Annual Results Announcement

For the twelve month period ended 31 December 2010

Forward-looking statement

Bank of Ireland Group

This document contains certain forward looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934 and Section 27A of the US Securities Act of 1933 with respect to certain of the Bank of Ireland Group's (the Group) plans and its current goals and expectations relating to its future financial condition and performance, the markets in which it operates, and its future capital requirements. These forward looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', or other words of similar meaning. Examples of forward looking statements include among others, statements regarding the Group's future capital requirements and ratios, level of ownership by the Irish Government, financial position, payment of dividends, future income, business strategy, projected costs, projected impairment losses, estimated discounts upon transfers of assets to NAMA, margins, future payment of dividends, the implementation of proposed changes in respect of certain of the Group's defined benefit pension schemes, estimates of capital expenditures, discussions with Irish, European and other regulators and plans and objectives for future operations. Because such statements are inherently subject to risks and uncertainties, 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, risks and uncertainties relating to the performance of the Irish and UK economies, the ability of the Group to raise additional capital, property market conditions in Ireland and the UK, the implementation of the Irish Government's austerity measures relating to the financial support package from the EU/IMF, the availability and cost of funding sources, the performance and volatility of international capital markets, the expected level of credit defaults, the impact of further changes in credit ratings of the Group's and the Irish national debt, the impact of transfers of assets to NAMA, the Group's ability to expand certain of its activities, development and implementation of the Group's strategy, including the ability to achieve estimated cost reductions, competition including for customer deposits, and the Group's ability to address information technology issues. Consequently, nothing in this statement should be considered to be a forecast of future profitability or financial position. Any forward looking statements speak only as at the date they are 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. The reader should however, consult any additional disclosures that the Group has made or may make in documents filed or submitted or may file or submit to the US Securities and Exchange Commission.

Bank of Ireland Group

Richie Boucher

Group Chief Executive

Presentation of 2010 annual results

Bank of Ireland Group

Overview

- Our trading environment has and continues to remain difficult. However:
  - We believe the Irish economy has begun to stabilise
  - Key fundamental strengths of Ireland's open economy will enable it to benefit from the continuing global economic recovery
- We improved our capital position by our capital raising which was completed in June 10, further liability management exercises and other initiatives
- Impairment charges on our non-NAMA portfolios remain high but within our expectations and with further anticipated reductions in subsequent years
- Significant progress was made on our key priorities particularly those where we can exert control
- Irish and European peripheral sovereign debt concerns meant that our funding objectives were not achievable from the H2 2010 onwards
  - Unable to term out our wholesale funding to any meaningful extent
  - Significant deposit outflows of ratings sensitive deposits
  - EU/IMF programme of support announced for Ireland on 28 Nov 10
- Results broadly in line with expectations
- Higher capital ratio targets introduced by the Central Bank of Ireland (CBI) and the outcome of the 2011 PCAR stress testing exercise have resulted in an incremental capital requirement of €4.2bn (including a €0.5bn buffer) in equity and a further €1.0bn in contingent capital

Macro-economic outlook

Bank of Ireland Group

Economic outlook for Ireland

- GDP growth is expected to gradually recover during 2011
- Exports continue to lead the way out of the recession
- Current low levels of domestic investment are impacting on growth
- Unemployment is likely to lag the economic recovery and remain elevated
- Consumer demand is cautious
- Improving competitiveness due to continued wage restraint and lower infrastructure costs
- Sovereign debt burden had increased significantly, but is not exceptionally out of line internationally, given its low level in 2008

Economic outlook for the UK

- UK economy returned to growth in 2010
- Continued growth expected for 2011 but likely to be modest and uneven
- Manufacturing is proving resilient for the UK economy supported by a favourable exchange rate
- Concerns remain that austerity measures may dampen domestic demand
- Unemployment rate appears to be stabilising

Irish economy – Underlying Fundamentals

Bank of Ireland Group

Underlying Fundamentals

- Modern export base benefitting from global recovery
- Export base is diverse with modern high tech sectors but also traditional sectors e.g. food/drink
- Low tax base
- Favourable demographics
- Well educated, skilled workforce
- Pro-business environment

Improving Competitiveness

- Fiscal adjustment re-aligning Government Finances
- Labour productivity improving
  - EU forecast that from 2008 to 2012 Ireland's labour costs will improve 13% Vs EU average
- Infrastructure costs falling
- Ireland remains a very open economy and attractive for FDI
- Indigenous manufacturing is recovering

IMD World Competitiveness Yearbook 2010 ranked Ireland

- 4th for the availability of skilled labour
- 7th for the availability of financial skills
- 1st for real corporate taxes
- 7th for flexibility and adaptability of people
- 6th for labour productivity

Source: International Institute for Management Development 2010

World Leaders Choose Ireland

- 8 of the top 10 in ICT
- 8 of the top 10 in Pharmaceuticals
- 5 of the top 25 in Medical Devices
- More than 50% of the world's leading Financial Services firms

Source: IDA 2010

2011 Prudential Capital Assessment Review (PCAR)

Bank of Ireland Group

Key Features

- €4.2bn of new equity including a regulatory buffer of €0.5bn
- €1.0bn contingent capital comprising a convertible debt instrument
- Proforma Core tier 1 ratio of 15.0% at 31 Dec 10
- The equity and contingent capital requirements have been set to meet:
  - Minimum Core tier 1 ratio of 10.5% on an ongoing basis
  - Core tier 1 ratio of 6% under the adverse stress scenario
  - Additional regulatory buffer of €0.5bn
  - Impact of aggressively conservative adverse stress scenario loan loss estimates based on BlackRock Solutions ("BlackRock") methodology
  - Impact of deleveraging using conservative loss assumptions
- The Group deleveraging plan augments the Group's approved EU Restructuring and Viability Plan
- The Group's deleveraging plan anticipates a loan to deposit ratio of sub 122.5% by 31 Dec 13 with wind-down or disposals of up to €30bn of non-core loan portfolios of which c.€10bn will be through disposals

2011 Prudential Capital Assessment Review (PCAR)

Bank of Ireland Group

BlackRock Methodology includes:

- Future loan loss estimate over the 2011 – 2013 period under stress scenarios based on aggressively conservative assumptions on the performance of the Group's loan portfolios
- An element of crystallised losses in the years following 2013 brought into 2011 – 2013 period

BlackRock Assumptions:

- Repossess and sale approach adopted by BlackRock
- Conservative residential and commercial property values as the primary driver of both default and loan losses
- Limited emphasis on customers' repayment capacity including contracted income streams

	Loan Portfolio Volumes 31/12/2010[1] €bn	BlackRock methodology including stock of provisions €bn	Bank of Ireland including stock of provisions €bn	Variance BlackRock Vs BoI Loan Loss Estimates 2011- 2013 €bn
Base Case Loan Loss Estimates 2011- 2013				
Mortgages	60	1.4	1.4	**-**
Consumer / Other	4	0.6	0.6	**-**
SME& Corporate	31	2.2	2.3	**(0.1)**
Property	20	3.2	1.7	**1.5**
Total	115	7.4	6.0	**1.4**
Stock of Provisions		(3.5)	(3.5)	**-**
Base Case Loan Loss Estimates 2011 – 2013		**3.9**	**2.5**	**1.4**
Adverse Stress Scenario Loan Loss Estimates 2011- 2013				
Mortgages	60	2.4	2.0	**0.4**
Consumer / Other	4	0.9	0.7	**0.2**
SME& Corporate	31	3.0	3.0	**-**
Property	20	3.8	2.2	**1.6**
Total	115	10.1	7.9	**2.2**
Stock of Provisions		(3.5)	(3.5)	**-**
Adverse Stress Scenario Loan Loss Estimates 2011 – 2013		**6.6**	**4.4**	**2.2**

[1] Gross before balance sheet impairment provisions of €3.5bn at 31 Dec 10 and excluding those assets potentially held for sale to NAMA.

Bank of Ireland - Core Bank
31 Dec 10

Bank of Ireland Group

Retail Ireland & SME

- #1 retail bank
- Leading market positions – *#1 or 2 across principal product segments*
- Extensive distribution capability
- Continued improvements in customer service

UK Licensed Banking Subsidiary

- Maximise opportunity in retail and SME banking activities through branch network in Northern Ireland
- Continue to develop consumer banking franchise – partnership with UK Post Office

Corporate Banking

- Corporate banking and customer driven treasury management activities in Ireland
- Niche segments internationally

- Future value drivers
- Core customer relationship franchises maintained with
  - competitive strengths and capabilities
  - strong market positions
- Continued support to economic recovery
- Sustainable funding largely from customer deposits

Bank of Ireland - Non-Core Assets 31 Dec 10

Bank of Ireland Group

Key Characteristics

- Augments 2010 approved EU Restructuring and Viability Plan
- Non-Strategic assets with limited cross-sell opportunities
- Wholesale funded
- Deleveraging through
  - Organic run-off maximising value
  - Selective disposals on a basis that will balance stronger liquidity ratios whilst avoiding "fire sales"
- Combination of sales and run-down - a proportion will still be on the Balance Sheet at Dec 13
- Geographical and asset class mix and diversification provides optionality
- Regular reporting of progress on run-down / sale of non-core portfolios

Non-Core

- €39bn assets (net of impairment provisions)
- €22bn Risk Weighted Assets

- Portfolios of UK Intermediary sourced residential mortgages
- Selected international niche businesses such as project finance, asset based lending, and certain international corporate banking portfolios
- Certain international commercial investment property portfolios
- Certain land and development loans less than €20m

Building a Sustainable Future

Bank of Ireland Group

Objective

Deliver a sustainable future for BoI capable of contributing to economic recovery and for the benefit of all of our stakeholders

Key Strategic Goals

- To be the clear leading Irish bank in a consolidating sector, well positioned in our core markets with strong customer franchises and market positions capable of supporting future economic growth
- Strongly capitalised with no reliance on exceptional Monetary Authority support or government guarantees
- A sustainable funding base with lower reliance on wholesale funding
- Efficient sustainable reduced cost structures
- Appropriate returns on services and products to ensure that costs are covered, risk is appropriately priced and capital is remunerated and rewarded

Continuing progress on our key priorities

Bank of Ireland Group

Progress on key priorities through pro-active engagement

Asset Quality – Losses Peaked and Reducing	✓
Strategic Shape of the Group Confirmed – EU Restructuring & Viability Plan	✓
Deleveraging & De-risking the Balance Sheet	✓
Strengthening Capital Ratios	**2010 PCAR ✓** **2011 PCAR tbc**
Reducing Operating Costs on a sustainable basis	✓
Pension scheme(s) IAS 19 deficits – Structural deficit dealt with	✓

Key Challenges

Economic Environment	Impacts of 2011 PCAR being assessed
Systemic Issues in Funding Markets	
Significant Restructuring & Asset Disposals	
Income and Net Interest Margin	

Continuing progress on our key priorities

Bank of Ireland Group

- Asset Quality

- The Group re-engaged Oliver Wyman to independently review and challenge the Group's non-NAMA impairment estimates. This review confirmed BoI's impairment estimates to be reasonable
- We maintain our expectation that impairment charges peaked in 2009, and reduced in 2010 with further anticipated reductions in subsequent years
- 55% of the Group's loan assets are outside the Republic of Ireland

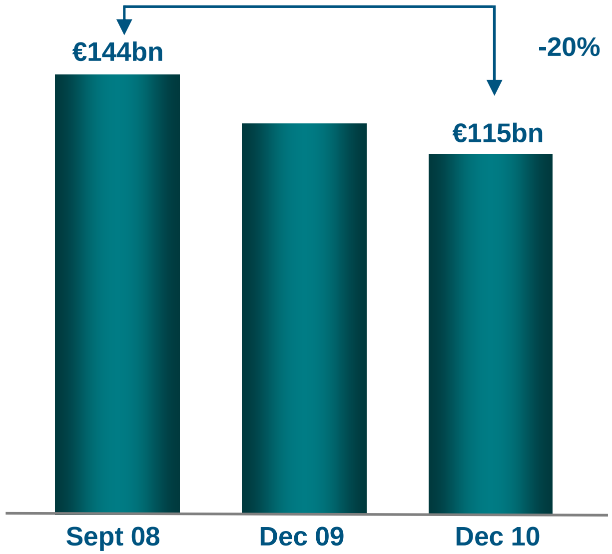
- EU Restructuring

- EU Commission approved the Group's restructuring plan in July 2010
- Implementation of the plan is subject to independent review
- Asset deleveraging and business sales ahead of plan
- Updated EU plan may be required post 2011 PCAR

