

ASX ANNOUNCEMENT: COU

25 November 2011

Scheme Meetings – Chairman's address



Share Scheme Meeting

1. Introduction

Good morning ladies and gentlemen. I am Barry Lambert, Executive Chairman of Count Financial Limited, and I would like to welcome you all to today's Share Scheme Meeting. Before we start proceedings, can I ask you please to turn off all mobile phones and pagers.

It is 10.00am and now time to commence the Share Scheme Meeting. I am advised that a quorum is present and I therefore declare the share scheme meeting open.

For those listening on Boardroom Radio, you will be able to look at the slides by scrolling down on the right bar.

1.1 Introduction of directors and others

I would like to begin by introducing the Directors who are here today. They are shown on the screen and, in order from your left, Mr Alden Halse, Mr Andrew Geddes, Mr Noel Davis, Ms Joycelyn Morton and Mr Andrew Gale.

Other members of Count's management team are also here today sitting in the front row. Also in attendance is Mr James Philips from our solicitors, Minter Ellison. Your Directors have invited Mr Philips to attend today's meeting to advise on proceedings from a legal viewpoint and, if necessary, to assist with answering any queries of a technical legal nature on the proposed resolutions that securityholders will be voting on at today's meetings. I will also appoint Justine Laughton of Count's securities register, Computershare, to act as returning officer for each Scheme Meeting.

1.2 Convening Share Scheme Meeting

This Share Scheme Meeting has been convened in accordance with the Count Constitution and orders made by the Supreme Court of New South Wales on 19 October 2011. The purpose of this meeting is for you to consider, and if you think fit, approve a Scheme of

Arrangement under which the Commonwealth Bank of Australia will acquire all of the shares of Count, provided that all conditions to this Scheme are satisfied or waived.

At the later of the conclusion of this Share Scheme Meeting and 10.30am, holders of options in Count will meet to consider, and if they think fit, approve a scheme of arrangement under which all of the options of Count will be cancelled for cash, provided that all conditions to this Scheme are satisfied or waived.

1.3 Resolution

I refer to the Notice of Share Scheme Meeting contained in Appendix 4 of the Scheme Booklet that sets out the resolution proposed for today's meeting. As the Scheme Booklet was mailed to Shareholders on 23 October 2011 and released to the ASX on 24 October 2011, I will take the Notice of Share Scheme Meeting as read.

In a few moments, I will formally move the resolution to approve the Share Scheme. I will allow for questions on the resolution and after questions, we will move to vote on the resolution by poll. As the vote counting may take some time, I will then close the meeting for all purposes, subject to the conduct and conclusion of the poll. The results of the poll will be announced via the ASX as soon as they are finalised. But first, I would like to say a few words about the proposed Schemes.

2. Background to Transaction

On 30 August 2011, Count announced that it had signed a Scheme Implementation Deed with Commonwealth Bank of Australia Limited (which I will call Commonwealth Bank) in relation to an offer under which it will acquire all the ordinary shares in Count via its wholly owned subsidiary, Capital 121 Pty Ltd (which I will call Capital 121) by way of a scheme of arrangement (I will call this the Share Scheme).

The Scheme Implementation Deed also allowed for the cancellation of all Count options for cash consideration (I will call this the Option Scheme).

If the Schemes are implemented, Count shareholders on the register at 7.00pm on 6 December 2011 will receive \$1.40 in cash or, if they have validly elected to do so by no later than 7.00pm on Tuesday, 6 December 2011, receive \$1.40 worth of new shares in Commonwealth Bank. Count Optionholders will receive a cash payment of between \$0.02 and \$0.10 per option depending on which option they hold.

The Share Scheme is not conditional on the Option Scheme, but the Option Scheme is conditional on the Share Scheme. A meeting to pass a resolution approving the Option Scheme will be held at the later of 10.30am or the conclusion of this meeting.

There are a number of conditions precedent which must be met in order for the Schemes to be implemented. These conditions precedent are set out in the Scheme Booklet. As at the date of this meeting, the condition precedent relating to ACCC Clearance has been satisfied.

