

Bank of Ireland Group plc (the “Group”)

Interim Management Statement – Q3 2025 update

29 October 2025

Bank of Ireland Group plc has today published an Interim Management Statement on its performance to 30 September 2025. The Group is reporting strong momentum and business performance as it nears the end of its current three-year strategy, with growth in Irish loans, deposits and assets under management, alongside disciplined cost control and high levels of capital generation. The Group retains its positive outlook to 2026 and beyond.

Comment: Myles O’Grady, Bank of Ireland Group CEO:

“The Group continues to see positive momentum, with loans, deposits and wealth AUM in Ireland all growing strongly. These are translating into high levels of net organic capital generation, supporting further balance sheet growth, investment in our business model and attractive shareholder returns.

We recently completed the €590m share buyback programme announced in February. Since the start of 2022, the Group’s share count has reduced by 12% through a series of buybacks, and – as previously announced – an interim dividend of 25 cents per share will be paid on 30 October as part of the Group’s overall progressive dividend per share objective for the year.

While we remain vigilant to the evolving international backdrop, the Irish economy continues to be resilient and growing.

We are approaching the end of our three-year strategic cycle and delivering well. Our strong strategic execution, differentiated business model, and the attractive markets in which we operate reinforces our positive outlook into 2026 and beyond, with Return on Tangible Equity (ROTE) on track to exceed 17% by 2027. The Group looks forward to presenting a refreshed strategy and updated targets in Q1 2026.”

Key highlights in nine month period to September 2025

- Strong Group performance YTD
- 185bps of organic capital generation
- CET1 ratio of 16.2%¹
- Net interest income modestly ahead of expectations. FY25 NII guidance upgraded to >€3.3bn
- Total business income² +5% y/y
- Operating expenses +3% y/y
- Net lending €82.2bn; Irish loan book 5% annualised growth with strong mortgage performance
- Group deposits €105.5bn; Irish Everyday Banking balances 5% annualised growth; term migration dynamics as anticipated
- AUM €58.3bn; 9% annualised growth; net inflows YTD of €1.6bn (4% of opening AUM, annualised)
- NPE ratio 2.5%
- FY25 estimated UK motor finance impact of c.€230m; equivalent to c.35bps CET1 and c.2% ROTE
- All FY25 guidance unchanged, other than NII upgrade and estimated UK motor finance impacts
- Positive outlook into 2026 and 2027 reiterated; ROTE building to >17% by 2027

Macroeconomic developments

Latest data continue to demonstrate Ireland’s resilient economic performance and momentum in both the domestic facing and export sectors. Domestic demand grew by 4.4% y/y in Q2 2025, while employment growth continues to exceed 2% y/y and the unemployment rate remains low. The Group has increased its forecasts for GDP growth to 10.7% in 2025 and 3.1% in 2026 (modified domestic demand of 3.4% and 2.6% respectively).

The housing market remains well supported by robust demand and wage growth of 5%. Rolling 12 month housing completions rose to a 16-year high of 33k in September. The Irish government plans an 8% rise in public expenditure next year, supporting demand and infrastructure delivery, whilst targeting a surplus of 0.8% of GDP. Inflationary pressures remains contained, with CPI inflation of 2.7% y/y in September. These dynamics will support real household incomes and consumer spending in 2026.

Income

We are upgrading our FY25 net interest income (NII) guidance to >€3.3bn⁴ (from c.€3.3bn previously), and our performance in the 9 month period supports our confidence in our NII trajectory into 2026 and 2027. NII was 7% lower vs the same period in 2024, modestly ahead of our expectations. The NII performance reflects lower average interest rates (average ECB deposit rate 2.35% YTD vs 3.89% in the same period in 2024) and deleveraging within the portfolios we are exiting, partially offset by volume growth in both deposits and core loan portfolios and the benefit of our structural hedge programme. The Group's NIM was 2.68% in the nine month period.

Total business income² was c.5% higher y/y, in line with our FY25 guidance. Our Wealth and Insurance AUM grew to €58.3bn at end September 2025 (€54.8bn Dec 2024 and €55.6bn Jun 2025), with net inflows of €1.6bn and market growth of 3% YTD, driving strong fee income growth.

Operating costs

Operating expenses (excluding regulatory fees and levies) progressed in line with expectations, 3% higher y/y, with the Group's cost-to-income ratio at 49% YTD. The Group continues to maintain tight control over its cost base, with FY25 guidance of c.3% growth unchanged. The Group continues to progress its multi-year simpler business initiatives, with the objective of maintaining costs at c.€2bn in 2026 and 2027, supported by a range of restructuring actions.