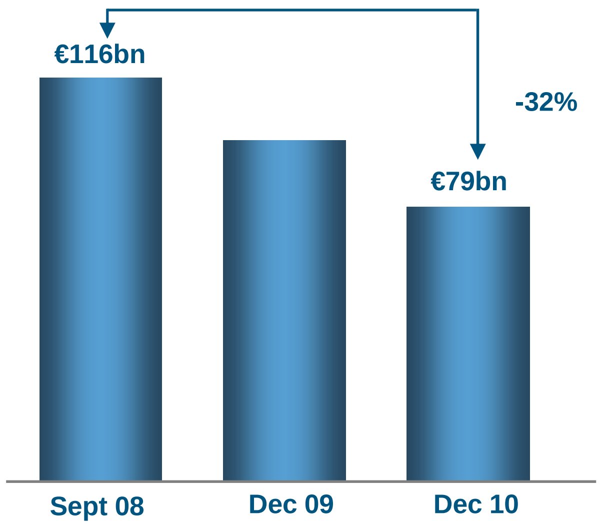
Continuing progress on…
Deleveraging and de-risking the Balance Sheet

Bank of Ireland Group

Loans & Advances to Customers[1]



Risk Weighted Assets



Progress

- Loans and advances to customers have reduced by 20% and risk weighted assets have reduced by 32% since Sept 08
- Reductions in loans and risk weighted assets driven by
  - Asset transfers to NAMA
  - Deleveraging initiatives
  - Lending constrained outside core portfolios
  - Credit mitigation initiatives
- We continue to support our customers and are meeting our commitments to the Irish Government in respect of lending capacity to the SME and first-time buyer mortgage sectors. This is in line with our strategy

Strategy

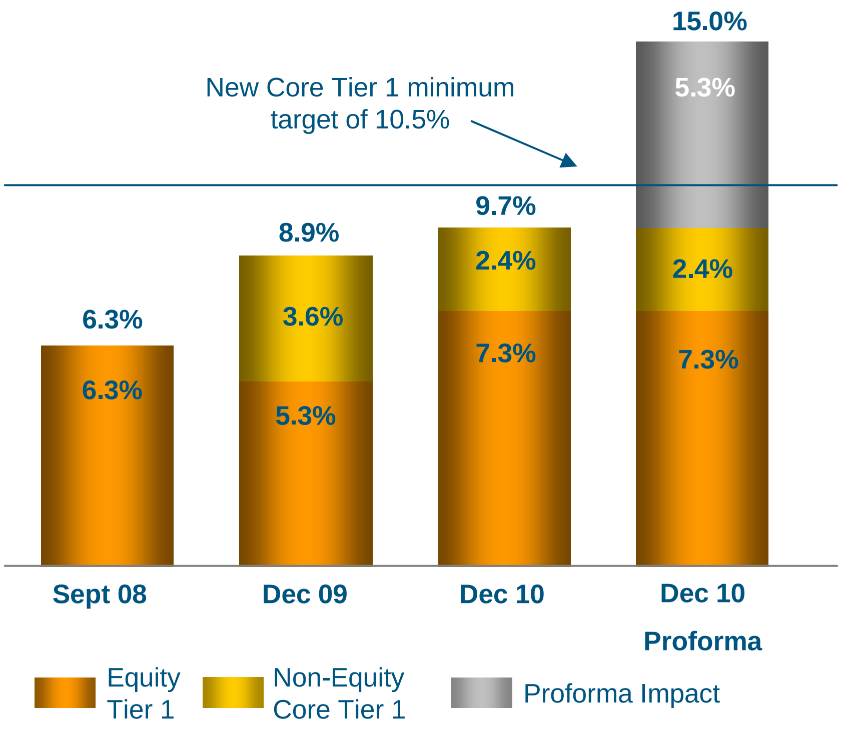
- Conservative funding of loan portfolios substantially from deposits
- Asset growth dependent on the ability to attract deposits
- Continued organic deleveraging supported by certain disposals that match liquidity benefits whilst avoiding fire sales. The geographical asset class diversification in the identified assets supports this objective

[1] Including loans held for sale to NAMA and net of impairment provisions

Continuing progress on… Strengthening Capital Ratios

Bank of Ireland Group

Core Tier 1 Capital Ratios



Progress

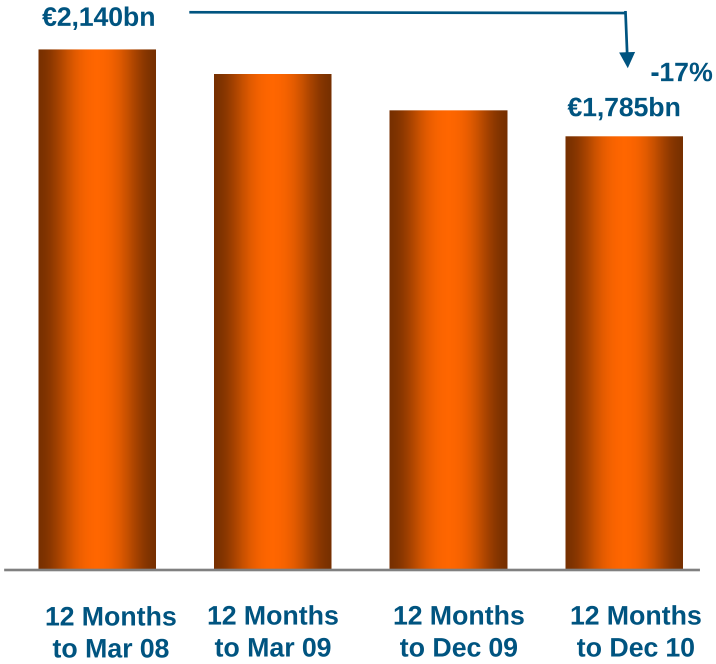
- Capital ratios significantly strengthened since Sept 08
- The Group's capital raise of €3.6bn gross capital (€2.9bn net, after fees and buying back the warrants held by the Irish Government) completed in June 10 – exceeded the 2010 PCAR requirement
- Ongoing liability management exercises undertaken to swap subordinated bonds and generate additional equity (c.€5.8bn of sub-debt swapped to generate c.€2.6bn of equity in the period May 09 to Feb 11)

2011 PCAR Capital Requirement

- 2011 PCAR capital requirement set to meet a minimum Core tier 1 ratio of 10.5% on an ongoing basis and a Core tier 1 ratio of 6% under the adverse stress scenario
- Capital target set based on aggressively conservative assumptions for adverse stress scenario
- If the actual loan losses and losses on disposals meet the Group's estimates (based on conservative assumptions aligned to customers' propensity and ability to repay), the Group should significantly exceed the 10.5% minimum target Core tier 1 capital ratio

Continuing progress on…
Reducing Operating Costs

<u>**Operating Costs**</u>



Progress

- Cost base reduced by 17% since 2008
- Staff reduction of c.2,400 (14%) since 2008. Further redundancy programmes underway
- Structural pension deficit dealt with – ongoing cost benefits
- Continued rigorous management of all cost lines
- Renegotiation and changes to major outsourcing contracts, investments in and changes to processes / systems, premises exits / reconfigurations have begun to yield benefits which will be increasingly realised over the next few years

Strategy

- Cost reduction should be achieved through ongoing deleveraging, assets disposals, with benefits arising from steps taken in 2009 and 2010 and further consolidation and efficiency initiatives
- The Group's cost base is being re-aligned to reflect the Group's revised structure and strategy resulting in a sustainable reduced cost structure

Key Challenges

Bank of Ireland Group

Economic Environment	• Irish economy appears to have stabilised • GDP expected to gradually recover during 2011 • Key drivers of economic recovery are exports, improved competitiveness following substantial cost reductions in the economy, and an improved fiscal position
Systemic Issues in Funding Markets	• The Group's funding objectives were not achievable from H2 10 as wholesale markets closed to the Irish Sovereign and Irish banks • Significant deposit outflows experienced in H2 10 due to sovereign debt concerns. Loan to deposit ratio 175% Dec 10 (Dec 09: 141%) • Increased reliance on Monetary Authority funding • Systemic government guarantees subject to review in June 2011 • BOI deposit position stabilised post 28 Nov 10. Retail deposit franchises have been very resilient. UK incorporation has been of assistance

Key Challenges

Bank of Ireland Group

Significant Asset Disposals & Restructuring	• Restructuring of the Group has been underway to reflect reduced size and scope of operations • However capital requirement incorporates conservative loss on disposal assumptions. The geographical asset class diversification of assets for disposal gives the Group comfort • All Group operations subject to ongoing cost reviews with actions taken over the past two years embedding a lower sustainable cost structure
Income & Net Interest Margin	• Improving net interest margin remains a key priority • Continue to re-price our loan books • Pricing improved on new lending but limited impact due to muted demand • Group Net Interest Margin impacted from elevated deposit pricing and cost of wholesale funding

Bank of Ireland Group

John O’Donovan

Group Chief Financial Officer

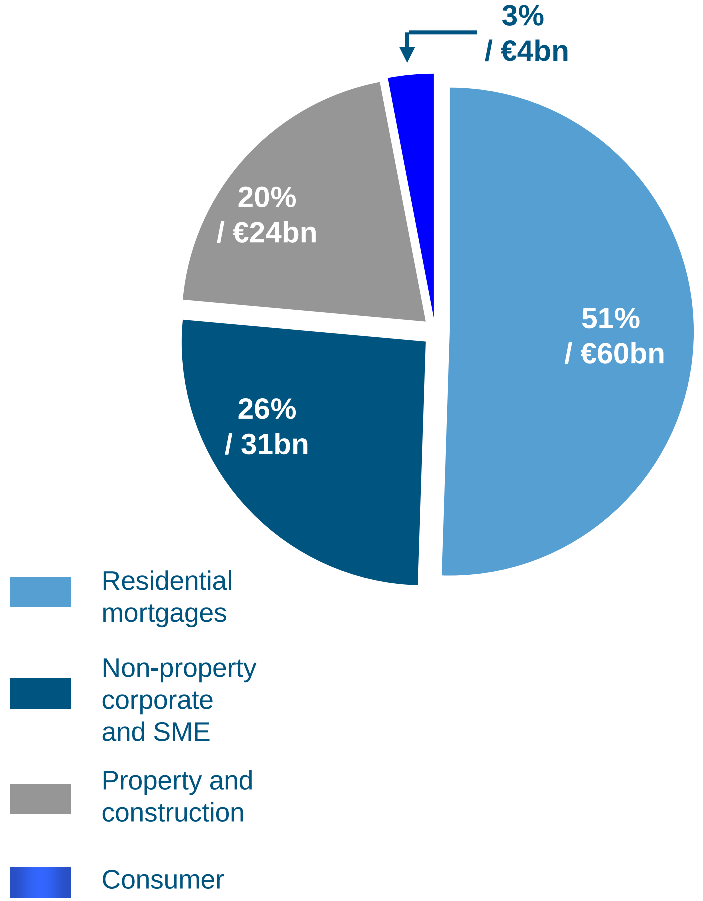
Section 2

Asset Quality

Profile of total loans[1]

Excluding loans held for sale to NAMA

% of Group Loan Book €119bn



- Group loan book €119bn at 31 Dec 10

Geographic Profile of loans and advances to customers				
31 Dec 10	**RoI €bn**	**UK €bn**	**RoW €bn**	**Total €bn**
Mortgages	28	32	-	**60**
Non-property corporate and SME	14	9	8	**31**
Property and construction	9	13	2	**24**
Consumer	3	1	-	**4**
Total	**54**	**55**	**10**	**119**
Total	**45%**	**46%**	**9%**	**100%**

