

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS), ANY STATE OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA (THE “UNITED STATES”) OR IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS ANNOUNCEMENT.

8 June 2016



TENDER OFFERS

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND ANNOUNCES TENDER OFFERS
IN RESPECT OF CERTAIN OF ITS NOTES

The Governor and Company of the Bank of Ireland (the “**Offeror**”) today announces that it is making invitations (the “**Offers**”), subject to certain offer restrictions, to the holders of the notes listed below (together the “**Notes**” and each a “**Series**”) to tender their Notes for purchase by the Offeror for cash upon the terms and subject to the conditions set out in a Tender Offer Memorandum dated 8 June 2016 (the “**Tender Offer Memorandum**”).

Title of Series	ISIN / Common Code	Nominal amount Outstanding*	Benchmark Rate	Fixed Purchase Spread	Fixed Purchase Yield**	Acceptance Priority	Maximum Acceptance Amount
<i>Fixed Spread</i>							
€750,000,000 3.25 per cent. Notes due 15 January 2019	XS1014670233 / 101467023	€740,000,000	2019 Notes Interpolated Mid-Swap Rate	+48 bps	N/A	1	Subject as set out herein, including as to the Acceptance Priority, up to €600,000,000 in aggregate nominal amount
€750,000,000 1.25 per cent. Fixed Rate Senior Unsecured Notes due 9 April 2020	XS1198677897 / 119867789	€686,400,000	2020 Notes Interpolated Mid-Swap Rate	+53 bps	N/A	1	
<i>Fixed Yield</i>							
€750,000,000 2.00 per cent. Notes due 8 May 2017	XS1059619012 / 105961901	€750,000,000	N/A	N/A	0.000%	2	

* The Offeror and its group do not hold any Notes.

** For information purposes only, the Purchase Price for the 2017 Notes will, when determined in the manner described herein on the basis of a Settlement Date of 20 June 2016, be 101.764 per cent. Should the Settlement Date in respect of the Offer in respect of the 2017 Notes differ from 20 June 2016, the applicable Purchase Price will be recalculated, all as further described herein.

Capitalised terms used and not otherwise defined in this announcement have the meanings given to them in the Tender Offer Memorandum.

References herein to: (i) the “**2019 Notes**” are to the €750,000,000 3.25 per cent. Notes due 15 January 2019; (ii) the “**2020 Notes**” are to the €750,000,000 1.25 per cent. Fixed Rate Senior Unsecured Notes due 9 April 2020; and (iii) the “**2017 Notes**” are to the €750,000,000 2.00 per cent. Notes due 8 May 2017.

The Tender Offer Memorandum is available to eligible holders of Notes from the Dealer Managers and the Tender Agent at the details set out below. **Holders are advised to read carefully the Tender Offer Memorandum for full details of, and information on the procedures for participating in, the Offers.**

Rationale for the Offers

The Offeror, on an on-going basis, manages the composition of its liability base and mix for value with consideration to future interest expense and ensuring the prudent management of liquidity and costs.

Purchase Prices and Accrued Interest Payments

In respect of each Series, the Offeror will pay for any Notes of the relevant Series validly tendered and accepted by it for purchase pursuant to the relevant Offer, a purchase price (each a “**Purchase Price**”) to be determined at or around 2.00 p.m. (London time) (the “**Pricing Time**”) on 16 June 2016 (the “**Pricing Date**”) in the manner described in the Tender Offer Memorandum by reference to:

- (i) in respect of the 2017 Notes, the fixed purchase yield of 0.000 per cent. (the “**Fixed Purchase Yield**”); and
- (ii) in respect of the 2019 Notes and the 2020 Notes, the sum (such sum, in respect of each such Series, the “**Fixed Spread Purchase Yield**”) of:
 - (a) the relevant Fixed Purchase Spread specified in the table above; and
 - (b) the relevant Benchmark Rate.

Each Purchase Price will be determined in accordance with market convention and expressed as a percentage of the nominal amount of the Notes of the relevant Series accepted for purchase pursuant to the relevant Offer, and is intended to reflect a yield to maturity of the Notes of the relevant Series on the Settlement Date based on the relevant Purchase Yield.

