ASX Announcement

3Q26 Trading Update

For the quarter ended 31 March 2026[1]
Reported 13 May 2026

Supporting our customers, consistent execution and balance sheet strength

Many Australian households and businesses are navigating cost-of-living pressures from higher energy prices and interest rates. Conflict in the Middle East is disrupting critical supply chains and contributing to global uncertainty. As Australia's largest bank, we are well placed to support our customers through this uncertain environment.

Our balance sheet settings remain resilient with strong levels of capital, liquidity, deposit funding and provisioning in the context of economic and geopolitical uncertainty. Our capital and liquidity ratios remain well above minimum regulatory requirements. Deposit funding represents 79% of total funding, and we are well progressed on our FY26 funding task, having raised A$32 billion in long-term wholesale funding to date. Notwithstanding an already strong level of provisioning, we have chosen to further top up our collective provisions in the quarter to reflect heightened macroeconomic risks. Our deliberate and long-term approach to balance sheet settings enables us to support our customers and the economy.

We have maintained disciplined execution of our strategy, with a continued focus on deepening customer relationships and delivering sustainable outcomes for our shareholders. Our solid financial performance and organic capital generation supported the payment of $3.9 billion in dividends in the quarter, benefitting more than 800,000 shareholders directly and over 14 million Australians through their superannuation.

We are closely monitoring the impacts of the Middle East conflict and the broader macroeconomic environment. The Australian economy continues to demonstrate resilience, but supply chain disruptions, higher prices and interest rates are expected to weigh on household spending and business activity. We will continue to adjust our settings as appropriate and remain focused on executing our strategy to build a brighter future for all.

Chief Executive Officer, Matt Comyn

Overview

- Unaudited statutory NPAT of ~$2.6 billion[2] in the quarter. Unaudited cash NPAT of ~$2.7 billion[2,3], down 1% on 1H26 quarterly average and up 4% on the prior comparative quarter.
- Operating income was flat in the quarter with the benefit of lending and deposit volume growth offsetting the impact of two fewer days. Underlying net interest margin was broadly stable excluding non-recurring tailwinds.
- Operating expenses up 1% (excluding restructuring and notable items[4]) primarily due to higher cloud computing volumes, software licensing and investment in AI capabilities, partly offset by two fewer days in the quarter and ongoing productivity initiatives.
- Operating performance up 1.7% on the 1H26 quarterly average, up 5.6% on the prior comparative quarter.
- Loan impairment expense of $316 million, with higher collective provisions reflecting heightened geopolitical and macroeconomic uncertainty. Our underlying portfolio credit quality remains sound.
- Strong balance sheet settings maintained, with a customer deposit funding ratio of 79%, LCR of 133% and NSFR of 116%.
- A$32 billion of new long-term wholesale funding has been issued this financial year to date across multiple markets and products.
- CET1 (Level 2) ratio of 11.6% after the impact of 1H26 dividend (-76bpts), well above APRA's minimum regulatory requirement of 10.25%. This increased +29bpts before the payment of $3.9 billion in 1H26 dividends to more than 800,000 shareholders and the impact of higher IRRBB RWA (-22bpts), largely driven by higher swap rates and deposit and equity hedge settings that are calibrated to provide stronger earnings stability through a rate cycle.