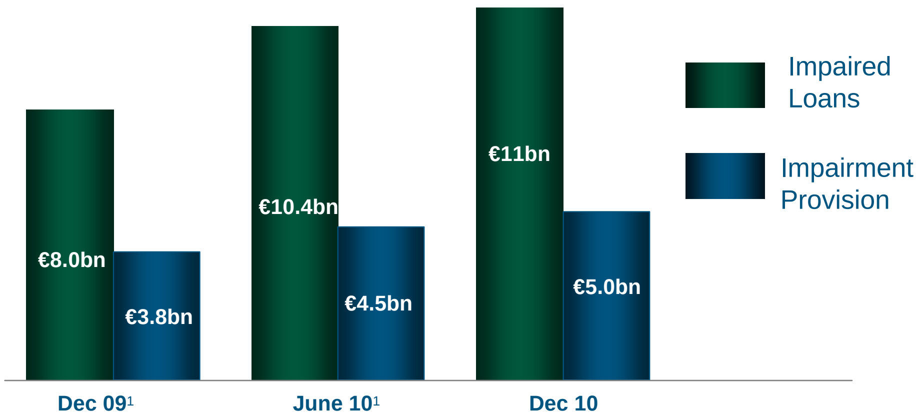
[1] Before balance sheet impairment provisions of €5.0bn at Dec 10

Impaired loans, Impairment Provisions & Impairment charges

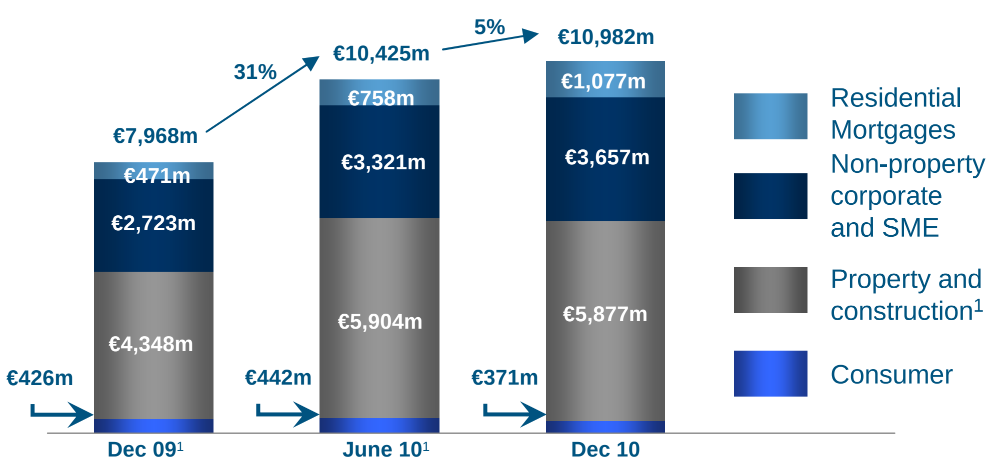
Excluding loans held for sale to NAMA

Bank of Ireland Group

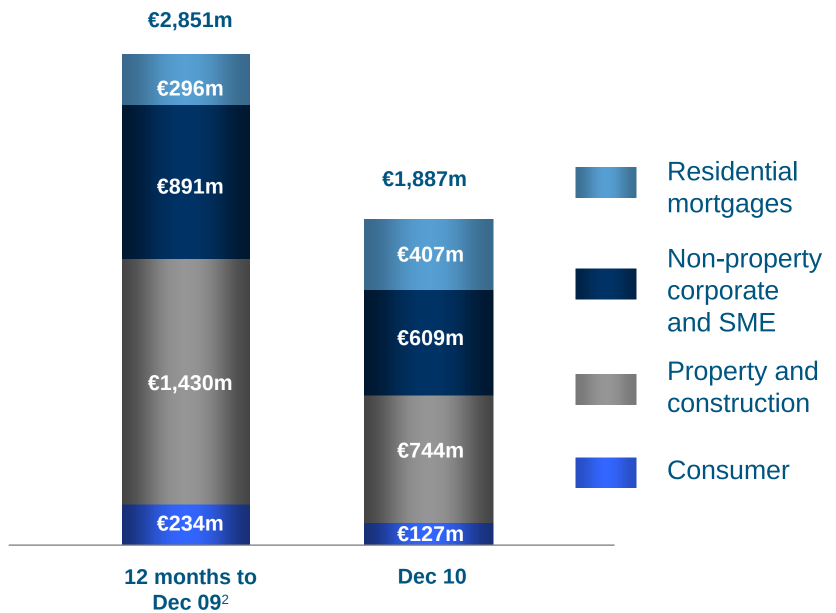
Impaired loans & Impairment Provisions



Composition of impaired loans



Impairment charges by portfolio



Impairment Charge

- Impairment charge on non-NAMA loans and advances to customers expected to have peaked in 2009 – with further anticipated reductions expected in subsequent years

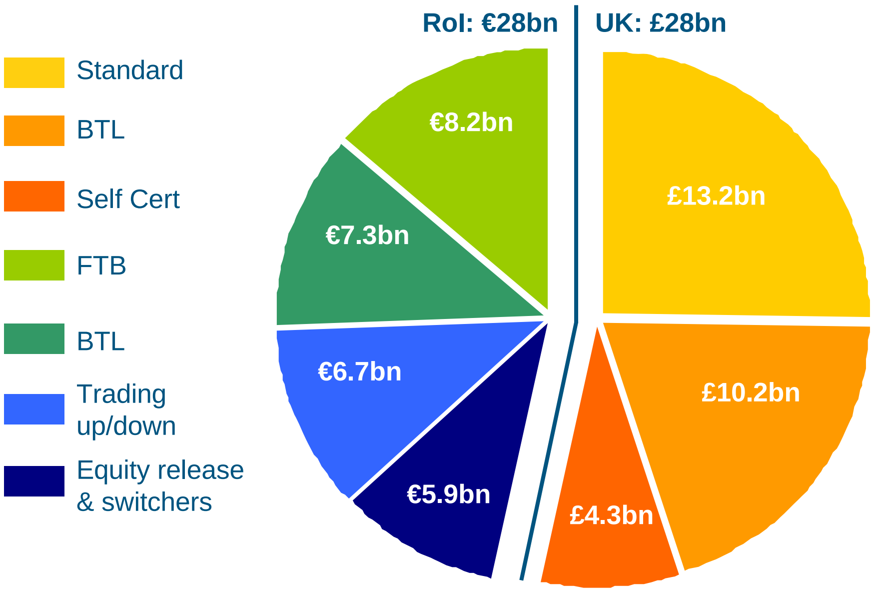
[1] Dec 09 and June 10 have been presented on a proforma basis to reflect the changes to NAMA eligibility resulting from the announcement from the new Irish Government to 'end further asset transfers to NAMA'. As a result the Group, at 31 Dec 10, has classified land and development loans between €5m and €20m as loans and advances to customers rather than assets held for sale to NAMA and presented loans and advances at 31 Dec 09 and June 10 on this basis resulting in €1.9bn (of which €1.2bn was impaired with impairment provisions of €0.8bn) and €2.2.bn (of which €1.6bn was impaired with €0.8bn of impairment provisions) as loans and advances to customers at Dec 09 and June 10 respectively

[2] The impairment charge on loans and advances to customers and assets held for sale to NAMA have been restated for the 12 months to Dec 09 to reflect changes in the eligibility criteria for potential transfers of assets to NAMA during 2010

Group Residential Mortgages €60bn[1]

Bank of Ireland Group

Analysis of Residential mortgages



UK mortgages – 27% of Group loans and advances to customers

- 3% reduction in portfolio in 2010
- Intermediary sourced mortgages down 7%; 14% decline since placed in run-off in Q1 2009.

RoI Mortgages – 24% of Group loans and advances to customers

- Portfolio static in 2010

House Prices

- **UK** House prices up 0.4% in 2010; down 12.5% from peak in Oct 07 to Dec 10 *(Nationwide)*
- **RoI** house prices down 10.8% in 2010; down 38% since peak in Q4 06 to Q4 10 (*PTSB/ESRI*) – official statistics trailing actual market

Impairment Charges

- **UK** 12 months to Dec 10: 19bps (12 months to Dec 09: 31bps)
- **ROI** 12 months to Dec 10: 122bps (12 months to Dec 09: 72bps)

Negative Equity

- UK – net negative equity of £111m (Dec 09 £260m)
- ROI – net negative equity of €2.3bn (Dec 09 €1.4bn; June 10 €2.2bn)

RoI Mortgage Arrears – greater than 90 days in arrears[2] Impairment Provisions & Coverage Ratios

	Dec 09	June 10	Dec 10
Industry – Owner Occupied[3]	361bps	461bps	566bps
BoI – Owner Occupied	261bps	323bps	376bps
BoI – BTL	340bps	455bps	591bps
BoI – Total	276bps	349bps	417bps
Impairment Provision	€244m	€344m	€575m
Coverage Ratio[4]	22%	26%	34%

UK Mortgage Arrears – greater than 3 mths in arrears[2] Impairment Provisions & Coverage Ratios

	Dec 09	June 10	Dec 10
BoI – Buy to let	185bps	181bps	192bps
BoI – Self Cert	454bps	520bps	545bps
BoI – Standard	97bps	121bps	127bps
BoI - Total	171bps	189bps	199bps
Impairment Provision - (PIT)	£103m	£118m	£129m
Coverage Ratio[4]	16%	16%	17%

[1] Before impairment provisions of €725m (RoI: €575m; UK: £129m / €150m)
[2] Cases > 90 days in arrears excluding possessions
[3] Central Bank of Ireland compiled owner occupied arrears statistics
[4] Impairment provisions as a % of impaired loans together with loans with arrears greater than 90 days past due
[5] Cases > 3 months in arrears excluding possessions

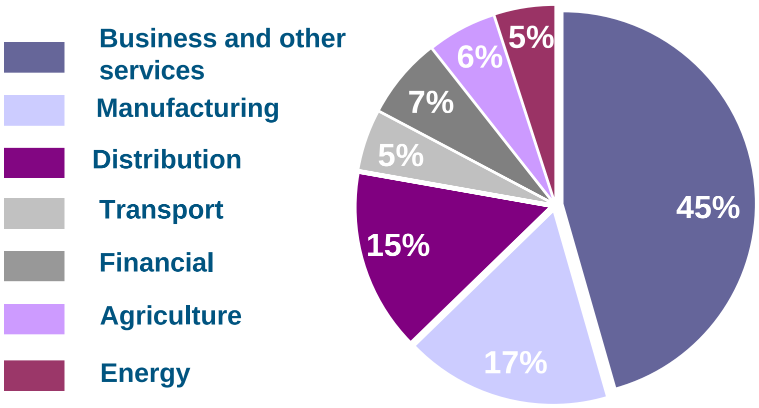
Non-Property Corporate & SME and Consumer Loans

Excluding loans held for sale to NAMA

Non-property corporate and SME - €31bn[1]

- 26% of Group loans and advances to customers
  - 9% reduction in portfolio
- Portfolio diversified across a range of sectors and geographies
  - 44% Ireland, 31% UK and 25% RoW
- Divergence in performance between Corporate & SME portfolios
- Impairment charge of €609m in 12 months to 31 Dec 10 (€891m in 12 months to 31 Dec 2009)
- Impairment provision on portfolio at 31 Dec 10 of €1.5bn on impaired loans of €3.7bn

Analysis of Non-property corporate & SME

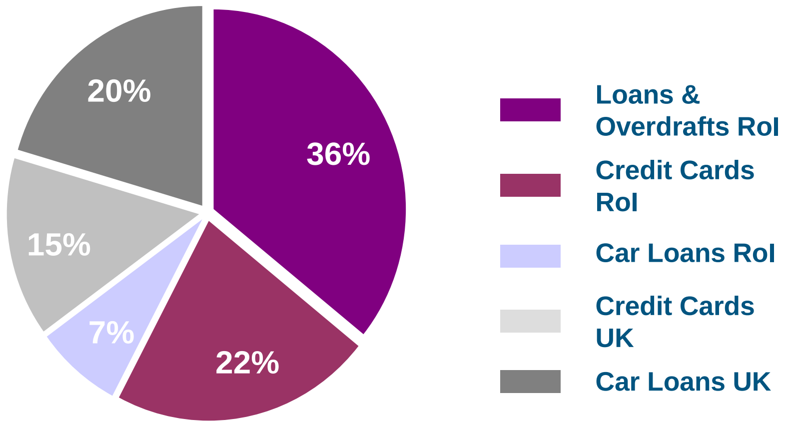


[1] Before impairment provisions of €1.5bn

Consumer Loans - €3.7bn[2]

