2025

Bank of Ireland Group plc

Interim Report

(for the six months ended 30 June 2025)

Bank of Ireland

The Group had a good H1 performance, with a profit before tax of €0.7 billion and is on track to deliver its full year targets. We are mid-way through the final year of our strategy and delivering with momentum. This is underpinned by our strategic execution, differentiated business model and the attractive markets we operate in. Product and digital innovations are strengthening our customer outcomes. Against an uncertain international backdrop, the Irish economy is resilient. Bank of Ireland is well positioned to navigate this environment, generating strong levels of capital to support customers, grow our balance sheet, invest in the business and deliver attractive shareholder returns.

Myles O'Grady
Group Chief Executive

Inside this report

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The Interim Report and other information in relation to Bank of Ireland is available on the Investors page of our website at:
www.bankofireland.com

The Group's forward-looking statement can be found on page 116.

Key performance highlights

Growing, generating capital and attractive returns in H125.

Sustainable growth	**+5%** Irish loans *(Annualised vs Dec 24)*	**+5%** Everyday Banking deposit balances *(Annualised vs Dec 24)*	**+3%** AUM *(Annualised vs Dec 24)*
Strong financial performance	**€0.7bn** PBT *(H124: €1.1bn)*	**48%** Underlying CIR[1] *(H124: 44%)*	**16.0%** CET1[2] *(31 December 2024:14.6%)*
Generating attractive returns	**14.8%** RoTE adjusted[3] *(H124: 18.9%)*	**110 bps** Net organic capital generation	**25 cent** DPS *40% payout ratio*

Share count **reduced by 11%** since start of 2022 post **cumulative buybacks of c.€1.2 billion**

[1] *The Group's financial results are presented on an underlying basis. Underlying excludes non-core items which are those items that the Group believes obscure the underlying performance trends in the business. See non-core table on page 12 for further details. For calculation of underlying cost / income ratio (CIR) see page 122.*
[2] *The H125 pro forma CET1 ratio is 16%. In accordance with ECB guidance and EBA Q&A 2023_6887, the reported CET1 ratio (which excludes H1 interim profits) is 15.3%*
[3] *Return on Tangible Equity (adjusted) is an alternative performance measure, for calculation see page 121.*

Further information on measures referred to in our key performance highlights can be found in alternative performance measures on page 117.

Chief Executive's review

The Group had a good H1 performance, with a profit before tax of €0.7 billion and is on track to deliver its full year targets. We are mid-way through the final year of our strategy and delivering with momentum. This is underpinned by our strategic execution, differentiated business model and the attractive markets we operate in. Product and digital innovations are strengthening our customer outcomes. Against an uncertain international backdrop, the Irish economy is resilient. Bank of Ireland is well positioned to navigate this environment, generating strong levels of capital to support customers, grow our balance sheet, invest in the business and deliver attractive shareholder returns.

Myles O'Grady *Group Chief Executive Officer*

In the first half of 2025, the Group increased Irish loans, deposits and wealth assets, and generated strong levels of capital. This performance reflects the ongoing strength of our franchises, supported by a resilient and growing Irish economy and interest rate management.

Key financial highlights in H125 include:
- Profit before tax (PBT) of €0.7 billion;
- a cost-income ratio[1] of 48%;
- adjusted Return on Tangible Equity (RoTE) of 14.8%;
- net organic capital generation of 110 basis points (bps); and
- an interim dividend of 25 cent, with reiterated guidance for a progressive FY25 dividend per share.

Progress on our Strategic Pillars

We are in the final months of our current three year strategic cycle and we continue to make tangible and material progress across each of our three strategic pillars - building stronger customer relationships, a simpler business and a more sustainable company.

This progress underpins our confidence in delivering current year performance, while future-proofing our business model, ensuring that we continue to deliver for customers, colleagues, shareholders and society.

Stronger Relationships

Our strategy is delivering better outcomes for our more than four million customers. Product innovation, technology and digital deployments continue to make it easier to bank with Bank of Ireland and deepen our relationships with our customers. The positive impact of our EcoSaver mortgage introduced last year and the introduction of our Smart Start Youth and Coming to Ireland products this year are examples of innovation meeting customer needs. Our significant investments in fraud prevention and service transformation are protecting our customers and improving their experience.

Key customer metrics show our progress. During H125, the Group's customer effort score improved to a record high of +61, +4 points year on year (YoY), while our Personal Relationship Net Promoter Score (RNPS) increased by 9 points YoY to a new high of +30, bringing its cumulative increase since H119 to 35 points.

Stronger relationships drive tangible business benefits. In Ireland's competitive mortgage market, we delivered a 40% share of new lending during H125, maintaining the strong FY24 outcome. We also maintained our attractive positions in the SME business banking and corporate segments, all while retaining our commercial focus and underwriting standards.

Notwithstanding unsettled market conditions, our Wealth and Insurance franchises, Davy and New Ireland, increased their assets under management (AUM) to a record €55.6 billion, +3% on an annualised basis, supported by net inflows of €1.2 billion.

Simpler Business

The Group continues to invest in its business model to support near-term and longer-term enduring efficiencies. This activity is a fundamental component underpinning the sustainability of returns.

In H125, the Group deployed a range of interventions supporting productivity and cost reduction, with the overall objective of a leaner more efficient organisation.

Examples of this activity include a digitised and re-engineered platform

[1] *The Group's financial results are presented on an underlying basis. Underlying excludes non-core items which are those items that the Group believes obscure the underlying performance trends in the business.*

for commercial lending, driving easier loan applications and faster loan approval. We continue to experiment with and deploy Generative AI, positively impacting data engineering and contact centre robotics. In-sourcing engineers is supporting technology change and helping to sustainably build internal talent, while reviews of organisation spans and layers are supporting an appropriate organisational design.

Key impacts of these interventions include the ongoing increase in active digital users, now at 80% of our personal current account base, and a material reduction in customer complaints of 22% YoY.

In H225, the Group will commence the roll-out of its new mobile app, which will deliver a step-change in user experience and satisfaction, unlocking further commercial benefits. We are also making good progress in our multi-year programme to replace our fleet of c.650 ATMs.

Financially, the Group's cost income ratio was 48%, inside the committed target of <50%.

Sustainable Company

As in many other countries, housing is the most pressing economic and social issue in Ireland right now.

During H125, we announced that Bank of Ireland is increasing its target for homebuilding, with an updated ambition to support the construction of 30,000 homes across Ireland through debt and equity financing. In June, Bank of Ireland was supporting the construction of 24,500 homes, across all housing types, on 235 sites in Ireland.

Building on last year's substantial and broad Irish Government Housing Commission Report, the Group also convened a panel of key housing market stakeholders – drawn from homebuilders, equity investors, representative bodies and professional services – to consider ways in which the private sector can further increase housing supply responsibly. Recommendations from this panel are expected to be published by the Group later this year.

A highlight in H125 was the achievement of our target to provide €15 billion in sustainable finance by the end of 2025 ahead of time, with the stock of lending standing at €15.5 billion at end-June, +24% YoY. We are well placed to deliver on our ambition of growing this to €30 billion by the end of 2030.

We have retained our position as the #1 bank recognised for Financial Wellbeing among Irish consumers with a continued focus on financial literacy.

We have continued to invest in protecting customers from fraud, including offering 24/7 customer support to those who may be targeted by this activity. Attempted fraud by criminals against our customers decreased by c.30% in H125 compared to H224, reflecting a strong control environment.

To enhance accessibility, we have introduced a range of service improvements including video sign language interpretation and a text relay service which allows real-time translation of text into voice and vice versa. During H125 we also introduced voluntary blocks on debit cards for customers who want to stop transacting with gambling operators. All of these initiatives are designed to help customers take positive steps to improve control over their finances.

Earlier this year the Group was among the first wave of businesses in the EU to report under the Corporate Sustainability Reporting Directive (CSRD), significantly increasing the scale of corporate reporting on sustainability-related disclosures by the Group on topics of material interest for our stakeholders.

Economic backdrop

The Irish economy is resilient and growing against a more uncertain external backdrop, particularly in relation to international trade arrangements.

While the risks are potentially material, Bank of Ireland is well positioned to navigate this evolving environment.

The Group's Economic Research Unit forecasts headline GDP growth of 8.1% in 2025 and 3.2% in 2026 and these forecasts incorporate consideration of the current evolving policy framework.

This is not to discount the risks from the external environment. An analysis of the sectors most vulnerable to adverse developments offers some reassurance, with multinational corporations directly accountable for c.11% of total Irish employment – and this is spread across more than 1,800 businesses operating in many different industries.

In addition, it is worth highlighting that a combination of above-average economic growth and prudent management of the public finances over many years have positioned Ireland with one of the lowest debt-to-GDP ratios in the European Union.

Irish consumers and businesses are also in good balance sheet shape. Supported by robust savings activity over many years, household net worth is at an all-time high.

Total employment is also at an all-time high, with the unemployment rate at 4.0%. Real wage growth is expected at 2.3% in 2025.

While housing completions continue to lag below fundamental demographic demand, they are still expected to trend higher in the coming years.

Irish Government capital expenditure is expected to grow to €20 billion by 2027 compared to €14.4 billion last year. This investment is critical to creating capacity in support of economic growth.

In the UK, Bank of Ireland forecasts GDP growth of 1.1% in 2025 and 1.3% in 2026. We continue to see attractive opportunities in the segments we target in this market.

The Group will continue to remain vigilant to macroeconomic developments.

H125 Business and Financial Performance

The Group delivered a good performance in the first half of the financial year. PBT was €0.7 billion compared to €1.1 billion in H124, primarily due to lower net interest income and higher impairments YoY. RoTE was 14.8% and we expect to deliver a RoTE of c.15% for the year.

Net interest income (NII) in H125 was c. €1.7 billion, -8% YoY, with strong business momentum offset by lower rates. For FY25, we now expect NII of c. €3.3 billion, an upgrade on our previous guidance of greater than €3.25 billion. This upgrade is in spite of lower interest rates and a weaker sterling than we had assumed at the start of the year, reflecting business momentum and the increased size of our bond portfolio.

The Group's loan book was broadly stable at €82.2 billion at end-June, with growth in Ireland of €1.3 billion the primary driver, offset by the planned contraction in our GB Corporate book and FX impacts. We expect our overall loan book to grow by c.2% in 2025, with Ireland the key driver.

Customer deposits were higher in the period at €105 billion, led by good growth in Irish retail balances.

As expected, we are seeing a moderation in the rate of flow-to-term versus the prior year.

Total business income, including share of associates and joint ventures, was €399 million in H125, +4% YoY, and in line with our expectations. Our Wealth and Insurance franchises were the key driver of growth in the period. For FY25, we continue to expect c.5% growth in business income.

Costs were 3% higher YoY, with higher staff and other costs partly offset by efficiencies. For FY25, we continue to guide to c.3% cost growth and a sub-50% cost-income ratio. Levies and regulatory charges of c.€130 million are expected.

Non-core charges were €83 million in H125, primarily relating to restructuring. We expect a broadly similar outturn for H225, reflecting some acceleration of restructuring activity.

Our asset quality remains robust. Our NPE ratio was 2.6% at end June, up 40 bps since December 2024, but close to multi-year lows. The Group reported an underlying net credit impairment charge of €137 million in H1. Our net portfolio activity charge of €97 million reflects loan loss experience partly offset by credit protection. A further €40 million is from additional management adjustments incorporating the evolving macroeconomic outlook. Reflecting H125 performance, we have updated our FY25 impairment guidance to be c.30bps, subject to no material change in economic conditions or outlook.

The provision in connection with the Group's UK motor finance business historical commission arrangements is unchanged at £143 million (€167 million). We expect further clarity on this matter in H225.

The Group's liquidity profile remains very strong, as evidenced in the key ratios. At 30 June 2025, the Group's liquidity coverage ratio was 194% (31 December 2024[1]: 198%); the loan to deposit ratio was 78% (31 December 2024: 80%); and the net stable funding ratio was 154% (31 December 2024: 155%).

Our pro forma CET1 ratio was 16.0% at 30 June 2025, +140bps year to date. Organic capital generation was 110bps with this augmented by the 115bps Basel IV benefit. Investment in RWA growth (-35bps) and an accrual for the interim dividend (-45bps) complete the walk.

On capital distributions, the Group has made good progress on the execution of the FY24 €590 million share buyback announced in February, with c.80% deployed to date. As a consequence of a series of annual buybacks, the Group has reduced its share count by c.11% since early 2022.

Interim ordinary dividend distributions commenced in 2024 for the first time since 2008. As part of our Interim Results, we are announcing an interim dividend of €243 million, or 25c per share. This is equivalent to 40% of H125 profit after tax.

The interim dividend will be paid on 30 October 2025 to shareholders on the register on 3 October 2025, the record date for the dividend. We also reaffirm our prior commitment that the FY25 dividend per share will be a progressive one, and the distributions in respect of 2025 performance will comprise a combination of dividends and share buybacks, with the latter to be considered at the FY25 stage.

Outlook

Notwithstanding geopolitical developments and the evolving competitive environment, we are on track to meet or beat each of the annual targets that were set for the current strategic cycle and maintain a positive outlook for the period beyond 2025. We are reiterating our FY25 guidance of an adjusted RoTE of c.15% and organic capital generation of 250 to 270bps.

Importantly, the building blocks underpinning the Group's positive medium-term outlook – a differentiated business model operating in structurally attractive markets; expected balance sheet growth; a relentless focus on efficiency; and commitment to delivering shareholder value – all remain intact. Combined, these provide continued confidence that the Group's RoTE will strengthen to >17% by 2027, driving powerful capital generation that supports our customers, balance sheet growth, investment in our business and delivers attractive shareholder returns.

Key highlights

+4 points
improvement in customer effort score, YoY

+9 points
improvement in RNPS, YoY

80%
digitally active personal customers

#1
for Financial Wellbeing in Ireland

+24%
increase in sustainable lending, YoY, to €15.5bn

-22%
reduction in customer complaints, YoY

Myles O'Grady
Group Chief Executive Officer

[1] The comparative figure for the Liquidity Coverage Ratio (LCR) has been restated following a refinement of the calculation of certain outflows totalling €0.3 billion. As a result, the LCR decreased by 4 percentage points, from 202% to 198%.

Operating and financial review *(incorporating risk management)*

Basis of presentation

The operating and financial review (OFR) is presented using IFRS and non-IFRS measures / alternative performance measures (APMs) to analyse the Group's performance. APMs include 'underlying' basis, which excludes non-core items the Group believes obscure the underlying performance trends in the business. Further information on measures referred to in the OFR are found in APMs on page 117. The income statements are presented for the six months ended 30 June 2025 (H125) compared to the six months ended 30 June 2024 (H124). The balance sheets are presented for 30 June 2025 compared to 31 December 2024. Percentages presented throughout this document are calculated on the absolute underlying figures and so may differ from the percentage variances calculated on the rounded numbers presented. Where the percentages are not measured, this is indicated by n/m.

Summary consolidated income statement on an underlying basis

	Table	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Net interest income	1	1,665	1,802
Net other income[1]	2	367	394
Operating income		**2,032**	**2,196**
Operating expenses (before levies and regulatory charges)[1]	3	(987)	(961)
Levies and regulatory charges	3	(113)	(111)
Operating profit before net impairment losses on financial instruments		**932**	**1,124**
Net impairment losses on financial instruments[1]	4	(137)	(50)
Share of results of associates and joint ventures (after tax)		9	17
Underlying profit before tax		**804**	**1,091**
Non-core items[1]	5	(83)	(11)
Profit before tax		**721**	**1,080**
Tax charge		(113)	(203)
Profit for the period		**608**	**877**
Key ratios			
Statutory cost income ratio (%)		58	50
Underlying cost income ratio (%)		48	44
Return on Tangible Equity (%)		11.3	16.4
Return on Tangible Equity (adjusted) (%)		14.8	18.9
Return on assets (bps) (annualised)		76	111
Per ordinary share			
Basic earnings per share (€ cent)		57.8	80.8
Underlying earnings per share (€ cent)		65.1	83.3
Tangible Net Asset Value per share (€ cent)		1,039	996
Interim dividend per share (€ cent)		25	35

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. A reconciliation between the IFRS and summary consolidated income statement on an underlying basis is set out on page 18. For further information on APMs see page 117.*

Profit before tax of €721 million was reported by the Group for H125, €359 million lower compared to H124.

Underlying profit before tax of €804 million was €287 million lower than H124.

Net interest income was 8% lower than H124, with the impact of the lower interest rate environment on lending and liquid asset yields along with higher deposit costs partially offset by higher lending and deposit volumes, higher structural hedge income and lower wholesale funding costs.

Net other income is €27 million lower period on period, with an increase in business income driven by strong performance in Wealth and Insurance and higher Corporate and Commercial fee income, more than offset by the negative impact of derivative related valuation adjustments.

Operating expenses (before levies and regulatory charges) were up 3%, reflecting inflation and investments to drive sustainable future benefits, offset by pension costs and efficiencies.

Levies and regulatory charges increased by €2 million or 2% in H125 due to the Bank of England Levy introduced in H224.

Summary consolidated income statement on an underlying basis *(continued)*

Net impairment losses on financial instruments increased by €87 million. Actual impairment losses on financial instruments increased by €170 million reflecting actual loan loss experience, the impact on IFRS 9 models of Forward-looking information (FLI) from the Group's latest macro-economic outlook and movement in management adjustments in the period. However, these losses have been partially offset by movements in reimbursement assets of €83 million, arising from financial guarantee contracts related to the corporate loan portfolio.

Share of results of associates and joint ventures (after tax) decreased by €8 million, primarily due to non-recurrence of investment gains recorded in H124.

Non-core items increased by €72 million to €83 million (H124: €11 million) due to an increase in transformation programme costs of €46 million, lower (net) gain on portfolio divestments of €20 million, a loss of €2 million (H124: €14 million gain) in Gross-up for policyholder tax in the Wealth and Insurance business, offset by lower acquisition costs of €6 million and lower liability management exercise costs of €4 million.

The **tax charge** for H125 of €113 million (H124: €203 million) reflected an effective statutory taxation rate of 16% (H124: 19%) for the Group. On an underlying basis, the effective taxation rate for H125 was 15% (H124: 17%). The movement in the effective tax rate is influenced by the Irish bank levy, the tax impacts of changes in the jurisdictional mix of profits and policyholder investment returns in New Ireland.

Net interest income

Table: 1 Net interest income / net interest margin[2]	6 months ended 30 June 2025 €m	*Restated*[1] 6 months ended 30 June 2024 €m	Change %
Net interest income	**1,665**	**1,802**	**(8%)**
Average interest earning assets (€bn)			
Loans and advances to customers	82	80	3%
Other interest earning assets	43	41	5%
Total average interest earning assets	**125**	**121**	**3%**
Net interest margin (annualised)	**2.69%**	**3.00%**	
Gross yield - customer lending (annualised)[1]	4.06%	4.08%	
Gross yield - liquid assets (annualised)	2.93%	4.28%	
Average cost of funds - interest bearing liabilities and current accounts (annualised)[1]	(1.05%)	(1.20%)	

[1] *Comparative figures for gross yield - customer lending and average cost of funds have been restated to reflect voluntary changes in the presentation of certain items in APMs. For further information see page 117 for the Average cost of funds and page 119 for the Average gross yield - customer lending.*
[2] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

Net interest income was 8% lower than H124, with the impact of the lower interest rate environment on lending and liquid asset yields along with higher deposit costs partially offset by higher lending and deposit volumes, higher structural hedge income and lower wholesale funding costs.

The Group's net interest margin (NIM) was 2.69% (H124: 3.00%).

Average cost of funds and gross yield represent the interest income or expense recognised on interest bearing items net of interest on derivatives which were in a hedge relationship with the relevant asset or liability. The average cost of funds decreased by 15 basis points from H124, primarily reflecting lower wholesale funding costs partially offset by higher deposit costs in the UK and Ireland.

The gross customer yield has decreased by 2 basis points to 4.06% compared to H124, due to lower interest rates partially offset by the impact of higher lending volumes and higher income from the structural hedge.

The liquid asset yield has decreased by 135 basis points to 2.93% compared to H124, due to the impact of the lower interest rates.

Further information on APMs referred to in the tables above can be found in alternative performance measures on page 117.

Summary consolidated income statement on an underlying basis *(continued)*

Net other income

Table: 2 Net other income[2]	6 months ended 30 June 2025 €m	*Restated*[1] 6 months ended 30 June 2024 €m	Change %
Net other income	**367**	**394**	**(7%)**
Analysed as:			
Business income			
Wealth and Insurance	190	176	8%
Retail Ireland[1]	132	134	(1%)
Corporate and Commercial[1]	83	75	11%
Group Centre and other	(17)	(13)	31%
Retail UK	2	(5)	n/m
Total business income	**390**	**367**	**6%**
Other expenses			
Loan sale expenses	(2)	(4)	(50%)
Total other expenses	**(2)**	**(4)**	**(50%)**
Other valuation items			
Financial instrument valuation adjustments	(22)	40	n/m
Investment valuation movement	1	(9)	n/m
Total other valuation items	**(21)**	**31**	**n/m**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, other income of €58 million has been reallocated from Corporate and Commercial to Retail Ireland.*
[2] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

In H125, the Group moved its Small Business & Agriculture (SB&A) customer base from the Corporate and Commercial division to Retail Ireland. The move was driven by the needs of the business, as many of these customers have banking requirements closer to Retail Ireland's Consumer customer base.

Net other income of €367 million was €27 million or 7% lower compared to H124.

Business income of €390 million for H125 increased by €23 million or 6% compared to H124:
- Wealth and Insurance including Davy increased by €14 million or 8%, with a particularly strong performance in the Davy wealth management business.
- Retail Ireland income decreased by €2 million or 1% reflecting growth in current account and other fee income offset by partnership agreements.
- Corporate and Commercial reflected growth from higher customer activity and reduced treasury impacts.
- Retail UK primarily reflects lower profit sharing partnership commissions relating to net interest income performance.

Other expenses of €2 million decreased by 50% mainly due to lower loan sale expenses incurred in H125.

Other valuation items resulted in a loss of €21 million (H124: gain of €31 million). This resulted from negative mark-to-market movements on derivatives that are not in hedge accounting relationships and the revaluation of non-euro denominated financial instruments partially offset by a positive performance of bond and equity markets impacting Wealth and Insurance investment variance in H125.

Summary consolidated income statement on an underlying basis *(continued)*

Operating expenses

Table: 3 **Operating expenses**[1]	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m	Change %
Staff costs (excluding pension costs)	450	430	5%
Pension costs	38	42	(10%)
Retirement benefit costs (defined benefit plans)	*7*	*13*	*(46%)*
Retirement benefit costs (defined contribution plans)	*31*	*29*	*7%*
Depreciation and amortisation	120	126	(5%)
Other costs	379	363	*4%*
Operating expenses (before levies and regulatory charges)	**987**	**961**	**3%**
Levies and regulatory charges	113	111	2%
Total operating expenses	**1,100**	**1,072**	**3%**

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

Operating expenses (before levies and regulatory charges) were €26 million or 3% higher than H124.

Staff costs (excluding pension costs) of €450 million were €20 million higher than H124 reflecting salary increases averaging between 3-4% which were effective from 1 January 2025, increased resources required to support business growth and the introduction of a healthcare benefit in H224.

At 30 June 2025, the number of staff on a full time equivalent (FTE) basis was 11,386, an increase of 206 or 2% compared to 11,180 at 30 June 2024. Average staff numbers employed by the Group in H125 of 11,268 were 215 or 2% higher compared to 11,053 in H124. The increase in FTEs was primarily due to temporary seasonal resourcing and in-sourcing of IT capability.

Pension costs of €38 million for H125 were €4 million or 10% lower than H124. Defined benefit pension costs have decreased by €6 million. New joiners are added to the Group's defined contribution plans, the cost of which has increased by €2 million compared to H124.

Depreciation and amortisation costs were €6 million or 5% lower than H124 partly due to the impact of asset impairment recognised in H224.

Other costs including technology, property, outsourced services and other non-staff costs were €16 million or 4% higher than H124.

Levies and regulatory charges of €113 million have increased by €2 million in H125 due to the Bank of England Levy introduced in H224.

Summary consolidated income statement on an underlying basis *(continued)*

Net impairment (losses) / gains on financial instruments

Table: 4 Net impairment (losses) / gains on financial instruments[1]	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m	Change %
Net impairment (losses) / gains on loans and advances to customers at amortised cost			
Residential mortgages	(12)	39	n/m
Retail Ireland	*(13)*	*23*	*n/m*
Retail UK	*1*	*16*	*(94%)*
Non-property SME and corporate	(94)	(45)	n/m
Republic of Ireland SME	*–*	*(42)*	*(100%)*
UK SME	*(4)*	*21*	*n/m*
Corporate	*(90)*	*(24)*	*n/m*
Property and construction	(26)	(9)	n/m
Investment	*(7)*	*(8)*	*(13%)*
Development	*(19)*	*(1)*	*n/m*
Consumer	–	(32)	(100%)
Total net impairment losses on loans and advances to customers at amortised cost	**(132)**	**(47)**	**n/m**
Net impairment losses on other financial instruments (excluding loans and advances to customers at amortised cost)	(5)	(3)	67%
Total net impairment losses on financial instruments	**(137)**	**(50)**	**n/m**
Underlying net impairment losses on loans and advances to customers (bps) (annualised)	**(32)**	**(12)**	**n/m**
Net impairment losses on loans and advances to customers (bps) (annualised)	**(32)**	**(11)**	**n/m**

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

The Group recognised a **total net impairment loss** for H125 of €137 million. This excludes a €1 million impairment gain recognised as non-core relating to UK personal loans.

The **total net impairment loss** reflected a number of impairment dynamics:
- net impairment losses associated with portfolio activities including updated credit risk assessments, recoveries, case specific loss emergence and non-performing exposure (NPE) resolution activity of €97 million, comprising c.€180 million net loss (H124: c.€93 million), partially offset by reimbursement asset movements related to the corporate loan portfolio of €83 million, arising from financial guarantee contracts;
- impairment methodology and model updates incorporating the current macroeconomic outlook, c.€22 million net charge (H124: c.€47 million net gain); and
- the application of Group post-model adjustments (PMAs) at 30 June 2025, c.€18 million net loss in the period (H124: c.€3 million) which reflected a number of potential risks not included in the modelled impairment loss allowances (ILA), partially offset by the release of previously recognised PMAs. See pages 57 to 58 for further details.

The net impairment loss of €12 million in the **residential mortgages portfolio** in H125 primarily reflects an increase in the quantum of NPE PMA applied at 30 June 2025 in the Retail Ireland mortgage portfolio (see pages 57 and 58 for more detail):

- a net impairment loss on the **Retail Ireland mortgage portfolio** of €13 million for H125 included a net impairment loss of €15 million on credit-impaired assets (Stage 3 and purchased or originated credit-impaired assets or 'POCIs') and compared to a net gain of €23 million in H124, which included an €18 million gain relating to an improved macroeconomic outlook at H124; and
- a net impairment gain on the **Retail UK mortgage portfolio** of €1 million for H125 included a net impairment gain of €4 million on credit-impaired assets and compared to a net gain of €16 million in H124, which included gains of €9 million relating to an improved macroeconomic outlook at H124 and gains of €6 million due to reduced credit risk associated with inflation and interest rates.

A net impairment loss of €94 million on the **non-property small and medium enterprise (SME) and corporate loan portfolio** for H125 included a net impairment loss of €49 million on credit-impaired assets (net of a reimbursement asset arising from financial guarantee contracts) and compares to a €45 million impairment loss for H124. The net impairment loss in H125 primarily reflects case specific loss emergence primarily on defaulted cases in the corporate portfolio (primarily the US Acquisition Finance portfolio), and the application of a €20 million geopolitical risk PMA at 30 June 2025.

Summary consolidated income statement on an underlying basis *(continued)*

Net impairment (losses) / gains on financial instruments *(continued)*

A net impairment loss of €26 million on the **property and construction loan portfolio** for H125 included a net impairment loss of €42 million on credit-impaired assets and compared to a loss of €9 million in H124. The net impairment loss in H125 reflects case specific loss emergence on defaulted assets and model parameter updates, including the updated macroeconomic outlook, partly offset by a reduction in the quantum of Investment Property PMA at 30 June 2025.

There was no impairment loss on the **consumer loans portfolio** with loss emergence on defaulted assets offset by impairment gains on model parameter updates. This compared to a €32 million impairment loss in H124 which reflected loss emergence on defaulted assets, losses associated with model parameter updates and an increase in PMA at 30 June 2024 to recognise losses associated with potential portfolio disposals for NPE resolution in the consumer portfolio.

Non-core items

Table: 5 **Non-core items**	**6 months ended 30 June 2025 €m**	**6 months ended 30 June 2024 €m**	**Change %**
Transformation programme costs	(71)	(25)	n/m
Cost of restructuring programme	*(69)*	*(25)*	*n/m*
Other transformation costs	*(2)*	*–*	*n/m*
Acquisition costs	(13)	(19)	(32%)
Portfolio divestments (net)	5	25	(80%)
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	(2)	14	n/m
Investment loss on treasury shares held for policyholders	(2)	(2)	–
Liability management exercises	–	(4)	(100%)
Total non-core items	**(83)**	**(11)**	**n/m**

Transformation programme costs
During H125, the Group recognised net transformation programme costs of €71 million (H124: €25 million) which included:
- restructuring charges of €69 million (H124: €25 million) were incurred and relate predominantly to the Simpler Business programme costs and associated redundancy scheme costs; and
- other transformation programme costs of €2 million (H124: €nil) relate to the design and development of a number of key business initiatives in Retail UK. These costs are associated with the implementation of the Group's UK future state operating and business model.

Acquisition costs
The Group acquired Davy in 2022 as a business combination in line with IFRS 3. In H125, €13 million (H124: €19 million) of costs associated with the acquisition were expensed to the income statement:
- deferred remuneration expense of €4 million (H124: €12 million) was accrued and includes the remuneration related to a Special Incentive and Retention Plan (SIRP). The costs are payable to some Davy employees on the fulfilment of certain conditions;
- integration costs of €2 million (H124: €4 million) include external costs relating to project management, professional advice and support; and internal integration costs related to an internal dedicated team to deliver the integration of Davy;
- deferred consideration expense of €4 million (H124: €nil) for the Davy acquisition; and
- amortisation of €3 million (H124: €3 million) related to the acquired intangible assets (customer relationships and brand).

Portfolio divestments
In 2024, the Group sold its UK personal loans portfolio. Migration of these loans concluded in May 2025. As a result, in H125, the Group recognised a net portfolio divestment gain of €5 million (H124: €25 million), of which €4 million was recognised in other income and €1 million recognised in net impairment losses.

Gross-up for policyholder and shareholder tax in the Wealth and Insurance business
IFRS requires that the income statement be grossed up for the total tax payable by Wealth and Insurance, comprising both policyholder and shareholder tax. In H125, this was a non-core loss of €2 million (H124: €14 million gain).

Investment loss on treasury shares held for policyholders
The Group's income statement excludes the impact of the change in value of Bank of Ireland Group plc ('BoIG plc') shares held by Wealth and Insurance for policyholders. In H125, this was a loss of €2 million (H124: €2 million). At 30 June 2025, there were 0.6 million shares (H124: 0.7 million shares) held for the benefit of policyholders.

Liability management exercises
In H125, no expenses were incurred on liability management exercises (H124: €4 million reflecting the repurchase of certain Group perpetual non-call instruments).

Summary consolidated balance sheet

Summary consolidated balance sheet	Table	30 June 2025 €bn	31 December 2024 €bn
Assets			
Loans and advances to customers	6	82	83
Liquid assets	7	45	44
Wealth and Insurance assets		27	28
Other assets	8	8	7
Total assets		**162**	**162**
Liabilities			
Customer deposits	9	105	103
Wholesale funding	10	9	11
Wealth and Insurance liabilities		27	27
Other liabilities	8	6	6
Subordinated liabilities		2	2
Total liabilities		**149**	**149**
Shareholders' equity		12	12
Other equity instruments - Additional tier 1		1	1
Total liabilities and shareholders' equity		**162**	**162**

The Group's **loans and advances to customers (after ILAs)** of €82.2 billion were €0.3 billion lower than 31 December 2024. Net new lending of €0.8 billion was more than offset by impairment of €0.2 billion and FX / other movements of €0.9 billion. On a constant currency basis, the loan book increased by €0.8 billion reflecting positive net new lending in the period.

The Group's portfolio of **liquid assets** at 30 June 2025 of €45.0 billion increased by €1.0 billion from 31 December 2024, primarily due to higher customer deposits of €2.6 billion (constant currency basis), increase in AT1 volumes of €0.4 billion, and other items (includes retained earnings) of €0.3 billion, partially offset by lower wholesale funding volumes of €1.5 billion and higher lending volumes of €0.8 billion (constant currency basis).

The Group's **asset quality** remains robust despite the impact of elevated trade policy uncertainty and geopolitical risk. NPEs increased by €0.3 billion to €2.2 billion, representing 2.6% of gross loans at 30 June 2025 (31 December 2024: 2.2%). The increase in NPEs reflected the emergence of new defaults in corporate portfolios, primarily the US Acquisition Finance portfolio.

At 30 June 2025, Group **customer deposit** volumes of €105.0 billion were €1.9 billion higher than 31 December 2024, predominantly driven by higher Retail Ireland volumes of €2.3 billion and higher Retail UK volumes of £0.4 billion, partially offset by lower Corporate and Commercial volumes of €0.5 billion and FX movement. However, due to sterling weakening against the Euro, Retail UK balances increased on a headline basis by €0.1 billion from €14.7 billion to €14.8 billion.

Wholesale funding balances of €9.4 billion at 30 June 2025 were €1.5 billion lower than 31 December 2024. This is primarily due to Asset Covered Securities (ACS) bond maturities of €0.8 billion, repayment of BoE Monetary Authority funding of €0.6 billion and net minimum requirement for own funds and eligible liabilities (MREL) senior bond maturities of €0.5 billion, partially offset by a UK Residential Mortgage-Backed Security (RMBS) issuance of €0.4 billion.

The Group's pro forma **fully loaded common equity tier 1 (CET1) ratio** with inclusion of the H1 unaudited profits was 16% at 30 June 2025 (31 December 2024: 14.6%). The increase of c.140 basis points since 31 December 2024 is primarily due to organic capital generation (c.+110 basis points), the implementation of Capital Requirements Regulation (CRR3) (c. +115 basis points), partially offset by a foreseeable distribution deduction (c.-45 basis points) and RWA growth (c.-35 basis points). The Group's fully loaded and regulatory CET1 ratio (excluding the H125 unaudited profits) was 15.3%. For further information on capital ratios see Capital Adequacy risk section from page 36.

Key ratios	30 June 2025	*Restated*[1] 31 December 2024
Liquidity Coverage Ratio (%)[1]	194	198
Net Stable Funding Ratio (%)	154	155
Loan to Deposit Ratio (%)	78	80
Gross new lending volumes (€bn)	9.3	17.4
Average interest earning assets (€bn)	125	122
CET1 ratio - fully loaded (%)	15.3	14.6
CET1 ratio - regulatory (%)	15.3	14.6
Total capital ratio - regulatory (%)	21.4	19.6

[1] *The comparative figure for the Liquidity Coverage Ratio (LCR) has been restated following a refinement of the calculation of certain outflows totalling €0.3 billion. As a result, the LCR decreased by 4 percentage points, from 202% to 198%.*

Further information on APMs referred to in the table above can be found in alternative performance measures on page 117.

Summary consolidated balance sheet *(continued)*

Loans and advances to customers

Table: 6 **Loans and advances to customers - Composition**	**30 June 2025** **€bn**	**%**	**31 December 2024** **€bn**	**%**
Residential mortgages	51	61%	50	60%
Retail Ireland	*35*	*42%*	*34*	*41%*
Retail UK	*16*	*19%*	*16*	*19%*
Non-property SME and corporate	19	23%	21	25%
Republic of Ireland SME	*7*	*9%*	*7*	*9%*
UK SME	*1*	*2%*	*2*	*2%*
Corporate	*11*	*12%*	*12*	*14%*
Property and construction	7	9%	8	9%
Investment	*6*	*8%*	*7*	*8%*
Development	*1*	*1%*	*1*	*1%*
Consumer	6	7%	5	6%
Total loans and advances to customers at amortised cost	**83**	**100%**	**84**	**100%**
Less impairment loss allowance on loans and advances to customers at amortised cost	(1)		(1)	
Net loans and advances to customers at amortised cost	**82**		**83**	
Loans and advances to customers at FVTPL	–		–	
Total loans and advances to customers	**82**		**83**	

The Group's **loans and advances to customers (after ILAs)** of €82.2 billion were €0.3 billion lower than 31 December 2024. The Group's loan book was broadly stable at €82.2 billion at end-June, with Ireland the key driver (annualised growth of c.5%), offset by the planned contraction in our GB Corporate book and FX impacts.

Net new lending of €0.8 billion was more than offset by impairment of €0.2 billion and FX / other movements of €0.9 billion. On a constant currency basis, the loan book increased by €0.8 billion reflecting positive net new lending in the period.

Gross new lending of €9.3 billion was €0.9 billion higher than H124. The increase of €0.9 billion reflected an increase of 13% in Retail Ireland and 25% in Retail UK while Corporate and Commercial was in line with prior period.

Redemptions and repayments of €8.5 billion were €1.1 billion higher than H124, with higher redemption activity across all divisions.

The Group's IFRS 9 staging profile has remained robust. There was a net reduction of €1.0 billion of loans in Stage 2 (i.e. assets identified as having experienced a significant increase in credit risk since origination) to €9.6 billion (31 December 2024: €10.5 billion). This reflected the impact of portfolio activity in the period (including net repayments / redemptions) and the application of individually assessed risk ratings in the period (including migrations to Stage 3).

Stage 3 balances increased by €0.3 billion to €2.1 billion (31 December 2024: €1.8 billion) reflecting the emergence of new defaults primarily in Corporate portfolios, partially offset by resolution activities in the period.

During H125, the stock of ILAs increased by €0.2 billion to €1.2 billion. The increase reflected the gross impairment loss on loans and advances to customers of €0.2 billion and the impact of currency translation and other movements, partially offset by impairment loss allowance utilisation.

NPEs increased by €0.3 billion to €2.2 billion, representing 2.6% of gross loans at 30 June 2025 (31 December 2024 2.2%). NPE increases were primarily related to emergence of new defaults in corporate portfolios (primarily the US Acquisition Finance portfolio), partially offset by resolution activities in the period.

NPEs	**30 June 2025**	**31 December 2024**
Credit-impaired loans (€bn)[1]	2.1	1.8
NPEs (€bn)	2.2	1.9
NPE ratio (%)	2.6	2.2

[1] *Excludes POCI assets of €56 million (31 December 2024: €55 million) which were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These loans will remain classified as POCI loans until derecognition.*

Further information on APMs referred to above can be found in alternative performance measures on page 117.

Summary consolidated balance sheet *(continued)*

Liquid assets

Table: 7 Liquid assets (after ILA)	30 June 2025 €bn	31 December 2024 €bn
Cash at banks	2	2
Cash and balances at central banks	27	32
Central Bank of Ireland	*23*	*28*
Bank of England	*2*	*3*
Federal Reserve	*2*	*1*
Government bonds	8	5
Debt securities at amortised cost	*7*	*4*
Financial assets at FVOCI	*1*	*1*
Covered bonds	4	3
Senior bank bonds and other	4	2
Total liquid assets	**45**	**44**

The Group's portfolio of **liquid assets** at 30 June 2025 has increased by €1.0 billion to €45.0 billion, primarily due to higher customer deposits of €2.6 billion (constant currency basis), an increase in AT1 volumes of €0.4 billion, and other items (includes retained earnings) of €0.3 billion, partially offset by lower wholesale funding volumes of €1.5 billion and higher lending volumes of €0.8 billion (constant currency basis).

