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10 February 2011

## **RESULTS OF EXCHANGE OFFERS**

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND ANNOUNCES THE RESULTS OF THE EXCHANGE OFFERS IN RESPECT OF ITS OUTSTANDING CANADIAN DOLLAR SUBORDINATED NOTES.

On 2 February 2011, the Governor and Company of the Bank of Ireland (the "**Bank**") announced an invitation (the "**Exchange Offers**") to all eligible holders (the "**Holders**") (subject to certain restrictions) of its CAD221,320,000 Fixed/Floating Dated Subordinated Notes due September 2015 (ISIN: CA 062786AA67) (the "**2015 Notes**") and its CAD145,172,000 Fixed/Floating Dated Subordinated Notes due September 2018 (ISIN: CA 062786AD07) (the "**2018 Notes**" and together with the 2015 Notes, the "**Existing Notes**") to offer to exchange any and all of such Existing Notes for either CAD 6.75 per cent. Notes due January 2012 (the "**CAD New Notes**") or EUR 6.75 per cent. Notes due January 2012 (to be consolidated and form a single series with the EUR 6.75 per cent. Notes due 2012 issued on 30 December 2010) (the "**EUR New Notes**" and together with the CAD New Notes, the "**New Notes**"), in each case to be issued by the Bank and guaranteed by the Minister for Finance of Ireland pursuant to the ELG Scheme (as defined below).

The Exchange Offers are made subject to and in accordance with the Bank's Exchange Offer Memorandum dated 2 February 2011 (the "**Exchange Offer Memorandum**"). Capitalised terms used and not otherwise defined herein have the meanings given thereto in the Exchange Offer Memorandum. Copies of the Exchange Offer Memorandum may be obtained from the Exchange Agent, the contact details for which are set out under "*Further Information*" below.

This announcement is the results announcement in respect of the Exchange Offers.

### **FX Rate and the Results of the Exchange Offers**

The FX Rate as determined by the Dealer Manager in accordance with the Exchange Offer Memorandum is 0.73819.

As at the Expiration Deadline for the Exchange Offers, CAD82,599,000 in nominal amount of 2015 Notes and CAD55,439,000 in nominal amount of 2018 Notes had been validly offered for exchange, as reported by the Exchange Agent. Of the Existing Notes validly offered for exchange, CAD62,626,000 nominal amount was offered for exchange for CAD New Notes and CAD75,412,000 was offered for exchange for EUR New Notes. The Bank will accept all such offers to exchange subject to and in accordance with the Exchange Offer Memorandum.

As a result of the Exchange Offers, the Bank will, on the Settlement Date, in exchange for the 2015 Notes and 2018 Notes accepted for exchange, (i) issue CAD33,916,000 CAD New Notes, (ii) issue €30,339,000 EUR New Notes, and (iii) pay CAD2,452,492.49 by way of Cash Amounts (comprising CAD2,179,783.08 in respect of Accrued Interest, CAD27,419.41 in respect of Cash Rounding Amounts and CAD245,290 in respect of Cash Exit Amounts).

The Settlement Date for the Exchange Offers is 17 February 2011.

Following settlement of the Exchange Offers, CAD138,721,000 in nominal amount of the 2015 Notes and CAD89,733,000 in nominal amount of the 2018 Notes will remain outstanding.

#### **FURTHER INFORMATION**

Requests for information in relation to the Exchange Offers should be directed to the Dealer Manager:

##### **THE DEALER MANAGER**

##### **RBC Dominion Securities Inc.**

2nd Floor, North Tower  
Royal Bank Plaza  
200 Bay Street  
Toronto, Ontario  
M5J 2W7 Canada

for information by telephone:  
+1 877 381 2099 (Toll-free)/+1 416 842 6311  
Attention: Chris Laham/Salim Mawani  
Email: [liability.management@rbccm.com](mailto:liability.management@rbccm.com)

Requests for any documents or materials relating to the Exchange Offers should be directed to the Exchange Agent:

##### **THE EXCHANGE AGENT**

##### **Equity Financial Trust Company**

200 University Avenue, Suite 400  
Toronto, Ontario  
M5H 4H1 Canada

Attention: Corporate Actions  
For information by telephone: +1 416 361 0152  
Facsimile: +1 416 361 0470  
Email: [corporateactions@equityfinancialtrust.com](mailto:corporateactions@equityfinancialtrust.com)

**For further information from the Bank, please contact:**

##### **Brian Kealy**

Head of Capital Management  
Tel. +353 76 623 4719

##### **Colin Reddy**

Capital Management  
Tel. +353 76 623 4722

#### **DISCLAIMER**

This announcement must be read in conjunction with the Exchange Offer Memorandum. This announcement and the Exchange Offer Memorandum contain important information which must be read carefully before any decision is made with respect to the Exchange Offers. If any Holder is in any doubt as to the action it should take, it is recommended to seek its own legal, tax, financial and accounting advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company, or other nominee must contact such entity if it wishes to participate in the Exchange Offers. None of the Dealer Manager, the Exchange Agent or any person who controls, or is a director, officer, employee or agent of such persons, or any affiliate of such persons, makes any recommendation as to whether Holders should participate in the Exchange Offers, or whether Holders wishing to participate in the Exchange Offers should elect to receive CAD New Notes or EUR New Notes. No offer or invitation to acquire or exchange any securities is being made pursuant to this announcement. Neither this announcement nor the

Exchange Offer Memorandum constitute an invitation to participate in the Exchange Offers in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such invitation under applicable securities laws and offers of Existing Notes for exchange pursuant to the Exchange Offers will not be accepted from Holders in any jurisdiction where such invitation is unlawful.

## **OFFER RESTRICTIONS**

### **General**

The distribution of the Exchange Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Exchange Offer Memorandum comes are required by the Bank, the Dealer Manager and the Exchange Agent to inform themselves about and to observe any such restrictions.

The Exchange Offer Memorandum does not constitute an invitation to participate in the Exchange Offers in any jurisdiction in which, or to any person to whom, it is unlawful to make such invitation or for there to be such participation under applicable laws. In those jurisdictions where the securities, blue sky or other laws require an Exchange Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in such jurisdictions, such Exchange Offer shall be deemed to be made on behalf of the Bank by the Dealer Manager or affiliate, as the case may be, and no Exchange Offer is made in any such jurisdiction where the Dealer Manager or any of its affiliates is not so licensed.

No action has been or will be taken in any jurisdiction by the Bank, the Dealer Manager or the Exchange Agent that would permit a public offering of the New Notes.

### **United States**

Neither Exchange Offer is being made, nor will be made, directly or indirectly, in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the internet. Accordingly, copies of the Exchange Offer Memorandum and any other documents or materials relating to either Exchange Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including without limitation, by custodians, nominees or trustees) in or into the United States or to persons located or resident in the United States or to U.S. persons and the Existing Notes cannot be Offered for Exchange by any such use, means, instruments or facilities or from within the United States or by U.S. persons. Any purported Offer to Exchange Existing Notes resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported Offer to Exchange made by a U.S. person, a person located or resident in the United States or from within the United States or from any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person will be invalid and will not be accepted.

The Exchange Offer Memorandum is not an offer of securities for sale in the United States or to U.S. persons. Neither the Existing Notes, the New Notes nor the Guarantee in respect of the New Notes have been, or will be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, and the New Notes may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of U.S. persons. The purpose of the Exchange Offer Memorandum is limited to the Exchange Offers, and the Exchange Offer Memorandum may not be sent or given to any person other than in an offshore transaction in accordance with Regulation S under the Securities Act.

Each Holder of Existing Notes participating in an Exchange Offer will represent that it is participating in such Exchange Offer in accordance with Regulation S under the Securities Act and that it is not participating in such Exchange Offer from within the United States nor is it a U.S. person or an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person.

