ASX Announcement

3Q25 Trading Update

For the quarter ended 31 March 2025[1]
Reported 14 May 2025

Customer focus, consistent and disciplined execution

We know it has been another challenging period for many Australian households and businesses dealing with cost of living pressures. We have remained focused on proactively engaging with our customers on a range of support options to help those who need it most. Our focus on supporting our customers, investing in our franchise to deliver superior customer experiences and executing our strategy with consistency and discipline has delivered solid results for our shareholders.

Our balance sheet settings remain strong. We have maintained strong capital and provisioning levels, and have successfully completed our FY25 funding task during the March quarter. Our deliberate and long-term conservative approach to key balance sheet settings enables us to support our customers, the economy and our shareholders through a range of macroeconomic scenarios.

Delivering for our shareholders benefits many Australians. Growing pre-provision profits and strong organic capital generation support strong and sustainable dividends. During the quarter we paid $3.8 billion in dividends which benefitted ~814,000 shareholders directly and over 13 million Australians through their superannuation.

There is heightened risk to the global economy from geopolitical and macroeconomic uncertainty which could slow the domestic economy. Australia is in a relatively strong position to navigate the challenges. Australia remains an attractive place to live and work. Government investment in infrastructure and services is helping to support employment and growth, and underlying inflation is moderating. We remain focused on supporting our customers, maintaining consistent and disciplined execution, investing in our franchise and generating sustainable returns for our shareholders.

Chief Executive Officer, Matt Comyn

Overview

- Unaudited statutory NPAT of ~$2.6 billion[2] in the quarter. Unaudited cash NPAT of ~$2.6 billion[2,3] flat on 1H25 quarterly average and up 6% on the prior comparative quarter.
- Operating income up 1% driven by lending volume growth and higher trading income, largely offset by two less days in the quarter. Excluding non-recurring earnings, net interest margin was stable.
- Operating expenses up 1% driven by increased investment in technology and frontline staff, partly offset by two less days in the quarter and the benefit of ongoing productivity initiatives.
- Operating performance up 1% on the 1H25 quarterly average, up 6% on the prior comparative quarter.
- Loan impairment expense of $223 million, with collective and individual provisions slightly higher. Portfolio credit quality has remained sound, with increases in consumer arrears and corporate troublesome and non-performing exposures.
- Strong balance sheet settings maintained, with a customer deposit funding ratio of 77%, LCR of 133%, and NSFR of 116%.
- A$36 billion of new long-term wholesale funding has been issued across multiple markets and products, completing our FY25 funding task.
- CET1 (Level 2) ratio of 11.9%, up 45bpts before the payment of $3.8 billion in 1H25 dividends to ~814,000 shareholders, reflecting strong organic capital generation.

Cash NPAT
Unaudited

~$2.6bn

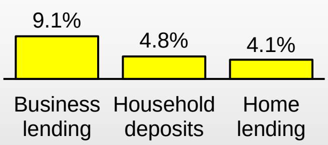
Flat vs 1H25 Qtr avg

6% vs 3Q24

Volumes[4]
Mar 25 vs Dec 24

System multiple:
1.3x 0.8x 0.9x

Annualised balance growth:



Deposit funding
Ratio

77%

Deposit funding as % of total funding

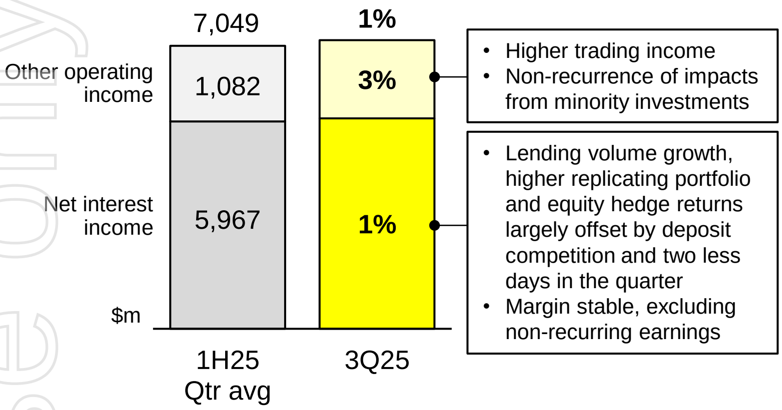
CET1 ratio
Level 2

11.9%

>11% target operating range[5]