There are a number of other conditions precedent that must be met in order for the Schemes to be implemented, including:

- (a) the approval of Count securityholders at the meetings to be held today;
- (b) the Supreme Court of New South Wales approving the Schemes at a hearing scheduled for 2.15pm on Monday, 28 November 2011;
- (c) ASX quotation approval for the New Commonwealth Bank Shares; and
- (d) there being no prescribed occurrence or material adverse change in relation to Count's business.

The Scheme Booklet, which included a copy of the Independent Expert's Report prepared by KPMG Corporate Finance (Aust) Pty Limited, was sent to Count securityholders on 23 October 2011 and released on the ASX the following day. The Independent Expert has concluded that the Schemes are, in the absence of a superior offer, fair and reasonable and in the best interests of Count shareholders and optionholders.

The Scheme Booklet provides Count securityholders with a detailed overview of the proposed Schemes, including arguments for and against voting to approve the proposed Scheme at the Scheme Meetings to be held today.

Under the proposed Share Scheme and provided that certain conditions as set out in the Scheme Booklet are met, Count Shareholders will receive all cash consideration (which I will call the Cash Consideration) unless Count Shareholders validly elect to receive shares in Commonwealth Bank (which I will call the Scrip Consideration), if the Share Scheme is implemented.

The Cash Consideration is \$1.40 per Count Share. The Scrip Consideration, if validly elected, provides an opportunity to maintain an investment in Count as part of the broader Commonwealth Bank Group

As set out in the Scheme Booklet, Count Shareholders who validly elect to receive Scrip Consideration will be issued with \$1.40 worth of New Commonwealth Bank Shares, calculated by reference to the 5 day VWAP of Commonwealth Bank shares on the ASX in the five Business Day period ending yesterday. The 5 day VWAP of Commonwealth Bank shares on the ASX ending yesterday is \$47.18.

As previously disclosed to the ASX, Eligible Count shareholders who make a valid election for New Commonwealth Bank Shares will only receive the shares as consideration if their parcel of New Commonwealth Bank Shares constitutes a Marketable Parcel. A Marketable Parcel is a parcel of New Commonwealth Bank Shares worth not less than \$500, based on the closing price on ASX of Commonwealth Bank shares as at the Record Date (and not the Implementation Date as described in the Scheme Booklet).

If the Schemes become effective, payment of the scheme consideration is currently expected to occur on or about 9 December 2011.

3. Reasons to vote in favour

The Directors unanimously recommend that you vote in favour of the proposed Share Scheme based on the following reasons:

- (a) The Cash Offer of A\$1.40 cash or the Scrip Consideration of A\$1.40 worth of shares in Commonwealth Bank per Count Share represents a significant premium for your Count Shares;
- (b) The Scheme consideration provides you with more value certainty when the impact of FOFA proposed legislation and volatile investment markets continue to result in uncertainty;
- (c) Your Directors unanimously recommend that you vote in favour of the Schemes, in the absence of a Superior Proposal – as at the date of this meeting, no Superior Proposal has emerged;
- (d) The Independent Expert has concluded that the Schemes are, in the absence of a superior offer, fair and reasonable and in the best interests of Count Shareholders and Optionholders;
- (e) Eligible Count Shareholders who validly elect to receive Scrip Consideration will have the opportunity to become shareholders in Australia's largest bank by market capitalisation and a leading provider of integrated financial services;

- (f) Eligible Count Shareholders who validly elect to receive Scrip Consideration are expected to enjoy improved volume turnover of share trading through holding Commonwealth Bank Shares; and
- (g) Eligible Count Shareholders who validly elect to receive Scrip Consideration may benefit from Australian CGT rollover relief.

4. Reasons to vote against

Reasons that you may vote against the proposed Scheme include the following reasons:

- (a) You may disagree with the Directors' recommendation and the Independent Expert's conclusions that the proposed Scheme is fair, reasonable and in the best interests of the Count Shareholders;
- (b) You will no longer directly participate in any potential upside that may result from being a Count Shareholder;
- (c) You may consider that there is the potential for a superior proposal to be made to Count in the foreseeable future;
- (d) The tax consequences of transferring your Count Shares, if the Scheme is implemented, may not suit your financial position;
- (e) You will no longer have a direct interest in the financial planning business carried on by Count;
- (f) Should you validly elect to receive the Scrip Consideration, the value of the new Commonwealth Bank Shares to be issued to you may change after you make your election;
- (g) If the Share Scheme is implemented, should you validly elect to receive Scrip Consideration, the proportion of Commonwealth Bank shares that you own and control may be reduced relative to the proportion of Count Shares that you currently own and control; and
- (h) Eligible Count Shareholders who validly elect to receive Scrip Consideration will become subject to certain risks specifically associated with Commonwealth Bank.