### **Canada**

***The Exchange Offer Memorandum is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities referred to in the Exchange Offer Memorandum in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon the Exchange Offer***

***Memorandum or the merits of the securities described therein and any representation to the contrary is an offence.***

The distribution of the New Notes in Canada is being made on a private placement basis only and is exempt from the requirement that the Bank prepare and file a prospectus with the relevant Canadian securities regulatory authorities. The Bank currently does not intend to file a prospectus or similar document with any securities regulatory authority in Canada qualifying the resale of the New Notes to the public in any province or territory of Canada. Accordingly, any resale of such securities must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with prospectus and registration requirements or exemptions therefrom; these resale restrictions may in some circumstances apply to resales outside of Canada. Canadian Holders are advised to seek legal advice prior to any resale of such securities.

The CAD New Notes will be issued in the form of the CAD Permanent Global Note, held by the CDS Nominee, as nominee of CDS, or any other nominee appointed by CDS from time to time.

The EUR New Notes will initially be issued in the form of the EUR Permanent Global Note. The EUR Permanent Global Note will be held by the Common Safekeeper on behalf of Euroclear and Clearstream, Luxembourg.

Each Canadian Holder who Offers to Exchange any or all of their Existing Notes for New Notes will be deemed to have represented to the Bank, the Dealer Manager and the Exchange Agent that:

- (a) such Canadian Holder acknowledges the resale restrictions described above;
- (b) where required by law, such Canadian Holder is acting as principal, or is deemed to be acting as principal in accordance with applicable securities laws of the Province or Territory in which such Canadian Holder is resident, for its own account and not as agent for the benefit of another person;
- (c) such Canadian Holder, or any ultimate holder for which such Canadian Holder is acting as agent, is entitled under applicable Canadian securities laws to exchange its Existing Notes for New Notes without the benefit of a prospectus qualified under such securities laws, is an "accredited investor" as defined in section 1.1 of National Instrument 45-106 – *Prospectus and Registration Exemptions* ("**NI 45-106**"), and is not a person created or used solely to purchase or hold the New Notes as an "accredited investor" as described in paragraph (m) of the definition of "accredited investor" in section 1.1 of NI 45-106;
- (d) any trade (including an Offer to Exchange) by or to such Canadian Holder in the Existing Notes or the New Notes is through a dealer that is appropriately registered in the relevant Canadian jurisdiction or pursuant to an exemption from the dealer registration requirements under applicable Canadian securities laws;
- (e) such Canadian Holder has been notified that the Bank may be required to provide certain personal information pertaining to the Canadian Holder as required to be disclosed in Schedule I of Form 45-106F1 under NI 45-106 (including its name, address, telephone number and the number and value of the securities acquired), which Form 45-106F1 may be required to be filed by or on behalf of the Bank under NI 45-106; and
- (f) such Canadian Holder acknowledges that its name, address, telephone number and other specified information may be disclosed to other Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable Canadian laws. By its Offer to Exchange any or all of its Existing Notes, the Canadian Holder will consent to the disclosure of such information. Such personal information (i) may be delivered to the Ontario Securities Commission (the "**OSC**") in accordance with NI 45-106; (ii) is collected indirectly by the OSC under the authority granted to it under the securities legislation of Ontario; and (iii) is collected for the purposes of the administration and enforcement of the securities legislation of Ontario. The public official in Ontario who can answer questions about the OSC's indirect collection of such personal information is the Administrative Support Clerk at the OSC, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8, Canada, Telephone: + 1 416 593 3684. Such Canadian Holder has authorised the indirect collection of the personal information by the Canadian securities regulatory authorities.

Upon receipt of the Exchange Offer Memorandum, each Canadian Holder thereby confirms that it has expressly requested that all documents evidencing or relating in any way to the Existing Notes or New Notes described therein (including, for greater certainty, any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières*

*existantes ou aux nouveaux billets décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

## **United Kingdom**

The communication of the Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offers is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom, and are only for circulation to persons outside the United Kingdom or to persons within the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**")) or within Article 43(2) or Article 49(2)(a) to (d) of the Order, or to other persons to whom it may lawfully be communicated in accordance with the Order.