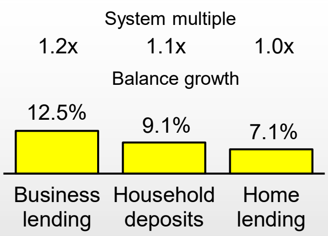
Cash NPAT
Unaudited

~$2.7bn

↓ 1% vs 1H26 Qtr avg

↑ 4% vs 3Q25

Volumes[5]
Mar 26 vs Mar 25



Deposit funding
Ratio

79%

Deposit funding as % of total funding

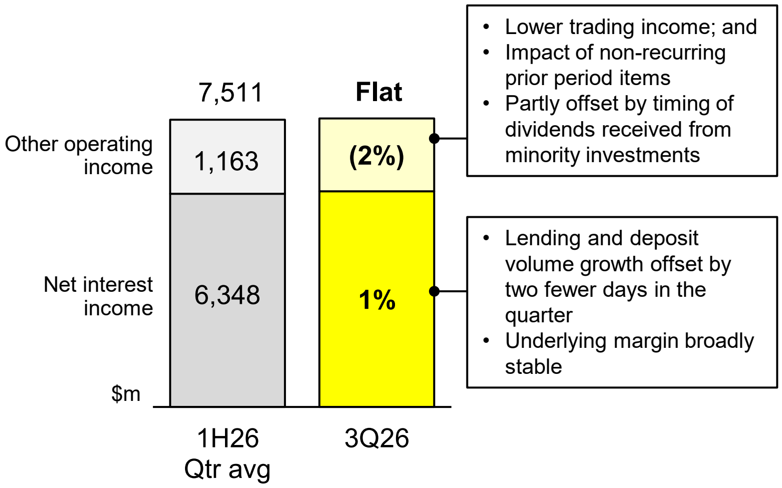
CET1 ratio
Level 2

11.6%

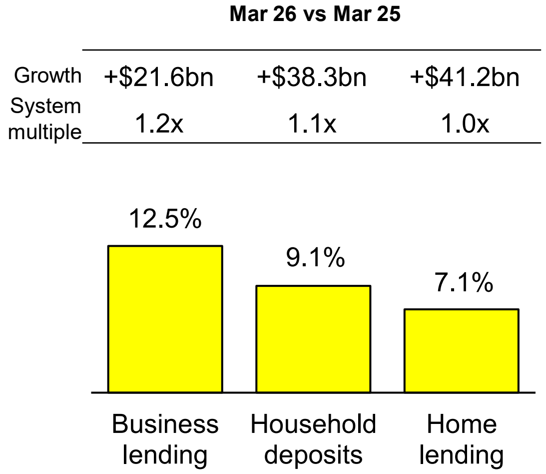
>10.25% APRA minimum[6]

Operating performance

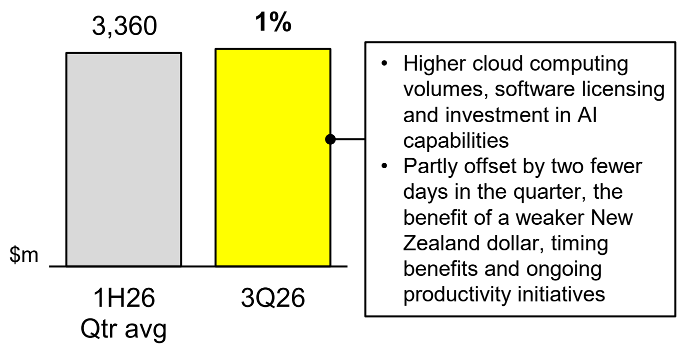
Operating income



Australian volume growth[5]

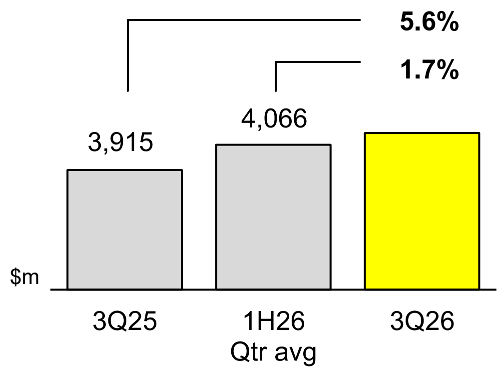


Operating expenses[4]