Regulatory fees and levies were €121m YTD, with our FY25 charge expected to be c.€130m.

Balance Sheet

Customer loan balances were €82.2bn at September 2025 compared to €82.5bn at December 2024 and €82.2bn at June 2025. Sustainable finance was €16.5bn (Dec 2024 €14.7bn, Jun 2025 €15.5bn).

The core loan book, excluding FX, increased by €2.5bn YTD, or c.4% annualised, with the Irish loan book growing by 5% annualised. Portfolios we are exiting within Corporate and Commercial reduced by €1.3bn YTD, whilst FX had a negative impact of €1.5bn.

By division, trends in net lending (YTD, excluding FX) were as follows:

- **Retail Ireland** net lending increased by €2.0bn, driven by continued strong growth in mortgages. Our mortgage market share of new lending³ was 41% YTD
- **Corporate and Commercial** net lending decreased by €1.1bn, with modest growth in Irish portfolios offset by deleveraging within exiting portfolios of €1.3bn
- **Retail UK** lending increased by €0.3bn on a constant currency basis

Loan balances (by division)	Dec-24 (EUR billion)	Jun-25 (EUR billion)	Sep-25 (EUR billion)
Retail Ireland	38.5	39.6	40.5
Corporate and Commercial Core	21.2	21.1	20.9
Corporate and Commercial Exiting	2.4	1.4	1.1
Retail UK (EUR)	20.4	20.2	19.6
Retail UK (Stg£ equivalent)	16.9	17.3	17.1

Our liquidity profile remains strong, supported by our Retail franchise in Ireland. Customer deposits were €105.5bn at September 2025, €2.4bn higher vs Dec 2024 and €0.5bn higher vs June 2025. The movement YTD largely reflects growth in Irish Everyday Banking, partially offset by lower Corporate deposits and an FX impact of €1.0bn. Flow into term/other products in Ireland was €1.5bn YTD (and €0.4bn in Q3), in line with expectations.

Deposit trends	Dec-24 (EUR billion)	Jun-25 (EUR billion)	Sep-25 (EUR billion)
Total customer balances	103.1	105.0	105.5
Everyday Banking	81.7	83.6	84.9
<i>(of which term/other)</i>	8.4	9.5	9.9
Corporate deposits	6.7	6.6	6.1
UK deposits (EUR)	14.8	14.8	14.5
<i>UK deposits (Stg£ equivalent)</i>	12.3	12.7	12.7

The Group's liquid assets have grown by €0.7bn vs Dec 2024 to €44.7bn, while wholesale funding of €8.4bn reduced by €2.5bn following scheduled maturities. Further reallocation of liquid assets held at the ECB saw the Group's Euro liquid asset bond portfolio increase to €18.1bn at end September (Jun 2025 €14.6bn, Dec 2024 €9.4bn).

At end September, the Group's liquidity coverage ratio was 191% (Dec 2024: 198%), the loan to deposit ratio was 78% (Dec 2024: 80%), and the net stable funding ratio was 155% (Dec 2024: 155%).

Asset Quality

Overall, the Group's asset quality continues to be robust, with NPEs of €2.0bn at end September (Dec 2024 €1.9bn, June 2025 €2.2bn). The NPE ratio was 2.5% of gross customer loans vs 2.2% at December 2024 and 2.6% at June 2025, and remains near historical lows. The Group continues to focus on achieving further asset quality improvements through a combination of organic and inorganic activity.

The Group took proactive decisions in H125 on stage migration and provisioning for our US acquisition finance portfolio. That portfolio has performed in line with expectations since then. The Group has also continued to reduce its US CRE portfolio. The Group has no lending exposure to NBFIs in the US.

Capital

The Group's CET1 ratio at end September 2025 was 16.2%¹ (14.6% Dec 2024, 16.0% Jun 2025). The Group's capital performance in the period reflects net organic capital generation of 185bps, and the benefit from Basel IV of 115bps, partially offset by the H1 2025 ordinary dividend payment of 45bps, a foreseeable distribution accrual of 30bps in Q3, and investment in RWA. The Group's Total Capital ratio was 21.6% at end September.

RWAs at end September of €52.9bn (€55.3bn Dec 2024) primarily reflect the benefit of Basel IV implementation (-€3.6bn RWA), partially offset by investment in the balance sheet.