## **Ireland**

The Exchange Offers are not being made, directly or indirectly, to the general public in Ireland and no offers or sales of any notes or securities under or in connection with the Exchange Offers may be effected except in conformity with the provisions of Irish law including the Irish Companies Acts 1963 to 2009, the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland, the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland and the Market Abuse (Directive 2003/6/EC) Regulations 2005 of Ireland.

## **Belgium**

In Belgium, the Exchange Offers are not being made, directly or indirectly, to, or for the account of, any person other than "qualified investors" within the meaning of Article 10 of the Law of 16 June 2006 on the public offering of securities and the admission of securities to trading on a regulated market (*Loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés / Wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereguleerde markt*) and, therefore, the Exchange Offers do not constitute a public offer pursuant to Article 6, paragraph 3, 2° of the Law of 1 April 2007 on public acquisition offers (*Loi relative aux offres publiques d'acquisition / Wet op de openbare overnamebiedingen*) and Article 3, paragraph 2, a) of the Law of 16 June 2006. Neither the Exchange Offers nor the Exchange Offer Memorandum has been notified to the Belgian Banking, Finance and Insurance Commission (*Commission bancaire, financière et des assurances / Commissie voor het Bank-, Financie- en Assurantiewezen*) nor has the Exchange Offer Memorandum or any other information circular, brochure or similar document relating to the Exchange Offers been, nor will it be, approved by the Belgian Banking, Finance and Insurance Commission. Accordingly, the Exchange Offers may not be advertised and both the Exchange Offer Memorandum and any other information circular, brochure or similar document relating to the Exchange Offers may be distributed, directly or indirectly, in Belgium only to "qualified investors" within the meaning of Article 10 of the Law of 16 June 2006, acting for their own account.

## **France**

The Exchange Offers are not being made, directly or indirectly, to the public in France and only qualified investors (*Investisseurs Qualifiés*) other than individuals, as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code Monétaire et Financier* are eligible to participate in the Exchange Offers. The Exchange Offer Memorandum and any other offering material relating to the Exchange Offers have not been and shall not be distributed to the public in France. Neither the Exchange Offer Memorandum nor any other offering material relating to the Exchange Offers has been submitted to the clearance of the *Autorité des Marchés Financiers*. The direct or indirect distribution to the public in France of any New Notes may be made only as provided by Articles L.411-1 to L.411-4, L.412-1 and L.621-8 to L.621-8-3 of the French *Code Monétaire et Financier* and applicable regulations thereunder.

## **Italy**

None of the Exchange Offers, the Exchange Offer Memorandum or any other documents or materials relating to the Exchange Offers have been or will be submitted to the clearance procedure of the Italian securities commission, *Commissione Nazionale per le Società e la Borsa* (CONSOB), pursuant to Italian laws and regulations, and the Exchange Offers are not being made, and will not be made, directly or indirectly, in or into the Republic of Italy ("**Italy**") as a public offer (as defined in article 1, paragraph 1, letter v) of the Legislative Decree no. 58 of February 24, 1998). Accordingly, Holders of Existing Notes are hereby notified that the Exchange Offers are not intended to be addressed,

and the New Notes may not be offered, and neither the Exchange Offer Memorandum nor any other documents or materials relating to the Exchange Offers, the Existing Notes, or the New Notes has been prepared in order to be sent, by any means, distributed or otherwise made available, as part of the Exchange Offers, to any person in Italy.

**Nothing contained in the Exchange Offer Memorandum nor the information incorporated by reference therein is intended to constitute or should be construed as legal, financial, accounting or tax advice. The Exchange Offer Memorandum is for the information of eligible Holders of Existing Notes only and nothing in the Exchange Offer Memorandum is intended to endorse or recommend a particular course of action. Holders of Existing Notes should consult with an appropriate professional for specific advice rendered on the basis of their particular situation.**