Operating performance

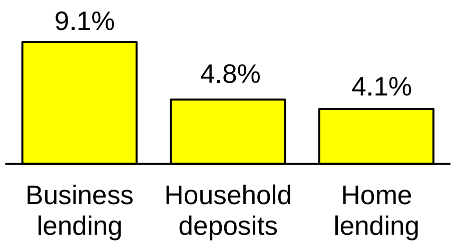
Operating income



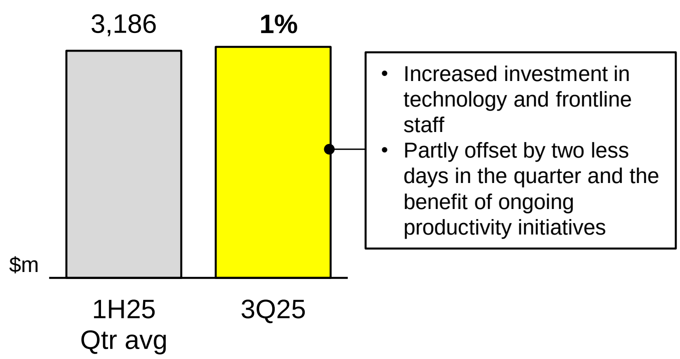
Australian volume growth[4]

Growth	+$3.7bn	+$4.9bn	+$6.0bn	Mar 25 vs Dec 24
System multiple	1.3x	0.8x	0.9x	

Mar 25 vs Dec 24 (annualised)

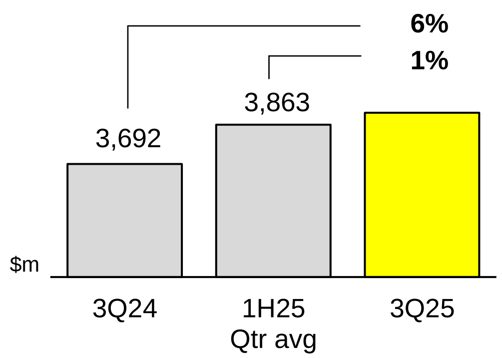


Operating expenses



Operating performance

Operating income less operating expenses

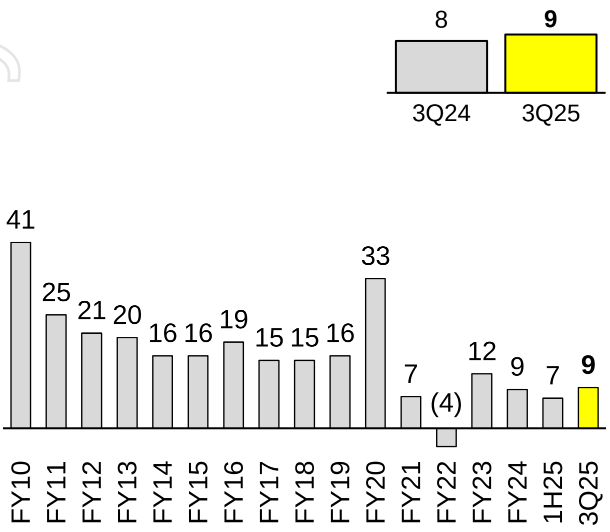


- Operating income was 1% higher in the quarter, with higher net interest income and other operating income.
- Net interest income was 1% higher, with lending volume growth and earnings on replicating portfolio and equity hedges largely offset by deposit competition and two less days in the quarter. Excluding non-recurring earnings, net interest margin was stable.
- Higher earnings on replicating portfolio and equity hedges have largely been driven by reinvestment at higher swap rates. Returns from the replicating portfolio and equity hedge are sensitive to three and five year swap rates, which have fallen materially in recent months.
- Disciplined volume growth was delivered across home lending and household deposits in the quarter. Retail Bank transaction accounts increased by ~150,000 in the quarter driven by continued non-migrant and migrant account openings. Home loans grew $6.0 billion at 0.9x system for the three months to March 2025. Proprietary mix for CBA home loans represented 68% of new business flows for the quarter[6]. Household deposits grew $4.9 billion in the quarter.
- We have continued to focus on growing our Business Bank franchise in the quarter. We have increased business transaction accounts by 7% versus the prior comparative period to ~1.31 million accounts. Business lending continued to grow above system in the quarter, with diversified growth across sectors.
- Other operating income was 3% higher, primarily driven by higher trading income and non-recurrence of impacts from minority investments.
- Operating expenses increased by 1% mainly driven by increased investment in technology and frontline staff, partly offset by two less days in the quarter and the benefit of ongoing productivity initiatives.

