

Pricing Supplement

18 October 2016

Commonwealth Bank of Australia
ABN 48 123 123 124

Issue of U.S.\$750,000,000 Fixed to Floating Rate Subordinated Notes due 2026
under the U.S.\$70,000,000,000

Euro Medium Term Note Programme

Part A – Contractual Terms

The Programme Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (each, a "Relevant Member State") which has implemented Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in that Relevant Member State) (the "Prospectus Directive") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Programme Circular dated 30 September 2016 for the issue of Notes under the Programme for which no prospectus is required to be published under the Prospectus Directive (the "Programme Circular"). This Pricing Supplement contains the final terms of the Notes described herein and must be read in conjunction with the Programme Circular.

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Programme Circular. The Programme Circular is available for viewing during normal business hours at the registered and head office of the Issuer at Ground Floor, Tower 1, 201 Sussex Street, Sydney, NSW, Australia, 2000 and copies may be obtained from the Principal Paying Agent at Winchester House, 1 Great Winchester Street, London EC2N 2DB, England.

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| 1. | Issuer: | Commonwealth Bank of Australia |
| 2. | (i) Series of which Notes are to be treated as forming part: | 6121 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | United States dollars ("U.S.\$") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | U.S.\$750,000,000 |
| | (ii) Tranche: | U.S.\$750,000,000 |
| 5. | Issue Price of Tranche: | 99.808 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denominations: | U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof |
| | (ii) Calculation Amount: | U.S.\$1,000 |
| 7. | (i) Issue Date: | 20 October 2016 |

	(ii)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	Interest Payment Date falling in or nearest to October 2026
9.		Interest Basis:	3.375 per cent. Fixed Rate in respect of each Interest Period comprised in the period from and including the Interest Commencement Date to but excluding the Interest Payment Date falling on 20 October 2021 and Floating Rate in respect of each Interest Period comprised in the period from and including the Interest Payment Date falling on 20 October 2021 to but excluding the Maturity Date (further particulars specified below)
10.		Redemption/Payment Basis:	Outstanding Principal Amount of the relevant Note(s) calculated at the relevant date of redemption
11.		Change of Interest Basis or Redemption/Payment Basis:	Applicable – see paragraphs 15 and 17 below
12.		Put/Call Options:	Issuer Call (further particulars specified below)
13.		Status of the Notes:	Subordinated
14.		Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.		Fixed Rate Note Provisions	Applicable from and including the Interest Commencement Date to but excluding the Interest Payment Date falling on 20 October 2021
	(i)	Rate of Interest:	3.375 per cent. per annum payable semi-annually in arrear
	(ii)	(A) Interest Payment Date(s):	20 April and 20 October in each year from and including 20 April 2017 up to and including 20 October 2021
		(B) Interest Periods:	Unadjusted
	(iii)	Fixed Coupon Amount(s) for Unsubordinated Notes in definitive form (and in relation to Unsubordinated Notes in global form see Conditions):	Not Applicable
	(iv)	Business Day Convention:	Not Applicable
	(v)	Additional Business Centre(s):	Not Applicable
	(vi)	Broken Amount(s) for Unsubordinated Notes in definitive form (and in relation to Unsubordinated Notes in global form see Conditions):	Not Applicable
	(vii)	Day Count Fraction:	30/360, unadjusted
	(viii)	Determination Date(s):	Not Applicable

	(ix) Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
16.	Fixed Reset Note Provisions:	Not Applicable
17.	Floating Rate Note Provisions:	Applicable from and including the Interest Payment Date falling on 20 October 2021 to but excluding the Maturity Date
	(i) Specified Period(s)/Specified Interest Payment Date(s):	20 January, 20 April, 20 July and 20 October in each year from and including 20 January 2022 up to and including the Maturity Date
	(ii) Business Day Convention:	Modified Following Business Day Convention
	(iii) Additional Business Centre(s):	Sydney
	(iv) Manner in which the Rate of Interest and Interest Amount are to be determined:	Screen Rate Determination
	(v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	Not Applicable
	(vi) Screen Rate Determination:	
	– Reference Rate:	3 month U.S.\$ LIBOR
	– Interest Determination Date(s):	Second London business day prior to the start of each Interest Period
	– Relevant Screen Page:	Reuters LIBOR01
	(vii) ISDA Determination:	Not Applicable
	(viii) Margin(s):	+2.094 per cent. per annum
	(ix) Minimum Rate of Interest:	Not Applicable
	(x) Maximum Rate of Interest:	Not Applicable
	(xi) Day Count Fraction:	Actual/360 (See Condition 5)
	(xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	Not Applicable
18.	Zero Coupon Note Provisions	Not Applicable
19.	Index Linked Note Provisions	Not Applicable
20.	Dual Currency Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