5. Voting on Resolution

I would now like to proceed to the formal business of this meeting to consider the resolution appearing on the Notice of Share Scheme Meeting.

5.1 Resolution

This resolution appears on the screen behind me. If there is no objection, I shall take the resolution as read?

Thank you.

It is not strictly necessary that a Shareholder moves or seconds the resolution, but I would like to give you an opportunity to do so. I will now ask a Shareholder who is entitled to vote to please move the motion to approve the Share Scheme in the terms on the screen.

Would someone please move this motion?

Thank you.

Is there a seconder?

Thank you.

In order for the resolution at this Share Scheme Meeting to be passed, it must be approved by a majority in number of the Count Shareholders voting (whether in person or by proxy) at this meeting, who must together hold at least 75% of the votes cast on the resolution.

5.2 Invitation for questions

Now that the resolution has been proposed, I open the meeting to questions and discussion on the resolution. I ask that any questions or comments be addressed to me as Chairman and, in that capacity, I will determine which, if any, of the Directors, other officers or advisers present at the meeting will be asked to respond.

I should point out that, as this is a meeting of Shareholders, only Shareholders or persons in attendance as a proxy for a Shareholder or a properly appointed attorney or representative of a Shareholder or proxy are entitled to ask questions. I do want to provide the opportunity for all Shareholders or their authorised representatives to ask questions or to speak on the resolution under consideration if they wish to do so. I therefore ask anyone who wishes to speak to confine their remarks to the subject of the resolution and to use only a reasonable time to do so, which I suggest should be no more than a few minutes.

When rising to ask a question or to make a comment, please show your Voting Card or, if you are a non-voting Shareholders, your Non-Voting Shareholders Admission Card, and state your name and whether you are a Shareholder in your own right or whether you are attending as proxy for one or more Shareholders. If you are attending as a representative or attorney of a Shareholder or proxy, please state your name and the name of that Shareholder or proxy that you represent.

I will now invite questions or comments regarding the resolution.

5.3 Announcement of proxy numbers

If there are no further questions, I will announce the number of proxies received.

The proxies received in relation to the Share Scheme appear on the screen behind me.

I intend to vote the open usable proxies in favour of the Share Scheme Meeting resolution.

5.4 Opening of Poll

We have now reached the stage in today's proceedings where a vote is to be taken on the resolution proposed under the Share Scheme. In view of the importance of the resolution to be considered today, I intend that the vote will be taken on a poll, rather than on a show of hands, which requires Shareholders and proxyholders to complete the back of the Voting Card they received when registering for this meeting.

If you have previously provided a proxy but you or your corporate representative are attending today's meetings in person, your proxy in relation to any of the Scheme Meetings will be cancelled if you or your corporate representative casts a vote at the relevant Scheme Meeting.

I appoint Justine Laughton of Computershare Investor Services Pty Limited, Count's securities register, as returning officer.

5.5 Explanation of Poll procedure

I will now explain the poll procedure.

All eligible voters should be holding a Voting Card. On the back of that card is a ballot paper for the poll which is about to be conducted in relation to the resolutions proposed by the Share Scheme.

Would you also please note the following general instructions:

- (a) Only Shareholders, proxyholders or duly appointed attorneys or company representatives are entitled to vote. Those holding Non-Voting Shareholders Admission Cards or Visitor Admission Cards are not entitled to vote.
- (b) If you are voting your own securities as well as the securities of one or more other Shareholders as their proxy or representative, you should have one Voting Card for your own securities and one Voting Card in relation to your role as proxyholder. That is, you only have one Voting Card for all of the proxies you hold. As a proxy holder, if you hold directed proxies – that is, the person who appointed you has instructed you how to vote on his or her behalf simply by depositing the relevant Voting Card – you will be regarded as having voted in accordance with those instructions. The 'for' and 'against' boxes on the back of the Voting Card will only be used to record open or discretionary votes – that is where the appointing Shareholders did not direct you how to vote on the relevant resolution.
- (c) If anyone believes that he or she is entitled to vote and does not have a Voting Card, please go to the registration desk now and request the necessary card.

