

Michael Ullmer Commonwealth Group Merger Update 1 June 2001 www.commbank.com.au

Disclaimer

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation, 1 June 2001. 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 investment is appropriate.

Speaker's Notes

- Speaker's notes for this presentation are attached below each slide.
- To access them, you may need to save the slides in PowerPoint and view/print in "notes view."



Overview

- ⇒ Financial Performance
- ⇒ Branch Amalgamation
- ⇒ Product Conversion
- **⇒** Business Continuity



Financial Performance



Synergies

Projections \$m

Cost 280 - 300

Revenue 70

Funding 20

TOTAL 370 - 390



Integration Related Staff Movements

	Business Case	Merger		Movement
	Jan-00	Jun-00	Apr-01	Jan to Apr
Total Staff	40,018	39,575	37,117	(2,901)
Total Integration My	r <mark>t (269)</mark>		(2,082)	(2,351)
Retrenchments	(129)		(987)	(1,116)
Other Net Change	(113)		(683)	(796)
EDS Migration & Technology Net Exit	s (27)		(412)	(439) (2,351)



Retrenchment Costs and Estimated Staff Synergies

Commonwealth Group*

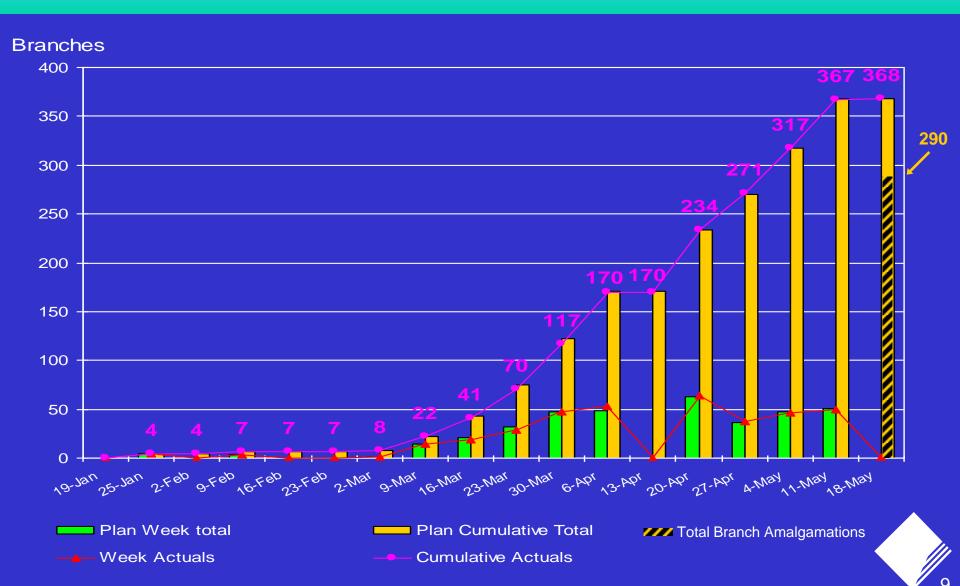
	Total \$m
One-off Retrenchment Costs	80
Annualised Synergies	140
FY2000-2001 Staff Synergies (estimate)	83



Branch Amalgamations



Branch Amalgamations and Rebadges



Product Conversion

Colonial Retail Bank Systems Integration -Conversion Timeline

4 May - 4 June

Before conversion weekend

Customer Data -C'wealth

4 - 14 May

- · Load C'wealth customer data into Customer **Staging Area** (CSA)
- Build database

Customer Data -Colonial

17 - 20 May

- Load Colonial customer data into Customer **Staging Area** (CSA)
- Match customers of both Colonial and C'wealth
- Load data into Customer Information Facility (CIF)

Customer Data -Links /Shells

25 - 27 May

- Create Colonial customer and Statement
- account linkages **Account shells**
- Convert Colonial systems to enquiry only

1 - 3 June

Accounts

Products and

Convert

 Final statements

Weekend After weekend

Product Conversion Weekend

Post Conversion

4 June →

- Post "Conversion Event" activities commence
- Decommission **Colonial Data** Centres



