

"The Governor and Company of the Bank of Ireland ("Bank of Ireland") issues £450 million dated callable step-up fixed/floating rate subordinated notes due September 2020."

Bank of Ireland announces that it has launched and priced an issue of £450 million dated callable step-up fixed rate notes due September 2020 ("the notes"). The transaction is part of Bank of Ireland's normal capital management process. Merrill Lynch, RBS and UBS Investment Bank acted as joint lead managers on the transaction with Bank of Ireland Global Markets acting as Senior Co-Lead.

The notes have been priced with a coupon of 9.25% and issued at 99.846%. This represents a margin of 431 bps over the UKT 4.75% 2015 bond at the time of pricing. Interest will be payable annually in arrears until 7 August 2015. The notes are callable at par at the option of Bank of Ireland, subject to regulatory approval, on 7 August 2015, and every coupon payment date thereafter. If the notes are not called on 7 August 2015 the coupon resets to a floating rate of 470 bps over 3 month GBP Libor.

Application will be made to the Irish Stock Exchange for admission of the notes to the Official list with stabilisation in accordance with article 9(2) of Commission Regulation (EC) No. 2273/2003 implementing the Market Abuse Directive (2003/6/EC).

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