Operating performance

Operating income less operating expenses

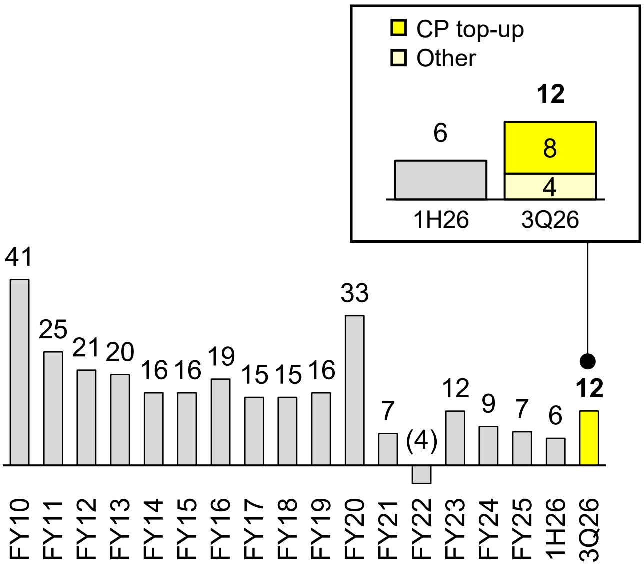


- Operating income was flat in the quarter, with higher net interest income offset by lower other operating income.
- Net interest income was 1% higher, reflecting deposit and lending volume growth, earnings on the replicating portfolio and higher deposit margins, partly offset by the impact of cash rate lag, the weaker New Zealand dollar, home and business lending competition and two fewer days in the quarter. Underlying margin was broadly stable excluding non-recurring tailwinds.
- Disciplined volume growth was delivered across home lending and household deposits in the quarter. Retail transaction accounts increased by more than 170,000 in the quarter primarily driven by new-to-bank account openings. Home loan new funding remained strong with $45 billion funded in the quarter. For the 12 months to March 2026, home loan balances grew $41 billion at 1.0x system, while household deposits grew $38 billion at 1.1x system.
- We have continued to focus on growing our Business Banking franchise and have increased business transaction accounts by 7% versus the prior comparative period to 1.4 million accounts. Business lending continued to grow above system, with diversified growth across sectors, while maintaining a disciplined approach to growth in a competitive market.
- Other operating income was down 2%, mainly driven by lower trading income and the impact of non-recurring prior period items in 1H26, partly offset by timing of dividends received from minority investments.
- Operating expenses excluding restructuring and notable items[4] increased 1% primarily driven by higher cloud computing volumes, software licensing and investment in AI capabilities, partly offset by two fewer days in the quarter, the benefit of a weaker New Zealand dollar, timing benefits and ongoing productivity initiatives.

Provisions and credit quality

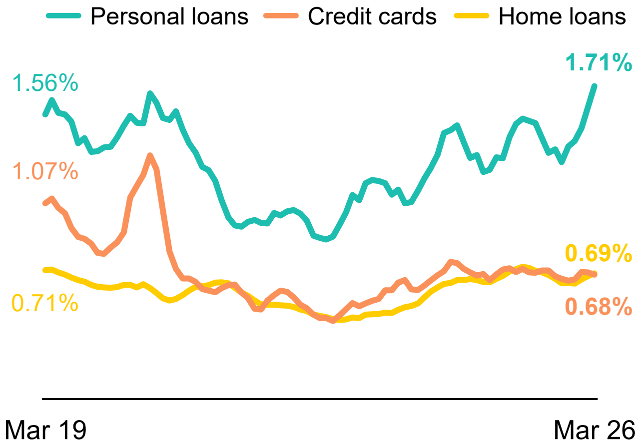
Loan loss rate[7]

bpts



Consumer arrears[8]

90+ days

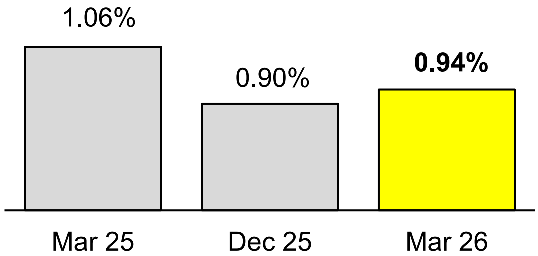


Troublesome and non-performing exposures[9]