Other assets and other liabilities

Table: 8 Other assets and other liabilities	30 June 2025 €bn	31 December 2024 €bn
Other assets	**8.0**	**7.4**
Derivative financial instruments	*3.3*	*3.5*
Deferred tax asset	*0.5*	*0.5*
Pension surplus (net)	*0.8*	*1.0*
Fair value changes due to interest rate risk of the hedged items in portfolio hedges	*0.2*	*0.1*
Other assets	*3.2*	*2.3*
Other liabilities	**6.4**	**6.1**
Derivative financial instruments	*3.1*	*3.7*
Fair value changes due to interest rate risk of the hedged items in portfolio hedges	*(0.1)*	*(0.4)*
Notes in circulation	*0.8*	*0.9*
Other liabilities	*2.6*	*1.9*

Fair value movements of derivative assets and derivative liabilities were impacted by changes in interest rates, FX, equity markets and maturity of transactions during H125. The movement in fair value changes due to interest rate risk of the hedged items in portfolio hedges was attributable to interest rate moves between 31 December 2024 and 30 June 2025.

The deferred tax asset (DTA) at 30 June 2025 primarily related to unused historic tax losses and decreased in the period due to utilisation against current period profits. See note 21 for further details.

The net pension position was a surplus of €0.8 billion at 30 June 2025 (31 December 2024: €1.0 billion). The movement in the pension during the period is primarily due to increases in Euro and UK interest rates resulting in decreased pension assets which was partially offset by increases in the RoI and UK discount rates resulting in decreased pension liabilities.

Summary consolidated balance sheet *(continued)*

Customer deposits

Table: 9 **Customer deposits**	**30 June 2025** **€bn**	*Restated*[1] **31 December 2024** **€bn**
Retail Ireland[1]	71	69
Deposits	*28*	*27*
Current account credit balances	*43*	*42*
Corporate and Commercial[1]	19	19
Deposits	*7*	*6*
Current account credit balances	*12*	*13*
Retail UK	15	15
Total customer deposits	**105**	**103**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, customer deposits of €23.4 billion have been reallocated from Corporate and Commercial to Retail Ireland.*

Retail UK - **Customer deposits**	**30 June 2025** **£bn**	**31 December 2024** **£bn**
Retail UK	13	12
UK Post Office	*7*	*6*
Other Retail UK	*6*	*6*

At 30 June 2025, overall Group customer deposit volumes of €105.0 billion were €1.9 billion higher than 31 December 2024, predominantly driven by higher Retail Ireland volumes of €2.3 billion and higher Retail UK volumes of £0.4 billion, partially offset by lower Corporate and Commercial volumes of €0.5 billion and FX movement. However, due to sterling weakening against the Euro, Retail UK balances increased on a headline basis by €0.1 billion from €14.7 billion to €14.8 billion.

Wholesale funding

Table: 10 **Wholesale funding**	**30 June 2025** **€bn**	**31 December 2024** **€bn**
Secured funding	2	3
Monetary Authority	*1*	*1*
Covered bonds	*–*	*1*
Securitisations	*1*	*1*
Unsecured funding	7	8
Senior debt	*6*	*7*
Bank deposits	*1*	*1*
Total wholesale funding	**9**	**11**
Wholesale market funding < 1 year to maturity	1	1
Wholesale market funding > 1 year to maturity	7	9
Monetary Authority funding < 1 year to maturity	–	1
Monetary Authority funding > 1 year to maturity	1	–

Wholesale funding balances of €9.4 billion at 30 June 2025 were €1.5 billion lower than 31 December 2024. This is primarily due to ACS bond maturities of €0.8 billion, repayment of BoE Monetary Authority funding of €0.6 billion and net MREL senior bond maturities of €0.5 billion, partially offset by a UK RMBS issuance of €0.4 billion.

Divisional review

The divisional review provides further information on the financial performance of the Group's divisions during H125 as well as some key performance metrics.

The divisional review is presented using IFRS and non-IFRS measures. Non-IFRS measures include 'underlying divisional contribution', an alternative performance measure the Group uses which reflects the underlying financial contribution of each division towards the consolidated Group underlying profit or loss, before tax, excluding non-core items which obscure the underlying performance of the divisions.

Other reconciling items represent transactions between operating segments which are eliminated upon consolidation and the application of hedge accounting at Group level.

	6 months ended 30 June 2025 €m	*Restated*[1] 6 months ended 30 June 2024 €m
Underlying divisional contribution		
Retail Ireland[1]	696	801
Wealth and Insurance	64	47
Retail UK	133	195
Corporate and Commercial[1]	290	352
Group Centre	(374)	(311)
Other reconciling items	(5)	7
Group underlying profit before tax	**804**	**1,091**
Non-core items by division		
Wealth and Insurance	(11)	5
Retail UK	–	20
Corporate and Commercial	(1)	(1)
Group Centre	(68)	(27)
Other reconciling items	(3)	(8)
Group non-core items	**(83)**	**(11)**
Group profit before tax	**721**	**1,080**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. See below for further details.*

In H125, the Group moved its SB&A customer base from the Corporate and Commercial division to Retail Ireland. The move was driven by the needs of the business, as many of these customers have banking requirements closer to Retail Ireland's Consumer customer base. As a result, comparative figures have been restated to reflect a €261 million increase in the underlying divisional contribution in Retail Ireland, with the corresponding decrease in Corporate and Commercial.

Further information on our alternative performance metrics referred to in the divisional review can be found on page 117.

Divisional review *(continued)*

Divisional income statement on an underlying basis - operating segments

The tables below provide a reconciliation of the income statement on an underlying basis (excluding non-core items) on page 12 to the Group statutory profit / loss before tax.

6 months ended 30 June 2025	Net interest income / (expense) €m	Net other income: Insurance service result €m	Net other income: Insurance investment & finance result €m	Net other income: Other income / (expense)[1] €m	Total operating income / (expense) €m	Operating expenses[1] €m	Operating profit / (loss) before net impairment losses on financial instruments €m	Net impairment (losses) / gains on financial instruments[1] €m	Share of results of associates and joint ventures (after tax) €m	Profit / (loss) before taxation €m
Divisional underlying contribution										
Retail Ireland	909	–	–	134	**1,043**	(336)	**707**	(11)	–	**696**
Wealth and Insurance	(4)	24	8	159	**187**	(123)	**64**	–	–	**64**
Retail UK	271	–	–	6	**277**	(144)	**133**	(11)	11	**133**
Corporate and Commercial	480	–	–	86	**566**	(159)	**407**	(115)	(2)	**290**
Group Centre	9	–	(1)	(42)	**(34)**	(340)	**(374)**	–	–	**(374)**
Other reconciling items	–	–	–	(7)	**(7)**	2	**(5)**	–	–	**(5)**
Group - underlying	**1,665**	**24**	**7**	**336**	**2,032**	**(1,100)**	**932**	**(137)**	**9**	**804**
Total non-core items										
Transformation programme costs	–	–	–	–	**–**	(71)	**(71)**	–	–	**(71)**
Acquisition costs	–	–	–	–	**–**	(13)	**(13)**	–	–	**(13)**
Portfolio divestments	–	–	–	4	**4**	–	**4**	1	–	**5**
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	–	–	–	(2)	**(2)**	–	**(2)**	–	–	**(2)**
Investment loss on treasury stock held for policyholders	–	–	–	(2)	**(2)**	–	**(2)**	–	–	**(2)**
Liability management exercises	–	–	–	–	**–**	–	**–**	–	–	**–**
Group total	**1,665**	**24**	**7**	**336**	**2,032**	**(1,184)**	**848**	**(136)**	**9**	**721**

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

Divisional review *(continued)*

Divisional income statement on an underlying basis - operating segments *(continued)*

Restated[1] **6 months ended 30 June 2024**	**Net interest income / (expense)[2] €m**	**Net other income** **Insurance service result €m**	**Insurance investment & finance result €m**	**Other income / (expense)[2] €m**	**Total operating income / (expense) €m**	**Operating expenses[2] €m**	**Operating profit / (loss) before net impairment (losses) on financial instruments €m**	**Net impairment (losses) / gains on financial instruments[2] €m**	**Share of results of associates and joint ventures (after tax) €m**	**Profit / (loss) before taxation €m**
Divisional underlying contribution										
Retail Ireland[1]	1,029	–	–	132	**1,161**	(340)	**821**	(20)	–	**801**
Wealth and Insurance	(3)	22	(25)	170	**164**	(117)	**47**	–	–	**47**
Retail UK	282	–	–	5	**287**	(140)	**147**	36	12	**195**
Corporate and Commercial[1]	492	–	–	98	**590**	(177)	**413**	(66)	5	**352**
Group Centre	2	–	(1)	(11)	**(10)**	(301)	**(311)**	–	–	**(311)**
Other reconciling items	–	–	–	4	**4**	3	**7**	–	–	**7**
Group - underlying	**1,802**	**22**	**(26)**	**398**	**2,196**	**(1,072)**	**1,124**	**(50)**	**17**	**1,091**
Total non-core items										
Transformation programme costs	–	–	–	–	**–**	(25)	**(25)**	–	–	**(25)**
Acquisition costs	–	–	–	3	**3**	(22)	**(19)**	–	–	**(19)**
Portfolio divestments	30	–	–	–	**30**	(6)	**24**	1	–	**25**
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	–	–	–	14	**14**	–	**14**	–	–	**14**
Investment loss on treasury stock held for policyholders	–	–	–	(2)	**(2)**	–	**(2)**	–	–	**(2)**
Liability management exercises	–	–	–	(4)	**(4)**	–	**(4)**	–	–	**(4)**
Group total	**1,832**	**22**	**(26)**	**409**	**2,237**	**(1,125)**	**1,112**	**(49)**	**17**	**1,080**

[1] Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, comparative figures have been restated to reflect a €261 million increase in the underlying divisional contribution in Retail Ireland, with the corresponding decrease in Corporate and Commercial.
[2] Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.

Retail Ireland

Retail Ireland serves customers across a broad range of segments and sectors with financial products and services tailored to meet their needs.

Achievements under the Group strategic pillars for 30 June 2025:

Stronger relationships
- Remained the #1 mortgage lender in H125, supporting customers buying new homes. Retail Ireland had €2.5 billion of new lending and €1.0 billion of organic loan book growth.
- Continued progress enhancing customer service and brand loyalty, with increases in both the Customer Effort Score (+61, up 4 on H124) and Personal Relationship Net Promoter Score (RNPS) (+31, up 10 on H124).
- Complaints continue to trend downwards (down 24% on H124) with H125 at record low levels.
- Launched several initiatives to support our customers including 'Smart Start Account' designed for children aged 7 to 15 and our bespoke account opening service to support 'Coming to Ireland' customers.

Simpler business
- Commenced the rollout of our new telephony and customer relationship management systems to support quicker resolution for our customers.
- Continual improvements made to our mobile app with new functionality such as Credit Card payment alerts, enhanced resilience and overall customer experience improvement.

Sustainable company
- Bank of Ireland won the ESG Innovation Award (Enterprise) at the Business & Finance Media Group ESG awards for the 'EcoSaver' Mortgage.
- Strong momentum against our multi-year investment in ATMs and Branch Network, with ATM upgrades and commencement of our iconic College Green building refurbishment.
- Our customers' financial wellbeing remains a key priority. We held over 50 fraud awareness events and ran several high impacting media campaigns, introduced voluntary gambling blocks on debit cards and launched the 'Discover your borrowing options' tool.

Retail Ireland **Income statement on an underlying basis**	**6 months ended 30 June 2025 €m**	*Restated*[1] **6 months ended 30 June 2024 €m**
Net interest income[2]	909	1,029
Net other income[2]	134	132
Operating income	**1,043**	**1,161**
Operating expenses[2]	(336)	(340)
Operating contribution before net impairment losses on financial instruments	**707**	**821**
Net impairment losses on financial instruments[2]	(11)	(20)
Underlying contribution	**696**	**801**
Net impairment (losses) / gains on financial instruments		
Loans and advances to customers at amortised cost	(10)	(18)
Residential mortgages	*(13)*	*23*
Non-property SME and corporate	*(9)*	*(16)*
Property and construction	*6*	*–*
Consumer	*6*	*(25)*
Other financial instruments: loan commitments and guarantees	(1)	(2)
Net impairment losses on financial instruments	**(11)**	**(20)**

Retail Ireland **Balance sheet**	**30 June 2025 €bn**	*Restated*[1] **31 December 2024 €bn**
Loans and advances to customers (net)	39.5	38.5
Customer deposits	71.1	68.8

Compared to H124:
- Operating income was €118 million lower largely reflecting the impact of the lower interest rate environment.
- Operating expenses were €4 million lower driven by cost discipline and on-going efficiency gains.
- Net impairment loss was €9 million lower largely driven by gains in the consumer portfolio following model parameter updates partially offset by a higher charge on credit impaired mortgage assets in H125.

Compared to 31 December 2024:
- H125 reflected strong loan portfolio growth, notably in the mortgages book, resulting in an overall net increase of €1.0 billion in the lending book.
- Customer deposits were €71.1 billion, €2.3 billion higher than prior year with growth supported by strong franchise and broad funding base.

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. The result is an increase of €261 million in underlying contribution, €2.5 billion in loans and advances to customers and €23.4 billion in customer deposits. For further information see page 17.*
[2] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

Divisional review *(continued)*

Wealth and Insurance

Wealth and Insurance is a market leading wealth management, life, pensions and investments provider in Ireland and includes New Ireland and Davy.

Achievements under the Group strategic pillars for 30 June 2025:

Stronger relationships
- New Ireland have a 19% market share, providing pension, protection and investment solutions and were recently awarded 'Best Term Insurance Provider' at the Bonkers.ie awards. Davy continues to be the leading domestic broker to Irish Corporates. In Wealth Management, Davy was awarded 'Best Distributor, Ireland' and 'Best Performance, Ireland', at the 2025 Structured Retail Products Europe awards.
- Increased customer support and engagement across W&I through Market Updates, weekly webinars and Market Watch hub for customers in response to the recent market volatility.
- New Ireland customer engagement scores are +60, up 15% on H124. Davy Private Clients RoI customer NPS scores of +77, up 12% on H124.

Simpler business
- W&I continue to make it easy to do business through digital enhancements and improved customer experience.
- New Ireland broker portal adoption for new business at 92% in H125.

Sustainable company
- In H125, both New Ireland and Davy published their inaugural annual sustainability reports, outlining how they are embedding sustainability and how they support customers on their ESG journeys.
- 43% of New Ireland investments actively incorporate environmental and social considerations in addition to other factors in how they are managed (H124: 38%).
- AUM in Davy's Socially Responsible Investment portfolios increased by 7% in H125 (H124: 10%).
- W&I continue to create a culture of diversity and inclusion, increasing women representation in management to 38% across the division, (H124: 37%).

Wealth and Insurance Income statement on an underlying basis	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Net interest expense[1]	(4)	(3)
Net other income[1]	190	176
Operating income	**186**	**173**
Operating expenses[1]	(123)	(117)
Operating contribution	**63**	**56**
Investment valuation movement	1	(9)
Underlying contribution	**64**	**47**

Wealth and Insurance Balance sheet	30 June 2025 €bn	31 December 2024 €bn
Assets under management (AUM)	**55.6**	54.8

During H125, Wealth and Insurance (W&I) continued to support customers to meet their lifestyle and retirement goals and to manage their wealth, delivering an underlying contribution of €64 million (H124: €47 million).
- H125 was a period of significant volatility following announcements from the US administration on proposed trading tariffs. Despite equity market recovery in recent weeks, sustained weakening of the US Dollar against the Euro resulted in negative net market movements of €0.4 billion in H125 partially offsetting net inflows of €1.2 billion to close AUM at 30 June 2025 at €55.6 billion (31 December 2024: €54.8 billion).
- Operating income was €13 million higher than H124, up 8% reflective of increased AUM growth and positive trading activity.
- The contractual service margin (CSM) represents the unearned profit of a group of insurance and reinsurance contracts and is released in line with the insurance service provided. The CSM decreased by €19 million to €555 million during H125 (31 December 2024: €574 million) driven by negative market performance on unit-linked contracts and the release of the CSM to the income statement. A total of €29 million (H124: €32 million) was released from the CSM to operating profit in the period representing services provided on insurance contracts offset with services provided on reinsurance contracts. See note 6 for details.
- Operating expenses were €6 million higher than H124, supporting growth in AUM and continued investment in the business.
- There is a small positive investment variance movement in New Ireland of €1 million in H125, due to market impacts.

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

Wealth and Insurance *(continued)*

Embedded value

The table opposite outlines the Market Consistent Embedded Value (MCEV) performance using market consistent assumptions. The calculation of the MCEV company value is closely aligned to Solvency II and follows MCEV principles. IFRS 17 does not change the economic value of the business, which MCEV represents, but does change the timing of accounting profit recognition through deferral of profits captured in the CSM. As a result, the amounts in the MCEV tables are not directly comparable to IFRS 17 results.

The table opposite summarises the overall balance sheet of Wealth and Insurance on an MCEV basis, which increased to €1,376 million at 30 June 2025 (31 December 2024: €1,359 million). The Value of in Force (VIF) asset represents the after tax value of future income from the existing book;

- Operating profit of €43 million for H125 was €20 million higher than H124, primarily due to favourable experience within existing business profits and higher new business profit; and
- Profit before tax of €21 million (H124: €42 million) included a negative investment markets movement of €22 million in New Ireland (H124: positive valuation movement of €19 million).

Wealth and Insurance *(excluding Davy)* **Summary balance sheet (MCEV)**	**30 June 2025 €m**	**31 December 2024 €m**
Net assets	581	564
ViF	937	944
Tier 2 subordinated capital / debt	(166)	(161)
Pension scheme asset	24	12
Total embedded value	**1,376**	**1,359**

Wealth and Insurance *(excluding Davy)* **Income statement (MCEV)**	**6 months ended 30 June 2025 €m**	**6 months ended 30 June 2024 €m**
New business profits	17	13
Existing business profits	32	14
Expected return	*35*	*32*
Experience variance	*(3)*	*(18)*
Assumption changes & other profit items	*–*	*–*
Interest payments	(6)	(4)
Operating profit	**43**	**23**
Investment variance	(22)	19
Embedded value profit before tax	**21**	**42**

Divisional review *(continued)*

Retail UK

Retail UK provides banking services to customers in the UK, including mortgages, savings, foreign exchange, asset finance and contract hire. It has a partnership with the Post Office which includes our foreign exchange joint venture, FRES.

Achievements under the Group strategic pillars for 30 June 2025:

Stronger relationships
- Integrating the customer into everyday culture and ways of working by actively obtaining customer feedback, including the launch of mortgage customer surveys for online product switching and interest-only buy to let (BTL) mortgages.
- Significant growth in Northridge Finance intermediaries, with 15 new intermediaries appointed in H125 generating new lending volume.

Simpler business
- Digital mortgage offer distribution via solicitor portal is now live, improving operational efficiency and security, reducing processing time and cost, including an online messaging capability in the portal ensuring a smooth and successful customer journey.
- New dealer stocking platform will be implemented in Northridge Finance during 2025, alongside enhancements to the customer portal increasing self service capability.

Sustainable company
- In Marshall Leasing, 22% of all 2025 new orders are Electric Vehicles (EVs) with the total fleet now at 8% EVs against a 10% full year target.
- Energy Efficient BTL mortgages have been updated to include Energy Performance Certificate (EPC) rated C properties, aligning with UK Government proposals to raise the Minimum Energy Efficiency Standard (MEES).
- Introduction of an innovative product, delivered by Signly, which translates our website into British Sign Language supporting ongoing efforts to foster inclusivity ensuring essential information is accessible to all users.

Retail UK **Income statement on an underlying basis**	**6 months ended 30 June 2025 £m**	**6 months ended 30 June 2024 £m**
Net interest income[1]	228	240
Net other income[1]	4	5
Operating income	**232**	**245**
Operating expenses[1]	(120)	(119)
Operating contribution before net impairment losses on financial instruments	**112**	**126**
Net impairment (losses) / gains on financial instruments[1]	(9)	30
Share of results of associates and joint ventures (after tax)	9	11
Underlying contribution	**112**	**167**
Underlying contribution (€m equivalent)	**133**	**195**
Net impairment (losses) / gains on financial instruments		
Loans and advances to customers at amortised cost	(6)	30
Residential mortgages	*1*	*13*
Non-property SME and corporate	*(3)*	*18*
Property and construction	*2*	*2*
Consumer[1]	*(6)*	*(3)*
Other financial instruments: loan commitments and guarantees	(3)	–
Net impairment (losses) / gains on financial instruments	**(9)**	**30**

Retail UK **Balance sheet**	**30 June 2025 £bn**	**31 December 2024 £bn**
Loans and advances to customers (net)	17.3	16.9
Customer deposits	12.6	12.2

Compared to H124:
- Operating income decreased by £13 million, due to lower net interest income as a result of lower mortgage margins due to lower base rates in the period.
- Operating expenses were unchanged from H124, due to continued investment in business efficiencies whilst still maintaining a strong cost discipline.
- Underlying impairment charge of £9 million reflects a return to normal portfolio activity following prior year release of cost of living pressure management adjustments.

Compared to 31 December 2024:
- Loans and advances to customers (net) were £0.4 billion or 2% higher, reflecting increased lending in the motor finance division.
- Customer deposits were £0.4 billion or 3% higher reflecting the replacement of maturing BoE TFSME funding with customer deposits.

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

Divisional review *(continued)*

Corporate and Commercial

Provides full range of lending, banking services and operating products focused on the Group's Corporate and Commercial Banking customers, along with the provision of treasury risk management services to all customer segments.

Achievements under the Group strategic pillars for 30 June 2025:

Stronger relationships
- Supporting and championing customers as they navigate the changing geopolitical landscape, with a range of resources, expertise and supports.
- Our new online customer support hub was launched as a 'one stop shop' for the latest economic updates, guidance and events, to help our customers through this period of change.
- Won 5 category awards at the 2025 Finance Dublin Deals of the year.

Simpler business
- Further embedding a streamlined digitally advanced operating model, enabling simplification, enhanced customer service, while supporting business sustainability and improved returns.
- Delivered a reimagined online customer journey, for business loans up to €120,000, vastly improving customer experience, while significantly reducing turnaround times and improving operational efficiency.

Sustainable company
- Customer engagement focused on supporting their ESG ambitions:
  - launch of Sustainable Business Coach, the first RoI online digital platform, designed to help SMEs easily explore sustainability options;
  - the vast majority of Irish dairy farmers can now access Bank of Ireland's Enviroflex sustainability-linked loans, in addition to Irish Distillers partnering with the Group to support the initial roll-out of Enviroflex loans to the tillage sector; and
  - re-launch of the Green Business Loan for SMEs, offering businesses discounted finance to implement a range of sustainability initiatives to improve their carbon footprint.

Corporate and Commercial **Income statement on an underlying basis**	**6 months ended 30 June 2025 €m**	*Restated*[1] **6 months ended 30 June 2024 €m**
Net interest income	480	492
Net other income	86	98
Operating income	**566**	**590**
Operating expenses[2]	(159)	(177)
Operating contribution before impairment losses on financial instruments	**407**	**413**
Net impairment losses on financial instruments	(115)	(66)
Share of results of associates and joint ventures (after tax)	(2)	5
Underlying contribution	**290**	**352**
Net impairment (losses) / gains on financial instruments		
Loans and advances to customers at amortised cost	(115)	(66)
Non-property SME and corporate	*(81)*	*(50)*
Property and construction	*(35)*	*(12)*
Consumer	*1*	*(4)*
Net impairment losses on financial instruments	**(115)**	**(66)**

Corporate and Commercial **Balance sheet**	**30 June 2025 €bn**	*Restated*[1,3] **31 December 2024 €bn**
Loans and advances to customers (net)	22.5	23.6
Euro liquid asset bond portfolio[3]	14.4	9.0
Customer deposits	19.1	19.6

Compared to H124:
- Operating income was €24 million lower due to lower lending income and lower valuation gains in the period.
- Operating expenses were €18 million lower reflecting strong cost discipline and impact of cost saving initiatives.
- Net impairment losses increased by €49 million. This reflects credit charges arising primarily on US lending portfolios.

Compared to 31 December 2024:
- The loan book was €1.1 billion or 5% lower, reflecting a reduction in international corporate portfolios, primarily the corporate UK book offset by growth in domestic lending books.
- Customer deposits are €0.5 billion or 3% lower than the prior year.

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. The result is a decrease of €261 million in underlying contribution, €2.5 billion in loans and advances to customers and €23.4 billion in customer deposits. For further information see page 17.*
[2] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information see page 117.*
[3] *The comparative figure for 'Euro liquid asset bond portfolio' has been restated resulting in an increase of €0.6 billion from €8.4 billion to €9.0 billion due to a misstatement where certain Euro liquid asset bonds were incorrectly omitted in the amount reported as at 31 December 2024.*

Divisional review *(continued)*

Group Centre

Group Centre incorporates the Group's central support and control functions, overseeing the Group customer strategy, establishing clear governance and control frameworks as well as providing management services to the Group.

Achievements under the Group strategic pillars for 30 June 2025:

Stronger relationships

- Launched the research project 'Fostering Ethnic Diversity and Inclusion in the Workplace' in partnership with Morgan McKinley.
- The Group Customer Office continued its focus on maintaining a leadership position in Financial Wellbeing and delivering better outcomes for customers with the launch of a new Financial Inclusion and Support Strategy.

Simpler business

- Continued support of the Group wide Simpler Business programme which will benefit both Customers and Colleagues through more streamlined processes and journeys.
- In January, the Group delivered real-time SEPA Instant credit transfers for customers, meeting SEPA Instant Scheme compliance requirements for Reachability and Outbound Instant payments. This is step one of SEPA instant payments functionality.

Sustainable company

- Bank of Ireland published its first CSRD Sustainability Statement in February 2025 as a first wave reporter.
- Sustainability related lending to households and businesses grew by 32% to €14.7 billion in 2024 and to €15.5 billion in H125, meeting the end 2025 target ahead of schedule.

Group Centre Income statement	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Net operating expense[1]	(34)	(10)
Operating expenses (excluding levies and regulatory charges)[1]	(232)	(194)
Levies and regulatory charges	(108)	(107)
Underlying contribution	**(374)**	**(311)**

Income statement

Group Centre's income and costs comprise income from capital and other management activities; unallocated Group support costs; costs associated with the Irish Bank levy; along with contributions to the Deposit Guarantee Scheme (DGS) and other levies.

Compared to H124:

- Net operating expense has increased by €24 million, primarily driven by adverse mark-to-market adjustments on derivative instruments that economically hedge the banking book, in addition to foreign exchange revaluations resulting mainly from EUR/USD currency volatility.
- Operating expenses were €38 million or 20% higher, primarily due to additional investment to deliver sustainable benefits.
- Levies and regulatory charges increased by €1 million in H125 primarily due to Bank of England levy and ECB levy increases, partially offset by lower Financial Services and Pensions Ombudsman levy.

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 117.*

Principal Risks and Uncertainties

Principal risks and uncertainties facing the Group for the remaining six months of 2025 are set out below. This summary should not be regarded as a complete and comprehensive statement of all potential risks as other factors not yet identified, or not currently material, may also emerge and adversely affect the Group's operations, financial conditions, or reputation. The Group remains vigilant in monitoring the evolving macroeconomic environment and ongoing geopolitical developments, including the potential implications of tariff related risks, with impacts on the Group's risk profile subject to monitoring and evaluation to ensure that appropriate and effective risk mitigation strategies are implemented. For further detail on risks facing the Group, see pages 247 to 255 of the Group's 2024 Annual Report.

Business and strategic risk is the risk of not delivering the agreed strategy and business and financial targets, designed to ensure the long term sustainability of the Group's businesses. This can be as a result of internal or external factors. For example, implementing a strategy that does not support the Group's target outcomes, inadequate planning or implementation of the strategy, changes in the external environment or economic factors. Drivers include:

- macroeconomic conditions and geopolitical uncertainties. Whilst inflation has moderated and interest rates are reducing, ongoing conflicts, trade tensions and shifting international alliances have resulted in an escalation in overall geopolitical tensions. The potential impacts of these macroeconomic and geopolitical dynamics represent a risk to the Group in its markets and may result in a more adverse environment than assumed in the Group's plans. This may manifest in adverse impacts to pricing, customer confidence and credit demand, collateral values, and customers' ability to meet their financial obligations;
- the risk attached to the implementation of the Group Strategic Plan;
- changing business model for the Group including the evolving competitive landscape, accelerated digitisation, and changing consumer and business behaviours; and
- challenges and risks to the Group's strategy to transform, as well as customer considerations. Failure to transform successfully, or respond to the other risks above, could prevent the Group from realising its strategic priorities.

Capital adequacy risk is the risk that the Group does not hold sufficient capital to (i) remain compliant with regulatory capital requirements, (ii) support its business and medium-term objectives, and (iii) absorb losses should unexpected events occur. While principal risks impact on the Group's capital adequacy to some extent, capital adequacy is primarily impacted by significant increases in credit risk or risk weighted assets (RWAs), materially worse than expected financial performance and changes to minimum regulatory requirements.

Conduct risk is the risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the Group's products and services. The Group is exposed to conduct risk as a consequence from all the activities that the Group engages in during the normal conduct of its business. These risks may materialise from failures to comply with regulatory requirements or expectations, as an outcome of risk events in other principal risk categories, from changes in external market expectations or conditions, provision of products and services and the various activities performed by staff, contractors and third party suppliers. Conduct risk includes market integrity, customer protection, financial crime, and data privacy risks.

Credit risk is the risk of loss resulting from a counterparty being unable to meet its contractual obligations to the Group in respect of loans or other financial transactions, or any other deterioration in a counterparty's creditworthiness. This risk includes debt underwriting risk, loan origination risk, credit concentration risk, cross border transfer risk, credit quality deterioration risk, default risk, and collateral valuation risk. Credit risk arises from loans and advances to customers and from certain other financial transactions such as those entered into by the Group with financial institutions, sovereigns, and state institutions. Increased economic and trade policy uncertainty has led to a weaker macroeconomic outlook. The Group's FLI scenarios and associated probability weights reflect, among other factors, the prevailing geopolitical environment. Post-model adjustments have been applied, where appropriate, to ensure the final impairment loss allowance appropriately reflects the Group's underlying credit risk profile.

Funding and liquidity risk is the risk that the Group will experience difficulty in financing its assets and / or meeting its contractual payment obligations as they fall due, or will only be able to do so at substantially above the prevailing market cost of funds. Liquidity risk arises from the differences in timing between cash inflows and outflows. Cash inflows are driven by, amongst other things, the maturity structure of loans and investments held by the Group, while cash outflows are driven by items such as the term maturity of debt issued by the Group and outflows from customer deposit accounts. The liquidity risk of the Group may also be impacted by external events which could result in a sudden withdrawal of deposits or the potential changes in customer behaviour. Funding risk can occur where there is an over-reliance on a particular type of funding, a funding gap, or a concentration of wholesale funding (including securitisations) maturities. The Group funds an element of its sterling balance sheet in part from euro (via cross currency derivatives), which creates an exposure to the cost of this hedging.

Life insurance risk is the risk of unexpected variation in the amount and timing of claims associated with insurance benefits. This variation, arising from changing customer mortality, life expectancy, health, or behavioural characteristics, may be short or long-term in nature.

Market risk is the risk of loss arising from movements in interest rates, FX rates, equity, credit spreads, or other market prices. Market risk arises from the structure of the balance sheet, the Group's business mix and includes discretionary risk taking. The Group permits discretionary risk taking activity in Davy and it can arise through market-making, whereby positions can be held to facilitate client orders. Market risk can also arise through the conduct of customer business, particularly in respect to fixed-rate lending and the execution of derivatives and FX business. The nature of the business mix and the Group's balance sheet profile can create interest rate risk in the banking book exposures which result in economic value of equity and net interest income sensitivities. Earnings for New Ireland Assurance Company plc (NIAC) are directly exposed to movements in market prices as a sizeable portion of shareholder surplus is invested in high yield funds. In addition, NIAC's earnings are also indirectly exposed to changes in equity and property markets through fee income generated on unit-linked customer investments.

Principal Risks and Uncertainties *(continued)*

Operational risk is the risk of loss resulting from suboptimal or failed internal processes, systems, human factors, or from external events. These risks may arise from failures in technology, change management, information security and cyber threats, third party risk and outsourcing, data quality, transaction processing, talent recruitment and retention, financial and regulatory reporting, or legal and tax compliance. Operational risk may also arise from transformation initiatives, design or implementation errors, poor data handling or a failure to meet regulatory obligations. The frequency and complexity of risks are increasing due to an evolving threat landscape, particularly in the area of cyber security, however, the Group continues to strengthen its operational resilience to identify, respond to, adapt to and recover from disruptions irrespective of whether the issue originated internally or from a third party.

Regulatory risk is the risk that the Group does not identify legal or regulatory change or appropriately manage its relationships with its regulators. The Group is exposed to regulatory risk as a consequence from all the activities that the Group engages in during the normal conduct of its business. Regulatory risk may materialise from failure to identify new or existing regulatory and / or legislative requirements or deadlines, ensure appropriate governance is in place to embed regulatory requirements into processes, or failure to appropriately manage the Group's regulatory relationships. Regulatory risk includes ineffective regulatory change governance and ineffective regulatory engagement risks.

Model risk is the potential for adverse consequences due to model design or implementation errors or the inappropriate use of model outputs. The Group uses models to support activities, including determining capital and impairment requirements; informing business and credit decisions; valuing exposures; transaction monitoring and supporting customer analytics. The adverse consequences from model issues could include financial loss, negative customer outcomes, poor decision making, regulatory criticism or damage to the Group's reputation.

Other risk themes that span the Group's principal risk types include:

Environmental (Climate and Other Environmental), Social and Governance: ESG risk is defined in the Group as the risk to the Group that ESG factors (environmental, social or governance matters) could cause a material negative impact on: the Group's earnings, capital, franchise value or reputation; the Group's regulatory standing; the long-term sustainability of our customer's operations and financial wellbeing; the communities and environment in which we and our customers operate. ESG factors represent a common risk driver across the Group's Principal and Sub risk types. The Group applies a risk lens to ensure that the impact of ESG across the Group's risk types is considered on an ongoing basis and that the aggregate impact arising from ESG risk drivers is given appropriate consideration. ESG risks and opportunities will continue to impact how the Group implements its strategy, business model, customer offering, and how it manages risk in the Group. Sustainability is embedded in the Group Strategy as one of the three core strategic pillars under 'Sustainable Company'.

Transformation: major initiatives such as digital transformation, re-platforming of core technology and other significant structural changes fundamentally alter how the Group operates or delivers its services.

Reputation: a negative impact on earnings and franchise value, the Group's relationship with its stakeholders and / or its ability to deliver its business strategy can result from a loss of trust in or adverse perception of the Group by its stakeholders.

Regulatory Compliance: the Group is committed to conducting its activities in accordance with all applicable legal and regulatory requirements.

Operational Resilience: the ability to identify and prepare for, respond and adapt to, recover and learn from an operational disruption.

Asset Quality

Asset Quality - Loans and advances to customers

The information in the Asset Quality section including referenced footnotes forms an integral part of the interim financial statements as described in the basis of preparation in note 1 to the financial statements.

The Group's asset quality reporting methodology is as set out on page 271 of the Group's 2024 Annual Report.

Approach to measurement of impairment loss allowances

The Group's methodology for loan loss provisioning under IFRS 9 is set out on pages 273 to 275 of the Group's 2024 Annual Report.

During February 2025 three new Internal Rating Based (IRB) Probability of Default (PD) models were implemented for the Property Investment, Leveraged Acquisition Finance, and Project Finance segments of the Non-Retail portfolio. The ECL model framework was also updated in February 2025 to reflect the implementation of these new models.

The Exposure at Default (EAD) component used for Non-Retail impairment models was enhanced to include greater risk differentiation in May 2025 to address model weaknesses. The model update resulted in a c.€8 million increase in impairment loss allowance.

RoI Gross Domestic Product (GDP) and RoI Gross National Product (GNP) were removed as primary risk drivers from macro-economic regression models in H125 due to the inherent volatility and risk of restatement for these macroeconomic indicators. The impacted models now include factors such as Modified Domestic Demand (MDD).

The probability weightings for FLI scenarios at H125 include consideration of economic uncertainty, primarily driven by elevated geopolitical risk and trade policy uncertainty.

The total net impact of all model factor updates in H125, including those outlined above, and the application of updated FLI for the Group's loans and advances to customers and other financial instruments is a €22 million increase in impairment loss allowances. The Group's critical accounting estimates and judgements, including those with respect to impairment of financial instruments, including FLI are set out in note 2 of the consolidated financial statements.

Credit Risk associated with geopolitical risk, trade policy uncertainty and interest rates

The impact of heightened geopolitical tensions and ongoing trade policy uncertainty has been integrated into individual credit assessments across the relationship-managed commercial portfolios during H125. Targeted evaluations of tariff related risks have been conducted within relevant corporate and SME lending portfolios. Where exposures were identified as high risk, appropriate credit downgrades were applied, resulting in reclassification to Stage 2 or, where required, Stage 3.

A new PMA of €20 million has been applied at H125 to reflect the potential second order economic impacts arising from the recent escalation in geopolitical risk in the Middle East. This adjustment reflects the increased credit risk that may arise within internationally focused Corporate Non-property lending portfolios as a result of broader macroeconomic uncertainty.

All US Commercial Real Estate exposures continue to be downgraded to ensure all loans in this portfolio are classified as stage 2 or lower (i.e. stage 3). In addition to this, an Investment Property post-model adjustment to the Group's impairment loss allowance of c.€29 million has been retained to reflect model enhancements to the Investment Property portfolio planned in 2025.

In H125, the Group conducted a number of assessments in relation to credit risk associated with the impact of elevated affordability risk, including impacts on UK residential mortgage interest only maturities and the possible lag effect of higher interest rate pass through on both RoI and UK residential mortgage customers rolling off fixed rate contracts.

In this regard, credit risk assessments were implemented across the residential mortgage portfolio and the outputs have been utilised to identify significant increases in credit risk and the reclassification of Stage 1 assets as Stage 2. These credit risk assessments, which leveraged qualitative information not already captured in impairment models, resulted in a credit management decision to classify c.€0.9 billion of Stage 1 assets as Stage 2 at the reporting date (31 December 2024: c.€0.9 billion), with a corresponding c.€9 million increase in impairment loss allowance (31 December 2024: €9 million).

Furthermore, the final set of probability weightings applied to FLI scenarios utilised in the Group's impairment models incorporated the application of management judgement to initial modelled probability weightings to reflect economic uncertainty associated with factors including geopolitical risk and trade policy uncertainty. The estimated impact of this judgement was a c.€72 million increase in impairment loss allowance (31 December 2024: c.€7 million). Further details on the selected FLI scenarios for the reporting period, Group post-model adjustments and management judgement incorporated into impairment model parameters are provided in note 2 of the consolidated financial statements.

Composition and impairment

The tables below summarise the composition, credit-impaired volumes and related impairment loss allowance of the Group's loans and advances to customers at amortised cost at 30 June 2025. These tables exclude €175 million (31 December 2024: €185 million) of loans and advances to customers that are measured at fair value through profit or loss (FVTPL) and are therefore not subject to impairment under IFRS 9.

Credit-impaired includes Stage 3 and Purchased or Originated Credit-impaired (POCI) assets of €75 million (31 December 2024: €78 million).

Total POCI assets at 30 June 2025 were €131 million (31 December 2024: €133 million). €56 million of POCI assets (31 December 2024: €55 million) were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These loans will remain classified as POCI loans until derecognition.

