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8 July 2011



**EXCHANGE OFFERS AND CONSENT SOLICITATIONS**

**FIRST RESULTS ANNOUNCEMENT**

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND ANNOUNCES THE FIRST RESULTS OF ITS EXCHANGE OFFERS AND CONSENT SOLICITATIONS.

The Governor and Company of the Bank of Ireland (the "**Bank**") announced on 8 June 2011 that it had made an invitation to certain holders ("**Eligible Holders**") (which include, subject to certain conditions, U.S. holders that are "qualified institutional buyers" as defined in Rule 144A under the Securities Act of 1933, as amended (the "**Securities Act**")) of the securities listed in the table below (the "**Existing Securities**") to offer to exchange their Existing Securities for Option 1 Consideration (plus any accrued interest) or Option 2 Consideration (without any accrued interest), as further described below (the "**Exchange Offers**").

In conjunction with the Exchange Offers, the holders of the Existing Securities have been invited to consent to certain modifications to the terms of their Existing Securities (the "**Consent Solicitations**" and, together with the Exchange Offers, the "**Offers**").

The full terms and conditions of the Offers are set out in a Consent and Exchange Offer Memorandum dated 8 June 2011 (the "**Consent and Exchange Offer Memorandum**"), which is available to Eligible Holders from Lucid Issuer Services Limited and Equity Financial Trust Company at the details set out below. Capitalised terms used and not otherwise defined in this announcement have the meaning given to such terms in the Consent and Exchange Offer Memorandum.

This announcement is the First Results Announcement referred to in the Consent and Exchange Offer Memorandum.

**Results of the Exchange Offers**

As at the Expiration Deadline of 5.00 p.m. (New York time) on 7 July 2011, the aggregate nominal amount of each Series of Existing Securities (other than the Delayed Settlement Security<sup>2</sup>) validly Offered for Exchange for each of the Option 1 Consideration and Option 2 Consideration is as follows:

<b>Issuer</b>	<b>Description</b>	<b>Outstanding amount</b>	<b>Amount offered for Option 1 Consideration</b>	<b>Amount offered for Option 2 Consideration</b>
<i>Tier 1 Existing Securities:</i>				
BOI Capital Funding (No.1) LP	Fixed Rate/Variable Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities (ISIN: XS0213178295)	€215,866,000	€96,072,000	€53,724,000
BOI Capital Funding (No.2) LP	Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities	U.S.\$61,271,000	U.S.\$55,230,000	U.S.\$3,415,000