Corporate

TNPE ($bn)	6.6	6.1	**6.5**

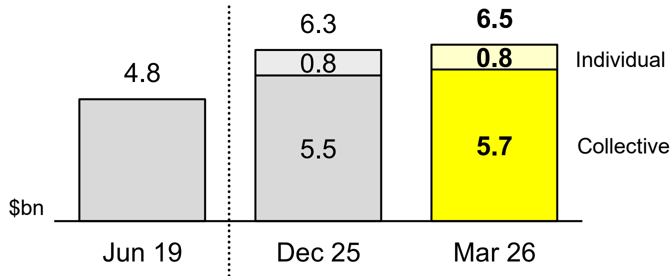
% of TCE



Provisioning

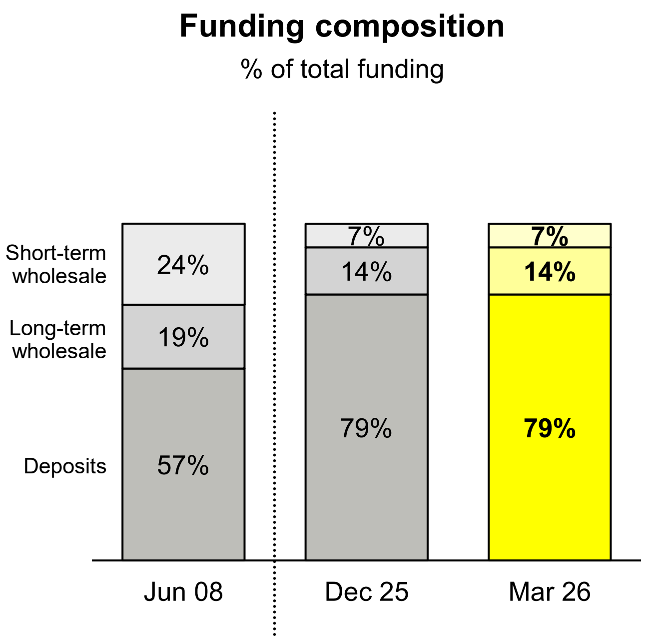
Total credit provisions

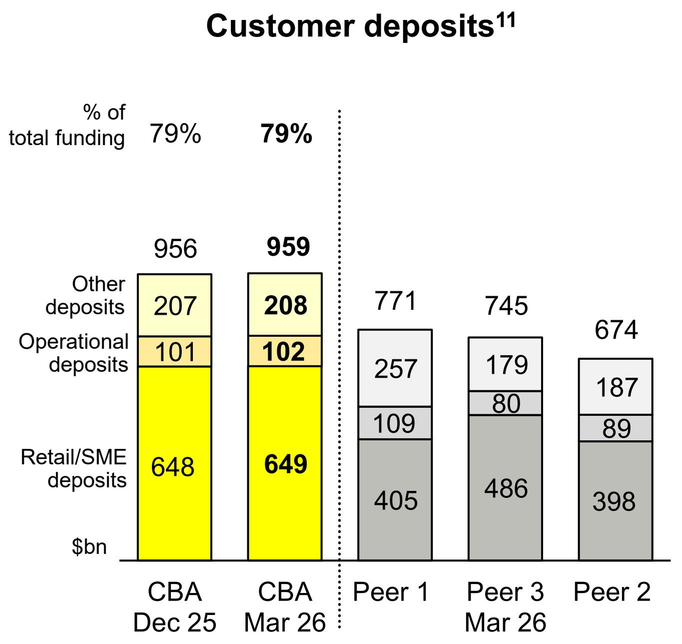
TP/CRWA[10]	1.29%	1.55%	**1.57%**
CP/CRWA[10]	1.05%	1.35%	**1.38%**

