

Commonwealth Bank's Consolidated Comprehensive Net Income for the six months ended June 2012 was \$24.3 million compared to \$28.8 million in 2011. Total assets at June 30, 2012 were \$1.49 billion, a 3% growth over June 30, 2011's total assets of \$1.45 billion and almost unchanged from December 2011.

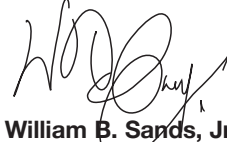
The banking industry continues to be challenged by the slow pace of economic recovery with persistent high unemployment rates. Private sector personal credit continues to contract across the economy as a whole, and the Bank reflects this decrease in economic activity. The biggest challenge to the banking sector continues to be loan impairment. The industry average for non-performing loans at June 2012 as reported by Central Bank was 13.3%. Commonwealth Bank's nonperforming loans at the end of June 2012 were 4.2% of the total portfolio, significantly below industry averages.

Notwithstanding the economic challenges, Commonwealth Bank remains a very strong institution built on sound principles and prudent management. The Bank's total capital grew to \$268 million at the end of June from \$264 million at the end of December 2011. This represents a Capital Ratio of 24%, significantly above the Central Bank's 17% target ratio.

Net interest income surpassed 2011 by \$3.1 million or 5.4% while noninterest expenses were below 2011 by \$0.2 million or 0.6%. This represented an efficiency ratio of 40.90%, a 5.4% improvement over the same period in 2011. These solid results underscore management's commitment to judiciously manage the assets of our shareholders and depositors and share our success with our shareholders through ongoing regular dividend payments.

Results for Return on Assets (ROA), Return on Equity (ROE) and Earnings per Share (EPS) were robust at 2.9%, 23.7% and \$0.22 respectively.

Our team of dedicated and hardworking employees continues to perform admirably. They remain committed to serving our valued customers and loyal shareholders with the superior service that each has become accustomed. The Board acknowledges and thanks the staff of Commonwealth Bank for their commitment to excellence.



William B. Sands, Jr.
Executive Chairman

COMMONWEALTH BANK LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in B\$ '000s) (Unaudited)

	June 30, 2012	December 31, 2011
ASSETS		
Cash and deposits with banks	\$ 17,626	\$ 19,926
Balances with Central Bank of The Bahamas	100,651	84,202
Investments	271,734	261,179
Loans Receivable	1,062,845	1,091,033
Premises and equipment	41,249	41,505
Other assets	3,608	3,144
TOTAL	\$ 1,497,713	\$ 1,500,989
LIABILITIES AND EQUITY		
Liabilities:		
Deposits	\$ 1,195,235	\$ 1,203,067
Life assurance fund	15,529	16,472
Other liabilities	18,465	17,910
Total liabilities	1,229,229	1,237,449
Equity:		
Share capital	86,950	86,950
Share premium	26,654	26,641
General Reserve	10,500	10,500
Retained earnings	144,380	139,449
Total equity	268,484	263,540
TOTAL	\$ 1,497,713	\$ 1,500,989

COMMONWEALTH BANK LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Expressed in B\$ '000s) (Unaudited)

	3 months ending June 30, 2012	3 months ending June 30, 2011
INCOME:		
Interest income	\$ 40,265	\$ 41,230
Interest expense	(10,532)	(12,228)
Net interest income	29,733	29,002
Loan impairment expense	(7,042)	(2,210)
	22,691	26,792
Life assurance, net	1,389	1,502
Fees and other income	1,850	2,017
	25,930	30,311
NON-INTEREST EXPENSE:		
General and administrative	13,399	13,657
Depreciation and amortization	640	667
Directors' fees	53	48
	14,092	14,372
TOTAL COMPREHENSIVE INCOME	\$ 11,838	\$ 15,939
Preference Share Dividends	(1,328)	(1,487)
NET INCOME AVAILABLE TO COMMON Shareholders	\$ 10,510	\$ 14,452
AVERAGE NUMBER OF COMMON SHARES (thousands)	98,367	98,393
BASIC AND DILUTED EARNINGS PER COMMON SHARE (expressed in dollars)	\$ 0.11	\$ 0.15

COMMONWEALTH BANK LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Expressed in B\$ '000s) (Unaudited)

	6 months ending June 30, 2012	6 months ending June 30, 2011
INCOME:		
Interest income	\$ 81,777	\$ 81,451
Interest expense	(21,555)	(24,332)
Net interest income	60,222	57,119
Loan impairment expense	(15,169)	(7,244)
	45,053	49,875
Life assurance, net	2,693	2,699
Fees and other income	3,888	3,771
	51,634	56,345
NON-INTEREST EXPENSE:		
General and administrative	25,877	26,066
Depreciation and amortization	1,349	1,341
Directors' fees	100	95
	27,326	27,502
TOTAL COMPREHENSIVE INCOME	\$ 24,308	\$ 28,843
Preference Share Dividends	(2,656)	(2,974)
NET INCOME AVAILABLE TO COMMON Shareholders	\$ 21,652	\$ 25,869
AVERAGE NUMBER OF COMMON SHARES (thousands)	98,367	98,393
BASIC AND DILUTED EARNINGS PER COMMON SHARE (expressed in dollars)	\$ 0.22	\$ 0.26