Provisions and credit quality

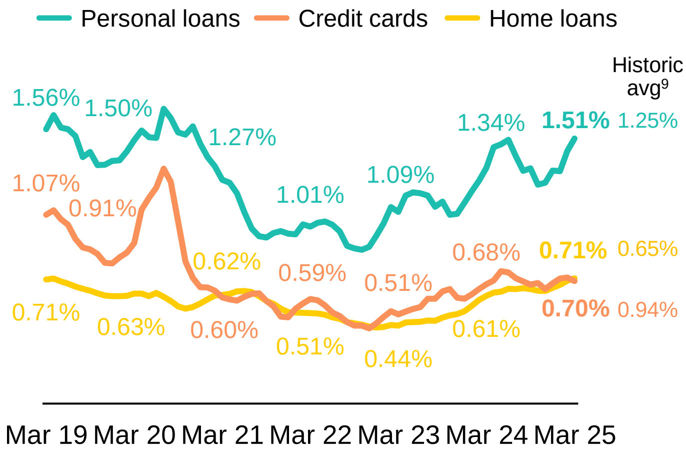
Loan loss rate[7]

bpts



Consumer arrears[8]

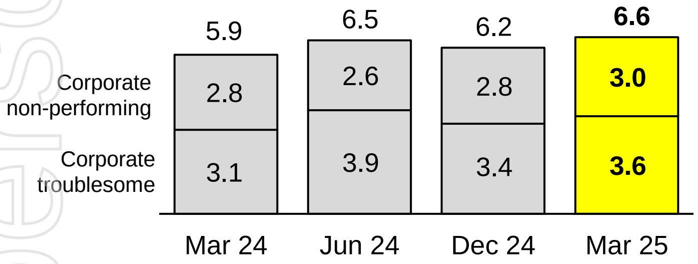
90+ days



Troublesome and non-performing exposures[10]

Corporate, $bn

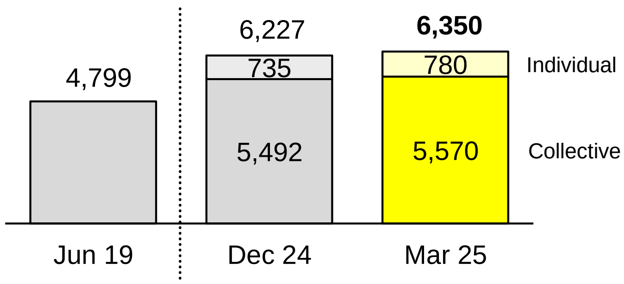
% of TCE	0.92%	1.11%	1.01%	**1.06%**



Provisioning

Total credit provisions, $m

TP/CRWA[11]	1.29%	1.62%	**1.64%**
CP/CRWA[11]	1.05%	1.43%	**1.44%**

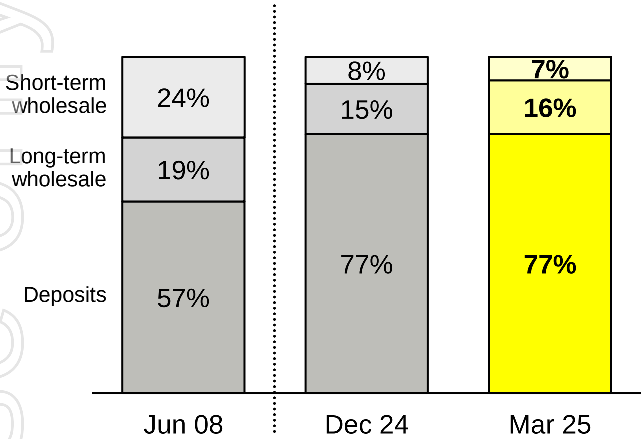


- Consumer arrears and corporate Troublesome and Non-Performing Exposures (TNPE) increased in the quarter. Loan impairment expense was $223 million in the quarter, or 9bpts of average Gross Loans and Acceptances (GLAA).
- Home loan arrears increased over the quarter to 0.71% (+5bpts). Personal loan arrears increased 19bpts, largely in line with seasonal trends. Credit card arrears remained broadly stable (+2bpts).
- Corporate TNPE was higher at $6.6 billion or 1.06% of corporate Total Committed Exposure (TCE), reflecting movements in single name exposures across several sectors.
- Total credit provisions were $6.4 billion, with a slight increase in collective provisions to $5.6 billion broadly in line with portfolio growth, and a marginal increase in individual provisions to $780 million.
- Strong provision coverage was maintained with total provision coverage ratio of 1.64%.

