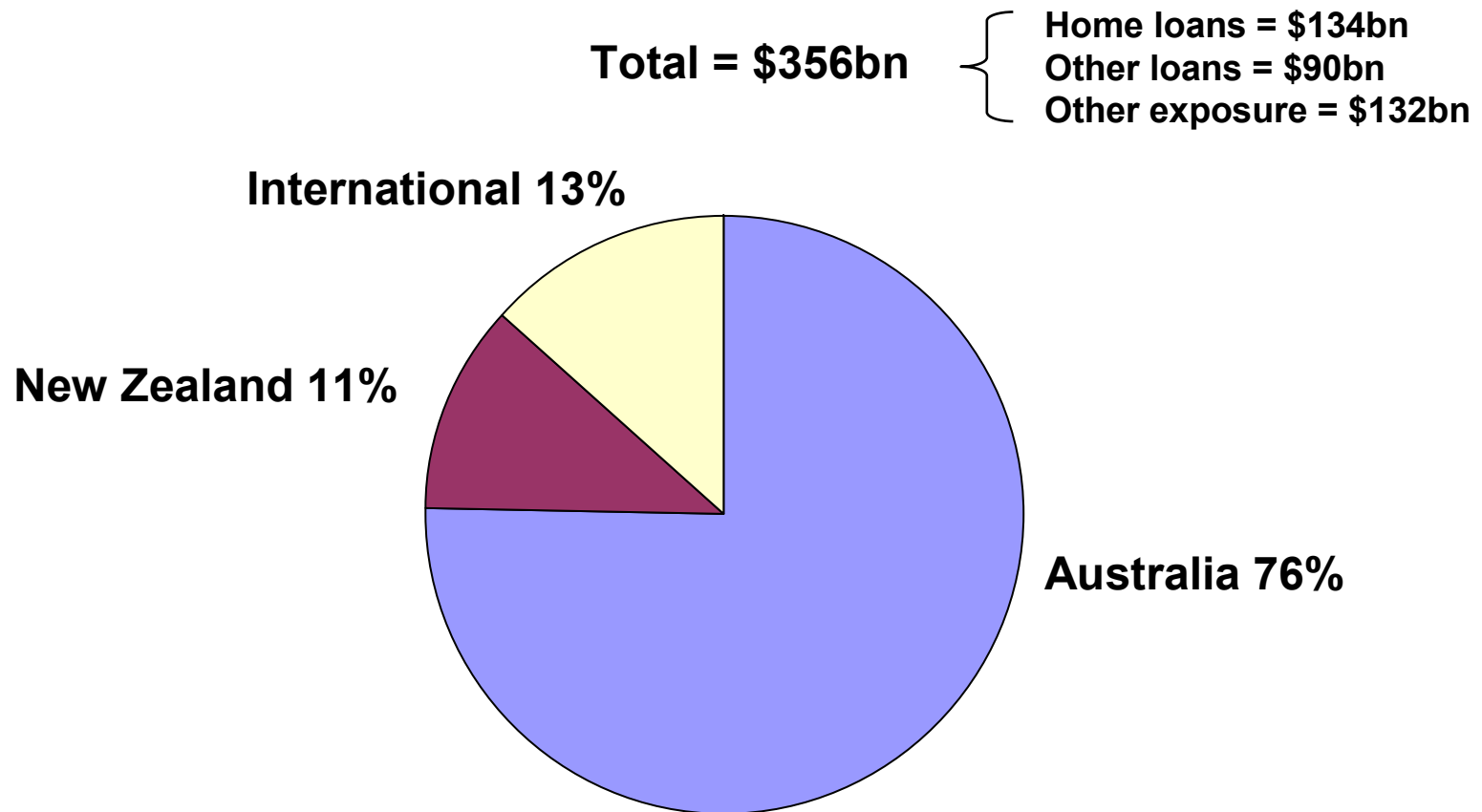
	31/12/2004	30/06/2004	31/12/2003	30/06/2003
Home lending loans accruing 90 days or more	176	168	147	157
Net home lending*	134,258	121,850	112,228	100,203
<b>Arrears rate %</b>	<b>0.13%</b>	<b>0.14%</b>	<b>0.13%</b>	<b>0.16%</b>

