

*****BANK OF IRELAND EXCHANGE LOWER TIER 2 SECURITIES*****

Bank of Ireland today announces that it has completed an Exchange Offer for any and all of the outstanding notes relating to five Lower Tier 2 securities (three Euro securities and one each in Sterling and US Dollars) with a nominal value equivalent to circa €2.9 billion.

The securities exchanged have a nominal value equivalent to €1.62 billion. These securities will be exchanged at a discount into the following new securities

- €78 million, 10% coupon, maturity 12 February 2020
- £197 million, 10% coupon, maturity 12 February 2020

The equity accretion for the Bank of Ireland Group from the Exchange Offer is expected to be circa €405 million.

Including the impact of the exchange offer on a proforma basis the estimated capital ratios of the Group at 30 September 2009 would have been:

	<u>Pro forma</u>	<u>Reported</u>
Equity Tier 1	7.0%	6.6%
Core Tier 1	10.5%	10.1%
Total Tier 1	11.4%	11.0%
Total Capital	14.5%	14.5%

The successful completion of this Lower Tier 2 Exchange Offer represents another meaningful step in strengthening Bank of Ireland's balance sheet and capital position.

Bank of Ireland contact details.

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