21.	Issuer Call:	Applicable
	(i) Optional Redemption Date(s):	Each Interest Payment Date from and including the Interest Payment Date falling on 20 October 2021 to but excluding the Maturity Date
	(ii) Optional Redemption Amount and	Outstanding Principal Amount of the relevant Note(s)

	method, if any, of calculation of such amount(s):	calculated at the relevant date of redemption (for Subordinated Notes)
(iii)	If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Higher Redemption Amount:	Not Applicable
(iv)	Notice period:	Not less than 30 nor more than 60 calendar days prior to the relevant Optional Redemption Date
22.	Investor Put:	Not Applicable
23.	Final Redemption Amount:	Outstanding Principal Amount of the relevant Note(s) calculated at the relevant date of redemption
24.	Early Redemption Amount payable on redemption for taxation or regulatory reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(h)):	Outstanding Principal Amount of the relevant Note(s) calculated at the relevant date of redemption

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25.	Form of Notes:	Registered Notes: Registered Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg
26.	Payment Business Day Convention	Following Business Day Convention
27.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	London and Sydney
28.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
29.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
30.	Other final terms:	Not Applicable

DISTRIBUTION

31.	If syndicated, names of Managers:	Commonwealth Bank of Australia Goldman Sachs International Morgan Stanley & Co. International plc
32.	If non-syndicated, name of relevant Dealer:	Not Applicable
33.	Whether TEFRA D rules applicable or TEFRA rules not applicable:	TEFRA not applicable
34.	Additional selling restrictions:	Not Applicable

PROVISIONS APPLICABLE TO SUBORDINATED NOTES

35.	Substitution:	Full Successor
36.	Exchange Number:	<u>Outstanding Principal Amount x Exchange Date Cross Rate</u> P x VWAP

where:

"P" means 0.99.

"VWAP" (expressed in Australian dollars and cents) means the VWAP during the relevant VWAP Period.

"Exchange Date Cross Rate" means the average (rounded to six decimal places) of the inverse AUD/U.S.\$ exchange rates published by the Reserve Bank of Australia at approximately 4.00 p.m. (Sydney time) on each of the Ordinary Shares Business Days during the five Ordinary Shares Business Day period immediately preceding (but excluding) the Subordinated Note Exchange Date or, if such exchange rate is not published by the Reserve Bank of Australia on any of such Ordinary Shares Business Days, the Exchange Date Cross Rate will be the simple average of the inverse AUD/U.S.\$ exchange rate quoted by two or more independent market makers in that exchange rate, selected by the Issuer, on the Subordinated Note Exchange Date.

37. Maximum Exchange Number:

$$\frac{\text{Outstanding Principal Amount} \times \text{Issue Date Cross Rate}}{0.20 \times \text{Issue Date VWAP}}$$

where:

"Issue Date Cross Rate" means the average (rounded to six decimal places) of the inverse AUD/U.S.\$ exchange rates published by the Reserve Bank of Australia at approximately 4.00 p.m. (Sydney time) on each of the Ordinary Shares Business Days during the 20 Ordinary Shares Business Day period immediately preceding (but excluding) the Issue Date or, if such exchange rate is not published by the Reserve Bank of Australia on any of such Ordinary Shares Business Days, the Issue Date Cross Rate will be the simple average of the inverse AUD/U.S.\$ exchange rate quoted by two or more independent market makers in that exchange rate, selected by the Issuer, at approximately 4.00 p.m. (Sydney time) on the Issue Date.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of Commonwealth Bank of Australia:

By: 

Duly authorised

Part B– Other Information

1. **LISTING**

Application has been made by the Issuer for the Notes to be quoted on the Australian Securities Exchange with effect from 20 October 2016
2. **RATINGS**

Ratings: The Notes to be issued are expected to be rated:

Standard & Poor’s (Australia) Pty. Ltd.:	BBB+
Moody’s Investor Service Pty Ltd.:	A3(hyb)
3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.
4. **OPERATIONAL INFORMATION**
 - (i) ISIN: XS1506401568
 - (ii) Common Code: 150640156
 - (iii) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
 - (iv) Delivery: Delivery against payment
 - (v) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
 - (vi) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA not applicable