\* Net of securitisation



# Banking - Total geographic exposure\* (commercial + consumer)

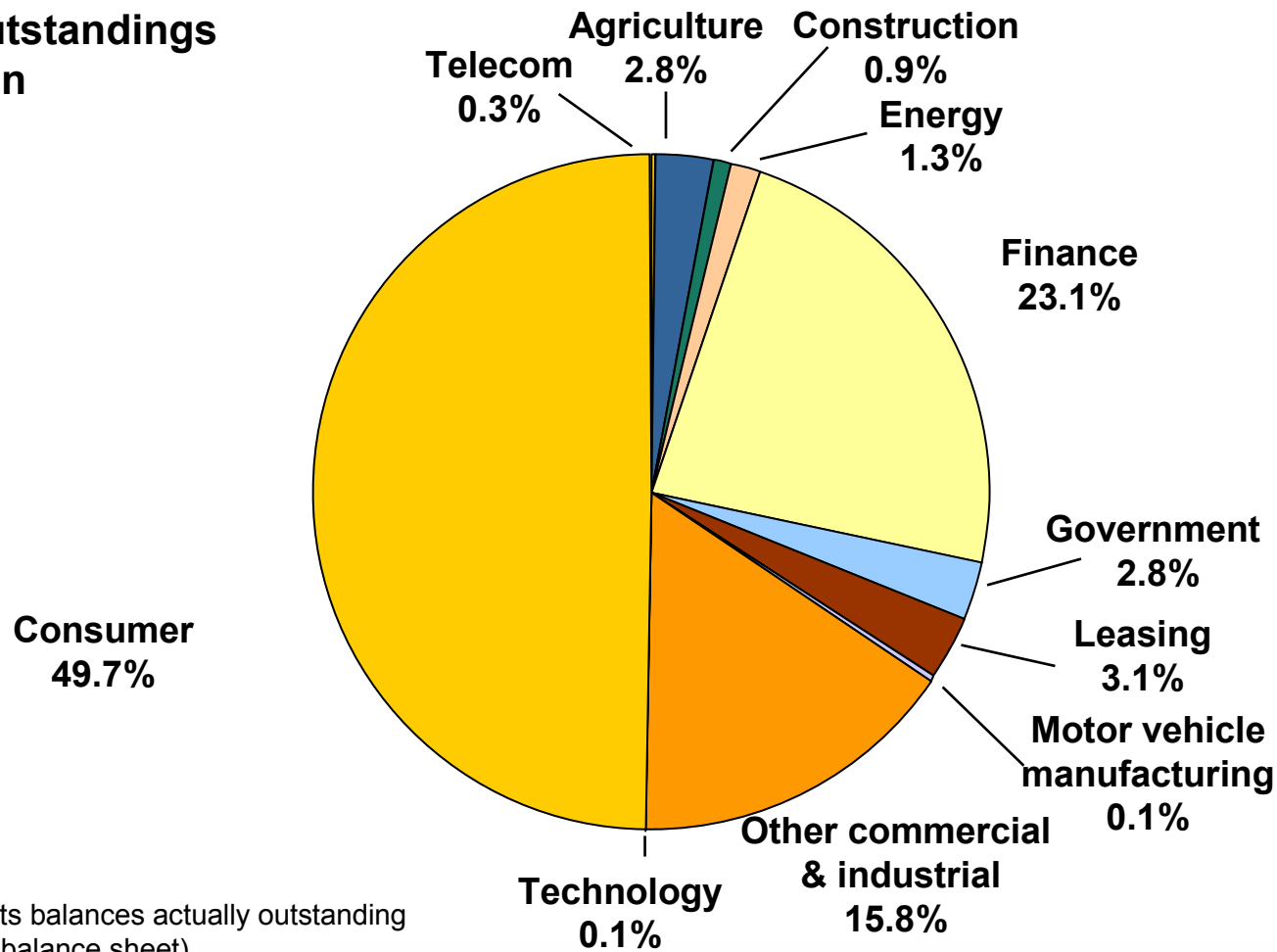
---



\*Total exposure = balance for uncommitted, greater of limit or balance for committed.

# Banking - Total outstandings\* (commercial + consumer)

Total Outstandings  
\$283.6 bn



\* Represents balances actually outstanding  
(on and off balance sheet).

