



Divisional Financial Reporting Restatements due to Organisational Changes

20 March 2007

Organisational Changes

- Bank of Ireland's Pre-Close Trading Statement (21 March 2007) will reflect some organisational changes previously announced to the market, made to further streamline the management and reporting of our activities.
- The Capital Markets Division was formed on 1 October 2006, incorporating our Wholesale Financial Services and Asset Management Services operating Divisions.
- The following slides show the impact of these organisational changes covering the six month periods to 30 September 2005, 30 September 2006 and the 12 month period to 31 March 2006.

Profit Before Tax by Division – revised structure

PBT by Division

	FY Mar 06 €m	H1 Sept 06 €m	H1 Sept 05 €m
Retail Republic of Ireland	550	339	268
Bank of Ireland Life	134	67	68
Capital Markets ⁽¹⁾	471	286	217
UK Fin. Services	349	222	167
Group & Central	<u>(111)</u>	<u>(62)</u>	<u>(55)</u>
Underlying PBT	1393	852	665
Non-core Items ⁽²⁾	<u>206</u>	<u>35</u>	<u>183</u>
Profit Before Tax	1599	887	848

Commentary

- (1) Comprises Asset Management Services (AMS) and Wholesale Financial Services (WFS)
 AMS PBT: March 06 €85m, Sept 06 €33m, Sept 05 €51m.
 WFS PBT: March 06 €386m, Sept 06 €253m, Sept 05 €166m.
- (2) Non-core items include gain on disposal of business assets; gross up for policyholder tax in the Life business; hedge ineffectiveness on transition to IFRS and costs associated with the restructuring programme.

Capital Markets – revised structure

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P & L – Capital Markets

	FY Mar 06	H1 Sept 06	H1 Sept 05
	€m	€m	€m
Net Interest Income	461	285	186
Other Income	<u>458</u>	<u>229</u>	<u>240</u>
Total Income	919	514	426
Operating Expenses	(425)	(224)	(192)
Impairment Losses	<u>(23)</u>	<u>(4)</u>	<u>(17)</u>
Profit Before Tax	471	286	217

Prior divisional structure

P & L – Wholesale Financial Services

	FY Mar 06 €m	H1 Sept 06 €m	H1 Sept 05 €m
Net Interest Income	454	282	181
Other Income	<u>243</u>	<u>126</u>	<u>130</u>
Total Income	697	408	311
Operating Expenses	(288)	(151)	(128)
Impairment Losses	<u>(23)</u>	<u>(4)</u>	<u>(17)</u>
Profit Before Tax	386	253	166

P&L – Asset Mgmt. Services

	FY Mar 06 €m	H1 Sept 06 €m	H1 Sept 05 €m
Net Interest Income	7	3	5
Other Income	<u>215</u>	<u>103</u>	<u>110</u>
Total Income	222	106	115
Operating Expenses	(137)	(73)	(64)
Impairment Losses	-	-	-
Profit Before Tax	85	33	51