- 3% of Group loans and advances to customers
  - 15% reduction in portfolio in 2010
- Portfolio diversified across a range of sectors and geographies
  - 65% Ireland, 35% UK
- Impairment charge down from peak
  - Impairment charge of €127m in the 12 months to 31 Dec 10 (€234m in the 12 months to 31 Dec 09)
- Impairment provision on portfolio at 31 Dec 10 of €321m on impaired loans of €371m

Analysis of Consumer Loans



[2] Before impairment provisions of €321m

Property & Construction

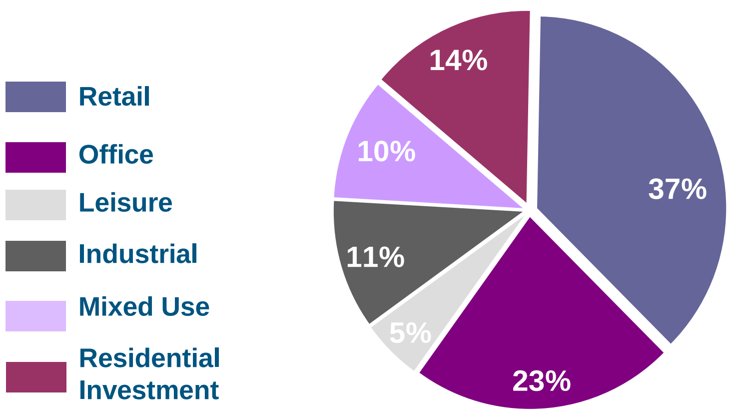
Excluding loans held for sale to NAMA

Bank of Ireland Group

Investment Property - €19.8bn[1]

- 17% of Group loans and advances to customers
  - 5% reduction in portfolio in 2010
- Portfolio weighted to UK – Geographic profile:
  - 57% UK, 34% Ireland and 9% US / Europe
- Low transaction levels in Irish commercial property sector
- Impairment charge of €445m in 12 months to 31 Dec 10 (€375m in 12 months to 31 Dec 09)
- Impairment provision on portfolio at 31 Dec 10 of €1.0bn on impaired loans of €2.8bn

Analysis of Investment Property

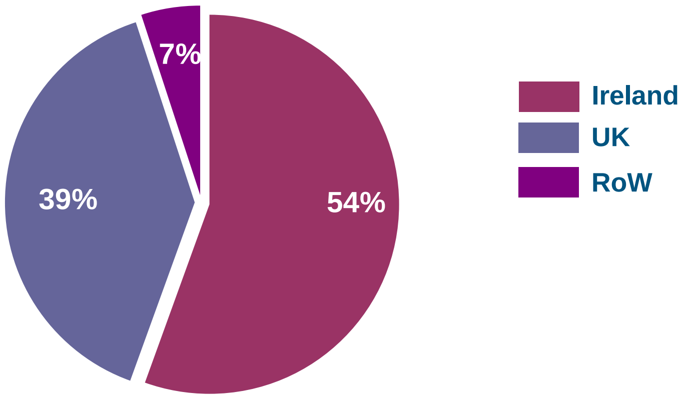


[1] Before impairment provisions of €1bn

Land & Development - €4.6bn[2]

- 4% of Group loans and advances to customers
- Geographic profile
  - 54% Ireland, 39% UK, 7% RoW
- Impairment charge of €299m in 12 months to 31 Dec 10 (€1,055m in 12 months to 31 Dec 09)
- Impairment provision on portfolio at 31 Dec 10 of €1.5bn on impaired loans of €3.1bn
- PCAR undertaken on basis that eligible assets of €4.1bn would transfer to NAMA
  - Gross discount factored in more conservative than previous transfers to NAMA

Geographic analysis of Land & Development



[2] Before impairment provisions of €1.5bn

Loans held for sale to NAMA – €0.9bn[1]
31 Dec 10

Bank of Ireland Group

Movement in assets held for sale to NAMA	Total Assets €m	Impairment Provisions €m	Carrying Value €m
Balance at 31 Dec 09 (excl derivatives of €0.1bn)	12,235	(2,778)	9,457
Sale of assets to NAMA in the 12 months to 31 Dec 10 (excl derivatives of €0.1bn)	(9,340)	2,237	(7,103)
New impairment provisions in the 12 months to 31 Dec 10	-	(229)	(229)
Change in eligible assets[2]	(2,027)	695	(1,332)
Balance at 31 Dec 10 (excl derivatives of €0.01bn)	**868**	**(75)**	**793**

Loss on sale of assets to NAMA	12 Months ended 31 Dec 10 €m
Loans sold to NAMA (nominal value)	(9,340)
Derivatives sold to NAMA (fair value)	(61)
Total assets transferred to NAMA	(9,401)
Nominal value of securities received	5,232
Gross discount on loans sold to NAMA	(4,169)
Gross Discount – %	**44%**
Impairment provisions	2,237
Other items[3]	(309)
Loss on sale of assets to NAMA	(2,241)

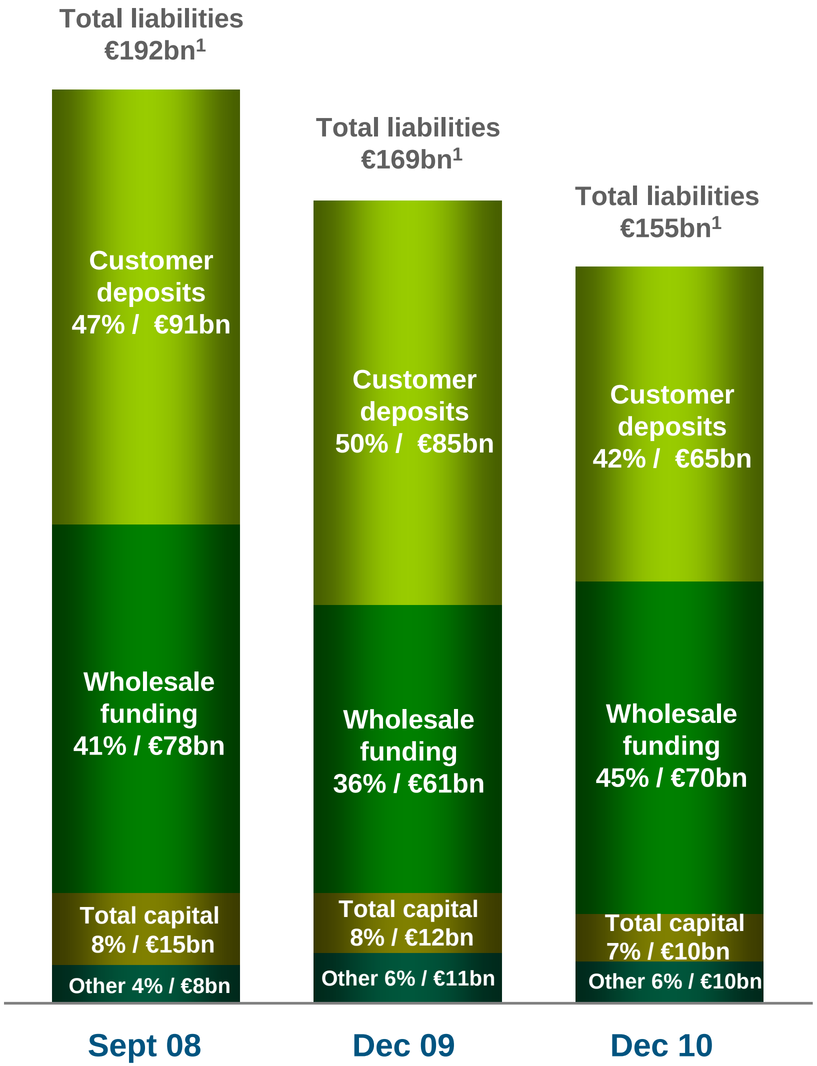
- Portfolio of €868m of assets held for sale to NAMA at 31 Dec 10
  - 82% associated loans and 18% land and development loans
- Stock of Balance Sheet Provisions of €75m on €402m impaired loans
  - 19% coverage ratio reflecting the profile of loans
- Given high proportion of investment property we expect the gross discount to be less than the average discount incurred to date
- Final discount that will be applicable to the Group on assets transferred to NAMA will be determined on completion of the relevant due diligence

[1] Before impairment provisions of €0.1bn
[2] At 31 Dec 10, the Group's <€20m land and development loans and advances potentially eligible for transfer to NAMA based on the Governments announcement on 28 Nov 10 was €4.1bn. Reflecting the announcement by the new Government to 'end further asset transfers to NAMA' the Group has not classified these assets as held for sale to NAMA at 31 Dec 10
[3] Fair Value adjustments on securities received, provision for servicing liability and other associated sale costs

Section 3

Funding and Capital

Balance Sheet funding



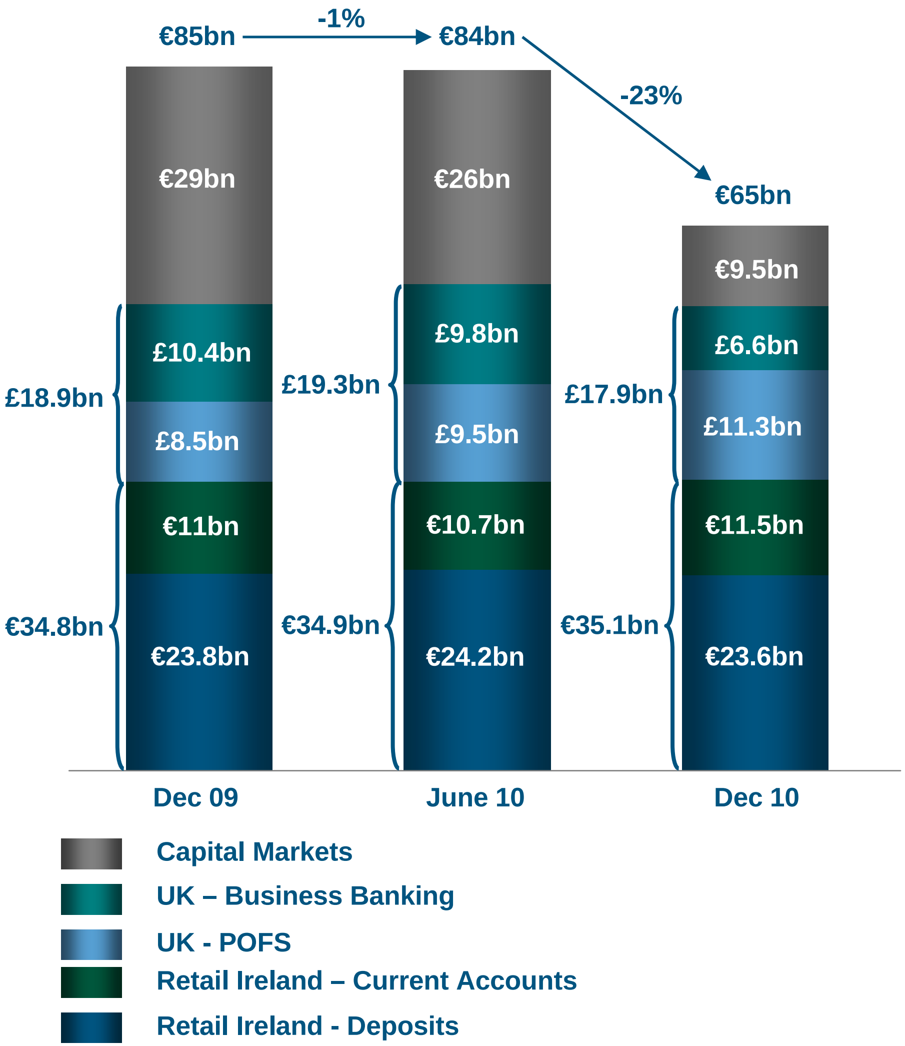
- **Strategy to revert to traditional banking model**
  - Fund core lending portfolios substantially through deposits
  - Asset growth dependent on the ability to attract deposits
  - PLAR mandated loan to deposit ratio of 122.5% by Dec 13
- **Systemic issues have impacted on the implementation of our strategy**
  - **Wholesale Funding**
    - Difficult funding markets – limited access to term unsecured funding in the last quarter of 2010
    - Increased use of secured funding
    - Maturity profile shortened
  - **Customer Deposits**
    - Drive growth through strength of franchise and scale of distribution
    - Retail deposits continue to be a stable source and POFS continues to exceed expectations
    - Loan to deposit ratio 175% at Dec 10 (Dec 09: 141%)
- **Deleveraging**
  - Central Bank of Ireland PLAR mandated loan to deposit target of 122.5%. €39bn of loans classified as non-core. Deleveraging of €30bn to be completed by Dec 13 to achieve target.