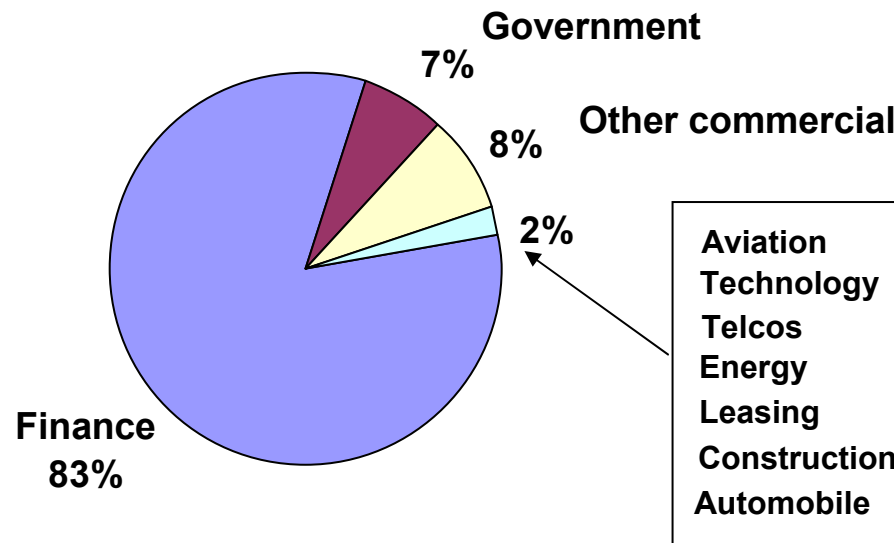




# Banking – International commercial exposures\*

## International exposure by Industry

Total Exposure  
\$48bn



Total non-finance off-shore outstandings = \$7.6bn of which over 90% are investment grade.

\*Total exposure = balance for uncommitted, greater of limit or balance for committed. Excludes ASB

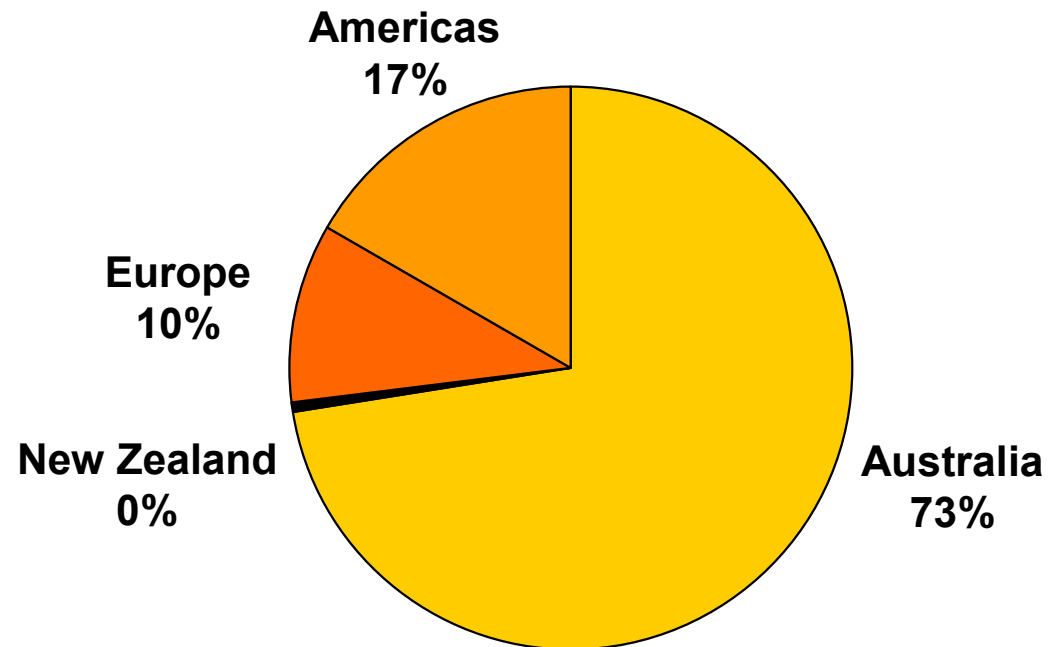


# Banking Credit Exposure – selected industries

## Automotive manufacturing

Total exposure: \$506m

Rating	\$m
AAA to A-	57
BBB+ to BBB-	150
BB to BB-	189
< BB-	110
<b>TOTAL</b>	<b>506</b>



\*Total exposure = balance for uncommitted, greater of limit or balance for committed.

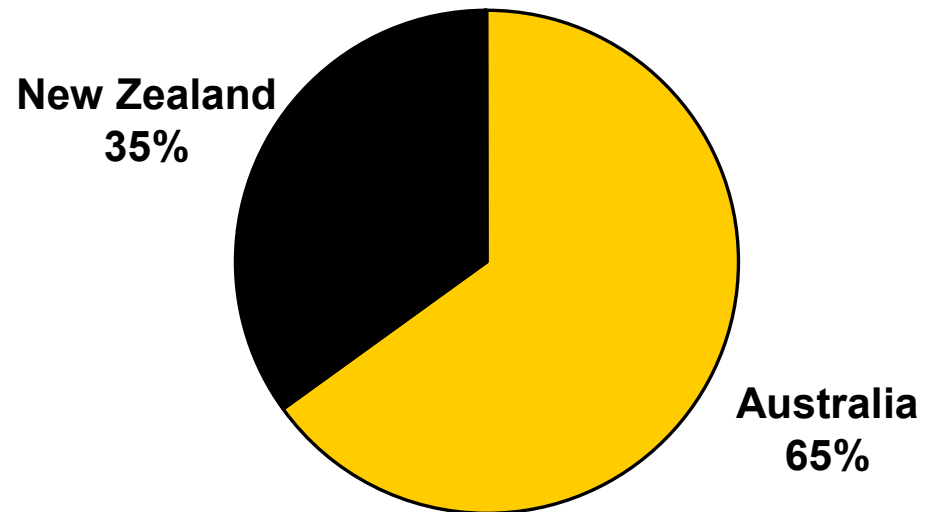
# Banking Credit Exposure – selected industries