Asset Quality *(continued)*

Asset Quality - Loans and advances to customers *(continued)*

30 June 2025 Credit-impaired loans and advances to customers - Composition and impairment	Advances (pre-impairment loss allowance) €m	Credit Impaired loans €m	Credit impaired loans as % of advances %	Credit impaired impairment loss allowance €m	Impairment loss allowance as % of credit impaired loans %
Residential mortgages	50,767	706	1.4%	119	17%
Retail Ireland	*35,239*	*382*	*1.1%*	*78*	*20%*
Retail UK	*15,528*	*324*	*2.1%*	*41*	*13%*
Non-property SME and corporate	19,293	843	4.4%	392	47%
Republic of Ireland SME	*7,368*	*238*	*3.2%*	*106*	*45%*
UK SME	*1,415*	*67*	*4.7%*	*14*	*21%*
Corporate	*10,510*	*538*	*5.1%*	*272*	*51%*
Property and construction	7,310	395	5.4%	124	31%
Investment	*6,533*	*304*	*4.7%*	*90*	*30%*
Development	*777*	*91*	*11.7%*	*34*	*37%*
Consumer	5,717	113	2.0%	54	48%
Total	**83,087**	**2,057**	**2.5%**	**689**	**33%**
Purchased / originated credit-impaired	131	75	57.3%	11	15%
Total	**83,218**	**2,132**	**2.6%**	**700**	**33%**

31 December 2024 Credit-impaired loans and advances to customers - Composition and impairment	Advances (pre-impairment loss allowance) €m	Credit Impaired loans €m	Credit impaired loans as % of advances %	Credit impaired impairment loss allowance €m	Impairment loss allowance as % of credit impaired loans %
Residential mortgages	50,326	748	1.5%	120	16%
Retail Ireland	*34,225*	*394*	*1.2%*	*75*	*19%*
Retail UK	*16,101*	*354*	*2.2%*	*45*	*13%*
Non-property SME and corporate	20,358	632	3.1%	257	41%
Republic of Ireland SME	*7,249*	*236*	*3.3%*	*94*	*40%*
UK SME	*1,531*	*78*	*5.1%*	*17*	*22%*
Corporate	*11,578*	*318*	*2.7%*	*146*	*46%*
Property and construction	7,448	269	3.6%	88	33%
Investment	*6,840*	*227*	*3.3%*	*75*	*33%*
Development	*608*	*42*	*6.9%*	*13*	*31%*
Consumer	5,116	106	2.1%	49	46%
Total	**83,248**	**1,755**	**2.1%**	**514**	**29%**
Purchased / originated credit-impaired	133	78	58.6%	1	1%
Total	**83,381**	**1,833**	**2.2%**	**515**	**28%**

At 30 June 2025, loans and advances to customers (pre impairment loss allowance) of €83.2 billion were €0.2 billion lower than 31 December 2024. Positive net new lending in the period, particularly within the RoI mortgage portfolio, was offset by the combined impacts of net redemptions, currency translation and utilisation of impairment loss allowances.

Credit-impaired loans increased to €2.1 billion or 2.6% of customer loans at 30 June 2025 from €1.8 billion or 2.2% at 31 December 2024. The increase reflected emergence of new defaults in the corporate portfolio, primarily the US Acquisition Finance portfolio.

The application of updated FLI, individually assessed risk ratings, credit risk assessments, impairment model methodology updates, and other portfolio activity (including net repayments / redemptions in the period) resulted in the net reduction of c.€1.0 billion of loans in Stage 2 (i.e. cases that are identified as having experienced a significant increase in credit risk) in the period.

The stock of impairment loss allowance on credit-impaired loans was €0.7 billion at 30 June 2025, which was €0.2 billion higher than the stock at 31 December 2024. The net increase incorporates the gross impairment loss on credit impaired loans of €0.2 billion, partially offset by impairment loss allowance utilisation.

Asset Quality *(continued)*

Asset Quality - Loans and advances to customers *(continued)*

The total impairment loss allowance at 30 June 2025 includes a total PMA of €75 million (31 December 2024: €57 million), which was recognised against loans and advances to customers. Details on the post-model management adjustments are provided in note 2 on pages 57 and 58. Impairment loss allowance cover for credit-impaired loans increased to 33% at 30 June 2025 compared to 28% at 31 December 2024. This primarily reflects changes in the underlying asset / portfolio mix of the Stage 3 population, with higher-than-average impairment requirements for assets migrating to Stage 3 in the period.

Risk profile of forborne loans and advances to customers

The Group's total risk profile of loans and advances to customers at amortised cost at 30 June 2025 of €83.2 billion (31 December 2024: €83.4 billion) is available in note 19.

The tables below exclude €175 million of loans and advances to customers at 30 June 2025 (31 December 2024: €185 million) that are measured at FVTPL and are therefore not subject to impairment under IFRS 9. Exposures are before impairment loss allowance.

30 June 2025 Loans and advances to customers at amortised cost - Composition	**Stage 1 (not credit-impaired) €m**	**Stage 2 (not credit-impaired) €m**	**Stage 3 (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total €m**
Non-forborne loans and advances to customers					
Residential mortgages	47,848	1,992	438	94	50,372
Retail Ireland	*33,514*	*1,199*	*203*	*94*	*35,010*
Retail UK	*14,334*	*793*	*235*	*–*	*15,362*
Non-property SME and corporate	13,357	4,194	277	–	17,828
Republic of Ireland SME	*5,758*	*1,259*	*159*	*–*	*7,176*
UK SME	*1,097*	*216*	*47*	*–*	*1,360*
Corporate	*6,502*	*2,719*	*71*	*–*	*9,292*
Property and construction	4,840	1,370	61	–	6,271
Investment	*4,300*	*1,224*	*61*	*–*	*5,585*
Development	*540*	*146*	*–*	*–*	*686*
Consumer	5,408	195	110	–	5,713
Total non-forborne loans and advances to customers	**71,453**	**7,751**	**886**	**94**	**80,184**
Forborne loans and advances to customers					
Residential mortgages	3	218	268	37	526
Retail Ireland	*2*	*142*	*179*	*37*	*360*
Retail UK	*1*	*76*	*89*	*–*	*166*
Non-property SME and corporate	–	899	566	–	1,465
Republic of Ireland SME	*–*	*113*	*79*	*–*	*192*
UK SME	*–*	*35*	*20*	*–*	*55*
Corporate	*–*	*751*	*467*	*–*	*1,218*
Property and construction	–	705	334	–	1,039
Investment	*–*	*705*	*243*	*–*	*948*
Development	*–*	*–*	*91*	*–*	*91*
Consumer	–	1	3	–	4
Total forborne loans and advances to customers	**3**	**1,823**	**1,171**	**37**	**3,034**

At 30 June 2025, forborne POCI loans included €6 million (31 December 2024: €4 million) of loans which, while credit-impaired upon purchase or origination, were no longer credit-impaired at the reporting date due to improvement in credit risk. These loans will remain classified as POCI loans until derecognition.

Asset Quality *(continued)*

Asset Quality - Loans and advances to customers *(continued)*

31 December 2024 Loans and advances to customers at amortised cost - Composition	**Stage 1 (not credit-impaired) €m**	**Stage 2 (not credit-impaired) €m**	**Stage 3 (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total €m**
Non-forborne loans and advances to customers					
Residential mortgages	47,165	2,202	489	103	49,959
Retail Ireland	*32,497*	*1,201*	*230*	*103*	*34,031*
Retail UK	*14,668*	*1,001*	*259*	*–*	*15,928*
Non-property SME and corporate	14,644	3,864	246	–	18,754
Republic of Ireland SME	*5,475*	*1,403*	*155*	*–*	*7,033*
UK SME	*1,243*	*168*	*54*	*–*	*1,465*
Corporate	*7,926*	*2,293*	*37*	*–*	*10,256*
Property and construction	4,442	1,818	23	–	6,283
Investment	*4,108*	*1,622*	*23*	*–*	*5,753*
Development	*334*	*196*	*–*	*–*	*530*
Consumer	4,698	311	104	–	5,113
Total non-forborne loans and advances to customers	**70,949**	**8,195**	**862**	**103**	**80,109**
Forborne loans and advances to customers					
Residential mortgages	4	207	259	30	500
Retail Ireland	*4*	*129*	*164*	*30*	*327*
Retail UK	*–*	*78*	*95*	*–*	*173*
Non-property SME and corporate	–	1,218	386	–	1,604
Republic of Ireland SME	*–*	*135*	*81*	*–*	*216*
UK SME	*–*	*42*	*24*	*–*	*66*
Corporate	*–*	*1,041*	*281*	*–*	*1,322*
Property and construction	–	919	246	–	1,165
Investment	*–*	*883*	*204*	*–*	*1,087*
Development	*–*	*36*	*42*	*–*	*78*
Consumer	–	1	2	–	3
Total forborne loans and advances to customers	**4**	**2,345**	**893**	**30**	**3,272**

Asset Quality *(continued)*

Asset Quality - Loans and advances to customers *(continued)*

Loan to value profiles - total Retail Ireland mortgages

The tables below set out the weighted average indexed loan to value (LTV) for the total Retail Ireland mortgage loan book. The tables include POCI loans of €131 million (31 December 2024: €133 million).

30 June 2025 Loan to value ratio of total Retail Ireland mortgages	**Owner occupied**					**Buy to let**					**Total**				
	Stage 1 €m	**Stage 2 €m**	**Stage 3 €m**	**POCIs €m**	**Total €m**	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCIs €m**	**Total €m**	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCIs €m**	**Total €m**
Less than 50%	14,567	474	184	60	15,285	755	19	25	6	805	15,322	493	209	66	16,090
51% to 70%	9,442	643	90	32	10,207	147	8	6	1	162	9,589	651	96	33	10,369
71% to 80%	4,615	150	25	8	4,798	16	1	–	–	17	4,631	151	25	8	4,815
81% to 90%	3,446	37	10	5	3,498	20	2	3	–	25	3,466	39	13	5	3,523
91% to 100%	484	2	9	5	500	3	–	–	–	3	487	2	9	5	503
Subtotal	**32,554**	**1,306**	**318**	**110**	**34,288**	**941**	**30**	**34**	**7**	**1,012**	**33,495**	**1,336**	**352**	**117**	**35,300**
101% to 120%	10	1	4	4	19	2	–	2	–	4	12	1	6	4	23
121% to 150%	6	1	2	5	14	1	–	6	1	8	7	1	8	6	22
Greater than 151%	1	–	5	4	10	1	3	11	–	15	2	3	16	4	25
Subtotal	**17**	**2**	**11**	**13**	**43**	**4**	**3**	**19**	**1**	**27**	**21**	**5**	**30**	**14**	**70**
Total	**32,571**	**1,308**	**329**	**123**	**34,331**	**945**	**33**	**53**	**8**	**1,039**	**33,516**	**1,341**	**382**	**131**	**35,370**
Weighted average LTV															
Stock of Retail Ireland mortgages at period end					53%					37%					53%
New Retail Ireland mortgages during the period					78%					51%					78%

Weighted average loan to value ratios are calculated at a property level and reflect the average property value in proportion to the outstanding mortgage. Property values are determined by reference to the property valuations held, indexed to the Central Statistics Office (CSO) Residential Property Price Index (RPPI). The indexed LTV profile of the Retail Ireland mortgage loan book is based on the CSO RPPI at April 2025. The CSO RPPI for April 2025 reported that average national residential property prices were 17.8% above peak (October 2024: 15.2% above peak), with Dublin residential prices 4.2% above peak and outside of Dublin residential prices 19.8% above peak (October 2024: 3.4% above peak and 15.8% above peak respectively). In the four months to April 2025, residential property prices at a national level increased by 0.8% (October 2024: 7.2% increase).

At 30 June 2025, €35.3 billion or 99.8% of Retail Ireland mortgages were classified as being in positive equity, 99.9% for Owner occupied mortgages and 97.4% for BTL mortgages.

Asset Quality *(continued)*

Asset Quality - Loans and advances to customers *(continued)*

31 December 2024	**Owner occupied**					**Buy to let**					**Total**				
Loan to value ratio of total Retail Ireland mortgages	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCIs €m**	**Total €m**	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCIs €m**	**Total €m**	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCIs €m**	**Total €m**
Less than 50%	14,325	425	180	60	14,990	807	21	29	5	862	15,132	446	209	65	15,852
51% to 70%	9,541	639	101	33	10,314	150	9	6	2	167	9,691	648	107	35	10,481
71% to 80%	4,274	192	21	8	4,495	18	1	1	1	21	4,292	193	22	9	4,516
81% to 90%	3,047	36	12	5	3,100	25	1	4	–	30	3,072	37	16	5	3,130
91% to 100%	285	1	8	5	299	2	–	–	–	2	287	1	8	5	301
Subtotal	**31,472**	**1,293**	**322**	**111**	**33,198**	**1,002**	**32**	**40**	**8**	**1,082**	**32,474**	**1,325**	**362**	**119**	**34,280**
101% to 120%	14	–	5	5	24	2	–	1	–	3	16	–	6	5	27
121% to 150%	6	3	3	4	16	2	–	6	1	9	8	3	9	5	25
Greater than 151%	1	–	5	4	10	2	2	12	–	16	3	2	17	4	26
Subtotal	**21**	**3**	**13**	**13**	**50**	**6**	**2**	**19**	**1**	**28**	**27**	**5**	**32**	**14**	**78**
Total	**31,493**	**1,296**	**335**	**124**	**33,248**	**1,008**	**34**	**59**	**9**	**1,110**	**32,501**	**1,330**	**394**	**133**	**34,358**

Weighted average LTV			
Stock of Retail Ireland mortgages at year end	53%	38%	52%
New Retail Ireland mortgages during the year	75%	50%	75%

Asset Quality *(continued)*

Asset Quality - Loans and advances to customers *(continued)*

Loan to value profiles - total Retail UK mortgages

The tables below set out the weighted average indexed LTV for the total Retail UK mortgage loan book. Weighted average loan to value ratios are calculated at a property level and reflect the average of property values in proportion to the outstanding mortgage. Property values are determined by reference to the original or latest property valuations held, indexed to the published 'Nationwide UK House Price Index'.

30 June 2025 Loan to value ratio of total Retail UK mortgages	Standard				Buy to let				Self-certified				Total			
	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Less than 50%	1,784	91	37	1,912	1,526	204	49	1,779	271	67	23	361	3,581	362	109	4,052
51% to 70%	2,641	102	30	2,773	1,295	159	74	1,528	130	49	20	199	4,066	310	124	4,500
71% to 80%	2,042	29	12	2,083	185	9	10	204	4	1	4	9	2,231	39	26	2,296
81% to 90%	2,170	26	7	2,203	1	2	2	5	–	1	–	1	2,171	29	9	2,209
91% to 100%	212	2	4	218	–	1	1	2	2	–	–	2	214	3	5	222
Subtotal	**8,849**	**250**	**90**	**9,189**	**3,007**	**375**	**136**	**3,518**	**407**	**118**	**47**	**572**	**12,263**	**743**	**273**	**13,279**
101% to 120%	1	–	–	1	–	–	1	1	–	–	–	–	1	–	1	2
121% to 150%	–	–	1	1	–	–	1	1	–	–	1	1	–	–	3	3
Greater than 150%	–	–	–	–	–	–	–	–	–	–	1	1	–	–	1	1
Subtotal	**1**	**–**	**1**	**2**	**–**	**–**	**2**	**2**	**–**	**–**	**2**	**2**	**1**	**–**	**5**	**6**
Total	**8,850**	**250**	**91**	**9,191**	**3,007**	**375**	**138**	**3,520**	**407**	**118**	**49**	**574**	**12,264**	**743**	**278**	**13,285**
Weighted average LTV																
Stock of Retail UK mortgages at period end				65%				49%				44%				60%
New Retail UK mortgages during the period				81%				61%				35%				80%

Asset Quality *(continued)*

Asset Quality - Loans and advances to customers *(continued)*

31 December 2024 Loan to value ratio of total Retail UK mortgages	**Standard**				**Buy to let**				**Self-certified**				**Total**			
	Stage 1 £m	**Stage 2 £m**	**Stage 3 £m**	**Total £m**	**Stage 1 £m**	**Stage 2 £m**	**Stage 3 £m**	**Total £m**	**Stage 1 £m**	**Stage 2 £m**	**Stage 3 £m**	**Total £m**	**Stage 1 £m**	**Stage 2 £m**	**Stage 3 £m**	**Total £m**
Less than 50%	1,845	138	36	2,019	1,636	221	55	1,912	298	58	24	380	3,779	417	115	4,311
51% to 70%	2,730	128	28	2,886	1,423	210	82	1,715	161	44	23	228	4,314	382	133	4,829
71% to 80%	1,740	42	13	1,795	201	14	14	229	6	2	3	11	1,947	58	30	2,035
81% to 90%	1,903	28	5	1,936	1	2	2	5	–	1	1	2	1,904	31	8	1,943
91% to 100%	216	5	2	223	1	–	1	2	–	1	–	1	217	6	3	226
Subtotal	**8,434**	**341**	**84**	**8,859**	**3,262**	**447**	**154**	**3,863**	**465**	**106**	**51**	**622**	**12,161**	**894**	**289**	**13,344**
101% to 120%	1	–	–	1	–	–	–	–	1	–	–	1	2	–	–	2
121% to 150%	–	–	1	1	–	–	2	2	–	–	1	1	–	–	4	4
Greater than 150%	–	–	1	1	–	–	–	–	–	–	–	–	–	–	1	1
Subtotal	**1**	**–**	**2**	**3**	**–**	**–**	**2**	**2**	**1**	**–**	**1**	**2**	**2**	**–**	**5**	**7**
Total	**8,435**	**341**	**86**	**8,862**	**3,262**	**447**	**156**	**3,865**	**466**	**106**	**52**	**624**	**12,163**	**894**	**294**	**13,351**
Weighted average LTV																
Stock of Retail UK mortgages at year end				64%				50%				45%				59%
New Retail UK mortgages during the year				77%				59%				47%				76%

Capital adequacy risk

The information below including referenced footnotes forms an integral part of the interim financial statements as described in the basis of preparation in note 1 to the financial statements.

CRD IV - 31 December 2024[1]			CRD IV - 30 June 2025	
Regulatory €m	Fully loaded €m		Regulatory €m	Fully loaded €m
		Capital Base		
13,009	13,009	Total equity	13,068	13,068
(868)	(868)	less foreseeable dividend deduction[2]	(403)	(403)
–	–	less remaining interim profits[3]	(369)	(369)
(1,069)	(1,069)	less AT1 capital	(1,500)	(1,500)
11,072	**11,072**	**Total equity less foreseeable dividend deduction, interim profits and equity instruments not qualifying as common equity tier 1**	**10,796**	**10,796**
(574)	**(574)**	**Regulatory adjustments being phased in / out under CRD IV**	**(496)**	**(496)**
(574)	*(574)*	*Deferred tax assets[4]*	*(496)*	*(496)*
(2,443)	**(2,443)**	**Other regulatory adjustments**	**(2,330)**	**(2,330)**
(66)	*(66)*	*Expected loss deduction*	*(76)*	*(76)*
(1,113)	*(1,113)*	*Intangible assets and goodwill*	*(1,187)*	*(1,187)*
(846)	*(846)*	*Pension asset deduction*	*(705)*	*(705)*
(418)	*(418)*	*Other adjustments[5]*	*(362)*	*(362)*
8,055	**8,055**	**Common equity tier 1**	**7,970**	**7,970**
		Additional tier 1		
1,068	1,068	AT1 instruments (issued by parent entity BoIG plc)[6]	1,500	1,500
9,123	**9,123**	**Total tier 1 capital**	**9,470**	**9,470**
		Tier 2		
1,856	1,856	Tier 2 instruments (issued by parent entity BoIG plc)	1,846	1,846
(160)	(160)	Regulatory adjustments	(160)	(160)
1,696	**1,696**	**Total tier 2 capital**	**1,686**	**1,686**
10,819	**10,819**	**Total capital**	**11,156**	**11,156**
55.3	**55.3**	**Total risk weighted assets (€bn)**	**52.2**	**52.2**
		Capital ratios[1, 3]		
14.6%	14.6%	Common equity tier 1	15.3%	15.3%
16.5%	16.5%	Tier 1	18.2%	18.2%
19.6%	19.6%	Total capital	21.4%	21.4%
6.7%	6.7%	Leverage ratio	6.7%	6.7%

[1] The December 2024 capital ratios have been presented including the benefit of the retained profits in the period. Under Article 26 (2) of the Capital Requirements Regulation, financial institutions may include independently verified interim profits in their regulatory capital only with the prior permission of the competent authority, namely the ECB, and such permission has been obtained. The capital ratios are calculated using unrounded risk weighted asset amounts.
[2] As at 31 December 2024, a foreseeable distribution deduction of €868 million representing an ordinary dividend of €278 million and share buyback of €590 million was deducted. At 30 June 2025, a foreseeable distribution deduction of €402.5 million representing ordinary dividend of €243 million (subject to ordinary shareholder approval) and remainder of share buyback (€159.5 million) was deducted.
[3] In accordance with ECB guidance and EBA Q&A 2023_6887, no interim profits have been recognised under Article 26(2) of the Capital Requirements Regulation. The interim capital ratios for June 2025 have therefore been presented excluding the benefit of H1 interim profits. Inclusion of H1 interim profits results in a CET1 ratio of 16.0% and a total capital ratio of 22.1%.
[4] Deduction relates to deferred tax assets on losses carried forward, net of certain deferred tax liabilities.
[5] Includes technical items such as non-qualifying CET1 items, prudential valuation adjustment, calendar provisioning, cash flow hedge reserve, own credit spread adjustment (net of tax), coupon expected on AT1 instrument and securitisation deduction.
[6] Net of capital deduction in relation to instruments held by Group companies.

Capital adequacy risk *(continued)*

CRD IV - 31 December 2024 Regulatory €bn	CRD IV - 31 December 2024 Fully loaded €bn		CRD IV - 30 June 2025 Regulatory €bn	CRD IV - 30 June 2025 Fully loaded €bn
		Risk weighted assets		
40.6	40.6	Credit risk	37.3	37.3
0.8	0.8	Counterparty credit risk	0.9	0.9
1.9	1.9	Securitisation	1.3	1.3
0.3	0.3	Market risk	0.3	0.3
6.7	6.7	Operational risk	7.1	7.1
5.0	5.0	Other assets / 10% / 15% threshold deduction	5.3	5.3
55.3	**55.3**	**Total RWAs**	**52.2**	**52.2**

Risk weighted assets
RWAs on a fully loaded basis, were €52.2 billion at 30 June 2025 (31 December 2024: €55.3 billion). The decrease of €3.1 billion in RWAs is primarily due to the implementation of CRR 3, FX and NPE migration, offset by the loan book movements and amortisation on credit risk transfers. RWAs in the table above reflect the application of regulatory Balance Sheet Assessment adjustments and the updated treatment of expected loss. Further details on RWA can be found in the Group's Pillar 3 disclosures which are available on the Group's website.

CET1 ratio
The Group's pro forma fully loaded CET1 ratio with inclusion of the H1 unaudited profits was 16% at 30 June 2025 (31 December 2024: 14.6%). The increase of c.140 basis points since 31 December 2024 is primarily due to CRR3 (c.+115 basis points), organic capital generation (c.+110 basis points), partially offset by a foreseeable distribution deduction (c.-45 basis points) and RWA growth (c.-35 basis points).

The Group's fully loaded and regulatory CET1 ratios (excluding the H1 unaudited profits[1]) were 15.3% at 30 June 2025.

Leverage ratio
The Group's pro forma fully loaded leverage ratio with inclusion of the unaudited profits was 7% at 30 June 2025 (31 December 2024: 6.7%).

The Group's fully loaded and regulatory leverage ratios, (excluding the H1 unaudited profits[1]) were 6.7% at 30 June 2025.

A binding leverage requirement of 3% is applicable. The Group expects to remain well in excess of this requirement.

Capital requirements / buffers
The table on the following page sets out the Group's CET1 capital requirements for 30 June 2025 and the authorities responsible for setting those requirements.

The Group is required to maintain a CET1 ratio of 11.38% on a regulatory basis at 30 June 2025. This includes a Pillar 1 requirement of 4.50%, a CET1 Pillar 2 Requirements (P2R) of 1.35%, a Capital Conservation Buffer (CCB) of 2.50%, an Other Systemically Important Institutions (O-SII) Buffer of 1.50% and a Countercyclical buffer (CCyB) of 1.53%. Pillar 2 Guidance (P2G) is not disclosed in accordance with regulatory preference.

The CCyBs are independently set in each country by the relevant designated authority.

The Central Bank of Ireland (CBI) has advised that the Group is required to maintain an O-SII buffer of 1.50% subject to annual review by the CBI.

The Group expects to maintain both fully loaded and regulatory capital ratios significantly in excess of minimum regulatory requirements.

Minimum Requirement for Own Funds and Eligible Liabilities
The Group's interim binding MREL requirements, to be met at 30 June 2025, were 28.60% on a RWAs basis and 7.55% on a leverage basis.

The MREL RWAs requirement consists of a Single Resolution Board (SRB) target of 23.07% (based on the Group's capital requirements at 30 June 2025) and the Group's Combined Buffer Requirement (CBR) of 5.53% on 30 June 2025 (comprising the Capital Conservation Buffer of 2.50%, an O-SII buffer of 1.50% and a Countercyclical buffer of 1.53%). The SRB target is subject to annual review; while the CBR is dynamic, updating as changes in capital requirements become effective.

The Group's pro forma MREL position at 30 June 2025 was 34.4% on a RWA basis and 12.7% on a leverage basis (33.7% and 12.5% excluding interim profits[1]). The Group expects to maintain a buffer over its MREL requirements.

[1] *Post mechanical deduction for EBA Q&A 2023_6887.*

Capital adequacy risk *(continued)*

CET1 Regulatory Capital Requirements	Set by	2024	2025	2026
Pillar 1 - CET1	CRR	4.50%	4.50%	4.50%
Pillar 2 Requirement	SSM	1.32%	1.35%	1.35%
Capital Conservation Buffer	CRD	2.50%	2.50%	2.50%
Countercyclical buffer				
Ireland (c.68% of RWAs)	CBI	0.99%	1.02%	1.02%
UK (c.23% of RWAs)	BoE	0.46%	0.47%	0.47%
US and other (c.9% of RWA)	Fed / Various	0.04%	0.04%	0.04%
O-SII Buffer	CBI	1.50%	1.50%	1.50%
Minimum CET1 Regulatory Requirements		**11.31%**	**11.38%**	**11.38%**
Pillar 2 Guidance				**Not disclosed in line with regulatory preference**

Distribution policy

The Group paid an ordinary dividend in respect of the 2024 financial year of €274 million, equivalent to 28 cents per share, on 10 June 2025. This was paid to shareholders who appeared on the Company's register on 2 May 2025, the record date for the dividend.

In respect of H125, the Board has approved an interim distribution of 25 cents per share, equivalent to €243 million. The interim dividend will be paid on 30 October 2025 to ordinary shareholders who appear on the Company's register on 3 October 2025, the record date for the dividend.

The Group's policy is to distribute ordinary dividends of c.40-60% of statutory profits. The Board will also consider the distribution of surplus capital on at least an annual basis. The distribution level will reflect, amongst other things, the strength of the Group’s capital generation, the Board’s assessment of the growth and investment opportunities available, any capital the Group retains to cover uncertainties (e.g. related to the economic outlook) and any impact from the evolving regulatory and accounting environments.

Share buyback

The Group commenced a share buyback programme of €590 million on 25 February 2025. At 30 June 2025, 38.83 million shares had been repurchased for cancellation, c.4% of the count outstanding at 1 January 2025, at a volume weighted average price of €11.2593 per share.

Impediments to the transfer of funds

There is a requirement to disclose any impediment to the prompt transfer of funds within the Group. In respect of the Group’s licensed subsidiaries, the Group is obliged to meet certain license conditions in respect of capital and / or liquidity.

These requirements may include meeting or exceeding appropriate capital and liquidity ratios and obtaining appropriate regulatory approvals for the transfer of capital or, in certain circumstances, liquidity. The Group’s licensed subsidiaries would be unable to remit funds to the parent when to do so would result in such ratios or other regulatory permissions being breached. Apart from this requirement, there is no restriction on the prompt transfer of own funds or the repayment of liabilities between the subsidiary companies and the parent.

At 30 June 2025, own funds were in excess of the required minimum requirement.

Statement of Directors’ responsibilities

for the six months ended 30 June 2025

The Directors are responsible for preparing the interim financial report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 (‘Transparency Directive’), and the Central Bank (Investment Market Conduct) Rules 2019 ('Transparency Rules of the Central Bank of Ireland').

In preparing the condensed set of consolidated financial statements included within the interim financial report, the Directors are required to:

- prepare and present the condensed set of consolidated financial statements in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, the Transparency Directive and the Transparency Rules of the Central Bank of Ireland;
- ensure the condensed set of consolidated financial statements has adequate disclosures;
- select and apply appropriate accounting policies;
- make accounting estimates that are reasonable in the circumstances; and
- assess the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for designing, implementing and maintaining such internal controls as they determine are necessary to enable the preparation of the condensed set of consolidated financial statements that is free from material misstatement whether due to fraud or error.

We confirm that to the best of our knowledge:

The condensed set of consolidated financial statements included within the interim financial report of Bank of Ireland Group plc for the six months ended 30 June 2025 (the ‘interim financial information’) which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement and the related explanatory notes, have been presented and prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, the Transparency Directive and Transparency Rules of the Central Bank of Ireland.

The interim financial information presented, as required by the Transparency Directive, includes a fair review of:

- an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of consolidated financial statements;
- a description of the principal risks and uncertainties for the remaining six months of the financial year;
- related parties’ transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period; and
- any changes in the related parties’ transactions described in the last annual report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group’s website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board by

28 July 2025

Akshaya Bhargava	**Michele Greene**	**Myles O'Grady**
Chairman	*Deputy Chair*	*Group Chief Executive Officer*

Executive Directors: Myles O'Grady (Group Chief Executive Officer), Mark Spain (Group Chief Financial Officer).
Non-Executive Directors: Akshaya Bhargava (Chairman), Michele Greene (Deputy Chair), Giles Andrews, Ian Buchanan, Emer Finnan, Richard Goulding, Niamh Marshall, Steve Pateman, Margaret Sweeney.

Independent review report

to Bank of Ireland Group plc

Conclusion

We have been engaged by Bank of Ireland Group plc (the 'Group') to review the Group's condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement, a summary of material accounting policies and other explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as adopted by the EU, the Transparency (Directive 2004/109/EC) Regulations 2007 ("Transparency Directive"), and the Central Bank (Investment Market Conduct) Rules 2019 ("Transparency Rules of the Central Bank of Ireland").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("ISRE (Ireland) 2410") issued for use in Ireland. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the Directors have inappropriately adopted the going concern basis of accounting, or that the Directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (Ireland) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Transparency Directive and the Transparency Rules of the Central Bank of Ireland.

The Directors are responsible for preparing the condensed set of consolidated financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted by the EU.

As disclosed in note 1, the annual financial statements of the Group for the year ended 31 December 2024 are prepared in accordance with International Financial Reporting Standards as adopted by the EU.

In preparing the condensed set of consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Group a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Group in accordance with the terms of our engagement to assist the Group in meeting the requirements of the Transparency Directive and the Transparency Rules of the Central Bank of Ireland. Our review has been undertaken so that we might state to the Group those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group for our review work, for this report, or for the conclusions we have reached.

KPMG
Chartered Accountants,
1 Harbourmaster Place, IFSC
Dublin 1, D01 F6F5
Ireland

28 July 2025

Consolidated interim financial statements and notes *(unaudited)*

Condensed consolidated income statement

(for the six months ended 30 June 2025) (unaudited)

	Note	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Interest income calculated using the effective interest method	4	2,337	2,963
Other interest income	4	382	514
Interest income		**2,719**	**3,477**
Interest expense	5	(1,054)	(1,645)
Net interest income		**1,665**	**1,832**
Insurance service result	6	24	22
Insurance revenue		*260*	*267*
Insurance service expense		*(219)*	*(236)*
Net expense from reinsurance contracts held		*(17)*	*(9)*
Insurance investment and finance result	6	7	(26)
Total investment (losses) / gains		*(129)*	*815*
Finance income / (expense) from insurance contracts issued		*150*	*(819)*
Finance expense from reinsurance contracts held		*(14)*	*(22)*
Fee and commission income	7	378	352
Fee and commission expense	7	(97)	(105)
Net trading income	8	21	109
Other leasing income	9	61	53
Other leasing expense	9	(46)	(42)
Other operating income	10	19	42
Total operating income		**2,032**	**2,237**
Operating expenses	11	(1,115)	(1,100)
Cost of restructuring programme	12	(69)	(25)
Operating profit before impairment losses on financial instruments		**848**	**1,112**
Net impairment losses on financial instruments	13	(136)	(49)
Operating profit		**712**	**1,063**
Share of results of associates and joint ventures (after tax)	14	9	17
Profit before tax		**721**	**1,080**
Taxation charge	15	(113)	(203)
Profit for the period		**608**	**877**
Attributable to shareholders		608	877
Profit for the period		**608**	**877**
Earnings per ordinary share (€ cent)	16	57.8	80.8
Diluted earnings per ordinary share (€ cent)	16	57.8	80.8

Condensed consolidated statement of comprehensive income

(for the six months ended 30 June 2025) (unaudited)

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Profit for the period	**608**	**877**
Other comprehensive (expense) / income, net of tax:		
Items that may be reclassified to profit or loss in subsequent periods:		
Net change in debt instruments at fair value through other comprehensive income, net of tax	11	8
Net change in cash flow hedge reserve, net of tax	14	8
Net change in foreign exchange reserve	(123)	74
Total items that may be reclassified to profit or loss in subsequent periods	**(98)**	**90**
Items that will not be reclassified to profit or loss in subsequent periods:		
Remeasurement of the net defined benefit pension asset, net of tax	(145)	95
Net change in liability credit reserve, net of tax	4	(2)
Total items that will not be reclassified to profit or loss in subsequent periods	**(141)**	**93**
Other comprehensive (expense) / income for the period, net of tax	**(239)**	**183**
Total comprehensive income for the period, net of tax	**369**	**1,060**
Total comprehensive income attributable to equity shareholders	369	1,060
Total comprehensive income for the period, net of tax	**369**	**1,060**

The effect of tax on these items is shown in note 15.

Condensed consolidated balance sheet

(at 30 June 2025) (unaudited)

	Note	30 June 2025 €m	31 December 2024 €m
Assets			
Cash and balances at central banks	30	27,321	32,436
Items in the course of collection from other banks		119	114
Trading securities		128	166
Derivative financial instruments		3,318	3,477
Fair value changes due to interest rate risk of the hedged items in portfolio hedges		235	118
Other financial assets at FVTPL		23,973	24,000
Loans and advances to banks		1,807	1,738
Debt securities at amortised cost	17	12,557	6,387
Financial assets at FVOCI		3,218	3,384
Loans and advances to customers	18	82,212	82,538
Interest in associates		150	133
Interest in joint ventures		88	80
Intangible assets and goodwill		1,570	1,500
Investment properties		787	771
Property, plant and equipment		808	811
Current tax assets		47	37
Deferred tax assets	21	488	546
Other assets		1,317	1,127
Reinsurance contract assets	6	1,398	1,453
Retirement benefit assets	27	835	997
Total assets		**162,376**	**161,813**
Equity and liabilities			
Deposits from banks	22	1,362	1,805
Customer accounts	23	104,964	103,069
Items in the course of transmission to other banks		509	218
Derivative financial instruments		3,128	3,675
Fair value changes due to interest rate risk of the hedged items in portfolio hedges		(92)	(365)
Debt securities in issue	24	8,010	9,130
Liabilities to customers under investment contracts		9,265	9,203
Insurance contract liabilities	6	16,513	16,685
Other liabilities		3,072	2,760
Leasing liabilities		343	366
Current tax liabilities		7	29
Provisions	25	237	235
Allowance provision on loan commitments and financial guarantees		83	80
Deferred tax liabilities		48	58
Retirement benefit obligations	27	2	3
Subordinated liabilities	28	1,857	1,853
Total liabilities		**149,308**	**148,804**
Equity			
Share capital		965	1,003
Share premium account		456	456
Retained earnings		10,171	10,473
Other reserves		(8)	22
Own shares held for the benefit of life assurance policyholders		(6)	(7)
Shareholders' equity		**11,578**	**11,947**
Other equity instruments - Additional Tier 1	29	1,487	1,059
Total equity excluding non-controlling interests		**13,065**	**13,006**
Non-controlling interests		3	3
Total equity		**13,068**	**13,009**
Total equity and liabilities		**162,376**	**161,813**

Condensed consolidated statement of changes in equity

(for the six months ended 30 June 2025) (unaudited)

	Share capital €m	Share premium account €m	Retained earnings €m	Other reserves: Debt instruments at FVOCI reserve €m	Other reserves: Cash flow hedge reserve €m	Other reserves: Foreign exchange reserve €m	Other reserves: Capital reserve €m	Other reserves: Other reserves[1] €m	Own shares held for benefit of life assurance policyholders €m	Attributable to equity holders of Parent €m	Other equity instruments €m	Non-controlling interests €m	Total €m
Balance at 1 January 2025	**1,003**	**456**	**10,473**	**(23)**	**(41)**	**(632)**	**686**	**32**	**(7)**	**11,947**	**1,059**	**3**	**13,009**
Profit for the period	–	–	608	–	–	–	–	–	–	608	–	–	608
Other comprehensive (expense) / income	–	–	(145)	11	14	(123)	–	4	–	(239)	–	–	(239)
Total comprehensive income for the period	**–**	**–**	**463**	**11**	**14**	**(123)**	**–**	**4**	**–**	**369**	**–**	**–**	**369**
Transactions with owners													
Contributions by and distributions to owners of the Group													
AT1 securities issued, net of expenses	–	–	–	–	–	–	–	–	–	–	595	–	595
Share buyback - repurchase of shares[3]	–	–	–	–	–	–	–	(429)	–	(429)	–	–	(429)
Dividends on ordinary shares[2]	–	–	(274)	–	–	–	–	–	–	(274)	–	–	(274)
Repurchase of AT1 securities	–	–	(2)	–	–	–	–	–	–	(2)	(167)	–	(169)
Distribution paid on other equity instruments - AT1 Coupon	–	–	(34)	–	–	–	–	–	–	(34)	–	–	(34)
Changes in value and amount of shares held	–	–	–	–	–	–	–	–	1	1	–	–	1
Share buyback - cancellation of shares[3]	(38)	–	(429)	–	–	–	38	429	–	–	–	–	–
Total transactions with owners	**(38)**	**–**	**(739)**	**–**	**–**	**–**	**38**	**–**	**1**	**(738)**	**428**	**–**	**(310)**
Transfer from retained earnings to capital reserve	–	–	(30)	–	–	–	30	–	–	–	–	–	–
Other movements	–	–	4	–	–	–	4	(8)	–	–	–	–	–
Balance at 30 June 2025	**965**	**456**	**10,171**	**(12)**	**(27)**	**(755)**	**758**	**28**	**(6)**	**11,578**	**1,487**	**3**	**13,068**

[1] *Other reserves includes the amalgamation of the revaluation reserve €12 million and merger reserve €17 million, offset by the liability credit reserve (€1 million).*
[2] *In H125, the Group paid a dividend of €274 million, equivalent to 28 cents per ordinary share, in respect of the 2024 financial year.*
[3] *The Group commenced a share buyback programme of €590 million on 25 February 2025. At 30 June 2025, 38.83 million shares had been repurchased for cancellation, c.4% of the count outstanding at 1 January 2025, at a volume weighted average price of €11.2593 per share.*

Condensed consolidated statement of changes in equity *(continued)*

(for the six months ended 30 June 2024) (unaudited)

	Share capital €m	Share premium account €m	Retained earnings €m	Other reserves: Debt instruments at FVOCI reserve €m	Other reserves: Cash flow hedge reserve €m	Other reserves: Foreign exchange reserve €m	Other reserves: Capital reserve €m	Other reserves: Other reserves[1] €m	Own shares held for benefit of life assurance policyholders €m	Attributable to equity holders of Parent €m	Other equity instruments €m	Non-controlling interests €m	Total €m
Balance at 1 January 2024	**1,057**	**456**	**10,285**	**(22)**	**(43)**	**(757)**	**593**	**30**	**(7)**	**11,592**	**966**	**3**	**12,561**
Profit for the period	–	–	877	–	–	–	–	–	–	877	–	–	877
Other comprehensive income	–	–	95	8	8	74	–	(2)	–	183	–	–	183
Total comprehensive income for the period	**–**	**–**	**972**	**8**	**8**	**74**	**–**	**(2)**	**–**	**1,060**	**–**	**–**	**1,060**
Transactions with owners													
Contributions by and distributions to owners of the Group													
AT1 securities issued, net of expenses	–	–	–	–	–	–	–	–	–	–	–	–	–
Share buyback - repurchase of shares[3]	–	–	–	–	–	–	–	(358)	–	(358)	–	–	(358)
Dividends on ordinary shares[2]	–	–	(621)	–	–	–	–	–	–	(621)	–	–	(621)
Repurchase of AT1 securities	–	–	–	–	–	–	–	–	–	–	–	–	–
Distribution paid on other equity instruments - AT1 Coupon	–	–	(34)	–	–	–	–	–	–	(34)	–	–	(34)
Changes in value and amount of shares held	–	–	–	–	–	–	–	–	1	1	–	–	1
Share buyback - cancellation of shares[3]	(37)	–	(358)	–	–	–	37	358	–	–	–	–	–
Total transactions with owners	**(37)**	**–**	**(1,013)**	**–**	**–**	**–**	**37**	**–**	**1**	**(1,012)**	**–**	**–**	**(1,012)**
Transfer to retained earnings from capital reserve	–	–	(22)	–	–	–	22	–	–	–	–	–	–
Other movements	–	–	–	–	–	–	–	–	–	–	–	–	–
Balance at 30 June 2024	**1,020**	**456**	**10,222**	**(14)**	**(35)**	**(683)**	**652**	**28**	**(6)**	**11,640**	**966**	**3**	**12,609**

[1] Other reserves includes the amalgamation of the revaluation reserve €18 million and merger reserve €17 million, offset by the liability credit reserve (€7 million).
[2] In H124 the Group paid a dividend of €621 million, equivalent to 60 cents per ordinary share, in respect of the 2023 financial year.
[3] The Group commenced a share buyback programme of €520 million on 27 February 2024. At 30 June 2024, 37.46 million shares had been repurchased for cancellation, c.3.5% of the count outstanding at 1 January 2024, at a volume weighted average price of €9.558 per share.

