Commonwealth Bank Vantage+

Series 2

Determined to be different

Important Information

Contents

Multiply your potential

Put the power of leverage to work, with an investment that gives you exposure to a substantially greater portfolio than the upfront amount.

This second issue of CBA Vantage+ offers leveraged exposure to Australia's top 200 companies.

Your returns are linked to the performance of the S&P/ASX 200 Index over either two or five years. Because the notional value of your portfolio is significantly higher than your upfront investment, you can multiply your potential returns. So you gain exposure to a larger portfolio without interest payments or other ongoing financial commitments.

Investment highlights

A choice of two strategies	Choose between two strategies with different investment terms and gearing levels.
Potential for high returns[1]	A single upfront payment gives you exposure to an investment many times your initial contribution.
Instant share diversification	Your returns are linked to the performance of Australia's 200 largest blue chip companies through the S&P/ASX 200 Index.
Minimum notional value	$25,000

Who does it suit?

CBA Vantage+ Series 2 may be suitable for individuals, companies, trusts and self managed super funds who:

- are seeking exposure to the S&P/ASX 200 Index
- have a positive view on the future performance of the S&P/ASX 200 Index
- are overweight cash and underweight equities and would like to re-balance without committing all available cash to the market
- have previous experience investing in the Australian equity market.

1 The exposure is leveraged because the Notional Value, which is the actual portfolio size to which you have exposure, is substantially larger than the Upfront Amount. This means that for the same one-off payment, you will have more exposure to the Underlying Portfolio with an investment in CBA Vantage+ than with a direct investment in the Underlying Portfolio.

What are the risks?

CBA Vantage+ Series 2 offers the opportunity for high returns, but like any investment it also has its risks. You should read the Product Disclosure Statement (PDS) and consider the risks carefully before deciding whether this investment opportunity is right for you.

Here's an overview of some of the risks of investing in CBA Vantage+ Series 2:

Uncertain returns	CBA Vantage+ Series 2 is a speculative financial product and returns may be less than those you could earn elsewhere.
Gearing could multiply your losses	CBA Vantage+ Series 2 is a geared investment. Gearing has the potential to multiply your returns and also your losses if the underlying portfolio falls in value. Unlike traditional gearing techniques, CBA Vantage+ Series 2 limits your risk to the amount of your upfront investment.
Your investment is not capital protected	CBA Vantage+ Series 2 does not offer capital protection, so all of your initial investment is at risk.
You could lose some or all of your investment	Even if the S&P/ASX 200 Index rises during the term of your investment, you could still make a loss if it does not reach the break-even level. For example, if your upfront amount is 14% of the notional value of your two year investment, then the index must rise by 14% at maturity (or 7% p.a.) for you to break even. If the S&P/ASX 200 Index does not rise over the term, you will lose all of your investment.
You won't know the upfront amount until after the closing date	Although the PDS and this brochure show indicative upfront amounts for each strategy, the actual upfront amount is not calculated until after the closing date, based on market conditions at the time. That means you may not know the upfront amount until we have debited it from your nominated bank account. If we calculate an upfront amount higher than the upper indicative level shown in the PDS, we will withdraw the strategy and contact you.
You could make a loss if you terminate early	You could lose some or all of your investment if you decide to terminate early. You may also have to pay an early termination fee.

Please refer to Section 7.2 "Significant Risks" of the PDS for more information.

Multiply your potential (cont.)

Key dates

Offer opens	13 February 2012
Offer closes	30 March 2012
Start date	5 April 2012
Maturity date	› Strategy 1 — 7 April 2014 › Strategy 2 — 5 April 2017

How it works

Enjoy leveraged exposure for a single upfront payment.

1	**Choose your strategy**	Choose between two investment strategies: › **Strategy 1** has a two year investment term and an indicative upfront amount of 14% – 16% of the notional value of your investment, with growth capped at 140% of the initial reference level. › **Strategy 2** has a five year investment term and an indicative upfront investment of 22% – 24% of the notional value of your investment, with unlimited growth potential.
2	**Follow the index**	Your return depends on the performance of the S&P/ASX 200 Index between the start date and the maturity date. The maturity value is the percentage change in the index from its initial reference level to its final reference level. It is calculated by multiplying the notional value by the portfolio return, multiplied by the participation rate. If the index falls or remains the same, your maturity value is zero.
3	**Receive your return**	You will make a gain if your maturity value is greater than your upfront amount. You can choose to receive the value of your investment as either: › units in the SPDR S&P/ASX 200 Fund; or › cash (following the sale of your units – brokerage applies).