## Agriculture

---

Total exposure: \$9,090m

Rating	\$m
AAA to A-	307
BBB+ to BBB-	1,397
BB to BB-	2,766
< BB-	4,620
<b>TOTAL</b>	<b>9,090</b>



\*Total exposure = balance for uncommitted, greater of limit or balance for committed.

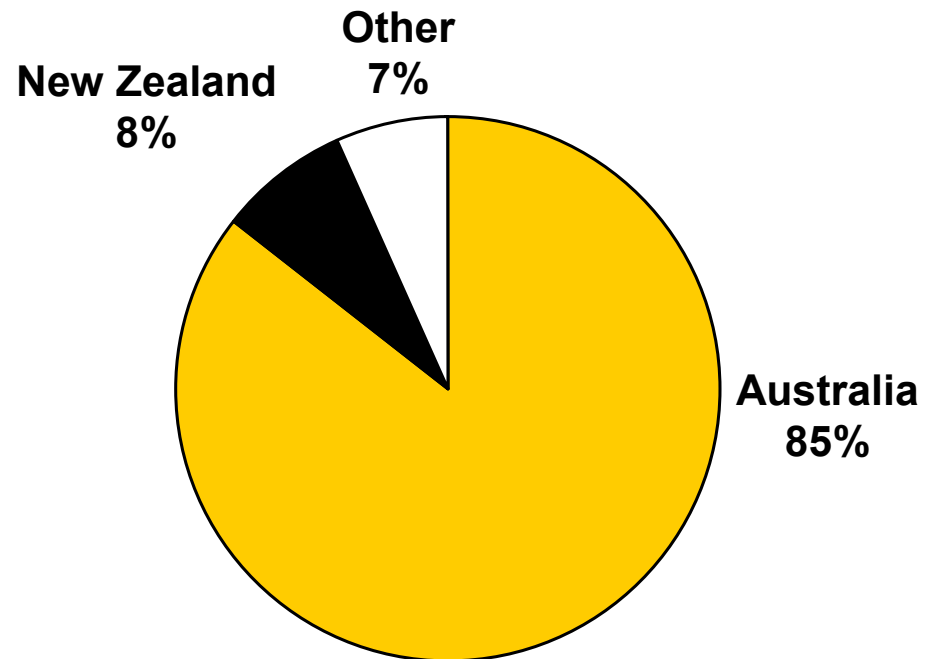


# Banking Credit Exposure – selected industries

## Aviation

Total exposure: \$1,802m

Rating	\$m
AAA to A-	558
BBB+ to BBB-	1,015
BB to BB-	197
< BB-	32
<b>TOTAL</b>	<b>1,802</b>



\*Total exposure = balance for uncommitted, greater of limit or balance for committed.