Issuer	Description	Outstanding amount	Amount offered for Option 1 Consideration	Amount offered for Option 2 Consideration
	(ISIN: USG12255AA64/ US055967AA11; CUSIP: 055967AA1)			
BOI Capital Funding (No.3) LP	Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities (ISIN: USG122550AA77/ US05568AAA88; CUSIP: 05568AAA8)	U.S.\$19,797,000	U.S.\$13,810,000	U.S.\$2,287,000
BOI Capital Funding (No.4) LP	Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities (ISIN: XS0268599999)	£5,070,000	£4,320,000	£750,000
Bank of Ireland UK Holdings plc	6.25 per cent. Guaranteed Callable Perpetual Preferred Securities (ISIN: XS0165122655)	£40,146,000	£39,432,000	£472,000
Bank of Ireland UK Holdings plc	7.40 per cent. Guaranteed Step-up Callable Perpetual Preferred Securities (ISIN: XS0125611482)	€253,335,000	€108,017,000	€16,777,000
<i>Upper Tier 2 Existing Securities:</i>				
The Governor and Company of the Bank of Ireland (in substitution for Bristol & West plc) <sup>1</sup>	13.375 per cent. Unsecured Perpetual Subordinated Bonds (ISIN: GB0000510312)	£75,000,000	N/A <sup>1</sup>	N/A <sup>1</sup>
The Governor and Company of the Bank of Ireland	Undated Floating Rate Primary Capital Notes (ISIN: IE0000750319)	U.S.\$75,140,000	U.S.\$64,710,000	U.S.\$10,390,000
<i>Lower Tier 2 Existing Securities:</i>				
The Governor and Company of the Bank of Ireland <sup>2</sup>	Fixed/Floating Dated Subordinated Notes due September 2015 (ISIN: CA062786AA67)	CAD138,721,000	N/A <sup>2</sup>	N/A <sup>2</sup>
The Governor and Company of the Bank of Ireland	Fixed/Floating Dated Subordinated Notes due September 2018 (ISIN: CA062786AD07)	CAD89,733,000	CAD38,459,000	CAD2,000
The Governor and Company of the Bank of Ireland	Callable Step-up Floating Rate Subordinated Notes due January 2017 (ISIN: XS0283474483)	€91,100,000	€87,100,000	€Nil
The Governor and Company of the Bank of Ireland	Callable Step-up Floating Rate Subordinated Notes due 2017 (ISIN: XS0223310862)	€48,100,000	€33,100,000	€2,350,000
The Governor and Company of the Bank of Ireland	Callable Fixed/Floating Dated Subordinated Notes due January 2018 (ISIN: XS0238792393)	£57,736,000	£57,400,000	£122,000
The Governor and Company of the Bank of Ireland	10.75 per cent. Subordinated Bonds due 2018 (ISIN: XS0044196425)	£27,117,000	£24,805,000	£611,000
The Governor and Company of the Bank of Ireland	Callable Step-up Floating Rate Subordinated Notes due July 2018 (ISIN: XS0309177318)	U.S.\$184,241,000	U.S.\$179,585,000	U.S.\$420,000
The Governor and Company of the Bank of Ireland	Fixed/Floating Rate Subordinated Notes due 2019 (ISIN: XS0186652557)	€201,487,000	€177,508,000	€4,848,000

Issuer	Description	Outstanding amount	Amount offered for Option 1 Consideration	Amount offered for Option 2 Consideration
The Governor and Company of the Bank of Ireland	10 per cent. Subordinated Notes due 2020 (ISIN: XS0487711656)	£87,147,000	£61,983,000	£437,000
The Governor and Company of the Bank of Ireland	10 per cent. Subordinated Notes due 2020 (ISIN: XS0487711573)	€747,056,000	€530,160,000	€10,993,000
The Governor and Company of the Bank of Ireland	Callable Subordinated Step-up Notes due September 2020 (ISIN: XS0381705549)	£272,128,000	£267,922,000	£2,482,000

<sup>1</sup> The Exchange Offer in respect of the Bank's 13.375 per cent. Unsecured Perpetual Subordinated Bonds (ISIN: GB0000510312) (the "**13.375% Securities**") was terminated pursuant to an announcement by the Bank made on 28 June 2011. As noted in that announcement, the Bank expects to instigate a new offer to holders of the 13.375% Securities at a future date.

<sup>2</sup> The Expiration Deadline for the Exchange Offer in respect of the Bank's Fixed/Floating Dated Subordinated Notes due September 2015 (ISIN: CA062786AA67) (the "**Delayed Settlement Security**") is 11.00 a.m. (New York time) on 8 August 2011. As at 5.00 p.m. (New York time) on 7 July 2011, CAD33,285,000 and CAD165,000 in aggregate nominal amount of the Delayed Settlement Security had been validly offered for exchange Option 1 Consideration and Option 2 Consideration, respectively. The final results of the Exchange Offer in respect of the Delayed Settlement Security, and the Bank's decision whether or not it accepts any Offers to Exchange in respect of the Delayed Settlement Security, are expected to be announced on 10 August 2011.

The Bank will (subject, in the case of Option 1 Offers, to satisfaction or waiver of the Exchange Offer Conditions) accept all such Offers to Exchange. Accordingly, the Bank expects (subject to satisfaction or waiver of the Exchange Offer Conditions) to issue €654,174,605 in principal amount of Allotment Instruments, and make Cash Payments equal to €10,120,980, U.S.\$2,474,200, £814,340 and CAD400, on the First Settlement Date (expected to be 14 July 2011).

The Bank expects to announce on 11 July 2011 whether or not the Exchange Offer Conditions (which are conditions precedent to the Option 1 Settlement) have been satisfied or waived.