Condensed consolidated statement of changes in equity *(continued)*

(for the year ended 31 December 2024)

	Share capital €m	Share premium account €m	Retained earnings €m	Other reserves: Debt instruments at FVOCI reserve €m	Other reserves: Cash flow hedge reserve €m	Other reserves: Foreign exchange reserve €m	Other reserves: Capital reserve €m	Other reserves: Other reserves[2] €m	Own shares held for benefit of life assurance policyholders €m	Attributable to equity holders of Parent €m	Other equity instruments €m	Non-controlling interests €m	Total €m
Balance at 1 January 2024	**1,057**	**456**	**10,285**	**(22)**	**(43)**	**(757)**	**593**	**30**	**(7)**	**11,592**	**966**	**3**	**12,561**
Profit for the year	–	–	1,531	–	–	–	–	–	–	1,531	–	–	1,531
Other comprehensive income / (expense) for the year	–	–	271	(1)	2	125	–	(2)	–	395	–	–	395
Total comprehensive income for the year	**–**	**–**	**1,802**	**(1)**	**2**	**125**	**–**	**(2)**	**–**	**1,926**	**–**	**–**	**1,926**
Transactions with owners													
Contributions by and distributions to owners of the Group													
AT1 securities issued, net of expenses	–	–	–	–	–	–	–	–	–	–	595	–	595
Share buyback - repurchase of shares[1]	–	–	–	–	–	–	–	(520)	–	(520)	–	–	(520)
Dividends on ordinary shares	–	–	(973)	–	–	–	–	–	–	(973)	–	–	(973)
Repurchase of AT1 securities	–	–	(16)	–	–	–	–	–	–	(16)	(502)	–	(518)
Distribution paid on other equity instruments - AT1 Coupon	–	–	(62)	–	–	–	–	–	–	(62)	–	–	(62)
Changes in value and amount of shares held	–	–	–	–	–	–	–	–	–	–	–	–	–
Share buyback - cancellation of shares[1]	(53)	–	(520)	–	–	–	53	520	–	–	–	–	–
Total transactions with owners	**(53)**	**–**	**(1,571)**	**–**	**–**	**–**	**53**	**–**	**–**	**(1,571)**	**93**	**–**	**(1,478)**
Transfer from retained earnings to capital reserve	–	–	(50)	–	–	–	50	–	–	–	–	–	–
Other movements	(1)	–	7	–	–	–	(10)	4	–	–	–	–	–
Balance at 31 December 2024	**1,003**	**456**	**10,473**	**(23)**	**(41)**	**(632)**	**686**	**32**	**(7)**	**11,947**	**1,059**	**3**	**13,009**

[1] In 2024, the Group completed the purchase of the €520 million share buyback programme whereby the Group repurchased 53.23 million shares for cancellation, c.5.04% of the count outstanding at 1 January 2023, at a weighted average price of €9.753 per share.
[2] Other reserves includes the amalgamation of the revaluation reserve €20 million and merger reserve €17 million, offset by the liability credit reserve (€5 million).

Condensed consolidated cash flow statement

(for the six months ended 30 June 2025) (unaudited)

	Note	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Cash flows from operating activities			
Profit before tax		721	1,080
Share of results of associates and joint ventures	14	(9)	(17)
Depreciation and amortisation	6,9,11	153	156
Net impairment losses on financial instruments, excluding cash recoveries	13	150	76
Revaluation of investment property		(7)	20
Interest expense on subordinated liabilities		46	42
Interest expense on lease liabilities	5	6	5
Charge for pension and similar obligations		8	15
Net change in accruals and interest payable		67	63
Net change in prepayments and interest receivable		(35)	6
Charge for provisions	25	36	17
Non-cash and other items		(58)	14
Cash flows from operating activities before changes in operating assets and liabilities		**1,078**	**1,477**
Net change in items in the course of collection from other banks		286	225
Net change in trading securities		38	(92)
Net change in derivative financial instruments		(422)	765
Net change in fair value changes of hedged items in portfolio hedge of interest rate risk		156	(348)
Net change in other financial assets at FVTPL		28	(1,572)
Net change in loans and advances to banks		(1)	109
Net change in loans and advances to customers		(550)	(1,222)
Net change in other assets		(167)	(145)
Net change in deposits from banks		(419)	(541)
Net change in customer accounts		2,359	235
Net change in debt securities in issue		(966)	978
Net change in liabilities to customers under investment contracts		62	695
Net change in insurance and reinsurance contracts		(117)	940
Net change in other operating liabilities		257	283
Net cash flow from operating assets and liabilities		**544**	**310**
Net cash flow from operating activities before tax		**1,622**	**1,787**
Tax paid		(75)	(60)
Net cash flow from operating activities		**1,547**	**1,727**
Investing activities (section a below)		(6,287)	(322)
Financing activities (section b below)		(384)	(606)
Effect of exchange translation and other adjustments		78	(37)
Net change in cash and cash equivalents		**(5,046)**	**762**
Opening cash and cash equivalents	30	34,174	33,641
Closing cash and cash equivalents	30	**29,128**	**34,403**

Condensed consolidated cash flow statement *(continued)*
(for the six months ended 30 June 2025) (unaudited)

	Note	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
(a) Investing activities			
Additions to debt securities at amortised cost		(6,276)	(410)
Disposal / redemption of financial assets at FVOCI		397	254
Additions to property, plant and equipment, intangible assets and investment property		(274)	(251)
Additions to financial assets at FVOCI		(194)	–
Disposal / redemption of debt securities at amortised cost		51	60
Proceeds from disposal of property, plant and equipment, and investment property		28	20
Net change in interest in associates		(19)	5
Cash flows from investing activities		**(6,287)**	**(322)**
(b) Financing activities			
Issuance of other equity interests - AT1 securities	29	595	–
Share buyback - Repurchase of shares		(429)	(358)
Dividend paid to ordinary shareholders		(274)	(621)
Repurchase of other equity interests - AT1 securities	29	(169)	–
Interest paid on subordinated liabilities		(45)	(52)
Distribution on other equity instruments - AT1 coupon		(34)	(34)
Payment of lease liabilities		(23)	(34)
Interest paid on lease liabilities		(5)	(5)
Net proceeds from issue of subordinated liabilities	28	–	498
Cash flows from financing activities		**(384)**	**(606)**

Net cash flows from operating activities in H125 includes interest received of €2,711 million (H124: €3,595 million) and interest paid of €892 million (H124: €1,355 million).

Notes to the consolidated financial statements *(unaudited)*

1 Group accounting policies

Basis of preparation

The interim financial statements of the Bank of Ireland Group plc (the 'Company' or 'BoIG plc') and its subsidiaries (collectively the 'Group' or 'BoIG plc Group') for the six months ended 30 June 2025 (H125) have been prepared in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting', as issued by the International Accounting Standards Board and as adopted by the European Union (EU). These interim financial statements should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2024, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS and with the European Union (Credit Institutions: Financial Statements) Regulations 2015.

Statutory financial statements

These interim financial statements do not comprise statutory financial statements within the meaning of the Companies Act 2014. The statutory financial statements for the year ended 31 December 2024 were approved by the Board of Directors on 21 February 2025, contained an unqualified audit report and did not include a reference to any matters to which the statutory auditor drew attention by way of emphasis. The statutory financial statements were filed with the Companies Registration Office on 22 July 2025.

Interim financial statements

The interim financial statements comprise the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement and the notes to the consolidated interim financial statements. The interim financial statements include the information that is described as being an integral part of the interim financial statements contained in the Asset quality and Capital adequacy risk sections of the OFR.

Going concern

The time period that the Directors have considered in evaluating the appropriateness of the going concern basis in preparing the interim financial statements for H125 is a period of 12 months from the date of approval of these interim financial statements (the 'period of assessment').

In making this assessment, the Directors considered the Group's business, profitability projections, funding and capital plans, together with a range of other factors such as the outlook for the Irish economy and the current global macroeconomic and geopolitical environment.

The matters of primary consideration by the Directors are set out below.

Capital

The Group has developed capital plans under base and stress scenarios and the Directors believe that the Group has sufficient capital to meet its regulatory capital requirements throughout the period of assessment.

Funding and liquidity

The Directors have considered the Group's funding and liquidity position and are satisfied that the Group has sufficient funding and liquidity throughout the period of assessment.

Conclusion

On the basis of the above, the Directors consider it appropriate to prepare the interim financial statements on a going concern basis having concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern over the period of assessment.

Comparatives

Comparative figures have been adjusted where necessary, to conform with changes in presentation or where additional analysis has been provided in the current period. Any adjustments to comparatives are disclosed in the relevant note or section as appropriate.

Accounting policies

The accounting policies and methods of computation and presentation applied by the Group in the preparation of these interim financial statements are consistent with those set out on pages 317 to 332 of the Group's 2024 Annual Report.

There have been no new standards, or amendments to standards, adopted by the Group during the six months ended 30 June 2025 which have had a material impact on the Group.

The following accounting policy has become material to the Group during the period.

Financial guarantees held by the Group

A financial guarantee contract requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Where the Group is the holder of such a guarantee and it is not considered integral to the contractual terms of the guaranteed debt instrument(s), the Group recognises a reimbursement asset when it recognises the expected credit losses (ECLs) on the guaranteed instrument, if it is considered virtually certain that a reimbursement would be received if the specified debtor fails to make payment when due in accordance with the terms of the debt instrument. Gains and losses on such reimbursement assets are presented in the income statement, within net impairment gains/losses on financial instruments.

2 Critical accounting estimates and judgements

The preparation of interim financial statements requires the Group to make estimates and judgements that impact the reported amounts of assets, liabilities, income and expense. Other than as set out below, there have been no significant changes to the Group's approach to, and methods of, making critical accounting estimates and judgments compared to those applied at 31 December 2024, as set out on pages 333 to 343 of the Group's 2024 Annual Report.

Impairment loss allowance on financial assets

The Group's credit risk methodologies are set out on pages 271 to 277 of the Group's 2024 Annual Report.

Changes in estimates - Forward-looking Information

FLI refers to probability weighted future macroeconomic scenarios approved semi-annually by the Executive Risk Committee and used in the assessment of 'significant increase in credit risk' and in the measurement of impairment loss allowances under IFRS 9. The Group has used four RoI FLI scenarios and four UK FLI scenarios at 30 June 2025, comprising a central scenario, an upside scenario, and two downside scenarios, all extending over a five year forecast period, with reversion to long run averages for property for years beyond the forecast period. The Group keeps under review the number of FLI scenarios and the need to produce projections for other jurisdictions.

Historically, the Group has used an average of consensus forecasts to determine the central scenario. Given that a number of key forecasters have not updated macro-economic projections to reflect the evolving US tariffs and to avoid using outdated data as well as differing tariff assumptions, the central FLI scenario for the period ending 30 June 2025 was based on internal information and management judgement which incorporate latest US tariffs, as permitted under the Group’s FLI methodology.

The alternative scenarios, comprising one upside and two downside scenarios, are narrative-driven and have been constructed incorporating available reasonable and supportable information. This was the same approach as used in prior periods.

The FLI methodology framework was leveraged to assign an initial set of probability weightings to the narrative-driven scenarios. The FLI methodology is a simulation tool that uses recent actual observed values and historical data to produce a number of possible paths for the relevant economic variables based on their historical relationships and volatilities. The FLI model is used for scenario generation for a defined probability weighting and for assessing probability weights for a given scenario.

The narrative-driven scenarios were assessed relative to the simulated distribution.

The probability weightings attached to the scenarios are a function of their relative position on the distribution, with a lower probability weighting attached to the scenarios that were assessed to be more distant from the centre of the distribution.

The final set of probability weightings used in ECL estimates are more weighted to the downside scenarios than at 31 December 2024 and reflect the application of management judgement to the initial modelled probability weightings with increased weight assigned to the downside scenarios, and an offsetting decrease in the modelled upside scenario weight.

External economic and market indicators and ongoing economic uncertainty at 30 June 2025 including the potential impact of escalating trade tensions and geopolitical risk informed the application of this management judgement. The estimated ECL impact of this judgement was a c.€72 million increase in reported impairment loss allowance.

The table below shows the mean average forecast values for the key macroeconomic variables under each scenario for the forecast period 2025 to 2029, together with the scenario weightings for both the RoI and the UK.

	Republic of Ireland				United Kingdom			
			Downside				Downside	
30 June 2025	Central scenario	Upside scenario	Scenario 1	Scenario 2	Central scenario	Upside scenario	Scenario 1	Scenario 2
Scenario probability weighting	**45%**	**20%**	**25%**	**10%**	**45%**	**20%**	**25%**	**10%**
Modified Domestic Demand - annual growth rate	2.4%	3.0%	1.4%	(0.0%)	n/a	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	3.3%	4.0%	2.4%	0.9%	1.4%	2.0%	0.4%	(0.5%)
Gross National Product - annual growth rate	2.8%	3.5%	1.9%	0.4%	n/a	n/a	n/a	n/a
Unemployment - average yearly rate	4.5%	3.9%	7.1%	9.8%	4.6%	3.9%	6.6%	8.4%
Residential property price growth - year end figures	2.8%	4.9%	(0.9%)	(3.2%)	2.2%	4.2%	(1.9%)	(4.2%)
Commercial property price growth - year end figures	1.7%	3.5%	(1.8%)	(4.5%)	2.2%	3.7%	(1.7%)	(4.4%)

2 Critical accounting estimates and judgements *(continued)*

31 December 2024	Republic of Ireland				United Kingdom			
			Downside				Downside	
	Central scenario	Upside scenario	Scenario 1	Scenario 2	Central scenario	Upside scenario	Scenario 1	Scenario 2
Scenario probability weighting	**45%**	**25%**	**20%**	**10%**	**45%**	**25%**	**20%**	**10%**
Modified Domestic Demand - annual growth rate	2.8%	3.5%	2.0%	0.6%	n/a	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	3.2%	3.9%	2.4%	1.1%	1.4%	2.1%	0.7%	(0.3%)
Gross National Product - annual growth rate	2.7%	3.4%	1.9%	0.6%	n/a	n/a	n/a	n/a
Unemployment - average yearly rate	4.5%	3.9%	6.8%	9.5%	4.1%	3.6%	6.1%	8.1%
Residential property price growth - year end figures	2.8%	5.0%	(0.7%)	(3.0%)	2.5%	4.5%	(1.4%)	(3.7%)
Commercial property price growth - year end figures	1.9%	3.3%	(1.4%)	(3.7%)	2.4%	3.6%	(1.2%)	(3.6%)

The tables below set out the forecast values for 2025 and 2026 and the average forecast values for the period 2027 to 2029 for the key macroeconomic variables which underpin the mean average values for the period of 2025 to 2029.

	Republic of Ireland			United Kingdom		
	2025	2026	2027-2029	2025	2026	2027-2029
Central scenario - 45% weighting						
Modified Domestic Demand - annual growth rate	2.8%	2.6%	2.2%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	3.5%	3.7%	3.2%	1.0%	1.3%	1.5%
Gross National Product - annual growth rate	3.0%	3.2%	2.7%	n/a	n/a	n/a
Unemployment - average yearly rate	4.2%	4.5%	4.6%	4.6%	4.8%	4.6%
Residential property price growth - year end figures	5.0%	2.5%	2.1%	1.5%	2.0%	2.5%
Commercial property price growth - year end figures	(0.5%)	1.5%	2.5%	1.5%	2.0%	2.5%
Upside scenario - 20% weighting						
Modified Domestic Demand - annual growth rate	3.4%	3.6%	2.7%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	4.4%	4.5%	3.7%	1.8%	2.3%	1.9%
Gross National Product - annual growth rate	3.9%	4.0%	3.2%	n/a	n/a	n/a
Unemployment - average yearly rate	4.1%	3.8%	3.8%	4.2%	3.9%	3.8%
Residential property price growth - year end figures	7.0%	5.8%	3.9%	5.0%	6.0%	3.3%
Commercial property price growth - year end figures	3.0%	3.5%	3.7%	3.0%	3.5%	4.0%
Downside scenario 1 - 25% weighting						
Modified Domestic Demand - annual growth rate	1.1%	0.7%	1.8%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	1.9%	1.8%	2.8%	(0.5%)	(1.0%)	1.2%
Gross National Product - annual growth rate	1.4%	1.3%	2.3%	n/a	n/a	n/a
Unemployment - average yearly rate	5.4%	6.9%	7.7%	5.5%	6.8%	7.0%
Residential property price growth - year end figures	(3.0%)	(4.5%)	1.0%	(6.0%)	(6.5%)	1.1%
Commercial property price growth - year end figures	(7.0%)	(3.0%)	0.3%	(6.0%)	(3.0%)	0.2%
Downside scenario 2 - 10% weighting						
Modified Domestic Demand - annual growth rate	(1.9%)	(2.5%)	1.4%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	(1.2%)	(1.5%)	2.5%	(1.9%)	(2.2%)	0.6%
Gross National Product - annual growth rate	(1.7%)	(2.0%)	2.0%	n/a	n/a	n/a
Unemployment - average yearly rate	6.6%	9.4%	10.9%	6.4%	8.3%	9.2%
Residential property price growth - year end figures	(7.0%)	(9.0%)	–	(10.0%)	(11.0%)	0.1%
Commercial property price growth - year end figures	(14.0%)	(6.5%)	(0.7%)	(13.5%)	(6.5%)	(0.7%)

The central, upside and downside scenarios are described below for both the RoI and the UK:

Central scenario

RoI

GDP has rebounded robustly over recent quarters following a soft patch, while MDD has continued to expand at a solid pace. However, growth is expected to soften following the announcement of tariffs by the Trump administration, which is likely to have both negative direct and indirect effects on the Irish economy. Incremental tariffs of 10% are assumed to apply to EU countries, including Ireland, but with the pharmaceutical sector exempted. This is likely to slow export growth and may negatively impact US Foreign Direct Investment (FDI) in Ireland. In addition, the tariffs are likely to slow global growth, which will have detrimental knock on effects on Ireland. However, the Irish economy does face this shock from a relatively healthy position – with solid growth, low unemployment and robust government finances.

As such, while economic activity is expected to slow somewhat, GDP and MDD growth will remain reasonably healthy, albeit the latter a bit lower than previously thought. Household consumption is likely to be supported by still healthy income gains, though investment and export growth may decline somewhat (and exports could be volatile in the short term due to attempts to front load ahead of the tariffs). Employment growth is likely to remain solid over the forecast horizon, though it is likely to gradually decelerate over time as output growth eases and labour supply tightens. Unemployment is expected to tick up a little in the first half of the horizon, but to remain low at just under 5%, before declining moderately later on. Inflation has been in line with the 2% target over recent months and is expected to remain at the rate over the forecast horizon. House price inflation has been fairly robust of late and solid wage growth and lower interest rates are likely to drive gains in the near term.

A rise in housing supply, slower growth and affordability considerations are likely to lead to a moderation in house price inflation from 2026 on. In relation to Commercial Real Estate (CRE), activity is anticipated to be slightly more subdued, leading to slower price recovery. The European Central Bank (ECB) is expected to continue easing monetary policy, particularly in light of the likely negative effects of the tariffs on Euro Area growth, before tightening gradually in the outer years of the projection period.

Key features - Economy to remain resilient, slightly slower growth, unemployment rising marginally over next few years before easing back, moderate house and CRE price growth

UK

Despite a robust GDP outturn for Q1 this year, expectations for UK growth in 2025 (and to a lesser extent 2026) have softened of late on foot of weak survey and sentiment data – with a further decline following the announcement of tariffs by the US in early April. Following an agreement in early May between the US and UK governments the UK will face 10% tariffs on most goods exports to the US going forward, higher than previously existing tariffs. GDP is now expected to expand by 1.0% this year, before picking up to 1.3% in 2026, with growth at trend (1.5%) over the balance of the forecast horizon. Employment growth is expected to remain fairly steady over the forecast horizon, in line with labour supply growth. The unemployment rate has ticked up a bit over recent quarters and it is expected to rise marginally over the balance of this year and into 2026, before stabilising and then declining later in the projection period.

Inflation, which has proven sticky, and may be somewhat volatile in the near term, is expected to ease in the medium term, aided by somewhat lower energy prices and rising spare capacity, reaching the 2% target in a couple of years. With growth risks to the fore the BoE is expected to cut the base rate further, reaching 3.75% by the end of 2025. The BoE is expected to ease slightly further in 2026 before increasing the policy rate to 4.00% by 2029. Having picked up in the second half of last year, house price inflation has eased of late, while survey indicators have weakened. Given this backdrop, and with affordability stretched, house price growth is expected to be moderate this year, before picking up marginally in 2026 and 2027. In relation to CRE, activity is anticipated to be slightly more subdued, leading to slower price recovery.

Key features - Slightly lower growth near term, declining inflation, unemployment rising marginally over next few years before easing back, moderate house and CRE price gains

Upside scenario

In the Upside Scenario, following negotiations which are conducted reasonably promptly, tariffs on most EU and Ireland goods exports to US goods are set at 10%, though with the pharmaceutical sector exempted (no tariff). Following the UK-US 'trade deal' the same applies for the UK. After a period of negotiation similar rates apply to other US trading partners. In addition, the EU and UK agreement to roll back some Brexit related barriers to trade between the two markets proves beneficial for growth in Ireland and the UK. These developments bring some certainty and provide a boost to consumer and business confidence in Ireland, the UK and globally. Irish and UK exports are stronger than in the Central Scenario, both to the US and to other countries as a result of stronger global growth. Investment is also somewhat stronger in both economies, particularly FDI and business investment. In addition, new technologies, including Artificial Intelligence, boost productivity growth. Stronger output growth pushes unemployment down in both economies and it remains low throughout the forecast horizon. Stronger employment and wage growth leads to higher house price inflation than in the Central Scenario, while CRE price growth is also higher. Central banks, including both the ECB and BoE, curtail their easing cycles earlier, with rates at a higher level, than in the Central Scenario. Stronger activity and low levels of spare capacity eventually lead to rising inflation and as a result monetary policy is tightened later in the forecast period.

Key features – US tariffs apply but growth is resilient, low unemployment, higher house and CRE price inflation

Downside scenario 1

In Downside scenario 1, after a period of negotiation, tariffs on EU / Irish goods exports to the US are set at 20%, higher than in the Central Scenario. Tariffs on UK goods exports to the US are set at 10% for most categories, in line with the UK-US 'trade deal' and the same as the Central Scenario. In addition, tariffs on imports of pharmaceutical products to the US are set at 25%. US tariffs on other major economies, particularly China, are higher than in the Central Scenario. Other policy changes from the US raise non-tariff barriers to trade. The higher tariffs and trade barriers dent global consumer and business confidence, stress supply chains worldwide and lead to strains in financial markets. As a result, global GDP growth slows and inflation declines relative to the Central Scenario.

The direct and indirect effects of the tariffs slow Irish and UK growth. The public finances in the UK also come under strain, requiring slower spending growth. The UK economy falls into recession in 2025 / 2026, while MDD growth in Ireland is subdued. Employment growth is lower than in the Central Scenario, particularly in the first few years of the forecast period, leading to a rise in unemployment. Spare capacity in labour and product markets, and lower energy prices, leads to lower inflation in both economies, allowing the ECB and BoE to ease monetary policy to a greater degree. With higher unemployment and weaker wage growth housing markets in both Ireland and the UK come under pressure and house prices fall, though the extent of the decline is limited to a degree by lower interest rates.

CRE markets are also weaker and prices decline over the course of the next few years. Later in the forecast period the global economy completes an adjustment to the new tariff regime – this along with supportive monetary policy leads to a pickup in growth in Ireland and the UK while unemployment stabilises before starting to decline, and house and CRE prices begin to recover.

Key features – Higher tariffs, weak growth in RoI, UK in recession, rising unemployment, house and CRE price declines

Downside scenario 2

In Downside scenario 2, retaliation by US trading partners leads to a tit-for-tat ratcheting up of tariffs between the US and other countries, with tariffs ending up higher than in the Central Scenario or Downside 1 (c.30% for EU / Ireland, 20% for the UK and very high for China, with 25% tariffs on pharmaceutical imports to the US). Furthermore, the US adopts aggressive regulatory and tax measures to try and reshore production to the US. This leads to severe supply chain strains and financial market stress globally. In addition, geopolitical tensions escalate, while there is a climate stress related rise in the price of carbon, further dampening demand. These shocks lead to sharp declines in global consumer and business confidence, and global trade and growth are significantly lower.

The situation is compounded by a sharp slowdown in pharma and tech sector FDI inflows to Ireland, with some production relocated back to the US. The Irish public finances come under pressure as corporation tax and other tax revenues fall, necessitating spending cuts and some tax increases. The public finances in the UK also come under strain, requiring slower spending growth and tax rises, while UK business investment falls sharply. In the near-term disruption to global supply chains and higher prices for carbon permits pushes up price pressures, leading central banks including the ECB and BoE to adopt tighter near-term monetary policy than in the Central or Downside 1 scenarios.

The Irish and UK economies both go into recession – output growth moves into negative territory for a few years. Unemployment increases significantly and remains high over the entire forecast period. Household finances are put under significant pressure and this pushes house price inflation well into negative territory in both economies. CRE markets are also significantly weaker, and prices decline sharply. Eventually the Irish, UK and global economies adjust to the new tariff regime, inflation falls back and monetary policy is eased significantly – as a result confidence rebounds and growth recovers. Economic activity starts to expand again, picking up towards the end of the forecast horizon, and unemployment stabilises before beginning to decline in both Ireland and the UK. House and CRE prices also begin to recover, albeit gradually.

Key features – Elevated tariffs, financial market stress, geopolitical tensions, climate stress, recession / elevated unemployment in UK and RoI, sharp house and CRE price declines

Property price growth, all scenarios

In the central scenario, both RoI and UK experience growth in 2025. RoI growth of 5.0% will be stronger as supply remains low and demand remains, while the UK manages more moderate growth of 1.5% as it recovers from a period of high mortgage rates and cost of living pressures. Growth will cool off in RoI over the rest of the forecast period, stabilising at 2% by 2028 and 2029, while growth will remain consistent at 2.5% throughout the period in the UK. RoI commercial prices will see a smaller decline in 2025 of -0.5% before seeing growth of 1.5% in 2026 rising to 3.0% by 2029. Commercial prices in the UK will show a return to growth in 2025, at 1.5% before rising up to 3% by 2028 before stabilising at 2.5% in 2029.

This is predicated on growth in all sectors from 2026 on, while retail and office are still in decline in 2025 and other sectors bar Private Rented Sector see zero growth. UK commercial prices across all sectors are expected to see growth bar leisure in 2025.

In the upside scenario, RoI property price growth will gradually cool off over the forecast period, to reach 3% growth in 2029. UK price growth will climb in 2026 to 6.0%, before climbing back down to 2.5% growth in 2029. Commercial prices in both RoI and UK will see growth of 3% in 2025, coming from varied levels of decline in 2024 (-4% and -1% respectively). Both will see further growth in the range of 3% to 4% per annum for the rest of the forecast period, with UK stabilising at 4% by 2027 - 2029.

In the downside 1 scenario, property prices will see a sharp reversal in growth, reaching a trough of -4.5% and -6.5% in RoI and UK respectively in 2026, before a quick recovery within two years to return to moderate growth by 2028-2029. Commercial prices will see further negative growth, dropping to -7% and -6% respectively before gradually returning to zero growth in 2028 and 2.5% and 2% growth respectively by 2029.

In the downside 2 scenario, property prices will see a deeper negative price growth than in downside 1, reaching troughs of -9% in RoI and -11% in the UK territories in 2026 before a slower recovery into moderate growth in 2029.

Commercial prices will also decline by further levels than downside 1, as far as 14% in RoI and 13.5% in UK in 2025 before recovering to moderate growth in 2029 of 2% / 1.5%.

The quantum of impairment loss allowance is impacted by the application of four probability weighted future macroeconomic scenarios.

The following table indicates the approximate extent to which the impairment loss allowance at 30 June 2025, excluding PMAs to impairment loss allowances, was increased by virtue of applying multiple scenarios rather than only a central scenario. This analysis excludes PMAs, as such adjustments to impairment loss allowance are applied using management judgement outside of the macroeconomic conditioned ECL model framework (refer to the Management judgement in Impairment Measurement section below).

2 Critical accounting estimates and judgements *(continued)*

The scenarios outlined in the following tables are based on the FLI weightings outlined on page 51. Changes in the figures at 30 June 2025 compared to 31 December 2024 reflect a number of inter-related dynamics including changes in forward-looking scenarios and associated probability weights; impairment model methodology updates since 31 December 2024; and the composition of the underlying portfolios at the respective reporting date.

30 June 2025 Impact of applying multiple scenarios rather than only central scenario	Additional impairment loss allowance							
	Stage 1		Stage 2		Stage 3		Total	
	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %
Residential mortgages	7	29%	23	177%	9	8%	39	28%
Retail Ireland	*4*	*24%*	*17*	*674%*	*5*	*7%*	*26*	*30%*
Retail UK	*3*	*38%*	*6*	*60%*	*4*	*10%*	*13*	*24%*
Non-property SME and corporate	6	11%	52	39%	4	1%	62	11%
Property and construction	1	12%	15	38%	4	3%	20	12%
Consumer	4	14%	1	12%	–	–	5	6%
Total	**18**	**15%**	**91**	**46%**	**17**	**3%**	**126**	**13%**

31 December 2024 Impact of applying multiple scenarios rather than only central scenario	Additional impairment loss allowance							
	Stage 1		Stage 2		Stage 3		Total	
	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %
Residential mortgages	6	25%	20	119%	6	6%	32	22%
Retail Ireland	*4*	*22%*	*14*	*230%*	*4*	*7%*	*22*	*25%*
Retail UK	*2*	*33%*	*6*	*57%*	*2*	*4%*	*10*	*17%*
Non-property SME and corporate	8	10%	33	23%	3	1%	44	8%
Property and construction	2	17%	20	43%	2	2%	24	16%
Consumer	2	6%	3	16%	–	–	5	5%
Total	**18**	**13%**	**76**	**34%**	**11**	**2%**	**105**	**11%**

The following table indicates the approximate extent to which the impairment loss allowance, excluding PMAs, would be higher or lower than reported were a 100% weighting applied to the central, upside and downside future macroeconomic scenarios respectively:

30 June 2025 Impact of applying only a central, upside or downside scenarios rather than multiple probability weighted scenarios	Multiple scenarios	Central scenario		Upside scenario		Downside scenario 1		Downside scenario 2	
	Impairment loss allowance €m	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %
Residential mortgages	178	(39)	(22%)	(58)	(33%)	243	137%	605	341%
Retail Ireland	*110*	*(26)*	*(23%)*	*(40)*	*(37%)*	*127*	*116%*	*380*	*348%*
Retail UK	*68*	*(13)*	*(19%)*	*(18)*	*(26%)*	*116*	*170%*	*225*	*330%*
Non-property SME and corporate	636	(62)	(10%)	(114)	(18%)	122	19%	350	54%
Property and construction	191	(20)	(11%)	(32)	(17%)	41	22%	160	85%
Consumer	101	(5)	(5%)	(8)	(8%)	8	8%	22	23%
Total	**1,106**	**(126)**	**(11%)**	**(212)**	**(19%)**	**414**	**37%**	**1,137**	**102%**

2 Critical accounting estimates and judgements *(continued)*

31 December 2024 Impact of applying only a central, upside or downside scenarios rather than multiple probability weighted scenarios	Multiple scenarios	Central scenario		Upside scenario		Downside scenario 1		Downside scenario 2	
	Impairment loss allowance €m	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %
Residential mortgages	181	(32)	(22%)	(55)	(30%)	318	175%	592	326%
Retail Ireland	*111*	*(22)*	*(25%)*	*(41)*	*(37%)*	*190*	*171%*	*361*	*325%*
Retail UK	*70*	*(10)*	*(17%)*	*(14)*	*(20%)*	*128*	*182%*	*231*	*327%*
Non-property SME and corporate	515	(44)	(8%)	(103)	(18%)	124	22%	356	63%
Property and construction	167	(24)	(16%)	(38)	(23%)	44	26%	180	108%
Consumer	108	(5)	(5%)	(12)	(11%)	12	11%	35	33%
Total	**971**	**(105)**	**(11%)**	**(208)**	**(20%)**	**498**	**49%**	**1,163**	**113%**

The following table indicates the approximate extent to which impairment loss allowances for the residential mortgage portfolios, excluding post-model management adjustments, would be higher or lower than the application of the central scenario if there was an immediate change in residential property prices at the reporting date. Although such changes would not be observed in isolation, as economic indicators tend to be correlated in a coherent scenario, this gives insight into the sensitivity of the Group's impairment loss allowance to a once-off change in residential property values.

30 June 2025 Impact of an immediate change in residential property prices compared to central scenario impairment loss allowances	Impairment loss allowance - central scenario €m	Residential property price reduction of 10%		Residential property price reduction of 5%		Residential property price increase of 5%		Residential property price increase of 10%	
		Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %
Residential mortgages	139	15	11%	6	4%	(8)	(6%)	(13)	(9%)
Retail Ireland	*84*	*2*	*2%*	*1*	*1%*	*(1)*	*(1%)*	*(2)*	*(2%)*
Retail UK	*55*	*13*	*24%*	*5*	*9%*	*(7)*	*(13%)*	*(11)*	*(20%)*

31 December 2024 Impact of an immediate change in residential property prices compared to central scenario impairment loss allowances	Impairment loss allowance - central scenario €m	Residential property price reduction of 10%		Residential property price reduction of 5%		Residential property price increase of 5%		Residential property price increase of 10%	
		Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %
Residential mortgages	149	15	10%	5	3%	(10)	(7%)	(15)	(10%)
Retail Ireland	*89*	*2*	*2%*	*1*	*1%*	*(1)*	*(1%)*	*(1)*	*(2%)*
Retail UK	*60*	*13*	*22%*	*4*	*7%*	*(9)*	*(15%)*	*(14)*	*(23%)*

The sensitivity of impairment loss allowances to stage allocation is such that, based on the respective impairment cover ratios, a transfer of 1% of Stage 1 balances at 30 June 2025 to Stage 2 would increase the Group's impairment loss allowance by c.€21 million excluding post-model management adjustments.

Management judgement in impairment measurement

Management judgement has been incorporated into the Group's impairment measurement process for H125. Management judgement can be described with reference to:

- credit risk assessment for significant increase in credit risk;
- management judgement in impairment model parameters; and
- post-model management adjustments to impairment loss allowance and staging classification.

Credit risk assessment for tariff risk

Targeted evaluations of tariff related risks have been conducted within relevant corporate and SME lending portfolios. Where exposures were identified as high risk, appropriate credit downgrades were applied, resulting in reclassification to Stage 2 or, where required, Stage 3.

Credit risk assessment for significant increase in credit risk

As outlined in the Risk Management report of the Group's 2024 Annual Report, the Group considers other reasonable and supportable information that would not otherwise be taken into account that would indicate that a significant increase in credit risk had occurred.

2 Critical accounting estimates and judgements *(continued)*

In this regard, at 30 June 2025, the Group has assessed the impact of elevated affordability risk including impacts on UK residential mortgage interest only maturities and the possible lag effect of higher interest rates passing through on both RoI and UK residential mortgage customers rolling off fixed rate contracts. Accordingly, credit risk assessments have been implemented across the residential mortgage portfolios. Where appropriate, outputs have been utilised to identify significant increases in credit risk and the classification of assets in Stage 2. The credit risk assessments, which leveraged qualitative information not already captured in impairment models, resulted in a management decision to reclassify €0.9 billion of Stage 1 assets to Stage 2 at the reporting date, with an associated €9 million increase in impairment loss allowance.

Management judgement in impairment model parameters

RoI GDP and RoI GNP were removed as primary risk drivers from macro-economic regression models in H125 due to the inherent volatility and potential risk of restatement for these macroeconomic indicators.

Post-model Group management adjustment (PMAs)

To ensure that the measurement of impairment reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions, the need for a PMA to the outputs of the Group's staging and impairment measurement methodologies is considered at each reporting date in arriving at the final impairment loss allowance. Such a need may arise, for example, due to a model limitation or a late breaking event. At 30 June 2025, the Group's stock of impairment loss allowance of €1.2 billion (31 December 2024: €1.0 billion) includes a €75 million total PMA (31 December 2024: €57 million). Details of the components of the PMAs are outlined below with a table providing an overview of Group PMAs.