If you do not have a pen or pencil, or if you cannot easily borrow one from a person sitting near you, pencils are available from staff – please raise your hand if you require a pencil and an usher will pass you one.

5.6 Voting

We are now ready to take the poll. Once the poll has been closed, I will close the Share Scheme Meeting.

The resolution before the meeting has been displayed today on the screen and is set out in the Notice of Share Scheme Meeting on page 228 of the Scheme Booklet.

I now direct that a poll be taken on the Share Scheme Meeting resolution.

Please complete your voting papers and put them into the collection boxes as they are brought around. If you have any questions, please ask Computershare or the Company Secretary.

Are there any Voting Cards that have not been collected?

Thank you. I now declare the poll on the resolution before the Share Scheme Meeting closed.

6. Closing

I now close the Share Scheme Meeting for all purposes, subject to the conduct and conclusion of the poll.

The result of each poll will be delivered to Count and announced to the ASX and placed on the Count website later today.

In the event that the resolution at Share Scheme Meeting today is passed, we require the approval of the Court before we may proceed to implement the Share Scheme. Count will apply for Court approval at a hearing which is scheduled for 2.15pm next Monday 28 November 2011 in the Supreme Court of New South Wales at Queen's Square, Sydney. Should any person wish to be heard by the Court, they must be present at that hearing. Count will make an announcement to the ASX as to the outcome of the hearing, following its conclusion.

Thank you for your attendance today.

Option Scheme Meeting

1. Introduction

Good morning ladies and gentlemen. I am Barry Lambert, Executive Chairman of Count Financial Limited, and I would like to welcome you all to today's Option Scheme Meeting.

It is 10.30am and now time to commence the Option Scheme Meeting. I am advised that a quorum is present and I therefore declare the Option Scheme meeting open.

For those listening on Boardroom Radio, you will be able to look at the slides by scrolling down on the right bar.

1.1 Convening Option Scheme Meeting

This Option Scheme Meeting has been convened in accordance with orders made by the Supreme Court of New South Wales on 19 October 2011. The purpose of this meeting is for you to consider, and if you think fit, approve a Scheme of Arrangement under which all Options held over Count shares will be cancelled, in consideration for the Commonwealth Bank of Australia paying the Option Scheme Consideration which ranges between \$0.02 and \$0.10 (depending on the Option Series) as set out on page 26 of the Scheme Booklet.

1.2 Resolution

I refer to the Notice of Option Scheme Meeting contained in Appendix 5 of the Scheme Booklet that sets out the resolution proposed for today's meeting. As the Scheme Booklet was mailed to Optionholders on 23 October 2011 and released to the ASX on 24 October 2011, I will take the Notice of Option Scheme Meeting as read.

2. Voting on Resolution

2.1 Resolution

The resolution appears on the screen behind me. If there is no objection, I shall take the resolution as read?

Thank you.

It is not strictly necessary that an Optionholder moves or seconds the resolution, but I would like to give you an opportunity to do so. I will now ask an Optionholder who is entitled to

vote to please move the motion to approve the Option Scheme in the terms on the screen.
Would someone please move this motion?

Thank you.

Is there a seconder?

Thank you.

In order for the resolution at this Option Scheme Meeting to be passed, it must be approved by a majority in number of the Count Optionholders voting (whether in person or by proxy) at this meeting, whose debts or claims must amount in aggregate to at least 75% of the total amount of the debts or claims of the Optionholders present and voting on the resolution in person or by proxy. For this purpose, the 'debt or claim' of each Count Optionholder will be the total amount of the Option Scheme Consideration payable to the Count Optionholder for the cancellation of the Scheme Options held by that Count Optionholder if the Option Scheme were to be implemented.

2.2 Invitation for questions

Now that the resolution has been proposed, I open the meeting to questions and discussion on the resolution. I ask that any questions or comments be addressed to me as Chairman and, in that capacity, I will determine which, if any, of the Directors, other officers or advisers present at the meeting will be asked to respond.