### Late Participation FX Rates

The Late Participation FX Rates, determined in accordance with the terms of the Offers as set out in the Consent and Exchange Offer Memorandum, are set out below:

Late Participation U.S. dollar FX Rate:	1.4302
Late Participation Sterling FX Rate:	0.89602
Late Participation Canadian dollar FX Rate:	1.3711

The Late Participation FX Rates are versus euro and are relevant for determining the Euro-Equivalent Option 1 Consideration Amounts in respect of non-euro denominated Existing Securities which were Offered for Exchange for Option 1 Consideration after the Early Participation Deadline and before the Expiration Deadline (except as regards the Delayed Settlement Security, in respect of which the Delayed Settlement Security Late Participation FX Rate is expected to be published on 9 August 2011).

### Results of the Consent Solicitations

The Meetings of the holders of all Series of Existing Securities (other than the Delayed Settlement Security) were convened for 7 July 2011. Save as set out in footnote 1 to the table below, all such Meetings were quorate. The following table sets out whether the relevant Extraordinary Resolution was passed at each such Meeting:

Issuer	Description	Extraordinary Resolution passed
<i>Tier 1 Existing Securities:</i>		
BOI Capital Funding (No.1) LP	Fixed Rate/Variable Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities (ISIN: XS0213178295)	Yes
BOI Capital Funding (No.2) LP	Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities (ISIN: USG12255AA64/ US055967AA11; CUSIP: 055967AA1)	Yes
BOI Capital Funding (No.3) LP	Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities (ISIN: USG122550AA77/ US05568AAA88; CUSIP: 05568AAA8)	Yes
BOI Capital Funding (No.4) LP	Fixed Rate/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities (ISIN: XS0268599999)	Yes
Bank of Ireland UK Holdings plc	6.25 per cent. Guaranteed Callable Perpetual Preferred Securities (ISIN: XS0165122655)	Yes
Bank of Ireland UK Holdings plc	7.40 per cent. Guaranteed Step-up Callable Perpetual Preferred Securities (ISIN: XS0125611482)	No
<i>Upper Tier 2 Existing Securities:</i>		
The Governor and Company of the Bank of Ireland (in substitution for Bristol & West plc) <sup>1</sup>	13.375 per cent. Unsecured Perpetual Subordinated Bonds (ISIN: GB0000510312)	No <sup>1</sup>
The Governor and Company of the Bank of Ireland	Undated Floating Rate Primary Capital Notes (ISIN: IE0000750319)	Yes
<i>Lower Tier 2 Existing Securities:</i>		
The Governor and Company of the Bank of Ireland <sup>2</sup>	Fixed/Floating Dated Subordinated Notes due September 2015 (ISIN: CA062786AA67)	N/A <sup>2</sup>
The Governor and Company of the Bank of Ireland	Fixed/Floating Dated Subordinated Notes due September 2018 (ISIN: CA062786AD07)	No
The Governor and Company of the Bank of Ireland	Callable Step-up Floating Rate Subordinated Notes due January 2017 (ISIN: XS0283474483)	Yes
The Governor and Company of the Bank of Ireland	Callable Step-up Floating Rate Subordinated Notes due 2017 (ISIN: XS0223310862)	No
The Governor and Company of the Bank of Ireland	Callable Fixed/Floating Dated Subordinated Notes due January 2018 (ISIN: XS0238792393)	Yes
The Governor and Company of the Bank of Ireland	10.75 per cent. Subordinated Bonds due 2018 (ISIN: XS0044196425)	Yes
The Governor and Company of the Bank of Ireland	Callable Step-up Floating Rate Subordinated Notes due July 2018 (ISIN: XS0309177318)	Yes
The Governor and Company of the Bank of Ireland	Fixed/Floating Rate Subordinated Notes due 2019 (ISIN: XS0186652557)	Yes
The Governor and Company of the Bank of Ireland	10 per cent. Subordinated Notes due 2020 (ISIN: XS0487711656)	No

Issuer	Description	Extraordinary Resolution passed
The Governor and Company of the Bank of Ireland	10 per cent. Subordinated Notes due 2020 (ISIN: XS0487711573)	No
The Governor and Company of the Bank of Ireland	Callable Subordinated Step-up Notes due September 2020 (ISIN: XS0381705549)	Yes

