

Bank of Ireland Group plc (together with its subsidiaries, the "Group")

Central Bank of Ireland Countercyclical Buffer requirement

6 July 2018

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The Central Bank of Ireland has announced its intention to increase the countercyclical capital buffer (CCyB) in Ireland. The CCyB will increase from its current level of 0% to 1.0% effective from 5 July 2019.

The CCyB will be applied in proportion to the Group's credit risk weighted assets in Ireland, resulting in a c.60bps Irish CCyB requirement for the Group from July 2019 (c. 60% of the Group's credit risk weighted assets are located in Ireland).

The Group's capital guidance remains unchanged. As announced at our Investor Day on 13 June 2018, the Group expects to maintain a CET1 ratio in excess of 13% on a regulatory basis and on a fully loaded basis by the end of the O-SII phase in period<sup>1</sup>. This includes meeting applicable regulatory capital requirements plus an appropriate management buffer.

At the end of March 2018, the Group's fully loaded CET1 ratio was 13.7% and the Group's regulatory CET1 ratio was 15.4%.

<sup>1</sup> *The Other Systemically Important Institution (O-SII) buffer will be introduced at 0.5% in July 2019, before increasing to 1% in July 2020 and 1.5% in July 2021*

Ends

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#### **Forward-Looking Statement**

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' 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, estimates of capital expenditures, discussions with Irish, United Kingdom, European and other regulators and plans and objectives for future operations. 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.

Nothing in this document should be considered to be a forecast of future profitability, dividends or financial position and none of the information in this document is or is intended to be a profit forecast, profit estimate or dividend forecast. 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.