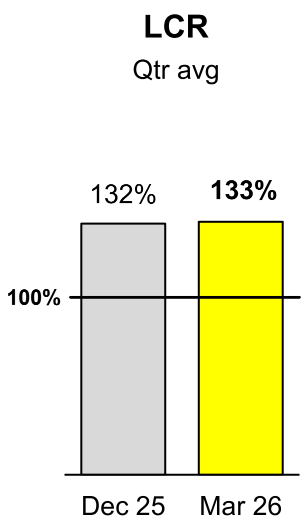


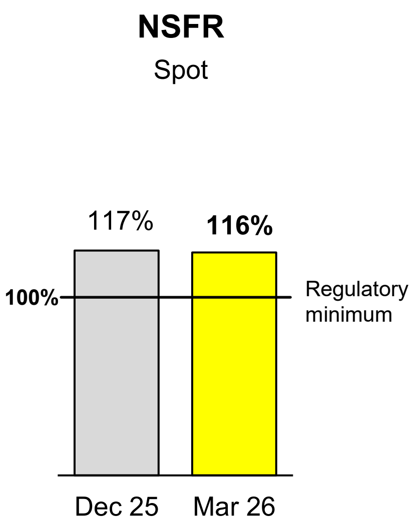
- Loan loss provisions are composed of a combination of individual and collective provisions for credit risks already evident in the portfolio; and collective provisions for forward-looking risks including multiple probability-weighted economic scenarios.
- During this quarter we increased the forward-looking component of collective provisions by $200 million or 8bpts of Gross Loans and Acceptances (GLAA) as we revised our macroeconomic forecasts and increased the weighting of our downside scenario. Loan impairment expense was $316 million, or 12bpts of average GLAA. Individual provisions were flat at $0.8 billion, and actual losses remained low.
- Provision coverage remains strong, with total provision coverage ratio of 1.57%.
- Consumer arrears and corporate Troublesome and Non-Performing Exposures (TNPE) increased in the quarter.
- Home loan and credit card arrears increased modestly due to seasonality, by 6bpts and 2bpts respectively. Personal loan arrears increased 30bpts, reflecting both seasonal factors and deliberate portfolio settings across credit, pricing, and acquisition mix.
- Corporate TNPE was higher at $6.5 billion, or 0.94% of Total Committed Exposure (TCE), reflecting movements in single name exposures across a range of sectors.

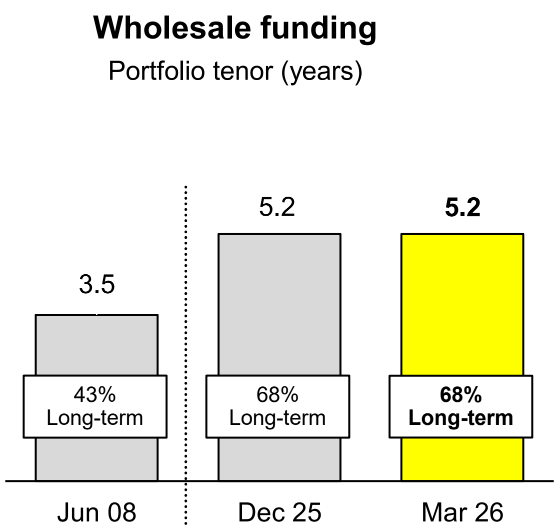
Funding and liquidity









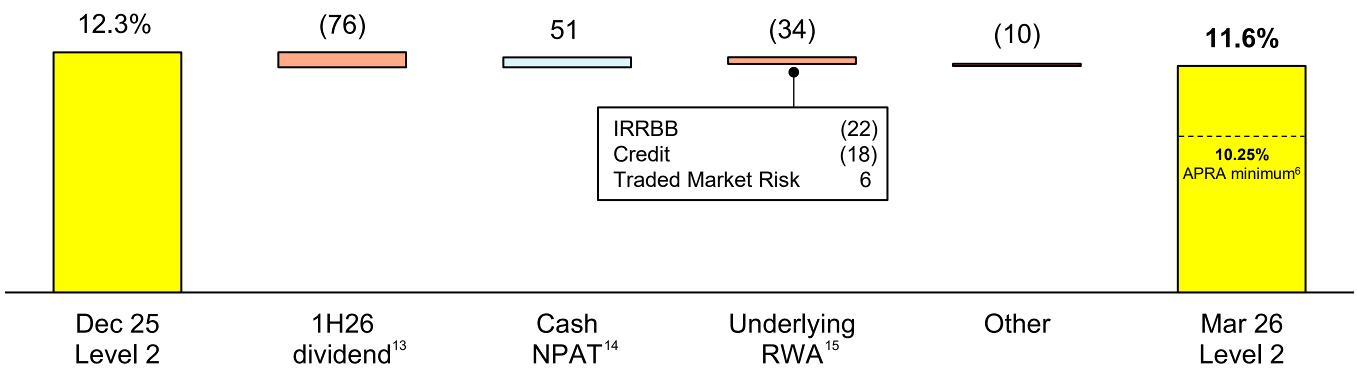


- Balance sheet settings remained strong in the quarter. Customer deposit funding represented 79% of total funding and household deposits grew $38 billion for the 12 months to March 2026. The proportion of short-term wholesale funding remained well below historic levels.
- The Bank's long-term wholesale funding position remained conservative, accounting for 68% of total wholesale funding with a weighted average portfolio tenor of 5.2 years. A$32 billion of new long-term wholesale funding has been issued this financial year to date 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[12]