Funding and liquidity

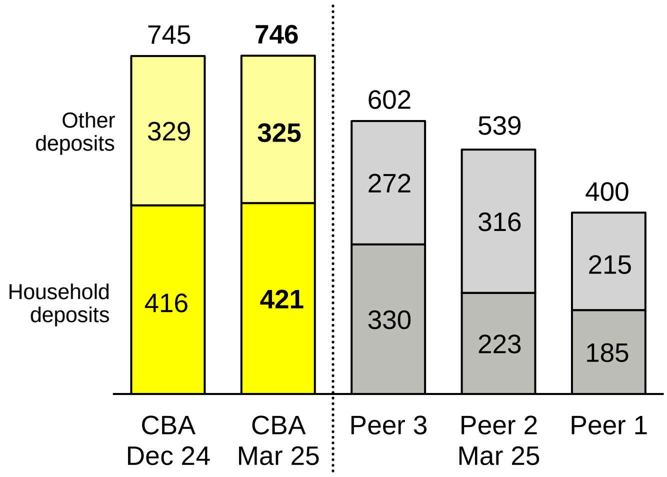
Funding composition

% of total funding



Australian deposits[12]

$bn

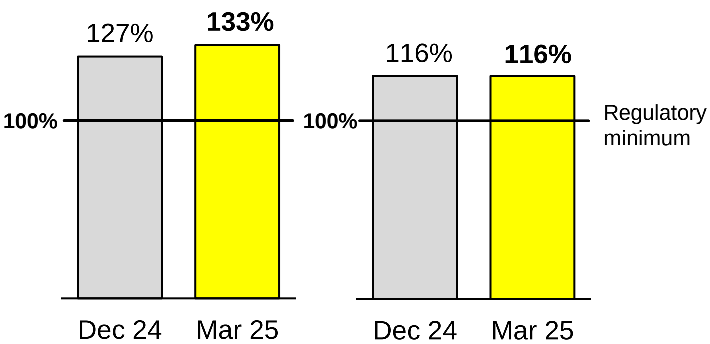


LCR

Qtr avg

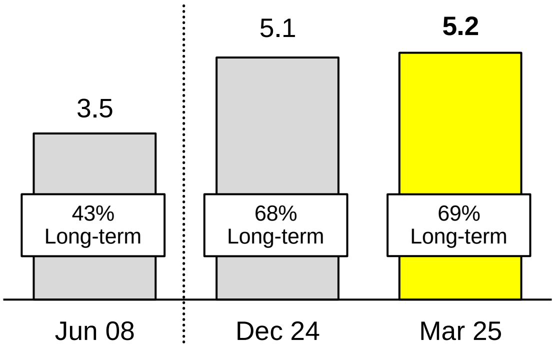
NSFR

Spot



Wholesale funding

Portfolio tenor (years)