[1] Excludes Life funds held on behalf of policyholders: Sept 08 €12bn, Dec 09 €11.7bn and Dec 10 €12.5bn

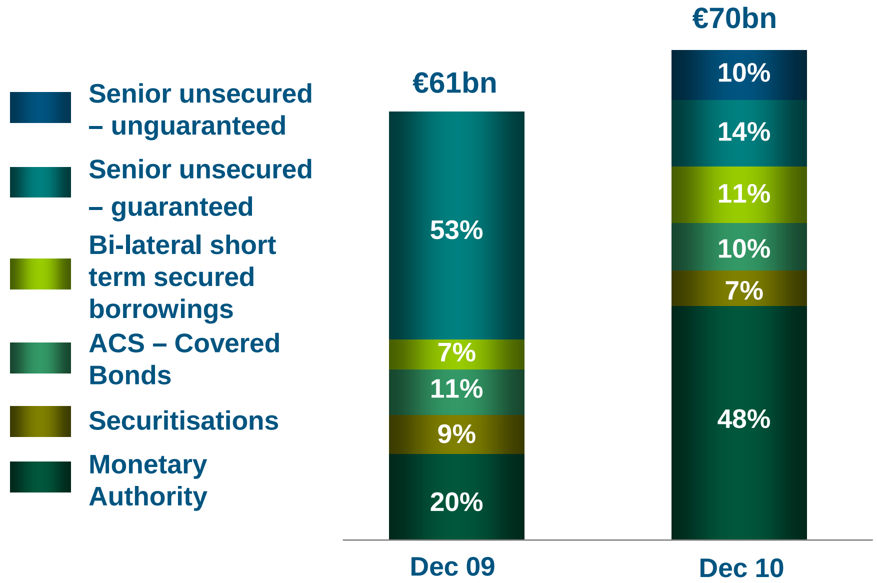
Group deposits & Wholesale funding

Bank of Ireland Group

Divisional profile of deposits



Wholesale funding profile



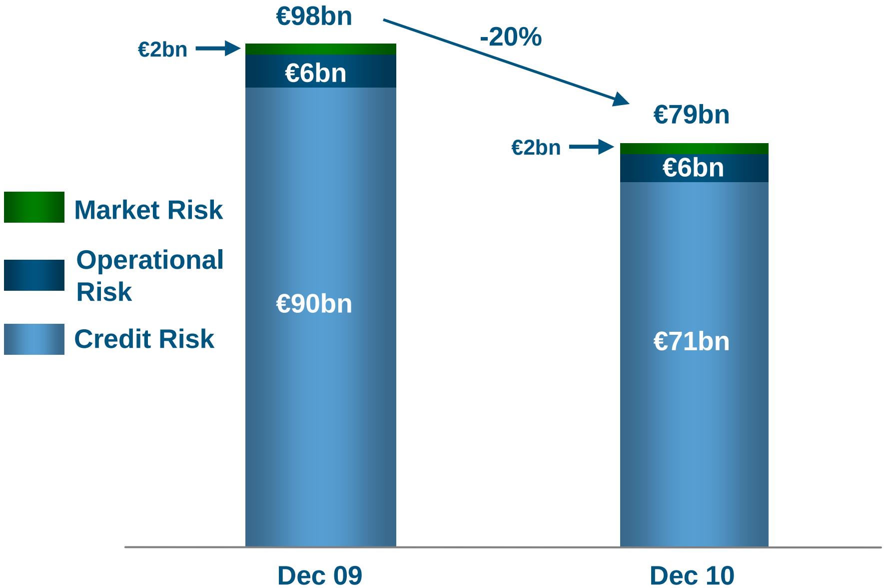
Wholesale funding maturity profile

	31 Dec 09		30 June 10		31 Dec 10	
	€bn	%	€bn	%	€bn	%
< 1 year	41	68%	34	59%	48	68%
> 1 year[1]	20	32%	24	41%	22	32%
Total	**61**	**100%**	**58**	**100%**	**70**	**100%**

[1] Wholesale funding with a remaining term to maturity of greater than 1 year at 31 Dec 10 (30 June 10 and 31 Dec 09)

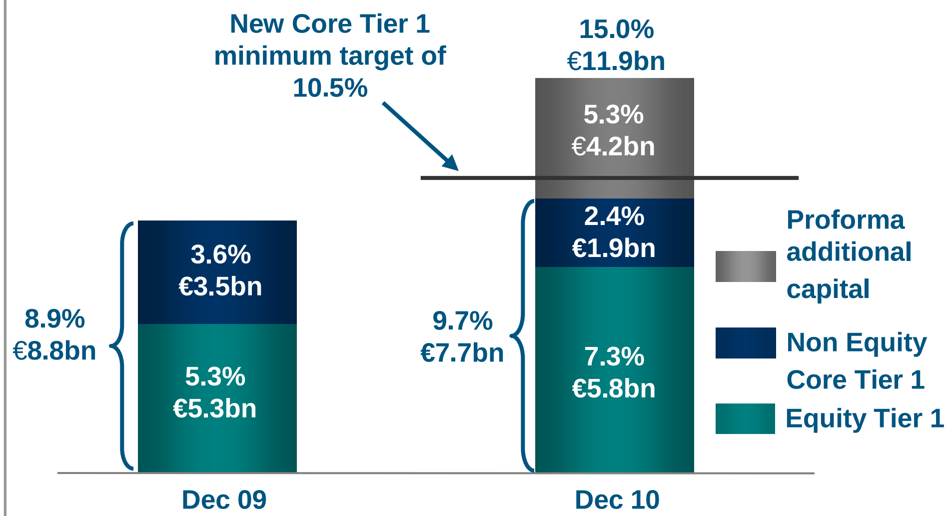
Capital position and capital raising

Risk Weighted Assets – Basel II



- 20% Decrease in risk weighted assets due to
  - Sale of loans to NAMA
  - Higher quantum of impaired loans
  - Increased impairment provisions
  - Deleveraging initiatives
- Increase in capital ratios primarily as a result of:
  - Feb 10 debt for debt exchange gain of €405m
  - Capital raising in June 10
  - Dec 10 debt for debt exchange gain of €680m
  - Offset by operating profit less impairment provisions and impact of loss on sale of loans to NAMA

Capital Ratios – Basel II



2011 PCAR Requirements	€bn
Capital Requirement	3.7
Regulator Buffer	0.5
Total Equity Capital Requirement	**4.2**
Additional capital requirement (contingent)	1.0
Total Requirement	**5.2**

- The Group is working actively, with its advisors, on initiatives with a view to meeting the €4.2bn equity capital requirement through a combination of capital management initiatives, other capital markets sources, and support from existing shareholders

Section 4

Group Income Statement

Group Income Statement

Bank of Ireland Group

Group Income Statement (excluding non-core items)	12 months to Dec 09 €m	Dec 10 €m	% Change
Net Interest Income	2,909	2,236	(23%)
Net Other Income	414	566	37%
Total income[1]	3,323	2,802	(16%)
Operating expenses	(1,891)	(1,785)	(6%)
Operating profit pre-impairment of financial assets	**1,432**	**1,017**	**(29%)**
Impairment charge – loans and advances to customers	(2,851)	(1,887)	(34%)
Impairment charge – loans and advances to banks / AFS	(4)	(168)	-
Impairment charge – assets held for sale to NAMA[2]	(1,892)	(229)	(88%)
Loss on sale of assets to NAMA	-	(2,241)	-
Share of results of associates/JVs *(post-tax)*	28	49	75%
Underlying[3] loss before tax	**(3,287)**	**(3,459)**	**5%**
Total non-core items	1,080	2,509	-
Loss before tax	**(2,207)**	**(950)**	**(57%)**

Net Interest Income

- ELG cost of €275m in 2010 (2009 – nil)
- Decrease of 8% in average interest earning assets
- Decrease in Net Interest Margin from 1.64% in 2009 to 1.46% in 2010

Net Other Income (after IFRS classification)

- Increase of 50% in 2010
- Decrease in CIFS fee from €139m in 2009 to €68m in 2010
- Non recurrence of significant property related charges in prior year of €192m together with some increase in valuations in 2010 of €26m
- Core banking fees and commission decreased by 13%
- Bank of Ireland Life; 4% increase in operating income

Total income excluding CIFS / ELG impact down 9%

Operating Expenses

- Operating expenses down 6% in 2010
  - 11% decrease in pension charges
- Maintain tight focus on cost management

[1] Total income (net of insurance claims)

[2] The impairment charge on loans and advances to customers and assets held for sale to NAMA have been restated for the 12 months to Dec 09 to reflect changes in the eligibility criteria for potential transfers of assets to NAMA during 2010

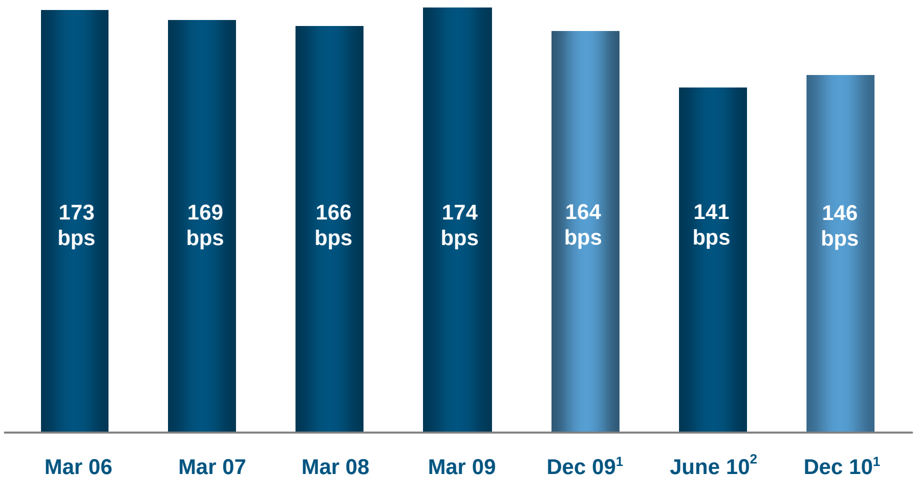
[3] Underlying excluding non-core items. See slide 47 or page 26 of Annual Report for the twelve month period ended 31 December 2010 for details

