ASX Announcement

FY26 Results

For the year ended 30 June 2026[1]

Disciplined franchise growth; investing for the future

Results overview

CBA delivered a strong FY26 result. Cash net profit after tax increased 7% to $11bn, pre-provision profit increased 6% to $16.5bn and return on equity rose to 14.0%. Operating income increased 6%, supported by customer and volume growth and a broadly stable underlying net interest margin. In FY26, CBA grew at or above system in each of our five core domestic product categories: home lending, business lending, consumer finance, household deposits and business deposits. It is the first time CBA has achieved this and the first time any major Australian bank has done so in the past 15 years. We remain the main financial institution for one in three Australians and one in four Australian businesses.

Growth remained broad across home lending, business lending and customer deposits, supported by stronger transaction relationships. We continued to invest in customer service, technology, operational resilience and productivity. Investment spend increased 6% to $2.4bn. The franchise continued to grow through the second half despite competition. Loan impairment expense increased from low levels and arrears rose in some consumer portfolios, while realised credit losses remained low, overall credit quality remained sound and provision coverage remained strong.

We provided more than 147,000 tailored payment arrangements to customers needing support and encourage customers experiencing difficulty to contact us early. We also invested more than $1bn during the year to help protect customers from fraud, scams, cyber threats and financial crime.

The Board has determined a final dividend of $2.70 per share, fully franked, taking our dividend for the full year to $5.05 per share.

Outlook

The Australian economy has remained resilient, supported by historically low unemployment and longer-term investment. However growth is slowing, with higher interest rates and inflation placing uneven pressure on household incomes and economic activity. Housing activity has softened from a high base. Application volumes appear to have stabilised in recent weeks. Businesses continue to manage higher input costs and supply uncertainty. CBA enters FY27 with leading customer relationships, a broader franchise and a strong balance sheet. Our priorities are to deepen primary customer relationships, maintain discipline in our volume and margin choices, improve productivity, and deliver measurable customer, risk and financial benefits from our investments. Our capital, funding and liquidity positions provide flexibility and resilience as conditions evolve.

Chief Executive Officer, Matt Comyn

For footnotes see page iv of this ASX Announcement

Net profit after tax

$10,911m	$10,982m
Statutory NPAT[2]	Cash NPAT[2]
↑ 8% on FY25	↑ 7% on FY25
↑ 2% on 1H26	↑ 2% on 1H26

Net profit after tax (NPAT) was supported by lending volume growth in our core businesses, with underlying net interest margin broadly stable. This was partly offset by higher operating expenses primarily due to inflation and technology investments, and a higher loan impairment expense due to portfolio growth and increased geopolitical risk and macroeconomic uncertainty.

Pre-provision profit

$16,469m

↑ 6% on FY25

↑ 3% on 1H26

Our pre-provision profit was up 6% reflecting solid operational performance across all of our domestic businesses.

Dividend

$5.05

Per share, fully franked

↑ 4% on FY25

The final dividend was $2.70 per share, delivering a total FY26 dividend per share of $5.05, fully franked. The full year dividend payout ratio is 77% of cash NPAT, within our target payout range of 70-80%. The Dividend Reinvestment Plan continues to be offered to shareholders and for this period is expected to be satisfied through the on-market purchase of shares.

Net interest margin

2.05%

3bpts on FY25

2bpts on 1H26

Margins were broadly stable excluding growth in liquid assets and institutional reverse sale and repurchase agreements, which have broadly neutral impacts on net interest income. Underlying margins were supported by higher earnings on replicating portfolio and capital hedges, and the favourable mix impact of growth in business lending and deposits, largely offset by lower lending margins.

Operating expenses

$13,755m (45.5% cost-to-income)

6% on FY25

Flat on 1H26

Operating expenses increased 6% driven by inflation, investment in technology, fraud, scams and financial crime, partly offset by productivity initiatives and favourable foreign exchange. Investment spend of $2,428 million was up 6% on FY25 reflecting continued investment in our technology infrastructure, modernisation and AI capabilities. Investment spend is expected to be maintained at $2.4 billion in FY27.

Credit quality – loan impairment expense

$788m (Loan loss rate[3] 8bpts)

9% on FY25

47% on 1H26

Loan impairment expense increased mainly reflecting portfolio growth, cost-of-living pressures and increased geopolitical risk and macroeconomic uncertainty. Home loan and personal loan arrears increased to 0.73% and 1.72% respectively reflecting cost-of-living pressures, with personal loan arrears also impacted by seasonal factors and deliberate portfolio settings across credit, pricing and acquisition mix. Provision coverage remains strong at 1.53% of credit risk weighted assets. We now carry a $2.7 billion buffer relative to the losses expected under our central economic scenario.