I should point out that, as this is a meeting of Optionholders, only Optionholders or persons in attendance as a proxy for an Optionholder or a properly appointed attorney or representative of an Optionholder or proxy are entitled to ask questions. I do want to provide the opportunity for all Optionholders or their authorised representatives to ask questions or to speak on the resolution under consideration if they wish to do so. I therefore ask anyone who wishes to speak to confine their remarks to the subject of the resolution and to use only a reasonable time to do so, which I suggest should be no more than a few minutes.

When rising to ask a question or to make a comment, please show your Voting Card or, if you are a non-voting Optionholders, your Non-Voting Optionholders Admission Card, and state your name and whether you are an Optionholder in your own right or whether you are attending as proxy for one or more Optionholders. If you are attending as a representative or attorney of an Optionholder or proxy, please state your name and the name of that Optionholder or proxy that you represent.

I will now invite questions or comments regarding the resolution.

2.3 Announcement of proxy numbers

If there are no further questions, I will announce the number of proxies received.

The proxies received in relation to the Option Scheme appear on the screen behind me.

I intend to vote the open usable proxies in favour of the Option Scheme Meeting resolution.

2.4 Opening of Poll

We have now reached the stage in today's proceedings where a vote is to be taken on the resolution proposed under the Option Scheme. In view of the importance of the resolution to be considered today, I intend that the vote will be taken on a poll, rather than on a show of hands, which requires Optionholders and proxyholders to complete the back of the Voting Card they received when registering for this meeting.

If you have previously provided a proxy but you or your corporate representative are attending today's meetings in person, your proxy in relation to any of the Scheme Meetings will be cancelled if you or your corporate representative casts a vote at the relevant Scheme Meeting.

As with the Share Scheme Meeting, I appoint Justine Laughton of Computershare Investor Services Pty Limited, Count's securities register, as returning officer.

2.5 Explanation of Poll procedure

I will now explain the poll procedure.

All eligible voters should be holding a Voting Card. On the back of that card is a ballot paper for the poll which is about to be conducted in relation to the resolution proposed by the Option Scheme.

Would you also please note the following general instructions:

- (a) Only Optionholders, proxyholders or duly appointed attorneys or company representatives are entitled to vote. Those holding Non-Voting Optionholders Admission Cards or Visitor Admission Cards are not entitled to vote.
- (b) If you are voting your own securities as well as the securities of one or more other Optionholders as their proxy or representative, you should have one Voting Card for

your own securities and one Voting Card in relation to your role as proxyholder. That is, you only have one Voting Card for all of the proxies you hold. As a proxy holder, if you hold directed proxies – that is, the person who appointed you has instructed you how to vote on his or her behalf simply by depositing the relevant Voting Card – you will be regarded as having voted in accordance with those instructions. The 'for' and 'against' boxes on the back of the Voting Card will only be used to record open or discretionary votes – that is where the appointing Optionholders did not direct you how to vote on the relevant resolution.

- (c) If anyone believes that he or she is entitled to vote and does not have a Voting Card, please go to the registration desk now and request the necessary card.

If you do not have a pen or pencil, or if you cannot easily borrow one from a person sitting near you, pencils are available from staff – please raise your hand if you require a pencil and an usher will pass you one.

2.6 Voting

We are now ready to take the poll. Once all the poll has been closed, I will close the Option Scheme Meeting.

The resolution before the meeting has been displayed today on the screen and is set out in the Notice of Option Scheme Meeting on page 228 of the Scheme Booklet.

I now direct that a poll be taken on the Option Scheme Meeting resolution.

Please complete your Voting Card and put it into the collection boxes as they are brought around. If you have any questions, please ask Computershare or the Company Secretary.

Are there any Voting Cards that have not been collected?

Thank you. I now declare the poll on the resolution before the Option Scheme Meeting closed.

3. Closing

I now close the Option Scheme Meeting for all purposes subject to the conduct and conclusion of the poll.

The result of each poll will be delivered to Count and announced to the ASX and placed on the Count website later today.

In the event that the resolutions at the Scheme Meetings today are passed, we require the approval of the Court, before we may proceed to implement them. Count will apply for Court approval at a hearing which is scheduled for 2.15pm next Monday 28 November 2011 in the Supreme Court of New South Wales at Queen's Square, Sydney. Should any person wish to be heard by the Court, they must be present at that hearing. Count will make an announcement to the ASX as to the outcome of the hearing, following its conclusion.

Thank you for your attendance today.