Our €590m share buyback programme completed on 21 October, with 50.7m ordinary shares repurchased at an average price of €11.61.

UK motor finance

Following the publication on 7 October of the Financial Conduct Authority (FCA) consultation paper in respect of a proposed industry-wide redress scheme on UK motor finance commissions, the Group undertook an assessment of the potential financial impact of this proposed scheme.

On 20 October, the Group announced that, based on the proposals in their current form, its provision for motor finance could increase to c.£350m (c.€400m) (end June 2025 £143m / €167m). The estimated increase is due to the increased likelihood of a higher number of eligible cases, the construct of the proposed redress methodology and the customer engagement approach. The provision will be updated as part of the Group's FY25 financial reporting process. The final cost to the Group could change depending on the outcome of the consultation, actual customer opt-in rates and any further legal, regulatory or industry developments. If the provision was increased to £350m, it would reduce the Group's 30 September 2025 CET1 ratio of 16.2% by c.35bps.

2025 guidance

- NII >€3.3bn⁴ (from c.€3.3bn previously)
- Business income (including share of associates and JVs) c.5% higher vs 2024
- Operating expenses c.3% higher vs 2024
- Levies and regulatory charges c.€130m
- FY25 non-core charges c.€400m, with H2 restructuring charges broadly similar to H1, and incorporating estimate of UK motor finance impact
- Impairment charge c.30bps⁵
- 2025 adjusted RoTE c.15% excluding c.2% impact from UK motor finance
- Organic capital generation of 250 to 270bps⁶ excluding c.35bps impact from UK motor finance

Analyst webcast

Management will host a webcast today at 08.00am GMT. Access to the webcast can be gained through the link below. Please log in 5 minutes prior to the start time.

Please contact Group Investor Relations at GIRTeam@boi.com if any issue with accessing this link.

[Bank of Ireland Q3 2025 interim management statement webcast](#)

1. *Does not include c.35bps estimated impact from UK motor finance; reported CET1 of 15.0 % post EBA Q&A mechanical deduction of 9 month interim profits*
2. *Including share of associates and JVs*
3. *Market share based on BPFI data*
4. *The Group's NII guidance is based on an estimated average 2025 ECB deposit rate of 2.26%*
5. *Macroeconomic scenarios impacting credit impairment are updated semi-annually, with the next update as part of the year-end credit impairment process*
6. *Excludes additional benefit from Basel IV implementation of c.115bps on 1 January 2025*

Ends

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Forward Looking Statement

This announcement contains forward-looking statements with respect to certain of the Bank of Ireland Group plc (the 'Company' or 'BOIG plc') and its subsidiaries' (collectively the 'Group' or 'BOIG plc Group') plans and its current goals and expectations relating to its future financial condition and performance, the markets in which it operates and its future capital requirements. These forward-looking statements often can be identified by the fact that they do not relate only to historical or current facts. Generally, but not always, words such as 'may,' 'could,' 'should,' 'will,' 'expect,' 'intend,' 'estimate,' 'anticipate,' 'assume,' 'believe,' 'plan,' 'seek,' 'continue,' 'target,' 'goal,' 'would,' or their negative variations or similar expressions identify forward-looking statements, but their absence does not mean that a statement is not forward-looking.

Examples of forward-looking statements include, among others: statements regarding the Group's near term and longer term future capital requirements and ratios, loan to deposit ratios, expected impairment charges, the level of the Group's assets, the Group's financial position, future income, business strategy, projected costs, margins, future payment of dividends, future share buybacks, the implementation of changes in respect of certain of the Group's pension schemes, estimates of capital expenditures, discussions with Irish, United Kingdom, European and other regulators, plans and objectives for future operations the potential impact from uncertainty around international trade and tariff policies, and the continued impact of regional conflicts particularly on certain of the above issues and generally on the global and domestic economies. Such forward-looking statements are inherently subject to risks and uncertainties, and hence actual results may differ materially from those expressed or implied by such forward- looking statements.

Such risks and uncertainties include, but are not limited to, those as set out in the 'Principal Risks and Uncertainties' section on page 26 of the Group's 2025 Interim Report and in the Risk Management Report in the Group's Annual Report for the year ended 31 December 2024.

Nothing in this announcement should be considered to be a forecast of future profitability, dividend forecast or financial position of the Group and none of the information in this announcement is or is intended to be a profit forecast, dividend forecast, or profit estimate. Any forward-looking statement speaks only as at the date it is made. The Group does not undertake to release publicly any revision to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date hereof.