<sup>1</sup> On 28 June 2011, the Bank announced the termination of the Exchange Offer in respect of the 13.375% Securities and its intention to instigate a new offer to holders of the 13.375% Securities at a future date. As noted in that announcement, the notice convening the Meeting of holders of the 13.375% Securities was irrevocable, and accordingly the Meeting was held in accordance with such notice. However, the necessary quorum for the Meeting was not present at the scheduled time. The terms of the 13.375% Securities provide that, in the event of a scheduled meeting not being quorate, an adjourned Meeting must be held. Accordingly, the Bank expects to convene an adjourned Meeting in respect of the 13.375% Securities, and will give appropriate notice to holders in due course.

However, as announced on 28 June 2011, the Bank reaffirms that it will take no action in relation to implementing the Extraordinary Resolution in respect of the 13.375% Securities, even if the Extraordinary Resolution is passed at the adjourned Meeting. Accordingly, the outcome of the adjourned Meeting will be of no consequence.

<sup>2</sup> The Meeting in respect of the Delayed Settlement Security has been convened for 10 August 2011. The results of that Meeting are expected to be announced on 10 August 2011.

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**OFFER RESTRICTIONS**

*This announcement does not constitute an offer of any securities for any purpose.*

*The Consent and Exchange Offer Memorandum does not constitute an offer or an invitation to participate in the Offers in any jurisdiction in or from which, or to any person to whom, it is unlawful to make such offer or invitation under applicable laws, and references in the Consent and Exchange Offer Memorandum to "Holder" or "Holders" should be construed accordingly. No Offer is being made to or may be accepted by any person or entity who is (a) located in the United States or (b) a U.S. Person (as defined in Regulation S under the United States Securities Act of 1933), other than entities who are Qualified Institutional Buyers (as defined in Rule 144A under the Securities Act).*

*The Offers are being conducted subject to the Offer Restrictions set out in the Consent and Exchange Offer Memorandum.*

**None of the securities referred to above, including the Ordinary Stock and the Allotment Instruments, have been, and nor will they be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, and none of the securities referred to above may be offered, sold or delivered, directly or indirectly, in the United States or to U.S. Persons absent an applicable exemption from the registration requirements of the Securities Act.**

**General**

The distribution of this announcement and the Consent and Exchange Offer Memorandum in certain jurisdictions may be restricted. Persons into whose possession this announcement or the Consent and Exchange Offer Memorandum comes are required to inform themselves about and to observe any such restrictions. The Consent and Exchange Offer Memorandum does not constitute, and may not be used for the purpose of, an offer or solicitation to the public or to

anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

*Note:*

*None of the Minister for Finance, the Department of Finance, the Irish Government, the National Pensions Reserve Fund Commission, the National Treasury Management Agency or any person controlled by or controlling any such person, or any entity or agency of or related to the Irish State, or any director, officer, official, employee or adviser (including without limitation legal and financial advisors) of any such person (each such person, a "Relevant Person") accepts any responsibility for the contents of, or makes any representation or warranty as to the accuracy, completeness or fairness of any information in, this announcement or any document referred to in this announcement or any supplement or amendment thereto (each a "Transaction Document"). Each Relevant Person expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon, the whole or any part of the contents of any Transaction Document. No Relevant Person has authorised or will authorise the contents of any Transaction Document, or has recommended or endorsed the merits of the offering of securities or any other course of action contemplated by any Transaction Document.*

*Each of the Dealer Managers is acting exclusively for the Bank in connection with the Offers and no one else and will not regard any other person as a client in relation to the Offers and will not be responsible to anyone other than the Bank for providing the protections afforded to their clients or for providing advice in relation to the Offers or any matters referred to in this announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on each of the Dealer Managers by the Financial Services and Markets Act 2000, the European Communities (Market in Financial Instruments) Regulations (Nos 1 to 3) 2007 of Ireland or the Investment Intermediaries Act 1995 of Ireland, the Dealer Managers accept no responsibility whatsoever for the contents of any of the Transaction Documents.*