- The Bank maintained a strong capital position with a CET1 (Level 2) ratio of 11.6% as at 31 March 2026, well above APRA's minimum regulatory requirement of 10.25%.
- In the quarter, the CET1 (Level 2) ratio included capital generated from earnings (+51bpts), offset by an increase in total RWA (-34bpts), other items (-10bpts) and the impact of the 1H26 dividend (-76bpts). Other items included the impact of foreign exchange movements on Credit RWA, higher capitalised software, movements in reserves and other regulatory adjustments. The weakening of the New Zealand dollar contributed to a net movement of -3bpts in Other.
- The Bank has completed the purchase of approximately $530 million of shares on market to neutralise the impact of the 1H26 Dividend Reinvestment Plan, reflecting a participation rate of 13.5%.
- IRRBB RWA increased by $9.2 billion (-22bpts). We have maintained interest rate hedge settings that deliver long-term earnings protection through the rate cycle, at the cost of a short-term increase in capital requirements during a period of rising rates. Credit RWA (excl. FX) increased by $7.6 billion (-18bpts) in the quarter primarily driven by strong lending volume growth across commercial portfolios and domestic residential mortgages. This is partly offset by lower Traded Market Risk RWA of $2.5 billion (+6bpts).

Appendix

Key financials reconciliation

	1H26 $m	1H26 Qtr avg $m	Movement 3Q26 vs 3Q25	Movement 3Q26 vs 1H26 Qtr avg
Total operating income	15,021	7,511	6%	Flat
Operating expenses excl. restructuring and notable items	(6,720)	(3,360)	6%	1%
Restructuring and notable items[4]	(170)	(85)	n/a	n/a
Total operating expenses	(6,890)	(3,445)	6%	(1%)
Operating performance	8,131	4,066	5.6%	1.7%
Loan impairment expense	(319)	(160)	42%	98%
Cash NPAT from continuing operations	5,445	2,722	4%	(1%)

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 FY26. 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 2025 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. Excludes restructuring and notable items in 1H26 which relate to provisions for the settlement of legal proceedings in NZ; an additional goodwill payment made to certain customers as a result of ASIC’s Better Banking review; and domestic customer remediation.
5. Source: APRA Monthly Authorised Deposit Taking Institution (ADI) Statistics (MADIS). CBA business lending growth rate and balance excludes Institutional Banking and Markets. CBA business lending multiple estimate is based on Business Banking growth rate (excluding Institutional Banking and Markets) over published APRA Total Business Lending data (excluding estimated institutional lending balances).
6. Inclusive of 1% default countercyclical capital buffer which may be varied by APRA in the range of 0% to 3.5%.
7. Loan impairment expense as a percentage of average GLAA annualised.
8. Group consumer arrears including New Zealand.
9. Non-performing exposures are exposures in default as defined in regulatory standard *APS 220 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.
10. 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 2025 and March 2026 represents CRWA based on revised APRA capital framework effective from 1 January 2023.
11. CBA data as at 31 December 2025 and 31 March 2026. Peer data based on regulatory disclosures as at 31 March 2026.
12. Due to rounding, numbers presented in this section may not sum precisely to the totals provided.
13. 1H26 dividend: includes the on-market purchase of shares in respect of the Dividend Reinvestment Plan.
14. Excludes equity accounted profits/losses and impairments from investments, which are neutral from a regulatory capital perspective due to the offsetting changes in capital deductions.
15. Excludes impact of foreign exchange 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, 13 May 2026. 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. Past performance is not a reliable indicator of future performance. 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. Actual results may vary significantly from those anticipated or suggested by forward-looking statements, due to a range of factors, including but not limited to those outlined in the sections titled ‘Our operating context’ and ‘Managing our risks’ in our 2025 Annual Report, available at commbank.com.au. Readers are cautioned not to place undue reliance on forward-looking statements, particularly in light of: current economic conditions, the increasingly complex geopolitical setting, competitive intensity and the evolving technological landscape.

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.

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The release of this announcement was authorised by the Board.