COMMONWEALTH BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Expressed in B\$ '000s) (Unaudited)

	6 months ending June 30, 2012	6 months ending June 30, 2011
SHARE CAPITAL		
Preference Shares		
Balance at beginning and end of period	\$ 84,983	\$ 84,982
Common Shares		
Balance at beginning and end of period	1,967	1,968
Total Share Capital	86,950	86,950
SHARE PREMIUM		
Balance at beginning of period	26,641	26,722
Issuance of common shares	2	60
Share based payments	11	11
Balance at end of period	26,654	26,793
GENERAL RESERVE		
Balance at beginning and end of period	10,500	10,500
RETAINED EARNINGS		
Balance at beginning of period	139,449	122,791
Total comprehensive income	24,308	28,843
Common share dividends	(16,721)	(17,708)
Preference share dividends	(2,656)	(2,974)
Balance at end of period	144,380	130,952
EQUITY AT END OF PERIOD	\$ 268,484	\$ 255,195

COMMONWEALTH BANK LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
(Expressed in B\$ '000s) (Unaudited)

	6 months ending June 30, 2012	6 months ending June 30, 2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Interest Receipts	\$ 75,492	\$ 74,627
Interest Payments	(21,555)	(24,332)
Life assurance premiums received, net	2,785	4,050
Life assurance claims and expenses paid	(1,644)	(1,777)
Fees and commissions received	4,497	4,573
Recoveries	3,984	3,289
Cash payments to employees and suppliers	(25,886)	(26,603)
	37,673	33,827
Net decrease/(increase) in loans receivable	9,035	(29,237)
(Decrease)/Increase in deposits	(7,832)	29,513
Net cash from operating activities	38,876	34,103
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investments	(33,496)	(19,941)
Interest receipts and redemption of investments	29,226	19,720
Purchases of premises and equipment	(1,172)	(2,001)
Proceeds from sale of premises and equipment	79	59
Net cash (used in) investing activities	(5,363)	(2,163)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends paid	(19,377)	(20,682)
Issuance of common shares	2	60
Share based payments	11	11
Net cash used in financing activities	(19,364)	(20,611)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	14,149	11,329
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	104,128	77,735
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 118,277	\$ 89,064

COMMONWEALTH BANK LIMITED
NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE, 30 2012
(EXPRESSED IN B\$ '000S) (UNAUDITED)

1. ACCOUNTING POLICIES

These consolidated interim condensed financial statements have been prepared in accordance with International Accounting Standards 34 Interim Financial Reporting. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statement for the year ended December 31, 2011.

The consolidated financial statements include the accounts of Commonwealth Bank Limited ("the Bank") and its wholly owned subsidiary companies. The subsidiaries are Laurentide Insurance and Mortgage Company Limited, Laurentide Insurance Agency Limited, C.B. Securities Ltd., and C.B. Holding Co. Ltd.

2. BUSINESS SEGMENTS

For management purposes, the Bank including its subsidiaries is organized into five operating units - Bank, Insurance Company, Real Estate Holdings, Investment Company and Insurance Agency. The following table shows financial information by business segment:

	2012						Consolidated
	Bank	Insurance Company	Real Estate Holdings	Investment Company	Insurance Agency	Eliminations	
Revenue							
External	\$ 46,956	\$ 4,666	\$ 12	\$ (28)	\$ -	\$ 28	\$ 51,634
Internal	1,077	73	1,452	10	631	(3,243)	-
Total revenue	\$ 48,033	\$ 4,739	\$ 1,464	(18)	631	(3,215)	\$ 51,634
Net profit							
Segment net profit	\$ 20,913	\$ 2,910	\$ 228	\$ (30)	\$ 315	\$ (28)	\$ 24,308
	2011						Consolidated
	Bank	Insurance Company	Real Estate Holdings	Investment Company	Insurance Agency	Eliminations	
Revenue							
External	\$ 51,666	\$ 4,657	\$ 22	\$ (10)	\$ -	\$ 10	\$ 56,345
Internal	1,023	81	1,237	7	824	(3,172)	-
Total revenue	\$ 52,689	\$ 4,738	\$ 1,259	(3)	\$ 824	(3,162)	\$ 56,345
Net profit							
Segment net profit	\$ 25,372	\$ 2,788	\$ 267	\$ 8	\$ 418	\$ (10)	\$ 28,843

3. DIVIDENDS

The Directors have approved interim quarterly dividends in the amount of 12 cents per common share (2011: 12 cents) and an extraordinary dividend of 5 cents per share (2011: 6 cents). The total dividends paid as of the interim date is 17 cents per share for common shares (2011: 18 cents). The dividends are declared on a quarterly calendar basis. The interim financial statements only reflect the dividends accrued for the interim period.