Manual Workarounds

One-time



To facilitate conversion

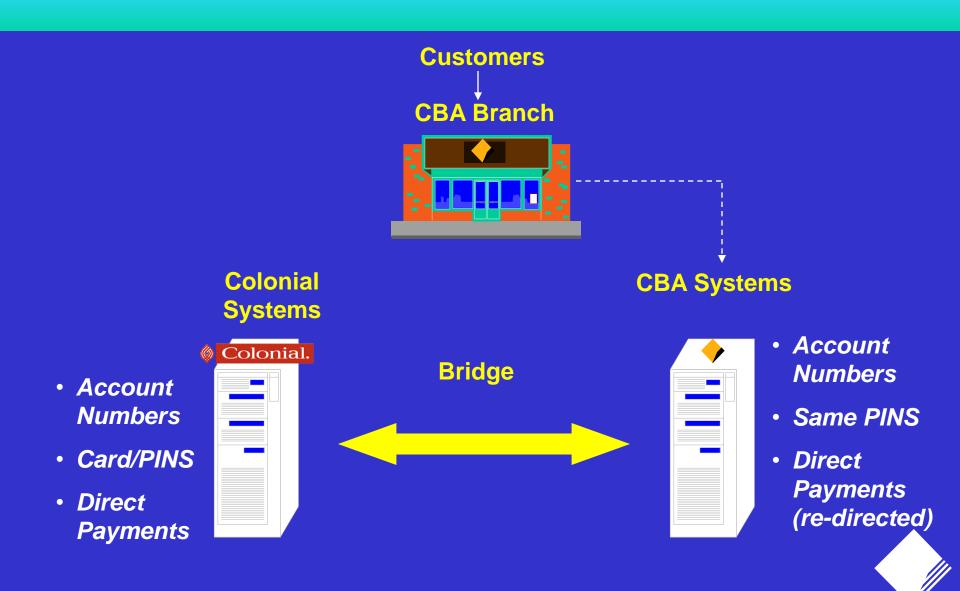
Ongoing



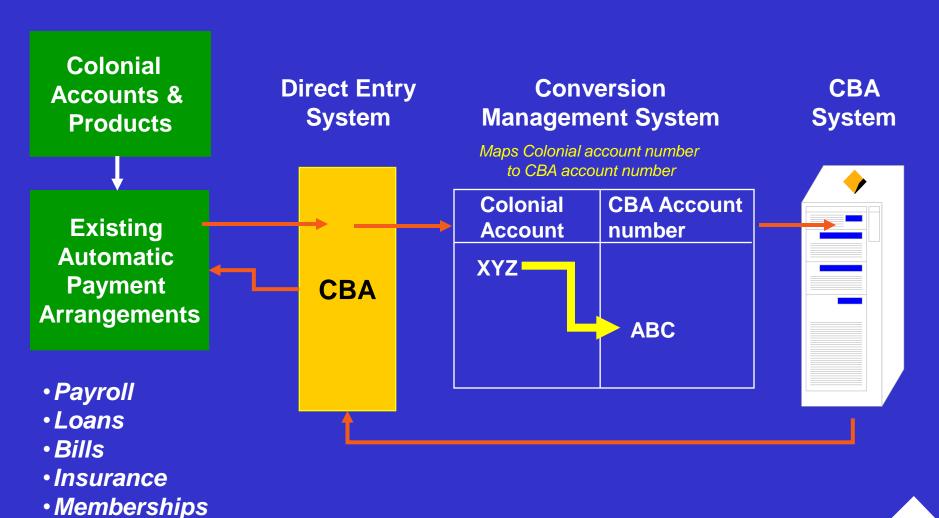
To accommodate product changes going forward



Transaction Bridge (Pre Conversion)



CBA Systems (Post Conversion)





Business Continuity



Business Continuity

- Customer retention in line with expectations
- Area manager incentive scheme now incorporates integration metrics
- No unplanned impact on agent network





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