The Offeror will also pay an Accrued Interest Payment in respect of Notes accepted for purchase by it pursuant to the Offers.

Final Acceptance Amount, Acceptance Priority and Scaling

The Offeror currently proposes to accept for purchase pursuant to the Offers up to €600,000,000 in aggregate nominal amount of the Notes (the “**Maximum Acceptance Amount**”), although the Offeror reserves the right, in its sole discretion, to accept less (which may be significantly less) than or more (which may be significantly more) than (or none of) such Maximum Acceptance Amount for purchase pursuant to the Offers (the final aggregate amount of Notes accepted for purchase pursuant to the Offers being the “**Final Acceptance Amount**”).

The Offeror will determine the allocation of the Final Acceptance Amount between each Series of Notes in accordance with the Acceptance Priority referred to below (the aggregate nominal amount of a Series that is accepted for purchase pursuant to the relevant Offer being the “**Series Acceptance Amount**”).

If the Offeror accepts any Notes validly tendered pursuant to the Offers, it shall accept such Notes for purchase in accordance with the order of priority (the “**Acceptance Priority**”) described in the Tender Offer Memorandum, whereby (a) the Offeror shall not purchase any 2017 Notes pursuant to the Offers unless and until all 2019 Notes and 2020 Notes which have been validly tendered (and not subsequently revoked) are first purchased and (b) as between the 2019 Notes and the 2020 Notes, the Offeror shall have complete discretion as to the aggregate nominal amount of each such Series it elects to accept for purchase, and may accept more or less (or none) of one such Series as compared with the other.

If the Offeror accepts any Notes of a Series for purchase pursuant to the relevant Offer and the aggregate nominal amount of Notes of such Series validly tendered pursuant to the relevant Offer is greater than the relevant Series Acceptance Amount, the Offeror intends to accept such Notes of such Series for purchase on a *pro rata* basis such that the aggregate nominal amount of such Series accepted for purchase is no greater than the relevant Series Acceptance Amount, all as further described in the Tender Offer Memorandum.

General

Notes that are not tendered or accepted for purchase pursuant to the relevant Offer will remain outstanding.

The Offeror may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate the Offers or any of them at any time (subject to applicable law and as provided in the Tender Offer Memorandum). Details of any such extension, re-opening, amendment, waiver or termination will be announced as provided in the Tender Offer Memorandum as soon as reasonably practicable after the relevant decision is made.

Tender Instructions

In order to participate in the relevant Offer, Holders must validly tender their Notes by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by 4.00 p.m. (London time) on 15 June 2016 (the “**Expiration Deadline**”). Tender Instructions must be submitted in respect of a nominal amount of Notes equal to a minimum of €100,000 or a whole multiple of €1,000 above such minimum amount. A separate Tender Instruction must be completed in respect of each Series.

Only Direct Participants may submit Tender Instructions. Each Holder that is not a Direct Participant must arrange for the Direct Participant through which such Holder holds its Notes to submit a valid Tender Instruction on its behalf to the relevant Clearing System before the deadlines specified by the relevant Clearing System.

Tender Instructions will be irrevocable except in the limited circumstances described in the Tender Offer Memorandum in the section headed “*Amendment and Termination*”.

Indicative Timetable for the Offers

The times and dates below are indicative only and subject to change.

