

Bank of Ireland Group plc (the "Group")

Sale of UK credit cards portfolio

28 June 2019

As set out at the Investor Day in June 2018, and with a focus on increasing returns in our UK business, the Group undertook a strategic review of the UK credit cards business. Today, the Group announces that it has, through Bank of Ireland (UK) plc, agreed to sell the existing UK credit cards portfolio at par value. This comprises of the Post Office, the AA and the Bank of Ireland's branded consumer credit cards for a consideration of c.£530m to CCP Credit Master Lux S.à r.l. and CSCP III Master Lux S.à r.l. which are special purpose investment vehicles advised by affiliates of Centerbridge Partners Europe LLP and Jaja Finance Limited ("Jaja").

In addition, the Group and Jaja have entered into a separate long-term agreement under which Jaja will become the issuer for the AA and Bank of Ireland's consumer credit cards.

As at 31 December 2018, the UK consumer credit cards portfolio was c.£545m and, in 2018, this business contributed £35m of total income and had operating expenses of £36m. The sale of this portfolio is expected to generate a c.70bps improvement in the UK business RoTE and c.10bps towards the Group's CET1 ratio.

The sale proceeds will be used for general corporate purposes.

Ends

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Forward Looking Statement

This announcement contains forward-looking statements with respect to certain of Bank of Ireland Group plc ('BOIG plc') and its subsidiaries' (collectively the '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, level of ownership by the Irish Government, loan to deposit ratios, expected impairment losses, the level of the Group's assets, the Group's financial position, future income, business strategy, projected costs, margins, future payment of dividends, 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 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 announcement should be considered to be a forecast of future profitability, dividends 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.