

The Governor and Company of the Bank of Ireland (“Bank of Ireland” or the “Bank”)

Rights Issue Update

12 July 2011

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Rights Issue Update

Pursuant to the approval of the Resolutions by Stockholders relating to the Proposals obtained at the Extraordinary General Court of Bank of Ireland held on 11 July 2011, the Bank announces that 19,077,889,032 of Nil Paid Rights and Fully Paid Rights, have been admitted to the Official Lists of the Irish Stock Exchange and the UK Listing Authority and have been admitted to trading on the Irish Stock Exchange and the London Stock Exchange with dealings in respect thereof commencing today.

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Terms defined in the prospectus issued by the Bank of Ireland dated 18 June 2011 shall have the same meaning in this announcement.

This announcement is not and should not be read as an offer to acquire or sell or exchange securities in connection with the Rights Issue or otherwise. It is not a prospectus or a prospectus “equivalent” document. Any investment in respect of the Rights Issue by a Qualifying Stockholder should only be made on the basis of information contained in or incorporated by reference in the Prospectus and the Supplementary Prospectus. Qualifying Stockholders should also read, in full, the risk factors set out in the Prospectus published by the Bank relating to the Proposals.

The securities that may be offered in the Proposals have not been and will not be registered under the US Securities Act of 1933, as amended (the “US Securities Act”) or the securities laws of any State or other jurisdictions of the United States, or any other Excluded Territory and may not be offered or sold in the United States or any other Excluded Territory or to US Persons (as defined in Regulation S under the US Securities Act) absent registration or an applicable exemption from registration requirements of the US Securities Act and in compliance with any applicable securities laws of any State or other jurisdiction of the United States or any other Excluded Territory. There will be no public offer in the United States or in any Excluded Territory.

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This announcement contains or incorporates by reference certain “forward looking statements” regarding the belief or current expectations of the Group, the Directors and other members of its senior management about the Bank's financial

condition, results of operations and business and the transactions described in the Prospectus. 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. Such forward looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Bank and are difficult to predict, that may cause the actual results, performance, achievements or developments of the Group or the industries in which it operates to differ materially from any future results, performance, achievements or developments expressed or implied from the forward looking statements. A number of material factors could cause actual results to differ materially from those contemplated by the forward looking statements.

None of the Minister for Finance, the Department of Finance, the Irish Government, the National Pensions Reserve Fund Commission, the National Treasury Management Agency, IBI Corporate Finance ("IBI"), the Joint Bookrunners, 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 IBI and the Joint Bookrunners are acting exclusively for the Bank in connection with the Proposals and no one else and will not regard any other person as a client in relation to the Proposals 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 Proposals or any matters referred to in this announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on each of IBI and the Joint Bookrunners 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, IBI and the Joint Bookrunners accept no responsibility whatsoever for the contents of any of the Transaction Documents.