

Bank of Ireland Key Messages

30th June 2020



Strong retail & commercial customer franchises to support the recovery

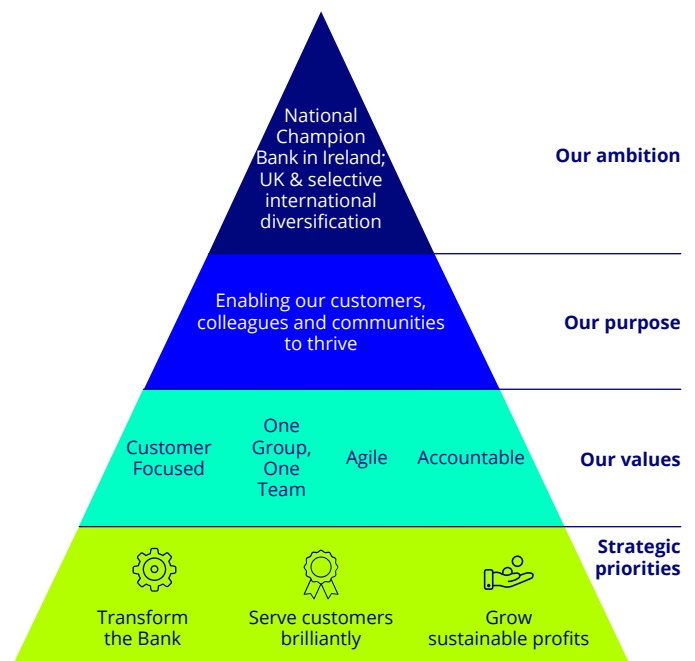
Ireland's leading retail and commercial bank

- Over 2 million consumer, business and wealth and insurance customers
- Leading market shares in mortgage, SME, consumer and wealth products
- Ireland's only bancassurer
- Leading Business Bank in Ireland
- #1 Corporate Bank in Ireland¹; #1 Bank for FDI into Ireland²
- 1.2m active digital users³ representing c.70% of the current account base
- Supporting economic recovery; additional funding of €1.4bn available for homebuilding and green investment in Ireland

UK and International businesses provide diversification and further opportunities for growth

- Strategic progress since 2017; protracted difficult market conditions necessitate further restructuring of our retail businesses in UK

Our Strategy



2020 H1 Highlights

H1 Performance

€669m

Underlying loss before tax

- Total income reduced 13%; lower business income and valuation item movements
- Stable net interest income; NIM of 2.02%
- Strong cost discipline continues; costs reduced by further 3% vs. H1 2019
- Net lending growth €0.2bn including €1.3bn of revolving credit facilities; Irish mortgage market share increased to 25%

Asset Quality

€937m

IFRS 9 impairment charge

- Impairment charge of €937m, of which 60% relates to performing Stage 1 and Stage 2 loans; prudent and comprehensive approach
- Increased NPE ratio 5.8%; credit migration in Q2 and implementation of new Definition of Default regulatory framework
- Proven track record of working with customers to find sustainable solutions; diversified balance sheet across portfolios and geographies

Transformation

3%

Reduction in costs

- Cost reduction in each of past five reporting periods; 10% lower vs. H2 2017
- Launched new mobile app; strong progress against key milestones
- Further Wealth and Insurance digital platforms launched
- Impairment on intangible software assets €136m

Capital

13.6%

Fully loaded CET1 ratio

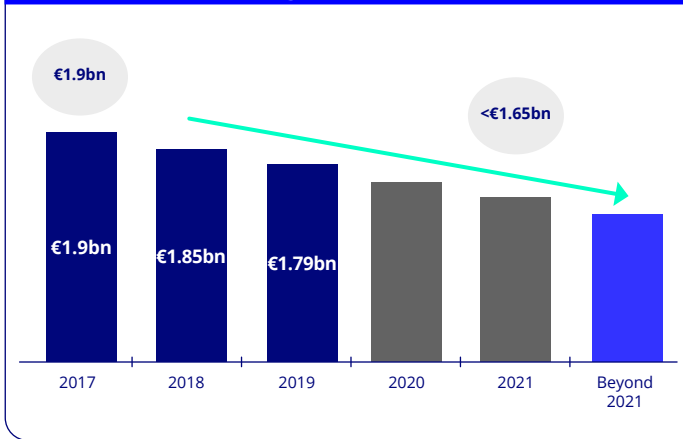
- Strong capital position; fully loaded CET1 ratio 13.6%, regulatory CET1 ratio 14.9%
- Pre-impairment organic capital generation of 45bps
- Completed €675m AT1 transaction in Q2

¹ Based on corporate lending information sourced from publicly available annual reports for 2018 & 2019 for all Irish banks, Bank of Ireland analysis of its banking relationships with companies from the 2020 Irish Times Top 500 companies list and Bank of Ireland analysis of its banking relationships with companies on the published listing of international companies setting up operations in ROI 2019.