Net interest margin
12 months to Dec 10

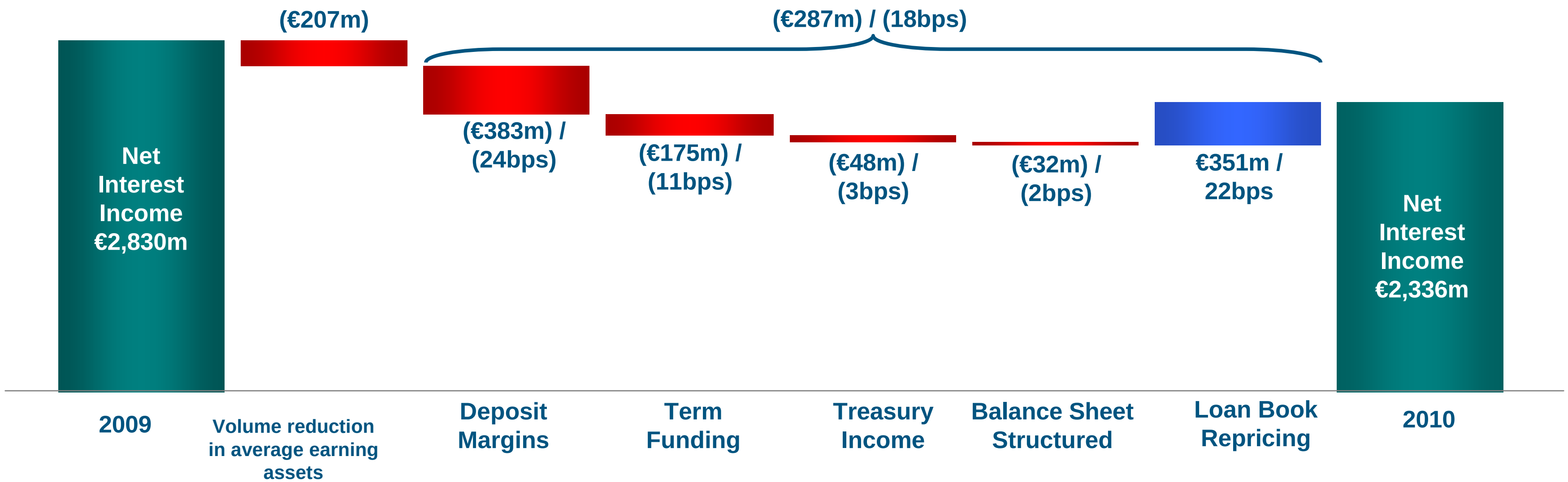
Bank of Ireland Group

12 Months to	Dec 09	Dec 10
Net interest income	€2,909m	€2,236m
Addback cost of ELG	-	€275m
IFRS Income Classifications	(€79m)	(€175m)
Net Interest Income (excl ELG and IFRS income reclassifications)	€2,830m	€2,336m
Average interest earning assets	€173bn	€160bn
Net interest margin	**1.64%**	**1.46%**

Net Interest Margin



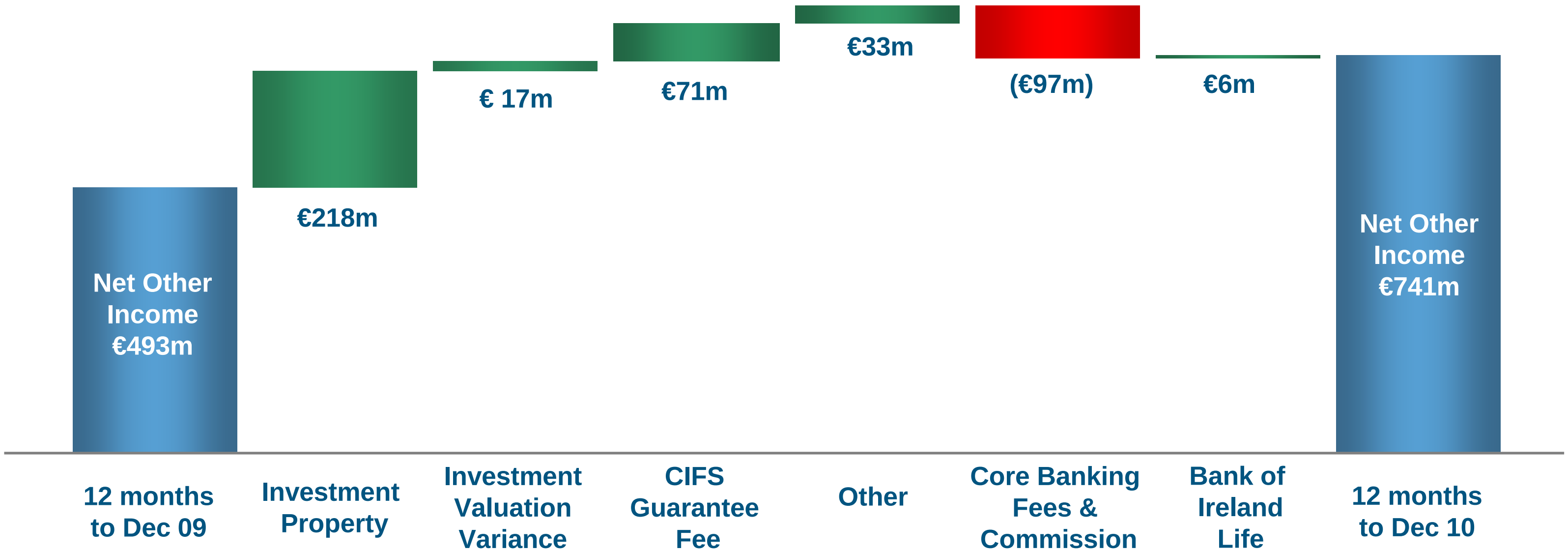
Margin attrition – drivers Dec 09 to Dec 10 (€m / bps)



[1] 12 months to Dec 09 and Dec 10
[2] Annualised Net Interest Margin for the 6 months to June 10

Net Other income
12 months to Dec 10

Net Other Income – movement Dec 09 to Dec 10 (€m)



Net Other Income; increase of 50% from €493m to €741m

Investment Property; Non recurrence of significant property related charges in prior year of €192m together with some increase in valuations in 2010 of €26m

Investment Valuation Variance; €17m driven by a recovery in investment markets in 2010

CIFS Guarantee fee; Lower CIFS fees of €71m in 2010 as CIFS phased out during 2010 and replaced by ELG fees (in Net Interest Income)

Other; €33m (gain in unwind of FV hedge of Subordinated Liabilities on liability management of €46m, loss on FV on derivatives held for sale to NAMA of €31m, Guggenheim / Iridian gain in 2009 of €21m and other loss in 2009 of €39m)

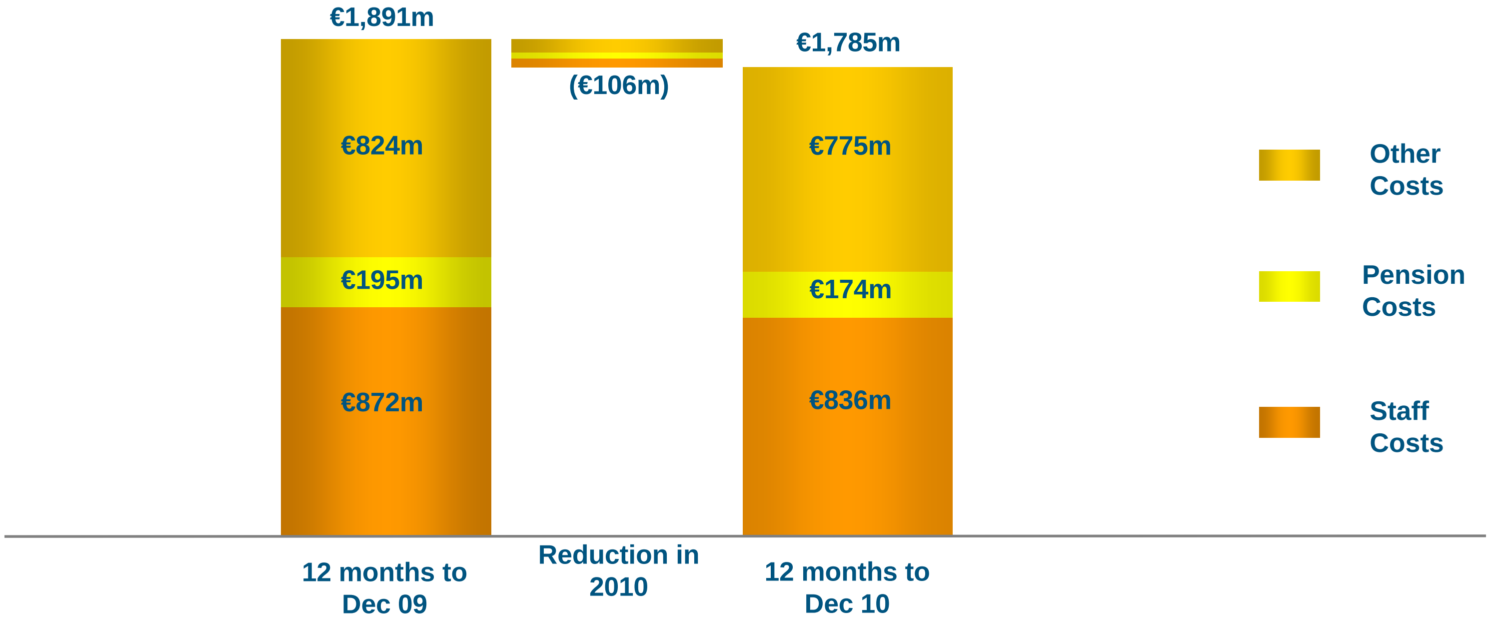
Core Banking fees and commission; reduction of €97m or 13% to €624m reduction on lower level of fees and charges in Banking & Capital Markets businesses

Bank of Ireland Life; 4% increase in operating income

Operating Expenses
12 Months to 31 Dec 10

Bank of Ireland Group

Operating Expenses – movement Dec 09 to Dec 10 (€m)



2010

- Operating Expenses down 6%
- 11% decrease in Pension charges
- 4% reduction in average staff numbers
- Maintain tight focus on cost management
  - Renegotiation of key outsourcing contracts
  - Increasing levels of consolidation

Since Peak:

- Operating Expenses down 17% since peak in 12 months to 31 March 08
- 14% reduction in staff numbers
  - Downsized operations
  - Business disposals

Conclusion

- Trading conditions in the first months of 2011 remain challenging
- Challenges remain in building a sustainable future for the Group
- Bank of Ireland continues to progress our key priorities in a structured, focussed and disciplined manner
- We believe that the Irish economy has the potential to recover and that Bank of Ireland can support this recovery

Questions & Answers

Supplementary Information

Supplementary

Bank of Ireland Group

- Asset Quality
  - Impaired loans
  - Impairment Charge
  - UK Mortgages
  - RoI Mortgages
- AFS
- Wholesale funding profile
- Income Statement
- EPS calculation
- Stockholders’ equity & Tangible net asset value
- Abbreviations
- Contact details

Group loan book asset quality profile

Excluding loans held for sale to NAMA

Asset Quality	Proforma Dec 09[4]		Proforma June 10[4]		Dec 10	
	€bn	%	€bn	%	€bn	%
High quality	68.7	55%	70.6	56%	65.4	55%
Satisfactory quality	27.8	23%	23.5	19%	22.7	19%
Acceptable quality	11.6	9%	11.2	9%	10.2	8%
Lower quality but not past due nor impaired	3.0	2%	5.6	4%	4.3	4%
Neither past due nor impaired	111.1	89%	110.9	88%	102.6	86%
Past due but not impaired[1]	5.2	4%	5.7	4%	5.9	5%
Impaired[2]	8.0	7%	10.4	8%	11.0	9%
Total loans[3]	**124.3**	**100%**	**127.0**	**100%**	**119.4**	**100%**

- Impaired loans increased by 38% to €11bn. 51% of the increase is attributable to Property and construction, 31% to Non-property corporate and SME, 20% to Residential mortgages with a 2% decline in impaired loans in the Consumer lending portfolio.
- Challenged loans[5] (including loans held for sale to NAMA) have decreased by 10% to €23.8bn. The decrease is primarily attributable to transfers of loans to NAMA. Property and construction decreased by 25% to €11.4bn. Non-property corporate and SME increased by 5% to €8.1bn, Residential mortgages increased by 32% to €2.9bn. Consumer loans increased by 8% to €1.4bn.

[1] 'Past due but not impaired' defined as loans where repayment of interest and/or principal are overdue by at least one day but are not impaired

[2] 'Impaired loans' defined as loans with a specific impairment provision attaching to them together with loans which are more than 90 days in arrears (excluding residential mortgages). All assets in grades 12 and 13 on the thirteen point grade scale and grades 6 and 7 on the seven point grade scale are impaired.