		Post-model Group management adjustment						
30 June 2025	**Impairment loss allowance-before PMAs €m**	**Investment Property €m**	**Geopolitical Risk €m**	**Retail Ireland residential mortgages NPEs €m**	**Climate risk[1] €m**	**Retail UK mortgage potential affordability risk assessment €m**	**Total post-model adjustments €m**	**Total impairment loss allowance €m**
Residential mortgages	178	–	–	17	2	–	19	197
Retail Ireland	*110*	–	–	*17*	–	–	*17*	*127*
Retail UK	*68*	–	–	–	*2*	–	*2*	*70*
Non-property SME and corporate	636	–	20	–	7	–	27	663
Property and construction	191	29	–	–	–	–	29	220
Consumer	101	–	–	–	–	–	–	101
Total loans and advances to customers	**1,106**	**29**	**20**	**17**	**9**	**–**	**75**	**1,181**
Other financial instruments	92	–	–	–	–	–	–	92
Total financial assets	**1,198**	**29**	**20**	**17**	**9**	**–**	**75**	**1,273**

[1] *The table above includes a €0.4 million PMA for climate risk within Retail Ireland mortgages.*

2 Critical accounting estimates and judgements *(continued)*

31 December 2024	Impairment loss allowance-before PMAs €m	Post-model Group management adjustment Investment Property €m	Geopolitical Risk €m	Retail Ireland residential mortgages NPEs €m	Climate risk[1] €m	Retail UK mortgage potential affordability risk assessment €m	Total post-model adjustments €m	Total impairment loss allowance €m
Residential mortgages	181	–	–	5	3	1	9	190
Retail Ireland	*111*	–	–	*5*	–	–	*5*	*116*
Retail UK	*70*	–	–	–	*3*	*1*	*4*	*74*
Non-property SME and corporate	515	–	–	–	–	–	–	515
Property and construction	167	48	–	–	–	–	48	215
Consumer	108	–	–	–	–	–	–	108
Total loans and advances to customers	**971**	**48**	**–**	**5**	**3**	**1**	**57**	**1,028**
Other financial instruments	87	–	–	–	–	–	–	87
Total financial assets	**1,058**	**48**	**–**	**5**	**3**	**1**	**57**	**1,115**

[1] *The table above includes a €0.3 million PMA for climate risk within Retail Ireland mortgages.*

Post-model management adjustment for Investment Property

A €29 million PMA has been applied at 30 June 2025 (31 December 2024: €48 million) to reflect the estimated impact of enhancements to Investment Property impairment models planned in 2025.

Following implementation of new IRB models for the Property and construction portfolios in H125, the PMA previously held at 31 December 2024 in anticipation of these model updates is no longer required.

This PMA is recognised in the Property and construction portfolio at 30 June 2025 and is allocated to Stage 1 (€2 million) (31 December 2024: €7 million) and Stage 2 (€27 million) (31 December 2024: €41 million) assets. The requirement for this adjustment is expected to expire upon implementation of impairment model updates in H225.

Post-model management adjustment for Geopolitical Risk

A €20 million PMA has been applied at 30 June 2025 to reflect the potential second order economic impacts arising from the recent escalation in geopolitical risk in the Middle East. The PMA has been applied to Stage 2 exposures in the Corporate Non-property portfolio reflecting the increased credit risk that may arise within these internationally focused lending portfolios as a result of broader macroeconomic uncertainty.

Post-model management adjustment for Retail Ireland Residential Mortgage NPEs

The impairment loss allowance at 30 June 2025 includes a €17 million PMA (31 December 2024: €5 million) to reflect the Group's consideration of alternative resolution strategies for a specific cohort of long term NPEs in the Retail Ireland residential mortgage portfolio. The full post model adjustment is applied to credit-impaired assets within the Retail Ireland residential mortgage portfolio.

Post-model management adjustment for Climate Risk

The Group has considered the impact of physical and transitional climate-related risks on asset valuations within its residential mortgage and RoI SME non-property portfolios.

The PMA was quantified through scenario analysis using the Group's internal climate risk scenario analysis framework combined with external climate risk analysis. Accordingly a €9 million (31 December 2024: €3 million) PMA has been recognised to reflect the estimated ECL impact of climate-related risks within these portfolios.

This PMA is recognised in the residential mortgage portfolio Retail Ireland (€0.4 million) and Retail UK (€2.2 million) and RoI SME non-property portfolio (€6.6 million).

3 Operating segments

The Group has five reportable operating segments which reflect the internal financial and management reporting structure and are organised as follows:

Retail Ireland

Retail Ireland serves its customers delivering day-to-day services, products, propositions and a financial wellbeing programme tailored to meet customers' individual needs. Customers use their preferred channels to request and fulfil their banking requirements. These channels include our branches, 24/7 ATMs, digital, contact centre and our post office partnership for day-to-day banking services.

Wealth and Insurance

Wealth and Insurance includes the Group's life assurance subsidiary New Ireland Assurance Company (NIAC) and Davy, Ireland's leading provider of wealth management and capital markets services. NIAC distributes protection, investment and pension products to the Irish market, across three core channels made up of the Group's distribution channels, independent financial brokers and its own financial advisor network as well as corporate partners. Wealth and Insurance also includes investment markets, and the Group's general insurance brokerage, Bank of Ireland Insurance Services, which offers home, car and travel insurance cover through its agency with insurance providers.

Retail UK

Retail UK incorporates the UK residential mortgage business, the Group's branch network in Northern Ireland (NI), the Group's business banking business in NI, asset finance and contract hire, vehicle leasing and fleet management, incorporating Northridge Finance, as well as the financial services partnership and FX joint venture with the UK Post Office. The Retail UK division includes the activities of Bank of Ireland (UK) plc, the Group's wholly owned UK licensed banking subsidiary.

Corporate and Commercial

The Corporate and Commercial division provides a full range of lending, banking and treasury risk management services to the Group's national and international corporate and business customers, many of which are at the heart of the Irish economy. Our relationship teams are based in offices in Ireland and the UK with niche international businesses across Europe and in the US. Teams have a wealth of experience across a broad range of segments and sectors, including corporate and business banking, commercial real estate, acquisition finance, foreign direct investment and treasury solutions.

Group Centre

Group Centre incorporates the Group's central support and control functions. Core responsibilities of the segment include overseeing the Group-wide Customer Strategy, establishing clear governance and control frameworks with appropriate oversight, providing management services to the Group, and managing the key process and IT delivery platforms for the trading divisions.

Basis of preparation of segmental information

The analysis of results by operating segment is based on the information used by the chief operating decision maker to allocate resources and assess performance. The Group Chief Executive Officer (CEO) and Group Chief Financial Officer (CFO) are considered to be the chief operating decision makers for the Group. The Group's operating segments reflect its organisational and management structures. The CEO and CFO review the Group's internal reporting based around these segments to assess performance and allocate resources. Transactions between the business segments are on normal commercial terms and conditions. Internal charges and transfer pricing adjustments have been reflected in the performance of each business. Revenue sharing agreements are used to allocate external customer revenues to a business segment on a reasonable basis.

The measures of segmental assets and liabilities provided to the chief operating decision maker are not adjusted for transfer pricing adjustments or revenue sharing agreements as the impact on the measures of segmental assets and liabilities is not significant.

Capital expenditure comprises additions to property, plant and equipment and intangible assets.

On an ongoing basis, the Group reviews the methodology for allocating funding and liquidity costs in order to ensure that the allocations continue to reflect each division's current funding requirement.

External revenue comprises interest income, insurance revenue, net income / (expense) from reinsurance contracts held, insurance investment and finance result, fee and commission income, net trading income / (expense), other operating income, other leasing income and share of results of associates and joint ventures.

There were no revenues deriving from transactions with a single external customer that amounted to 10% or more of the Group's revenues.

The Group measures the performance of its operating segments through a measure of segment profit or loss which is referred to as 'underlying profit or loss' in its internal management reporting systems. Underlying profit or loss excludes the impact of non-core items which are outlined in the table below.

Other reconciling items

In the tables below, 'Other reconciling items' represent transactions between operating segments which are eliminated upon consolidation and the application of hedge accounting at Group level.

3 Operating segments *(continued)*

6 months ended 30 June 2025	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Other reconciling items €m	Group €m
Net interest income	**909**	**(4)**	**271**	**480**	**9**	**–**	**1,665**
Other income	134	191	6	86	(43)	(7)	367
Total operating income	**1,043**	**187**	**277**	**566**	**(34)**	**(7)**	**2,032**
Other operating expenses	(286)	(120)	(131)	(154)	(293)	4	(980)
Other operating expenses (before levies and regulatory charges)	*(286)*	*(118)*	*(128)*	*(154)*	*(185)*	*4*	*(867)*
Levies and regulatory charges	*–*	*(2)*	*(3)*	*–*	*(108)*	*–*	*(113)*
Depreciation and amortisation	(50)	(3)	(13)	(5)	(47)	(2)	(120)
Total operating expenses	**(336)**	**(123)**	**(144)**	**(159)**	**(340)**	**2**	**(1,100)**
Underlying operating profit / (loss) before impairment charges on financial instruments	**707**	**64**	**133**	**407**	**(374)**	**(5)**	**932**
Net impairment losses on financial instruments	(11)	–	(11)	(115)	–	–	(137)
Share of results of associates and joint ventures (after tax)	–	–	11	(2)	–	–	9
Underlying profit / (loss) before tax	**696**	**64**	**133**	**290**	**(374)**	**(5)**	**804**

30 June 2025 Reconciliation of underlying profit before tax to profit before tax	Group €m
Underlying profit before tax	804
Transformation programme costs	(71)
Acquisition costs	(13)
Portfolio divestments (net)	5
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	(2)
Investment losses on treasury shares held for policyholders	(2)
Liability management exercises	–
Profit before tax	**721**

3 Operating segments *(continued)*

Restated[1] **6 months ended 30 June 2024**	**Retail Ireland €m**[1]	**Wealth and Insurance €m**	**Retail UK €m**	**Corporate and Commercial €m**[1]	**Group Centre €m**	**Other reconciling items €m**	**Group €m**
Net interest income	**1,029**	**(3)**	**282**	**492**	**2**	**–**	**1,802**
Other income	132	167	5	98	(12)	4	394
Total operating income	**1,161**	**164**	**287**	**590**	**(10)**	**4**	**2,196**
Other operating expenses	(283)	(105)	(127)	(169)	(266)	4	(946)
Other operating expenses (before levies and regulatory charges)	*(283)*	*(103)*	*(125)*	*(169)*	*(159)*	*4*	*(835)*
Levies and regulatory charges	*–*	*(2)*	*(2)*	*–*	*(107)*	*–*	*(111)*
Depreciation and amortisation	(57)	(12)	(13)	(8)	(35)	(1)	(126)
Total operating expenses	**(340)**	**(117)**	**(140)**	**(177)**	**(301)**	**3**	**(1,072)**
Underlying operating profit / (loss) before impairment charges on financial instruments	**821**	**47**	**147**	**413**	**(311)**	**7**	**1,124**
Net impairment (losses) / gains on financial instruments	(20)	–	36	(66)	–	–	(50)
Share of results of associates and joint ventures (after tax)	–	–	12	5	–	–	17
Underlying profit / (loss) before tax	**801**	**47**	**195**	**352**	**(311)**	**7**	**1,091**

[1] *Comparative figures have been restated to reflect the SB&A customer base move from Corporate and Commercial to Retail Ireland, resulting in a €261 million increase in underlying profit before tax in Retail Ireland and the corresponding decrease in Corporate and Commercial. See page 9 for further details.*

30 June 2024 **Reconciliation of underlying profit before tax to profit before tax**	**Group €m**
Underlying profit before tax	1,091
Transformation programme costs	(25)
Acquisition costs	(19)
Portfolio divestments (net)	25
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	14
Investment losses on treasury shares held for policyholders	(2)
Liability management exercises	(4)
Profit before tax	**1,080**

3 Operating segments *(continued)*

6 months ended 30 June 2025 Income statement analysis by operating segment	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Other reconciling items €m	Group €m
Gross external revenue	864	406	871	1,159	283	(126)	3,457
Inter segment revenues	1,000	27	(159)	2,187	771	(3,826)	–
Total revenue	**1,864**	**433**	**712**	**3,346**	**1,054**	**(3,952)**	**3,457**
Capital expenditure	**62**	**8**	**70**	**29**	**86**	**–**	**255**

Restated[1,2] 6 months ended 30 June 2024 Income statement analysis by operating segment	Retail Ireland €m[1,2]	Wealth and Insurance €m	Retail UK €m[2]	Corporate and Commercial €m[1,2]	Group Centre €m	Other reconciling items €m[2]	Group €m
Gross external revenue[1]	857	392	744	1,776	526	(13)	4,282
Inter segment revenues[1,2]	1,154	55	41	2,961	844	(5,055)	–
Total revenue	**2,011**	**447**	**785**	**4,737**	**1,370**	**(5,068)**	**4,282**
Capital expenditure	**20**	**7**	**69**	**34**	**123**	**–**	**253**

[1] *Comparative figures have been restated to reflect the SB&A customer base move from Corporate and Commercial to Retail Ireland, resulting in a €124 million increase in gross external revenue and €477 million increase in inter segment revenue in Retail Ireland and the corresponding decrease in Corporate and Commercial. See page 9 for further details.*
[2] *Comparative figures for inter segment revenues has been restated due to a misallocation of revenues between segments in H124, resulting in a €113 million increase in Retail Ireland, €6 million increase in Retail UK, €196 million increase in Corporate and Commercial, offset by a €315 million increase in Other reconciling items expense.*

30 June 2025 Balance sheet analysis by operating segment	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Other reconciling items €m	Group €m
Total assets	**153,571**	**28,115**	**26,575**	**236,527**	**73,331**	**(355,743)**	**162,376**
Total liabilities	**150,139**	**26,890**	**24,168**	**236,606**	**67,226**	**(355,721)**	**149,308**
Investment in associates and joint ventures	72	–	82	78	6	–	238

Restated[1] 31 December 2024 Balance sheet analysis by operating segment	Retail Ireland €m[1]	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m[1]	Group Centre €m	Other reconciling items €m	Group €m
Total assets[1]	**138,859**	**28,075**	**26,176**	**229,000**	**83,103**	**(343,400)**	**161,813**
Total liabilities[1]	**134,285**	**26,898**	**23,750**	**228,867**	**78,391**	**(343,387)**	**148,804**
Investment in associates and joint ventures	53	–	74	80	6	–	213

[1] *Comparative figures have been restated to reflect the SB&A customer base move from Corporate and Commercial to Retail Ireland, resulting in a €23,699 million increase in total assets and €23,036 million increase in total liabilities in Retail Ireland and the corresponding decrease in Corporate and Commercial. See page 9 for further details.*

4 Interest income

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Financial assets measured at amortised cost		
Loans and advances to customers	1,718	2,098
Loans and advances to banks	432	645
Debt securities at amortised cost	135	129
Interest income on financial assets measured at amortised cost	**2,285**	**2,872**
Financial assets at fair value through other comprehensive income		
Debt securities at fair value through other comprehensive income	52	91
Interest income on financial assets at fair value through other comprehensive income	**52**	**91**
Interest income calculated using the effective interest method	**2,337**	**2,963**
Other interest income		
Non-trading derivatives (not in hedge accounting relationships - economic hedges)	210	368
Finance leases and hire purchase receivables	167	140
Loans and advances to customers at FVTPL	4	4
Other financial assets at FVTPL	1	2
Other interest income	**382**	**514**
Interest income	**2,719**	**3,477**

Interest income on loans and advances to customers

In H125, interest income of €43 million was recognised (H124: €53 million) and €60 million was received (H124: €57 million) on credit-impaired loans and advances to customers.

For H125, interest income was reduced by €24 million (H124 €39 million) relating to changes in the fair value of derivative financial instruments which economically hedge the performing mortgage book of KBC Bank Ireland (KBCI) acquired by the Group, partially offset by interest income earned and recognised on these derivative financial instruments.

Interest income recognised on non-trading derivatives

Interest income on non-trading derivatives was earned principally on pay fixed, receive floating interest rate swaps which are held with hedging intent, but for which hedge accounting is not applied.

5 Interest expense

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Financial liabilities measured at amortised cost		
Customer accounts	519	832
Debt securities in issue	213	287
Subordinated liabilities	56	68
Deposits from banks	23	68
Lease liabilities	6	5
Interest expense calculated using the effective interest method	**817**	**1,260**
Other interest expense		
Non-trading derivatives (not in hedge accounting relationships - economic hedges)	232	379
Customer accounts at FVTPL	5	6
Other interest expense	**237**	**385**
Interest expense	**1,054**	**1,645**

Interest expense recognised on customer accounts

Interest expense on customer accounts included interest expense of €210 million (H124: €579 million) arising on related derivatives which are in a hedge relationship with the relevant liability. The period on period movement was caused by lower interest rates.

Interest expense recognised on non-trading derivatives

Interest expense on non-trading derivatives was incurred principally on receive fixed, pay floating interest rate swaps which are held with hedging intent, but for which hedge accounting is not applied.

6 Insurance contracts

Under IFRS 17, there are three financial statement line items within insurance service result in the income statement which comprises insurance revenue, insurance service expense and net expense from reinsurance contracts held. The insurance finance income or expense is presented separately for both insurance and reinsurance in the notes to the financial statements, and aggregated together with total investment gains as insurance investment and finance result in the income statement. Disclosure is provided for both insurance contracts issued and reinsurance contracts held.

Insurance investment and finance result

The table on the following page comprises the investment gains and losses, realised gains and losses and unrealised gains and losses which accrue to the Group on all investment assets held by the Wealth and Insurance division (excluding Davy), other than those held for the benefit of policyholders whose contracts are considered to be investment contracts. These instruments are mandatorily measured at FVTPL.

Total investment losses of €129 million in H125 (H124: gains of €815 million) were consistent with negative investment market performance during the period. The losses on the assets held on behalf of the insurance policyholders were consistent with the decrease in the insurance contract liabilities.

6 Insurance contracts *(continued)*

Insurance investment and finance result	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
(Losses) / gains on other financial assets held on behalf of Wealth and Insurance policyholders	(146)	815
Gains on investment property held on behalf of Wealth and Insurance policyholders	17	–
Total investment (losses) / gains	**(129)**	**815**
Finance income / (expense) from insurance contracts issued	150	(819)
Finance expense from reinsurance contracts held	(14)	(22)
Net insurance and reinsurance finance result	**136**	**(841)**
Total insurance investment and finance result	**7**	**(26)**

Insurance contract liabilities

The reconciliation below has been provided at a total insurance contract liability level. The liability for remaining coverage (LRC) which includes CSM makes up c.96% of this balance, with the liability for incurred claims (LIC) making up the remainder. Included in the total insurance service result is an allocation of depreciation expense of €6 million (H124: €3 million; H224: €4 million) attributable to insurance contracts. Comparative figures are presented for the twelve months ended 31 December 2024.

Insurance contract liabilities	30 June 2025 €m	31 December 2024 €m
Opening liabilities	**(16,685)**	**(15,113)**
Insurance revenue	**260**	**536**
Expected incurred claims and other expenses	*198*	*405*
CSM recognised in income statement for services	*36*	*74*
Recovery of insurance acquisition cash flows	*19*	*31*
Change in risk adjustment for non-financial risk expired	*6*	*14*
Premium variance	*1*	*12*
Insurance service expense	**(219)**	**(476)**
Incurred claims and other insurance service expenses	*(226)*	*(444)*
Changes that relate to past service - adjustment to the LIC	*31*	*29*
Insurance acquisition cash flows amortisation	*(19)*	*(31)*
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	*(5)*	*(30)*
Total insurance service result	**41**	**60**
Finance income / (expense) from insurance contracts issued	150	(1,536)
Total amounts recognised in comprehensive income	**191**	**(1,476)**
Cash flows		
Premiums received	(922)	(2,166)
Claims and other directly attributable expenses	863	1,993
Insurance acquisition cash flows	40	77
Total cash flows	**(19)**	**(96)**
Closing liabilities	**(16,513)**	**(16,685)**

6 Insurance contracts *(continued)*

Reinsurance contract assets

The reconciliation below has been provided at a total reinsurance contract asset level. The remaining coverage component which includes CSM makes up c.82% of this balance, with the incurred claims component making up the remainder. Comparative figures are presented for the twelve months ended 31 December 2024.

Reinsurance contract assets	30 June 2025 €m	31 December 2024 €m
Opening assets	**1,453**	**1,414**
Net (expense) / income from reinsurance contracts held		
Reinsurance expenses	(10)	(23)
Changes in recoveries of losses on onerous underlying contracts	1	11
Claims recovered and other directly attributable expenses	(11)	(6)
Changes relating to past service - adjustments to incurred claims	3	(7)
Total net expense from reinsurance contracts held	**(17)**	**(25)**
Finance (expense) / income from reinsurance contracts held	(14)	36
Total amounts recognised in comprehensive income	**(31)**	**11**
Cash flows		
Premiums paid net of ceding commissions and other deferred acquisition costs paid	51	183
Recoveries from reinsurance	(75)	(155)
Total cash flows	**(24)**	**28**
Closing assets	**1,398**	**1,453**

Insurance revenue and CSM by transition approach

Under the fair value approach, the CSM or loss component is calculated as the difference between the fair value of a group of insurance contracts, applying IFRS 13 (income approach), and the present value of the fulfilment cash flows (best estimate plus risk adjustment), applying IFRS 17, at the transition date. Comparative figures are presented for the twelve months ended 31 December 2024.

Insurance revenue and CSM by transition approach	30 June 2025 €m	31 December 2024 €m
Insurance contracts issued		
Insurance revenue		
Contracts measured using the fair value approach at transition date	147	296
New business and all other contracts	113	240
Total insurance revenue	**260**	**536**
CSM at period end		
Contracts measured using the fair value approach at transition date	(552)	(572)
New business and all other contracts	(136)	(146)
Total CSM at period end	**(688)**	**(718)**
Reinsurance contracts held		
CSM underlying at period end		
Underlying contracts measured using the fair value approach at transition date	155	165
New business and all other underlying contracts	(22)	(21)
Total CSM underlying at period end	**133**	**144**

6 Insurance contracts *(continued)*

Insurance CSM

The reconciliation below gives a total view of the movement of the insurance contractual service margin. Comparative figures are presented for the twelve months ended 31 December 2024.

Insurance contractual service margin	30 June 2025 €m	31 December 2024 €m
Opening insurance contract CSM	(718)	(749)
CSM recognised for services provided	36	74
Changes in estimates that adjust the CSM	6	(23)
Contracts initially recognised in the period	(10)	(19)
Finance expense from insurance contracts issued	(2)	(1)
Closing insurance contract CSM	**(688)**	**(718)**

Reinsurance CSM

The reconciliation below gives a total view of the movement of the reinsurance contractual service margin. Comparative figures are presented for the twelve months ended 31 December 2024.

Reinsurance contractual service margin	30 June 2025 €m	31 December 2024 €m
Opening reinsurance contract CSM	144	160
CSM recognised for services provided	(7)	(16)
Changes in estimates that adjust the CSM	(1)	(1)
Contracts initially recognised in the period	(4)	(10)
Changes in recoveries of losses on onerous underlying contracts that adjust CSM	1	11
Closing reinsurance contract CSM	**133**	**144**

A total of €29 million (H124: €32 million; H224: €26 million) was released from the CSM for services provided. The release represents services provided on insurance contracts offset with services provided on reinsurance contracts.

7 Fee and commission income and expense

6 months ended 30 June 2025 Income	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Group €m
Retail banking customer fees	151	–	16	52	–	219
Asset management fees	–	94	–	–	–	94
Credit related fees	2	–	1	11	–	14
Insurance commissions	–	6	–	–	–	6
Other	11	15	2	17	–	45
Fee and commission income	**164**	**115**	**19**	**80**	**–**	**378**

Net fee and commission income included €89 million (H124: €95 million) arising from trust and other fiduciary duties.

Expense

Fee and commission expense of €97 million (H124: €105 million) primarily comprises brokerage fees, sales commissions and other fees paid to third parties.

7 Fee and commission income and expense *(continued)*

Restated[1] **6 months ended 30 June 2024 Income**	**Retail Ireland[1] €m**	**Wealth and Insurance €m**	**Retail UK €m**	**Corporate and Commercial[1] €m**	**Group Centre €m**	**Group €m**
Retail banking customer fees[1]	148	–	16	53	–	217
Asset management fees	–	81	–	–	–	81
Credit related fees	2	–	1	9	–	12
Insurance commissions	–	5	–	–	–	5
Other[1]	9	11	2	15	–	37
Fee and commission income	**159**	**97**	**19**	**77**	**–**	**352**

[1] *Comparative figures have been restated to reflect the SB&A customer base transfer from Corporate and Commercial to Retail Ireland. As a result, fee and commission income of €51 million have been reallocated from Corporate and Commercial to Retail Ireland.*

8 Net trading income

Net trading income includes the gains and losses on financial instruments mandatorily measured at FVTPL and those designated at FVTPL (other than unit-linked life assurance assets and investment contract liabilities). It includes the fair value movement on these instruments and the realised gains and losses arising on the purchase and sale. It also includes the interest income receivable and expense payable on financial instruments held for trading and €2 million of a net loss arising from FX (H124: net gain €10 million).

It does not include interest income on debt financial assets mandatorily measured at FVTPL, interest expense on financial liabilities designated at FVTPL and interest income or expense on derivatives that are held with hedging intent, but for which hedge accounting is not applied (economic hedges).

Net income from financial instruments mandatorily measured at FVTPL includes dividend income from equities, realised and unrealised gains and losses.

Net fair value hedge ineffectiveness reflected a net loss from hedged items of €184 million (H124: net gain €319 million) offsetting a net gain from hedging instruments of €184 million (H124: net loss €319 million).

	6 months ended 30 June 2025 €m	**6 months ended 30 June 2024 €m**
Net income from financial instruments designated at FVTPL		
Financial liabilities designated at fair value	6	(9)
Related derivatives held for trading	(2)	13
	4	**4**
Net income from financial instruments mandatorily measured at FVTPL		
Securities and non-trading debt	10	16
Other financial instruments held for trading	6	86
Loans and advances	1	3
	17	**105**
Net fair value hedge ineffectiveness	–	–
Net trading income	**21**	**109**

9 Other leasing income and expense

Other leasing income and expense relates to the business activities of Marshall Leasing, which is a car and commercial leasing and fleet management business based in the UK.

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Other leasing income	**61**	**53**
Operating lease payments	*34*	*31*
Sale of leased assets	*23*	*19*
Other income	*4*	*3*
Other leasing expense	**(46)**	**(42)**
Depreciation of rental vehicles	*(24)*	*(24)*
Other selling and disposal costs	*(22)*	*(18)*
Net other leasing income	**15**	**11**

10 Other operating income

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Other insurance income	20	41
Loss on liability management exercises	–	(4)
Elimination of investment losses on treasury shares held for the benefit of policyholders in the Wealth and Insurance business	(1)	(1)
Other income	–	6
Other operating income	**19**	**42**

Other insurance income relates to investment classified business in the Wealth and Insurance division consisting of investment business income, change in policyholder investment contract liabilities and actual investment premiums and claims.

In H125, no expenses were incurred on liability management exercises (H124: €4 million reflecting the repurchase of certain Group perpetual non-call instruments).

11 Other operating expenses

Administrative expenses and staff costs	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Staff costs excluding transformation programme staff costs	495	491
Levies and regulatory charges	113	111
Amortisation of intangible assets	100	97
Depreciation of property, plant and equipment	23	32
Other administrative expenses	384	369
Total	**1,115**	**1,100**
Total staff costs are analysed as follows:		
Wages and salaries	438	423
Social security costs	49	45
Retirement benefit costs (defined contribution plans)	31	29
Retirement benefit costs (defined benefit plans)	7	13
Other staff expenses	5	7
	530	**517**
Staff costs capitalised	(35)	(26)
Staff costs excluding transformation programme staff costs	**495**	**491**
Staff costs included in transformation programme costs (note 12)	44	17
Total staff costs recognised in the income statement	**539**	**508**

Pension costs
Pension costs of €38 million for H125 were €4 million lower than H124. Defined benefit pension costs have decreased by €6 million. New joiners are added to the Group's defined contribution plans, the cost of which has increased by €2 million compared to H124.

Staff numbers
At 30 June 2025, the number of staff (full time equivalents (FTE)) for the Group was 11,386 (30 June 2024: 11,180). The average number of staff (FTE) for the Group for the 6 months ended 30 June 2025 was 11,268 (6 months ended 30 June 2024: 11,053).

12 Cost of restructuring programme

In H125, the Group recognised a restructuring charge of €69 million (H124: €25 million).

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Transformation programme costs		
Staff costs	44	17
Programme management costs	23	3
UK strategic review costs	2	4
Property-related costs	–	1
Total	**69**	**25**

13 Net impairment losses on financial instruments

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Loans and advances to customers at amortised cost	(214)	(46)
Movement in impairment loss allowance (note 18)	*(228)*	*(73)*
Cash recoveries	*14*	*27*
Loan commitments	(5)	(4)
Guarantees and irrevocable letters of credit	1	1
Other financial assets	(1)	–
Net impairment losses on financial instruments before reimbursement asset movements	**(219)**	**(49)**
Reimbursement asset movements	83	–
Net impairment losses on financial instruments	**(136)**	**(49)**

Net impairment losses on financial instruments have been partially offset by reimbursement asset movements of €83 million, arising from financial guarantee contracts related to the corporate loan portfolio.

Net impairment losses on loans and advances to customers at amortised cost

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Residential mortgages	(11)	39
Retail Ireland	*(12)*	*23*
Retail UK	*1*	*16*
Non-property SME & corporate	(178)	(45)
Republic of Ireland SME	*–*	*(42)*
UK SME	*(4)*	*21*
Corporate	*(174)*	*(24)*
Property and construction	(26)	(9)
Investment	*(7)*	*(8)*
Development	*(19)*	*(1)*
Consumer	1	(31)
Total	**(214)**	**(46)**

14 Share of results of associates and joint ventures (after tax)

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
First Rate Exchange Services	11	12
Associates	(2)	5
Share of results of associates and joint ventures (after tax)	**9**	**17**

15 Taxation

The taxation charge for the period was €113 million with an effective statutory taxation rate of 16% (H124: taxation charge of €203 million and taxation rate of 19%). The effective tax rate was influenced by changes in the jurisdictional mix of profits and the Irish bank levy.

Recognised in income statement	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Current tax		
Irish corporation tax		
Current period	11	18
Adjustments in respect of prior period	(1)	(1)
Foreign tax		
Current period	35	56
Adjustments in respect of prior period	4	2
Current tax charge[1]	**49**	**75**
Deferred tax		
Current period profits	79	125
Origination and reversal of temporary differences	(13)	2
Adjustments in respect of prior period	(2)	1
Deferred tax charge	**64**	**128**
Taxation charge	**113**	**203**

Reconciliation of tax on the profit before taxation at the standard Irish corporation tax rate to actual tax charge	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Profit before tax multiplied by the standard rate corporation tax in Ireland of 12.5% (2024: 12.5%)	90	135
Effects of:		
Foreign earnings subject to different rates of tax	24	39
Non-deductible Irish Bank Levy	11	10
Adjustments in respect of prior period	1	2
Share of results of associates and joint ventures shown post tax in the income statement	(1)	(2)
Other adjustments for tax purposes	(12)	19
Taxation charge	**113**	**203**

[1] *The Group is within the scope of the Organisation for Economic Co-operation and Development (OECD) 15% minimum effective tax rate Model Rules (Pillar 2). However, the impact of Pillar 2 on the current tax charge in the current period is insignificant due primarily to the ability to take into account certain historic tax losses in the Bank at 15% and also due to profits arising in jurisdictions with an effective tax rate in excess of 15%. See note 21 for further details.*

15 Taxation *(continued)*

Analysis of selected other comprehensive income	6 months ended 30 June 2025 Pre-tax €m	Tax €m	Net of Tax €m	6 months ended 30 June 2024 Pre-tax €m	Tax €m	Net of Tax €m
Debt instruments at FVOCI reserve						
Changes in fair value	12	(1)	11	9	(1)	8
Net change in debt instruments at FVOCI reserve	**12**	**(1)**	**11**	**9**	**(1)**	**8**
Remeasurement of the net defined benefit pension asset	**(170)**	**25**	**(145)**	**110**	**(15)**	**95**
Cash flow hedge reserve						
Changes in fair value	191	(24)	167	(256)	35	(221)
Transfer to income statement	(175)	22	(153)	265	(36)	229
Net change in cash flow hedge reserve	**16**	**(2)**	**14**	**9**	**(1)**	**8**
Net change in foreign exchange reserve	**(123)**	**–**	**(123)**	**74**	**–**	**74**
Liability credit reserve						
Changes in fair value of liabilities designated at FVTPL due to own credit risk	4	–	4	(2)	–	(2)
Other comprehensive income for the period	**(261)**	**22**	**(239)**	**200**	**(17)**	**183**

16 Earnings per share

The calculation of basic earnings per ordinary share is based on the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue excluding treasury shares.

Diluted earnings per share is based on the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue excluding treasury shares adjusted for the effect of all dilutive potential ordinary shares.

For H125 and H124, there was no difference in the weighted average number of units of share used for basic and diluted earnings per share.

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Basic and diluted earnings per share		
Profit attributable to shareholders	608	877
Distributions on other equity instruments - AT1 coupon	(34)	(34)
Adjustment for repurchase of AT1 securities	(2)	–
Profit attributable to ordinary shareholders	**572**	**843**
	Shares	**Shares**
Weighted average number of shares in issue excluding treasury shares (millions)	987	1,043
Basic and diluted earnings per share (cent)	57.8	80.8

17 Debt securities at amortised cost

The following table details the significant categories of debt securities at amortised cost. Debt securities at amortised cost have increased by €6.2 billion at 30 June 2025 due to the purchase of government bonds and other debt securities. The rationale for the increase was the higher credit spreads available on these securities.

	30 June 2025 €m	31 December 2024 €m
Government bonds	7,459	4,364
Other debt securities at amortised cost	5,083	2,003
Asset backed securities	18	21
Less impairment loss allowance	(3)	(1)
Debt securities at amortised cost	**12,557**	**6,387**

18 Loans and advances to customers

Loans and advances to customers at amortised cost

Loans and advances to customers at amortised cost (after ILA) at 30 June 2025 included cash collateral of €125 million (31 December 2024: €138 million) placed with derivative counterparties in relation to net derivative liability positions.

Sustainable finance

Loans and advances to customers at 30 June 2025 included sustainable finance of €15.5 billion (31 December 2024: €14.7 billion), as detailed in the following table.

	30 June 2025 €bn	31 December 2024 €bn
RoI green mortgages	9.6	8.6
Green commercial real estate lending	1.9	2.2
Sustainability-linked loans	1.6	1.5
UK green mortgages	1.6	1.7
Renewables project finance	0.4	0.4
RoI electric vehicles funding	0.2	0.2
UK electric vehicles funding	0.2	0.1
Total sustainable finance	**15.5**	**14.7**

Loans and advances to customers at FVTPL

Loans and advances to customers at FVTPL are not subject to impairment under IFRS 9. At 30 June 2025, loans and advances to customers at FVTPL included €175 million (31 December 2024: €185 million) relating to the Life Loan mortgage product, which was offered by the Group until November 2010. The cash flows of the Life Loans are not considered to consist solely of payments of principal and interest, and as such are classified as FVTPL.

	30 June 2025 €m	31 December 2024 €m
Loans and advances to customers at amortised cost	77,868	78,656
Finance leases and hire purchase receivables	5,350	4,725
	83,218	**83,381**
Less allowance for impairment charges on loans and advances to customers	(1,181)	(1,028)
Loans and advances to customers at amortised cost	**82,037**	**82,353**
Loans and advances to customers at FVTPL	175	185
Total loans and advances to customers	**82,212**	**82,538**

18 Loans and advances to customers *(continued)*

The following tables show the gross carrying amount and ILAs subject to 12 month and lifetime ECL on loans and advances to customers at amortised cost. The POCI assets of €131 million at 30 June 2025 (31 December 2024: €133 million) included €56 million (31 December 2024: €55 million) of assets which, while credit-impaired upon purchase or origination were no longer credit-impaired at the reporting date due to improvements in credit risk. These assets will remain classified as POCI until derecognition.

30 June 2025 **Gross carrying amount at amortised cost (before impairment loss allowance)**	**Residential mortgages €m**	**Non-property SME and corporate €m**	**Property and construction €m**	**Consumer €m**	**Total €m**
Stage 1 - 12 month ECL (not credit-impaired)	47,851	13,357	4,840	5,408	71,456
Stage 2 - Lifetime ECL (not credit-impaired)	2,210	5,093	2,075	196	9,574
Stage 3 - Lifetime ECL (credit-impaired)	706	843	395	113	2,057
Purchased / originated credit-impaired	131	–	–	–	131
Gross carrying amount at 30 June 2025	**50,898**	**19,293**	**7,310**	**5,717**	**83,218**

30 June 2025 **Impairment loss allowance**	**Residential mortgages €m**	**Non-property SME and corporate €m**	**Property and construction €m**	**Consumer €m**	**Total €m**
Stage 1 - 12 month ECL (not credit-impaired)	30	60	15	32	137
Stage 2 - Lifetime ECL (not credit-impaired)	48	211	81	15	355
Stage 3 - Lifetime ECL (credit-impaired)	119	392	124	54	689
Purchased / originated credit-impaired	–	–	–	–	–
Impairment loss allowance at 30 June 2025	**197**	**663**	**220**	**101**	**1,181**

31 December 2024 **Gross carrying amount at amortised cost (before impairment loss allowance)**	**Residential mortgages €m**	**Non-property SME and corporate €m**	**Property and construction €m**	**Consumer €m**	**Total €m**
Stage 1 - 12 month ECL (not credit-impaired)	47,169	14,644	4,442	4,698	70,953
Stage 2 - Lifetime ECL (not credit-impaired)	2,409	5,082	2,737	312	10,540
Stage 3 - Lifetime ECL (credit-impaired)	748	632	269	106	1,755
Purchased / originated credit-impaired	133	–	–	–	133
Gross carrying amount at 31 December 2024	**50,459**	**20,358**	**7,448**	**5,116**	**83,381**

31 December 2024 **Impairment loss allowance**	**Residential mortgages €m**	**Non-property SME and corporate €m**	**Property and construction €m**	**Consumer €m**	**Total €m**
Stage 1 - 12 month ECL (not credit-impaired)	32	78	24	34	168
Stage 2 - Lifetime ECL (not credit-impaired)	47	180	103	25	355
Stage 3 - Lifetime ECL (credit-impaired)	120	257	88	49	514
Purchased / originated credit-impaired	(9)	–	–	–	(9)
Impairment loss allowance at 31 December 2024	**190**	**515**	**215**	**108**	**1,028**

18 Loans and advances to customers *(continued)*

The following tables show the changes in gross carrying amount and ILAs of loans and advances to customers at amortised cost for H125 and the year ended 31 December 2024. The tables are prepared based on a combination of aggregation of monthly movements for material term loan portfolios (i.e. incorporating all movements a loan in these portfolios has made during the period) and full year movements for revolving-type facilities and less material (primarily consumer) portfolios.

Transfers between stages represent the migration of loans from Stage 1 to Stage 2 following a 'significant increase in credit risk' or to Stage 3 as loans enter defaulted status. Conversely, improvement in credit quality and loans exiting default result in loans migrating in the opposite direction. The approach taken to identify a 'significant increase in credit risk' and identifying defaulted and credit-impaired assets is outlined in the credit risk section of the Risk Management Report on pages 274 to 275 of the Group's 2024 Annual Report with updates for 2025 outlined in the asset quality section of the OFR on page 29.

Transfers between each stage reflect the balances and ILAs prior to transfer. The impact of re-measurement of ILA on stage transfer is reported within 're-measurement' in the new stage that a loan has transferred into. For those tables based on an aggregation of the months transfers between stages, transfers may include loans which have subsequently transferred back to their original stage or migrated further to another stage.

'Net changes in exposure' comprise the movements in the gross carrying amount and ILA as a result of new loans originated and repayments of outstanding balances throughout the reporting period.

'Net impairment losses / (gains) in income statement' does not include the impact of cash recoveries which are recognised directly in the income statement (note 13).

'Re-measurements' includes the impact of remeasurement on stage transfers noted above, other than those directly related to the update of FLI and / or other model and parameter updates, changes in management adjustments and remeasurement due to changes in asset quality that did not result in a transfer to another stage.

ECL model parameter and / or methodology changes represents the impact on ILAs of semi-annual updates to the FLI, and other model and parameter updates used in the measurement of ILAs, including the impact of stage migrations where the migration is directly related to the update of FLI and / or other model and parameter updates.