Events	Times and Dates
	(All times are London time)
<hr/>	
<i>Commencement of the Offers</i>	
Offers announced. Tender Offer Memorandum available from the Tender Agent.	8 June 2016
<i>Expiration Deadline</i>	
Final deadline for receipt of valid Tender Instructions by the Tender Agent in order for Holders to be able to participate in the Offers.	4.00 p.m. on 15 June 2016
<i>Announcement of Indicative Results</i>	
Announcement of indicative results in respect of each Offer, including (i) the applicable Scaling Factor (if any) and (ii) the indicative Series Acceptance Amount.	At or around 11.00 a.m. on 16 June 2016
<i>Pricing Time and Pricing Date</i>	
Determination of each Purchase Price and, in respect of the 2019 Notes and the 2020 Notes, each Benchmark Rate and Fixed Spread Purchase Yield.	At or around 2.00 p.m. on 16 June 2016
<i>Announcement of Results and Pricing</i>	
Announcement of whether the Offeror will accept valid tenders of Notes pursuant to all or any of the Offers and, if so accepted, in respect of each Series of Notes so accepted (i) the applicable Scaling Factor (if any); (ii) the Series Acceptance Amount; (iii) the relevant Purchase Price; and (iv) in respect of each of the 2019 Notes and the 2020 Notes, the applicable Fixed Spread Purchase Yield and Benchmark Rate.	As soon as reasonably practicable after the Pricing Time on the Pricing Date
<i>Settlement Date</i>	
Expected Settlement Date for the Offers.	20 June 2016

The above times and dates are subject to the right of the Offeror to extend, re-open, amend, and/or terminate any Offer (subject to applicable law and as provided in the Tender Offer Memorandum). **The deadlines set by any intermediary through which Holders hold their Notes and each Clearing System for the submission of Tender Instructions will be earlier than the relevant deadlines specified above.**

Announcements

Unless stated otherwise, announcements in connection with the Offers will be made (i) by way of an Irish Stock Exchange Announcement and (ii) by the delivery of notices to the Clearing Systems for communication to Direct Participants. Such announcements may also be made (a) on the relevant Reuters Insider Screen, (b) by the issue of a press release to a Notifying News Service and/or (c) by publication on the Offeror’s website.

Copies of all such announcements, press releases and notices can also be obtained upon request from the Tender Agent, the contact details for which are set out below.

Further Information

The Offeror has retained J&E Davy and UBS Limited as Dealer Managers for the Offers. Questions and requests for assistance in connection with the Offers may be directed to the Dealer Managers at the details below.

The Offeror has retained Lucid Issuer Services Limited to act as Tender Agent for the Offers. Questions and requests for assistance in connection with the delivery of Tender Instructions may be directed to the Tender Agent at the details below.

DEALER MANAGERS

J&E Davy
Davy House
49 Dawson Street
Dublin 2
Ireland

Tel: +353 1 6148776
Attention: Paul Collins
email: paul.collins@davy.ie

UBS Limited
One Finsbury Avenue
London EC2M 2PP
United Kingdom

Tel: +44 20 7568 2133
Attention: Liability Management Group
email: ol-liabilitymanagement-eu@ubs.com

TENDER AGENT

Lucid Issuer Services Limited
Tankerton Works
12 Argyle Walk
London WC1H 8HA
United Kingdom

Telephone: +44 20 7704 0880
Fax: + 44 20 3004 1590
Attention: Yves Theis
Email: boi@lucid-is.com

DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which must be read carefully before any decision is made with respect to the Offers. If any holder of Notes is in any doubt as to the action it should take, it is recommended to seek its own legal, tax, accounting and financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Offers. None of the Offeror, the Dealer Managers, the Tender Agent and any person who controls, or is a director, officer, employee or agent of such persons, or any affiliate of such persons, makes any recommendation as to whether holders of Notes should participate in the Offers.

OFFER AND DISTRIBUTION RESTRICTIONS

Neither this announcement nor the Tender Offer Memorandum constitutes an offer or an invitation to participate in the Offers in the United States or in any other jurisdiction in which, or to any person to or from whom, it is unlawful to make such offer or invitation or for there to be such participation under applicable securities laws. The distribution of this announcement and the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Tender Offer Memorandum comes are required by each of the Offeror, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.