[3] Before balance sheet impairment provisions (Dec 10 €5.0bn; June 10: €4.5bn; Dec 09 €3.8bn)

[4] Dec 09 and June 10 Property and construction has been presented on a proforma basis to reflect the changes to NAMA eligibility resulting from the announcement from the new Irish Government to 'end further asset transfers to NAMA'. As a result the Group has presented land and development loans between €5m and €20m as loans and advances to customers rather than assets held for sale to NAMA at 31 Dec 09 and 30 June 10. At Dec 09 €1.9bn of assets held for sale to NAMA (of which €1.2bn was impaired with provisions of €0.8bn) have been presented as loans and advances to customers (30 June 2010 €2.1bn of assets held for sale (of which €1.6bn was impaired with provisions of €0.8bn))

[5] Challenged loans include 'impaired loans', together with elements of 'past due but not impaired', 'lower quality but not past due nor impaired' and loans at the lower end of 'acceptable quality' which are subject to increased credit scrutiny

Stock of Balance Sheet provisions and coverage ratios

Bank of Ireland Group

Excluding loans held for sale to NAMA

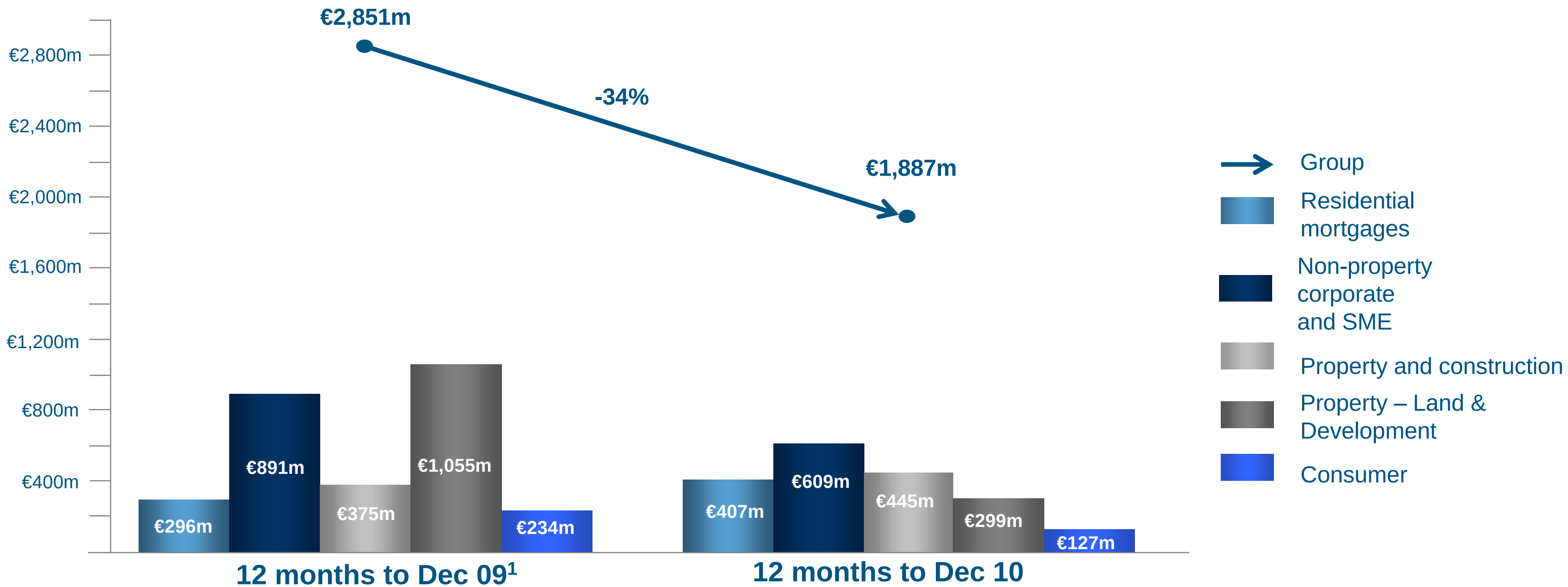
	Total loans and advances to customers	Impaired loans[1]	Impaired loans as % of advances	Impairment provisions	Impairment provisions as % of impaired loans
	€bn	€bn	%	€bn	%
31 Dec 10					
Residential mortgages	60.3	1.1	1.8%	0.7	67%[2]
Non-property corporate and SME	31.1	3.6	11.8%	1.5	40%
Property and construction	24.4	5.9	24.1%	2.5	42%
Consumer	3.7	0.4	10.0%	0.3	87%
Total loans	**119.4**	**11.0**	**9.2%**	**5.0**	**45%**
30 June 10[3]					
Residential mortgages	62.3	0.8	1.2%	0.5	65%[2]
Non-property corporate and SME	34.5	3.3	9.6%	1.4	42%
Property and construction[3]	26.1	5.9	22.6%	2.2	38%
Consumer	4.1	0.4	10.7%	0.4	90%
Total loans[3]	**127.0**	**10.4**	**8.2%**	**4.5**	**43%**
31 Dec 09[3]					
Residential mortgages	60.4	0.5	0.8%	0.4	76%[2]
Non-property corporate and SME	34.2	2.7	8.0%	1.1	42%
Property and construction[3]	25.4	4.4	17.1%	1.9	43%
Consumer	4.3	0.4	9.8%	0.4	89%
Total loans[3]	**124.3**	**8.0**	**6.4%**	**3.8**	**47%**

[1] Loans with a specific impairment provision attaching to them together with loans (excluding Residential mortgages) which are more than 90 days in arrears. All assets in grades 12 and 13 on the thirteen point grade scale and grades 6 and 7 on the seven point grade scale are impaired

[2] Coverage ratio on Residential mortgages including Residential mortgages with arrears greater than 90 days past due – Dec 10: 29%; June 10: 22%; Dec 09: 20%

[3] Dec 09 and June 10 Property and construction has been presented on a proforma basis to reflect the changes to NAMA eligibility resulting from the announcement from the new Irish Government to 'end further asset transfers to NAMA'. As a result the Group has presented land and development loans between €5m and €20m as loans and advances to customers rather than assets held for sale to NAMA at 31 Dec 09 and 30 June 10. At 31 Dec 09 €1.9bn of assets held for sale to NAMA (of which €1.2bn was impaired with provisions of €0.8bn) have been presented as loans and advances to customers (30 June 2010 €2.1bn of assets held for sale (of which €1.6bn was impaired with provisions of €0.8bn))

Impairment charge by portfolio
Excluding loans held for sale to NAMA



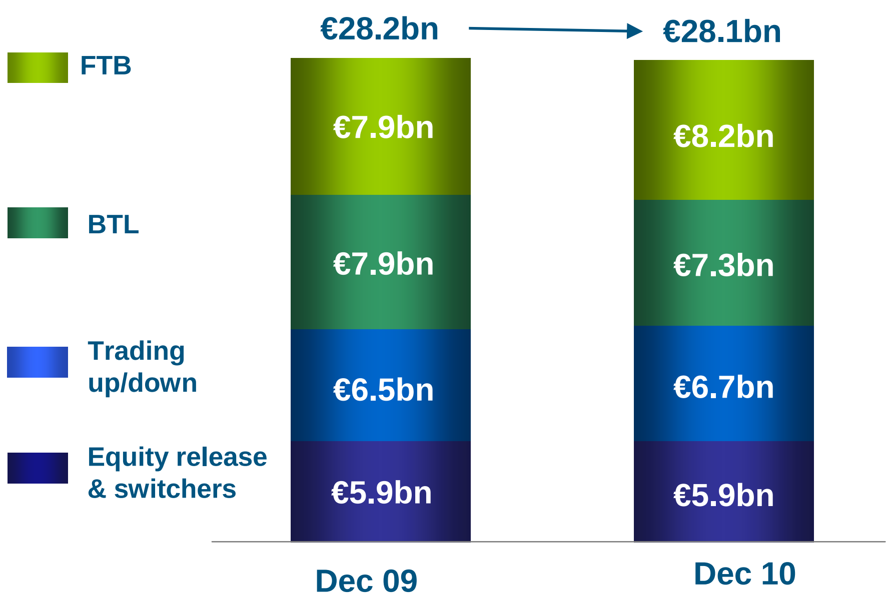
Loan Impairment Charges	12 months to 31 Dec 09[1]				12 months to 31 Dec 10			
	Retail Ireland €m	UKFS €m	Capital Markets €m	Total €m	Retail Ireland €m	UKFS €m	Capital Markets €m	Total €m
Residential mortgages	193	103	-	**296**	344	63	-	**407**
Non -property corporate and SME	464	73	354	**891**	291	126	192	**609**
Property and construction	657	615	158	**1,430**	432	238	74	**744**
Consumer	191	43	-	**234**	90	37	-	**127**
Total	**1,505**	**834**	**512**	**2,851**	**1,157**	**464**	**266**	**1,887**

[1]The impairment charge on loans and advances to customers and assets held for sale to NAMA have been restated for the 12 months to Dec 09 to reflect changes in the eligibility criteria for potential transfers of assets to NAMA during 2010

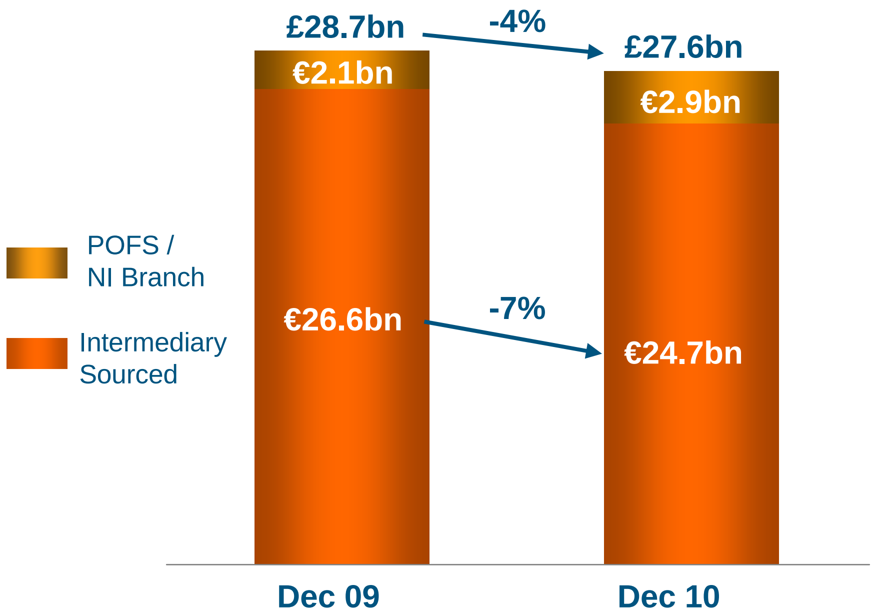
Residential mortgages

Bank of Ireland Group

Irish Mortgages[1]



UK Mortgages[2]



	Dec 09	June 10	Dec 10
Annualised impairment charge in period (6 months to)	103bps	70bps	175bps
New Possessions (6 months to)	54	33	42
Total Properties in Possession (PIT)	28	59	85
Impairment provision – €m (PIT)	€244m	€344m	€575m
Coverage Ratio[3] (PIT)	22%	26%	34%

	Dec 09	June 10	Dec 10
Annualised impairment charge in period (6 months to)	31bps	21bps	17bps
New Possessions (6 months to)	385	371	325
Total Properties in Possession (PIT)	305	301	317
Impairment Provision – £m (PIT)	£103m	£118m	£129m
Coverage Ratio[3] (PIT)	16%	16%	17%

[1] Before balance sheet impairment provisions of €575m at 31 Dec 10
[2] Before balance sheet impairment provisions of £129m (€150m)
[3] Impairment provisions as a % of impaired loans together with loans with arrears greater than 90 days past due

Available for sale financial assets NAMA Bonds

Bank of Ireland Group

31 Dec 10	Portfolio €bn	MTM Reserve Balance €bn	Average Rating
- Irish Government Bonds	*3.1*	*(0.3)*	BBB+
- Other Government Bonds	*0.6*	-	AAA
Total Government Securities	3.7	(0.3)	A-
Bank Debt & Covered Bonds	10.7	(0.32)	AA-
Liquid Asset Portfolio	**14.4**	**(0.62)**	
Asset Backed Securities	1.2	(0.21)	
Total AFS Assets	**15.6**	**(0.83)**	

NAMA Senior Bonds	**5.1**

31 Dec 09	Portfolio €bn	MTM Reserve Balance €bn	Average Rating
- Irish Government Bonds	1.0	-	AA
- Other Government Bonds	0.1	-	AA
Government Securities	1.1	0.02	
Bank Debt & Covered Bonds	18.3	(0.25)	A+
Liquid Asset Portfolio	**19.4**	**(0.23)**	
Asset Backed Securities	1.5	(0.38)	
Total AFS Assets	**20.9**	**(0.61)**	