Funding and liquidity

79% Deposit funding ratio (78% Jun 25)

132% LCR[4] (130% Jun 25) 115% NSFR[4] (115% Jun 25)

Deposit funding remained strong at 79% of total funding, underpinned by a significant proportion of our funding requirements being met through stable retail and business customer deposits. Long-term wholesale funding accounted for 68% of total wholesale funding and during the year we raised $38 billion across various instruments and markets. A portfolio weighted average maturity of 5.2 years remains conservatively positioned. Our liquidity and funding positions are appropriately managed with LCR and NSFR well above their minimum regulatory requirements.

Common Equity Tier 1 Capital ratio

12.0% (APRA Level 2)[5] **18.3%** (International)

30bpts on Jun 25

30bpts on Dec 25

The Group's Common Equity Tier 1 (CET1) ratio of 12.0% was well above APRA's minimum regulatory requirement of 10.25%. Our strong capital position and earnings resilience enabled us to absorb losses, generate sustainable returns and support customers. Across the year we deployed 72bpts of capital into credit risk weighted assets with strong volume growth particularly in commercial portfolios and domestic residential mortgages. The $1 billion on-market share buy-back, of which $300 million has been completed, expires on 12 August 2026 and will not be extended.

Shareholder return

14.0%

Return on equity (ROE)

50bpts on FY25

$5.05

Dividend per share

4% on FY25

The Bank's ROE increased 50bpts to 14.0% and remains peer leading. The final dividend was $2.70 per share, delivering a total dividend for the year of $5.05 per share, fully franked. We seek to pay cash dividends at strong and sustainable levels, target a full-year payout ratio of 70-80% of cash NPAT and maximise the use of franking.

Building a brighter future for all

Supporting customers

- Provided more than 147,000 tailored payment arrangements for customers in need of support[6].
- Helped our customers buy more than 150,000 homes[7] and provided support for first-home buyers.
- Invested a further $140 million in our customer service network supporting communities across Australia[8].
- Paid over $22 billion in interest to Australian savers[9].

Protecting communities

- Invested more than $1 billion to help protect customers from fraud, scams, cyber threats and financial crime[10].
- Developed AI-powered cyber defence agents – improving detection speed and response efficiency.
- Proactively alerted customers to potential threats through ~40,000 daily fraud alerts and sent >5.9 million notifications via intelligent first-time payment warnings[11].
- Leading AI-powered scam intelligence capability – sharing actionable intelligence at scale to help protect all Australians.

Investing in Australia

- Backed businesses with $50 billion in funding to help them invest, grow and employ people[12].
- Launched national AI, cybersecurity and digital capability initiative with OpenAI for 1 million small businesses.
- Maintained balance sheet strength to help support customers and financial stability.
- Returned $8.3 billion to shareholders, benefitting over 14 million Australians[13].
- We are one of Australia's largest corporate taxpayers, paying over $5 billion in government payments in FY26[14].

Footnotes

1. Unless otherwise stated, the financial results are presented on a continuing operations basis and all financial comparative information has been restated to conform to presentation in the current period.
2. For an explanation of and reconciliation between statutory and cash NPAT refer to page 3 of the Profit Announcement for the year ended 30 June 2026.
3. Loan impairment expense as a percentage of average gross loans and acceptances (GLAA).
4. Liquidity coverage ratio (LCR) is the quarterly average. Net stable funding ratio (NSFR) is spot.
5. Level 2 is the consolidated banking group including banking subsidiaries such as ASB Bank Limited and CBA Europe N.V..
6. Payment arrangements in FY26 defined at account level. Excludes Bankwest.
7. FY26.
8. Announced June 2026.
9. Includes interest paid on deposits in FY26.
10. Includes expenditure on operational processes and upgrading functionalities in FY26.
11. Since launch in September 2024 to 30 June 2026.
12. Business Banking business lending, new funding and drawdowns in FY26.
13. CBA paid 2H25 and 1H26 dividends to over 790,000 direct shareholders and indirectly benefitting over 14 million Australians through their superannuation.
14. Includes payment of corporate tax, employee related taxes, Major Bank Levy and net unrecoverable GST in FY26.

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The release of this announcement was authorised by the Board.