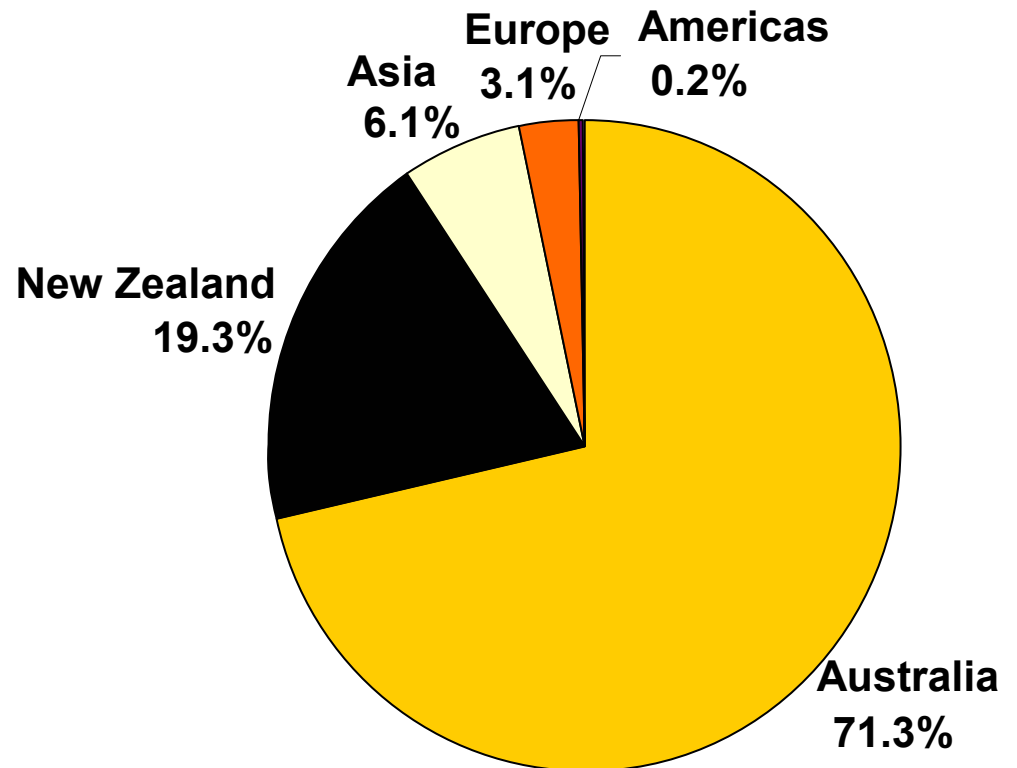


# Banking Credit Exposure – selected industries

## Energy

Total exposure: \$5,049m

Rating	\$m
AAA to A-	1,205
BBB+ to BBB-	2,981
BB to BB-	545
< BB-	318
<b>TOTAL</b>	<b>5,049</b>



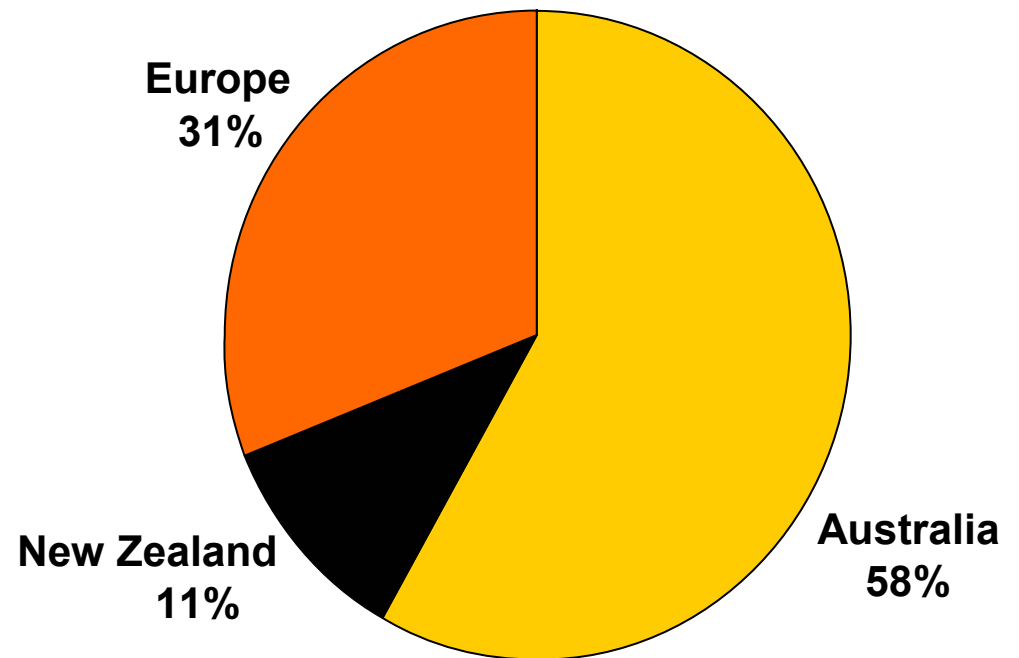
\*Total exposure = balance for uncommitted, greater of limit or balance for committed.



# Banking Credit Exposure – selected industries Telcos

Total exposure: \$888m

Rating	\$m
AAA to A-	308
BBB+ to BBB-	466
BB to BB-	53
< BB-	61
<b>TOTAL</b>	<b>888</b>



\*Total exposure = balance for uncommitted, greater of limit or balance for committed.



---

# March 2005 Roadshow

## US & UK

David Murray  
Chief Executive Officer

## Asia

Michael Cameron  
Chief Financial Officer

10-17 March 2005