'Impairment loss allowances utilised' represents the reduction in the gross carrying amount and associated ILA on loans where the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The utilisation of an allowance does not, of itself, alter a customer's obligations nor does it impact on the Group's rights to take relevant enforcement action.

30 June 2025 **Gross carrying amount (before impairment loss allowance)**	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total gross carrying amount €m**
Opening balance 1 January 2025	**70,953**	**10,540**	**1,755**	**133**	**83,381**
Total net transfers	(1,497)	787	710	–	–
To 12 month ECL (not credit-impaired)	*3,920*	*(3,920)*	–	–	–
To lifetime ECL (not credit-impaired)	*(5,376)*	*5,520*	*(144)*	–	–
To lifetime ECL (credit-impaired)	*(41)*	*(813)*	*854*	–	–
Net changes in exposure	2,781	(1,492)	(276)	(2)	1,011
Impairment loss allowances utilised	–	–	(58)	–	(58)
Exchange adjustments	(806)	(265)	(75)	–	(1,146)
Measurement reclassification and other movements	25	4	1	–	30
Gross carrying amount at 30 June 2025	**71,456**	**9,574**	**2,057**	**131**	**83,218**

18 Loans and advances to customers *(continued)*

30 June 2025 Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2025	**168**	**355**	**514**	**(9)**	**1,028**
Total net transfers	75	(123)	48	–	–
To 12 month ECL (not credit-impaired)	*99*	*(99)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(24)*	*49*	*(25)*	–	–
To lifetime ECL (credit-impaired)	*–*	*(73)*	*73*	–	–
Net impairment losses / (gains) in income statement	(104)	125	199	8	228
Re-measurement	*(105)*	*131*	*278*	*7*	*311*
Net changes in exposures	*22*	*(44)*	*(79)*	*1*	*(100)*
ECL model parameter and / or methodology changes	*(21)*	*38*	*–*	*–*	*17*
Impairment loss allowances utilised	–	–	(58)	–	(58)
Exchange adjustments	(1)	–	(2)	–	(3)
Measurement reclassification and other movements	(1)	(2)	(12)	1	(14)
Impairment loss allowance at 30 June 2025	**137**	**355**	**689**	**–**	**1,181**
Impairment coverage at 30 June 2025 (%)	**0.19%**	**3.71%**	**33.50%**	**–**	**1.42%**

Impairment loss allowances utilised on loans and advances to customers at amortised cost during H125 included €10 million of contractual amounts outstanding that are still subject to enforcement activity.

Total gross loans and advances to customers at amortised cost decreased during the period by €0.2 billion from €83.4 billion at 31 December 2024 to €83.2 billion at 30 June 2025.

Stage 1 loans have increased by €0.5 billion primarily reflecting the impact of net new lending of €2.8 billion, partially offset by FX movements of €0.8 billion. Total net transfers to other risk stages (primarily Stage 2) of €1.5 billion reflect updates for FLI weightings and other portfolio activity.

ILAs on Stage 1 loans have decreased by €31 million with coverage on Stage 1 loans of 0.19%, down slightly from 0.24% at 31 December 2024. Remeasurement reclassifications resulted in an ILA reduction of €105 million reflecting the impact of re-measuring net transfers from other stages of lifetime ECL to 12-month ECL. Reductions in ILA were partially offset by an increase due to net staging transfers of €75 million.

Stage 2 loans have decreased by €1.0 billion reflecting net repayments of €1.5 billion and FX movements of €0.3 billion, partially offset by transfers from other stages of €0.8 billion. Net transfers to other stages reflects portfolio activity in the period.

Cover on Stage 2 loans has increased from 3.37% at 31 December 2024 to 3.71% at 30 June 2025, with the impact of net transfers of €123 million and net repayments of €44 million offset by ILA increases of €131 million due to remeasurement. Stage 2 cover is also impacted by the application of post-model adjustments for climate and geopolitical risk (see page 58) and ECL model parameter and methodology changes of €38 million.

Stage 3 loans have increased by €0.3 billion, with the key drivers being the impact of net migration from other stages of €0.7 billion driven by the emergence of new defaults, offset by repayments of €0.3 billion (including repayments from case specific resolution activities), FX movements of €0.1 billion and the utilisation of ILAs of €0.1 billion.

Stage 3 ILAs have increased by €175 million due to remeasurement of €278 million which includes the application of a post-model adjustment for Retail Ireland residential mortgage NPEs. This was offset by the impact of net reductions in exposure of €79 million and utilisation of ILAs of €58 million.

Cover on Stage 3 loans has increased from 29.29% at 31 December 2024 to 33.50% at 30 June 2025. The increase primarily reflects changes in the underlying asset / portfolio mix of the stage 3 population following the migration of assets with higher than average impairment requirements to stage 3 in the period.

18 Loans and advances to customers *(continued)*

31 December 2024 Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**65,729**	**12,525**	**2,349**	**143**	**80,746**
Total net transfers	(861)	503	358	–	–
To 12 month ECL (not credit-impaired)	*8,206*	*(8,204)*	*(2)*	–	–
To lifetime ECL (not credit-impaired)	*(8,935)*	*9,574*	*(639)*	–	–
To lifetime ECL (credit-impaired)	*(132)*	*(867)*	*999*	–	–
Net changes in exposure	4,847	(2,758)	(652)	(10)	1,427
Impairment loss allowances utilised	–	–	(357)	–	(357)
Exchange adjustments	1,069	264	55	–	1,388
Measurement reclassification and other movements	169	6	2	–	177
Gross carrying amount at 31 December 2024	**70,953**	**10,540**	**1,755**	**133**	**83,381**

31 December 2024 Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**180**	**421**	**612**	**9**	**1,222**
Total net transfers	121	(128)	6	1	–
To 12 month ECL (not credit-impaired)	*169*	*(168)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(46)*	*132*	*(86)*	–	–
To lifetime ECL (credit-impaired)	*(2)*	*(92)*	*93*	*1*	–
Net impairment losses / (gains) in income statement	(111)	79	203	(20)	151
Re-measurement	*(152)*	*177*	*330*	*(13)*	*342*
Net changes in exposures	*26*	*(83)*	*(111)*	–	*(168)*
ECL model parameter and / or methodology changes	*15*	*(15)*	*(16)*	*(7)*	*(23)*
Impairment loss allowances utilised	–	–	(357)	–	(357)
Exchange adjustments	2	4	5	(1)	10
Measurement reclassification and other movements	(24)	(21)	45	2	2
Impairment loss allowance at 31 December 2024	**168**	**355**	**514**	**(9)**	**1,028**
Impairment coverage at 31 December 2024 (%)	**0.24%**	**3.37%**	**29.29%**	**(6.77%)**	**1.23%**

Impairment loss allowances utilised on loans and advances to customers at amortised cost during 2024 included €79 million of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Loans and advances to customers at amortised cost by portfolio

The following tables set out the movement in both the gross carrying amount and ILAs subject to 12 month and lifetime ECL on loans and advances to customers at amortised cost by portfolio asset class. These tables are prepared on the same basis as the total Group tables as set out above.

Residential Mortgages

30 June 2025 Residential mortgages - Gross carrying amount (before impairment loss allowance)	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total gross carrying amount €m**
Opening balance 1 January 2025	**47,169**	**2,409**	**748**	**133**	**50,459**
Total net transfers	(68)	8	60	–	–
To 12 month ECL (not credit-impaired)	*1,344*	*(1,344)*	–	–	–
To lifetime ECL (not credit-impaired)	*(1,398)*	*1,470*	*(72)*	–	–
To lifetime ECL (credit-impaired)	*(14)*	*(118)*	*132*	–	–
Net changes in exposure	1,192	(174)	(89)	(2)	927
Impairment loss allowances utilised	–	–	(3)	–	(3)
Exchange adjustments	(452)	(33)	(10)	–	(495)
Measurement reclassification and other movements	10	–	–	–	10
Gross carrying amount at 30 June 2025	**47,851**	**2,210**	**706**	**131**	**50,898**

30 June 2025 Residential mortgages - Impairment loss allowance	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total impairment loss allowance €m**
Opening balance 1 January 2025	**32**	**47**	**120**	**(9)**	**190**
Total net transfers	19	(18)	(1)	–	–
To 12 month ECL (not credit-impaired)	*23*	*(23)*	–	–	–
To lifetime ECL (not credit-impaired)	*(4)*	*11*	*(7)*	–	–
To lifetime ECL (credit-impaired)	–	*(6)*	*6*	–	–
Net impairment losses / (gains) in income statement	(21)	20	4	8	11
Re-measurement	*(22)*	*20*	*15*	*7*	*20*
Net changes in exposures	*2*	*(2)*	*(10)*	*1*	*(9)*
ECL model parameter and / or methodology changes	*(1)*	*2*	*(1)*	–	–
Impairment loss allowances utilised	–	–	(3)	–	(3)
Exchange adjustments	–	–	(1)	–	(1)
Measurement reclassification and other movements	–	(1)	–	1	–
Impairment loss allowance at 30 June 2025	**30**	**48**	**119**	**–**	**197**
Impairment coverage at 30 June 2025 (%)	**0.06%**	**2.17%**	**16.86%**	**–**	**0.39%**

Impairment loss allowances utilised on Residential mortgages at amortised cost during H125 included €1 million of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Residential Mortgages *(continued)*

31 December 2024 Residential mortgages - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit- impaired) €m	Stage 2 - Lifetime ECL (not credit- impaired) €m	Stage 3 - Lifetime ECL (credit- impaired) €m	Purchased / originated credit- impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**42,786**	**3,574**	**770**	**142**	**47,272**
Total net transfers	662	(817)	155	–	–
To 12 month ECL (not credit-impaired)	*3,977*	*(3,977)*	–	–	–
To lifetime ECL (not credit-impaired)	*(3,272)*	*3,475*	*(203)*	–	–
To lifetime ECL (credit-impaired)	*(43)*	*(315)*	*358*	–	–
Net changes in exposure	3,015	(406)	(169)	(9)	2,431
Impairment loss allowances utilised	–	–	(27)	–	(27)
Exchange adjustments	646	58	19	–	723
Measurement reclassification and other movements	60	–	–	–	60
Gross carrying amount at 31 December 2024	**47,169**	**2,409**	**748**	**133**	**50,459**

31 December 2024 Residential mortgages - Impairment loss allowance	Stage 1 - 12 month ECL (not credit- impaired) €m	Stage 2 - Lifetime ECL (not credit- impaired) €m	Stage 3 - Lifetime ECL (credit- impaired) €m	Purchased / originated credit- impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**40**	**56**	**141**	**9**	**246**
Total net transfers	49	(47)	(2)	–	–
To 12 month ECL (not credit-impaired)	*61*	*(61)*	–	–	–
To lifetime ECL (not credit-impaired)	*(12)*	*33*	*(21)*	–	–
To lifetime ECL (credit-impaired)	–	*(19)*	*19*	–	–
Net impairment losses / (gains) in income statement	(57)	39	9	(20)	(29)
Re-measurement	*(53)*	*46*	*46*	*(13)*	*26*
Net changes in exposures	–	*(4)*	*(22)*	–	*(26)*
ECL model parameter and / or methodology changes	*(4)*	*(3)*	*(15)*	*(7)*	*(29)*
Impairment loss allowances utilised	–	–	(27)	–	(27)
Exchange adjustments	–	1	2	–	3
Measurement reclassification and other movements	–	(2)	(3)	2	(3)
Impairment loss allowance at 31 December 2024	**32**	**47**	**120**	**(9)**	**190**
Impairment coverage at 31 December 2024 (%)	**0.07%**	**1.95%**	**16.04%**	**(6.77%)**	**0.38%**

Impairment loss allowances utilised on Residential mortgages at amortised cost during 2024 included €nil of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Non-property SME and corporate

30 June 2025 Non-property SME and corporate - Gross carrying amount (before impairment loss allowance)	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total gross carrying amount €m**
Opening balance 1 January 2025	**14,644**	**5,082**	**632**	**–**	**20,358**
Total net transfers	(1,497)	1,089	408	–	–
To 12 month ECL (not credit-impaired)	*1,411*	*(1,411)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(2,901)*	*2,966*	*(65)*	–	–
To lifetime ECL (credit-impaired)	*(7)*	*(466)*	*473*	–	–
Net changes in exposure	449	(915)	(123)	–	(589)
Impairment loss allowances utilised	–	–	(29)	–	(29)
Exchange adjustments	(254)	(165)	(46)	–	(465)
Measurement reclassification and other movements	15	2	1	–	18
Gross carrying amount at 30 June 2025	**13,357**	**5,093**	**843**	**–**	**19,293**

30 June 2025 Non-property SME and corporate - Impairment loss allowance	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total impairment loss allowance €m**
Opening balance 1 January 2025	**78**	**180**	**257**	**–**	**515**
Total net transfers	21	(51)	30	–	–
To 12 month ECL (not credit-impaired)	*35*	*(35)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(14)*	*30*	*(16)*	–	–
To lifetime ECL (credit-impaired)	*–*	*(46)*	*46*	–	–
Net impairment losses / (gains) in income statement	(37)	83	142	–	188
Re-measurement	*(42)*	*84*	*195*	–	*237*
Net changes in exposures	*17*	*(28)*	*(53)*	–	*(64)*
ECL model parameter and / or methodology changes	*(12)*	*27*	*–*	–	*15*
Impairment loss allowances utilised	–	–	(29)	–	(29)
Exchange adjustments	(1)	–	–	–	(1)
Measurement reclassification and other movements	(1)	(1)	(8)	–	(10)
Impairment loss allowance at 30 June 2025	**60**	**211**	**392**	**–**	**663**
Impairment coverage at 30 June 2025 (%)	**0.45%**	**4.14%**	**46.50%**	**–**	**3.44%**

Impairment loss allowances utilised on Non-property SME and corporate during H125 included €6 million of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Non-property SME and corporate *(continued)*

31 December 2024 Non-property SME and corporate - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit- impaired) €m	Stage 2 - Lifetime ECL (not credit- impaired) €m	Stage 3 - Lifetime ECL (credit- impaired) €m	Purchased / originated credit- impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**14,737**	**4,632**	**1,080**	**1**	**20,450**
Total net transfers	(1,343)	1,407	(64)	–	–
To 12 month ECL (not credit-impaired)	*2,787*	*(2,786)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(4,090)*	*4,501*	*(411)*	–	–
To lifetime ECL (credit-impaired)	*(40)*	*(308)*	*348*	–	–
Net changes in exposure	863	(1,073)	(218)	(1)	(429)
Impairment loss allowances utilised	–	–	(187)	–	(187)
Exchange adjustments	260	112	22	–	394
Measurement reclassification and other movements	127	4	(1)	–	130
Gross carrying amount at 31 December 2024	**14,644**	**5,082**	**632**	**–**	**20,358**

31 December 2024 Non-property SME and corporate - Impairment loss allowance	Stage 1 - 12 month ECL (not credit- impaired) €m	Stage 2 - Lifetime ECL (not credit- impaired) €m	Stage 3 - Lifetime ECL (credit- impaired) €m	Purchased / originated credit- impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**65**	**154**	**330**	**–**	**549**
Total net transfers	40	(18)	(22)	–	–
To 12 month ECL (not credit-impaired)	*62*	*(62)*	–	–	–
To lifetime ECL (not credit-impaired)	*(21)*	*79*	*(58)*	–	–
To lifetime ECL (credit-impaired)	*(1)*	*(35)*	*36*	–	–
Net impairment losses / (gains) in income statement	(27)	41	103	–	117
Re-measurement	*(57)*	*69*	*157*	–	*169*
Net changes in exposures	*18*	*(33)*	*(57)*	–	*(72)*
ECL model parameter and / or methodology changes	*12*	*5*	*3*	–	*20*
Impairment loss allowances utilised	–	–	(187)	–	(187)
Exchange adjustments	–	1	–	–	1
Measurement reclassification and other movements	–	2	33	–	35
Impairment loss allowance at 31 December 2024	**78**	**180**	**257**	**–**	**515**
Impairment coverage at 31 December 2024 (%)	**0.53%**	**3.54%**	**40.66%**	**–**	**2.53%**

Impairment loss allowances utilised on Non-property SME and corporate during 2024 included €74 million of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Property and construction

30 June 2025 Property and construction - Gross carrying amount (before impairment loss allowance)	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total gross carrying amount €m**
Opening balance 1 January 2025	**4,442**	**2,737**	**269**	**–**	**7,448**
Total net transfers	38	(238)	200	–	–
To 12 month ECL (not credit-impaired)	*985*	*(985)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(947)*	*949*	*(2)*	–	–
To lifetime ECL (credit-impaired)	*–*	*(202)*	*202*	–	–
Net changes in exposure	385	(362)	(43)	–	(20)
Impairment loss allowances utilised	–	–	(14)	–	(14)
Exchange adjustments	(25)	(64)	(17)	–	(106)
Measurement reclassification and other movements	–	2	–	–	2
Gross carrying amount at 30 June 2025	**4,840**	**2,075**	**395**	**–**	**7,310**

30 June 2025 Property and construction - Impairment loss allowance	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total impairment loss allowance €m**
Opening balance 1 January 2025	**24**	**103**	**88**	**–**	**215**
Total net transfers	22	(37)	15	–	–
To 12 month ECL (not credit-impaired)	*26*	*(26)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(4)*	*4*	*–*	–	–
To lifetime ECL (credit-impaired)	*–*	*(15)*	*15*	–	–
Net impairment losses / (gains) in income statement	(31)	15	42	–	26
Re-measurement	*(33)*	*14*	*45*	–	*26*
Net changes in exposures	*1*	*(11)*	*(4)*	–	*(14)*
ECL model parameter and / or methodology changes	*1*	*12*	*1*	–	*14*
Impairment loss allowances utilised	–	–	(14)	–	(14)
Exchange adjustments	–	–	–	–	–
Measurement reclassification and other movements	–	–	(7)	–	(7)
Impairment loss allowance at 30 June 2025	**15**	**81**	**124**	**–**	**220**
Impairment coverage at 30 June 2025 (%)	**0.31%**	**3.90%**	**31.39%**	**–**	**3.01%**

Impairment loss allowances utilised on Property and construction during H125 included no contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Property and construction *(continued)*

31 December 2024 Property and construction - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**3,336**	**3,518**	**369**	**–**	**7,223**
Total net transfers	(164)	(3)	167	–	–
To 12 month ECL (not credit-impaired)	*1,021*	*(1,021)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(1,184)*	*1,200*	*(16)*	–	–
To lifetime ECL (credit-impaired)	*(1)*	*(182)*	*183*	–	–
Net changes in exposure	1,243	(842)	(225)	–	176
Impairment loss allowances utilised	–	–	(56)	–	(56)
Exchange adjustments	33	63	12	–	108
Measurement reclassification and other movements	(6)	1	2	–	(3)
Gross carrying amount at 31 December 2024	**4,442**	**2,737**	**269**	**–**	**7,448**

31 December 2024 Property and construction - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**25**	**144**	**80**	**–**	**249**
Total net transfers	20	(38)	18	–	–
To 12 month ECL (not credit-impaired)	*28*	*(28)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(8)*	*12*	*(4)*	–	–
To lifetime ECL (credit-impaired)	*–*	*(22)*	*22*	–	–
Net impairment losses / (gains) in income statement	(21)	(3)	29	–	5
Re-measurement	*(25)*	*40*	*58*	–	*73*
Net changes in exposures	*7*	*(21)*	*(20)*	–	*(34)*
ECL model parameter and / or methodology changes	*(3)*	*(22)*	*(9)*	–	*(34)*
Impairment loss allowances utilised	–	–	(56)	–	(56)
Exchange adjustments	–	–	2	–	2
Measurement reclassification and other movements	–	–	15	–	15
Impairment loss allowance at 31 December 2024	**24**	**103**	**88**	**–**	**215**
Impairment coverage at 31 December 2024 (%)	**0.54%**	**3.76%**	**32.71%**	**–**	**2.89%**

Impairment loss allowances utilised on Property and construction during 2024 included €nil of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Consumer

30 June 2025 Consumer - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2025	**4,698**	**312**	**106**	**–**	**5,116**
Total net transfers	30	(72)	42	–	–
To 12 month ECL (not credit-impaired)	*180*	*(180)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(130)*	*135*	*(5)*	–	–
To lifetime ECL (credit-impaired)	*(20)*	*(27)*	*47*	–	–
Net changes in exposure	755	(41)	(21)	–	693
Impairment loss allowances utilised	–	–	(12)	–	(12)
Exchange adjustments	(75)	(3)	(2)	–	(80)
Measurement reclassification and other movements	–	–	–	–	–
Gross carrying amount at 30 June 2025	**5,408**	**196**	**113**	**–**	**5,717**

30 June 2025 Consumer - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2025	**34**	**25**	**49**	**–**	**108**
Total net transfers	13	(17)	4	–	–
To 12 month ECL (not credit-impaired)	*15*	*(15)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(2)*	*4*	*(2)*	–	–
To lifetime ECL (credit-impaired)	*–*	*(6)*	*6*	–	–
Net impairment losses / (gains) in income statement	(15)	7	11	–	3
Re-measurement	*(8)*	*13*	*23*	–	*28*
Net changes in exposures	*2*	*(3)*	*(12)*	–	*(13)*
ECL model parameter and / or methodology changes	*(9)*	*(3)*	*–*	–	*(12)*
Impairment loss allowances utilised	–	–	(12)	–	(12)
Exchange adjustments	–	–	(1)	–	(1)
Measurement reclassification and other movements	–	–	3	–	3
Impairment loss allowance at 30 June 2025	**32**	**15**	**54**	**–**	**101**
Impairment coverage at 30 June 2025 (%)	**0.59%**	**7.65%**	**47.79%**	**–**	**1.77%**

Impairment loss allowances utilised on Consumer during H125 included €3 million of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Consumer *(continued)*

31 December 2024 Consumer - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**4,870**	**801**	**130**	**–**	**5,801**
Total net transfers	(16)	(84)	100	–	–
To 12 month ECL (not credit-impaired)	*421*	*(420)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(389)*	*398*	*(9)*	–	–
To lifetime ECL (credit-impaired)	*(48)*	*(62)*	*110*	–	–
Net changes in exposure	(274)	(437)	(40)	–	(751)
Impairment loss allowances utilised	–	–	(87)	–	(87)
Exchange adjustments	130	31	2	–	163
Measurement reclassification and other movements	(12)	1	1	–	(10)
Gross carrying amount at 31 December 2024	**4,698**	**312**	**106**	**–**	**5,116**

31 December 2024 Consumer - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**50**	**67**	**61**	**–**	**178**
Total net transfers	12	(25)	12	1	–
To 12 month ECL (not credit-impaired)	*18*	*(17)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(5)*	*8*	*(3)*	–	–
To lifetime ECL (credit-impaired)	*(1)*	*(16)*	*16*	*1*	–
Net impairment losses / (gains) in income statement	(6)	2	62	–	58
Re-measurement	*(17)*	*22*	*69*	–	*74*
Net changes in exposures	*1*	*(25)*	*(12)*	–	*(36)*
ECL model parameter and / or methodology changes	*10*	*5*	*5*	–	*20*
Impairment loss allowances utilised	–	–	(87)	–	(87)
Exchange adjustments	2	2	1	(1)	4
Measurement reclassification and other movements	(24)	(21)	–	–	(45)
Impairment loss allowance at 31 December 2024	**34**	**25**	**49**	**–**	**108**
Impairment coverage at 31 December 2024 (%)	**0.72%**	**8.01%**	**46.23%**	**–**	**2.11%**

Impairment loss allowances utilised on Consumer during 2024 included €5 million of contractual amounts outstanding that are still subject to enforcement activity.

19 Credit risk exposures

The following disclosures provide quantitative information about credit risk within financial instruments held by the Group. Details of the Group's credit risk methodologies are set out on pages 271 to 277 of the Group's 2024 Annual Report, with updates for 2025 outlined in the Asset quality section of the OFR. In addition to credit risk, the primary risks affecting the Group through its use of financial instruments are: funding and liquidity risk, market risk and life insurance risk.

The Group's approach to the management of these risks, together with its approach to Capital adequacy, are set out in the Risk Management Report of the Group's 2024 Annual Report.

The table below illustrates the relationship between the Group's internal credit risk rating grades as used for credit risk management purposes and PD percentages, and further illustrates the indicative relationship with credit risk ratings used by external rating agencies.

Internal credit risk ratings		
PD Grade	**PD %**	**Indicative S&P type external ratings**
1-4	0% ≤ PD < 0.26%	AAA, AA+, AA, AA-, A+, A, A-, BBB+, BBB
5-7	0.26% ≤ PD < 1.45%	BBB-, BB+, BB, BB-
8-9	1.45% ≤ PD < 3.60%	B+
10-11	3.60% ≤ PD < 100%	B, Below B
12 (credit-impaired)	100%	n/a

Financial assets

Composition and risk profile

The tables below and on the following page summarise the composition and risk profile of the Group's financial assets subject to impairment and the impairment loss allowances on these financial assets. The tables exclude loan commitments, guarantees and letters of credit of €18,607 million at 30 June 2025 (31 December 2024: €18,316 million) that are subject to impairment. Loans and advances to customers exclude €175 million (31 December 2024: €185 million) of loans mandatorily measured at FVTPL at 30 June 2025 which are not subject to impairment under IFRS 9 and are therefore excluded from impairment related tables.

At 30 June 2025, POCI assets of €131 million (31 December 2024: €133 million) included €75 million (31 December 2024: €78 million) of credit-impaired POCI assets and €56 million of assets (31 December 2024: €55 million) which, while credit-impaired upon purchase or origination were no longer credit-impaired at the reporting date due to improvements in credit risk. These assets will remain classified as POCI until derecognition.

At 30 June 2025, other financial assets (before impairment loss allowance) includes cash and balances at central banks of €27,325 million (31 December 2024: €32,441 million) and items in the course of collection from other banks of €119 million (31 December 2024: €114 million).

30 June 2025 Financial assets exposure by stage (before impairment loss allowance)	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total €m**
Financial assets measured at amortised cost					
Loans and advances to customers	71,456	9,574	2,057	131	83,218
Loans and advances to banks	1,772	–	–	–	1,772
Debt securities	12,560	–	–	–	12,560
Other financial assets	27,444	–	–	–	27,444
Total financial assets measured at amortised cost	**113,232**	**9,574**	**2,057**	**131**	**124,994**
Debt instruments at FVOCI	3,218	–	–	–	3,218
Total	**116,450**	**9,574**	**2,057**	**131**	**128,212**

19 Credit risk exposures *(continued)*

30 June 2025 Impairment loss allowance on financial assets	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total €m
Financial assets measured at amortised cost					
Loans and advances to customers	137	355	689	–	1,181
Loans and advances to banks	1	–	–	–	1
Debt securities	3	–	–	–	3
Other financial assets	4	–	–	–	4
Total financial assets measured at amortised cost	**145**	**355**	**689**	**–**	**1,189**
Debt instruments at FVOCI	1	–	–	–	1
Total	**146**	**355**	**689**	**–**	**1,190**

31 December 2024 Financial assets exposure by stage (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total €m
Financial assets measured at amortised cost					
Loans and advances to customers	70,953	10,540	1,755	133	83,381
Loans and advances to banks	1,683	–	–	–	1,683
Debt securities	6,388	–	–	–	6,388
Other financial assets	32,555	–	–	–	32,555
Total financial assets measured at amortised cost	**111,579**	**10,540**	**1,755**	**133**	**124,007**
Debt instruments at FVOCI	3,384	–	–	–	3,384
Total	**114,963**	**10,540**	**1,755**	**133**	**127,391**

31 December 2024 Impairment loss allowance on financial assets	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total €m
Financial assets measured at amortised cost					
Loans and advances to customers	168	355	514	(9)	1,028
Loans and advances to banks	–	–	–	–	–
Debt securities	1	–	–	–	1
Other financial assets	5	–	–	–	5
Total financial assets measured at amortised cost	**174**	**355**	**514**	**(9)**	**1,034**
Debt instruments at FVOCI	1	–	–	–	1
Total	**175**	**355**	**514**	**(9)**	**1,035**

19 Credit risk exposures *(continued)*

Loans and advances to customers at amortised cost

Composition and risk profile

The table below summarises the composition and risk profile of the Group's loans and advances to customers at amortised cost, including POCI assets. Credit-impaired includes Stage 3 and POCI assets of €75 million (31 December 2024: €78 million). Total POCI assets at 30 June 2025 were €131 million (31 December 2024: €133 million). €56 million of POCI assets (31 December 2024: €55 million) were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These loans will remain classified as POCI loans until derecognition.

Loans and advances to customers Composition and risk profile (before impairment loss allowance)	30 June 2025				31 December 2024			
	Not credit-impaired €m	Credit-impaired €m	Total €m	Total %	Not credit-impaired €m	Credit-impaired €m	Total €m	Total %
Residential mortgages	50,061	706	50,767	61%	49,578	748	50,326	60%
Retail Ireland	*34,857*	*382*	*35,239*	*42%*	*33,831*	*394*	*34,225*	*41%*
Retail UK	*15,204*	*324*	*15,528*	*19%*	*15,747*	*354*	*16,101*	*19%*
Non-property SME and corporate	18,450	843	19,293	23%	19,726	632	20,358	25%
Republic of Ireland SME	*7,130*	*238*	*7,368*	*9%*	*7,013*	*236*	*7,249*	*9%*
UK SME	*1,348*	*67*	*1,415*	*2%*	*1,453*	*78*	*1,531*	*2%*
Corporate	*9,972*	*538*	*10,510*	*12%*	*11,260*	*318*	*11,578*	*14%*
Property and construction	6,915	395	7,310	9%	7,179	269	7,448	9%
Investment	*6,229*	*304*	*6,533*	*8%*	*6,613*	*227*	*6,840*	*8%*
Development	*686*	*91*	*777*	*1%*	*566*	*42*	*608*	*1%*
Consumer	5,604	113	5,717	7%	5,010	106	5,116	6%
Total	**81,030**	**2,057**	**83,087**	**100%**	**81,493**	**1,755**	**83,248**	**100%**
Purchased / originated credit-impaired	56	75	131	–	55	78	133	–
Total	**81,086**	**2,132**	**83,218**	**100%**	**81,548**	**1,833**	**83,381**	**100%**
Impairment loss allowance on loans and advances to customers	**481**	**700**	**1,181**	**1.4%**	**513**	**515**	**1,028**	**1.2%**

19 Credit risk exposures *(continued)*

Asset quality - not credit-impaired

The tables below summarise the composition and impairment loss allowance of the Group's loans and advances to customers at amortised cost that are not credit-impaired. Excluded from the tables are POCI assets of €56 million (31 December 2024: €55 million) which were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These assets will remain classified as POCI loans until derecognition.

30 June 2025 Not credit-impaired loans and advances to customers Composition and impairment loss allowance	Stage 1				Stage 2			
	Stage 1 loans €m	Loans as % of advances[1] %	Stage 1 ILA €m	ILA as % of Stage 1 loans %	Stage 2 loans €m	Loans as % of advances[1] %	Stage 2 ILA €m	ILA as % of Stage 2 loans %
Residential mortgages	47,851	94.2%	30	0.06%	2,210	4.4%	48	2.17%
Retail Ireland	*33,516*	*95.1%*	*18*	*0.05%*	*1,341*	*3.8%*	*31*	*2.31%*
Retail UK	*14,335*	*92.3%*	*12*	*0.08%*	*869*	*5.6%*	*17*	*1.96%*
Non-property SME and corporate	13,357	69.2%	60	0.45%	5,093	26.4%	211	4.14%
Republic of Ireland SME	*5,758*	*78.2%*	*41*	*0.71%*	*1,372*	*18.6%*	*67*	*4.88%*
UK SME	*1,097*	*77.6%*	*5*	*0.46%*	*251*	*17.7%*	*16*	*6.37%*
Corporate	*6,502*	*61.9%*	*14*	*0.22%*	*3,470*	*33.0%*	*128*	*3.69%*
Property and construction	4,840	66.2%	15	0.31%	2,075	28.4%	81	3.90%
Investment	*4,300*	*65.8%*	*10*	*0.23%*	*1,929*	*29.5%*	*79*	*4.10%*
Development	*540*	*69.5%*	*5*	*0.93%*	*146*	*18.8%*	*2*	*1.37%*
Consumer	5,408	94.6%	32	0.59%	196	3.4%	15	7.65%
Total	**71,456**	**86.0%**	**137**	**0.19%**	**9,574**	**11.5%**	**355**	**3.71%**

31 December 2024 Not credit-impaired loans and advances to customers Composition and impairment loss allowance	Stage 1				Stage 2			
	Stage 1 loans €m	Loans as % of advances[1] %	Stage 1 ILA €m	ILA as % of Stage 1 loans %	Stage 2 loans €m	Loans as % of advances[1] %	Stage 2 ILA €m	ILA as % of Stage 2 loans %
Residential mortgages	47,169	93.7%	32	0.07%	2,409	4.8%	47	1.95%
Retail Ireland	*32,501*	*94.9%*	*21*	*0.06%*	*1,330*	*3.9%*	*29*	*2.18%*
Retail UK	*14,668*	*91.1%*	*11*	*0.07%*	*1,079*	*6.7%*	*18*	*1.67%*
Non-property SME and corporate	14,644	71.9%	78	0.53%	5,082	25.0%	180	3.54%
Republic of Ireland SME	*5,475*	*75.5%*	*48*	*0.88%*	*1,538*	*21.2%*	*69*	*4.49%*
UK SME	*1,243*	*81.2%*	*5*	*0.40%*	*210*	*13.7%*	*10*	*4.76%*
Corporate	*7,926*	*68.5%*	*25*	*0.32%*	*3,334*	*28.8%*	*101*	*3.03%*
Property and construction	4,442	59.7%	24	0.54%	2,737	36.7%	103	3.76%
Investment	*4,108*	*60.1%*	*20*	*0.49%*	*2,505*	*36.6%*	*97*	*3.87%*
Development	*334*	*54.9%*	*4*	*1.20%*	*232*	*38.2%*	*6*	*2.59%*
Consumer	4,698	91.8%	34	0.72%	312	6.1%	25	8.01%
Total	**70,953**	**85.2%**	**168**	**0.24%**	**10,540**	**12.7%**	**355**	**3.37%**

[1] *'Advances' refers to the portfolio loan balance (pre-impairment loss allowance) excluding POCI assets.*

19 Credit risk exposures *(continued)*

Asset quality - credit-impaired

Credit-impaired loans include loans where the borrower is considered unlikely to pay in full without recourse by the Group to actions such as realising security, and loans where the borrower is greater than or equal to 90 days past due and the arrears amount is material. All credit-impaired loans and advances to customers are risk rated PD grade 12.

The table below summarises the composition and impairment loss allowance of the Group's loans and advances to customers at amortised cost that are credit-impaired. Credit-impaired includes Stage 3 and POCI assets of €75 million (31 December 2024: €78 million). €56 million of POCI assets (31 December 2024: €55 million) were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These loans will remain classified as POCI loans until derecognition.

	30 June 2025				31 December 2024			
Credit-impaired (CI) loans and advances to customers Composition and impairment loss allowance	**Credit-impaired (CI) loans €m**	**CI Loans as % of advances[1] %**	**CI Impairment loss allowance €m**	**CI ILA as % of CI loans %**	**Credit-impaired (CI) loans €m**	**CI Loans as % of advances[1] %**	**CI Impairment loss allowance €m**	**CI ILA as % of CI loans %**
Residential mortgages	706	1.4%	119	17%	748	1.5%	120	16%
Retail Ireland	*382*	*1.1%*	*78*	*20%*	*394*	*1.2%*	*75*	*19%*
Retail UK	*324*	*2.1%*	*41*	*13%*	*354*	*2.2%*	*45*	*13%*
Non-property SME and corporate	843	4.4%	392	47%	632	3.1%	257	41%
Republic of Ireland SME	*238*	*3.2%*	*106*	*45%*	*236*	*3.3%*	*94*	*40%*
UK SME	*67*	*4.7%*	*14*	*21%*	*78*	*5.1%*	*17*	*22%*
Corporate	*538*	*5.1%*	*272*	*51%*	*318*	*2.7%*	*146*	*46%*
Property and construction	395	5.4%	124	31%	269	3.6%	88	33%
Investment	*304*	*4.7%*	*90*	*30%*	*227*	*3.3%*	*75*	*33%*
Development	*91*	*11.7%*	*34*	*37%*	*42*	*6.9%*	*13*	*31%*
Consumer	113	2.0%	54	48%	106	2.1%	49	46%
Total credit-impaired	**2,057**	**2.5%**	**689**	**33%**	**1,755**	**2.1%**	**514**	**29%**
Purchased / originated credit-impaired	75	57.3%	11	15%	78	58.6%	1	1%
Total	**2,132**	**2.6%**	**700**	**33%**	**1,833**	**2.2%**	**515**	**28%**

[1] *'Advances' refers to the portfolio loan balance (pre-impairment loss allowance) excluding POCI assets.*

19 Credit risk exposures *(continued)*

Asset quality - PD Grade of loans and advances to customers

The tables below provide analysis of the asset quality of loans and advances to customers at amortised cost based on mapping the IFRS 9 twelve month PD of each loan to a PD grade based on the table provided on page 87. Credit-impaired includes Stage 3 and POCI assets of €75 million (31 December 2024: €78 million). Not credit-impaired includes Stage 1 & 2 and POCI assets of €56 million (31 December 2024: €55 million) which were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These assets will remain classified as POCI loans until derecognition.