NAMA Senior Bonds	**-**

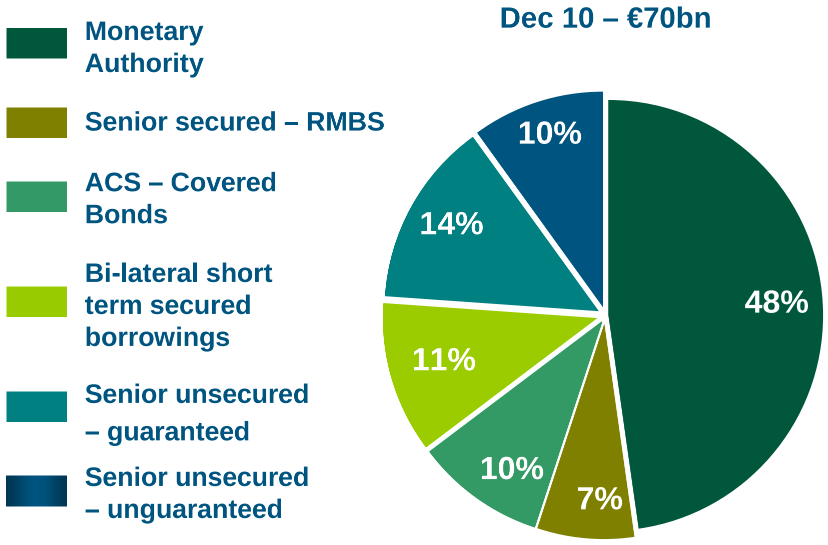
Geographic Profile of Available for Sale Financial Assets at 31 Dec 2010 - €bn

	AUS	AUT	BEL	CAD	DEN	ESP	FIN	FRA	GER	IRE[1]	ITA	NED	NOR	POR	SUI	SWE	UK	US	Other	Total
Sovereign	-	-	-	-	-	-	-	-	-	3.1	-	-	-	-	-	-	0.6	-	-	3.7
Bank & Covered Bonds	0.2	0.1	0.3	0.3	0.3	1.4	0.1	1.9	0.3	0.5	0.7	0.9	0.4	0.2	0.4	0.5	1.5	0.6	0.1	10.7
Liquid Assets	**0.2**	**0.1**	**0.3**	**0.3**	**0.3**	**1.4**	**0.1**	**1.9**	**0.3**	**3.6**	**0.7**	**0.9**	**0.4**	**0.2**	**0.4**	**0.5**	**2.1**	**0.6**	**0.1**	**14.4**
ABS	0.1	-	-	-	-	0.1	-	-	-	0.1	-	0.1	-	-	-	-	0.5	0.2	0.1	1.2
Total	**0.3**	**0.1**	**0.3**	**0.3**	**0.3**	**1.5**	**0.1**	**1.9**	**0.3**	**3.7**	**0.7**	**1.0**	**0.4**	**0.2**	**0.4**	**0.5**	**2.6**	**0.8**	**0.2**	**15.6**

[1] Excludes €5.1bn of NAMA Senior Bonds

Wholesale funding profile
Dec 10

Bank of Ireland Group



Wholesale funding maturity profile

	31 Dec 09		30 June 10		31 Dec 10	
	€bn	%	€bn	%	€bn	%
< 1 year	41	68%	34	59%	48	68%
> 1 year[1]	20	32%	24	41%	22	32%
Total	**61**	**100%**	**58**	**100%**	**70**	**100%**

- Quantum of wholesale funding at Dec 10 increased to €70bn from €61bn at Dec 09 and €58bn at June 10
  - Increase driven by reduction in deposits offset by a decrease in customer lending and liquid assets
- Term funding ratio[1] – 32%
  - 32% of wholesale funding had a term >1year at 31 Dec 10 (€22bn), reduced from 41% at June 10 (€24bn), in line with Dec 09 (€20bn) reflecting reduced market access in H2 10
- Term issuance in 12 months to Dec 10
  - €6.8bn of term funding issued during 12 months to Dec 10 (€9.3bn in the 12 months to Dec 09)
  - Average maturity of 3.3yrs with an average spread of 242bps over 3 month Euribor
  - €4.6bn of term funding issued during H1 10
  - €2.2bn of term funding issued during H2 10 of which €1.8bn in Q4 10
- Limited access to wholesale funding markets has resulted in extended usage of liquidity facilities provided by Monetary Authorities
- At Dec 10 34% of wholesale funding and subordinated liabilities have a maturity of greater than 1 year (35% at Dec 09, 45% at June 10)

[1] Wholesale funding with a remaining term to maturity of greater than 1 year at 31 Dec 10 (30 June 10 and 31 Dec 09)

Group Income Statement

Bank of Ireland Group

Group Income Statement
(excluding non-core items)

	12 months to Dec 09 €m	Dec 10 €m	% Change
Total income[1]	3,323	2,802	(16%)
Operating expenses	(1,891)	(1,785)	(6%)
Operating profit pre-impairment of financial assets	**1,432**	**1,017**	**(29%)**
Impairment charge – loans and advances to customers	(2,851)	(1,887)	(34%)
Impairment charge – loans and advances to banks / AFS	(4)	(168)	-
Impairment charge – assets held for sale to NAMA	(1,892)	(229)	(88%)
Loss on sale of assets to NAMA	-	(2,241)	-
Share of results of associates/JVs *(post-tax)*	28	49	75%
Underlying[2] loss before tax	**(3,287)**	**(3,459)**	**5%**
Total non-core items	1,080	2,509	-
Loss before tax	**(2,207)**	**(950)**	**(57%)**

Non-core items

Income	12 months to Dec 09 €m	Dec 10 €m
Gain on liability management exercises	1,037	1,413
Impact of changes in pension benefits	-	733
BoI Credit Spreads	36	360
Impact of – 'Coupon Stopper'	67	(36)
Gross-up for policyholder tax in the Life business	29	22
Investment return on treasury stock held for policyholders in BoI Life	(3)	20
Non-core items in income	**1,166**	**2,512**

Operating expenses	Dec 09 €m	Dec 10 €m
Cost of Restructuring Programmes	(83)	(18)
Gain / (Loss) on disposal of business activities	**(3)**	**15**
Total non-core items	**1,080**	**2,509**

[1] Total income (net of insurance claims)

[2] Underlying excluding non-core items. See page 26 of Annual Report for the twelve month period ended 31 December 2010 for details

Divisional Performance

Bank of Ireland Group

12 months to 31 Dec 10	Retail Ireland €m	BIL €m	UKFS €m	Capital Markets €m	Group Centre €m	Total €m
Total Income	1,357	173	654	928	(310)	2,802
Expenses	(919)	(103)	(372)	(287)	(104)	(1,785)
Operating profit pre-impairment	**438**	**70**	**282**	**641**	**(414)**	**1,017**
Impairment – customer loans	(1,157)	-	(464)	(266)	-	(1,887)
Impairment – banks and AFS	-	-	-	(98)	(70)	(168)
Impairment - NAMA	(85)		(15)	(129)		(229)
NAMA – loss on disposal	(675)	-	(398)	(1,121)	(47)	(2,241)
Share of Associates/JVs (after tax)	12	-	37	-	-	49
Underlying[1] loss before tax	**(1,467)**	**70**	**(558)**	**(973)**	**(531)**	**(3,459)**

12 months to 31 Dec 09	Retail Ireland €m	BIL €m	UKFS €m	Capital Markets €m	Group Centre €m	Total €m
Total Income	1,382	148	764	1,115	(86)	3,323
Expenses	(925)	(109)	(406)	(328)	(123)	(1,891)
Operating profit pre-impairment	**457**	**39**	**358**	**787**	**(209)**	**1,432**
Impairment – customer loans	(1,505)	-	(834)	(512)	-	(2,851)
Impairment – banks and AFS	-	-	-	(4)	-	(4)
Impairment – NAMA	(679)	-	(424)	(789)		(1,892)
Share of Associates/JVs (after tax)	-		27	1	-	28
Underlying[1] loss before tax	**(1,727)**	**39**	**(873)**	**(517)**	**(209)**	**(3,287)**

Change in Operating profit pre-impairment	**(19)**	**31**	**(76)**	**(146)**	**(205)**	**(415)**

[1] Excluding non-core items

Retail Ireland
- Net interest income impacted by lower deposit margins and higher cost of wholesale funding partially offset by improved lending margins
- Other income positively impacted in 2010 by the non recurrence of prior year property valuation negatives
- 23% reduction in impairment charges on customer loans. Continued elevated impairment charge due to prolonged economic downturn

BIL
- APE sales up 2% versus 6% decline in market

UKFS
- Increased cost of wholesale funding, lower deposit margins and lower levels of new business partially offset by improved lending margins
- Operating expenses improvement due to restructuring of UK business
- 44% reduction in impairment charges on customer loans resulting from a decreased Property and construction impairment charge

Capital Markets
- Income impacted by lower volumes due to deleveraging, increased cost of wholesale funding partially offset by improved lending margins
- 13% decline in operating expenses due to lower staff numbers
- 48% reduction in impairment charges on customer loans due to more favourable global economic outlook

Group Centre
- Income impacted by Government Guarantee fees of €343m in 2010 compared to €139m in 2009
- NAMA sub debt impairment (€70m) and NAMA onerous contract (€47m) in 2010

EPS calculation

Bank of Ireland Group

		12 months to Dec 09 €m	12 months to Dec 10 €m
	Loss attributable to ordinary stockholders	(1,719)	(614)
	Dividends to other equity interests	(4)	-
	Gain on repurchase of $150m FRN	-	24
	Dividend on 2009 preference stock	(210)	(231)
A	Loss attributable to ordinary stockholders	(1,933)	(821)
	After tax impact of non-core items	(996)	(2,359)
B	Loss attributable to ordinary stockholders excluding non-core items	(2,929)	(3,180)
C	Weighted average number of shares	1,592[1]	3,804
D	Weighted average number of shares in issue excluding treasury stock and own stock held for the benefit of life assurance policyholders	1,575[1]	3,781
	Basic EPS (A/D)	(122.7c)	(21.7)
	Underlying EPS (B/C)	(183.9c)	(83.6c)

[1] Restated to reflect the bonus element of the Rights Issue which took place in June 10

Stockholders' equity and Tangible net asset value

Bank of Ireland Group

Stockholders' equity		9 mths ended 31 Dec 09 €m	12 mths ended 31 Dec 10 €m
Stockholders' equity at beginning of period		6,852	6,387
Movements	(loss) attributable to stockholders	(1,460)	(614)
	Net new equity raised from public capital markets	-	1,006
	Foreign exchange movements on net assets in foreign subsidiaries	117	157
	Cash flow hedge reserve movement	82	275
	Pension fund obligations	(74)	391
	Available for sale (AFS) reserve movements	924	(220)
	Reissue of stock / treasury stock	(7)	(7)
	Other movements	(47)	(24)
Stockholders' equity at end of period		6,387	7,351

Tangible net asset value		31 Dec 09 €m	31 Dec 10 €m
Stockholders' equity at end of period		€6,387m	€7,351m
Deductions			
	2009 Preference Stock	(€3,462m)	(€1,817m)
	1992 Preference Stock	(€59m)	(€60m)
	US$150m capital note	(€114m)	(€61m)
	Intangible assets	(€507m)	(€452m)
	Own stock held for benefit of life assurance policy holders	€87m	€15m
Tangible net asset value (TNAV)		**€2,332m**	**€4,976m**
Number of Shares		1,004m	5,299m
TNAV per share (€ cent)		**232c**	**94c**

Abbreviations

Bank of Ireland Group

Bank of Ireland

- **BBUK** Business Banking UK
- **BIL** Bank of Ireland Life
- **POFS** Post Office Financial Services
- **PLUK** Personal Lending UK
- **NI** Northern Ireland
- **UKFS** UK Financial Services

Regulatory

- **CBI** Central Bank of Ireland
- **PCAR** Prudential Capital Assessment Review
- **PLAR** Prudential Liquidity Assessment Review

Institutions

- **IMF** International Monetary Fund
- **EC** European Commission
- **NAMA** National Asset Management Agency

Contact details

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Annual Results Announcement

For the twelve month period ended 31 December 2010