

The Governor and Company of the Bank of Ireland (Bank of Ireland)
EBA Capital Exercise incorporating a capital buffer against sovereign exposures
8 December 2011

Bank of Ireland notes today's announcements by the European Banking Authority ("EBA") and the Central Bank of Ireland of the results of the EBA capital exercise incorporating a capital buffer against sovereign debt exposures.

Bank of Ireland's Core Tier 1 ratio at 30 September 2011, for the purpose of the EBA capital exercise, of 12.9% is 3.9% or €2.7 billion in excess of the 9% Core Tier 1 capital requirement. For the purpose of this exercise, Bank of Ireland's Core Tier 1 ratio was calculated using the EBA methodology and, in addition, it excluded €0.8 billion of gains related to liability management exercises completed between July 2011 and end September 2011 and circa €0.4 billion of gains arising from further liability management exercises undertaken between end September 2011 and early December 2011. These gains will be included in the Core Tier 1 capital of the Bank of Ireland when the independent audit of the year end accounts is finalised.

As noted by the Central Bank of Ireland, the results show that Bank of Ireland does not require any additional capital.

The EBA stress test results applicable to Bank of Ireland are available at www.bankofireland.com/investor

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