30 June 2025 Loans and advances to customers Asset quality - PD grade	Residential mortgages		Non-property SME and corporate		Property and construction		Consumer		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%
Stage 1										
1-4	15,941	31%	1,675	9%	254	3%	6	–	17,876	22%
5-7	28,408	56%	5,880	31%	3,511	49%	3,357	59%	41,156	50%
8-9	2,670	5%	4,678	24%	989	14%	1,834	32%	10,171	12%
10-11	832	2%	1,124	6%	86	1%	211	4%	2,253	3%
Total Stage 1	**47,851**	**94%**	**13,357**	**70%**	**4,840**	**67%**	**5,408**	**95%**	**71,456**	**87%**
Stage 2										
1-4	191	–	180	1%	1	–	–	–	372	–
5-7	778	2%	1,827	9%	374	5%	4	–	2,983	4%
8-9	423	1%	1,462	8%	793	11%	23	–	2,701	3%
10-11	818	2%	1,624	8%	907	12%	169	3%	3,518	4%
Total Stage 2	**2,210**	**5%**	**5,093**	**26%**	**2,075**	**28%**	**196**	**3%**	**9,574**	**11%**
Not credit-impaired										
1-4	16,132	31%	1,855	10%	255	3%	6	–	18,248	22%
5-7	29,186	58%	7,707	40%	3,885	54%	3,361	59%	44,139	54%
8-9	3,093	6%	6,140	32%	1,782	25%	1,857	32%	12,872	15%
10-11	1,650	4%	2,748	14%	993	13%	380	7%	5,771	7%
Purchased / originated not credit-impaired	56	–	–	–	–	–	–	–	56	–
Total not credit-impaired	**50,117**	**99%**	**18,450**	**96%**	**6,915**	**95%**	**5,604**	**98%**	**81,086**	**98%**
Credit-impaired										
12	706	1%	843	4%	395	5%	113	2%	2,057	2%
Purchased / originated credit-impaired	75	–	–	–	–	–	–	–	75	–
Total credit-impaired	**781**	**1%**	**843**	**4%**	**395**	**5%**	**113**	**2%**	**2,132**	**2%**
Total	**50,898**	**100%**	**19,293**	**100%**	**7,310**	**100%**	**5,717**	**100%**	**83,218**	**100%**

19 Credit risk exposures *(continued)*

31 December 2024 Loans and advances to customers Asset quality - PD grade	Residential mortgages		Non-property SME and corporate		Property and construction		Consumer		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%
Stage 1										
1-4	12,686	25%	1,438	7%	34	–	7	–	14,165	17%
5-7	31,340	62%	6,727	32%	2,168	29%	2,786	55%	43,021	51%
8-9	1,809	4%	5,284	26%	2,130	29%	1,585	31%	10,808	13%
10-11	1,334	3%	1,195	6%	110	1%	320	6%	2,959	4%
Total Stage 1	**47,169**	**94%**	**14,644**	**71%**	**4,442**	**59%**	**4,698**	**92%**	**70,953**	**85%**
Stage 2										
1-4	101	–	112	1%	–	–	–	–	213	–
5-7	1,074	2%	1,370	7%	664	9%	5	–	3,113	4%
8-9	376	1%	2,013	10%	1,285	17%	90	2%	3,764	5%
10-11	858	2%	1,587	8%	788	11%	217	4%	3,450	4%
Total Stage 2	**2,409**	**5%**	**5,082**	**26%**	**2,737**	**37%**	**312**	**6%**	**10,540**	**13%**
Not credit-impaired										
1-4	12,787	25%	1,550	8%	34	–	7	–	14,378	17%
5-7	32,414	64%	8,097	39%	2,832	38%	2,791	55%	46,134	55%
8-9	2,185	5%	7,297	36%	3,415	46%	1,675	33%	14,572	18%
10-11	2,192	5%	2,782	14%	898	12%	537	10%	6,409	8%
Purchased / originated not credit-impaired	55	–	–	–	–	–	–	–	55	–
Total not credit-impaired	**49,633**	**99%**	**19,726**	**97%**	**7,179**	**96%**	**5,010**	**98%**	**81,548**	**98%**
Credit-impaired										
12	748	1%	632	3%	269	4%	106	2%	1,755	2%
Purchased / originated credit-impaired	78	–	–	–	–	–	–	–	78	–
Total credit-impaired	**826**	**1%**	**632**	**3%**	**269**	**4%**	**106**	**2%**	**1,833**	**2%**
Total	**50,459**	**100%**	**20,358**	**100%**	**7,448**	**100%**	**5,116**	**100%**	**83,381**	**100%**

19 Credit risk exposures *(continued)*

Geographical and industry analysis of loans and advances to customers

The following tables provide a geographical and industry breakdown of loans and advances to customers at amortised cost, and the associated impairment loss allowances. The geographical breakdown is primarily based on the location of the business unit where the asset is booked. The Non-property SME & corporate portfolio is analysed by Nomenclature of Economic Activities (NACE) code. The NACE code classification system is a pan-European classification system that groups organisations according to their business activities. Exposures to NACE codes totalling less than €400 million are grouped together as 'Other sectors'. The NACE codes reported in the table below can therefore differ period on period.

	Gross carrying amount (before impairment loss allowance)				Impairment loss allowance			
30 June 2025 Geographical / industry analysis	**RoI €m**	**UK €m**	**RoW €m**	**Total €m**	**RoI €m**	**UK €m**	**RoW €m**	**Total €m**
Personal	**37,975**	**18,640**	**–**	**56,615**	**198**	**100**	**–**	**298**
Residential mortgages	*35,370*	*15,528*	*–*	*50,898*	*127*	*70*	*–*	*197*
Other consumer lending	*2,605*	*3,112*	*–*	*5,717*	*71*	*30*	*–*	*101*
Property and construction	**7,006**	**304**	**–**	**7,310**	**211**	**9**	**–**	**220**
Investment	*6,261*	*272*	*–*	*6,533*	*172*	*7*	*–*	*179*
Development	*745*	*32*	*–*	*777*	*39*	*2*	*–*	*41*
Non-property SME & corporate	**16,966**	**1,586**	**741**	**19,293**	**511**	**39**	**113**	**663**
Manufacturing	*3,449*	*236*	*411*	*4,096*	*125*	*7*	*29*	*161*
Administrative and support service activities	*2,583*	*218*	*92*	*2,893*	*98*	*6*	*19*	*123*
Wholesale and retail trade	*2,130*	*144*	*17*	*2,291*	*45*	*2*	*–*	*47*
Agriculture, forestry and fishing	*1,521*	*191*	*–*	*1,712*	*40*	*4*	*–*	*44*
Accommodation and food service activities	*1,344*	*79*	*34*	*1,457*	*19*	*4*	*3*	*26*
Human health services and social work activities	*898*	*101*	*41*	*1,040*	*24*	*5*	*1*	*30*
Transport and storage	*667*	*84*	*63*	*814*	*16*	*1*	*41*	*58*
Other services	*675*	*29*	*39*	*743*	*37*	*1*	*2*	*40*
Professional, scientific and technical activities	*671*	*24*	*25*	*720*	*16*	*–*	*18*	*34*
Real estate activities	*537*	*133*	*–*	*670*	*25*	*3*	*–*	*28*
Electricity, gas, steam and air conditioning supply	*517*	*17*	*–*	*534*	*18*	*–*	*–*	*18*
Financial and Insurance activities	*457*	*69*	*–*	*526*	*2*	*1*	*–*	*3*
Construction	*293*	*191*	*–*	*484*	*8*	*3*	*–*	*11*
Education	*404*	*5*	*19*	*428*	*3*	*–*	*–*	*3*
Other sectors	*820*	*65*	*–*	*885*	*35*	*2*	*–*	*37*
Total	**61,947**	**20,530**	**741**	**83,218**	**920**	**148**	**113**	**1,181**
Analysed by stage								
Stage 1	52,550	18,631	275	71,456	109	27	1	137
Stage 2	7,869	1,448	257	9,574	296	47	12	355
Stage 3	1,397	451	209	2,057	515	74	100	689
Purchased / originated credit-impaired	131	–	–	131	–	–	–	–
Total	**61,947**	**20,530**	**741**	**83,218**	**920**	**148**	**113**	**1,181**

19 Credit risk exposures *(continued)*

31 December 2024 Geographical / industry analysis	Gross carrying amount (before impairment loss allowance) RoI €m	UK €m	RoW €m	Total €m	Impairment loss allowance RoI €m	UK €m	RoW €m	Total €m
Personal	**36,869**	**18,706**	**–**	**55,575**	**196**	**102**	**–**	**298**
Residential mortgages	*34,358*	*16,101*	*–*	*50,459*	*116*	*74*	*–*	*190*
Other consumer lending	*2,511*	*2,605*	*–*	*5,116*	*80*	*28*	*–*	*108*
Property and construction	**7,124**	**324**	**–**	**7,448**	**206**	**9**	**–**	**215**
Investment	*6,547*	*293*	*–*	*6,840*	*184*	*8*	*–*	*192*
Development	*577*	*31*	*–*	*608*	*22*	*1*	*–*	*23*
Non-property SME & corporate	**17,751**	**1,695**	**912**	**20,358**	**415**	**37**	**63**	**515**
Manufacturing	*3,467*	*269*	*479*	*4,215*	*114*	*6*	*16*	*136*
Administrative and support service activities	*2,627*	*229*	*164*	*3,020*	*57*	*6*	*3*	*66*
Wholesale and retail trade	*2,124*	*166*	*20*	*2,310*	*41*	*2*	*–*	*43*
Agriculture, forestry and fishing	*1,577*	*200*	*–*	*1,777*	*37*	*4*	*–*	*41*
Accommodation and food service activities	*1,442*	*80*	*39*	*1,561*	*19*	*2*	*1*	*22*
Human health services and social work activities	*1,171*	*109*	*45*	*1,325*	*21*	*4*	*1*	*26*
Transport and storage	*680*	*88*	*71*	*839*	*17*	*1*	*23*	*41*
Other services	*681*	*34*	*41*	*756*	*12*	*1*	*1*	*14*
Professional, scientific and technical activities	*695*	*29*	*28*	*752*	*12*	*–*	*18*	*30*
Real estate activities	*535*	*134*	*–*	*669*	*25*	*4*	*–*	*29*
Electricity, gas, steam and air conditioning supply	*504*	*15*	*–*	*519*	*14*	*–*	*–*	*14*
Financial and Insurance activities	*728*	*75*	*–*	*803*	*4*	*1*	*–*	*5*
Construction	*279*	*186*	*–*	*465*	*7*	*2*	*–*	*9*
Education	*369*	*7*	*25*	*401*	*7*	*–*	*–*	*7*
Other sectors	*872*	*74*	*–*	*946*	*28*	*4*	*–*	*32*
Total	**61,744**	**20,725**	**912**	**83,381**	**817**	**148**	**63**	**1,028**
Analysed by stage								
Stage 1	51,788	18,628	537	70,953	140	25	3	168
Stage 2	8,671	1,608	261	10,540	302	43	10	355
Stage 3	1,152	489	114	1,755	384	80	50	514
Purchased / originated credit-impaired	133	–	–	133	(9)	–	–	(9)
Total	**61,744**	**20,725**	**912**	**83,381**	**817**	**148**	**63**	**1,028**

19 Credit risk exposures *(continued)*

Sectoral analysis of loans and advances to customers

The following tables provide an analysis of loans and advances to customers at amortised cost, and the associated impairment loss allowances, by portfolio, sub-sector and stage. The Non-property SME & corporate portfolio is analysed by NACE code. The NACE code classification system is a pan-European classification system that groups organisations according to their business activities. Exposures to NACE codes totalling less than €400 million are grouped together as 'Other sectors'. The NACE codes reported in the tables below can therefore differ period on period.

	Gross carrying amount (before impairment loss allowance)					Impairment loss allowance				
30 June 2025 Sectoral analysis by stage	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCI €m**	**Total €m**	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCI €m**	**Total €m**
Personal										
Residential mortgages	47,851	2,210	706	131	50,898	30	48	119	–	197
Other consumer	5,408	196	113	–	5,717	32	15	54	–	101
Motor lending UK	*2,944*	*117*	*51*	*–*	*3,112*	*8*	*4*	*18*	*–*	*30*
Loans RoI	*1,006*	*55*	*40*	*–*	*1,101*	*14*	*8*	*24*	*–*	*46*
Motor Lending RoI	*908*	*2*	*10*	*–*	*920*	*6*	*–*	*5*	*–*	*11*
Credit cards RoI	*550*	*22*	*12*	*–*	*584*	*4*	*3*	*7*	*–*	*14*
	53,259	**2,406**	**819**	**131**	**56,615**	**62**	**63**	**173**	**–**	**298**
Property and construction	**4,840**	**2,075**	**395**	**–**	**7,310**	**15**	**81**	**124**	**–**	**220**
Investment	*4,300*	*1,929*	*304*	*–*	*6,533*	*10*	*79*	*90*	*–*	*179*
Development	*540*	*146*	*91*	*–*	*777*	*5*	*2*	*34*	*–*	*41*
Non-property SME & corporate	**13,357**	**5,093**	**843**	**–**	**19,293**	**60**	**211**	**392**	**–**	**663**
Manufacturing	*2,313*	*1,595*	*188*	*–*	*4,096*	*7*	*69*	*85*	*–*	*161*
Administrative and support service activities	*2,055*	*669*	*169*	*–*	*2,893*	*11*	*29*	*83*	*–*	*123*
Wholesale and retail trade	*1,760*	*491*	*40*	*–*	*2,291*	*9*	*22*	*16*	*–*	*47*
Agriculture, forestry and fishing	*1,409*	*248*	*55*	*–*	*1,712*	*10*	*13*	*21*	*–*	*44*
Accommodation and food service activities	*983*	*417*	*57*	*–*	*1,457*	*3*	*11*	*12*	*–*	*26*
Human health services and social work activities	*623*	*378*	*39*	*–*	*1,040*	*3*	*15*	*12*	*–*	*30*
Transport and storage	*593*	*131*	*90*	*–*	*814*	*2*	*5*	*51*	*–*	*58*
Other services	*462*	*241*	*40*	*–*	*743*	*2*	*9*	*29*	*–*	*40*
Professional, scientific and technical activities	*407*	*276*	*37*	*–*	*720*	*2*	*10*	*22*	*–*	*34*
Real estate activities	*439*	*188*	*43*	*–*	*670*	*4*	*9*	*15*	*–*	*28*
Electricity, gas, steam and air conditioning supply	*435*	*78*	*21*	*–*	*534*	*1*	*5*	*12*	*–*	*18*
Financial and Insurance activities	*508*	*17*	*1*	*–*	*526*	*1*	*1*	*1*	*–*	*3*
Construction	*420*	*50*	*14*	*–*	*484*	*2*	*3*	*6*	*–*	*11*
Education	*376*	*51*	*1*	*–*	*428*	*1*	*2*	*–*	*–*	*3*
Other sectors	*574*	*263*	*48*	*–*	*885*	*2*	*8*	*27*	*–*	*37*
Total	**71,456**	**9,574**	**2,057**	**131**	**83,218**	**137**	**355**	**689**	**–**	**1,181**

19 Credit risk exposures *(continued)*

31 December 2024 Sectoral analysis by stage	Gross carrying amount (before impairment loss allowance) Stage 1 €m	Stage 2 €m	Stage 3 €m	POCI €m	Total €m	Impairment loss allowance Stage 1 €m	Stage 2 €m	Stage 3 €m	POCI €m	Total €m
Personal										
Residential mortgages	47,169	2,409	748	133	50,459	32	47	120	(9)	190
Other consumer	4,698	312	106	–	5,116	34	25	49	–	108
Motor lending UK	*2,452*	*102*	*50*	–	*2,604*	*6*	*4*	*18*	–	*28*
Loans RoI	*833*	*175*	*34*	–	*1,042*	*15*	*16*	*19*	–	*50*
Motor Lending RoI	*846*	*2*	*10*	–	*858*	*10*	–	*5*	–	*15*
Credit cards RoI	*567*	*33*	*12*	–	*612*	*3*	*5*	*7*	–	*15*
	51,867	**2,721**	**854**	**133**	**55,575**	**66**	**72**	**169**	**(9)**	**298**
Property and construction	**4,442**	**2,737**	**269**	**–**	**7,448**	**24**	**103**	**88**	**–**	**215**
Investment	*4,108*	*2,505*	*227*	–	*6,840*	*20*	*97*	*75*	–	*192*
Development	*334*	*232*	*42*	–	*608*	*4*	*6*	*13*	–	*23*
Non-property SME & corporate	**14,644**	**5,082**	**632**	**–**	**20,358**	**78**	**180**	**257**	**–**	**515**
Manufacturing	*2,851*	*1,148*	*216*	–	*4,215*	*12*	*35*	*89*	–	*136*
Administrative and support service activities	*2,241*	*729*	*50*	–	*3,020*	*15*	*24*	*27*	–	*66*
Wholesale and retail trade	*1,755*	*515*	*40*	–	*2,310*	*11*	*18*	*14*	–	*43*
Agriculture, forestry and fishing	*1,374*	*350*	*53*	–	*1,777*	*11*	*13*	*17*	–	*41*
Accommodation and food service activities	*1,025*	*513*	*23*	–	*1,561*	*4*	*11*	*7*	–	*22*
Human health services and social work activities	*782*	*520*	*23*	–	*1,325*	*4*	*18*	*4*	–	*26*
Transport and storage	*592*	*176*	*71*	–	*839*	*3*	*6*	*32*	–	*41*
Other services	*571*	*169*	*16*	–	*756*	*3*	*7*	*4*	–	*14*
Professional, scientific and technical activities	*457*	*256*	*39*	–	*752*	*2*	*6*	*22*	–	*30*
Real estate activities	*433*	*188*	*48*	–	*669*	*4*	*8*	*17*	–	*29*
Electricity, gas, steam and air conditioning supply	*375*	*143*	*1*	–	*519*	*1*	*13*	–	–	*14*
Financial and Insurance activities	*704*	*98*	*1*	–	*803*	*2*	*2*	*1*	–	*5*
Construction	*425*	*26*	*14*	–	*465*	*2*	*2*	*5*	–	*9*
Education	*351*	*50*	–	–	*401*	*1*	*6*	–	–	*7*
Other sectors	*708*	*201*	*37*	–	*946*	*3*	*11*	*18*	–	*32*
Total	**70,953**	**10,540**	**1,755**	**133**	**83,381**	**168**	**355**	**514**	**(9)**	**1,028**

19 Credit risk exposures *(continued)*

Asset quality - other financial assets

The tables below summarise the asset quality of debt instruments at fair value through other comprehensive income (FVOCI), debt securities at amortised cost and loans and advances to banks at amortised cost by IFRS 9 12 month PD grade.

Debt instruments at FVOCI Asset quality	30 June 2025						31 December 2024					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	3,022	94%	–	–	3,022	94%	3,353	99%	–	–	3,353	99%
5-7	196	6%	–	–	196	6%	31	1%	–	–	31	1%
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**3,218**	**100%**	**–**	**–**	**3,218**	**100%**	**3,384**	**100%**	**–**	**–**	**3,384**	**100%**

Debt securities at amortised cost (before impairment loss allowance) Asset quality	30 June 2025						31 December 2024					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	12,520	100%	–	–	12,520	100%	6,388	100%	–	–	6,388	100%
5-7	40	–	–	–	40	–	–	–	–	–	–	–
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**12,560**	**100%**	**–**	**–**	**12,560**	**100%**	**6,388**	**100%**	**–**	**–**	**6,388**	**100%**

Loans and advances to banks at amortised cost (before impairment loss allowance) Asset quality	30 June 2025						31 December 2024					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	1,771	100%	–	–	1,771	100%	1,676	100%	–	–	1,676	100%
5-7	1	–	–	–	1	–	7	–	–	–	7	–
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**1,772**	**100%**	**–**	**–**	**1,772**	**100%**	**1,683**	**100%**	**–**	**–**	**1,683**	**100%**

Asset quality - other financial instruments

Other financial instruments as set out in the table below include instruments that are not within the scope of IFRS 9 or are not subject to impairment under IFRS 9. These include trading securities (excluding equity trading securities), derivative financial instruments, loans and advances to banks at FVTPL, loans and advances to customers at FVTPL and other financial instruments at FVTPL (excluding equity instruments). Reinsurance contract assets are excluded from this table as they are included in a separate table below under IFRS 17. The table summarises the asset quality of these financial instruments by equivalent external risk ratings.

Other financial instruments with ratings equivalent to:	30 June 2025 €m	30 June 2025 %	31 December 2024 €m	31 December 2024 %
AAA to AA-	5,586	57%	4,936	50%
A+ to A-	3,561	36%	4,031	41%
BBB+ to BBB-	413	4%	499	5%
BB+ to BB-	70	1%	64	1%
B+ to B-	138	1%	166	2%
Lower than B-	56	1%	62	1%
Total	**9,824**	**100%**	**9,758**	**100%**

19 Credit risk exposures *(continued)*

Credit risk for reinsurance contract assets

The table below provides information relating to the reinsurance contract assets with reinsurance counterparties split by credit ratings:

Reinsurance contract assets with ratings equivalent to:	30 June 2025 €m	31 December 2024 €m
AA- or higher	1,055	961
A / A+	343	492
Total	**1,398**	**1,453**

20 Modified financial assets

The following table provides analysis of financial assets for which the contractual cash flows have been modified while they had an impairment loss allowance measured at an amount equal to lifetime ECL, and where the modification did not result in derecognition.

	30 June 2025 €m	31 December 2024 €m
Financial assets modified during the period		
Amortised cost before modification	379	870
Financial assets modified since initial recognition		
Gross carrying amount of financial assets for which impairment loss allowance has changed from lifetime to 12 month expected credit losses during the period	1,562	1,825

21 Deferred tax

The DTA of €488 million (31 December 2024: €546 million) includes an amount of €542 million (31 December 2024: €624 million) in respect of operating losses which are available to shelter future profits from tax, of which €500 million relates to Irish tax losses carried forward by The Governor and Company of the Bank of Ireland (the 'Bank'), €40 million relates to UK tax losses carried forward by Bank of Ireland (UK) plc, and €2 million relates to US tax losses carried forward by the US branch of the Bank.

The recognition of a DTA in respect of tax losses carried forward requires the Directors to be satisfied that it is probable that the Group will have sufficient future taxable profits against which the losses can be utilised.

In considering the available evidence to support recognition of the DTA, the Group takes into consideration the impact of both positive and negative evidence including historical financial performance, projections of future taxable income and the impact of tax legislation.

Positive factors which have been considered include:
- as evidenced by continuing profitability, and with the exception of 2020 and the years of the financial crisis, the Group has a sustained history of Irish operating profits and a large market share and it is considered likely that the Group's Irish activities will be profitable into the future;
- the absence of any expiry dates for Irish and UK tax losses; and
- external economic forecasts for Ireland and the UK which indicate continued economic growth and improved employment levels.

The Group also considered the following in assessing the financial assumptions and projections:
- the absolute level of deferred tax assets compared to the Group's equity;
- the quantum of profits required to be earned and the period over which it is projected that the tax losses will be utilised;
- the challenges of projecting, taking account of the level of competition and the evolving interest rate environment; and
- accelerated transformation of banking business models.

Based on the Group's proven earnings history, its strong position within the Irish financial services market and its strategic priorities to deliver sustained future Irish profits, the Directors believe that the Group will continue to be profitable but acknowledge the external challenges facing the banking industry, in particular, the traditional, full service banks and the inherent uncertainties of financial projections.

21 Deferred tax *(continued)*

The Group's assessment of deferred tax recoverability is based on its financial projections covering its five year initial planning period, with an annual 2% growth rate thereafter and, based on these projections, the DTA in respect of Irish tax losses is estimated to be recovered in full by the end of 2028 (31 December 2024: 2028). The use of reasonably possible alternative assumptions within those projections would not impact the carrying value of the DTA.

Notwithstanding the absence of any expiry date for trading losses in the UK, the Group continues to conclude that, for the purpose of valuing its UK DTA, the brought forward trading losses within the Bank's UK branch will be limited by reference to a ten year period of projected UK branch profits at the prevailing UK tax rates. This ten year timescale is the period over which the Group believes it can conclude that it is probable that future taxable profits will be available in the UK branch.

On this basis, no DTA is currently recognised for losses of the Bank's UK branch (31 December 2024: €nil). However, any remaining unutilised carried forward trading losses of the UK branch have been recognised for DTA purposes at the Irish tax rate, on the basis that it is expected that these will be utilised against future Bank profits in Ireland as permitted by current tax legislation.

The Group has not recognised a DTA of €165 million (2024: €170 million) in respect of unused tax losses of which €51 million (2024: €51 million) relates to US tax losses which are subject to a 20 year life and are scheduled to expire unused in the period 2028 - 2029 due to an annual limitation of use.

The balance relates to UK tax losses which have no expiry date but are currently not projected to be recovered within ten years.

Based on the Group's financial projections, the Directors believe that BOI (UK) plc will continue to be profitable for the foreseeable future and the DTA in respect of tax losses is estimated to be recoverable in full by the end of 2029 (31 December 2024: 2029).

There is a risk that the final taxation outcome could be different to the amounts currently recorded. If future profits or subsequent forecasts differ from current forecasts, a further adjustment may be required to the DTA.

Pillar 2 model rules

The Group currently estimates that there could be a future top-up tax payable in Ireland on an element of Irish profits but, the impact on the current tax charge in the current period is insignificant due primarily to the ability to take into account certain historic tax losses in the Bank at 15% and also due to profits arising in jurisdictions with an effective tax rate in excess of 15%.

The Group applies the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes, as provided in the amendments to IAS 12 issued in May 2023.

22 Deposits from banks

At 30 June 2025, the Group held Monetary Authority secured funding of €0.5 billion (31 December 2024: €1.1 billion) under the BoE Term Funding Scheme for Small and Medium-sized Enterprises (TFSME) and Indexed Long-Term Repo (ILTR) facility. Drawings under the TFSME from the BoE are projected to be repaid during 2026 and 2030 with the final residual amount due to be repaid in October 2030 under the Second Phase of TFSME extension. The ILTR facility is due to be repaid in August 2025.

At 30 June 2025, the Group's Monetary Authority secured funding is secured by loans and advances to customers.

Deposits from banks include cash collateral of €0.5 billion (31 December 2024: €0.3 billion) received from derivative counterparties in relation to net derivative asset positions.

	30 June 2025 €m	31 December 2024 €m
Deposits from banks	806	597
Monetary Authority secured funding	503	1,122
Securities sold under agreement to repurchase - private market repos	53	86
Deposits from banks	**1,362**	**1,805**

23 Customer accounts

The carrying amount of the customer accounts designated at FVTPL at 30 June 2025 was €57 million, €2 million lower than the contractual amount due at maturity of €59 million (31 December 2024: the carrying amount was €114 million, €4 million lower than the contractual amount due at maturity of €118 million).

At 30 June 2025, the Group's largest 20 customer deposits amounted to 3% (31 December 2024: 3%) of customer accounts. Deposit accounts where a period of notice is required to make a withdrawal are classified within term deposits and other products.

	30 June 2025 €m	31 December 2024 €m
Current accounts	60,326	59,590
Demand deposits	30,154	29,538
Term deposits and other products	14,427	13,827
Customer accounts at amortised cost	**104,907**	**102,955**
Term deposits at FVTPL	57	114
Total customer accounts	**104,964**	**103,069**

Movement in own credit risk on deposits at FVTPL	30 June 2025 €m	31 December 2024 €m
Balance at 1 January	**(2)**	**(2)**
Recognised in other comprehensive income	–	–
Balance at end of the period	**(2)**	**(2)**

24 Debt securities in issue

The carrying amount of bonds and medium term notes has decreased by €1.3 billion at 30 June 2025 due to €1.8 billion in redemption of bonds and notes and €0.4 billion of FX adjustments, offset by senior issuances of €0.8 billion in bonds and €0.1 billion of other adjustments (31 December 2024: The carrying amount of bonds and medium term notes increased by €0.6 billion due to senior issuances of €0.9 billion in bonds, €0.2 billion of FX adjustments and €0.2 billion of other adjustments, offset by €0.7 billion in redemption of bonds and notes).

The carrying amount of the debt securities in issue designated at FVTPL at 30 June 2025 was €195 million, €25 million lower than the contractual amount due at maturity of €220 million (31 December 2024: the carrying amount was €204 million, €15 million lower than the contractual carrying amount due at maturity of €219 million).

In H125, €750 million of green bonds were issued through the Group's Green Bond framework, bringing total issuances to date to €5.45 billion. The Group has set targets for sustainable financing of c.€15 billion by 2025 and c.€30 billion by 2030. The 2025 target has been met ahead of schedule in H125.

Movement in own credit risk on debt securities in issue at FVTPL	30 June 2025 €m	31 December 2024 €m
Balance at 1 January	**3**	**3**
Recognised in other comprehensive income	(4)	–
Balance at end of the period	**(1)**	**3**

	30 June 2025 €m	31 December 2024 €m
Bonds and medium term notes	6,654	7,922
Other debt securities in issue	1,161	1,004
Debt securities in issue at amortised cost	**7,815**	**8,926**
Debt securities in issue at fair value through profit or loss	195	204
Total debt securities in issue	**8,010**	**9,130**
Balance at 1 January	**9,130**	**8,670**
Issued during the period	1,163	1,037
Redemptions	(1,863)	(752)
Repurchases	–	(10)
Other movements[1]	(420)	185
Balance at end of the period	**8,010**	**9,130**

[1] *Other movements primarily relate to fair value hedge adjustments in respect of debt securities in issue held at amortised cost, exchange adjustments and changes in fair value of debt securities in issue held at fair value.*

25 Provisions

	30 June 2025				31 December 2024			
	Restructuring €m	Onerous contracts €m	Legal and other €m	Total €m	Restructuring €m	Onerous contracts €m	Legal and other €m	Total €m
Opening balance at 1 January	**20**	**8**	**207**	**235**	**23**	**–**	**35**	**58**
Charge to the income statement	34	–	2	36	24	8	199	231
Utilised during the period	(11)	(1)	(17)	(29)	(23)	–	(26)	(49)
Exchange adjustment	–	–	(6)	(6)	–	–	–	–
Unused amounts reversed during the period	(1)	–	(2)	(3)	(4)	–	(1)	(5)
Other	–	–	4	4	–	–	–	–
Closing balance	**42**	**7**	**188**	**237**	**20**	**8**	**207**	**235**

The Group has recognised provisions in relation to restructuring costs, onerous contracts, legal and other. Such provisions are sensitive to a variety of factors, which vary depending on their nature. The estimation of the amounts of such provisions is judgemental because the relevant payments are due in the future and the quantity and probability of such payments is uncertain. The methodology and the assumptions used in the calculation of provisions are reviewed regularly and, at a minimum, at each reporting date.

At 30 June 2025, the restructuring provision amounted to €42 million (31 December 2024: €20 million). This largely related to the Simpler Business Programme and associated redundancy costs of €33 million (31 December 2024: €10 million) and building exit costs of €9 million (31 December 2024: €10 million) in line with the Group's property strategy.

UK motor finance business

As disclosed by the Group in previous periods, the Group's UK motor finance business, similar to industry peers, has continued to receive a number of complaints and county court claims in respect of its historical use of commission arrangements. The Financial Conduct Authority (FCA) prohibited the use of Discretionary Commission Arrangements (DCAs) from January 2021, which the Group's UK motor finance business adhered to.

In January 2024, the UK FCA commenced a review of historical motor finance commission arrangements and sales across several firms (the 'FCA review'). The FCA stated that if they find there has been widespread misconduct and that consumers have lost out, they will identify how best to ensure people who are owed compensation receive an appropriate settlement in an orderly, consistent and efficient way. The FCA has paused the handling of these complaints, until December 2025.

On 25 October 2024, the UK Court of Appeal (CoA) published its combined judgement on three cases, relating to other lenders, on disclosure of dealer commissions on historical motor finance transactions. The CoA decided that, based upon the facts of those cases, motor dealers acting as credit brokers owe certain duties to their customers and set a higher bar for the disclosure of and consent to the existence, nature, and amount of commission paid to dealers than that required by current FCA rules, or regulatory requirements in force at the time of the cases in question. The lenders involved in the cases appealed this decision to the UK Supreme Court, and a hearing was held in April 2025. Both the FCA and the National Franchised Dealers Association intervened in the appeal by way of written and oral submissions. The Supreme Court President confirmed they aim to deliver their judgement before the end of July 2025. No Supreme Court judgement has been delivered as at 28 July 2025, the date of approval of these interim financial statements.

The FCA announced that it will confirm within six weeks of the Supreme Court appeal decision if it will be proposing a redress scheme, followed by a shorter than normal consultation period (e.g. six weeks). The FCA's statement outlines key considerations for implementing a potential consumer redress scheme and states that "any redress scheme must be fair to consumers who've lost out and ensure the integrity of the motor finance market, so it works well for future consumers".

The Group believes that its historical practices were compliant with previous legal authorities and regulations in place at the time and continues to engage with the current FCA review. The outcome of both the FCA's review of historical motor finance DCAs and the appeal before the Supreme Court remain uncertain, particularly in the context of the basis for any redress, and decisions on appropriate commission models along with clarity on the nature, extent and timing of any remediation. In addition, as the FCA review will conclude after the outcome of the Supreme Court hearing, this adds to the current significant uncertainty.

In line with the requirements of IAS 37, the Group continues to recognise a provision of €167 million updated for foreign exchanges rates and minor administration fees incurred (31 December 2024: €172 million). The provision represents the Group's best estimate of the redress and compensation that may be payable to impacted customers, along with costs that may be incurred by the Group in connection with any FCA consumer redress scheme and/or legal proceedings. It includes, inter alia, estimates for operational costs, the potentially impacted customer population, claim rates and redress amounts.

In establishing the provision estimate, the Group has created a number of scenarios to address significant uncertainties around a number of key assumptions, as well as the perimeters of the impacted population, and the nature, extent and timing of any remediation action if required. The key judgemental items include the outcome of the Supreme Court ruling, the assumption that the FCA will implement a redress scheme in all scenarios, the claims rate applied to each scenario, the basis of redress and population of customers eligible for redress and the probability weighting associated with each of the scenarios modelled.

25 Provisions *(continued)*

The scenarios considered by the Group include consideration of the Court of Appeal judgement being upheld or overturned, the use of different bases for the calculation of redress, the application of varying time periods, customer behaviours and of the form of any FCA redress scheme for eligible customers including compensatory interest applied.

The probability weighting allocated to each scenario reflects the Group's consideration of the CoA judgement being upheld or overturned, and the nature and form of any redress scheme that the FCA may introduce in response to that judgement. Significant uncertainties exist around the nature, extent and timing of any remediation action if required. If the Group assumed that the CoA ruling would be upheld, the provision would increase by €99 million on a probability-weighted basis, keeping all other assumptions unchanged, while a reduction of €99 million would arise if it was assumed that the ruling would be overturned.

An average claim rate of 36%, based on industry experience of successful Payment Protection Insurance (PPI) claim rates against UK banks, which represents the portion of customers who make a successful request for reimbursement, has been applied in each of the scenarios and is a critical accounting estimate that could materially change the ultimate financial impact. A claim rate sensitivity has been modelled, holding all other assumptions constant, which represents the impact of a +/- 10% movement in the claim rate assumed in the scenarios which would increase/decrease the provision by +/- €34 million.

Given the developments identified above and the highlighted significant uncertainties, it is possible that the key areas of estimation uncertainty could change by more than the sensitivities illustrated and therefore significantly change the provision. The ultimate financial impact could be significantly higher or lower than the amount the Group has provided.

26 Contingent liabilities and commitments

	30 June 2025 €m	31 December 2024 €m
Contingent liabilities and guarantees / letters of credit		
Guarantees and irrevocable letters of credit	801	806
Acceptances and endorsements	1	2
Other contingent liabilities	234	245
	1,036	**1,053**
Loan commitments		
Documentary credits and short-term trade related transactions	11	12
Undrawn formal standby facilities, credit lines and other commitments to lend	17,795	17,498
Revocable or irrevocable with original maturity of 1 year or less	*11,439*	*9,914*
Irrevocable with original maturity of over 1 year	*6,356*	*7,584*
	17,806	**17,510**
Capital commitments	**152**	**175**

The table gives the contract amounts of contingent liabilities and commitments. The maximum exposure to credit loss under contingent liabilities and commitments is the contractual amount of the instrument in the event of non-performance by the other party where all counter claims, collateral or security prove worthless.

Other contingent liabilities

Other contingent liabilities primarily include performance bonds and are generally short-term commitments to third parties which are not directly dependent on the customers' credit worthiness. The Group is also party to legal, regulatory, taxation and other actions arising out of its normal business operations.

Loan commitments

In 2022, as part of the KBCI portfolio acquisition the Group committed to support the growth of non-bank lenders in the Irish mortgage market, making up to €1 billion in total funding available to certain non-bank lenders through the purchase of securities issued by them, to increase their funding capacity and reduce their cost of funding. This commitment expired on 1 June 2025 (30 June 2025: €nil) (31 December 2024: €415 million). On expiry of this commitment, the Group had invested a total of €584 million.

Capital commitments

For full details on Davy's capital commitments, see note 40 of the Group's 2024 Annual Report. The total of Davy's capital commitments at 30 June 2025 was €152 million (31 December 2024: €175 million). In turn, Davy obtain legally binding commitments from private clients to meet their share of potential future cash calls up to indicative levels as outlined in the individual investment memoranda. The total of such cash calls for H125 was €17 million (31 December 2024: €44 million). At 30 June 2025, there were no unpaid cash calls in respect of third-party investment providers (31 December 2024: €nil).

27 Retirement benefit obligations

The net IAS 19 pension surplus at 30 June 2025 was €833 million (31 December 2024: €994 million). This is shown on the balance sheet as a retirement benefit asset of €835 million (31 December 2024: €997 million) and a retirement benefit obligation of €2 million (31 December 2024: €3 million). The significant financial assumptions used in measuring the Group's net defined benefit pension surplus under IAS 19 are set out in the table below.

Financial assumptions	30 June 2025 % p.a.	31 December 2024 % p.a.
Irish Schemes		
Discount rate	4.15%	3.80%
Inflation rate	2.10%	2.05%
UK Schemes		
Discount rate	5.80%	5.65%
Consumer Price Inflation	2.50%	2.65%
Retail Price Inflation	3.10%	3.25%

Sensitivity of defined benefit obligation to key assumptions

The table below sets out how the defined benefit obligation would have been affected by changes in the significant actuarial assumptions that were reasonably possible.

Impact on defined benefit obligations	Increase / (decrease) 30 June 2025 €m	Increase / (decrease) 31 December 2024 €m
RoI schemes		
Discount rate		
Increase of 0.25%	(174)	(190)
Decrease of 0.25%	185	202
Inflation rate		
Increase of 0.10%	46	51
Decrease of 0.10%	(45)	(50)
UK schemes		
Discount rate		
Increase of 0.25%	(32)	(35)
Decrease of 0.25%	34	37
RPI Inflation		
Increase of 0.10%	7	8
Decrease of 0.10%	(8)	(8)

27 Retirement benefit obligations *(continued)*

The table below sets out the estimated sensitivity of plan assets to changes in equity markets and interest rates.

Impact on plan assets	Increase / (decrease) 30 June 2025 €m	Increase / (decrease) 31 December 2024 €m
Sensitivity of plan assets to a movement in global equity markets with allowance for other correlated diversified asset classes		
Increase of 5.00%	64	69
Decrease of 5.00%	(64)	(69)
Sensitivity of liability matching assets to a 25bps movement in interest rates		
Increase of 0.25%	(220)	(260)
Decrease of 0.25%	237	276
Sensitivity of liability matching assets to a 10bps movement in inflation rates		
Increase of 0.10%	57	68
Decrease of 0.10%	(57)	(67)

The remeasurement of the net defined benefit pension asset is recognised in other comprehensive income as set out in the following table.

	6 months ended 30 June 2025 €m	6 months ended 30 June 2024 €m
Present value of obligation gain	309	348
Fair value of plan assets (loss)	(479)	(238)
Total (loss) / gain	**(170)**	**110**

28 Subordinated liabilities

The principal terms and conditions of all subordinated liabilities are set out in note 43 of the Group's 2024 Annual Report.

	30 June 2025 €m	31 December 2024 €m
€500 million 4.750% Fixed Rate Reset Callable Subordinated Notes due 2034	512	512
€500 million 6.750% Fixed Rate Reset Callable Subordinated Notes due 2033	507	505
€500 million 1.375% Fixed Rate Reset Callable Subordinated Notes due 2031	490	483
£300 million 7.594% Fixed Rate Reset Callable Subordinated Notes due 2032	348	353
Total subordinated liabilities	**1,857**	**1,853**

29 Other equity instruments - Additional Tier 1

In March 2025, BoIG issued AT1 securities with a par value of €600 million at an issue price of 100%.

The principal terms of the AT1 securities in issue are as follows:
- The securities constitute direct, unsecured, unguaranteed and subordinated obligations of BoIG, rank behind Tier 2 instruments and preference shareholders and in priority to ordinary shareholders.
- The securities have no fixed redemption date and the security holders will have no right to require BoIG to redeem or purchase the securities at any time.
- The outstanding c.€169 million securities was redeemed on 19 May 2025.
- The €300 million securities issued September 2020 bear a fixed rate of interest of 6.000% until its first reset date (1 March 2026).
- The €600 million securities issued September 2024 bear a fixed rate of interest of 6.375% until the first reset date (10 September 2030).
- The €600 million securities issued March 2025 bear a fixed rate of interest of 6.125% until the first reset date (18 September 2032).
- BoIG may, in its sole and full discretion but subject to the satisfaction of certain conditions elect to redeem all (but not some only) of the securities at any time from and including the first call date (1 September 2025 for the €300 million issue, 10 March 2030 for the €600 million issued September 2024 and 18 March 2032 for the €600 million issued March 2025) to and including the first relevant reset date, or semi-annually on any interest payment date thereafter.

After the initial reset date, in the event that they are not redeemed, the AT1 securities will bear interest at rates fixed periodically in advance for five-year periods based on market rates at that time;
- BoIG may elect at its sole and full discretion to cancel (in whole or in part) the interest otherwise scheduled to be paid on any interest payment date for the securities;
- the securities will be written down and any unpaid interest will be cancelled if BoIG's CET1 ratio falls below 7%; and
- subsequent to any write-down event BoIG may, at its sole discretion, write-up some or all of the written-down principal amount of the AT1 securities provided regulatory capital requirements and certain conditions are met.

