



Pre-Close Trading Statement

**Divisional Financial Reporting Re-Statements due to
Organisational Changes**

28th March 2006

Organisational Changes

- Bank of Ireland's Pre-Close Trading Statement (28th March 2006) reflects some organisational changes made to further streamline the management and reporting of our activities in the UK:
 - Post Office Financial Services (POFS) was transferred from Group and Central to our UK Financial Services (UKFS) Division.
 - First Rate Enterprises Limited (FRE) was transferred from our Wholesale Division:
 - The principal component of this business, First Rate Travel Services (FRTS), our personal foreign exchange travel service joint venture with the UK Post Office, was transferred to our UKFS Division.
 - The remaining FRE business was transferred to Retail Republic of Ireland.
- The following slides show the impact of these organisational changes covering the six month periods to 30 September 2004, 30 September 2005 and the 12 month period to 31 March 2005. Please note September 2004 and March 2005 numbers are Pro-Forma, as defined in the Transition Documentation (27th September 2005).

Profit Before Tax by Division

PBT by Division

	FY Mar 05 €m	H1 Sept 05 €m	H1 Sept 04 €m
Retail Republic of Ireland ⁽¹⁾	465	268	230
Bank of Ireland Life	81	68	40
Wholesale Fin. Services ⁽¹⁾⁽²⁾	325	166	149
UK Fin. Services ⁽²⁾	332	167	183
Asset Mgmt Services	125	51	70
Group & Central ⁽²⁾	<u>(122)</u>	<u>(55)</u>	<u>(58)</u>
Underlying PBT	1206	665	614
Non Core Items	<u>14</u>	<u>183</u>	<u>50</u>
Profit Before Tax	1220	848	664

Commentary

(1) Transfer part of First Rate Enterprises business from Wholesale Financial Services to Retail Republic of Ireland; March 05 €2m, Sept 05 €2m, Sept 04 €2m.

(2) Joint Ventures with the UK Post Office - First Rate Travel Services (FRTS) and Post Office Financial Services (POFS) - transferred from Wholesale Financial Services and Group & Central respectively to UK Financial Services:
 FRTS profits: March 05 €38m, Sept 05 €28m, Sept 04 €24m.
 POFS losses: March 05 (€56m), Sept 05 (€24m), Sept 04 (€20m).

Retail Republic of Ireland

P & L – Retail Republic of Ireland

	FY Mar 05	H1 Sept 05	H1 Sept 04
	€m	€m	€m
Net Interest Income	1020	546	496
Other Income	<u>314</u>	<u>168</u>	<u>155</u>
Total Income	1334	714	651
Operating Expenses	(818)	(423)	(398)
Impairment Losses	<u>(51)</u>	<u>(23)</u>	<u>(23)</u>
Profit Before Tax ⁽¹⁾	465	268	230

(1) Transfer part of First Rate Enterprises business from Wholesale Financial Services to Retail Republic of Ireland: March 05 +€2m, Sept 05 +€2m, Sept 04 +€2m.

Wholesale Financial Services

P & L – Wholesale Financial Services

	FY Mar 05 €m	H1 Sept 05 €m	H1 Sept 04 €m
Net Interest Income	325	181	152
Other Income	<u>278</u>	<u>130</u>	<u>128</u>
Total Income	603	311	280
Operating Expenses	(240)	(128)	(113)
Impairment Losses	<u>(38)</u>	<u>(17)</u>	<u>(18)</u>
Profit Before Tax ^{(1) (2)}	325	166	149

PBT – Business Analysis

	FY Mar 05 €m	H1 Sept 05 €m	H1 Sept 04 €m
Corporate Banking	159	90	72
Global Markets	124	63	63
Other* ^{(1) (2)}	<u>42</u>	<u>13</u>	<u>14</u>
WFS	325	166	149

* Includes Davy & IBI Corporate Finance

(1) Transfer part of First Rate Enterprises business from Wholesale Financial Services to Retail Republic of Ireland: March 05 -€2m, Sept 05 -€2m, Sept 04 -€2m.

(2) Joint Venture with the UK Post Office, First Rate Travel Services (FRTS) transferred from Wholesale Financial Services to UK Financial Services: March 05 -€38m, Sept 05 -€28m, Sept 04 -€24m.

UK Financial Services (Sterling)

P & L – UK Financial Services

	FY Mar 05 £m	H1 Sept 05 £m	H1 Sept 04 £m
Net Interest Income	429	230	212
Other Income	<u>135</u>	<u>41</u>	<u>65</u>
Total Income	564	271	277
Operating Expenses	(366)	(169)	(176)
Impairment Losses	7	(7)	9
Share of JV (post-tax)	<u>22</u>	<u>19</u>	<u>13</u>
Underlying PBT* (1)	227	114	123

Underlying PBT – Business Analysis

	FY Mar 05 £m	H1 Sept 05 £m	H1 Sept 04 £m
Mortgage Business (PLUK)	125	65	58
Business Banking (GB & NI)	115	54	64
Consumer Fin. Services (incl FRTS & POFS)	(13)	(2)	1
Other	<u>0</u>	<u>(3)</u>	<u>0</u>
Underlying PBT (1)	227	114	123

* Excludes March 05 UKFS re-structuring (£15m), Sept 05 gain on disposal of Bristol & West Branch Network £124m and Sept 04 UKFS re-structuring £4m

(1) Joint Ventures with the UK Post Office - First Rate Travel Services (FRTS) and Post Office Financial Services (POFS) - transferred from Wholesale Financial Services and Group & Central respectively to UK Financial Services. FRTS: March 05 +£26m, Sept 05 +£19m, Sept 04 +£16m. POFS: March 05 (£38m), Sept 05 (£16m), Sept 04 (£13m).

UK Financial Services (Euro)

P & L – UK Financial Services

	FY Mar 05 €m	H1 Sept 05 €m	H1 Sept 04 €m
Net Interest Income	628	338	315
Other Income	<u>198</u>	<u>60</u>	<u>97</u>
Total Income	826	398	412
Operating Expenses	(536)	(248)	(262)
Impairment Losses	10	(10)	13
Share of JV (post-tax)	<u>32</u>	<u>27</u>	<u>20</u>
Underlying PBT* (1)	332	167	183

* Excludes March 05 UKFS re-structuring (€22m), Sept 05 gain on disposal of Bristol & West Branch Network €183m and Sept 04 UKFS re-structuring €6m

(1) Joint Ventures with the UK Post Office - First Rate Travel Services (FRTS) and Post Office Financial Services (POFS) - transferred from Wholesale Financial Services and Group & Central respectively to UK Financial Services. FRTS: March 05 +€38m, Sept 05 +€28m, Sept 04 +€24m. POFS: March 05 (€56m), Sept 05 (€24m), Sept 04 (€20m).

Group & Central

P & L – Group & Central

	FY Mar 05 €m	H1 Sept 05 €m	H1 Sept 04 €m
Net Interest Income	(12)	1	(6)
Other Income	<u>(5)</u>	<u>(5)</u>	<u>(6)</u>
Total Income	(17)	(4)	(12)
Operating Expenses	<u>(105)</u>	<u>(51)</u>	<u>(46)</u>
Profit Before Tax ⁽¹⁾	(122)	(55)	(58)

⁽¹⁾ Joint Venture with the UK Post Office, Post Office Financial Services (POFS), transferred from Group & Central to UK Financial Services. POFS: March 05 (€56m), Sept 05 (€24m), Sept 04 (€20m).