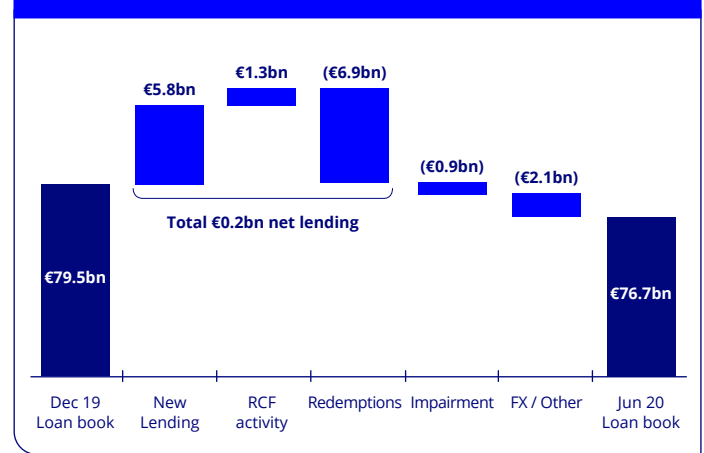
² Based on Bank of Ireland's analysis of its banking relationships with international companies who set up operations in Republic of Ireland in 2019, (international company data source from the IDA Annual Report 2019).

³ Active digital users: customer has logged in during the past 90 days

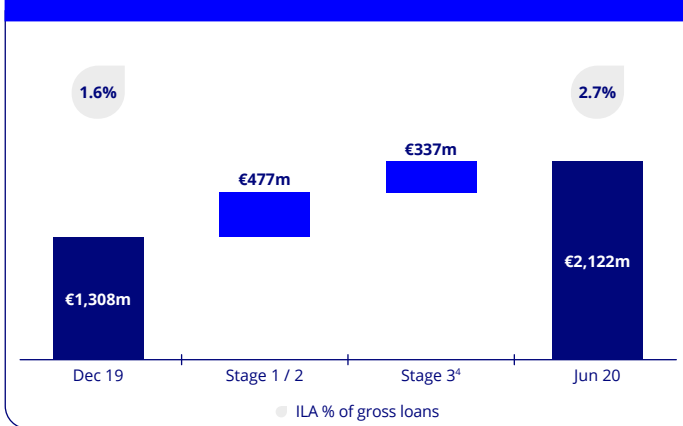
2021 costs now expected to be below previous guidance of €1.65bn



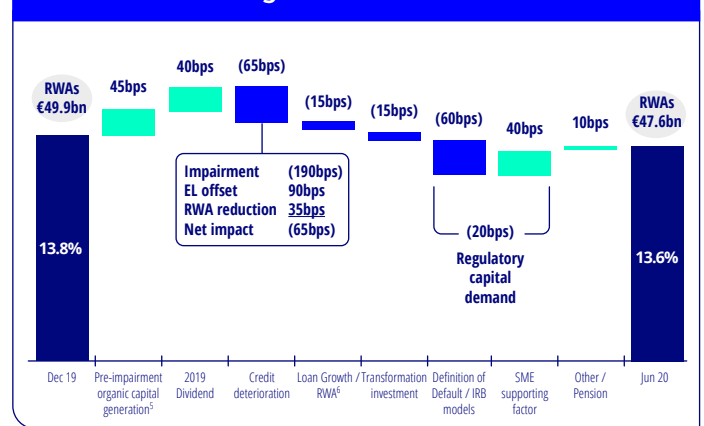
Group loan book movement



ILA movement



Fully loaded CET1 ratio



⁴ Includes Purchased Other Credit Impaired (POCI)

⁵ Pre-impairment organic capital generation primarily consists of attributable profit excluding impairment and movements in regulatory deductions

⁶ Loan Growth / RWA movements from net loan growth, changes in asset quality and book mix and movements in other RWAs

Credit ratings and key capital and liquidity ratios remain strong

Bank of Ireland Group plc (holding company of the Group)

Rating Agencies	Standard & Poor's	Moody's	Fitch
Long Term	BBB-	Baa2	BBB
Outlook*	Negative	Stable	Negative
Short Term	A-3	N/A	F2

Capital	
Fully Loaded	13.6%
Transitional	14.9%
Fully Loaded Leverage Ratio	6.3%
MREL Ratio	24.4%

Governor and Company of the Bank of Ireland

Rating Agencies	Standard & Poor's	Moody's	Fitch
Long Term	A-	A2 (Deposit Rating A2)	BBB+
Outlook*	Negative	Stable (Deposit Outlook Stable)	Negative
Covered Bond Rating	N/A	Aaa	N/A
Short Term	A-2	Prime-1	F2

Liquidity	
Liquidity Coverage Ratio	149%
Net Stable Funding Ratio	135%
Loan to Deposit Ratio	89%

* Long term outlook

Disclaimer

This document 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') plans and its current goals and expectations relating to its strategy, future financial condition and performance and the markets in which it operates. 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, the level of the Group's assets and the Group's financial position, future income, margins, business strategy, projected costs and cost reduction targets. 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 Risk Management Report in the Group's Annual Report for the year ended 31 December 2019. Investors should also read 'Principal Risks and Uncertainties' in the Group's Interim Report for the six months ended 30 June 2020 beginning on page 28.

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