	30 June 2025 €m	31 December 2024 €m
€675 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued May 2020	–	167
€300 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued September 2020	297	297
€600 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued September 2024	595	595
€600 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued March 2025	595	–
	1,487	**1,059**

30 Cash and cash equivalents

Cash and balances at central banks of €27.3 billion decreased by €5.1 billion since 31 December 2024 primarily due to net bond purchases / maturities of €5.5 billion, lower wholesale funding volumes of €1.5 billion, higher customer loan volumes of €0.8 billion (constant currency basis), FX loss of €0.3 billion, partially offset by higher deposit volumes of €2.6 billion (constant currency basis) and an increase in AT1 volumes of €0.4 billion.

	30 June 2025 €m	31 December 2024 €m
Cash and balances at central banks	27,325	32,441
Less impairment loss allowance on cash and balances at central banks	(4)	(5)
Cash and balances at central banks (net of impairment loss allowance)	**27,321**	**32,436**
Loans and advances to banks (with an original maturity of less than 3 months)	1,807	1,738
Cash and cash equivalents at amortised cost	**29,128**	**34,174**

31 Liquidity risk and profile

The following tables summarise the maturity profile of the Group’s non-derivative financial liabilities (excluding those arising from insurance and investment contracts in the Wealth and Insurance division) at 30 June 2025 and 31 December 2024, based on contractual undiscounted repayment obligations. The balances will not agree directly to the consolidated balance sheet as the tables incorporate all cash flows, on an undiscounted basis, related to both principal and interest payments.

Unit-linked investment liabilities and unit-linked insurance liabilities with a carrying value of €9,265 million and €16,513 million respectively (31 December 2024: €9,203 million and €16,685 million respectively) are excluded from this analysis as their repayment is linked to the financial assets backing these contracts.

30 June 2025 Group's non-derivative financial liabilities Contractual maturity	Demand €m	Up to 3 months €m	3-12 months €m	1-5 years €m	Over 5 years €m	Total €m
Deposits from banks	156	650	–	–	–	806
Monetary Authorities secured funding	–	245	9	175	117	546
Customer accounts	92,906	5,718	3,721	3,030	–	105,375
Debt securities in issue	–	143	187	5,793	4,239	10,362
Subordinated liabilities	–	31	60	405	2,178	2,674
Lease liabilities	–	13	44	165	188	410
Contingent liabilities	762	104	–	133	37	1,036
Commitments	16,792	69	1,026	71	–	17,958
Short positions in trading securities	4	–	–	90	100	194
Total	**110,620**	**6,973**	**5,047**	**9,862**	**6,859**	**139,361**

31 December 2024 Group's non-derivative financial liabilities Contractual maturity	Demand €m	Up to 3 months €m	3-12 months €m	1-5 years €m	Over 5 years €m	Total €m
Deposits from banks	205	478	–	–	–	683
Monetary Authorities secured funding	–	388	493	288	–	1,169
Customer accounts	91,458	5,913	3,445	2,713	–	103,529
Debt securities in issue	–	855	239	6,353	4,083	11,530
Subordinated liabilities	–	34	58	414	2,229	2,735
Lease liabilities	–	13	44	173	206	436
Contingent liabilities	756	59	42	185	11	1,053
Commitments	16,231	67	1,312	75	–	17,685
Short positions in trading securities	2	–	–	91	61	154
Total	**108,652**	**7,807**	**5,633**	**10,292**	**6,590**	**138,974**

32 Fair values of assets and liabilities

A definition of fair value and the fair value hierarchy, along with a description of the methods, assumptions and processes used to calculate fair values of assets and liabilities is set out on pages 439 to 442 of the Group's 2024 Annual Report. At 30 June 2025, there have been no significant changes to those methods, assumptions, processes or the Group's policy for assessing transfers between the different levels of the fair value hierarchy.

Sensitivity of level 3 valuations

Derivative financial instruments

Certain derivatives are valued using unobservable inputs relating to counterparty credit such as credit grade and own credit spread, which are sourced from independent brokers. These unobservable inputs may be significant to their valuation. The effect of using reasonably possible alternative assumptions in the valuation of these derivatives at 30 June 2025 was immaterial. Where the impact of unobservable inputs is significant to the valuation of the asset or liability, it is categorised as level 3 on the fair value hierarchy.

In addition, a small number of derivative financial instruments are valued using significant unobservable inputs other than counterparty credit (level 3 inputs). However, changing one or more assumptions used in the valuation of these derivatives would not have a significant impact as they are entered into to hedge the exposure arising on certain customer accounts (see below), leaving the Group with no net valuation risk due to the unobservable inputs.

Loans and advances to customers held at fair value

These consist of assets mandatorily measured at FVTPL, of which €175 million (31 December 2024: €185 million) are 'Life loan mortgage products'. Unlike a standard mortgage product, borrowers do not make any periodic repayments and the outstanding loan balance increases through the life of the loan as interest due is capitalised. The mortgage is typically repaid out of the proceeds of the sale of the property.

These assets are valued using discounted cash flow (DCF) models which incorporate unobservable inputs (level 3 inputs). Using reasonably possible alternative assumptions would not have a material impact on the value of these assets.

Other financial assets at FVTPL

A small number of these assets have been valued using DCF models and a discounted equity value method, which incorporates unobservable inputs (level 3). Certain private equity funds, which predominantly invest in properties, are valued with reference to the underlying property value which in itself incorporates unobservable inputs (level 3). Using reasonably possible alternative assumptions would not have a material impact on the value of these assets.

Interest in associates

Investments in associates, which are venture capital investments, are accounted for at FVTPL and are valued in accordance with the 'International Private Equity and Venture Capital Valuation Guidelines'. This requires the use of various inputs such as DCF analysis and comparison with the earnings multiples of listed comparative companies amongst others.

Although the valuation of unquoted equity instruments is subjective by nature, the relevant methodologies are commonly applied by other market participants and have been consistently applied over time.

As the inputs are unobservable, the valuation is deemed to be based on level 3 inputs. Using reasonably possible alternative assumptions would not have a material impact on the value of these assets.

Customer accounts

Customer accounts designated at FVTPL consist of deposits which contain an embedded derivative (typically an equity option).

These instruments are typically valued using valuation techniques which use observable market data. The Group incorporates the effect of changes in its own credit spreads when valuing these instruments. The Group sources own credit spreads from independent brokers (level 3 inputs) as observable own credit spreads are not available. Where the impact of unobservable inputs is significant to the valuation of a customer account, that account is categorised as level 3 on the fair value hierarchy. Using reasonably possible alternative assumptions would not have a material impact on the value of these liabilities.

A small number of customer accounts are valued using additional unobservable inputs (level 3 inputs). However, changing one or more assumptions used in the valuation of these customer accounts would not have a significant impact as these customer accounts are hedged with offsetting derivatives (see above), leaving the Group with no net valuation risk due to those unobservable inputs.

Fair value on offsetting positions

Where the Group manages certain financial assets and financial liabilities on the basis of its net exposure to either market risks or credit risk, the Group applies the exception allowed under paragraph 48 of IFRS 13.

That exception permits the Group to measure the fair value of a group of financial assets and financial liabilities on the basis of the price that would be received to sell a net long position (i.e. an asset) for a particular risk exposure or paid to transfer a net short position (i.e. a liability) for a particular risk exposure in an orderly transaction between market participants at the measurement date under current market conditions.

Accordingly, the Group measures the fair value of the group of financial assets and financial liabilities consistently with how market participants would price the net risk exposure at the measurement date.

32 Fair values of assets and liabilities *(continued)*

The following table sets out the level of the fair value hierarchy for financial assets and financial liabilities held at fair value.

	30 June 2025				31 December 2024			
	Level 1 €m	Level 2 €m	Level 3 €m	Total €m	Level 1 €m	Level 2 €m	Level 3 €m	Total €m
Financial assets held at fair value								
Trading securities	125	3	–	128	161	5	–	166
Derivative financial instruments	–	3,310	8	3,318	–	3,462	15	3,477
Other financial assets at FVTPL	23,482	208	283	23,973	23,562	116	322	24,000
Loans and advances to banks	–	36	–	36	–	55	–	55
Financial assets at FVOCI	3,044	174	–	3,218	3,384	–	–	3,384
Loans and advances to customers	–	–	175	175	–	–	185	185
Interest in associates	–	–	78	78	–	–	76	76
	26,651	**3,731**	**544**	**30,926**	**27,107**	**3,638**	**598**	**31,343**
Financial liabilities held at fair value								
Customer accounts	–	57	–	57	–	114	–	114
Derivative financial instruments	–	3,127	1	3,128	1	3,659	15	3,675
Debt securities in issue	–	195	–	195	–	204	–	204
Liabilities to customers under investment contracts	–	9,265	–	9,265	–	9,203	–	9,203
Short positions in trading securities	189	5	–	194	154	–	–	154
Other liabilities[1]	–	–	–	–	–	37	–	37
	189	**12,649**	**1**	**12,839**	**155**	**13,217**	**15**	**13,387**

[1] *In the table above 'other liabilities' relate to contingent consideration recognised for the acquisition of Davy. This was settled in H125 and is therefore €nil at 30 June 2025.*

For other financial assets at FVTPL, a transfer of €35 million from level 1 to level 2 arose as a result of certain material inputs becoming unobservable. There were no transfers from level 2 to level 1.

32 Fair values of assets and liabilities *(continued)*

30 June 2025 **Movements in level 3 assets**	Loans and advances to customers at FVTPL €m	Other financial assets at FVTPL €m	Derivative financial instruments €m	Interest in associates €m	Total €m
Balance at 1 January 2025	**185**	**322**	**15**	**76**	**598**
Exchange adjustment	–	–	–	–	–
Total gains / (losses) in:					
Profit or loss					
Interest income	4	–	–	–	4
Net trading income	–	6	18	–	24
Share of results of associates	–	–	–	(2)	(2)
Revaluation	–	–	–	–	–
Total investment losses	–	(5)	–	–	(5)
Additions	–	3	–	5	8
Disposals	–	(28)	(20)	(1)	(49)
Redemptions	(14)	(15)	–	–	(29)
Reclassifications	–	–	–	–	–
Transfers out of level 3					
From level 3 to level 1	–	–	–	–	–
From level 3 to level 2	–	–	(5)	–	(5)
Transfers into level 3					
From level 2 to level 3	–	–	–	–	–
Balance at 30 June 2025	**175**	**283**	**8**	**78**	**544**
Total unrealised gains / (losses) for level 3 assets included in profit or loss at the end of the period	**3**	**(3)**	**3**	**(2)**	**1**
Net trading income	*–*	*2*	*3*	*–*	*5*
Interest income	*3*	*–*	*–*	*–*	*3*
Share of results of associates	*–*	*–*	*–*	*(2)*	*(2)*
Total investment losses	*–*	*(5)*	*–*	*–*	*(5)*

The transfer from level 3 to level 2 arose as a result of the availability of observable inputs at 30 June 2025.

32 Fair values of assets and liabilities *(continued)*

31 December 2024 Movements in level 3 assets	Loans and advances to customers at FVTPL €m	Other financial assets at FVTPL €m	Derivative financial instruments €m	Interest in associates €m	Total €m
Balance at 1 January 2024	**205**	**360**	**20**	**79**	**664**
Exchange adjustment	–	–	–	–	–
Total gains / (losses) in:					
Profit or loss					
Interest income	8	–	–	–	8
Net trading income	2	30	4	–	36
Share of results of associates	–	–	–	5	5
Revaluation	–	(3)	–	–	(3)
Total Investment losses	–	(24)	–	–	(24)
Additions	–	36	–	12	48
Disposals	–	(25)	–	(20)	(45)
Redemptions	(30)	(14)	–	–	(44)
Reclassifications	–	(47)	–	–	(47)
Transfers out of level 3					
From level 3 to level 1	–	(23)	–	–	(23)
From level 3 to level 2	–	–	(10)	–	(10)
Transfers into level 3					
From level 2 to level 3	–	32	1	–	33
Balance at 31 December 2024	**185**	**322**	**15**	**76**	**598**
Total unrealised gains / (losses) for level 3 assets included in profit or loss at the end of the year	**7**	**6**	**4**	**5**	**22**
Net trading income	*–*	*30*	*4*	*–*	*34*
Interest income	*7*	*–*	*–*	*–*	*7*
Share of results of associates	*–*	*–*	*–*	*5*	*5*
Total investment losses	*–*	*(24)*	*–*	*–*	*(24)*

The transfer from level 3 to level 1 and level 2 arose as a result of the availability of observable inputs at 31 December 2024. The transfer from level 2 to level 3 arose as a result of certain material inputs becoming unobservable.

32 Fair values of assets and liabilities *(continued)*

Movements in level 3 liabilities	30 June 2025 Customer accounts €m	30 June 2025 Derivative financial instruments €m	30 June 2025 Other liabilities €m	30 June 2025 Total €m	31 December 2024 Customer accounts €m	31 December 2024 Derivative financial instruments €m	31 December 2024 Other liabilities[1] €m	31 December 2024 Total €m
Balance at 1 January	**–**	**15**	**–**	**15**	**–**	**17**	**33**	**50**
Exchange adjustment	–	–	–	–	–	–	–	–
Total (gains) / losses in:								
Profit or loss								
Net trading (income) / expense	–	(3)	–	(3)	–	2	–	2
Interest expense / (income)	–	–	–	–	–	–	–	–
Other comprehensive income	–	–	–	–	–	–	–	–
Disposals	–	–	–	–	–	–	–	–
Reclassifications	–	–	–	–	–	–	–	–
Transfers out of level 3								
From level 3 to level 2	–	(11)	–	(11)	–	(5)	(33)	(38)
Transfers into level 3								
From level 2 to level 3	–	–	–	–	–	1	–	1
Closing balance	**–**	**1**	**–**	**1**	**–**	**15**	**–**	**15**
Total unrealised losses for level 3 liabilities included in profit or loss at the end of the period								
Net trading expense	–	1	–	1	–	14	–	14

[1] *'Other liabilities' relate to contingent consideration recognised for the acquisition of Davy.*

The transfers from level 3 to level 2 arose due to unobservable inputs becoming observable for the fair value measurement of these liabilities. The transfer from level 2 to level 3 at 31 December 2024, arose as a result of certain material inputs becoming unobservable.

Quantitative information about fair value measurements using significant unobservable inputs (Level 3)

Level 3 financial assets	Valuation technique	Unobservable input	Fair value 30 June 2025 €m	Fair value 31 December 2024 €m	Range 30 June 2025 %	Range 31 December 2024 %
Loans and advances to customers	Discounted cash flow	Discount on market rate	175	185	4.50% - 4.90%	4.5% - 6.40%
		Collateral charges			0% - 4.00%	0% - 4.30%
Other financial assets at FVTPL	Discounted cash flow	Discount rate	283	322	0% - 15%	0% - 15%
	Equity value less discount	Discount			0% - 50%	0% - 50%
	Market comparable property transactions	Yield			1.12% - 14.33%	3.05% - 14.17%
Derivative financial instruments	Discounted cash flow / Option pricing model	Counterparty credit spread	8	15	0% - 1%	0% - 1.5%
		Own credit spread			0.6% - 1.6%	0.3% - 1.7%
Interest in associates	Market comparable companies	Price of recent investment	78	76	–	–
		Earnings multiple				
		Revenue multiple				

32 Fair values of assets and liabilities *(continued)*

Quantitative information about fair value measurements using significant unobservable inputs (Level 3) *(continued)*

Level 3 financial liabilities	Valuation technique	Unobservable input	Fair value 30 June 2025 €m	Fair value 31 December 2024 €m	Range 30 June 2025 %	Range 31 December 2024 %
Derivative financial instruments	Discounted cash flow / Option pricing model	Counterparty credit spread	1	15	0% - 1%	0% - 1.5%
		Own credit spread			0.6% - 1.6%	0.3% - 1.7%

Valuation techniques and unobservable inputs

In the tables above:

- discount market rates represent a range of discount rates that market participants would use in valuing these assets;
- holdings in real estate property funds (within other financial assets at FVTPL) are valued through market comparable property transactions;
- counterparty and own credit spreads represent the range of credit spreads that market participants would use in valuing these contracts;
- earnings and revenue multiples represent multiples that market participants would use in valuing these investments;
- the Group does not disclose the ranges for interests in associates. Given the wide range of diverse investments and the correspondingly large difference in prices, the Group believes disclosure of ranges would not provide meaningful information without a full list of the underlying investments which would be impractical.

Financial assets and liabilities carried at amortised cost

The carrying amount and the fair value of the Group's financial assets and liabilities which are carried at amortised cost are set out in the table below. Items where the carrying amount is a reasonable approximation of fair value are not included, as permitted by IFRS 7.

Financial instruments	30 June 2025 Carrying amount €m	30 June 2025 Fair values €m	31 December 2024 Carrying amount €m	31 December 2024 Fair values €m
Assets				
Loans and advances to banks	1,771	1,771	1,683	1,683
Debt securities at amortised cost	12,557	12,561	6,387	6,374
Loans and advances to customers	82,037	82,444	82,353	82,690
Liabilities				
Deposits from banks	1,362	1,362	1,805	1,805
Customer accounts	104,907	104,866	102,955	102,925
Debt securities in issue	7,815	7,922	8,926	9,002
Subordinated liabilities	1,857	1,920	1,853	1,920

33 Post balance sheet events

In respect of H125, the Board has approved an interim distribution of 25 cents per share, equivalent to €243 million. The interim dividend will be paid on 30 October 2025 to ordinary shareholders who appear on the Company's register on 3 October 2025, the record date for the dividend.

34 Approval of interim report

The Board of Directors approved the Interim Report on 28 July 2025.

Other information

Consolidated average balance sheet and interest rates

The following tables show the average balances and interest rates of interest earning assets and interest bearing liabilities for 30 June 2025 and 31 December 2024. The calculations of average balances can be based on daily, weekly or monthly averages, depending on the reporting unit. The average balances used are considered to be representative of the operations of the Group and are presented on an underlying basis which excludes non-core items, see page 12 for further details. The explanation of the underlying business trends in the Group's NIM is outlined in the OFR.

	30 June 2025			31 December 2024		
	Average Balance €m	Interest €m	Rate %	Average Balance €m	Interest €m	Rate %
Assets						
Loans and advances to banks	30,087	432	2.90%	31,896	1,269	3.98%
Loans and advances to customers at amortised cost	82,295	1,657	4.06%	80,742	3,285	4.07%
Debt securities at amortised cost, financial assets at FVOCI and FVTPL	12,523	188	3.03%	9,840	422	4.29%
Total interest earning assets	**124,905**	**2,277**	**3.68%**	**122,478**	**4,976**	**4.06%**
Non interest earning assets	37,121	–	–	36,070	–	–
Total assets	**162,026**	**2,277**	**2.83%**	**158,548**	**4,976**	**3.14%**
Liabilities and shareholders' equity						
Deposits from banks	1,377	23	3.37%	2,379	120	5.04%
Customer accounts	44,346	309	1.40%	42,183	559	1.33%
Debt securities in issue	8,506	213	5.05%	9,421	573	6.08%
Subordinated liabilities	1,852	56	6.10%	1,905	139	7.30%
Total interest bearing liabilities	**56,081**	**601**	**2.16%**	**55,888**	**1,391**	**2.49%**
Current accounts	59,349	–	–	58,698	1	–
Total interest bearing liabilities and current accounts	**115,430**	**601**	**1.05%**	**114,586**	**1,392**	**1.21%**
Lease liabilities	352	6	3.44%	380	10	2.63%
Other FVTPL liabilities	631	5	1.72%	646	9	1.39%
Non interest bearing liabilities	32,447	–	–	30,049	–	–
Shareholders' equity and non-controlling interests	13,166	–	–	12,887	–	–
Total liabilities and shareholders' equity	**162,026**	**612**	**0.76%**	**158,548**	**1,411**	**0.89%**
Euro and sterling reference rates (average)						
ECB base rate (deposit)			2.52%			3.73%
ECB base rate (refinancing)			2.67%			4.13%
3 month Euribor rate			2.33%			3.57%
Bank of England base rate			4.48%			5.11%
Sonia rate			4.43%			5.06%

'Interest' represents underlying interest income or expenses recognised on interest bearing items, net of interest on derivatives which are in a hedge relationship with the relevant asset or liability and non-trading derivatives (economic hedges). There was no interest income arising from portfolio divestments in H125 (31 December 2024: €36 million was excluded as non-core items).

In order that yields on products are presented on a consistent basis period on period and are not impacted by the resulting change in hedge accounting designations, net interest outflows of €210 million (31 December 2024: €1,061 million) on all derivatives, designated as fair value hedges of 'current accounts', are presented together with gross interest income on 'loans and advances to customers' and not included in 'customer accounts', along with the non-trading derivatives net interest outflows of €22 million (31 December 2024: €23 million).

Forward-looking statement

This document contains forward-looking statements with respect to certain of 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, future payment of dividends, future share buybacks, 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, plans and objectives for future operations, and the continued impact of regional conflicts and geopolitical uncertainties on the above issues and generally on the global and domestic economies. 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 'Principal Risks and Uncertainties' section of this document and also the discussion of risk in the Risk Management Report in the Group's 2024 Annual Report.

Nothing in this document should be considered to be a forecast of future profitability, dividend forecast or financial position of the Group and none of the information in this document is or is intended to be a profit forecast, dividend forecast or profit estimate. Any forward-looking statement speaks only 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.

Rates of exchange

Principal rates of exchange used in the preparation of the interim financial statements are as follows:

	30 June 2025		30 June 2024		31 December 2024	
	Average	Closing	Average	Closing	Average	Closing
€ / Stg£	0.8423	0.8555	0.8546	0.8464	0.8466	0.8292
€ / US$	1.0928	1.1720	1.0813	1.0705	1.0824	1.0389

Credit Ratings

	30 June 2025	31 December 2024
BOIG plc - Senior debt		
Standard & Poor's	BBB (Positive)	BBB (Positive)
Moody's	A3 (Positive)	A3 (Positive)
Fitch	A- (Stable)	BBB+ (Positive)
The Governor and Company of the Bank of Ireland (GovCo) - Senior debt		
Standard & Poor's	A (Positive)	A (Positive)
Moody's	A1 (Positive)	A1 (Positive)
Fitch	A (Stable)	A- (Positive)

Stock exchange listings

Bank of Ireland Group plc is a public limited company incorporated in Ireland in 2016 with registration number 593672. Its ordinary shares, of nominal value €1.00 per share, have a primary listing on the Irish Stock Exchange, trading as Euronext Dublin and a premium listing on the London Stock Exchange.

Alternative performance measures

This section contains further information related to certain measures referred to in the key performance highlights, OFR and financial statements.

The OFR is prepared using IFRS and non-IFRS measures to analyse the Group's performance, providing period on period comparability. These performance measures are consistent with those presented to the Board and Group Executive Committee and include alternative performance measures as set out below. These performance measures may not be uniformly defined by all companies and accordingly they may not be directly comparable with similarly titled measures and disclosures by other companies. These measures should be considered in conjunction with IFRS measures as set out in the consolidated financial statements from page 41.

Annual Premium Equivalent (APE) is a common metric used by insurance companies. The approach taken by insurance companies is to take 100% of regular premiums, being the annual premiums received for a policy, and 10% of single premiums. This assumes that an average life insurance policy lasts 10 years and therefore taking 10% of single premiums annualises the single lump sum payment received over the 10 year duration.

Average cost of funds represents the underlying interest expense recognised on interest bearing liabilities, net of interest on derivatives which are in a hedge relationship with the relevant liability. See pages 8 and 115 for further information.

Calculation	Source	30 June 2025 €m	*Restated*[1] 30 June 2024 €m
Interest expense	Income statement	1,054	1,645
Exclude impact of FV hedges of current accounts	Average balance sheet	(210)	(579)
Exclude interest on non-trading derivatives (not in hedge accounting relationships)	Note 5	(232)	(379)
Exclude interest on lease liabilities[1]	Note 5	(6)	(5)
Exclude interest on other FVTPL liabilities[1]	Average balance sheet	(5)	(4)
Underlying interest expense on interest bearing liabilities		**601**	**678**
Average interest bearing liabilities[1]	Average balance sheet	**115,430**	**113,715**
Average cost of funds % (annualised)[1]		**(1.05%)**	**(1.20%)**

[1] *Comparative figures have been restated to reflect the impact of a voluntary change in the presentation of underlying interest expense, to exclude interest expense on lease liabilities €5 million and on other FVTPL liabilities €4 million within Wealth and Insurance, as they are not considered to relate to funding of the Group's interest earning assets. The average interest bearing liabilities have moved from €114,106 million to €113,715 million due to the exclusion of the average lease liabilities of €391 million. The comparative Average cost of funds has reduced by 0.01%, from (1.21%) to (1.20%), as a result.*

Alternative performance measures *(continued)*

Business income is net other income before other expenses / income and other valuation items. See page 9 for further details.

Constant currency: To enable a better understanding of performance, certain variances are calculated on a constant currency basis by adjusting for the impact of movements in exchange rates during the period as follows:
- for balance sheet items, by reference to the closing rate at the end of the current and prior period ends; and
- for items relating to the income statement, by reference to the current and prior period average rates.

Growth in customer deposits on a constant currency basis: The Group calculates growth in customer deposits on a constant currency basis. For this calculation the Group applies the prior period end rate in both periods so that the impact of movements in FX rates is eliminated.

Calculation	Source	30 June 2025 €m	31 December 2024 €m
Customer accounts	Note 23	104,964	103,069
Impact of foreign exchange movements		684	(824)
Customer accounts on a constant currency basis		**105,648**	**102,245**
Growth in customer accounts		**2,579**	**2,062**

Growth in loans and advances to customers on a constant currency basis: The Group calculates growth in loans and advances to customers on a constant currency basis. For this calculation the Group applies the prior period end rate in both periods so that the impact of movements in FX rates is eliminated.

Calculation	Source	30 June 2025 €m	31 December 2024 €m
Loans and advances to customers	Note 18	82,212	82,538
Impact of foreign exchange movements		1,082	(1,325)
Loans and advances to customers on a constant currency basis		**83,294**	**81,213**
Growth in loans and advances to customers		**756**	**1,484**

Gross yield: represents the underlying interest income recognised on interest earning assets, net of interest on derivatives which are in a hedge relationship with the relevant asset and non-trading derivatives (economic hedges). See pages 8 and 115 for further information.

Calculation	Source	30 June 2025 €m	*Restated*[1] 30 June 2024 €m
Interest income	Income statement	2,719	3,477
Include impact of FV hedges of current accounts	Average balance sheet	(210)	(579)
Include interest expense on non-trading derivatives (not in hedge accounting relationships)[1]	Note 5	(232)	(379)
Exclude portfolio divestment	Income statement - operating segments (OFR)	–	(30)
Underlying interest income on interest earning assets		**2,277**	**2,489**
Average interest earning assets	Average balance sheet	**124,905**	**120,610**
Average gross yield % (annualised)[1]		**3.68%**	**4.15%**

[1] *Comparative figures have been restated to include €11 million of net interest expense on non-trading derivatives (economic hedges, not in hedge accounting relationships), reflecting the impact of a voluntary change in presentation of this net expense to loans and advances to customers, to better reflect the impact of hedging on those loans, and in order to present yields net of hedging. The comparative Gross yield has reduced by 0.02%, from 4.17% to 4.15%, as a result.*

Alternative performance measures *(continued)*

Gross yield - customer lending

Calculation	Source	30 June 2025 €m	*Restated*[1] 30 June 2024 €m
Interest income on loans and advances to customers	Note 4	1,722	2,102
Include impact of FV hedges of current accounts	Average balance sheet	(210)	(579)
Include interest expense on non-trading derivatives (not in hedge accounting relationships)[1]	Note 5	(232)	(379)
Include interest income on non-trading derivatives (not in hedge accounting relationships)[1]	Note 4	210	368
Interest income on finance leases and hire purchase receivables	Note 4	167	140
Exclude portfolio divestments (net interest income)	Income statement - operating segments (OFR)	–	(30)
Underlying interest income on customer lending		**1,657**	**1,622**
Average customer lending assets	Average balance sheet	**82,295**	**79,855**
Average gross yield on customer lending % (annualised)[1]		**4.06%**	**4.08%**

[1] *Comparative figures have been restated to include €11 million of net interest expense on non-trading derivatives (economic hedges, not in hedge accounting relationships), reflecting the impact of a voluntary change in presentation of this net expense to loans and advances to customers, to better reflect the impact of hedging on those loans, and in order to present yields net of hedging. The comparative Gross yield on customer lending has reduced by 0.03%, from 4.11% to 4.08%, as a result.*

Gross yield - liquid assets

Calculation	Source	30 June 2025 €m	30 June 2024 €m
Interest income on loans and advances to banks	Note 4	432	645
Interest income on debt securities at amortised cost	Note 4	135	129
Interest income on debt securities at FVOCI	Note 4	52	91
Interest income on other financial assets at FVTPL	Note 4	1	2
Underlying interest income on liquid assets		**620**	**867**
Loans and advances to banks	Average balance sheet	30,087	30,968
Debt securities at amortised cost and financial assets at FVOCI and FVTPL	Average balance sheet	12,523	9,787
Average interest earning liquid assets		**42,610**	**40,755**
Average gross yield on liquid assets % (annualised)		**2.93%**	**4.28%**

Liquid assets are comprised of cash and balances at central banks, loans and advances to banks, debt securities at amortised cost, financial assets at FVOCI and certain financial assets at FVTPL (excluding balances in Wealth and Insurance).

Liquidity Coverage Ratio (LCR) is calculated based on the Commission Delegated Regulation (EU) 2015/61 and is prepared on a regulatory group basis, in accordance with the Capital Requirements Directive (CRD IV), which comprises banking and other relevant financial institutions within the Bank of Ireland Group, but excludes non-banking related institutions such as insurance entities. For further information, see the Group's Pillar 3 disclosures (tab 1.3), available on the Group's website.

Loan to Deposit Ratio is calculated as being net loans and advances to customers divided by customer deposits.

Calculation	Source	30 June 2025 €m	31 December 2024 €m
Loans and advances to customers	Balance sheet	82,212	82,538
Customer deposits	Balance sheet	104,964	103,069
Loan to Deposit ratio %		**78%**	**80%**

Alternative performance measures *(continued)*

Net Impairment losses on loans and advances to customers at amortised cost (basis points) is the net impairment loss on loans and advances to customers at amortised cost (offset by reimbursement asset movements) divided by average gross loans and advances to customers at amortised cost.

Underlying net Impairment losses on loans and advances to customers at amortised cost (basis points) is the net impairment loss on loans and advances to customers at amortised cost (offset by reimbursement asset movements) excluding non-core, divided by average gross loans and advances to customers at amortised cost.

		Statutory		Underlying	
Calculation	**Source**	**30 June 2025 €m**	**30 June 2024 €m**	**30 June 2025 €m**	**30 June 2024 €m**
Net impairment losses on loans and advances to customers at amortised cost	Note 13 / OFR	(131)	(46)	(131)	(46)
Exclude portfolio divestment	Non-core items (OFR)	–	–	(1)	(1)
		(131)	**(46)**	**(132)**	**(47)**
Average gross loans and advances to customers		**83,249**	**81,932**	**83,249**	**81,932**
Net impairment losses on loans and advances to customers at amortised costs (bps) (annualised)		**(32)**	**(11)**	**(32)**	**(12)**

Net interest margin (NIM) is stated on an underlying basis. See page 8 for further details.

Calculation	**Source**	**30 June 2025 €m**	**30 June 2024 €m**
Net interest income	Income statement	1,665	1,832
Exclude portfolio divestment income	Divisional income statement (OFR)	–	(30)
Underlying net interest income		**1,665**	**1,802**
Average interest earning assets	Average balance sheet	**124,905**	**120,610**
Net interest margin % (annualised)		**2.69%**	**3.00%**

Net organic capital generation primarily consists of attributable profit after impairment and movements in regulatory deductions, and is calculated with reference to RWAs at the end of the period.

Net Stable Funding Ratio (NSFR) is prepared on a regulatory group basis, in accordance with the EU Capital Requirement Regulations and Directive, as amended, which requires the maintenance of a NSFR ratio greater than or equal to 100%, effective June 2021. For further information, see the Group's Pillar 3 disclosures (tab 1.3) available on the Group's website.

New lending volumes
- Net new lending volumes represent loans and advances to customers drawn down during the period (including revolving credit facility activity) and portfolio acquisitions, net of repayments and redemptions.
- Gross new lending volumes represent loans and advances to customers drawn down during the period and portfolio acquisitions.

Non-performing exposures (NPEs) are:
- credit-impaired loans which includes loans where the borrower is considered unlikely to pay in full without recourse by the Group to actions such as realising security, and / or loans where the borrower is greater than or equal to 90 days past due and the arrears amount is material; and
- other loans meeting NPE criteria as aligned with regulatory requirements.

NPE ratio is calculated as NPEs on loans and advances to customers at amortised cost (including loans and advances to customers measured at FVTPL) as a percentage of the gross carrying value of loans and advances to customers at amortised cost.

Calculation	**Source**	**30 June 2025 €m**	**31 December 2024 €m**
Non-performing exposures	Loans and advances to customers (OFR)	2,188	1,867
Loans and advances to customers	Note 18	83,218	83,381
NPE ratio %		**2.6%**	**2.2%**

Alternative performance measures *(continued)*

Return on assets is calculated as being statutory net profit / loss after tax (annualised) divided by total assets, in line with the requirement in the EU (Capital Requirements) Regulations 2014.

Calculation	Source	30 June 2025 €m	30 June 2024 €m
Profit for the period	Income statement	608	877
Total assets	Balance sheet	162,376	159,134
Return on assets (bps) (annualised)		**76**	**111**

Return on Tangible Equity (RoTE) is calculated as being profit attributable to ordinary shareholders divided by average shareholders' equity less average intangible assets and goodwill.

Return on Tangible Equity (adjusted) is calculated by adjusting the RoTE to exclude other expenses and other valuation items (net of tax). The average shareholders' tangible equity is adjusted for pension surplus and a CET1 ratio of 14.0% (30 June 2024: 14.0%), reflecting the Group's capital guidance.

	Reported		Adjusted	
	30 June 2025 €m	30 June 2024 €m	30 June 2025 €m	30 June 2024 €m
Profit for the period attributable to shareholders	608	877	608	877
Distribution on other equity instruments - AT1 coupon	(34)	(34)	(34)	(34)
Repurchase of AT1 securities	(2)	–	–	–
Other expenses and other valuation items, net of tax	–	–	20	(22)
Adjusted profit after tax	**572**	**843**	**594**	**821**
Annualised adjusted profit after tax	**1,167**	**1,703**	**1,207**	**1,659**
Shareholders' equity	11,578	11,640	11,578	11,640
Intangible assets and goodwill	(1,570)	(1,493)	(1,570)	(1,493)
Shareholders' tangible equity	**10,008**	**10,147**	**10,008**	**10,147**
Average shareholders' tangible equity	10,324	10,361	10,324	10,361
Adjustment for CET1 ratio at 14.0% (30 June 2024: 14.0%)	–	–	(1,259)	(775)
Adjustment for pension surplus	–	–	(917)	(785)
Adjusted average shareholders tangible equity	**10,324**	**10,361**	**8,148**	**8,801**
Return on Tangible Equity %	**11.3%**	**16.4%**	**14.8%**	**18.9%**

Statutory cost income ratio is calculated as other operating expenses and cost of restructuring divided by total operating income.

Calculation	Source	30 June 2025 €m	30 June 2024 €m
Other operating expenses	Income statement	1,115	1,100
Cost of restructuring programme	Income statement	69	25
Costs		**1,184**	**1,125**
Total operating income	Income statement	**2,032**	**2,237**
Statutory cost / income ratio %		**58%**	**50%**

Alternative performance measures *(continued)*

Tangible Net Asset Value per share is calculated as shareholder equity less intangible assets and goodwill divided by the number of ordinary shares in issue, adjusted for treasury shares.

Calculation	Source	30 June 2025 €m	30 June 2024 €m
Shareholder equity	Balance sheet	11,578	11,640
Less - intangible assets and goodwill	Balance sheet	(1,570)	(1,493)
Adjust for own shares held for the benefit of life assurance policyholders	Balance sheet	6	6
Tangible net asset value		**10,014**	**10,153**
Number of ordinary shares in issue		1,003	1,020
Exclude share buyback		(38)	–
Exclude treasury shares held		(1)	(1)
		964	**1,019**
Tangible net asset value per share (cent)		**1,039**	**996**

Underlying excludes non-core items which are those items that the Group believes obscure the underlying performance trends in the business. See page 12 for further information.

Underlying cost income ratio is calculated on an underlying basis (excluding non-core items), as operating expenses excluding levies and regulatory charges divided by operating income, excluding other (expenses) / income and other valuation items.

Calculation	Source	30 June 2025 €m	30 June 2024 €m
Other operating expenses	Income statement	1,115	1,100
Cost of restructuring programme	Income statement	69	25
Total		**1,184**	**1,125**
Exclude:			
Levies and regulatory charges	Note 11	(113)	(111)
Cost of restructuring	Non-core items (OFR)	(69)	(25)
Acquisition costs	Non-core items (OFR)	(13)	(22)
Portfolio divestments (operating expenses)	Non-core items (OFR)	–	(6)
Other transformation programme costs	Non-core items (OFR)	(2)	–
Underlying costs		**987**	**961**
Operating income	Income statement	2,032	2,237
Exclude:			
Other valuation items	Net other income (OFR)	21	(31)
Portfolio divestments (operating income)	Non-core items (OFR)	(4)	(30)
Gross up of policyholder tax in the Wealth and Insurance business	Non-core items (OFR)	2	(14)
Other expenses	Net other income (OFR)	2	4
Investment return on treasury shares held for policyholders	Non-core items (OFR)	2	2
Liability management exercises	Non-core items (OFR)	–	4
Acquisition income	Non-core items (OFR)	–	(3)
Underlying income		**2,055**	**2,169**
Underlying cost / income ratio %		**48%**	**44%**

Alternative performance measures *(continued)*

Underlying divisional contribution reflects the underlying financial contribution of each division towards the consolidated Group underlying profit or loss, before tax, excluding non-core items which obscure the underlying performance of the business.

Underlying earnings per share is calculated as profit attributable to shareholders adjusted for non-core items, divided by the weighted average number of ordinary shares in issue, adjusted for average treasury shares.

Calculation	Source	30 June 2025 €m	30 June 2024 €m
Profit attributable to shareholders	Income statement	608	877
Non-core items, including tax	Non-core items (OFR)	72	26
Distribution on other equity instruments - AT1 coupon	Note 16	(34)	(34)
Adjustment for repurchase of AT1 securities	Note 16	(2)	–
Underlying profit attributable to shareholders		**644**	**869**
Weighted average number of shares in issue, excluding treasury shares	Note 16	**987**	**1,043**
Underlying earnings per share (cent)		**65.1**	**83.3**

Underlying effective tax rate is calculated as the Group's tax charge adjusted for non-core items divided by the Group's profit before tax adjusted for non-core items.

Calculation	Source	30 June 2025 €m	30 June 2024 €m
Tax charge	Income statement	(113)	(203)
Adjusted to exclude tax on non-core items		(11)	15
Underlying tax charge		**(124)**	**(188)**
Profit before tax	Income statement	721	1,080
Adjusted to exclude non-core items	Non-core items (OFR)	83	11
Underlying profit before tax		**804**	**1,091**
Underlying effective tax rate		**15%**	**17%**

Wholesale funding is comprised of deposits by banks (including collateral received) and debt securities in issue.

For abbreviations used in this document please refer to the abbreviations listing on pages 499 to 501 of the Group's 2024 Annual Report.

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