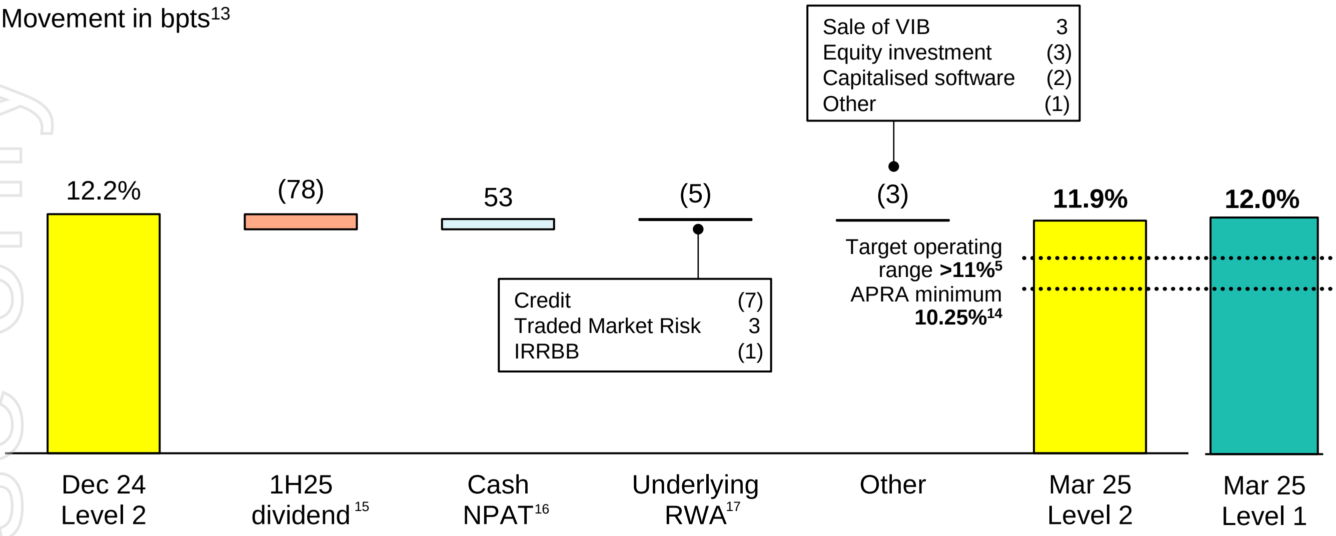


- Balance sheet settings remained strong in the quarter. Customer deposit funding represented 77% of total funding and household deposits grew $4.9 billion in the quarter. The proportion of short-term wholesale funding remained well below historic levels.
- The Bank's long-term wholesale funding position remained conservative, accounting for 69% of total wholesale funding with a weighted average portfolio tenor of 5.2 years. A$36 billion of new long-term wholesale funding has been issued across multiple markets and products.
- The Bank's Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) remained well above regulatory minimums.

Capital

CET1 %

Movement in bpts[13]



- The Bank maintained a strong capital position with a CET1 (Level 2) ratio of 11.9% as at 31 March 2025, well above APRA's minimum regulatory requirement of 10.25%. In the quarter, CET1 (Level 2) ratio increased 45bpts after allowing for the impact of the 1H25 dividend (-78bpts), with capital generated from earnings (+53bpts) partly offset by an increase in total RWA (-5bpts), and other items (-3bpts).
- The Bank has completed the purchase of more than $680 million of shares on market to neutralise the impact of the 1H25 Dividend Reinvestment Plan, reflecting a continued strong level of investor participation at 18.1%.
- Credit RWA (excl. FX) increased by $2.8 billion (-7bpts) in the quarter primarily driven by volume growth across commercial lending and mortgages. Traded Market Risk RWA decreased by $1.1 billion (+3bpts).
- CBA's (Level 2) Tier 1 and Total Capital ratios as at 31 March 2025 were 13.8% and 20.7%, respectively.
- CBA's CET1 (Level 1) ratio as at 31 March 2025 was 12.0%.

Appendix

Key financials reconciliation	1H25 $m	1H25 Qtr avg $m	Movement 3Q25 vs 3Q24	Movement 3Q25 vs 1H25 Qtr avg
Total operating income	14,097	7,049	6%	1%
Total operating expenses	(6,372)	(3,186)	5%	1%
Operating performance	7,725	3,863	6%	1%
Loan impairment expense	(320)	(160)	17%	39%
Cash NPAT from continuing operations	5,132	2,566	6%	Flat