The Strategies

Choose a strategy to match your investment goals.

Strategy 1

Investment term	2 years
Maturity date	7 April 2014
Underlying portfolio	S&P/ASX 200 Index
Capped level	140% of the initial reference level
Indicative upfront amount	14% to 16% of the notional value of your investment

Strategy 1 in action

This hypothetical example shows how Strategy 1 could multiply your returns if the index rises in value.

Assumptions

Notional value	$100,000
Initial reference level	4,300
Participation rate	100%
Capped level	6,020
Upfront amount	$14,000 (14.00% of the notional value)
Break-even level	4,902
Leverage	7.14 times

Potential returns

Final Reference Level	Portfolio Return	Maturity Value	Gain/Loss ($)	Gain/Loss (%)	
3,000	-30.23%	$0	-$14,000	-100.00%	
3,500	-18.60%	$0	-$14,000	-100.00%	
4,100	-4.65%	$0	-$14,000	-100.00%	
4,600	6.98%	$6,977	-$7,023	-50.16%	**Break-even level (4,902)**
5,100	18.60%	$18,605	$4,605	32.89%	
5,600	30.23%	$30,233	$16,233	115.95%	
6,000	39.53%	$39,535	$24,535	182.39%	**Capped level (6,020)**
6,500	40.00%	$40,000	$26,000	185.71%	
6,900	40.00%	$40,000	$26,000	185.71%	
7,400	40.00%	$40,000	$26,000	185.71%	
7,800	40.00%	$40,000	$26,000	185.71%	

Strategy 2

Investment term	5 years
Maturity date	5 April 2017
Underlying portfolio	S&P/ASX 200 Index
Capped level	None
Indicative upfront amount	22% to 24% of the notional value of your investment

The Strategies (cont.)

Strategy 2 in action

This hypothetical example shows how Strategy 2 could multiply your returns if the index rises in value.

Assumptions

Notional value	$100,000
Initial reference level	4,300
Participation rate	100%
Upfront amount	$22,000 (22.00% of the notional value)
Break-even level	5,246
Leverage	4.55 times

Potential returns

Final Reference Level	Portfolio Return	Maturity Value	Gain/Loss ($)	Gain/Loss (%)
3,000	-30.23%	$0	-$22,000	-100.00%
3,500	-18.60%	$0	-$22,000	-100.00%
4,100	-4.65%	$0	-$22,000	-100.00%
4,600	6.98%	$6,977	-$15,023	-68.29%
5,100	18.60%	$18,605	-$3,395	-15.43%
5,600	30.23%	$30,233	$8,233	37.42%
6,000	39.53%	$39,535	$17,535	79.70%
6,500	51.16%	$51,163	$29,163	132.56%
6,900	60.47%	$60,465	$38,465	174.84%
7,400	72.09%	$72,093	$51,093	227.70%
7,800	81.40%	$81,395	$59,395	269.98%

Break-even level (5,246)

How to invest

To invest, speak to your Financial Adviser or contact the Commonwealth Bank.

1	**Read the Product Disclosure Statement**	Before you invest, it's important to read the CBA Vantage+ Series 2 PDS. The PDS includes detailed information about the risks, costs and benefits of investing. For a copy of the PDS, ask your Financial Adviser, visit **commbank.com.au/vantage** or call **1300 786 039**.
2	**Apply before 30 March 2012**	Complete the application form included and return it to: Commonwealth Bank Vantage+ Series 2 C/- Link Market Services PO Box 3721 Rhodes NSW 2138 Applications close at 12pm (noon) on 30 March 2012. To accept your investment, your application must be received on or before this date. You must pay the upfront amount through direct debit only, by completing the Direct Debit section in the application form. We will determine the upfront amount then debit your account after the closing date but before the start date.
3	**Receive confirmation**	We will write to confirm your investment in CBA Vantage+ Series 2 by 20 April 2012, specifying your notional value, the upfront amount and the initial reference level of the S&P/ASX 200 Index.

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