

PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA RETAIL INVESTORS – The Notes, from 1 January 2018, are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently no key information document required by Regulation (EU) No. 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

15 September 2017

BANK OF IRELAND GROUP PLC
Issue of U.S.\$500,000,000 Fixed Rate Reset Subordinated
Tier 2 Notes due 19 September 2027
Under the €25,000,000,000
Euro Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the prospectus dated 11 August 2017 (the “**Prospectus**”) which constitutes a base prospectus for the purposes of the Prospectus Directive. When used in these Final Terms, “**Prospectus Directive**” means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in a relevant Member State of the European Economic Area. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing on the website of the Central Bank of Ireland and at <http://www.bankofireland.com/about-bank-of-ireland/investor-relations/debt-investors/debt-capital-issuance> and copies may be obtained during normal business hours at the principal office of the Issuer at 40 Mespil Road, Dublin 4, Ireland and the specified office of the Paying Agent.

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| 1. Issuer: | Bank of Ireland Group plc |
| 2. (i) Series Number: | 720 |
| (ii) Tranche Number: | 1 |
| (iii) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3. Specified Currency or Currencies: | United States dollars (“ U.S.\$ ”) |
| 4. Aggregate Nominal Amount: | |
| — Tranche: | U.S.\$500,000,000 |
| — Series: | U.S.\$500,000,000 |
| 5. Issue Price: | 99.478 per cent. of the Aggregate Nominal Amount |
| 6. (i) Specified Denominations: | U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof |
| (ii) Calculation Amount: | U.S.\$1,000 |
| 7. (i) Issue Date: | 19 September 2017 |
| (ii) Interest Commencement Date: | Issue Date |
| 8. Maturity Date: | 19 September 2027 |
| 9. Interest Basis: | 4.125 per cent. Fixed Rate up to (but excluding) 19 September 2022, then calculated in accordance with paragraph 16 below |

(further particulars specified below, see paragraph 16)

10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Issuer Call
Redemption following a Capital Event
Redemption following a Tax Event
(further particulars specified below, see paragraphs 19, 20 and 21)
13. Status of the Notes: Dated Subordinated
14. Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions Not Applicable
16. Fixed Rate Reset Note Provisions: Applicable
- (i) Initial Rate of Interest: 4.125 per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): 19 March and 19 September in each year, from and including 19 March 2018 up to and including the Maturity Date
- (iii) Day Count Fraction: 30/360
- (iv) Determination Date: Not Applicable
- (v) Reset Date: 19 September 2022
- (vi) Subsequent Reset Reference Rate: Reference Bond
- (vii) Fixed Leg Swap Duration: Not Applicable
- (viii) Reset Margin(s): 2.500 per cent.
- (ix) Reset Determination Date(s): Two business days in New York City prior to the Reset Date
- (x) Subsequent Reset Rate Time: 11:00am (New York City time)
- (xi) Relevant Financial Centre: New York City
17. Floating Rate Note Provisions Not Applicable
18. Zero Coupon Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION, SUBSTITUTION AND VARIATION

19. (i) Issuer Call: Applicable
Issuer Call will be subject to Condition 6(l)
- (ii) Optional Redemption Date(s): 19 September 2022
- (iii) Optional Redemption Amount: U.S.\$1,000 per Calculation Amount
- (iv) If redeemable in part:
- (a) Minimum Redemption Amount: Not Applicable
- (b) Maximum Redemption Amount: Not Applicable
20. Redemption following a Capital Event (Condition 6(d)): Applicable
- (i) Capital Event for partial exclusion: Applicable
21. Redemption following a Tax Event (Condition 6(b)): Applicable
22. Redemption following a Loss Absorption Disqualification Event (Condition 6(f)): Not Applicable

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| 23. Investor Put: | Not Applicable |
| 24. Final Redemption Amount: | U.S.\$1,000 per Calculation Amount |
| 25. Early Redemption Amount payable on redemption following a Tax Event, a Capital Event, a Loss Absorption Disqualification Event or on an event of default: | U.S.\$1,000 per Calculation Amount |
| 26. Substitution and Variation (Condition 6(m)): | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 27. (i) Form of Notes: | Registered Notes:
Registered Global Note registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg |
| (ii) New Global Note: | No |
| 28. Additional Financial Centre(s) or other special provisions relating to Payment Dates: | London |
| 29. Talons for future Coupons to be attached to definitive Notes: | No |

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of the Irish Stock Exchange of the Notes described herein pursuant to the €25,000,000,000 Euro Note Programme of The Governor and Company of the Bank of Ireland and Bank of Ireland Group plc.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of **Bank of Ireland Group plc**

By: 

Duly authorised **SEAN CROJE**

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on the regulated market of the Irish Stock Exchange with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: €600

2. RATINGS

The Notes to be issued are expected to be rated Ba1 by Moody's Investors Service Limited ("Moody's") and BB by Standard & Poor's Credit Market Services Europe Limited ("Standard & Poor's").

Each of Moody's and Standard & Poor's is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation"). As such, each of Moody's and Standard & Poor's is included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD

- Indication of yield: 4.242 per cent. on a semi-annual basis for the period up to the Reset Date. The yield thereafter will depend upon the Subsequent Reset Rate.
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. DISTRIBUTION

- (i) If syndicated, names of Managers: BNP Paribas
Citigroup Global Markets Limited
J&E Davy
Morgan Stanley & Co. International plc
UBS Limited
- (ii) Date of Subscription Agreement: 15 September 2017
- (iii) Stabilising Manager: Not Applicable
- (iv) If non-syndicated, name and address of relevant Dealer: Not Applicable
- (v) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA not applicable
- (vi) Prohibition of Sales to European Economic Area Retail Investors: Applicable

6. OPERATIONAL INFORMATION

- (i) ISIN: XS1685476092
- (ii) Common Code: 168547609
- (iii) Any clearing system(s) other than Not Applicable

Euroclear Bank S.A./N.V. and
Clearstream Banking S.A. and the
relevant identification number(s):

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| (iv) Delivery: | Delivery against payment |
| (v) Name and addresses of initial Paying Agent(s) (if any): | Citibank, N.A., London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB |
| (vi) Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (vii) Intended to be held in a manner which would allow Eurosystem eligibility: | No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |

7. THIRD PARTY INFORMATION

Not Applicable