United States:

The Offers are not being made, and will not be made, directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Notes may not be tendered in the Offers by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States. Accordingly, copies of this announcement and the Tender Offer Memorandum and any other documents or materials relating to the Offers are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation,

by custodians, nominees or trustees) in or into the United States or to any persons located or resident in the United States. Any purported tender of Notes in the Offers resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by, or by any person acting for the account or benefit of, a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Notes participating in an Offer will represent that it is not located in the United States and is not participating in such Offer from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Offer from the United States. For the purposes of this and the above paragraph, “**United States**” means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

United Kingdom

This announcement and the Tender Offer Memorandum and any other documents or materials relating to the Offers have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may only be communicated to (i) those persons who are existing members or creditors of the Offeror or other persons within Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”) and (ii) any other persons to whom these documents and/or materials may lawfully be communicated.

This announcement and the Tender Offer Memorandum are not addressed to or directed at any other person, including any retail clients within the meaning of the rules, regulations and guidance issued by the Financial Conduct Authority and such other persons should not act or rely upon them.

Belgium

Neither this announcement nor the Tender Offer Memorandum nor any other documents or materials relating to the Offers have been submitted to or will be submitted for approval or recognition to the Financial Services and Markets Authority (*Autorité des services et marchés financiers / Autoriteit financiële diensten en markten*) and, accordingly, the Offers may not be made in Belgium by way of a public offering, as defined in Articles 3 and 6 of the Belgian Law of 1 April 2007 on public takeover bids as amended or replaced from time to time. Accordingly, the Offers may not be advertised and the Offers will not be extended, and neither this announcement nor the Tender Offer Memorandum nor any other documents or materials relating to the Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than “qualified investors” in the sense of Article 10 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, acting on their own account. This announcement and the Tender Offer Memorandum have been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offers. Accordingly, the information contained in this announcement and the Tender Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

Ireland

The Offers are not being made, directly or indirectly, to the public in Ireland and no offers or sales of any notes or securities under or in connection with such Offers may be effected to persons in Ireland except in conformity with the provisions of Irish laws and regulations (the “**Applicable Irish Laws**”) including (i) the Companies Act 2014 (as amended, the “**Companies Act**”) (ii) the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued under Section 1363 of the Companies Act by the Central Bank of Ireland (the “**Central Bank**”), (iii) the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos 1 to 3) (as amended) including, without limitation, Regulations 7 and 152 thereof or any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998 (as amended), (iv) the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 1370 of the Companies Act, and (v) the Central Bank Acts 1942 to 2015 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989.

This announcement and the Tender Offer Memorandum and any other documents or materials relating to the Offers must not be distributed to persons in Ireland otherwise than in conformity with the provisions of the Applicable Irish Laws.

France

The Offers are not being made, directly or indirectly, to the public in the Republic of France (“**France**”). Neither this announcement nor the Tender Offer Memorandum nor any other document or material relating to the Offers has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account

of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*, are eligible to participate in the Offers. This announcement and the Tender Offer Memorandum have not been and will not be submitted for clearance to nor approved by the *Autorité des Marchés Financiers*.

Italy

None of the Offers, this announcement or the Tender Offer Memorandum or any other document or materials relating to the Offers has been or will be submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian laws and regulations.

Each Offer is being carried out in Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Holders or beneficial owners of the Notes that are located in Italy can tender Notes for purchase in the Offers through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offers.

Switzerland

Neither this announcement nor the Tender Offer Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange. Accordingly, the investor protection rules otherwise applicable to investors in Switzerland do not apply to the Offers. When in doubt, investors based in Switzerland are recommended to contact their legal, financial or tax adviser with respect to the Offers.

General

Neither this announcement nor the Tender Offer Memorandum constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes in the Offers will not be accepted from Holders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and any of the Dealer Managers or any of the Dealer Managers' respective affiliates is such a licensed broker or dealer in any such jurisdiction, such Offer shall be deemed to be made by such Dealer Manager or affiliate, as the case may be, on behalf of the Offeror in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each Holder participating in an Offer will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in the Tender Offer Memorandum in the section headed “*Procedures for Participating in the Offers*”. Any tender of Notes for purchase pursuant to an Offer from a Holder that is unable to make these representations will not be accepted. Each of the Offeror, the Dealer Managers and the Tender Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to an Offer, whether any such representation given by a Holder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such tender shall not be accepted.