Footnotes

1. Unless otherwise stated, the financial results are presented on a 'continuing operations' basis and all financial comparisons are to the average of the two quarters of the first half of FY25. Refer to the Appendix for a reconciliation of key financials.
2. Rounded to the nearest $100 million.
3. The Group's results are presented on a cash basis unless otherwise stated. The cash basis is used by management to present a clear view of the Group's operating results. It is not a measure based on cash accounting or cash flows nor a statutory measure presented in accordance with Australian Accounting Standards that are audited or reviewed in accordance with Australian Auditing Standards. The items excluded from cash profit, such as hedging and IFRS volatility and losses or gains on acquisition, disposal, closure, capital repatriation and demerger of businesses are calculated consistently period on period and do not discriminate between positive and negative adjustments. Refer to page 3 of the Profit Announcement for the half year ended 31 December 2024 for further details and a list of items excluded from cash profit. The Group's financial statements, prepared in accordance with the *Corporations Act 2001* (Cth) and Australian Accounting Standards, and audited (full year) or reviewed (half year) by the Group's auditors in accordance with Australian Auditing Standards, are made available on the Group's Investor Centre website.
4. Source: RBA Lending and Credit Aggregates (home and business lending excl. IB&M) and APRA Monthly Authorised Deposit Taking Institution (ADI) Statistics (household deposits). CBA business lending multiple estimate is based on Business Banking growth rate (excl. IB&M) over published APRA & RBA Total business lending data (excl. estimated institutional lending balances). CBA December 2024 to March 2025 quarterly balance growth (%) reported on an annualised basis.
5. CBA expects to operate with a post-dividend CET1 ratio of greater than 11.0%, except in circumstances of unexpected capital volatility.
6. Excludes Bankwest and Residential Mortgage Group.
7. Loan impairment expense as a percentage of average GLAA annualised.
8. Group consumer arrears including New Zealand.
9. Historic average from August 2008 to June 2023.
10. Non-performing exposures are exposures in default as defined in regulatory standard *APS220 Credit Risk Management.* Corporate troublesome exposures are defined as exposures to corporate customers where profitability is weak and the capacity to meet financial commitments is diminished. These customers are at higher risk of default over the next 12 months.
11. Total Provisions (TP) as a ratio of Credit Risk Weighted Assets (CRWA) and Collective Provisions (CP) as a ratio of CRWA. CRWA on Basel III basis. December 2024 and March 2025 represents CRWA based on revised APRA capital framework effective from 1 January 2023.
12. Source: APRA Monthly ADI Statistics. Total resident deposits (excludes negotiable certificates of deposit).
13. Due to rounding, numbers presented in this section may not sum precisely to the totals provided.
14. Inclusive of 1% default countercyclical capital buffer which may be varied by APRA in the range of 0% to 3.5%.
15. 1H25 dividend: includes the on-market purchase of shares in respect of the Dividend Reinvestment Plan.
16. Excludes equity accounted profits/losses and impairments from investments, which are neutral from a regulatory capital perspective due to the offsetting increase in capital deductions.
17. Excludes impact of FX movements on Credit RWA which is included in 'Other'.

Important information

The material in this announcement is general background information about the Bank and its activities current as at the date of the announcement, 14 May 2025. It is information given in summary form and does not purport to be complete. Information in this announcement 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. Investors should consider these factors, and consult with their own legal, tax, business and/or financial advisors in connection with any investment decision.

This announcement contains certain forward-looking statements with respect to the financial condition, capital adequacy, operations and business of the Bank and certain plans and objectives of the management of the Bank. Such forward-looking statements speak only as at the date of this announcement and undue reliance should not be placed upon such statements. Although the Bank currently believes the forward-looking statements have a reasonable basis, they are not certain and involve known and unknown risks and assumptions, many of which are beyond the control of the Bank, which may cause actual results, conditions or circumstances to differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on forward-looking statements, particularly in light of: current economic conditions, geopolitical events, and global banking uncertainty including recent examples of instability in the banking system and regulatory, government and central bank responses.

Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "would", "could", "expect", "intend", "plan", "aim", "estimate", "target", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding the Bank's intent, belief or current expectations with respect to the Bank's business and operations, market conditions, results of operations and financial condition, capital adequacy and risk management. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements, whether as a result of new information, future events or results or otherwise, is disclaimed. The Bank is under no obligation to update any of the forward-looking statements contained within this announcement, subject to applicable disclosure requirements.

The material in this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. Any securities of the Bank to be offered and sold have not been, and will not be, registered under the Securities Act of 1933, as amended (*U.S. Securities Act*), or the securities laws of any state or other jurisdiction of the United States. Accordingly, any securities of the Bank may not be offered or sold, directly or indirectly, in the United States unless they have been registered under the U.S. Securities Act or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws.

Investor Relations

Melanie Kirk
02 9118 7113
CBAInvestorRelations@cba.com.au

Media Relations

Danny John
02 9595 3219
Media@cba.com.au

Investor Centre

For more information:
commbank.com.au/investors

The release of this announcement was authorised by the Board.