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20 May 2010



MINIMUM CONVERSION PRICE ANNOUNCEMENT

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND ANNOUNCES THE MINIMUM CONVERSION PRICE FOR THE ALLOTMENT INSTRUMENTS ISSUED PURSUANT TO ITS NON-U.S. EXCHANGE OFFERS IN RESPECT OF CERTAIN OF ITS OUTSTANDING EURO AND STERLING TIER 1 SECURITIES.

On 26 April 2010, The Governor and Company of the Bank of Ireland (the "**Bank**") announced an invitation to all holders ("**Holders**") (subject to certain offer restrictions) of the Tier 1 securities listed below (the "**Existing Securities**") to Offer to Exchange their Existing Securities for Option 1 Consideration or Option 2 Consideration (the "**Non-U.S. Exchange Offers**").

<p>Bank of Ireland UK Holdings plc €476,000,000 7.40 per cent. Guaranteed Step-up Callable Perpetual Preferred Securities (ISIN: XS0125611482)</p> <p>BOI Capital Funding (No.1) LP €350,316,000 Fixed Rate/Variable Rate Guaranteed Non-voting Non-Cumulative Perpetual Preferred Securities (ISIN: XS0213178295)</p> <p>Bank of Ireland UK Holdings plc £46,432,000 6.25 per cent. Guaranteed Callable Perpetual Preferred Securities (ISIN: XS0165122655)</p> <p>BOI Capital Funding (No.4) LP £37,290,000 Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities (ISIN: XS0268599999)</p>

The Non-U.S. Exchange Offers were made on the terms of an Exchange Offer Memorandum dated 26 April 2010. Capitalised terms used and not otherwise defined in this announcement have the meanings given to them in the Exchange Offer Memorandum.

This is the Minimum Conversion Price Announcement referred to in the Exchange Offer Memorandum.

Minimum Conversion Price

The Minimum Conversion Price is the minimum price at which the Allotment Instruments issued pursuant to the Option 2 Settlement will convert into Conversion Ordinary Stock on the Conversion Date. The Minimum Conversion Price is calculated by multiplying €1.35 by the Rights Issue Factor.

The Bank hereby announces that the Rights Issue Factor is 0.630447, and accordingly the Minimum Conversion Price is €0.851103. For the purposes of calculating the Rights Issue Factor, the Current Market Price of a unit of Ordinary Stock on 19 May 2010 was €1.432.

The price at which the Allotment Instruments will ultimately convert will be either the Minimum Conversion Price stated above or, if greater, the price calculated by the Lead Dealer Managers, in consultation with the Bank, as the arithmetic average of the daily Volume-Weighted Average Price per unit of Ordinary Stock for each of the five consecutive trading days ending on the second trading day before the Conversion Date (such five day period currently expected to commence on (and including) 2 September 2010 and conclude on (and including) 8 September 2010).

The expected Settlement Date for the Non-U.S. Exchange Offers is 14 June 2010. Settlement of the Non-U.S. Exchange Offers is conditional upon satisfaction of the Exchange Offer Conditions.

The expected Conversion Date for conversion of the Allotment Instruments into Conversion Ordinary Stock is 10 September 2010.

For further information, please contact:

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In addition, any questions or requests for assistance regarding settlement of the Non-U.S. Exchange Offers may be directed to the Lead Dealer Managers or the Exchange Agent:

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DISCLAIMER

This announcement must be read in conjunction with the Exchange Offer Memorandum. This announcement shall not constitute an offer to sell or the solicitation of an offer to buy securities either in the United States or any other jurisdiction, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.